



東生華製藥股份有限公司
tsh biopharm corporation ltd.

2024永續報告書

Sustainability Report



2024 ESG 永續報告書	2024 ESG Sustainability Report
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About This Report

TSH Biopharm Corporation Ltd. (hereinafter referred to as “TSH,” “TSH Biopharm,” or “the Company”) is founded on the principle of sustainable operation and has long been committed to the improvement and promotion of Environmental, Social, and Governance (ESG) practices. Thank you for reading the 12th Sustainability Report of TSH. (Since 2021, TSH’s Corporate Social Responsibility Report has been renamed the Sustainability Report.) This report is prepared based on the “Global Reporting Initiative (GRI) Standards” published by the Global Sustainability Reporting Initiative and corresponds to the United Nations Sustainable Development Goals (SDGs). It also references the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, ISO 26000 Social Responsibility Guidelines, the United Nations Global Compact, and the operational methods of the Sustainability Accounting Standards Board (SASB). Chinese and English versions are published annually and can be downloaded in electronic format from the “Sustainable Development Policy – Reports” section on TSH’s official website. This is to respond to the issues of concern to stakeholders regarding TSH’s sustainable development, in the hope of continuing efforts toward sustainability.

Report Preparation Principles

This report follows the requirements of the GRI Universal Standards 2021 as the reference basis for information disclosure. It also adopts the sustainability indicators of the Sustainability Accounting Standards Board (SASB), references the framework of the Task Force on Climate-related Financial Disclosures (TCFD), and aligns with the United Nations Sustainable

Development Goals (SDGs). For detailed content, please refer to Appendix 1: GRI Content Index, Appendix 2: SASB Index, and Appendix 3: TCFD.

Disclosure Time

This report discloses the Company’s actions and performance in the aspects of social, corporate governance, and environmental sustainability in 2024 (January 1, 2024 to December 31, 2024) as part of corporate social responsibility, and responds to issues of concern to stakeholders.

Scope of Report

The scope of disclosure focuses on the activities and service items of TSH’s three operational locations in northern, central, and southern Taiwan, excluding subsidiaries. All financial figures are expressed in New Taiwan dollars (NTD). The scope of disclosure aligns with the 2024 consolidated financial statements. Relevant statistical figures are based on internationally recognized standard indicators. The financial data is based on figures audited by KPMG Taiwan. If any of the above quantitative indicators have special significance, a description will be included in a separate note. The source of report data is reviewed by senior executives of each unit and provided to the Sustainable Development Committee, then reviewed and approved by the Board of Directors before publication. Any errors from previous reporting periods that have been corrected are noted in the respective chapters.

Report Assurance

This report has been prepared in accordance with the GRI Universal Standards. The direction of report information disclosure is also aligned with the “Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and the “United Nations Sustainable Development Goals (SDGs).” We commissioned a third-party assurance body, Afnor Asia, Ltd., to perform Type 1 moderate level assurance in accordance with the AA1000 Assurance Standard (v3).

Issuance Time

You are warmly welcomed to read the Company’s 2024 Corporate Sustainability Report, which is the 12th report of TSH. This report also provides GRI Universal Standards Content Index services and Material Topic Disclosure services.

The previous version was issued in August 2024.

Current publication date: August 2025.

Next edition estimated publication date: August 2026.

If you have any suggestions or feedback regarding this report, we welcome you to contact us.

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Message from Management

In an environment full of changes and challenges, enterprises are not only creators of economic value, but also bear a responsibility to society and the environment. TSH always believes that only by deeply integrating sustainable development into the core of the enterprise can long-term and stable growth be achieved.

In 2024, we continued to use ESG as our guiding principle for operations, focusing on strengthening corporate governance, promoting product innovation, deepening social care, and introducing more environmentally friendly operating models. We strive to fulfill our commitments to society, patients, and the environment in every aspect. Whether it is supporting elderly care, contract farming of eco-friendly farmland, or promoting precision cancer medicine, we uphold our original intent and respond with action to the expectations of every stakeholder.

This sustainability report is an important bridge for external communication. It honestly records the efforts and achievements of the past year and demonstrates our determination to move forward to the next stage. We deeply understand that there is no shortcut to sustainability. Only through continuous improvement and co-creating value can we achieve shared prosperity with society and coexist with the environment.

Thank you to all partners who care about and support us, enabling TSH to remain true to its mission and move forward steadily.



總經理 楊思源	President Yang, Si-Yuan
董事長 林全	Chairman Chuan Lin

People-Oriented, Deep Cultivation of Sustainability, Expanding Future Opportunities

Since its establishment, TSH has adhered to the philosophy of “people-oriented,” dedicated to enhancing human health and well-being, with sustainable development as the core guiding principle of corporate growth. In 2024, we demonstrated stronger and deeper growth momentum in areas including product layout, international expansion, strategic mergers and acquisitions, and ESG initiatives, continuously injecting hope and action into human health and global sustainability.

Accelerating Product Layout and Market Growth with a Dual-Engine Strategy

Five years ago, we launched a dual-engine strategy of “authorized introduction” and “independent development,” actively expanding our product portfolio and development capabilities. By the end of 2024, we had successfully obtained four drug licenses, covering cardiovascular, central nervous system, and ophthalmology, and secured two overseas marketing authorizations, injecting new momentum into the market. In the future, we will continue to strengthen our new products and actively seek international licensing opportunities, bringing TSH’s innovation to the global market.

Deep Cultivation in the Disease Area and Opening Up a New Blue Ocean in Ophthalmology

We continue to expand our focus on specialized disease areas. In 2024, we obtained Taiwan’s first marketing authorization for Tyrvaya, a nasal spray for dry eye, and we anticipate an official launch in 2025, bringing hope to patients. In the future, we will continue to deploy innovative products and

expand into a broader healthcare blue ocean.

Expanding Patient Care and Exploring New Applications in Cancer Detection

In addition to continuing the distribution of products in Taiwan, Korea, and Singapore, in 2024 our patient care team introduced the CancerFind cancer risk screening product, expanding our genetic testing portfolio into the routine health checkup market, contributing to cancer prevention and control.

Consolidating Group Resources to Achieve a Comprehensive Omnichannel Layout

In 2024, we completed the equity integration of Chuang Yi Biotech, TOP Pharm. Medicalware, and TOP Biological Technology, increasing our coverage of clinics and pharmacies and achieving a comprehensive layout across hospitals, clinics, and pharmacies. This has created synergies in product development and sales, injecting more growth momentum into the Group.

Implementing ESG with Concrete Actions to Nurture Both Land and People Upholding our commitment to health and environmental protection, we continued to promote the “Leopard Cat Rice” public welfare project with the Old Five Old Foundation, supporting pesticide-free contract farming, protecting leopard cat habitats, and completing two rounds of charity sales, with 100% of proceeds donated to support both the elderly and the ecosystem. We also invited senior volunteers to participate in harvest activities, allowing love to flow through the land and rooting sustainability in the hearts of future generations.

Future Outlook

TSH will continue to uphold the core spirit of “Sustainable Cultivation, Elevating Love,” combining R&D innovation, product expansion, social responsibility, and environmental protection, deepening the value of being people-oriented, and working hand in hand with all partners and society to co-create a healthy, beautiful, and sustainable future.

About TSH

Improve patients' quality of life and become the best strategic partner for international innovative biotech companies in Asia for development and marketing.

關於東生華

創立緣起

成立日：2010/09/01

行業別：生物製藥

上市上櫃

掛牌日：2012/04/30

實收資本額：新台幣3.84億元

管理團隊

董事長：林 全

總經理：楊思源

專業領域

心血管、胃腸道、自體免疫

基因檢測、癌症治療及追蹤檢測

競爭優勢

營銷運行、專利佈局、通路開發、

研發合作、臨床研究、策略聯盟

基本資訊

台北市南港區園區街3-1號(G棟)3樓-1

www.tshbiopharm.com

關於東生華	About TSH	專業領域	Specialty
創立緣起	Founding of the Company	心血管、腸胃道、自體免疫	Cardiovascular, gastrointestinal, autoimmune

成立日：2010/09/01	Date of Founding: 2010/09/01	基因檢測、癌症治療及追蹤檢測	Genetic testing, cancer treatment, and follow-up testing
行業別：生物製藥	Industry: Biopharmaceutical	競爭優勢	Competitive Advantages
上市上櫃	TWSE/TPEx Listed	營銷運行、專利佈局、通路開發、研發合作、臨床研究、策略聯盟	Marketing operations, patent procurement, channel development, R&D collaborations, clinical research, strategic alliances
掛牌日：2012/04/30	Listing Date: 2012/04/30	基本資訊	Basic information
實收資本額：新台幣 3.84 億元	Paid-in Capital: NT\$384 million	台北市南港園區街 3-1 號(G 棟) 3 樓-1	Address: 3F.-1, No. 3-1, Yuanqu St., Nangang Dist., Taipei City (Building G)
管理團隊	Management Team		
董事長：林全	Chairman: Chuan Lin		
總經理：楊思源	President: Yang, Si-Yuan		

TSH is a domestic pharmaceutical company with significant development potential. It was established in 2010 and listed on the TPEx in 2012 (stock code: 8432).

The Company's main product sales are primarily domestic. Sales channels include hospitals and clinics, accounting for over 95% of net revenue. The Company focuses on chronic disease areas, primarily engaging in cardiovascular, gastrointestinal, central nervous system, and ophthalmic medications, while actively expanding NGS precision medicine testing services. In December 2023, the Company acquired Chuang Yi Biotech, extending its product line to include probiotics and vaccines for preventive medicine. This accelerated the expansion of TSH Biopharm's self-pay clinic network, aiming to broaden the sales landscape and enhance operational performance. In 2024, TSH further acquired TOP Pharm. Medicalware Company Limited, expanding the sales network to seize the NT\$300 billion elderly market opportunity, increase the proportion of self-pay sales, and jointly enhance the Group's performance. With deep experience, innovative capabilities, and proactive planning, TSH was awarded the 2024 Outstanding Biotechnology Award – Potential Benchmark Award and will continue to provide a more comprehensive portfolio of medical products while promoting the development of Taiwan's biotechnology industry.

東生華實力備受肯定

東生華製藥重視永續經營，持續提高公司治理、品牌及人才培育獲得佳績

2025第11屆、2022第8屆 公司治理評鑑TOP5%

全台上櫃公司僅有39間(第11屆)、36間(第8屆)評鑑為TOP 5%

2024 傑出生技產業獎 潛力標竿獎

評選未來發展潛力傑出，前景可期之生技公司



2023第20屆國家品牌玉山獎

傑出企業領導人 楊思源 總經理



2022HR ASIA 亞洲企業最佳雇主獎

首次參賽即得獎，全台330家企業僅97家獲獎



Deepen Our Focus on Chronic Diseases, with a Patient-Centered Approach

TSH Biopharm adheres to a patient-centered philosophy, dedicated to improving the quality of life for chronic disease patients. The Company has extensive experience and advantages in the chronic disease sector, with excellent niche products in cardiovascular, gastroenterology, ophthalmology, and central nervous system medications. While deepening its presence in the Taiwan market, TSH Biopharm is also actively expanding into overseas markets to meet global patient treatment needs.

東生華實力備受肯定	TSH Is Recognized for Its Strength
東生華製藥重視永續經營，持續提高公司治理、品牌及人才培育獲得佳績	TSH attaches great importance to sustainable management, continuously enhancing corporate governance, brand building, and talent development, and has achieved outstanding results:
2025 第 11 屆、2022 第 8 屆 公司治理評鑑 TOP 5%	2025 (11th Session), 2022 (8th Session) Corporate Governance Evaluation Top 5%
全台上櫃公司僅有 39 間(第 11 屆)、36 間(第 8 屆)評鑑為 TOP5%	Only 39 companies (11th) and 36 companies (8th) among all OTC-listed firms in Taiwan received Top 5% ratings.
2024 傑出生技產業獎 潛力標竿獎	2024 Outstanding Biotechnology Industry Award – Potential Benchmark Award
評選未來發展潛力傑出，前景可期之生技公司	Recognizing biotech companies with outstanding potential and promising development prospects.
2023 第 20 屆國家品牌玉山獎	2023 20th National Brand Yushan Award
傑出企業領導人 楊思源 總經理	Outstanding Enterprise Leader: President Yang, Si-Yuan
2022HR ASIA 亞洲企業最佳雇主獎	2022 HR Asia – Best Companies to Work for in Asia
首次參賽即得獎，全台 330 家企業僅 97 家獲獎	Won on first entry. Only 97 companies out of 330 in Taiwan received the award.

Actively Developing Innovative Precision Medicine for More Accurate Testing

With the development of medical technology, precision medicine has become a trend in future pharmaceutical development. TSH Biopharm is actively positioning itself in the innovative precision medicine field, aiming to provide patients with more precise, safer, and more convenient treatment options. The Company currently offers a variety of innovative NGS precision medical technologies, including NGS next-generation gene testing, cancer-targeted drug screening, cancer recurrence tracking, tissue screening services, and safe and convenient liquid biopsies, enabling accurate detection using only bodily fluids such as blood, pleural fluid, or ascites.

Expand international market deployment, move toward internationalization

TSH Biopharm aims to become the best biotech pharmaceutical partner for international collaborators in Asia for development and marketing. While continuing to strengthen its roots in Taiwan, the Company is actively entering international markets. Chronic disease medications have already been stably marketed in Hong Kong and Thailand, and in 2024 it expects to open the Myanmar hypertension drug market, continuing to aim for deployment in Vietnam, the Philippines, Malaysia, and Indonesia.

Move toward better health services

In the future, TSH Biopharm will continue to focus on the chronic disease niche market, striving to meet unmet patient needs. Develop more innovative drugs and actively expand into overseas markets, bringing products to a global audience and benefiting more patients. At the same time, actively develop AI-powered precision diagnostic medicine to provide patients with smarter medical testing services. The Company is confident in providing superior health services and constructing a more comprehensive medical product portfolio for all of humanity in the future.

Vision

Strive to enhance patients' quality of life

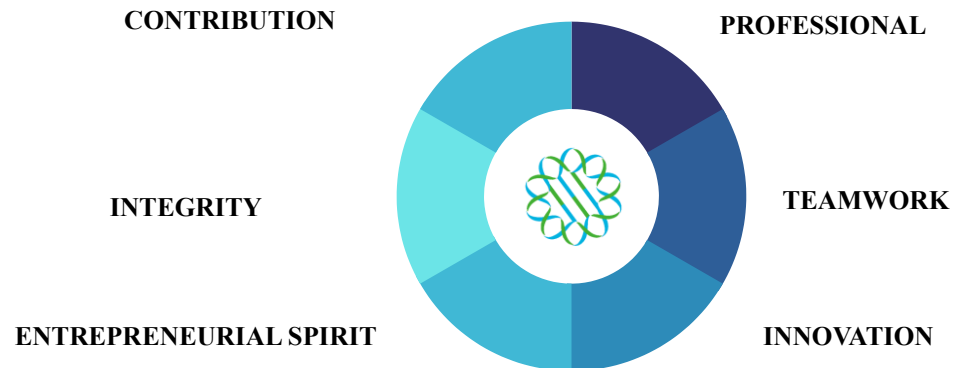
Become the best strategic partner in development and marketing in Asia for international biotechnology companies

Goals

- ❁ Focusing on patient quality of life as the core
 - Provide a Total Solution product portfolio for unmet medical needs
- ❁ Specializing in establishing market differentiation
 - Develop innovative specialized medical technologies and dosage forms
- ❁ Becoming: Value Creation Strategy
 - Become the best strategic partner for innovative biotechnology development and marketing in Asia

Corporate Culture

With an attitude and entrepreneurial spirit of honesty and integrity, TSH utilizes innovative and professional approaches, and achieves organizational targets through teamwork, thereby contributing to society.



Operating Locations



Taipei Office

Address | 3F.-1, No. 3-1, Park St., Nangang Dist., Taipei City
(Nangang Software Park, Building G)

Tel | 02-2655-8525

Fax | 02-2655-8526

Taichung Office

Address | 4F.-1, No. 424, Zhongming Rd., North Dist. Taichung
City

Tel | 04-2206-7276

Fax | 04-2206-1883

Kaohsiung Office

Address | 12F.-7, No. 56, Minsheng 1st Rd., Xinxing Dist.,
Kaohsiung City

Tel | 07-2222-686

Fax | 07-2222-696

Ownership and legal form

The Company is a company limited by shares incorporated in accordance with the laws of the Republic of China and complies with applicable laws and regulations of the Republic of China in respect of corporate governance, environmental protection, labor, human rights, products, and finance. Our main operating activities are concentrated in Taiwan; however, our pre-clinical trials, clinical trials, and overseas product authorization may expand into areas outside Taiwan based on the needs of our new drug development plans.

At present, the Company does not have products or services that are prohibited in specific markets or the subject of questioning or public discussion by stakeholders.

TSH's ESG Performance and Contribution in 2024

Environmental Protection

- ❁ **Support the recovery of river ecosystems and the contract farming of leopard cat rice paddies to restore ecology and biodiversity**
- ❁ **310 packs** of photocopy paper used in the office were **PEFC-certified**, and **4,000 calendars** were printed using **FSC™ forest-certified paper**
- ❁ **Coffee beans and tea bags used in the office comply with the spirit of fair trade**
- ❁ **0** violations of environmental-related regulations
- ❁ All supplier self-assessment results are in compliance with the law



TSH entered the second year of supporting river recovery by contracting leopard cat rice fields, restoring ecology and biodiversity.

Social Prosperity

- ❁ **Support river restoration through the contract farming of leopard cat rice paddies and support local farmers' production**
- ❁ Supported the Old Five Old Foundation's mobile supply vehicle activity – a total of **4 sessions** – serving **19** elderly people with mobility difficulties in remote areas.
- ❁ Held **one** hypertension health education lecture at the Shiding Center of the Old Five Old Foundation, with **30** elderly participants
- ❁ For three major holidays, **200 gift boxes** were purchased from the Care Café operated by the Old Five Old Foundation, and given to stakeholders along with leopard cat rice
- ❁ Donated **300 gift boxes** of leopard cat rice and leopard cat soap for charity sales, with **100% of the proceeds donated** to the Old Five Old Foundation for operations
- ❁ Provided employees with **96 doses** of free flu vaccinations or subsidies for family members, and **over half of the employees participated in** annual health checkups
- ❁ **0 occupational accidents, 0 cases of sexual harassment complaints**



TSH entered the third consecutive year of supporting the Old Five Old Foundation, continuing rural visits to implement mobile supply vehicle activities.

Corporate governance

- ❁ Continued the Small Golden Chicken Project, successfully acquiring 51% equity in Top Pharm, making it TSH's second strategic partner
- ❁ TSH won the **2024 Outstanding Biotechnology Industry Award – Potential Benchmark Award**
- ❁ Ranked in the **Top 5%** in the 11th Corporate Governance Evaluation
- ❁ In 2024, the average **salary adjustment increased by approximately 3.47%**
- ❁ Held 6 Board of Directors meetings, with an average attendance rate of **100%**
- ❁ The Board of Directors included two female directors, accounting for **22.22%**
- ❁ The ratio of female employees in 2024 was **61.11%**
- ❁ The proportion of female senior executives in 2024 was **20.45%**



Received the 2024 Outstanding Biotechnology Industry Award – Potential Benchmark Award, demonstrating its innovative strength and development potential in the biotechnology field

Stakeholder Engagement on Material Topics

TSH follows the GRI Universal Standards 2021, specifically GRI 3: Material Topics 2021, to further evaluate the significance of material topics' impacts on the economy, environment, and human rights. We have developed an impact-based materiality analysis methodology, continually identifying and assessing impacts to determine the material topics for sustainability information disclosure.

During the preparation of the 2024 Sustainability Report, feedback was collected from a total of 39 stakeholders regarding their attention to sustainability issues. Based on the results of the analysis, 11 material topics were identified from among 26 sustainability issues and were used in compiling this report.

The process of determining material topics is shown in the table below. Before final approval, they are referred to as "sustainability issues." Once identified and confirmed, they become "material topics."

Execution steps	Implementation content	Achievements
Step 1. Identify the communication parties	Following the five aspects outlined in the AA1000 Stakeholder Engagement Standard (AA1000SES) – influence, concern, responsibility, dependence, and diversity of perspectives – stakeholder identification questionnaires were distributed to each department. After the results were reviewed and approved by the Sustainable Development Committee, stakeholders were categorized into six groups based on importance: employees, media, suppliers, customers (patients and medical staff), shareholders and investors, and government and regulatory authorities.	6 major stakeholder groups
Step 2. Collect sustainability issues	Reference 1. GRI Standards 2. Task Force on Climate-related Financial Disclosures (TCFD) 3. Evaluate the 17 SDGs (Goals) and their 169 Targets, and select actions that may contribute to TSH Biopharm's goals. 4. Sustainability Accounting Standards Board (SASB) 5. After the stakeholders' engagement process, the Sustainability Committee compiled and listed 26 sustainability issues.	26 sustainability issues
Step 3. Investigate stakeholder levels of concern	Each unit identified closely related and influential stakeholders. Through the "2024 TSH Biopharm Stakeholder ESG Questionnaire," feedback was collected from six stakeholder categories regarding the 26 sustainability issues. A total of 45 valid	39 valid stakeholder questionnaires received Stakeholder Concern Matrix

	responses were received, including: employees (11), media (5), suppliers (including subsidiaries and partners) (9), customers (patients and medical staff) (7), shareholders and investors (4), and others (3). From the data, 16 issues with the highest levels of concern were identified.	
Step 4. Confirm material topics	The task force reviewed the Step 3 results. Department heads then scored the 16 high-attention topics based on their degree of impact and likelihood of occurrence. From this, 11 key issues were selected as the material topics for the year. Results were reported to the Sustainable Development Committee and the Board of Directors.	11 material topics
Step 5. Evaluate positive/negative, actual/potential impacts, and assess impact significance	The task force reviewed the Step 4 results. Through an impact assessment questionnaire, the 11 material topics were further evaluated for their effects on the economy, environment, and corporate governance. Each was assessed for positive/negative impact and scored accordingly. The scope and degree of involvement within the value chain were also identified. At this stage, TSH confirmed that all 11 material topics had significant impact.	Matrix of positive and negative impacts and their likelihood
Step 6. Confirm topic prioritization and disclosure content	After review by senior management of each department, the material topics were submitted to the Sustainable Development Committee. The task force compiled disclosure content in this report, describing for each topic the response strategies, short-, medium-, and long-term goals, performance outcomes, and management approaches, in line with disclosure requirements.	---

✓ Stakeholder Engagement

TSH identifies from among its many stakeholders those who have the greatest influence on TSH, including **employees, media, suppliers, customers (patients, healthcare personnel), shareholders and investors, and government and competent authorities – a total of six stakeholder categories**. Through multiple channels, regular and ad hoc engagement is conducted to understand stakeholder expectations. This also serves as a source of information for sustainability topics and impact assessments:

Stakeholders	Key Issues of Concern	Importance and Significance to TSH	Engagement Method & Frequency (2024 Record)
Employees	Occupational Safety and Health Management Happy and diversified workplace Diversity and Equal Opportunity Talent Development and Cultivation Labor/management relations Business Ethics Human rights	TSH regards employees as its most important stakeholders. Together with colleagues, TSH fosters a safe, healthy, and friendly work environment. In addition to ensuring employee human rights, TSH is committed to growing alongside its staff. Through internal training and a performance evaluation system, employee skills are enhanced, and company competitiveness is strengthened.	✓ Annual strategy meeting (1 time) ✓ Bi-annual POA (Plan of Action) meetings (2 times) ✓ Quarterly labor–management meetings (4 times) ✓ Annual employee welfare committee meetings (8 times) ✓ PDP performance management system interviews (3 times) ✓ Annual IDP individual development plan setting and feedback
Media outlets	Economic Performance New drug R&D and innovation Quality and safety management of medicines Physician-patient relationships and social participation and Drug Distribution and Pricing Customer Privacy	TSH fulfills corporate social responsibility, placing social contribution at the core of operations, addressing environmental and social issues, and creating a positive impact.	✓ Irregular media luncheons during investor conferences ✓ Irregular media visits and luncheons ✓ Press releases for important announcements ✓ Communication, Email

Stakeholders	Key Issues of Concern	Importance and Significance to TSH	Engagement Method & Frequency (2024 Record)
Suppliers	Business Ethics Legal compliance and ethical corporate management Economic Performance New drug R&D and innovation Supply chain management	TSH regards suppliers and contractors as key operational components, and expects the implementation of sustainable supply chain management through the standards set by the Supplier Code of Conduct.	✓ Regular meetings (monthly) ✓ Existing supplier evaluations (annually and every three years); 15 suppliers undergo annual evaluation ✓ New supplier audit (1 case) ✓ Phone, Email
Customers (patients, healthcare professionals)	Operating Risk, Risk Management New drug R&D and innovation Quality and safety management of medicines Drug Distribution and Pricing Customer Privacy Physician-Patient Relationship and Social Participation	Good quality and service build distributor and consumer confidence in the brand. TSH adheres to a customer-first principle; providing quality products and services is indispensable.	✓ Irregular large-scale symposiums ✓ Toll-free phone line ✓ Irregular meetings ✓ Training
Shareholders and Investors	Business Ethics Legal compliance and ethical corporate management Operating Risk, Risk Management Sustainable Governance Operations Economic Performance New drug R&D and innovation	Shareholders and investors provide the capital needed for long-term development. Their evaluations and suggestions influence the company's value and strategic direction. TSH aims to create stable profits and investment returns, while demonstrating sustainable governance performance.	✓ Investor conferences (4 times) ✓ Annual general meeting of shareholders (1 time) and board meetings (6 times) ✓ At the shareholders' meeting, 57.5% of total issued shares exercised voting rights electronically; shareholders actively participated in resolution voting ✓ Annual reports and meeting announcements available for investor reference

Stakeholders	Key Issues of Concern	Importance and Significance to TSH	Engagement Method & Frequency (2024 Record)
Government and Competent Authorities	Climate Change Chemical Substance Management Ecological Impact Employment Legal compliance and ethical corporate management Information Security Air pollution management Water resources management Waste management	TSH adheres to the spirit of legal compliance and corporate governance, operating according to policies and laws set by the government. TSH also complies with regulations by publishing material information and responding to questionnaires and inquiries.	✓ Company financial reports ✓ 70 bilingual material announcements published on the Market Observation Post System ✓ Irregular audits ✓ Participation in regulatory advocacy meetings

✓ Collecting Sustainability Issues

To identify potential material topics for TSH, TSH condensed 26 issues from international sustainability standards and regulations (GRI, TCFD, SASB, etc.), the United Nations Sustainable Development Goals (SDGs), and stakeholder interactions. Further investigation into the impact caused by the issues.

1. Source of Issue

International sustainability standards and regulations	United Nations Sustainable Development Goals (SDGs)	Responsible investment	Stakeholder interaction
Reference to GRI Standards, Task Force on Climate-related Financial Disclosures (TCFD), and other international sustainability standards	Evaluation of the 17 SDGs (Goals) and their 169 Targets to identify actions where TSH may contribute	Sustainability Accounting Standards Board (SASB), etc.	Issues of concern to employees, media, suppliers and contractors, customers (patients, medical staff), shareholders and investors, government and regulatory agencies

2. Sustainability Issues

Through the “2024 TSH Stakeholder ESG Questionnaire,” stakeholders were surveyed on their level of concern regarding 26 sustainability issues. The results of the stakeholder concern questionnaire showed 16 issues with high concern. From the 16 high-concern issues, the task force,

with department heads scoring the impact level and probability of occurrence, ultimately selected 11 material issues as this year's key topics. Results were reported to the Sustainable Development Committee and the Board of Directors.

✓ Sustainability Issues

The “2024 TSH Biopharm Stakeholder ESG Questionnaire” surveyed stakeholders’ concerns on sustainability, covering a total of 26 issues: 8 Environmental (E), 9 Social (S), and 9 Governance (G).

Environment (E)	Society (S)	Corporate governance (G)
Air Pollution Management/Air Quality Water resource management/wastewater treatment Waste management Circular Production Climate Change Resource management Chemical Substance Management Ecological Impact	Occupational Safety and Health Management Happy and diversified workplace Diversity and Equal Opportunity Talent Attraction and Retention Employment Physician-Patient Relationship and Social Participation Human rights Drug distribution and pricing (Access to Medicine) Pharmaceutical marketing ethics	Business Ethics Legal compliance and ethical corporate management Operating Risk, Risk Management Sustainable Governance Operations Supply chain management Economic Performance New drug R&D and innovation Quality and safety management of medicines Customer Privacy and Information Security

✓ **Survey stakeholder concern levels**

According to the results of the “2024 TSH Stakeholder ESG Questionnaire,” the following 16 items were identified as having high concern.

Environment (E)	Society (S)	Corporate governance (G)
Waste management Climate Change Resource management	Drug distribution and pricing (Access to Medicine) Employment Talent Attraction and Retention Diversity and Equal Opportunity Happy and diversified workplace Occupational Safety and Health Management Patient relations	Supply chain management New drug R&D and innovation Quality and safety management of medicines Operating Risk, Risk Management Legal compliance and ethical corporate management Business Ethics

✓ **Confirming material topics**

From the above 16 high-concern topics, the working group had department heads assess the level of impact and likelihood of occurrence, ultimately selecting 11 material topics as this year’s material issues. Results were reported to the Sustainable Development Committee and the Board of Directors.

Due to the nature of TSH’s operations, the impact and significance of waste management are minimal; therefore, two environmental topics were ultimately identified as material topics, same as in 2023. In the social category, since most of TSH’s operations take place in office environments, occupational safety and health management is already a basic requirement and has limited impact. A positive physician–patient relationship helps accurately convey drug information and enhances patient trust. TSH has strong physician-patient interaction data. Given the relatively small impact, four topics were ultimately included as material issues. In the corporate governance category, legal compliance and ethical business conduct are at the core of corporate risk management, representing the bottom line for corporate reputation and regulatory compliance. These have already been incorporated into the Company’s internal control operations and are regularly reported to the Board of Directors

TSH’s 11 material topics: Environmental (E) – 2 items, Social (S) – 4 items, and Governance (G) – 5 items.

Environment (E)		Society (S)		Corporate governance (G)	
2023	2024	2023	2024	2023	2024
Resource management	Resource management	Happy and diversified	Drug distribution and pricing (Access to Medicine)	Legal compliance and ethical corporate	Supply chain management New drug R&D and

Climate Change	Climate Change	workplace Diversity and Equal Opportunity Talent Development and Cultivation Employment	Employment Talent Attraction and Retention Happy and diversified workplace	management Operating Risk, Risk Management Supply chain management Economic Performance Information Security	innovation Quality and safety management of medicines Operating Risk, Risk Management Legal compliance and ethical corporate management
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Environmental aspect: The same in 2024 as in 2023. In the social aspect, the topic of diversity and equal opportunity from 2023 has already been incorporated into TSH's management system, covering gender equality, ethnic group respect, age inclusion, and a fair promotion system. If drug pricing and distribution can be integrated with the health insurance system, it will allow the products to reach a wider range of consumers and patient groups. Therefore, the topic of drug channels and pricing (Access to Medicine) has been newly added this year. As for corporate governance, the material topics in 2023 – economic performance and information security – have not been included this year. In recent years, TSH has performed well operationally, and in 2024 was again selected among the top 5% of all OTC-listed companies in Taiwan's corporate governance evaluations. The information security management system also includes a complete incident reporting and handling process. Therefore, it was not included in the key discussion points. For TSH, "New Drug R&D and Innovation" and "Pharmaceutical Quality and Safety Management" are core to its business. The Company has achieved excellent results in product development, overseas market expansion, distribution layout, and precision medicine. These achievements are helping to build a sustainable and resilient operational system. Through R&D licensing and strategic mergers and acquisitions, TSH is building strong growth momentum. Pharmaceutical quality and safety management has a core impact on TSH – not only does it affect patient health and the Company's reputation, but it also directly impacts market survival and business performance. Therefore, these two topics are included as material topics for 2024.

✓ Impact Assessment

1. Quantitative questionnaire results

The Sustainability Development Committee analyzed the 11 material topics based on two key dimensions, according to questionnaire scores. The consolidated results are as follows:

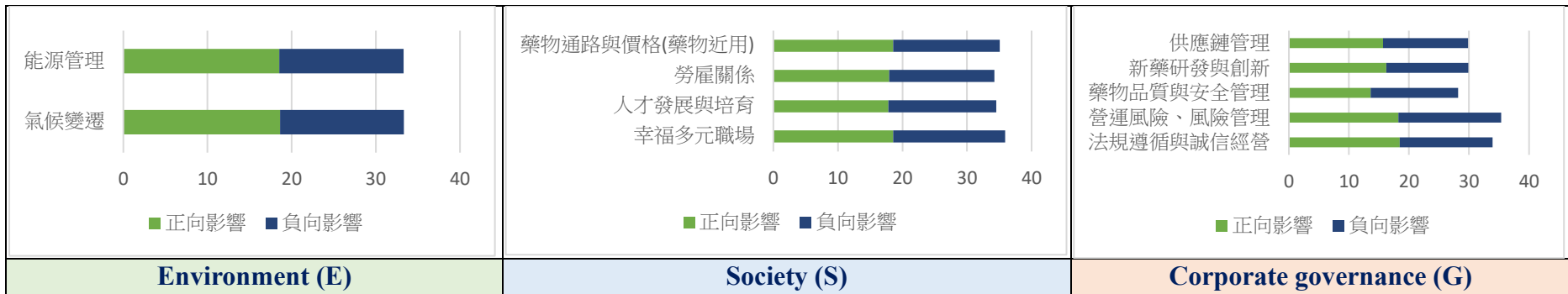
I. Degree of positive or negative impact on TSH's operations and sustainable development (ESG): measuring the potential benefits or risk impact of the topic.

II. Likelihood of actual or potential occurrence: evaluating the probability and urgency of the topic occurring in the foreseeable future.

(1) Quantitative Impact Explanation:

Positive impact degree:	Score the positive benefit of each sustainability topic on TSH's operations and sustainable development (ESG) from 1 to 5
Likelihood of actual/potential occurrence:	Score the likelihood of the topic (positive benefit) occurring from 1 to 5

Negative impact degree:	Score the negative impact of each sustainability topic on TSH's operations and sustainable development (ESG) from 1 to 5
Likelihood of actual/potential occurrence:	Score the likelihood of the topic (negative impact) occurring from 1 to 5.



能源管理	Resource management	供應鏈管理	Supply chain management
氣候變遷	Climate Change	新藥研發與創新	New drug R&D and innovation
正面影響	Positive influence	藥物品質與安全管理	Quality and safety management of medicines
負面影響	Negative Impact	營運風險、風險管理	Operating Risk, Risk Management
藥物通路與價格(藥物近用)	Drug distribution and pricing (Access to Medicine)	法規遵循與誠信經營	Legal compliance and ethical corporate management
勞雇關係	Employment		
人才發展與培育	Talent Development and Cultivation		
幸福多元職場	Happy and diversified workplace		

✓ Regular Review

TSH's sustainability topics are identified through internal impact assessments and the integration of stakeholder feedback. The final decision was confirmed by the Sustainability Development Committee. In the future, TSH will continue to understand the positive and negative impacts it causes, as well as the expectations of internal and external stakeholders, through regular and ad hoc engagement. Each year, through the materiality assessment process, TSH will integrate internal and external viewpoints and refine them into material topics.

For each material topic, TSH establishes a management policy and action plan. It sets goals and indicators based on data-driven strategies and regularly tracks performance. As for non-material topics, TSH discloses relevant indicators through existing management processes and actions to provide stakeholders with a full view of the Company's sustainability performance.

The GRI Standards are used as the basis for sustainability report disclosures, ensuring stakeholder feedback is properly addressed. Management methods for each material topic are explained in each chapter. A GRI index appendix explains the indicators covered.

Aspect	Material Topic	Positive Actual and Potential Impact on TSH	Negative Actual and Potential Impact on TSH	Control Measures
Environmental	Climate Change	Reducing greenhouse gas emissions aligns with global environmental protection trends. Quantified GHG inventory reports support emissions	If TSH fails to respond actively to energy and climate issues, it may face public criticism (e.g. lower ESG ratings), damaging corporate image	Plan to adopt TCFD recommendations. Conduct training and perform GHG inventory and quantification in

		control and reduction.	and market trust.	accordance with ISO 14064-1:2018.
	Resource management	During operations, TSH strives to reduce resource consumption, achieving energy savings and environmental goals. Energy resource management is part of TSH's sustainability strategy. Institutionalizing this process improves environmental performance and energy efficiency.	Investors and financial institutions are placing increasing importance on corporate carbon risk management. This could raise capital costs or lead to disinvestment.	

Aspect	Material Topic	Positive Actual and Potential Impact on TSH	Negative Actual and Potential Impact on TSH	Control Measures
Social	Talent Development and Cultivation	The pharmaceutical industry is highly dependent on R&D capabilities and professional knowledge. Through continuous talent cultivation (such as pharmacy, clinical trials, and biotechnology engineering), TSH can strengthen its core technologies and product competitiveness. Encouraging interdisciplinary learning and innovative thinking contributes to accelerating new drug development and product upgrades.	Impact on competitiveness: The pharmaceutical industry heavily relies on professional talent in R&D, production, and quality management. If systematic training and promotion opportunities are lacking, employee skills may stagnate, reducing innovation capability and responsiveness to the market. Rising employee turnover: A lack of clear career development paths may lead to the loss of key talent, increasing recruitment and training costs and causing operational disruption risks.	TSH complies with relevant labor laws and respects internationally recognized fundamental labor rights principles, striving to protect employees' legal rights and ensure fair employment policies. Regular occupational safety and health training, along with employee communication, is implemented.
	Employment	Establishing good labor-management relations can promote trust and cooperation between employees and management, reduce labor disputes and disruption risks, and ensure the continuous and stable operation of R&D, production, and supply chains. Proactive communication and a reasonable benefits system can enhance employees' sense of belonging and loyalty, reduce turnover, and lower manpower costs and recruitment burdens.	If communication between management and frontline employees is poor, or if labor concerns are not effectively addressed, it may lead to strikes or union protests, affecting normal operations. Failure to comply with the Labor Standards Act, Occupational Safety and Health Act, and other relevant laws and regulations may result in fines, labor inspection penalties, and damage to the Company's reputation.	

	Happy and Diversified Workplace	Building a “happy workplace” environment (such as flexible working hours and health promotion) can effectively reduce employee stress, improve work-life balance, and help increase focus and efficiency at work. Employees working in an environment where they feel respected and cared for are more willing to take initiative, demonstrate responsibility, and exhibit team spirit.	Excessive workplace pressure, lack of flexible systems, or insufficient physical and mental health resources can lead to employee fatigue and burnout, affecting efficiency and quality. Failure to shape a strong employer brand image will weaken TSH’s competitiveness in the talent market, especially among the younger generation and senior professionals.	
	Drug distribution and pricing (Access to Medicine)	For TSH, opening up sales and distribution channels through hospitals, clinics, and specialty centers is critical. This directly affects whether our products can effectively reach patients. If the Company can price its products reasonably and include them in the National Health Insurance or international insurance systems, it will help expand the patient base and increase drug penetration.	Taiwan’s National Health Insurance Administration regularly adjusts drug reimbursement prices. If TSH’s drugs are subject to price reductions, it will directly impact revenue and gross profit margins. This impact is especially significant for companies that rely heavily on the health insurance market as their primary source of sales.	We have established a product accessibility evaluation system, referencing the spirit of the Access to Medicine Index and WHO guidelines on drug pricing policies. This system covers launch strategy, price setting, channel selection, and market access analysis.

Aspect	Material Topic	Positive Actual and Potential Impact on TSH	Negative Actual and Potential Impact on TSH	Control Measures
Corporate Governance	Supply chain management	Through strict screening and continuous monitoring of suppliers, we ensure that raw materials comply with international drug quality standards	Supply chain disruption risk The establishment of overly strict environmental, safety, and health or compliance thresholds for suppliers	We manage suppliers through qualification review, on-site audits, improvement guidance, and tracking mechanisms,

		(such as GMP and ICH guidelines), significantly reducing product defects and recall risks, thereby protecting patient safety and the Company's reputation. Establish strategic alliances with high-quality, high-tech suppliers to facilitate new product development, process optimization, or the introduction of new technologies, enhancing TSH's competitive advantage in the pharmaceutical market.	may lead some suppliers to be unable to cooperate or withdraw from the partnership, especially those providing key raw materials or outsourced processes, potentially causing production delays or disruptions. Internal resource load increase The supplier management operation (e.g. on-site audits, environmental safety and health data review, continuous improvement tracking) lacks standardized or systematic processes, which will increase the administrative burden on the quality, procurement, and EHS departments, resulting in manpower and cost pressures, and potentially leading to insufficient implementation.	while promoting environmental friendliness and paying attention to sustainability issues.
	New drug R&D and innovation	The successful development of new drugs creates market patent protection and sales rights, which is the biggest source of the Company's revenue and profit growth. New drugs also benefit TSH in collaborating with international pharmaceutical companies through technology licensing or joint development.	Even though new drugs in the clinical stage may fail due to insufficient efficacy, safety issues, or difficulties in patient recruitment, the significant capital and time invested in the early stages can be wasted. Such failure will directly affect the Company's reputation in R&D and market evaluation.	--Establish an R&D blueprint aligned with the Company's vision, disease trends, and market needs. --Regularly review and update the R&D pipeline and focus areas (e.g. oncology, immunology, and rare disease drugs).
	Quality and	Comply with the PIC/S Good	If a drug product experiences a quality	The Company entrusts the

	safety management of medicines	Manufacturing Practice (GMP) and other relevant regulations to ensure the safety and effectiveness of the drug lifecycle. During the clinical stage, drug safety monitoring is implemented, an effective quality management system is established, and drug safety reports are submitted regularly. For marketed drugs, an instant adverse drug reaction notification mechanism is in place to ensure drug quality. To successfully launch new drugs on the market, TSH must demonstrate consistent quality across all batches of its products. This is a key requirement for launch review.	defect (such as incorrect dosage, contamination, or expiration date errors), it may result in product recall, patient harm, compensation claims, or criminal charges. Such incidents will seriously damage the enterprise's reputation and may result in heavy fines and cancellation of drug licenses by the competent authorities (e.g. TFDA, Ministry of Health and Welfare).	production of drugs to GMP-certified (Good Manufacturing Practice) pharmaceutical manufacturers, carefully selected through a rigorous screening process, to provide customers with full quality assurance and confidence.
	Operating Risk, Risk Management	The Company operates steadily and with honesty and integrity, building a sound corporate governance structure and promoting related tasks to protect the rights and interests of all stakeholders.	If TSH has not established a comprehensive corporate risk management framework, it will be difficult to identify and respond to high-risk events such as market fluctuations, supply chain disruptions, and failed clinical trials, leading to delayed business decisions or inadequate response. In the face of natural disasters (such as earthquakes and epidemics), political changes, and raw material disruptions, interruptions to pharmaceutical	The "Risk Management Policy and Procedures" were approved, and a "Risk Management Organization" was established.

			manufacturing and delivery may further erode the trust of customers and medical units.	
	Legal compliance and ethical corporate management	Consistent adherence to regulatory compliance and ethical business practices strengthens TSH's credibility in the healthcare industry and fosters a reputable image among physicians, hospitals, government agencies, and patients. Sound ethical governance also mitigates reputational risk, enhances the public image, and builds consumer trust.	In the absence of effective internal controls and compliance auditing mechanisms, risks such as fraud, bribery, conflicts of interest, and supplier collusion may emerge, threatening corporate integrity and societal trust.	TSH has established the "Ethical Corporate Management Principles," the "Ethical Corporate Management Procedures and Code of Conduct," and a "Whistleblower System" for unethical conduct.

✓ A total of 11 key issues were identified for 2024.

● Direct impact ^{Note1} ◎ Contributory impact ○ Business relationship

Aspect	Material topic	GRI Standards	Report Boundaries						Corresponding Chapter
			Employees	Media outlets	Suppliers	Customers (patients, healthcare professionals)	Shareholders and Investors	Government and Competent Authorities	
Environmental	Climate Change	GRI 305	●	◎	●		●	●	3.1 Climate Change and Greenhouse Gas Management
	Resource management	GRI 302	●	◎	●		●	●	
Social	Happy and diversified workplace	Custom Topics	●						4. Employee Relations and Care
	Talent Development and Cultivation	GRI 404	●				◎	●	4. Employee Relations and Care
	Labor/management relations	GRI 202, GRI 401	●				○	●	4. Employee Relations and Care
	Drug distribution and pricing (Access to Medicine)	Custom Topics			○	◎	◎		2. Product Innovation and Customer Safety

● Direct impact ^{Note1} ◎ Contributory impact ○ Business relationship

Aspect	Material topic	GRI Standards	Report Boundaries						Corresponding Chapter
			Employees	Media outlets	Suppliers	Customers (patients, healthcare professionals)	Shareholders and Investors	Government and Competent Authorities	
Corporate Governance	Supply chain management	GRI 204, GRI 308, GRI 414			●	◎	●	●	2.3 Supplier management
	New drug R&D and innovation	Custom Topics	◎		○	◎	◎	●	2. Product Innovation and Customer Safety
	Quality and safety management of medicines	Custom Topics	●		●	◎	●	●	2. Product Innovation and Customer Safety
	Operating Risk, Risk Management	GRI 416	●		●	○	●	●	1. Company Operations
	Legal compliance and ethical corporate management	GRI 2-27	●				●	●	1. Company Operations

Note 1: Direct impact refers to positive or negative effects directly imposed on stakeholders.

1. Company Operations



1. Corporate Operations and Governance

Chapter Dimension	Corporate governance (G)
Material Topics in this Chapter	Legal Compliance and Ethical Corporate Management, Operating Risk and Risk Management
Commitments / Policies	Establish an effective governance structure to improve corporate governance systems, and continuously strengthen corporate governance objectives through various internal policies.
Management Mechanism	1. Establish “Ethical Corporate Management Best-Practice Principles,” “Ethical Corporate Management Operating Procedures and Code of Conduct,” and a “Whistleblowing System” for unethical behavior: Urge employees to uphold integrity as the highest business ethics standard, reducing potential corruption and fraud incidents. 2. Compliance with “Director Election Procedures” and “Corporate Governance Best-Practice Principles”: Continuously strengthening various corporate governance systems, including enhancing board functions and effective sustainable governance. 3. Approval of “Risk Management Policies and Procedures” and establishment of a “Risk Management Organization”: Constructing a comprehensive three-line defense for risk governance to define, analyze, evaluate, and respond to various potential risks, thereby reducing their impact on the Company.
Responsible Units	President’s Office, Finance Department, Administration Department
2024 Evaluation Mechanism and Results	1. Ranked in the top 5% in the Corporate Governance Evaluation of TPEx listed companies. 2. In 2024, all directors completed a total of 93 hours of professional development, averaging 10 hours per person. 3. In 2024, operating revenue increased by approximately 20.88% compared to 2023. 4. In 2024, acquired 51% equity in TOP Pharm. Medicalware and TOP Biological Technology, marking the second and third subsidiaries under TSH. 5. In 2024, no penalties were incurred due to violations of corporate governance, anti-corruption, or fair trade laws; no cases of insider trading by managers occurred. 6. In 2024, no customer complaints were received regarding privacy violations. 7. In 2024, the Company incurred no losses from major cybersecurity incidents.
Mid to long-term goals 2025–2030	1. Continue to aim for zero penalties, conduct regulatory compliance training and promotion for employees. 2. Introduce ISO 27001 to establish an information security management system. 3. The Company accelerates the proportion of business growth by means of exports of self-developed products and

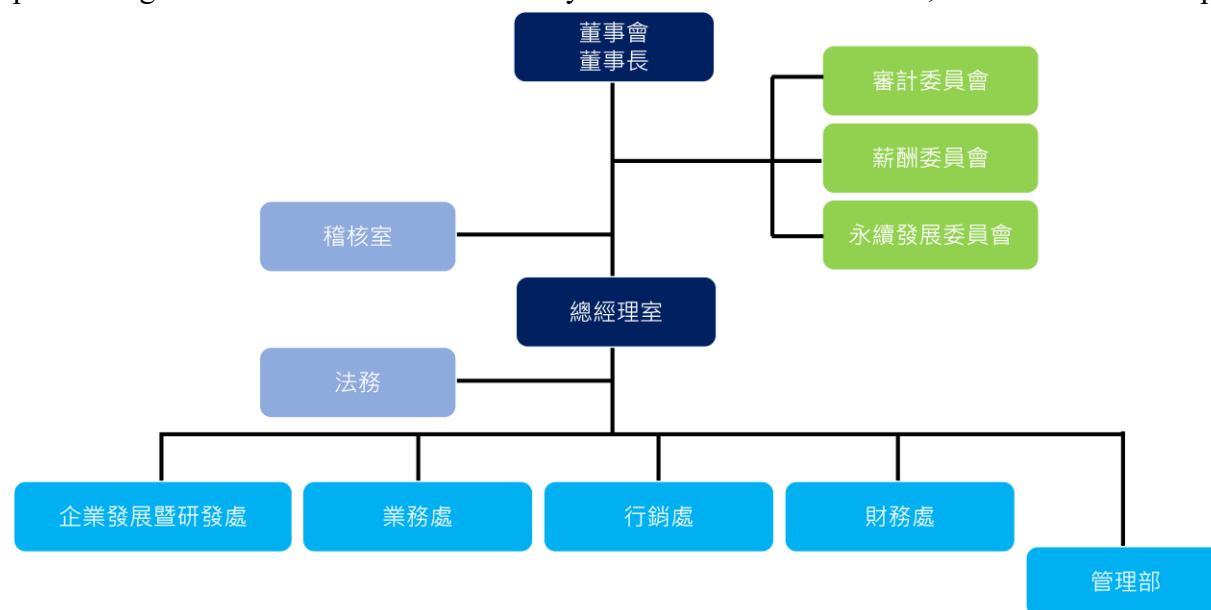
	license-out of products at the early stage of development to overseas companies. In addition, aside from making progress in the application of drug license around the world, the Company will co-develop new drugs at the early stage of development with international partners and create value therefor, and will use a “Twin-engine strategy” to develop international drugs and do international marketing. 4. Introduction of companion diagnostic items for precision medicine: With the rise of precision medicine, testing has become an integral part of treatment and preventive medicine. TSH Biopharm will continue to launch relevant diagnostic products to meet growing clinical needs. 5. Achieve inorganic growth through strategic investments and acquisitionists acquired a 51% stake in Chuang Yi Biotech in the second half of 2023 and in TOP Pharm. Medicalware in the first half of 2024. Following these acquisitions, the Group’s professional healthcare channel coverage has become more comprehensive. Future plans include creating synergies in products and distribution channels through resource and product integration. TSH Biopharm will continue to explore strategic investment opportunities for inorganic growth.
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1.1 Corporate Governance

The Company believes that the operations of corporate governance will help protect shareholders' rights and interests, enhance the functions of the Board of Directors, effectively supervise organizational activities, increase information transparency, and respect stakeholders' rights and interests, to fulfill corporate social responsibility.

Corporate Governance Organizational Structure

Through its governance framework, TSH establishes risk control mechanisms that enable effective supervision of organizational activities, prevent legal or ethical misconduct that may harm shareholder interests, and foster a sound operating environment for sustainable development.



董事會	Board of Directors	企業發展暨研發處	Corporate Development and R&D Division
董事長	Chairman	業務處	Business Division

總經理室	President's Office	行銷處	Marketing Division
稽核室	Audit Office	財務處	Finance Division
法務	Legal Affairs	管理部	Administrative Department
審計委員會	Audit Committee		
薪酬委員會	Remuneration Committee		
永續發展委員會	Sustainable Development Committee		

Departmental functions and responsibilities

Department	Main business
President's Office	Defines short- and long-term corporate goals, plans organizational development direction, and seeks strategic partnerships to ensure performance and sustainable growth.
Audit Office	Audits the implementation of internal control systems across all departments, provides timely recommendations, and follows up on corrective actions.
Corporate Development and R&D Division	Develops and executes new business opportunities and product introductions through licensing; manages new product R&D projects and oversees regulatory registrations in target markets; manages quality systems for marketed products and pharmacovigilance in compliance with Taiwanese and international regulations.
Marketing Division	Plans and implements product marketing strategies in alignment with the Company's growth plan, strengthens brand image and market presence, and manages domestic and international supply chains.
Business Division	Integrate marketing and business resources to do pre-launch marketing as specified in the strategy, so as to polish the Company's image as a professional and increase brand benefits.
Finance Division	The Finance Division is responsible for the Company's overall financial strategy and oversees both the Accounting Department and the Finance Department. The Accounting Department focuses on the Company's accounting operations and is responsible for ensuring the accuracy and compliance of financial information. The Finance Department is responsible for executing investment project evaluations and fund management, maintaining investor relations, handling stock affairs, managing the operation of functional committees and the Board of Directors, and is also committed to maintaining the Company's public image, including image building, media relations, sustainability projects, and brand collaborations.
Administrative Department	Coordinates support functions and provides comprehensive logistical services, including HR integration and planning, system operation and cybersecurity maintenance, software/hardware procurement, general affairs, and asset management – aimed at enhancing organizational and team management effectiveness.

2024 Responsibilities and Key Implementation Actions of the Corporate Governance Officer

1. Assist independent directors and general directors in performing their duties, provide necessary information, and arrange director training:

- (1) Assisted in the evaluation of the performance of the functional committees and the Board of Directors. The 2023 performance evaluation results were reported to the Board of Directors on February 27, 2024.
- (2) Arranged quarterly communication between Audit Committee members and external auditors regarding the Company's financial status, major transactions, and any changes in laws and regulations that may affect accounting treatment. These meetings included both sessions attended by management and closed-door sessions without management. The 2024 communication records have been disclosed on the Company's website.
- (3) Provided new directors with guidance materials on insider-related laws and regulations and conducted relevant briefings. Arranged for newly appointed directors to participate in a 12-hour onboarding training program and legal briefing sessions, and explained the Company's annual meeting schedule, corporate overview, and management team.
- (4) Provided directors with information on continuing education opportunities or assisted with course arrangements and registration. Group entities also organize 6-hour continuing education courses every year on important issues in that given year and invite directors to participate in such courses.
- (5) Assist the management at the various levels to maintain communication with the directors, so that the directors can understand the Company's business development.
- (6) Assisted independent directors and ordinary directors to perform their duties; provided required materials.

2. Assist with compliance in the meeting procedures and resolutions of the Board of Directors, Audit Committee, Sustainable Development Committee, and Shareholders' Meetings:

- (1) Reported the results of the 2023 Corporate Governance Evaluation to the Board of Directors on August 7, 2024, and submitted a corresponding review and future planning report.
- (2) Assisted departments in submitting proposals to the Board of Directors; prepared meeting agendas for the Board of Directors, Audit Committee, and Sustainable Development Committee; issued meeting notices, distributed materials, and delivered minutes within statutory deadlines.
- (3) Assisted the chairperson in ensuring smooth proceedings during meetings of the Board of Directors, Audit Committee, and Sustainable Development Committee, and reminded directors of applicable laws and regulations relevant to their resolutions or responsibilities.
- (4) Register the date of the shareholders' meeting in advance; file declarations and announcements; and send the shareholders' meeting notice within the statutory time limit.

- (5) Purchase appropriate liability insurance (including scope, cost) for directors and managers every year, and report to the Board of Directors in the first quarter of the current year. Liability insurance for 2024 was reported on February 27, 2024; Liability insurance for 2025 was reported on February 21, 2025.
 - (6) Executed assignments from the Sustainable Development Committee, developed the work plan for the following year, and reported progress and plans to both the Sustainable Development Committee and the Board of Directors. The 2023 sustainability performance was reported to the Sustainable Development Committee and the Board of Directors on August 7, 2024. The 2025 sustainability work plan was submitted to both committees on December 9, 2024.
 - (7) Sent reminders to directors and managerial officers not to trade Company shares during blackout periods – 30 days prior to the announcement of the annual financial report and 15 days prior to quarterly report announcements.
3. Maintain Investor Relations:
Participate in investors' conferences to report the Company's financial business status and operating performance to investors, so that they can gain a deeper understanding of the Company's operations.
 4. Handle Company registration changes.
 5. Regularly report to the Board of Directors on communication with stakeholders:
 6. Regularly report to the Board of Directors on the implementation of ethical corporate management:
The implementation of ethical corporate management for 2023 was reported to the Board of Directors on February 27, 2024.
 7. The Corporate Governance Officer of the Company is undergoing continuous training and completes the legally required training hours each year.

The Corporate Governance Officer's Continuing Education in 2024 is as follows:

Date	Course name	Organizer	Number of hours
April 19, 2024	Continuing Education Course for Directors, Supervisors (including Independent Directors), and Corporate Governance Officers: In-depth Analysis of Domestic and Overseas M&A Practices	Taiwan Investor Relations Institute	3
October 17, 2024	Advanced Practical Seminar for Directors, Supervisors (including Independent Directors), and Corporate Governance Officers: "The AI Boom – How ChatGPT is Transforming Industry Trends"	Securities & Futures Institute	3
November 29,	Continuing Education Course for Directors, Supervisors (including	Taiwan Investor Relations	3

2024	Independent Directors), and Corporate Governance Officers: A Discussion on the Blind Spots and Countermeasures in Information Security Governance	Institute	
December 12, 2024	Continuing Education Course for Listed Company Directors – Analysis of Financial Statements and Financial Accounting Trends	International Project Management Association	3

Diversity of the Board of Directors

Members of the Company’s Board of Directors are nominated and selected according to the Articles of Incorporation. Election is conducted based on the candidate nomination system, by reference to the academic and career qualifications of each candidate and the opinions of stakeholders, and in adherence to the “Procedures for Election of Directors” and the “Corporate Governance Best-Practice Principles,” to ensure the diversity of the Board of Directors.

The current Board consists of nine directors, none of whom hold an employee position in the Company. Among them, two are female directors, accounting for 22.22% of all board seats. The Company has set a target of 33% female representation and will actively work toward achieving this goal upon the re-election at the end of the current term. The age distribution of the Board members is as follows: one director is aged 36 to 40, one director is aged 56 to 60, three directors are aged 61 to 65, one director is aged 66 to 70, one director is aged 71 to 75, and two directors are aged 76 to 80. One director holds U.S. nationality; the other eight are nationals of the Republic of China (Taiwan).(For further details, please refer to page 12 of the 2024 Annual General Meeting Annual Report.)

Independence of the Board of Directors

The Company has five independent directors, accounting for 55.56% of the Board. Of these, four have served for fewer than three years, while one is serving a third term with more than six years of tenure. There are no spousal or second-degree kinship relationships among any of the Board members. This meets the requirements under Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act. Therefore, the Company deems its Board of Directors independent.

Current Directors

Directors possessing the abilities required for the Company's current phase of development are selected based on the Company's business models and business strategy. The Company values diversity within the Board. While the target ratio of directors with financial or financial industry backgrounds is 33%, the current proportion is 22%. Among the directors, two are women, representing 22.22% of the Board. The target is 33%, and the Company will actively implement measures to increase female representation upon the expiration of the current Board's term.

Current Term of Office Members' Backgrounds

Diversified Core Items Name	Nationality	Age	Gender	Number of Years of Service as Independent Director	Concurrently serving as an employee of the Company	Business administration	Leadership and decision- making	Industry knowledge	Financial accounting	Crisis management	International market perspective	Financial law
Chairman Chuan Lin	Republic of China	71~75	Male	-	None	V	V	V	V	V	V	V
Director CARL HSIAO	USA	36~40	Male	-	None	V		V			V	
Director Chou, Kang-Chi	Republic of China	76~80	Male	-	None	V	V			V		
Independent Director Wu Yung-Liang	Republic of China	56~60	Male	-	None	V		V				
Independent Director Chou, Te-Yu	Republic of China	56~60	Male	2 years	None		V		V	V	V	V
Independent Director Chen, Rwei- Syun	Republic of China	66~70	Female	7 years	None	V	V	V		V	V	V
Independent Director Huang,Yaw- Bin	Republic of China	61~65	Female	3 years	None		V	V			V	
Independent Director Wu, Hsiu- Ming	Republic of China	61~65	Male	1 years	None		V					V
Independent Director Lai, Yun- Liang	Republic of China	61~65	Male	1 years	None	V	V	V		V	V	

Operations of board meetings

We convene board meetings at least once a quarter in accordance with the relevant regulations of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies and the Company's Rules of the Procedure for Board of Directors Meetings.

- ✓ In 2024, the Board convened six times. All independent directors attended each meeting in person.
- ✓ For the resolutions adopted by the Board of Directors in 2024 as per matters listed in Article 14-3 of the Securities and Exchange Act, no independent directors expressed objections or reservations.

Board member conflict of interest avoidance and ethical conduct

To ensure that the conduct of company directors and managers meets ethical standards, the Company has established guidelines based on the “Template for Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies.” These guidelines cover the prevention of conflicts of interest, avoidance of personal gain opportunities, confidentiality obligations, fair dealing, protection of company assets, and legal compliance. When a Board of Directors’ agenda item involves personal interests, in addition to directors proactively explaining the important content of their personal interests, not participating in discussions and voting, and not exercising voting rights on behalf of other directors, their recusal due to conflicts of interest is recorded in the meeting minutes. (For the 2024 operational details, please refer to page 20 of the Annual Report.)

Board performance evaluation

According to the “Board of Directors’ Performance Evaluation Procedures” approved by the Board, an internal self-evaluation is conducted within three months after the end of each fiscal year. The secretarial unit collects information related to Board activities and distributes the “Board of Directors Performance Self-Evaluation Questionnaire” and the “Individual Directors Performance Self-Evaluation Questionnaire” to all Board members. Scoring is based on defined indicators. The secretarial unit assists in compiling the scores and submits the results to the Board of Directors as a reference for assessing directors’ performance and remuneration. To further enhance the performance of the Board, the Company will include sustainable management as part of the evaluation criteria and has stipulated that external evaluation of the Board’s performance shall be conducted at least once every three years.

Regular internal evaluation every year

The 2024 performance evaluation of the Board of Directors and functional committees was reported to the Board on February 21, 2025. The results (out of a total score of 100) were as follows:

Board of Directors Evaluation Result	Self-Evaluation Result of the Board Members	Audit Committee Evaluation Result	Remuneration Committee Evaluation Result	Sustainable Committee Result	Development Evaluation
99.2 points	99.1 points	100 points	100 points	100 points	

Based on the 2024 evaluation results, the Company will formulate a succession plan as part of its improvement initiatives. ([For detailed performance evaluation criteria, please refer to the TSH website](#))

Continuing education

To ensure directors continually update their knowledge and implement corporate governance systems, our company proactively provides directors with information on relevant professional courses. When necessary, we arrange courses in accordance with the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies,” inviting directors to participate. In 2024, the total continuing education hours for all directors reached 93 hours, averaging 10 hours per person, exceeding regulatory requirements.

Title	Name	Organizer	Course name			Hours of continuing education courses
Chairman (Representative of TTY Biopharm Company Limited)	Chuan Lin	Taiwan Association	Corporate Governance	Cybersecurity Risk Governance		1.5
		Taiwan Association	Corporate Governance	Legal Compliance and Ethical Management of the Company and Practical Application of Labor Standards Act for Directors – Friendly Workplace and Gender Equality Act		3
		Taiwan Association	Corporate Governance	How the Board Supervises Corporate Risk Management and Crisis Handling (Including Latest Developments in Gender Equality Act)		3
		Securities & Futures Institute		Advanced Practical Seminar for Directors, Supervisors (including Independent Directors), and Corporate Governance Officers: “The AI Boom – How ChatGPT is Transforming Industry Trends”		3
		Taiwan Association	Corporate Governance	Antitrust and Competition Law Compliance		1.5
		Taiwan Association	Corporate Governance	Digital Technology and Artificial Intelligence Trends and Risk Management		3
Director (Representative of TTY Biopharm Company Limited)	CARL HSIAO	Taiwan Association	Corporate Governance	Practical Operation of the Sustainable Development Committee (Chief Sustainability Officer, Working Group)		3
		Taiwan Association	Corporate Governance	Legal Compliance and Ethical Management of the Company and Practical Application of Labor Standards Act for Directors – Friendly Workplace and Gender Equality Act		3
		Taiwan Association	Corporate Governance	20th (2024) Corporate Governance International Summit – Focusing on Governance Core and Leveraging Talent Advantages		3
		Securities & Futures Institute		Advanced Practical Seminar for Directors, Supervisors (including Independent Directors), and Corporate Governance Officers: “The AI Boom – How ChatGPT is Transforming Industry Trends”		3

Title	Name	Organizer	Course name	Hours of continuing education courses
Director (Representative of TTY Biopharm Company Limited)	Chou, Kang-Chi	Taiwan Corporate Governance Association	Legal Risks and Responses of Enterprises – From the Perspective of Corporate Investment and Financing	3
		Taiwan Corporate Governance Association	Interpretation of Key Information in Financial Statements	3
		Taiwan Corporate Governance Association	Corporate Strategies in Response to Global Financial and Economic Changes	3
		Taiwan Stock Exchange	2024 WIW Forum: “A Symphony of Digital Finance and Sustainable Finance in the Age of AI”	3
		Securities & Futures Institute	Advanced Practical Seminar for Directors, Supervisors (including Independent Directors), and Corporate Governance Officers: “The AI Boom – How ChatGPT is Transforming Industry Trends”	3
Director (Representative of TTY Biopharm Company Limited)	Wu Yung-Liang	The Chinese National Association of Industry and Commerce	Innovative Business Models and Opportunities in the Era of Green Supply Chains	3
		The Chinese National Association of Industry and Commerce	Global and Taiwan Biomedical Industry M&A Trends	3
		Securities & Futures Institute	Advanced Practical Seminar for Directors, Supervisors (including Independent Directors), and Corporate Governance Officers: “The AI Boom – How ChatGPT is Transforming Industry Trends”	3
Independent Director	Chou, Te-Yu	Securities & Futures Institute	Advanced Practical Seminar for Directors, Supervisors (including Independent Directors), and Corporate Governance Officers: “The AI Boom – How ChatGPT is Transforming Industry Trends”	3
		Taiwan Corporate Governance Association	20th (2024) Corporate Governance International Summit – Focusing on Governance Core and Leveraging Talent Advantages	3
Independent Director	Chen, Rwei-Syun	Taiwan Corporate Governance Association	Corporate Management and Crisis Management	3
		TIDA Taiwan	Latest Developments in Sustainability Governance Issues and Directors’ Responsibilities	3

Title	Name	Organizer	Course name	Hours of continuing education courses
Independent Director	Huang, Yao-Bin	Securities & Futures Institute	Advanced Practical Seminar for Directors, Supervisors (including Independent Directors), and Corporate Governance Officers: “The AI Boom – How ChatGPT is Transforming Industry Trends”	3
		International Project Management Association	Corporate Sustainability Development and ESG Strategy Integration	3
Independent Director	Wu, Hsiu-Ming	Taiwan Corporate Governance Association	Legal Compliance and Ethical Management of the Company and Practical Application of Labor Standards Act for Directors – Friendly Workplace and Gender Equality Act	3
		International Project Management Association	Corporate Trade Secret Protection Law and Case Study Seminar	3
		Securities & Futures Institute	Advanced Practical Seminar for Directors, Supervisors (including Independent Directors), and Corporate Governance Officers: “The AI Boom – How ChatGPT is Transforming Industry Trends”	3
		International Project Management Association	Board of Directors vs. Executive Team	3
Independent Director	Lai, Yun-Liang	Taiwan Corporate Governance Association	Legal Compliance and Ethical Management of the Company and Practical Application of Labor Standards Act for Directors – Friendly Workplace and Gender Equality Act	3
		International Project Management Association	Corporate Digital Transformation and Digital Governance	3
		International Project Management Association	SDGs and ESG Sustainability Management	3
		Accounting Research and Development Foundation (ARDF)	Legal Responsibilities and Case Analysis Related to Corporate Control Battles	3

Director remuneration policy

The Company's policy for paying directors' remuneration is based on Article 26 of the Articles of Incorporation. When directors perform their duties, the Company may provide remuneration regardless of operating profit or loss. The remuneration is authorized by the Board of Directors and determined with reference to the directors' degree of participation in the Company's operations, the value of their contributions, and prevailing industry standards. Where the Company makes a profit, no more than 2% of the year's profit shall be allocated as the directors' remuneration as per the Company's operating results and their contribution to the Company's performance in accordance with Article 29-1 of the Company's Articles of Incorporation.

The Company has established procedures for determining directors' remuneration. Individual and overall performance evaluations of the Board of Directors are conducted in accordance with the "Board Performance Evaluation Measures" and the "Functional Committees Performance Evaluation Measures." The evaluations consider factors such as understanding of the Company's goals and missions, awareness of directors' responsibilities, level of participation in the Company's operations, internal relationship management and communication, directors' professionalism and continuing education, and internal control. The evaluations assess the directors' degree of participation and the value of their contribution to the Company's operations, with reference to prevailing industry standards. In the future, sustainable management will be incorporated into the performance evaluation criteria, with proposals submitted by the Remuneration Committee and reviewed by the Board of Directors. The Company's independent directors receive fixed remuneration and honoraria for attending meetings, which are different from regular directors.

Managers' and employees' remuneration policy

The Company's policy for paying remuneration to managers is based on the "Managerial Compensation Policy" and the "Performance Management Guidelines and Performance Bonus Distribution Standards." "Managers' remuneration includes base salary, allowances, and bonuses. Salary is determined with reference to industry standards, job title, educational and professional background, professional capabilities, and responsibilities, and is approved according to the Company's salary structure. Employee remuneration is based on the annual performance evaluations of managers, which assess: the achievement of annual work goals (linked to the individual's performance development plan (PDP) and the Company's overall KPIs approved by the Board of Directors); core competencies (e.g. trust and results orientation, integrity and teamwork, proactiveness and ambition, customer orientation); and demonstration of management capabilities. Annual work goals consist of financial indicators (such as revenue, operating profit, and the pre-tax profit achievement rate) and non-financial indicators (including inventory and cost management in manufacturing, project progress in R&D, and core talent development programs in organizational development). Following review of operating performance, future risks, and industry standards, the Remuneration Committee submits its recommendations to the Board of Directors for approval.

The Company's compensation policy considers the overall market positioning of its remuneration, results of industry salary surveys, the growth cycle of its industry, and the internal fairness and consistency, as well as external competitiveness, of its compensation structure and reward system. Key decisions made by management are the result of balancing various risk factors, and their performance is reflected in the Company's profitability.

Organization of the Audit Committee

The Audit Committee is composed of all the Company's independent directors and assists the Board of Directors in performing its supervisory functions. The committee's organizational regulations are approved by the Board of Directors, and its resolutions are reported to the Board of Directors. The term of the current (third) Audit Committee is from May 25, 2023, to May 24, 2026. Its members are Chen, Rwei-Syun, Huang, Yao-Bin, Chou, Te-Yu, Wu, Hsiu-Ming, and Lai, Yun-Liang.

Operations of the Audit Committee

The Audit Committee should convene at least a meeting per quarter and may convene a meeting at any time as needed. The current convener of the Audit Committee is Chou, Te-Yu. A total of six Audit Committee meetings have been held in 2024, and the unit in charge of meeting affairs provided sufficient resources for members to perform their duties. During the Audit Committee's resolution in 2024, there were no members recused from proposals due to conflicts of interest.

Audit Committee members and their attendance are as follows:

Independent Director Chou, Te-Yu	Independent Director Chen, Rwei-Syun	Independent Director Huang, Yaw-Bin	Independent Director Wu, Hsiu-Ming	Independent Director Lai, Yun-Liang
6 attendances / 0 proxy attendances	6 attendances / 0 proxy attendances	6 attendances / 0 proxy attendances	3 attendances / 0 proxy attendances	3 attendances / 0 proxy attendances
100% attendance rate	100% attendance rate	100% attendance rate	100% attendance rate	100% attendance rate
			Newly elected on May 24, 2024.	Newly elected on May 24, 2024.

Organization of the Remuneration Committee

The Remuneration Committee is established under the Board of Directors to assist in fulfilling its supervisory responsibilities. The committee's organizational regulations are approved by the Board of Directors, and its resolutions are reported to the Board of Directors.

The 5th (current) Remuneration Committee is composed of Independent Directors Chen, Rwei-Syun, Chou, Te-Yu, Huang, Yao-Bin, Wu, Hsiu-Ming, and Lai, Yun-Liang. The term of office is from May 25, 2023, to May 24, 2026 (concurrent with the term of the Board of Directors).

Operations of the Remuneration Committee

The convener of the Remuneration Committee is Chen, Rwei-Syun, who may convene committee meetings at any time as per regulations and should hold at least two meetings per year.

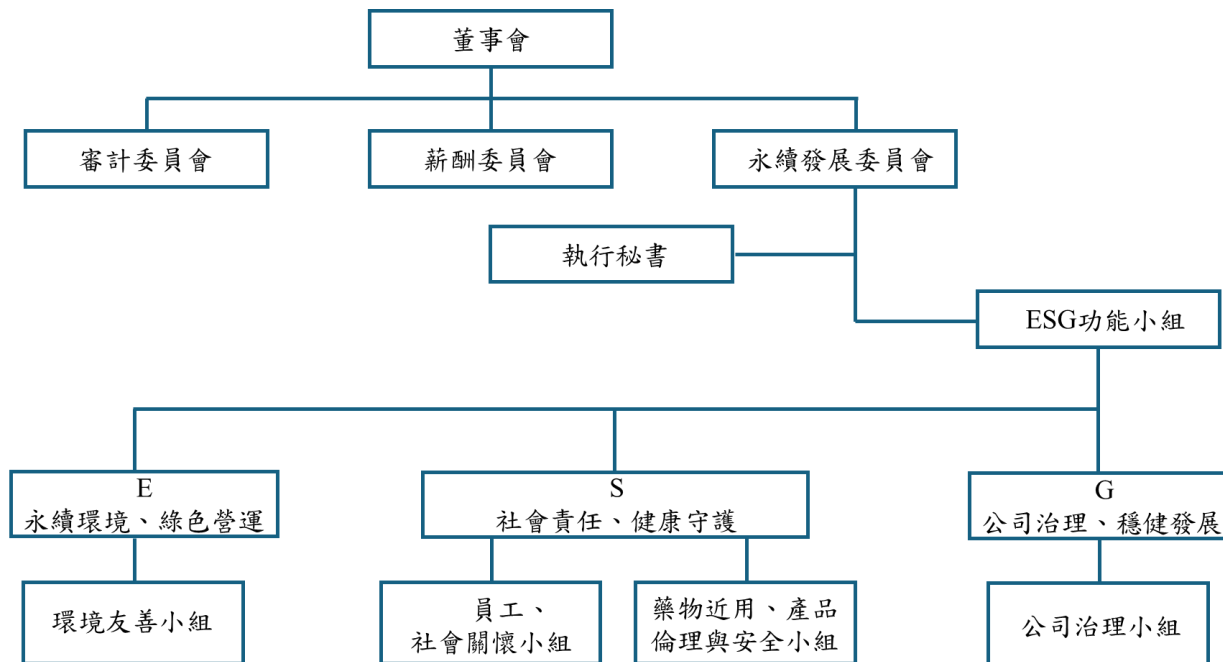
The current term of the Remuneration Committee held a total of four meetings, and the unit in charge of meeting affairs provided sufficient resources for the members to perform their duties. More than half of all members agreed to adopt the Remuneration Committee's resolutions, and no member expressed objections or reservations regarding any resolutions adopted by the Remuneration Committee.

The current Remuneration Committee members and their attendance rate are as follows:

Title	Name	Attendance person	in Attendance by proxy	Actual attendance rate (%)	Remark
Convener	Chen, Rwei-Syun	4	0	100%	
Member	Chou, Te-Yu	4	0	100%	
Member	Huang, Yao-Bin	4	0	100%	
Committee member (newly appointed)	Wu, Hsiu-Ming	1	0	100%	Appointed by the Board of Directors on August 7, 2024.
Committee member (newly appointed)	Lai, Yun-Liang	1	0	100%	Appointed by the Board of Directors on August 7, 2024.

Sustainable Development Committee

To implement corporate social responsibility, establish good governance systems, align with international trends, and progress toward sustainable operations, TSH Biopharm has established the organizational regulations for its Sustainable Development Committee in accordance with Article 26 of the Company's "Corporate Governance Best-Practice Principles." The second term of the Committee is composed of Independent Directors Huang, Yao-Bin, Chou, Te-Yu, Chen, Rwei-Syun, Wu, Hsiu-Ming, and Lai, Yun-Liang, whose term of service is consistent with that of the appointing Board. Independent Director Huang, Yao-Bin serves as the convener. ESG Task Force has been established, with sustainability-related activities eligible for official leave or compensatory time off to encourage employee contribution and participation. The committee is responsible for planning and formulating sustainability strategies, goals, and action plans, which are then implemented by the ESG Task Force according to the sustainable development plan. The Sustainable Development Committee regularly reports progress to the Board of Directors and concurrently monitors and manages various sustainability performance indicators.



董事會	Board of Directors	永續環境、綠色營運	Sustainable Environment, Green Operations
審計委員會	Audit Committee	社會責任、健康守護	Social Responsibility, Health Protection
薪酬委員會	Remuneration Committee	公司治理、穩健發展	Corporate Governance, Steady Development
永續發展委員會	Sustainable Development Committee	環境友善小組	Environmental Friendliness Task Force
執行秘書	Executive Secretary	員工、社會關懷小組	Employee and Society Care Task Force
ESG 功能小組	ESG Task Force	藥物近用、產品倫理與安全小組	Access to Medicine and Product Ethics and Safety Task Force
		公司治理小組	Corporate Governance Task Force

TSH anchors its sustainability vision in United Nations Sustainable Development Goals (SDGs) No. 3 “Good Health and Well-being” and No. 17 “Partnerships for the Goals,” striving to enhance patients’ quality of life and become the premier strategic partner for international biotech innovation in development and marketing across Asia.

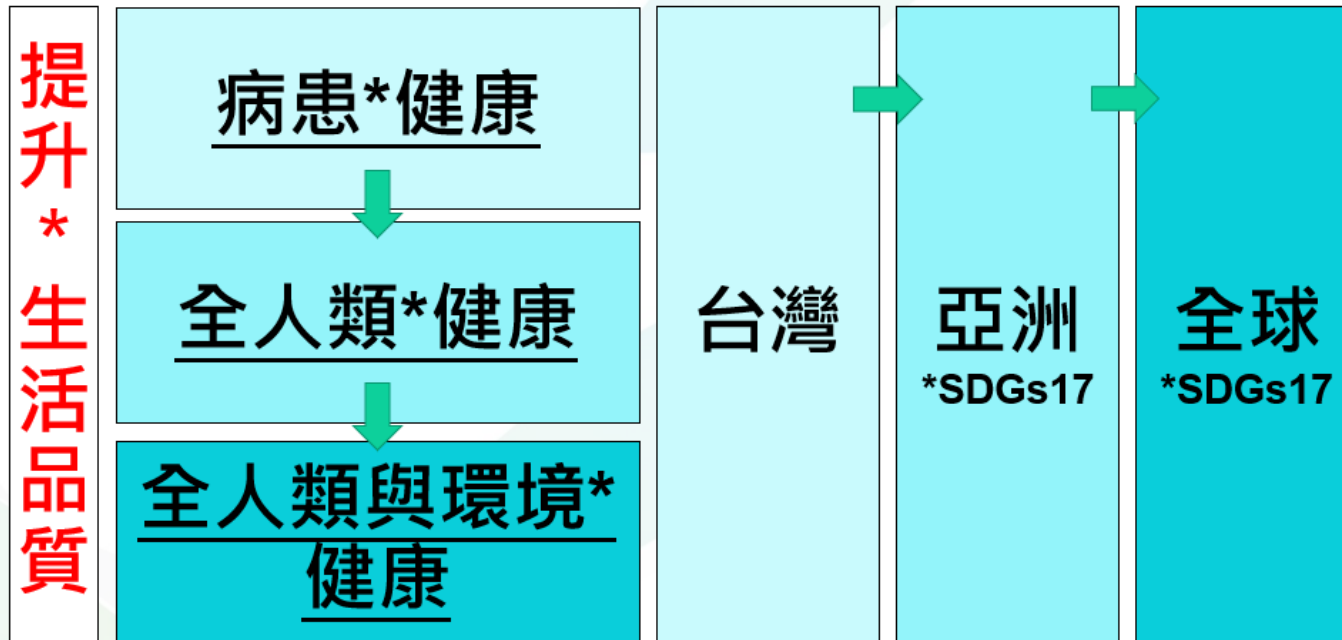


Vision

*本業SDGs3

提升病患生活品質

成為國際創新生技在亞洲開發及行銷的最佳策略夥伴



本業 SDGs3	Core Business SDGs3	<u>全人類*健康</u>	<u>Health for all</u>
提升病患生活品質	Improving patient quality of life	<u>全人類與環境*健康</u>	<u>Health for both people and the planet</u>
成為國際創新生技在亞洲開發及行銷的最佳策略夥伴	Become the best strategic partner in development and marketing in Asia for international innovative biotechnology companies	台灣	Taiwan
提升*生活品質	Improving quality of life	亞洲	Asia
病患*健康	Patient health	全球	Global

Sustainability Blueprint

Aspect		Issue
Green Transformation E	The Company responds to climate and environmental issues, and actively engages in transformation from within and outside of the Company.	Climate Action (Energy Efficiency / Climate Change, Occupational Health & Safety / Environmental Management)
		Green Operations (Circular Economy, Green Practices / Sustainable Supply Chain)
Health Protection S	Enhancing healthcare resources and patient well-being while contributing to society	Innovative R&D (Market / Customer Analysis, R&D / Product Quality)
		Health and Well-being (Labor Rights / Workplace Care, Social Contribution / Public Welfare)
Stable Development G	Operating with integrity, emphasizing risk management, and cultivating a fulfilling work environment	Ethical Business (Integrity / Regulatory Compliance)
		Risk Management (Operational / Financial Risk & Performance, Stakeholder Communication)
		Happy Workplace (People-Centric, Sustainable Talent)

Mode of Operation



永續耕心	Sustainable Cultivation
讓愛昇華	Elevating Love

1.2 Operational Performance

Business performance

Strategic Implementation of the Dual-Engine Model Delivering Diversified Growth Outcomes

Over the past five years, TSH has systematically executed its “Dual-Engine Growth Strategy,” concurrently advancing licensed product acquisitions and internal R&D to expedite product portfolio expansion. This dual-track approach has catalyzed both organic and inorganic growth trajectories, enabling the Company to construct a resilient and adaptive operational framework. Recent years have seen significant achievements across R&D, international market penetration, distribution network development, and the advancement of precision medicine initiatives.

I. Organic Growth: Expansion via New Drug Development and Product Diversification

In response to the TFDA’s 2022 policy reform – shortening the Taiwan New Chemical Entity (TNCE) review period from ten years to five –

TSH intensified its investment in locally developed new drugs. By the end of 2024, the Company had secured four new drug licenses:

- Naldebain® Extended-Release Tablets: For the treatment of stable angina pectoris
- Rancad® Tablets: A novel fixed-dose combination therapy for hyperlipidemia
- Alprosm® Lyophilized Injection: For the symptomatic relief of peripheral arterial occlusive disease
- Star Essence® Nasal Spray: A novel treatment modality for dry eye syndrome

The Company is currently advancing a pipeline comprising TNCEs and 505(b)(2) programs, which encompass biosimilars, new dosage forms, and fixed-dose combinations. These initiatives are driven by both internal development and strategic international collaborations, further reinforcing TSH's Taiwan headquarters as an innovation hub for pipeline acceleration.

II. Ophthalmology Breakthrough: Establishing a Second Specialty Market Growth Axis

In 2023, following years of strategic planning, TSH entered the ophthalmology sector through the licensing of Tyrvaya®, an innovative nasal spray treatment for dry eye disease. After securing regulatory approval in late 2024, the Company is poised to launch commercial operations in 2025. The ophthalmology business will continue to be developed under the dual-engine framework, with ambitions to expand the product portfolio and strengthen market penetration – positioning TSH as an emerging leader in ocular therapeutics.

III. Patient-Centered Care and Precision Medicine: Addressing Unmet Clinical Needs

Since the establishment of the patient care team in 2019, TSH has been working closely with partners from Taiwan, South Korea, and Singapore to continuously introduce innovative products that meet market demand. In 2024, the Company further introduced the cancer risk assessment product CancerFind, assisting physicians and the public in identifying cancer risks at the health checkup stage, thereby expanding the application scope of cancer detection. Through this product, the patient care team will extend the current market segment of cancer genetic testing into cancer screening. In addition, multiple collaborations are under discussion with internationally renowned companies regarding various types of medical devices, with the goal of enhancing the product portfolio and improving the quality of life for patients with chronic diseases.

In the field of precision medicine, the Company's flagship AlphaLiquid® 100 liquid biopsy technology completed a clinical study in Taiwan analyzing pleural effusion samples from patients with non-small cell lung cancer (NSCLC). The results showed high accuracy at the initial diagnosis stage and were published in the international journal Molecular Diagnosis & Therapy, marking the first research of its kind in Taiwan.

In the same year (October 2024), TSH further obtained approval from the Ministry of Health and Welfare for the following three cancer genetic testing services:

- CancerTarget-100 tissue biopsy
- CancerLiquid-100 liquid biopsy (body fluids)
- CancerLiquid-100 liquid biopsy (blood)

Among these, CancerLiquid-100 (body fluids) is Taiwan's first approved NGS test for pleural effusion, ascites, and cerebrospinal fluid samples, reviewed and approved under the LDTs (Laboratory Developed Tests) framework. This showcases TSH's pioneering position in the field of precision cancer diagnostics.

IV. Stable Progress in Overseas Expansion: Drug Registration and Inspection Strategy

TSH continues to expand into overseas markets, focusing on regulatory registration and business opportunity development across Southeast Asia and broader Asia. The specific achievements are as follows:

- 2022
 - **Amtrel** (antihypertensive medication) obtained drug registration in **Myanmar**
 - **Rhynorm** (lipid-lowering medication) obtained drug registration in **Hong Kong**
- 2024

- **Amtrel** once again obtained a new compound drug license in Malaysia, further expanding the regional presence of the Company's cardiovascular portfolio

These outcomes reflect the Company's maturity in cross-border regulatory integration, readiness for review processes, and product positioning, while also laying a solid foundation for future overseas licensing (license-out) and commercial partnerships.

V. Accelerated Inorganic Growth: Strategic Investment and Channel Integration to Expand Market Coverage

- At the end of 2023, TSH acquired equity in Chuang Yi Biotech, officially making it a subsidiary.
- In the first half of 2024, the Company further acquired equity in TOP Pharm. Medicalware and TOP Biological Technology, both of which are now also subsidiaries.

Following the integration of these three companies, the Group's distribution scale expanded significantly – collectively reaching over 5,000 clinics and pharmacies across Taiwan, achieving comprehensive coverage across hospitals, clinics, and pharmacies. This expansion not only facilitates the promotion of existing products, but also provides a robust commercial foundation for the launch of new products and the implementation of integrated healthcare solutions.

Overall Outlook

Through the steady advancement of its Dual-Engine Strategy, TSH has delivered outstanding operational performance in multiple dimensions, including product innovation, specialization in niche markets, overseas regulatory development, market expansion, and cancer diagnostics. Looking ahead, the Company will continue to invest in high-potential therapeutic areas and precision medicine applications, strengthen international collaborations and licensing models, and establish a growth engine characterized by both innovation and sustainability. TSH aims to become a leading integrated pharmaceutical company representing the Asia-Pacific region.

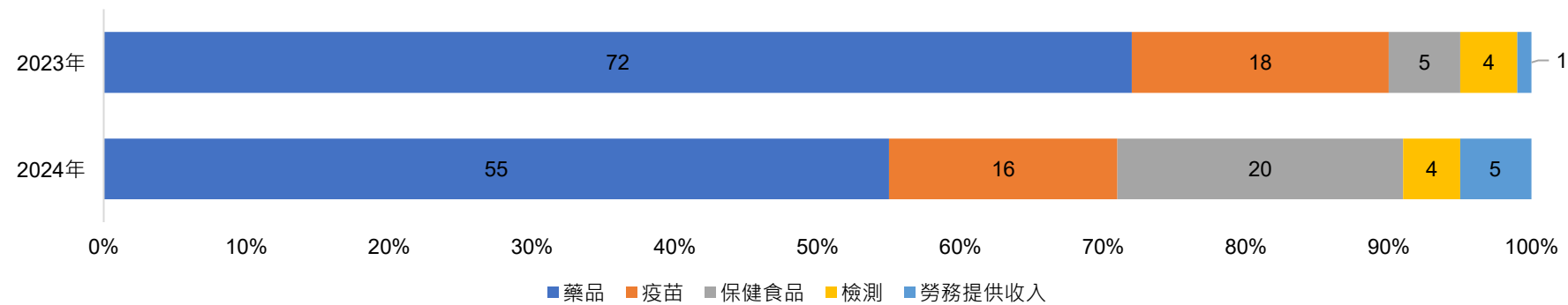
Financial Performance

The Company's consolidated operating revenue for 2024 reached NT\$1,115,716 thousand, a record high, demonstrating strong growth momentum. This represents an increase of NT\$304,799 thousand, or 37.59%, from NT\$810,917 thousand in 2023. In 2024, both revenue and profit saw significant increases: consolidated revenue grew by 38%, operating profit increased by 166%, and earnings per share (EPS) rose by 83%, fully demonstrating operational efficiency. This year's growth was primarily driven by three key forces: 30% from organic growth fueled by increased market penetration of core products, 13% from royalty income under the R&D licensing model, and 56% from inorganic growth through strategic acquisitions and partnerships. These combined growth drivers have enabled the Company to maintain its competitive edge in a highly competitive market. Net profit attributable to the parent company in 2024 reached NT\$113,093 thousand, an increase of NT\$51,104 thousand compared to NT\$61,989 thousand in 2023, reflecting a growth rate of 82.44%. The increase in profitability was mainly due to the stable growth of core business revenue, receipt of milestone payments, and the revenue and net profit contributions from TOP Pharm. Medicalware and TOP Biological Technology following consolidation.

Unit: NT\$ thousand

Item	2023	2024
Operating revenue	810,917	1,115,716
Operating Cost	411,018	532,954
Gross profit	399,899	582,762
Operating cost	336,269	412,906
Operating profit	63,630	169,856
Non-operating income and expenses	12,461	3,577
Net income before tax from continuing operations	76,091	173,433
Net income after tax from continuing operations	64,978	134,148
Total other comprehensive income for the period (Net Amount after Tax)	39,973	220,230
Total comprehensive income for the period	104,951	354,378
Basic earnings per share (EPS)	1.61	2.95

Revenue breakdown (%)



2023 年	2023			
2024 年	2024			
藥品	Pharmaceuticals			
疫苗	Vaccines			
保健食品	Health Supplements			
檢測	Testing			
勞務提供收入	Service income			
Year	2023		2024	
Item	Amount	Revenue Breakdown (%)	Amount	Revenue Breakdown (%)
Pharmaceuticals	586,067	72%	611,816	55%
Vaccines	149,263	18%	180,220	16%
Health Supplements	40,093	5%	226,395	20%
Testing	28,920	4%	44,734	4%
Service revenue	6,574	1%	52,551	5%
Total	810,917	100%	1,115,716	100%

Economic value distribution among stakeholders

Unit: NT\$ thousand

Stakeholders	Description of economic value distribution	2023	2024
Shareholders	Cash dividends paid out in the year	61,437	49,150
Employees (excluding directors)	Salary, employee bonus, labor and health insurance expenses, pensions, and other employment expenses	114,204	115,681
Competent authorities	Income tax paid to the government of the Republic of China in the year	11,113	39,285
Licensing partners and drug joint development organizations	R&D expenses paid to licensing partners and drug joint development organizations	4,954	11,727

2024 Direct economic value generated and distributed

Unit: NT\$ thousand

Type	Item	Amount
Economic value generated (A)	Operating revenue	1,115,716
	Non-operating income and expenses	3,577
Economic value distributed (B)	Operating cost	532,954
	Employee compensation and benefits	229,275
	Payment to shareholders (Note 1)	49,150
	Payment to government	39,285
	Social spending (donations)	13,503
Retained economic value (A-B)	Economic value generated – Economic value distributed	255,126

1. Note 1: Cash dividends distributed from 2023 earnings.

Tax Payment Status for the Year

The following table outlines the 2024 pre-tax net income and income tax payments across all tax jurisdictions.

Unit: NT\$ million

Country	Operating revenue	Net income before tax	Income tax expense	Effective tax rate	Current income tax paid	Current income tax effective tax rate
Taiwan	1,115,716	173,433	39,285	22.65%	39,285	22.65%

Tax Strategy and Governance GRI 207-1, 207-2, 207-3, 207-4

TSH has established tax policies and commitments, and it strictly implements relevant operations in accordance with tax regulations in Taiwan and all the jurisdictions in which it operates. Required disclosures are made on a regular basis to ensure that the Group complies with applicable tax laws and fulfills its related commitments. The Finance Division at TSH headquarters is responsible for overall tax management, working in collaboration with the accounting departments of each subsidiary to coordinate and execute tax filings in accordance with legal requirements.

TSH is committed to its established tax management principles, aiming to reduce tax risk, improve post-tax operational efficiency, and protect shareholder interests.

Tax Policies and Commitments

Item	Tax Policies and Commitments
Legal Compliance	Comply with international tax standards and the tax laws of all jurisdictions where TSH operates; file and pay taxes honestly and on time
Regular Transactions	Conduct related-party transactions in line with OECD transfer pricing guidelines and local transfer pricing regulations; fulfill tax obligations where value is created
Information Transparency	Periodically disclose tax information to stakeholders through public channels such as financial reports, annual reports, and CSR reports to ensure transparency
Business Substance	Avoid using tax structures lacking substantive business operations or engaging in tax avoidance via tax havens
Risk Control	For significant transactions and decisions, TSH carefully assesses both the optimization of its overall tax burden and the reputational and sustainability impact across jurisdictions, in order to evaluate and manage tax risk prudently
Ethical Communication	Maintain open, honest, and respectful communication with tax authorities in all operating regions; engage in timely discussions and clarifications on tax matters to preserve good working relationships
Talent cultivation	Enhance the professional knowledge of tax-related personnel through ongoing training, strengthening their ability to address tax issues and manage tax-related affairs with integrity and competence to effectively mitigate tax risk

1.3 Implementing Ethical Management and Legal Compliance

Integrity is TSH's corporate culture and core value. The management team upholds this principle in operating the business and has established the "Ethical Corporate Management Best-Practice Principles," "Ethical Corporate Management Operating Procedures and Code of Conduct," and a "Whistleblowing System for Unethical Conduct." The Board of Directors and the management team comply with all applicable regulations and have signed declarations affirming their commitment to ethical business conduct. Members of the Board of Directors also exercise a high degree of self-discipline.

The Company has formulated the Procedures for Ethical Management and Guidelines for Conduct on October 30, 2020 and set up an Ethical Corporate Management Promotion Team under the Board of Directors; the Team is responsible for formulating, amending and implementing the Company's integrity policy, reporting it to the Board of Directors every year, and disclosing it on the Company's website. The 2023 implementation status of ethical management was reported to the Board of Directors on February 27, 2024.:

Promotion and Training

To establish a sound internal control mechanism for handling and disclosing material information, and to prevent improper information leakage, TSH conducts at least one annual training for all employees on the "Operating Procedures for Handling Material Internal Information and Preventing Insider Trading" and relevant regulations. Additionally, newly appointed directors and managers receive briefings from the Taipei Exchange on insider trading and equity-related laws and regulations for insiders.

TSH provides at least one annual education session on the prevention of insider trading for directors, managers, and employees. On August 19, 2024, the Legal Affairs Unit conducted a one-hour training session on "Ethical Corporate Management, Prevention of Insider Trading, and Personal Data Protection." The training emphasized the importance of integrity, prevention of insider trading, and compliance with the Personal Data Protection Act. A total of 65 employees participated and completed an online test afterward. In addition, a notice is given at least 30 days prior to the annual financial statements' publication date and at least 15 days prior to the quarterly financial statements publication date to remind directors not to trade the Company's shares during the book closure period. The "Ethical Corporate Management, Insider Trading Prevention, and Personal Data Protection" course is also incorporated into the orientation program for new employees, reinforcing awareness of TSH's corporate culture and core values.

Ethical Corporate Management and Anti-corruption and Reporting Systems

With an attitude and entrepreneurial spirit of honesty and integrity, TSH utilizes innovative and professional approaches, and achieves organizational targets through teamwork, thereby contributing to society, which is a core value of TSH. Honesty and integrity are defined as “self-discipline and honest in admitting mistakes and taking responsibility for such mistakes. “The key actions required include self-discipline, honestly pointing out and not concealing any shortcoming in the organization (company, department, process, or project), being trustworthy, honoring personal commitments, and being honest when faced with failure.

In addition, the Company specifically requires all employees to abide by and implement the code of business ethics:

- ❁ **Drug Evaluation**
Identify unmet medical and market needs, and search for high-barrier/patentable candidate drugs with economic benefits based on market needs.
- ❁ **Drug Development Project Management**
Formulate product development plans based on the positioning of new products and continue to conduct internal and external analyses during the drug development process to respond to new product development issues, meet changing medical and market needs, and seek international development opportunities.
- ❁ **Clinical Trials**
Prioritize the safety of patients for use of drugs, establish trial objectives based on the ethics and reasonableness of clinical trials, strictly screen trial participants, and perform professional statistical validity analysis to produce reliable test data.
- ❁ **Marketing Practices**
Establish operational procedures and a Code of Conduct for employee interactions with healthcare professionals to implement ethical marketing and prevent any improper or unethical conduct.

Employees should abide by and implement the code of business ethics:

- ❁ Abide by laws, orders, and rules.
- ❁ Say no to corruption and bribery.
- ❁ Put emphasis on corporate governance and strive to achieve a balance of interests among shareholders, employees, and all stakeholders.
- ❁ Be honest to shareholders, employees, clients, and the general public.
- ❁ Care for society and sponsor charity activities legitimately and continuously
- ❁ Meet the confidentiality requirements for confidential and commercially sensitive information obtained in business

Report on Cases of Whistleblowing

In 2024, no whistleblower reports were received via internal or external channels or through the dedicated mailbox of the Ethical Corporate Management Promotion Team.

- ❁ The Board of Directors and senior management have signed a statement of compliance with the ethical corporate management policy.
- ❁ To prevent conflicts of interest, directors and managers and their stakeholders are required to be highly self-disciplined and provided with the means, e.g. meetings, documents, email or phone call, to state whether their interests conflict with the interests of the Company. The Company has established conflict of interest prevention policies and reporting channels in its “Ethical Corporate Management Operating Procedures and Code of Conduct” and “Whistleblowing System.” To prevent conflicts of interest, directors, managers, and their stakeholders are required to maintain a high degree of self-discipline. In all the proposals discussed or put to vote at the Board of Directors meetings in 2024, directors voluntarily stated their related interests when it came to the proposals involving their personal interests, and recused themselves from the voting. Such process was recorded in the Board of Directors meeting minutes by the meeting affairs unit. (See page 20 of the 2024 Annual Report.)

The Company has established a “Whistleblowing System” (for details, see the Company’s website), which vests the power to handle a whistleblowing case with the chairperson of the Audit Committee, the Audit Office, or the Ethical Corporate Management Task Force, depending on who is being accused. In addition, the whistleblowing channel and contact information are available on the Company’s website. Furthermore, the identity of whistleblowers and the content of their reports are kept strictly confidential. Violations of ethical behavior will be addressed with disciplinary actions, dismissal, or legal proceedings, depending on severity.

Whistleblowing Channels

Ethical Corporate Management Task Force

Mailbox: ethical@tshbiopharm.com

Internal whistleblowing channel:

Whistleblowing hotline: Wu, Ya-Chi, Head of the Audit Office

Tel: 02-2655-8525 (ext. 5523)

Mailbox: Jessica_Wu@tshbiopharm.com

Acceptance unit:

The unit exclusively responsible for accepting the case includes the Ethical Corporate Management Task Force and the Head of the Audit Office.

Reward rules:

Verified reports are eligible for rewards based on Chapter 8 of TSH’s Work Rules.

The standard investigation operating procedures for dealing with the matter being exposed, and the confidentiality mechanism, are based on the Company's "Whistleblowing System. "Including the following (summary description):

- **Filing Requirements:** Real-name reporting with detailed facts signed by the whistleblower.
- **Accepted.**
- **Investigation:** Relevant facts are examined; if needed, the whistleblower's identity is concealed. Relevant departments, external legal counsel, or experts may be consulted. If confirmed, the reported party is required to cease improper conduct and appropriate actions, including legal claims, may follow.
- **Reporting and Disciplinary Decisions:** Investigation results are compiled into a report and submitted to the appropriate level. Whistleblower protection policies are also communicated. File retention.

Brief description of the Protection Policy:

- The Company is committed to maintaining strict confidentiality of the whistleblower's identity and shall not impose any improper or adverse treatment against the whistleblower as a result of the report.
- In the event of a whistleblower identity breach, the responsible unit shall investigate the circumstances of the exposure and take disciplinary action against the perpetrator in accordance with the Company's Work Rules.
- Whistleblowing letters, transcripts, and other relevant documents shall be securely sealed and stored in the confidential archive designated to the accepting unit. Any breach of confidentiality shall be subject to disciplinary measures in accordance with the Company's Work Rules.

Adherence to compliance

Compliance is the foundation of stable business operations and sustainable development. TSH continuously monitors domestic and international policies and regulations that may affect its operations, and ensures that all business activities comply with applicable laws through institutionalized rules, procedures, and systems. The Company regularly conducts compliance inventories and reviews, formulates improvement plans for potential risks, stays ahead of regulatory changes, and organizes internal training to strengthen employees' awareness and understanding of legal compliance.

TSH strictly adheres to the Company Act, Securities and Exchange Act, Fair Trade Act, and other corporate governance-related regulations, while also complying with statutory requirements on environmental protection and occupational safety. In 2024, there were no records of any penalties for violations of corporate governance, anti-corruption, or fair trade regulations, nor were there any incidents involving managers in insider trading or infringement of customer privacy. TSH will continue to pursue the goal of "zero violations and zero penalties," to deepen its culture of compliance and enhance the resilience of its corporate governance.

1.4 Risk Assessment and Management Policy

Risk Assessment and Management Policy

TSH's Board of Directors approved the "Risk Management Policy and Procedures" on October 30, 2010, and established the "Risk Management Organization" as the responsible unit for executing risk management. On May 4, 2023, the Board resolved to appoint the President as the convener of this organization.

Risk Management Structure and Responsibilities

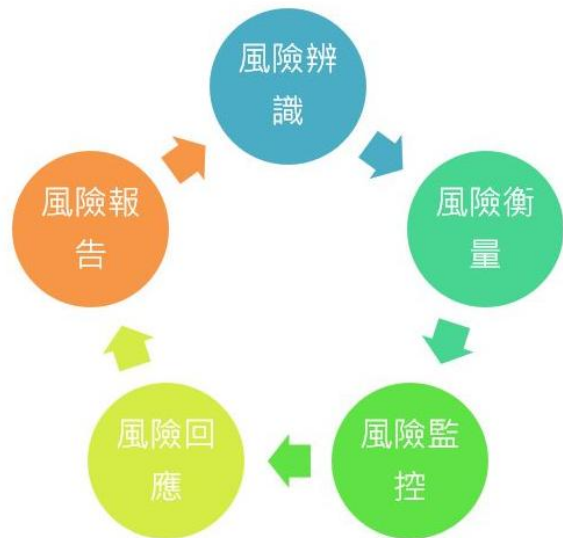
Risk management units	Risk management duties
Board of Directors	The highest risk management unit is responsible for approving the Company's risk management policies and framework, ensuring alignment between operational strategy and risk management policies, effective operation of risk management mechanisms, and allocation of sufficient and appropriate resources.
Risk management organization	The Company has established a risk management organization as the responsible unit for risk management implementation. The President serves as the convener, primarily overseeing risk monitoring, measurement, and assessment at the executive level. This unit assists in formulating the Company's risk management policies, ensures implementation of risk management decisions approved by the Audit Committee, coordinates overall risk management operations, and plans risk management-related training. The unit is directly under the President and reports to the Audit Committee and Board of Directors.
Audit Committee	The Board of Directors implements risk management decisions, oversees the Company's risk management mechanisms to adequately address faced risks, reviews risk management policies, structures, and implementation status, proposes improvements, when necessary, approves risk appetite (risk tolerance), prioritizes risk controls and risk levels, and guides resource allocation.
Internal audit	Reporting to the Board of Directors, the Internal Audit Office is responsible for internal control and auditing. It should examine the risk management implementation of each department according to the annual audit plan, prepare audit reports, track improvements, and report to the Audit Committee and the Board of Directors. In 2024, seven deficiencies were identified (mostly operational oversights), all of which were corrected within the same month. The Company will enhance staff training by supplementing and revising the internal control system and Standard Operating Procedures

(SOPs).

Risk Management Factors

The Company has identified potential risk factors in its operations and categorized them for effective management, including “operational risk,” “financial risk,” “market risk,” “legal risk,” “hazard risk,” “human resource risk,” and “other risks.” Risk considerations encompass economic (including corporate governance), environmental, social, and other dimensions. For detailed risk factor descriptions, please refer to the Company’s “Risk Management Policy and Procedures” regulations.

The Company identifies potential risks in the course of operations, evaluates risks based on materiality, and regularly monitors these risks. The following risks and corresponding management measures were identified for 2024 and reported to the Board of Directors on November 8, 2024.



Risk Management Hierarchy

The Company’s risk management execution is divided into three levels: “First Line of Defense,” “Second Line of Defense,” and “Third Line of Defense.”

- The primary responsibility lies with the business handlers of each department, who are the direct units for initial risk detection, assessment, and control. They are responsible for conducting “risk identification” and “risk measurement,” evaluating the probability of risk occurrence and the degree of impact.
- The second line of defense lies with department heads, who propose countermeasures when risks are identified in their business areas and provide these to the risk management organization.
- The third line of responsibility lies with the Risk Management Organization, which must review the integrity of the Company’s main risk management mechanisms related to operations, finance, market, legal, and hazards. After assessing and summarizing risks, appropriate response measures should be taken for the risks faced. The risk management organization should report on risk management status to the Audit Committee and Board of Directors at least once a year.

風險辨識	Risk identification
風險報告	Risk reports
風險衡量	Risk assessment
風險回應	Risk response
風險監控	Risk monitoring

Organizational Structure, Responsibilities, and Procedures for Reporting Material Incidents

Focusing on its core business and in compliance with regulations, the Company has established a set of internal control systems and standard operating procedures. It has also set up a separate mechanism for handling material non-public information, titled “Procedures for Handling and Reporting of Occasional Material Information,” which specifies reporting deadlines, items requiring reporting, and reporting methods. This ensures that the Board of Directors, independent directors, Chairman, and President are promptly informed of significant, unexpected events. No significant risk incidents were reported in 2024.

The significant risks identified by the Company in 2024 and the status of their management are as follows (please refer to the Company’s website for details):

Disclosure of Risk Information

Aspect	Risk type	Description	Risk management countermeasure
Economic (including corporate governance)	Operational risk (supply chain)	Price increases from API suppliers/OEMs	- Strengthen management and communication with API and manufacturing suppliers. - Engage regularly through industry exhibitions to optimize and coordinate with partners. - Enhance negotiation capabilities of relevant personnel.
	Operational Risk (R&D)	Underperformance of authorized development partners	- Strengthen pre-contract disease category knowledge and clinical trial design evaluation capabilities. - Consider valuation assessments based on clinical trial success or failure when contracting. - Design contract milestones to ensure payment is made only after risk is mitigated.

	Legal Risk (Compliance)	Contractual disputes	• Establish a rigorous contract review process. • Consolidate past dispute-prone contracts to optimize the Company's templates or adjust current agreements. • Work with experienced external legal counsel.
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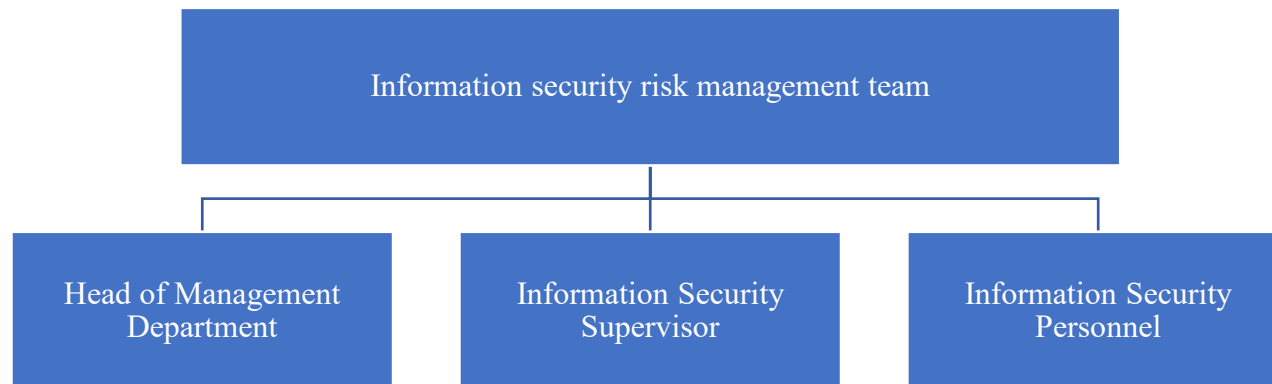
In addition to disclosure required by regulatory authorities, the Company also discloses risk management-related information in its annual report and on its website.

Official website: https://www.tshbiopharm.com/ec99/rwd1427/category.asp?category_ID=71

1.5 Cybersecurity Management

Information Security Governance Structure

To coordinate, plan, audit, and promote information security management and relevant matters, the Company has set up an information security risk management team. The information security risk management task force consists of the head of the Management Department, the head of Information Security, and information security personnel. The roles of the head of Information Security and information security personnel are filled by information security personnel. On December 9, 2024, a report was made to the Board of Directors on the status of information security operations in 2024. The task force's main responsibilities include formulating and revising information and communications security procedures, assisting in the promotion, coordination, and review of information security management matters, regularly reviewing security policies and objectives, conducting quarterly security inspections, and reporting the results to the Board annually.



Information Security Policy and Specific Management Plan

The goal of the Company's information security policy is to ensure the confidentiality, integrity, and availability of information.

❁ **Availability:**

Ensuring that various information assets are up to date and accurate enough to meet the needs of users.

❁ **Integrity:**

Classifying information assets by importance, and adopting appropriate protection measures to ensure their integrity.

❁ **Confidentiality:**

Appropriately classifying data into different confidentiality levels, and assigning proper regulations and protections to them according to their confidentiality level.

Although the Company has not implemented the ISO 27001 Information Security Management System, it still develops information security management based on its framework. Based on the information security risk appetite identified by the Company's Information Security Risk Management Team, insurance for information security risks is not currently necessary. However, with information security management in place, we continue to reinforce our information security protection and establish a joint defense program. In addition, the team members continue to participate in information security management courses every year to enhance their professional competencies and keep abreast of issues of concern. In 2024, the Company invested approximately NT\$1660 thousand in updating information software, hardware, and cybersecurity services, including upgrades and maintenance of endpoint protection centers and antivirus software. **Two information security meetings** were held during the year to further strengthen cybersecurity resilience.

The Company's information security policy and specific management plans are as follows:

Aspect	Activity	implementation status
Core business system management	- Core business system control - Confidential and sensitive data control	- Identified the Company's core business and confidential and sensitive information, and inventoried the information assets of the core business system. - Formulated the recovery time objective (RTOs) and recovery point objectives (RPOs) for core business. - The core system undergoes regular vulnerability scans and penetration testing, and vulnerabilities identified as medium or high risk in the test reports are fixed and tracked. - The operating host and equipment of the core information system were continuously updated and security vulnerabilities were fixed.
Information and communications system development, maintenance, and security management	- Information system access control - Password management - Physical and remote security	- Registered or canceled usernames in line with the Company's user management, and periodically reviewed usernames and their permission. - Periodically changed the passwords. - System server mainframe was installed in an area where access is controlled. - Server room environment complied with the requirements for safety operation in a server room. - Telecommuting was controlled in terms of encrypted communication, identity verification, and work contents.
Information security protection and control measures	- Endpoint security protection - Email security management - Intrusion detection and prevention mechanism - threat and attack defense measures - Cybersecurity threat detection and management mechanism	- An endpoint security protection center is set up to reflect malware intrusions and information security incidents in real time, and to provide statistics, so as to reduce information security risks. - Perform information security checks quarterly. - The email system is capable of filtering out and detecting malware, to implement email security management. - An intrusion detection and prevention mechanism is in place at each network node. - A firewall is erected for open application systems to reduce operational risks.

Aspect	Activity	implementation status
Control of the security of outsourced service	• Management of outsourced development • Contractor management	1. Information security requirements are specified for vendors to which the Company outsources work in order to ensure that the work performed by them is within the agreed work content and scope. 2. Confidentiality requirements and service change methods are specified in contracts.
Information security risk management, and response and reporting procedures	• Information security risk assessment • Procedures for responding to and reporting information security incidents • Material information announcement	1. The Company assesses information security risk, identifies information security risks for core business and core information systems, and implements corresponding control measures every year. 2. The Company has established information security incident response and reporting procedures. 3. The Company has gathered threat information and reported information security incidents, and has joined Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC).
Continuous advancement of cybersecurity	• Periodical audits • Information security operation annual report • Information security awareness session • Disaster recovery drill	1. Auditors conduct inspections periodically; if any event is spotted, they propose improvement measures and suggestions and periodically track the progress of improvement. 2. The Board of Directors is periodically briefed on the implementation of cybersecurity measures. 3. An information security awareness session is regularly held every year to enhance employees' information security awareness. 4. Disaster recovery drills are regularly held every year to ensure the ability to respond to information security incidents and reduce system operation risks.

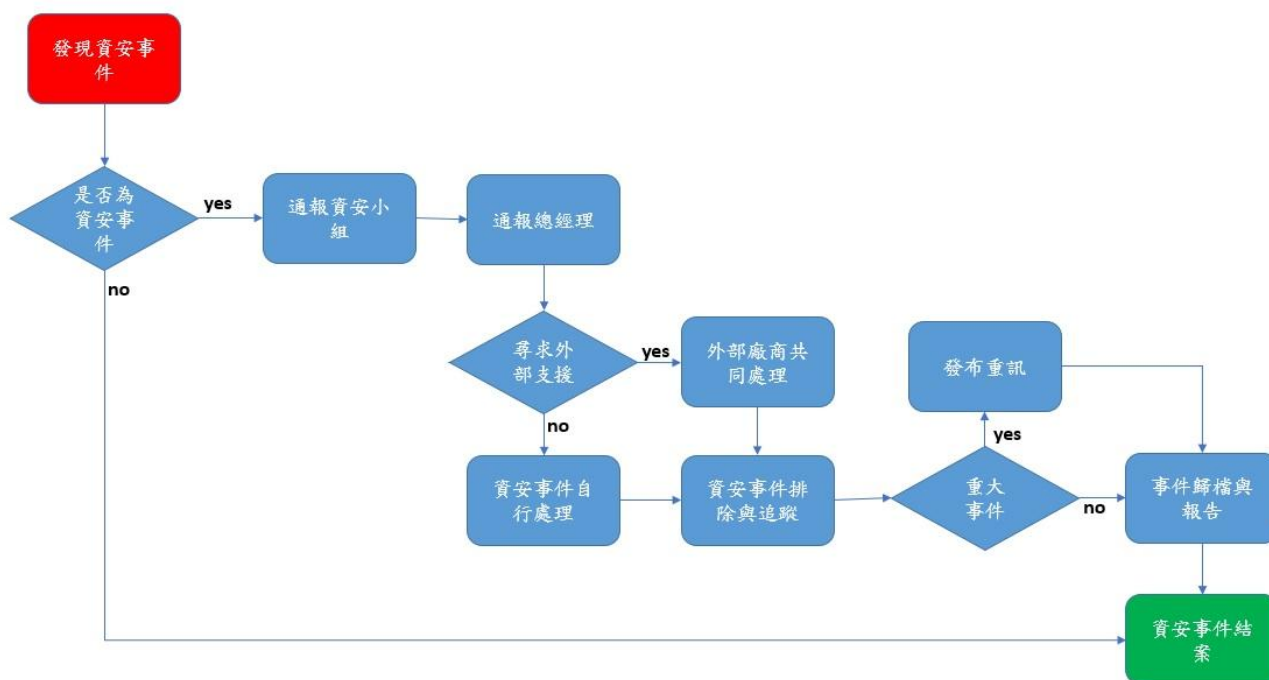
In 2024, the Company incurred no losses from major cybersecurity incidents.

Customer Privacy Protection

In 2024, the Company received zero complaints related to information security concerns (including from regulators or third parties).

Each potential issue was investigated in depth, and vulnerabilities were promptly addressed. System security protections and employee training were further strengthened to prevent recurrence. TSH is committed to protecting customer privacy and data security and will continue improving its cybersecurity processes to ensure the swift and effective resolution of any incidents.

Cybersecurity Incident Reporting Procedure



發現資安事件	Discovery of a cybersecurity incident
是否為資安事件	Determination whether it is a cybersecurity incident
通報資安小組	Report to the Information Security Task Force

通報總經理	Report to the President
尋求外部支援	Seek external support
資安事件自行處理	Handle the cybersecurity incident internally
外部廠商共同處理	Handle the cybersecurity incident jointly with external vendors
資安事件排除與追蹤	Eliminate and track the cybersecurity incident
發布重訊	Disclose material information
重大事件	Major event
事件歸檔與報告	File and report the incident
資安事件結案	Close the cybersecurity incident

All cybersecurity incident reports and handling follow Company procedures.

TSH develops its cybersecurity policies (including standards, management, and execution) based on identified risks and integrates them into internal control procedures. In addition to quarterly inspections and regular reporting to the Board, the Audit Office includes cybersecurity as an annual audit item and reports its findings to the Audit Committee and the Board.

Official website: https://www.tshbiopharm.com/ec99/rwd1427/category.asp?category_id=74

2. Product Innovation and Customer Safety



2. Product Innovation and Customer Safety

Aspect	Corporate governance (G)
Material Topics in this Chapter	Supply chain management
Commitments / Policies	TSH is committed to strengthening sustainable supply chain management by ensuring legal compliance and maintaining supply quality. The Company promotes self-managed quality control to enhance competitiveness and operational flexibility, ultimately delivering more comprehensive treatment options.
Management Mechanism	1. TSH manages suppliers through qualification review, on-site audits, improvement guidance, and a follow-up mechanism, while promoting environmental friendliness and paying attention to sustainability issues, to build a sustainable supply chain. 2. The product core is “patient-centered,” with main prescription drugs focusing on cardiovascular, gastroenterology, and central nervous system medications. The Company is diligently cultivating the chronic disease niche market while simultaneously implementing a dual-engine strategy to pioneer precision medicine, providing more comprehensive treatment options.
Responsible Units	Corporate Development and R&D Division, Marketing Division
2024 Evaluation Mechanism and Results	1. Continued production of two essential medicines listed by the WHO – TSH remains the only manufacturer of these in Taiwan. 2. Expanded into ophthalmology in 2024 and obtained Taiwan’s registration and commercialization rights for TYRVAYA® nasal spray. It is expected to launch in 2025, offering new treatment options for patients with dry eye disease. 2. The new compound drug Cretrol maintained year-on-year sales growth of over 250% in 2024. 3. Precision medicine products achieved 55% growth in sales performance in 2024. 4. There were no incidents in 2024 involving violations of regulations related to product or service information or labeling, and no fines or warnings were issued by regulatory authorities. 5. In the 2024 supplier evaluation, 22 suppliers (including warehousing and logistics providers) were assessed, with 100% meeting required standards.
Mid to long-Term Goals	Short-term Goals: Foster strong collaboration with suppliers to improve delivery reliability and flexibility Continue sourcing secondary suppliers and establish a supplier code of conduct

	Mid- to Long-Term Goals: Expand sales into overseas markets and explore new therapeutic or business areas. Encourage suppliers to align with the Company’s environmental commitments and sustainability efforts, ensuring all operations meet environmental and CSR requirements for stable and long-term growth.
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Aspect	Social aspect (S)
Material Topics in this Chapter	Drug distribution and pricing (Access to Medicine)
Commitments / Policies	TSH adheres to its core values of “people first, health as the priority.” We are committed to reducing barriers to medication access by enhancing Access to Medicine, affordability, and equity. The Company continually refines its distribution strategy, advocates for fair pricing, and actively introduces innovative therapies so that more patients can access the treatment they need in a timely manner.
Management Mechanism	To fulfill our commitment to Access to Medicine, TSH established a product accessibility evaluation framework, referencing the Access to Medicine Index and WHO drug pricing policy guidelines. This framework encompasses go-to-market strategies, pricing models, channel selection, and market access analysis. Internal audits and cross-functional collaboration ensure fair launches and stable supply across all markets.
Responsible Units	Corporate Development and R&D Division, Marketing Division
2024 Evaluation Mechanism and Results	2024 1. Obtained market approval for AMTREL in Malaysia. 2. Received official notification of Tyrvaya’s market authorization in Taiwan and completed licensing procedures. 3. Signed an exclusive distribution agreement with a Korean diagnostics company for a new cancer detection product. 4. Signed an exclusive distribution agreement with a Spanish pharmaceutical company for new products in the osteoarthritis field.
Mid to long-term goals	Short-term Goals: Improve accessibility of drug offerings across medical specialties Ensure a stable drug supply chain that covers Taiwan’s major healthcare systems Enhance training for the sales team on pricing and accessibility strategy Mid-term goals

	Facilitate regulatory approval of proprietary and licensed new drugs in emerging Asian markets Strengthen collaboration with health screening institutions and community pharmacies to increase access to early treatment Develop and implement an internal system to evaluate drug affordability as part of the pricing strategy Long-term Goals: Establish an Access to Medicine governance framework aligned with sustainability principles, covering product launch, pricing, sales, and public engagement. Become a leading pharmaceutical enterprise in the Asia-Pacific region for advancing Access to Medicine, actively engaging in policy advocacy and cross-sector collaboration.
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2.1 Product Quality and Responsibility

Current Status of Products and Development of New Drugs

TSH Biopharm Corporation, originating in the chronic disease field, adheres to operational principles of honesty and integrity, with a mission focused on concentration, innovation, and excellence, committed to providing superior health services for all humanity before, during, and after medical treatment. The product core is “patient-centered,” with main prescription drugs focusing on cardiovascular, gastroenterology, and central nervous system medications. The Company is diligently cultivating the chronic disease niche market while simultaneously implementing a dual-engine strategy to pioneer precision medicine, providing more comprehensive treatment options.

Best Partner in Asia

精準檢測

眼科

腸胃道

心血管

罕病

2024 Taiwan BIO Awards
傑出生技產業獎
TAIWAN BIO AWARDS
Emerging Company of the Year

東生華製藥
tshbiopharm

提升病患生活品質
成為國際創新生技在亞洲開發及行銷的最佳策略夥伴

精準檢測	Liquid biopsy
眼科	Ophthalmologist
罕病	Rare diseases
腸胃道	Gastrointestinal
心血管	Cardiovascular
提升病患生活品質	Improving patient quality of life
成為國際創新生技在亞洲開發及行銷的最佳策略夥伴	Become the best strategic partner in development and marketing in Asia for international innovative biotechnology companies

Prescription drugs

TSH's prescription drug business has been deeply rooted in Taiwan's healthcare system for many years. Its sales network now covers more than 400 medical centers and regional hospitals nationwide, delivering over one million clinical prescriptions annually. This segment is one of the Company's primary sources of revenue and has demonstrated consistent year-over-year growth. TSH's product line spans several core therapeutic areas, including cardiology, gastroenterology, and central nervous system disorders. Many of these products have gained recognition in international markets.

The combination antihypertensive drug Amtrel has been steadily expanding its presence in Southeast Asia. Since its initial launch in Thailand in 2015, it has subsequently obtained marketing approvals in Myanmar (2022) and Malaysia (2024). The antiarrhythmic drug Rhynorm received marketing authorization in Hong Kong in 2022 and is currently undergoing the regulatory submission process in Vietnam, the Philippines, and Indonesia. In addition, the new combination drug Cretrol, indicated for hyperlipidemia, was included in Taiwan's National Health Insurance program at the end of 2022. Its sales continued to grow by over 250% in 2024, reflecting strong clinical adoption and increasing market demand.

Ensuring Stable Drug Supply: Local Responsibility for WHO-Listed Essential Medicines

TSH remains committed to ensuring access to essential medications. The Company continues to manufacture two drugs listed on the WHO Model List of Essential Medicines, and is currently the sole producer of both in Taiwan: Ribarin (for the treatment of Hepatitis C), Aleviatin

injection (an emergency anti-epileptic medication). Although these products no longer generate commercial profit, TSH maintains their production and supply out of a sense of duty to public health – ensuring continued availability and protecting drug safety in Taiwan.

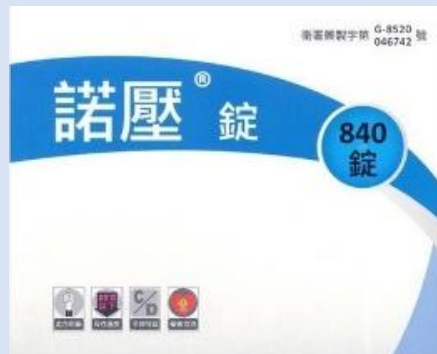
Expanding into Ophthalmology: TYRVAYA® for Dry Eye Disease

In 2023, TSH officially expanded its prescription product line into the field of ophthalmology. In July 2023, it announced a partnership with CORXEL to introduce TYRVAYA® nasal spray – an innovative treatment for dry eye disease developed by Oyster Point Pharma (U.S.). The product received new drug approval from the U.S. FDA in 2021. TSH obtained Taiwan’s market authorization in 2024 and plans to launch the product in 2025, offering patients with dry eye disease a novel, non-traditional treatment option.

Prescription Drugs

Cardiovascular Drugs

Amtrel



Antihypertensive medication

- Won the Technology Commercialization Award at the Taipei Biotech Awards in 2012
- Launched in Thailand in 2015
- Received drug license in Myanmar in 2022
- Received drug license in Malaysia in 2024

Rhynorm



Antiarrhythmic medication

- Received drug license in Hong Kong in 2022

Linicor



Lipid-lowering medication

- Primary prevention for hyperlipidemia

Cretrol



Lipid-lowering medication

- New combination drug with Statin for hyperlipidemia

Cardiovascular Drugs			
Rancad  衛部藥輸字第 027827 號 諾瑞心寧[®]500 毫克 持續性藥效錠 (Ranolazine 500 mg) 28 錠 本藥膏由醫師處方使用・ 本產品適用藥害救濟制度・	Medication for angina  Listed in the 2023 Taiwan Society of Cardiology's latest Chronic Coronary Syndrome Treatment Guideline as a priority treatment	Isormol  衛部藥輸字第 01158 號 001168 愛速脈錠20毫克 (伊速必得) 400 錠	Medication for angina
Licodin  衛部藥輸字第 G-1365 號 031506 號 利血達 膜衣錠100毫克 (梯可比定) 200 錠	Antiplatelet medication aggregation	Alprosm  本藥理由醫師使用 衛部藥輸字第 060202 號 愛博第凍晶注射劑 20 微克 20 毫克 x 10 瓶	Used for improving symptoms of peripheral arterial occlusive disease and maintaining blood flow post-revascularization

Gastroenterology Drugs			
Mopride 	Used to treat discomfort caused by gastrointestinal motility disorders	Ribarin 	Hepatitis C medication  Listed in the WHO Model List of Essential Medicines
Anti-inflammatory and Pain Management			
Lacoxa 	Medication for rheumatoid arthritis	Lonine 	Medication for osteoarthritis

Central Nervous System Drugs		Ophthalmology Drugs	
Aleviatin  本藥須由醫師處方使用 本藥品適用藥害救濟制度 阿雷彼阿慶錠 840錠 處方用藥 保存溫度 30°C 孕婦禁忌 藥效說明	Medication for epilepsy  Listed in the WHO Model List of Essential Medicines	TYRVAYA  星特潤噴鼻液 TYRVAYA (varenicline solution) Nasal spray 0.03 mg 乾眼症治療劑 1瓶/盒 淨含量3.5 mL 每瓶可噴60次 1瓶相當於15天的用量 東生華製藥股份有限公司 tshbiopharm corporation ltd.	Dry eye nasal spray medication



For complete prescription drug instructions, please refer to the official website of TSH:
https://www.tshbiopharm.com/ec99/rwd1427/category.asp?category_id=13

Precision medicine diagnosis

Since 2019, to strengthen the Company's growth momentum, TSH Biopharm has actively expanded into the precision medicine diagnostic market, introducing NGS (Next-Generation Sequencing) genetic testing items. Through collaborations with domestic and international laboratories, we have successfully introduced cancer genetic testing services, aiming to benefit more cancer patients. Achieved 55% growth in sales performance for 2024.

In particular, 2024 saw significant growth in “liquid biopsy” testing at TSH, especially for cancer patients with symptoms such as ascites, pleural effusion, or cerebrospinal fluid. Using low-invasive next-generation genetic testing for these patients has proven doubly beneficial. In 2024, we published Taiwan's first prospective real-world clinical study (Chang et al., Molecular Diagnosis and Therapy, 2024). The study included 39 lung cancer patients with malignant pleural effusion at the time of diagnosis. We found that analyzing the supernatant of centrifuged pleural fluid using liquid biopsy methods detected 12.8% more target gene mutations than conventional tissue-based gene testing (EGFR/ALK/ROS1). When expanded to include known driver mutations in lung cancer, the detection rate reached 92.3% (36 out of 39 patients). We transformed pleural fluid – originally discarded after drainage from the patient's body – into an excellent source for genetic testing, providing a less invasive yet highly sensitive NGS alternative to tissue biopsy.

Precision medicine diagnostic targets:

☼ Short-term Goals

Lower the barriers to testing: turn “wastewater into gold” (e.g. cerebrospinal fluid, ascites, pleural effusion), so that most cancer patients are no longer limited by difficulties in acquiring tissue samples and can access important treatment guidance. Provide testing that is less invasive but yields more accurate information, while enhancing patient safety.

☼ Mid-term goals

Through minimally invasive blood tests, utilizing ultra-deep sequencing to provide more precise personalized tumor tracking biomarkers, identifying patients at genuinely high risk of recurrence, and formulating more accurate personalized disease management strategies.

☼ Long-term Goals

Utilizing bioinformatic big data and artificial intelligence, simple and convenient blood tests enable early cancer screening, detection, and treatment, improving public health.

These innovative technologies and collaborations enable TSH Biopharm to make significant progress in precision medicine, providing patients with more accurate and effective treatment options, further promoting the Company's development and market position.

Liquid Biopsy	Tissue Biopsy
Can be performed with blood draw	Surgical tissue collection required

Can also be performed on bodily fluids such as ascites, pleural fluid, and cerebrospinal fluid.	
Can be performed in outpatient settings, no hospitalization required	Surgery required; post-collection hospitalization may be necessary for observation
Less restricted by organ location or physical condition	Some organ tissue samples are difficult to obtain or carry higher risks
Can assess overall tumor mutation status	Assessment is limited by the organizational parts obtained; if there are metastatic sites, it is difficult to judge or determine
Consider conducting regularly as a means of tracking and monitoring indicators	Unable to perform regular punctures or tissue biopsies, cannot serve as a means for pre- and post-treatment comparisons

In 2024, TSH launched AlphaLiquid® Detect, Taiwan's first personalized minimal residual disease (MRD) testing program based on whole genome sequencing of a patient's tumor tissue. This program also includes corresponding drug targets. Patients receive comprehensive genetic mutation and drug information from their tumors, followed by personalized monitoring kits that use ultra-sensitive, ultra-deep sequencing to detect whether any residual tumor DNA remains in the body after surgery. Detecting tumor DNA in the blood indicates a high risk of recurrence, requiring close monitoring and proactive intervention.

Precision Testing: Main Products and Key Applications:

Testing technology	Testing subject and target	Test item (Chinese/English name)	
Multiplex-qPCR	11 genes are analyzed to determine suitable medication for lung cancer patients.	肺診斷肺癌基因檢測	Lung Cancer Panel
ctDNA sequencing) (NGS	Solid tumor cancer patients, 118 genes + MSI + TMB analyzed to identify suitable targeted or immunotherapy drugs, enabling early treatment and increasing options for clinical trial medications.	癌液準-100 液態切片(血液)	AlphaLiquid-100 (blood)
DNA sequencing) (NGS	Solid tumor cancer patients, 118 genes + MSI + TMB analyzed to identify suitable targeted or immunotherapy drugs, enabling early treatment and increasing options for clinical trial medications.	癌克準-100 組織切片	Alpha-solid 100
ctDNA sequencing) (NGS	Solid tumor cancer patients, 118 genes + MSI + TMB analyzed to identify suitable targeted or immunotherapy drugs, enabling early treatment and increasing options for clinical trial medications.	癌液準-100 液態切片(體液)	AlphaLiquid-100 (bodyfluid)
ctDNA sequencing) (NGS	Solid tumor cancer patients, whole genome sequencing of tumor tissue is performed. Up to 1,000 personalized, tumor-specific gene mutations are selected. A blood test is used to detect any residual circulating tumor mutations, identifying truly high-risk recurrence patients to enable personalized treatment for early-stage cancer.	癌克準 WES (組織切片) + 癌蹤跡(血液)	CancerProfiler + AlphaLiquid Detect
ctDNA sequencing) (NGS	High-risk individuals with a family history of cancer who wish to assess their health status. This test analyzes the blood for cancer cell signals using AI to build models based on methylation, copy number variations (CNV), and fragmentomics, to predict the presence and origin of cancer signals. Eight cancer types can be screened at once.	癌液篩 (血液)	CancerFind



For a complete description of precision medicine products, please refer to the official TSH website:
https://www.tshbiopharm.com/ec99/rwd1427/category.asp?category_id=234

Legal and Ethical Compliance in the Product Life Cycle

In every link of the pharmaceutical industry chain, there are laws and regulations that must be strictly followed, and arbitrary experimentation, manufacturing, marketing and advertising are not allowed. As a pharmaceutical company, TSH places strong emphasis on implementing ethical standards throughout the product life cycle, including pre-clinical animal testing ethics, clinical human trial ethics, and ethical standards in drug marketing.

- ❁ New drug R&D and clinical research stage: Good Laboratory Practice (GLP), and the code of safety for non-clinical trials of pharmaceuticals formulated by the competent authorities of each country.
- ❁ Clinical trial stage: Good Clinical Practice (GCP), Good Manufacturing Practice (GMP), and regulations set by local authorities such as Taiwan's Regulations for Human Trials and Pharmaceutical Affairs Act.
- ❁ Production and manufacturing stage: Good Distribution Practice (GDP), Good Manufacturing Practice (GMP), and regulations formulated by local authorities, such as Taiwan's Medical Care Act, Pharmaceutical Affairs Act, and Standards for Medicament Factory Establishments.
- ❁ Drug license application stage: Regulations set by local authorities, such as Taiwan's Regulations for Registration of Medicinal Products.
- ❁ Marketing and sales stage: Good Distribution Practice (GDP), and related ethical standards set by World Health Organization (WHO) and countries around the world.
- ❁ Drug safety monitoring stage: Good Pharmacovigilance Practice (GVP) and local regulations, such as Taiwan's Regulations for the Management of Drug Safety Surveillance.

2.2 Innovative Research & Development and Access to Medicine

Product Development

We are committed to improving patients' quality of life and providing a comprehensive portfolio of medical products for everyone.

- ❁ High Economic Effect Drugs
The Company invests in clinical research and medication treatment, hoping to become a provider of drugs with high economic benefits for special chronic diseases.
- ❁ Commitment to New Drug Development
The Company is committed to drug development, especially the drugs for cardiovascular and autoimmune diseases that have a high entry barrier and for which a patent may be filed.
- ❁ Marketing in the Global Market
In line with the development of new drugs and the expansion of marketing channels, the Company is actively marketing products that are already on the market or will soon be available on the market around the world.
- ❁ Product Portfolio Development
The Company continues to develop international partnerships and evaluate new disease areas to provide physicians with a portfolio of medical products to improve patients' quality of life.

2024 Achievements in the Import and Development of New Products and Active Global Expansion

- ❁ January 2024
Obtained TFDA market authorization notice for the osteoporosis drug Kauliv.
- ❁ June 2024
Obtained market approval for AMTREL in Malaysia.
- ❁ November 2024
Received official notification of Tyrvaya's market authorization in Taiwan and completed licensing procedures.
- ❁ December 2024
Signed an exclusive distribution agreement with a Korean diagnostics company for a new cancer detection product.
- ❁ December 2024
Signed an exclusive distribution agreement with a Spanish pharmaceutical company for new products in the osteoarthritis field.

※The above summarizes the Company's achievements in introducing and developing new products in 2024

New Drug/New Product Development

R&D Plan	R&D Progress	R&D Expenditure Still Required (NT\$ Thousand)	Estimated Launch Time	Key Future Factors Affecting R&D Success
LBCA19	Completed three trial batches; registration expected to begin in the first half of 2025.	1,500	Q2 2026	Results of the three trial batch verifications
ACTA20	Evaluate need for clinical trials in registration and initiate trials	30,000	Q2 2027	Results of the clinical trials
EDIA20	Completed formulation development; conducted scale-up validation and stability testing. Planning to initiate registration in the second half of 2025.	6,000	Q4 2025	Stability results
VTNA23	Registration application submitted in Q4 2024.GMP on-site inspection scheduled for the first half of 2025.	500	Q1 2026	Results of registration review

Procedures of Clinical Trials

In order to ensure the quality of clinical trials involving human subjects, TSH Biopharm has established standard operating procedures as well as an audit and verification mechanism for each phase of clinical development. TSH Biopharm also complies with the Declaration of Helsinki and the ICH GCP Guideline, and executes each phase of clinical trials in accordance with the approved study protocols and the requirements of the relevant laws and regulations of the countries where the trials are conducted. During the process, physicians are scheduled to assess the health status of the subjects periodically and to monitor and report adverse events. In the event of an adverse event, appropriate treatment and handling procedures are in place. There is also a follow-up period after the clinical trial process to ensure the safety of the subjects. (In 2024, no adverse event reports or drug reactions were recorded.)

Access to Medicine and Fair, Reasonable Pricing

I. NHI pricing:

To improve patients' quality of life, we believe fair, reasonable, and affordable pricing is necessary to care for all patients in need. TSH's primary revenue comes from the sales of drugs covered by Taiwan's NHI. We apply for drug reimbursement pricing based on national

standards to ensure that patients can access the medications they need under NHI coverage. Our goal is to secure NHI pricing upon launch and adjust accordingly to annual NHI drug pricing revisions – benefiting chronic disease patients and alleviating their burden. In parallel, we ensure the supply of essential medications that are solely produced domestically, supporting Taiwan’s healthcare system.

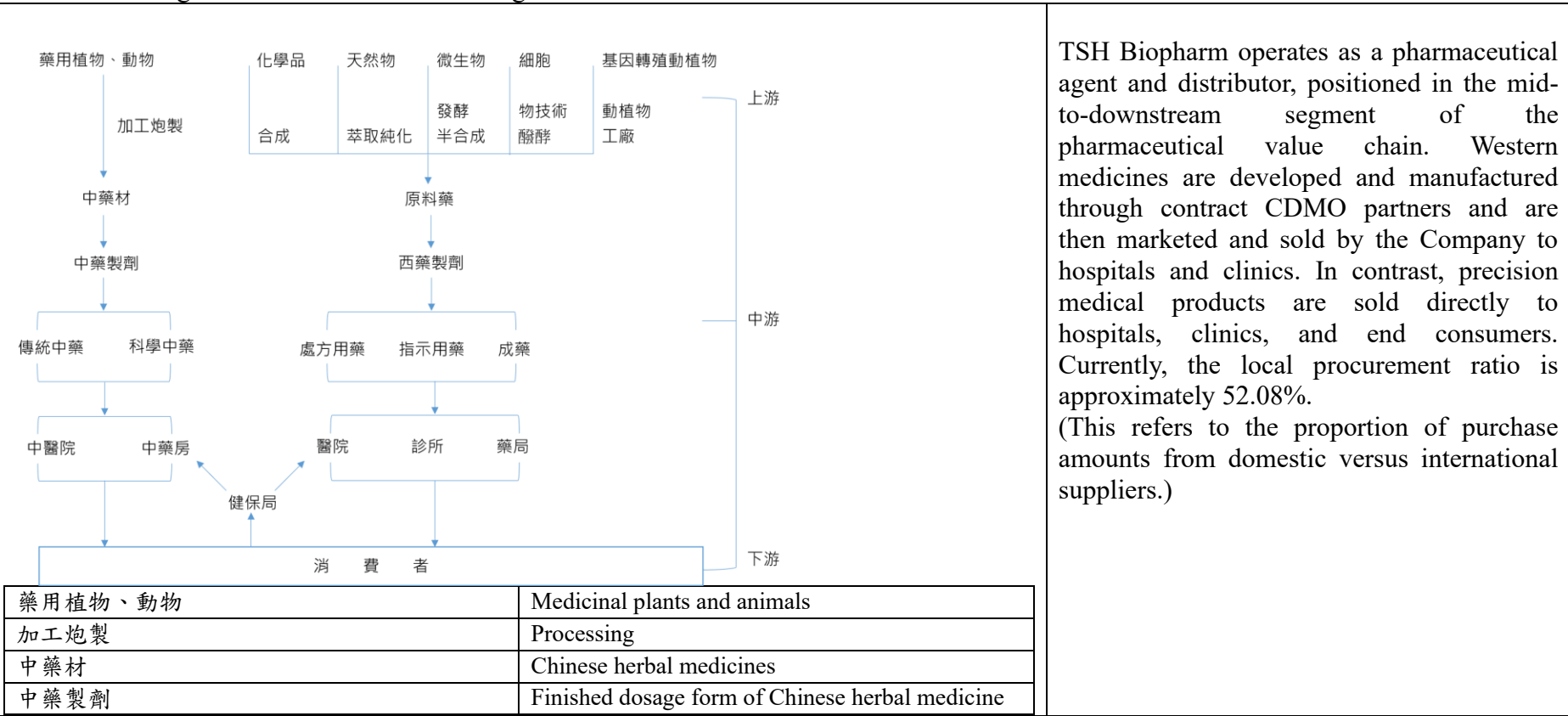
II. Market sales

In market sales and supply, TSH primarily follows the three guiding principles of accessibility, affordability, and availability outlined in the Access to Medicine Index when planning its distribution channels. At the same time, the Company refers to the WHO Guideline on Country Pharmaceutical Pricing Policies published by the World Health Organization to establish reasonable and fair market pricing. Sales pricing is controlled according to internal approval authority at various management levels, aiming to achieve a win-win-win situation for patients, the Company, and medical institutions.

2.3 Supply chain management

Pharmaceutical Supply Chain

The structure of the pharmaceutical manufacturing industry can be divided into upstream, midstream, and downstream sectors. Upstream involves the sourcing and manufacturing of raw materials (APIs); midstream focuses on the manufacturing of preparations and various sales channels. The figure below shows the following:



TSH Biopharm operates as a pharmaceutical agent and distributor, positioned in the mid-to-downstream segment of the pharmaceutical value chain. Western medicines are developed and manufactured through contract CDMO partners and are then marketed and sold by the Company to hospitals and clinics. In contrast, precision medical products are sold directly to hospitals, clinics, and end consumers. Currently, the local procurement ratio is approximately 52.08%. (This refers to the proportion of purchase amounts from domestic versus international suppliers.)

傳統中藥	Traditional Chinese herbal medicine	
科學中藥	Scientific Chinese herbal medicine	
中醫院	Chinese herbal medicine hospital	
中藥房	Chinese herbal medicine pharmacy	
化學品	Chemicals	
合成	Synthesis	
天然物	Natural products	
萃取純化	Extraction and purification	
微生物	Microorganisms	
發酵半合成	Fermentation and semi-synthesis	
細胞	Cells	
物技術醱酵	Fermentation with biotechnology	
基因轉殖動植物	Gene transplantation in animals and plants	
動植物工廠	Plant and animal factories	
原料藥	APIs	
西藥製劑	Finished dosage form of western medicine	
處方用藥	Prescription drugs	
指示用藥	Over-the-counter drugs requiring instructions from doctors or pharmacists	
成藥	OTC drugs	
健保局	Bureau of National Health Insurance	
醫院	Hospital	
診所	Clinic	
藥局	Pharmacy	
消費者	Consumer	
上游	Upstream	
中游	Midstream	
下游	Downstream	

Supplier policy

TSH manages suppliers through qualification review, on-site audits, improvement guidance, and a follow-up mechanism, while promoting environmental friendliness and paying attention to sustainability issues, to build a sustainable supply chain.

❁ Quality management

The Company evaluates suppliers' quality systems and supply quality through questionnaires filled out by contracted manufacturers, on-site audits, and data reviews. We require suppliers to provide official inspection reports from the past three years, valid PIC/S GMP documents, Taiwan FDA Drug Master File (DMF) registrations for active pharmaceutical ingredients, Certificates of Analysis from original manufacturers, and Material Safety Data Sheets (MSDS).

❁ Delivery time

The Company selects credible and reliable suppliers to ensure timely delivery and reduce lead times. It establishes secondary material sources and finished product safety stock levels for inventory management to maintain supply stability.

❁ Service

Vendors provide prompt quotations, complete documentation, deliver quality products meeting specifications, and demonstrate high cooperation. Willingness to promptly visit the facility to understand and resolve quality issues if problems arise.

❁ Sustainability

The Company encourages suppliers to obtain certifications in environmental, occupational safety and health, and labor rights (such as ISO 45001 Occupational Health and Safety Management System, ISO 14001 Environmental Management System, and AED-equipped facility certification) and to submit a corporate social responsibility self-assessment questionnaire, fulfilling their corporate social responsibility.

Pharmaceutical Supplier Management

Suppliers are important partners of TSH. As a member of the global community, the Company values corporate social responsibility and encourages supplier partners to join in these efforts. The goal is to enhance supplier sustainability performance and pursue shared sustainable development. TSH maintains high-quality supplier management by regularly inspecting suppliers to ensure their manufacturing processes minimize air, water, soil, chemical, and other forms of pollution, thereby safeguarding the health and safety of company employees and residents near partner facilities. In 2024, there were no cases of environmental pollution violations.

New Suppliers Evaluation

Suppliers are required to provide qualification certifications such as pharmaceutical manufacturing/sales licenses, valid PIC/S GMP factory certifications, Ministry of Economic Affairs factory registration certificates, and the latest Site Master File (SMF) before evaluation. For suppliers' manufacturing systems, quality assurance systems, quality control systems, warehousing systems, support systems, and validation systems, the Company's evaluation personnel conduct on-site assessments or evaluate through questionnaires and relevant documentation from contracted manufacturers. To ensure quality and maintain good relationships with suppliers, all qualified suppliers doing business with the Company are re-evaluated every three years. One new supplier added in 2024.

Annual Supplier Evaluation

TSH Biopharm conducts annual evaluations of suppliers with whom transactions occurred that year, assessing quality, delivery time, customer complaints, and service (including sustainability). Suppliers are graded based on evaluation results, serving as a basis for risk management. If a supplier's evaluation falls below the standard at Grade E (below 60 points), the supplier is notified of suspended procurement. After the supplier implements improvements, the Company may conduct a re-evaluation as needed. Suppliers who fail to improve are removed from the qualified supplier list.

Performance Evaluation

In 2024, the Company evaluated a total of 22 suppliers (including those for warehousing and logistics), with 100% meeting the required standards.

2024 Supplier Management Implementation

Supplier Self-Evaluation

Since 2021, the Company has issued supplier self-assessment questionnaires as part of the annual supplier evaluation to understand the current state of sustainable development among supplier partners. Currently, the questionnaire results are used as the basis for bonus points in supplier evaluations. The Company continues to improve the return rate of these questionnaires and intends to use the results to further promote sustainable supply chain initiatives.



Supplier Self-Evaluation Questionnaire

Each supplier is asked to assess their performance in the areas of environmental protection, labor practices, human rights, social responsibility, and product responsibility. The Company encourages suppliers to obtain certifications in these areas – such as ISO 45001 (occupational health and safety), ISO 14001 (environment), and AED certification – as a way to guide and ensure supplier compliance.

Improvement and Follow-Up

In the 2024 supplier evaluation, no suppliers were rated E (which would require procurement suspension), and no new suppliers were rated C (which would require guidance and follow-up improvements).

環境	Environment
勞工	Labor
社會	Social
人權	Human rights
產品責任	Product liability

2.4 Customer Health and Safety

Good Manufacturing Practice (GMP)

Pharmaceutical manufacturing is an industry characterized by high technological barriers, high added value, low pollution, and low energy consumption. It involves long R&D periods and product life cycles, and its main purpose is to treat human diseases, making it closely related to life and health. Therefore, the safety and effectiveness of medicines are of utmost importance. Before being marketed, all drugs must be reviewed and regulated by national authorities according to strict laws and regulations. All of the Company's products are manufactured by GMP-certified pharmaceutical plants that have been carefully selected, providing customers with reliable assurance and confidence in product quality.

From the time a drug is manufactured to the moment it is delivered to consumers, it must pass through a complete distribution supply chain, including storage, transportation, and personnel handling. Any deviation along the way can affect the final clinical quality of the medication. Under globalization and cross-border collaboration trends, the pharmaceutical supply chain has become increasingly complex, raising the standards for quality management.

To ensure the quality of medicines during distribution, international quality systems have evolved from production-focused GMP (Good Manufacturing Practice) to include GDP (Good Distribution Practice), which governs distribution processes. The GDP system ensures timely and correct delivery of medicines and prevents counterfeit drugs from entering the supply chain. It also enables rapid and effective product recalls when necessary, helping prevent the public from using substandard drugs.

TSH Biopharm fully understands the importance of drug quality and has implemented a comprehensive GDP system, updated its quality manual and related policies, and enforced management and audits of partner manufacturers. It strictly monitors drug quality from raw material sourcing, through production and storage, to distribution, ensuring stable drug quality from release to use.

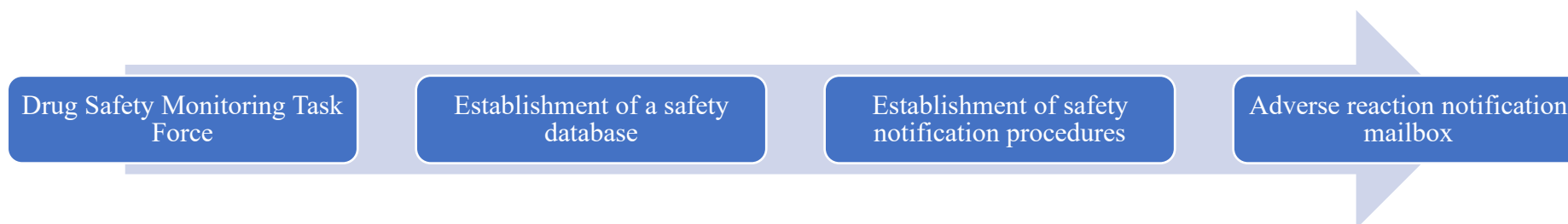
The following are TSH Biopharm's concrete measures in drug distribution:

- Strict screening of partner manufacturers: conduct review procedures to ensure compliance with GDP.
- Regular audits of partner manufacturers: perform audits to ensure ongoing compliance with legal requirements.
- Establish a drug traceability system: a comprehensive tracking mechanism ensures full traceability from manufacturing to sale, safeguarding safety and efficacy.

TSH Biopharm will continue to strengthen drug quality management and uphold its commitment to medication safety.

Global Drug Safety Monitoring System and Notification Procedures

The Company complies with international drug safety monitoring regulations as well as Taiwan's Pharmaceutical Affairs Act, Regulations for the Management of Drug Safety Surveillance and Regulations for Reporting Severe Adverse Reactions of Medicaments. We proactively collect information on the safety of drugs after they appear on the market, and provides periodic safety reports. The scope of drug safety monitoring includes the collection of cases of adverse reactions to drugs, case evaluations, safety signal detection and problem analyses, as well as further analyses of risk factors, risk assessments and initiation of preventive measures and management. In addition to complying with the Taiwan's adverse drug reaction notification system, we have also established a set of standard operating procedure to be followed when there is concern about the safety of a drug.



Drug safety notification education and training

In accordance with drug safety regulations, TSH Biopharm conducts regular education and training sessions for employees on drug safety notifications and maintains all training records. In 2024, the annual company-wide employee education and training session on drug safety notification was held, with a completion rate of 100%.

Mechanism of product traceability system

In order to ensure the traceability of TSH Biopharm's pharmaceutical products, the Company has established a product traceability mechanism for its global supply chain. All products are assigned a product code and lot number, which record detailed information about each batch of drugs,

including the part number, the lot number, and records of their movements once they leave the factory. The product code and lot number enable the basic principles of lot numbering, such as batch flow, traceability, and the operational procedures for the release of product batches.

Drug Recall Mechanism

TSH Biopharm has established a comprehensive drug recall mechanism in conjunction with the product traceability system. Therefore, when there is any doubt about the quality of a product, the drug recall can be completed quickly and effectively, providing an additional layer of security for patients. In compliance with Chapter 6 of GDP, recall operating procedures are established, and the effectiveness of recall operations is regularly reviewed. In 2024, a mock recall was conducted to ensure traceability across receiving, inventory, and customer processes, and to verify staff accuracy and proficiency during recall operations. No adverse drug recall events occurred in 2024.

2.5 Customer Relations and Domestic Association Participation

Marketing and Customer Relations

I. Marketing regulations:

1. The Company primarily sells prescription drugs. As per pharmaceutical regulations, sales must be to medical institutions. Advertisement and product information disclosure for prescription drugs are also regulated and must be limited to relevant medical personnel. For physical documents or advertisements, the labeling of drug names, outer packaging, package inserts, and labels complies with the “Regulations for Registration of Medicinal Products.” Drug marketing advertisements are submitted to and approved by the health authorities in accordance with the “Pharmaceutical Affairs Act.” The Company’s product representatives undergo thorough training on company products before promotion to ensure fair and transparent information provision and maintain positive relationships with medical institutions and physicians.
2. The Company’s testing service business is mainly sold through general medical institutions. The tests are prescribed by physicians or health checkup units. Although the marketing or advertising of these services is not currently directly regulated by government laws, the Company still follows the same marketing rules as those for pharmaceuticals.

In 2024, the Company had no incidents where product or service information or labeling violated regulations or resulted in fines or warnings by the competent authorities.

II. Customer Relationship Management

TSH places importance on market demand and customer satisfaction and continues to provide high-quality products and technical services. We regularly conduct satisfaction surveys. For items receiving lower scores, cross-departmental meetings are held to propose improvement plans, resolve customer issues, and strengthen cooperation.

At the same time, we strictly follow legal regulations to protect customers’ personal data and trade secrets, and we maintain information security and customer rights with integrity and professionalism.

Responsible department	Business Division, Marketing Division	
Communication Channels	Item	Description
	Customer Visits	Regular face-to-face customer visits
	Regular Discussions	At least one face-to-face meeting with major customers each month to understand their needs and maintain open communication channels

	Participation in Domestic and International Exhibitions	Invite customers to participate in domestic and international exhibitions
	In-depth Visits	Frequent visits to major customers to understand needs and seek new business opportunities
	Seminars	Occasional invitations to customers for seminars to share brand or product-related information
Grievance mechanism	The Company has established a customer service hotline and contact email on its website to provide channels for consumer inquiries or complaints. Additionally, a “Customer Complaint Handling Procedure” has been established, with product-specific personnel providing services and promptly addressing and responding to related issues.	
	Flow Number	Description of Handling Steps
	01	If a customer is dissatisfied with the Company’s service or has other feedback → submit a complaint via phone, written form, or customer service email on the official website. 02-2655-8525; service@tshbiopharm.com
	02	Customer service receives the complaint and determines if it is valid → forwards it to the relevant department for clarification.
	03	The responsible unit receives the complaint → clarifies the dissatisfaction, solves the issue, improves the process, and reports the outcome to the main department.
	04	The responsible unit → after handling the case, records it in the “Customer Complaint Handling Record” form, noting the incident and corrective measures for closure and filing.
	05	The responsible unit follows up → continues tracking whether the customer is satisfied with the outcome.
Management Mechanism	Policies/Commitments TSH upholds integrity and honesty as its core principles and is committed to offering customers economical pricing, prompt responses, and fast delivery with full responsibility. Our goal is to help customers enhance competitiveness and build long-term, stable partnerships.	
	Customer Relationship Goals - Short-term goal: Proactively care for and maintain good customer relationships through regular calls, emails, and visits, offering assistance as needed. - Mid-term goal: Establish a robust service mechanism to quickly address product issues and improve customer satisfaction. - Long-term goal: Organize regular customer service and industry-related courses to enhance business expertise, adapt to	

	diverse customer needs, and deliver high-quality service. Annual Practice and Resource Input • Allocate resources to the existing complaint handling process to respond quickly, provide feedback on causes and resolutions, and shorten patient wait times. Enhance service efficiency through process optimization, personnel training, and resource support. • For each complaint, file and review the case to identify root causes. Apply improvement experience to other products or processes to reduce recurrence and improve overall quality. • In response to the challenges of COVID-19, TSH adjusted the frequency of physical visits and shifted to remote conferencing platforms to maintain continuous customer interaction. Technical support and digital communication resources were allocated to ensure uninterrupted communication and an accurate understanding of customer needs and feedback.
Effectiveness evaluation	 The Company had no major customer deficiency cases in 2024.  The Company had no incidents of customer privacy infringement in 2024.

Participation in Taiwanese Associations

The Company's main operating activities are in Taiwan. We actively participate in association activities by joining business-related associations (as listed below) in Taiwan to enhance our knowledge and exchange academic knowledge as well as important medical information. We provide our industry experience to government agencies as a reference for formulating policies.

Unit	Role	Unit	Role
Taiwan Pharmaceutical Manufacture and Development Association	Member	Precision Medicine Industry Association of Taiwan	Member
Taipei Pharmaceutical Agents and Distributors Association	Member	Taiwan Society of Regulatory Affairs for Medical Products	Member
Institute for Biotechnology and Medicine Industry	Member	Taipei Medical Instruments Commercial Association	Member
Taiwan Generic Pharmaceutical Association	Member	The Society of Taiwan Women in Science and Technology	Member
Taipei Pharmaceutical Business Association	Member	Taiwan Bio Industry Organization	Member
The Pharmaceutical Society of Taiwan	Member	Taipei Pharmacists Association	Member

External initiatives

TSH Biopharm actively responds to external initiatives and international standards, engaging in more interactions to contribute to sustainable development in environmental, social, and economic aspects.

- Our sustainability report follows the GRI Standards issued by the Global Reporting Initiative (GRI). This report complies with Sustainability Accounting Standards Board (SASB) standards and climate-related financial disclosures. Disclosure in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) framework.
- The direction of information disclosure in the sustainability report aligns with the "Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies," the United Nations Global Compact, ISO 26000 Social Responsibility Guidelines, and other international standards.

3.Environmental Sustainability and Climate Strategy



3. Environmental Sustainability and Climate Strategy

Aspect	Corporate governance (G)
Material Topics in this Chapter	Climate change, energy management
Commitments / Policies	Implement countermeasures in compliance with international benchmarks
Management Mechanism	1. Actively plan to introduce education and training on the four major aspects of TCFD (Task Force on Climate-related Financial Disclosures) recommendations: governance, strategy, risk management, metrics and targets for disclosing climate-related information, proactively addressing impending global issues. 2. Conduct greenhouse gas inventory and quantification according to ISO 14064-1:2018 standard.
Responsible Units	President's Office, Sustainable Development Committee
2024 Evaluation Mechanism and Results	1. Actively plan for the four core elements of TCFD (Task Force on Climate-related Financial Disclosures) recommendations 2. Training for implementation of ISO 14064-1:2018 third-party certification 3. Completed greenhouse gas inventory and quantification according to ISO 14064-1:2018 standard.2024The total intensity of greenhouse gas emissions in Category 1 + Category 2 decreased by 15.47% compared to 2023. 4.The total energy intensity in 2024 is expected to decrease by 5.47% compared to 2023.
Mid to long-term goals	❁ Mid-term goals I. Replace obsolete equipment with energy-efficient equipment. II. Prioritize green building materials or environmentally friendly materials. III. Obtain ISO 14064-1:2018 third-party certification. Using 2023 as a baseline, reduce greenhouse gas emission intensity by 0.5% annually. ❁ Long-term Goals: I. Continuously review climate threats faced by the Company and plan ahead. II. Achieve the goal of carbon neutrality by 2050 according to national policy.

3.1 Climate Change and Greenhouse Gas Management

Task Force on Climate-related Financial Disclosures (TCFD)

Climate change, global warming, and greenhouse gas emissions have received heightened global attention in recent years. The United Nations Sustainable Development Goal (SDG) 13 specifically focuses on climate action. TSH Biopharm is actively planning to implement the four major pillars of the TCFD (Task Force on Climate-related Financial Disclosures): governance, strategy, risk management, and metrics and targets. This includes training on climate-related information disclosure, demonstrating our proactive engagement with these pressing global issues.

TCFD Management Framework

TSH Biopharm is committed to becoming a leader in sustainable development and has formulated the following response guidelines:

Core elements	TSH Biopharm's response approach
Governance	Establish a Sustainable Development Committee responsible for decision-making, supervision, and implementation of sustainability matters. An ESG Task Force has been established under the committee, and is responsible for promotion of daily operations.
Strategy	TSH Biopharm regards “climate change” as its top priority among sustainability issues and has set the following short-, medium-, and long-term goals: ☼ Short-term Goals: I. Stay informed about the latest regulations on greenhouse gas emissions, energy management, and climate change. II. Identify and quantify greenhouse gases according to ISO 14064-1:2018 standard. ☼ Mid-term goals IV. Replace obsolete equipment with energy-efficient equipment. V. Prioritize green building materials or environmentally friendly materials. VI. Obtain ISO 14064-1:2018 third-party certification. ☼ Long-term Goals: III. Continuously review climate threats faced by the Company and plan ahead. IV. Ultimate goal of achieving carbon neutrality In order to achieve the above goals, TSH will gradually adopt the following strategic measures:

	- Advocate for green procurement, requiring suppliers to comply with sustainable development standards. - Establish energy-saving measures to improve energy efficiency. - Invest in green energy equipment to reduce carbon emissions.
Risk Management	TSH Biopharm continues to monitor the latest international sustainable development issues and establish risk management mechanisms to assess and respond to risks such as climate change. Risk management process as follows: - Risk Identification: Regularly conduct risk assessments to identify potential risks affecting the Company's sustainable development. - Risk Analysis: Evaluate the degree of impact and probability of occurrence for risks. - Risk Response: Develop response measures to mitigate risk impacts. Significant risks will be reported to the Board of Directors for review before implementation.
Indicators and targets	Set the following indicators to meet international standards, improve energy use, and achieve carbon neutrality: - Short-term: Identify and quantify greenhouse gases according to ISO 14064-1:2018 standard. - Medium-term: Obtain ISO 14064-1:2018 third-party certification. - Long-term: Continuously review climate threats faced by the Company and plan ahead, ultimately achieving carbon neutrality goals.

Climate risks and opportunities

The following are the key climate risks identified by the Company and corresponding response measures:

	Risk Category	Risk Impacts	Response Measures
Transition risks	Policies and regulations	According to the domestic "Climate Change Response Act," the government may impose carbon fees and initiate total greenhouse gas emission controls in the future. If carbon fees or total emission controls are implemented, it will increase the Company's operational costs.	To reduce carbon fee costs and respond to total emission control, TSH Biopharm has set greenhouse gas reduction targets and adjusts operational strategies based on results.
	Market	Due to increased frequency and intensity	To reduce supply chain risks, TSH Biopharm has adopted the

		of extreme weather events and rising market demands for carbon emission management, the supply chain may face the following risks: Unstable supply: Extreme weather events may disrupt supplier production or transportation, affecting supply stability. Raw Material Price Increases: Higher carbon emission management requirements may lead to increased raw material costs.	following measures: ❁ Supplier Management I. Establish secondary source suppliers for specific critical raw materials to diversify supply risks. II. Evaluate suppliers' carbon emission management performance and require suppliers to implement carbon reduction measures. ❁ Inventory Management I. Appropriately increase inventory of critical raw materials to address risks of unstable supply. II. Establish a supply chain risk early warning mechanism to respond promptly to unexpected situations such as supply chain disruptions.
	Goodwill	As climate change issues gain attention, consumers' environmental and low-carbon requirements for corporate products are gradually increasing. If a company cannot effectively respond to climate change, it may face the following reputational risks: ❁ Decreased Customer Loyalty: If company products fail to meet customers' environmental and low-carbon demands, it may lead to customer loss. ❁ Revenue Decline: Customer loss may lead to decreased revenue, affecting business performance. ❁ Corporate Image Damage: If a company is perceived as not prioritizing climate change, it may	To reduce reputational risks, TSH Biopharm has adopted the following measures: ❁ Product greening I. Gradually adopt renewable or recycled packaging materials to reduce carbon emissions throughout the product life cycle. II. Develop low-carbon products to meet customers' environmental requirements. ❁ Supply chain greening I. Advocate for green procurement, requiring suppliers to adopt environmentally friendly, low-carbon production methods. II. Collaborate with suppliers to jointly develop green products. ❁ Operations Greening I. Establish energy-saving measures to improve energy efficiency. II. Invest in green energy equipment to reduce carbon emissions.

		lead to damage to its corporate image.	
Physical risks	Immediate	Climate change may lead to the following immediate risks: ❁ Supply Chain Disruption: Extreme weather events may cause production or transportation interruptions for suppliers, affecting product processes, shipment schedules, and revenue. ❁ Raw Material Price Increases: Extreme climate events may lead to increases in raw material prices, raising production costs. ❁ Decreased Product Sales: Extreme climate events may lead to decreased consumer demand, affecting product sales.	To reduce immediate risks, TSH Biopharm has adopted the following measures: ❁ Supplier Management I. Incorporate suppliers' climate change risks into evaluation criteria, such as drainage and emergency power supply. II. Regularly evaluate suppliers' climate change risk management performance. III. Remind suppliers to take precautionary measures during high-risk periods such as typhoon seasons. ❁ Production flexibility I. Seek API manufacturing partnerships with neighboring countries or Taiwanese companies to reduce supply chain disruption risks. II. Establish multiple supply sources to diversify supply chain risks. ❁ Inventory Management Appropriately increase inventory of critical raw materials to cope with unexpected situations such as supply chain disruptions.
	Long-term	Climate change may lead to the following long-term risks: ❁ Rising Energy Costs: Climate change leads to increased energy demand and decreasing renewable energy generation costs, resulting in higher energy prices. ❁ Energy Shortage: Extreme climate	To reduce long-term risks, TSH Biopharm has adopted the following measures: ❁ Resource management I. Prioritize energy-efficient equipment when replacing office equipment to improve energy use efficiency. II. Install renewable energy generation equipment such as solar photovoltaic systems to reduce dependence on external energy sources.

		events may lead to energy supply disruptions, affecting production.	 Supply chain management I. Include suppliers' energy use efficiency in evaluation criteria, encouraging suppliers to adopt energy-saving equipment. II. Collaborate with suppliers to jointly develop green products.
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Due to climate change, climate change may also bring the following opportunities for businesses:

Opportunity description	Response Measures
 Increased market demand: As consumer demand for eco-friendly and low-carbon products increases, enterprises can switch to using green packaging materials.  Industrial Upgrade: Climate change prompts enterprises to upgrade, such as introducing energy-saving equipment and developing renewable energy, which can enhance corporate competitiveness.  Government policy support: To address climate change, governments worldwide are introducing relevant policies such as carbon pricing and renewable energy subsidies. Enterprises can leverage these government policies to reduce costs and increase profitability.	 Product greening I. Gradually adopt renewable or recycled packaging materials to reduce carbon emissions throughout the product life cycle. II. Develop low-carbon packaging to meet customers' environmental needs.  Supply chain greening I. Advocate for green procurement, requiring suppliers to adopt environmentally friendly, low-carbon production methods. II. Collaborate with suppliers to jointly develop green packaging materials.  Operations Greening I. Establish energy-saving measures to improve energy efficiency. II. Invest in green energy equipment to reduce carbon emissions.

3.1.1 Greenhouse Gas Management

Even though the Company's position in the industrial value chain is drug development (new product evaluation and design and planning of clinical trial) and marketing, the Company commissions Taiwanese PIC/S GMP factories to produce its drugs, so the Company does not own any factory or R&D laboratory. All products are outsourced for manufacturing, with operational sites primarily focused on office activities.

In 2023, we conducted our first greenhouse gas inventory and quantification, following the ISO 14064-1:2018 standard. This process allowed us to understand the greenhouse gas emissions from each of our operating locations and develop feasible reduction strategies. To enhance the credibility of greenhouse gas inventory information and reports while improving inventory quality, professional consultants are engaged to assist with inventory audits after completing internal verification. This ensures that no emission sources are overlooked at each facility and confirms the reasonableness of the annual greenhouse gas emission data.

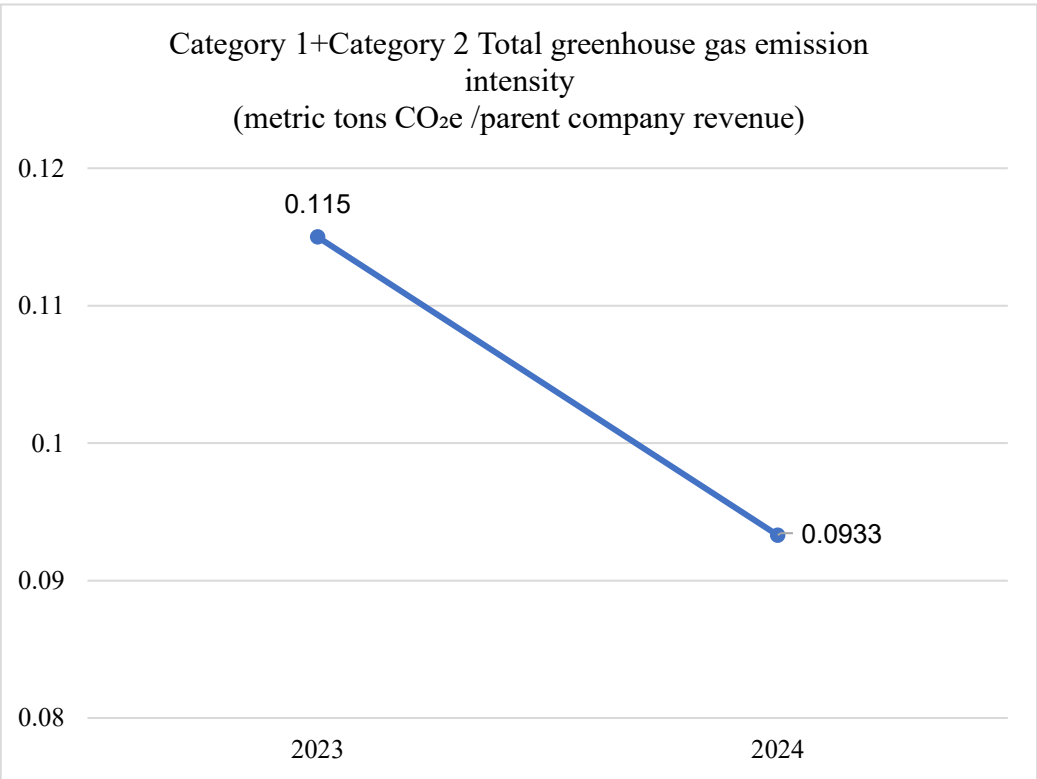
Greenhouse gas emissions are calculated using the operational control approach, employing GWP values from the IPCC Sixth Assessment Report (2021). TSH's main energy consumption comes from electricity used in the office building, with no energy use from fixed production processes. Mainly relies on purchased electricity. Although the total electricity consumption in 2024 is expected to increase compared to 2023, with the overall increase in revenue, we manage greenhouse gas emissions using greenhouse gas intensity (metric tons of CO₂e per NT\$ million of revenue). The intensity of greenhouse gas emissions in 2024 was 15.47% lower than in 2023.

(The electricity carbon emission factor for the Company's greenhouse gas inventory is based on the factors published by the Bureau of Energy, Ministry of Economic Affairs: 0.494 kg CO₂e/kWh for 2023 and 0.474 kg CO₂e/kWh for 2024. Other factors are sourced from the greenhouse gas emission factor information platform published by the Bureau of Climate Change, Ministry of the Environment.)

2024 TSH's greenhouse gas emissions (Category 1 and Category 2)

Unit: NT\$ thousand (metric tons CO₂e/year)

Facility	Taipei, Taichung, and Kaohsiung Offices	
Year	2023	2024
Category 1 (metric tons CO ₂ e/year)	1.1309	1.1049
CO ₂ (metric tons CO ₂ e/year)	0.0000	0.0000
CH ₄ (metric tons CO ₂ e/year)	0.0000	0.0000
N ₂ O (metric tons CO ₂ e/year)	0.0000	0.0000
HFCs (metric tons CO ₂ e/year)	1.1309	1.1049
PFCs (metric tons CO ₂ e/year)	0.0000	0.0000
SF ₆ (metric tons CO ₂ e/year)	0.0000	0.0000
NF ₃ (metric tons CO ₂ e/year)	0.0000	0.0000
Category 2 (metric tons CO ₂ e/year)	56.0806	57.5578
Category I + Category II (metric tons CO ₂ e/year)	57.2115	58.6627
Individual revenue (unit: NT\$ million)	497.3	628.5
Total greenhouse gas emission intensity for Category 1 + Category 2 (metric tons CO ₂ e / individual revenue)	0.1150	0.0933
(Compared with the previous year)		↓18.87%



GHG emissions from the headquarters and all operating locations in 2024 (Scope 3)

Unit: NT\$ thousand (metric tons CO₂e/year)

	2023	2024
Facility	Taipei, Taichung, and Kaohsiung Offices	
Category 3 indirect greenhouse gas emissions from upstream transportation	64.6907	87.7344
3.1 Upstream raw material transportation and distribution	23.1757	28.9503
3.2 Downstream transportation and distribution	11.0910	13.1757
3.3 Employee commuting	28.5743	35.2700
3.5 Business travel	1.8497	10.3384
Category 4 indirect greenhouse gas emissions from products used by the organization	11.3451	12.0172
4.1 Fuel and energy-related activities	11.0458	11.8151
4.3 Waste generated in operations	0.2993	0.2021
Category 5 indirect greenhouse gas emissions from the use of organization-related products	Unquantified	Unquantified
Category 6 Other indirect emissions	Unquantified	Unquantified

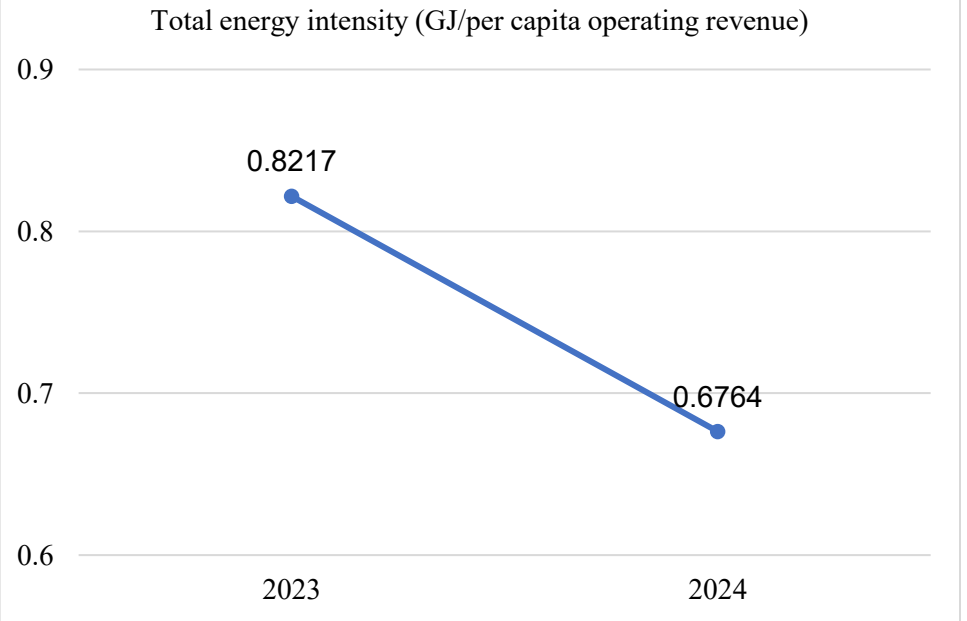
	2023	2024
Scope 3	Unit: (metric tons CO₂e/year)	
Indirect greenhouse gas emissions from transportation (upstream/downstream raw material transportation and distribution, employee commuting and business travel), and indirect greenhouse gas emissions from the organization's use of products (fuel and energy-related emissions and waste generated by operations)	76.035	99.7516

3.1.2 Resource Management

Power Management

TSH's main energy consumption comes from electricity used in the office building, with no energy use from fixed production processes. The energy consumption of primarily purchased electricity for the Taipei, Taichung, and Kaohsiung offices is shown in the following table:

Year Item	Taipei, Taichung, and Kaohsiung Offices Combined	
	2023	2024
Electricity (kWh/year)	113.5170	121.4299
Total electricity consumption (GJ/year)	408.6567	437.1428
Individual revenue (unit: NT\$ million)	497.3	628.5
Total energy intensity (GJ/per capita operating revenue)	0.8217	0.6764
(Compared with the previous year)	--	↓ 17.68%
Renewable energy usage rate/kWh	0	0



Conversion factor reference: Bureau of Energy, Ministry of Economic Affairs – Energy Product Unit Calorific Value Table (Updated 2020-05-15)

Electricity: 860,000 kcal/kWh, liquid petroleum gas (LPG): 12,062 kcal/kg, natural gas (NG): 9,000 kcal/m³,

Gasoline: 7,800 kcal/L, Diesel: 8,400 kcal/L, 1 kcal = 4,186 joules

Water Usage Management

TSH Biopharm's Taipei, Taichung, and Kaohsiung offices use tap water, mainly for general office purposes; therefore, water intake is equal to water consumption.

Since the offices share water resources with the buildings they are located in, usage is allocated based on floor area. In 2023 and 2024, total water consumption was 1,788.07 and 1,664.99 metric tons, respectively, with corresponding CO₂ emissions from water use at 0.1695 and 0.1578 metric tons. (The data on CO₂ emissions from water use is based on information from water bill receipts.)



3.1.3. Energy-saving improvement measures

TSH Biopharm's operational model focuses on integrated drug development and marketing. All company products are outsourced for manufacturing, with no in-house factories or laboratories. At present, our operating site is in the office, and we remain committed to implementing energy conservation and environmental protection measures. In response to the energy conservation and carbon reduction policy launched by the government, we have implemented measures at our operating site to reduce our environmental impact. Additionally, we have identified the potential risks and opportunities of climate change, both now and in the future, as topics to be discussed with our suppliers for sustainable development and collaboration.

Measures for Reducing Energy Consumption

Go achieve energy consumption targets, TSH Biopharm will implement the following measures:

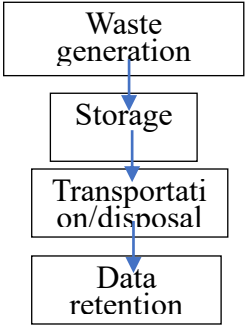
- ☼ Internal basic operational energy consumption
 - I. Replace outdated equipment to improve energy efficiency.
 - II. Promote energy conservation and carbon reduction awareness education to enhance employee energy-saving consciousness.
 - III. Implement green procurement, prioritizing energy-efficient products.
- ☼ Energy consumption in logistics operations
 - I. Optimize logistic routes, reduce empty load rates
 - II. Adopt green packaging materials to reduce packaging waste.
- ☼ Employee commute
 - I. Promote green commuting, encouraging employees to use public transportation, bicycles, or walk.
 - II. Implement work-from-home measures to reduce carbon emissions from high-pollution commuting.

3.2 Environmental Management

3.2.1 Waste Management

The headquarters’ main business activities are conducted in the office at Nangang Software Park, Taipei City. Given the operational characteristics, the primary pollution source is only general office waste. Strict resource and waste sorting is implemented to reduce waste volume. The operational characteristics of offices in Taichung and Kaohsiung are similar to those of the headquarters. However, for inventory waste stored in outsourced warehouses, the Company ensures disposal through professional partner vendors in compliance with local health department regulations, minimizing ecological impact. All processes comply with regulations; no violations of waste disposal regulations occurred in 2023.

Waste management process

	● The main pollution source from operational characteristics is only general domestic waste from offices. ● Obsolete inventory stored in outsourced warehouses
	● Strictly implement resource and waste segregation during storage to reduce waste volume. ● Waste/expired drugs are stored in outsourced warehouses by contract manufacturing pharmaceutical plants.
	● Office waste is handled by qualified contractors commissioned by the building management committee. ● Disposal is processed through professional partner vendors in compliance with local health department regulations.
	● The general industrial waste (waste drugs) in 2024 was 1.34 metric tons, and no hazardous medical waste was generated. Total waste production volume decreased by 28.34% compared to 2023.

Unit: Metric tons

Item		2023	2024	Disposal method
General industrial waste	Pharmaceutical waste	1.84	1.34	Incineration
Hazardous industrial waste	Medical waste	0.03	0	--
	Total	1.87	1.34	--

* Hazardous industrial waste – medical waste: 0.03 in 2023 and 0 in 2024, mainly due to product strategy adjustments.

3.2.2 Sustainable Environment · Green Office Transformation

 	☼ Teacups and mugs that can be repetitively used are provided to office visitors, to reduce the environmental pollution resulting from disposable drinking water bottles. ☼ PEFC-certified paper is used in the office. PEFC is the world's largest forest certification system. Its standards aim to change forest management globally and locally to ensure that everyone can enjoy the environmental, social, and economic benefits provided by forests. PEFC is an international non-profit, non-governmental organization dedicated to promoting Sustainable Forest Management (SFM) through independent third-party verification. The Company works throughout the forest supply chain to promote good forestry practices and ensure the production of timber and non-timber forest products that meet the highest ecological, social, and ethical standards.
	☼ The coffee beans and tea bags at the disposal of employees and guests all bear an International Fairtrade Certification Mark. Note: Fairtrade International formulated the Fairtrade Standard for the world to follow. The standard is applicable to importers, exporters, and manufacturers, and requires them to be subject to the monitoring and audit carried out by a certification body. This way, the standard makes the supply chain transparent, and social influence measurable and visible. Products bearing the Fairtrade Certification Mark indicate that their raw material sources have been audited by the Fairtrade Certification Organization. A consumer buying a product bearing the mark is also contributing to the sustainability of the world and democracy of society. ☼ Dishwashing detergent and hand sanitizer at the disposal of office employees all bear a green product mark. *Note: Green products refer to products made of pure natural food or natural plants that do not contain any chemical additives, or to products that meet environmental requirements during production, use, and processing and are harmless or minimally harmful to the environment and conducive to resource regeneration and recycling.

4. Employee Relations and Care



4. Employee Relations and Care

Aspect	Social aspect (S)
Material Topics in this Chapter	Happy and diverse workplace, diversity and equal opportunity, talent development and cultivation, labor/management relations
Commitments / Policies	With a focus on employee care, the Company aims to build a safe, healthy, and vibrant work environment, enabling employees to achieve work–life balance, family harmony, and personal well-being in a happy workplace.
Management Mechanism	1. Comply with relevant labor laws and regulations, respect internationally recognized basic labor rights principles, protect the legal rights and interests of employees, and ensure non-discriminatory treatment in employment policies, by establishing appropriate management methods, procedures, and implementation. 2. Provide employees with a safe and healthy work environment and regularly implement safety and health education for them. 3. Establish a mechanism for regular employee communication and notify employees of operational changes that may have a significant impact in a reasonable manner.
Responsible Units	Administrative Department
2024 Evaluation Mechanism and Results	1. Occupational accident incidence rate in 2024: 0%. 2. The average training hours per employee in 2024 were 13.69 hours. 3. The average salary adjustment in 2024 was approximately 3.47%. 4. In 2024, two employees were eligible to apply for unpaid parental leave, but none actually applied. 5. The Company provides annual health checkups, exceeding the requirements of the Labor Standards Act. The health checkup rate in 2024 reached 58%. 6. In 2024, a total of 96 flu vaccines were administered to employees and their family members to enhance protection. 7. In 2024, a “DEI (Diversity, Equity, and Inclusion)” workshop was held to shape the organizational culture, promote diverse communication and collaboration, and foster an inclusive environment.
Mid to long-term goals	• Continue to arrange professional and diverse educational training to enhance human resource quality and corporate competitiveness. • Actively encourage employees to participate in various sports or fitness-related activities to develop regular exercise habits.

- | | |
|--|---|
| | <ul style="list-style-type: none">• Establish comprehensive psychological support channels and proactive measures to promote employee physical and mental health. |
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4.1 Employee Structure and Human Rights

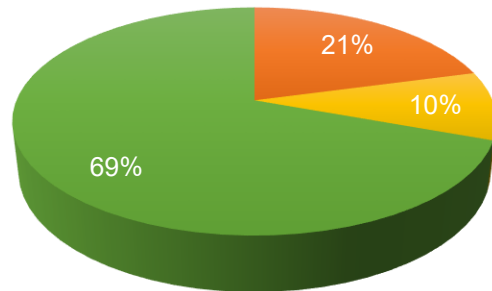
TSH Biopharm firmly believes that the value and contributions of each colleague are the key driving forces behind the Company's growth and development.

We uphold integrity, pragmatism, and innovation as our core values, encouraging teamwork and continuous learning, understanding customer needs, and embracing responsibility – all to achieve mutual success in both individual development and the Company's vision.

Adhering to a people-oriented management philosophy, TSH cherishes every team member and is committed to cultivating a workplace culture based on respect and trust. We provide comprehensive career development training, competitive benefits, and a friendly working environment, co-creating a path for professional, healthy, and well-balanced growth.

As of the end of 2024, TSH had a total of 72 employees, with 81% under the age of 50. There were 44 female employees, accounting for 61% of the total workforce. Non-employee workers refer to those who are not TSH employees; currently, there are two external consultants. Employees are categorized by career fields into management, R&D, and others. In 2024, management personnel accounted for 20.8% of all employees. All management personnel are local employees.

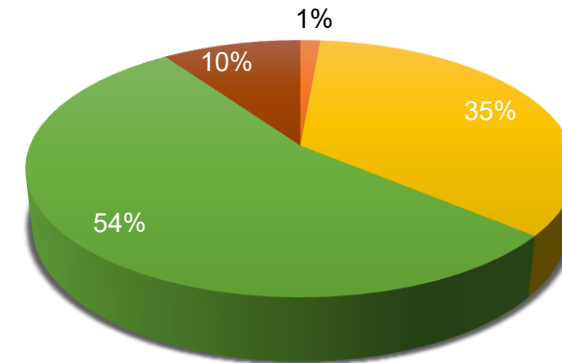
Employee Structure and Headcount in Taiwan



■ 管理人員 ■ 研發技術人員 ■ 其他員工

員工結構人數	Employee Structure and Headcount
管理人員	Managerial officers
研發技術人員	R&D technicians
其他員工	Other employees

Employee education distribution in Taiwan



■ 博士 ■ 碩士 ■ 大學 ■ 大專 ■ 高中 ■ 高中以下

員工學歷分布	Employee education distribution
博士	Doctoral degree
碩士	Master's degree
大學	University
大專	College
高中	Senior high school
高中以下	Below senior high school

Employee structure in Taiwan

Annual items		2023			2024		
Gender		Female	Male	Total	Female	Male	Total
Number of employees in Taiwan	Managerial officers	8	6	14	8	7	15
	R&D technicians	2	5	7	4	3	7
	Other employees	32	15	47	32	18	50
	Total	42	26	68	44	28	72
Number of new employees (persons)		6	1	7	12	11	23
Number of resigned employees (persons)		4	9	13	11	8	19
Average age		41.4	40.5	41.3	42	43.3	42.5
Average length of service		8.1	7.5	7.6	5.3	4.5	4.99
Distribution of education level in percentage	Doctoral degree	0	1	1%	0	1	1%
	Master's degree	11	15	33%	12	13	35%
	University	20	13	51%	26	13	54%
	College	7	1	15%	6	1	10%
	Senior high school	0	0	0	0	0	0
	Below senior high school	0	0	0	0	0	0

Note: Years of service are calculated from the date of TSH's establishment (September 2010).

2022–2024 Office Workforce Composition in Taiwan (Data as of December 31, 2024)

Year		2023		2024	
Number of employees at year-end		68		72	
Domestic	Male	26	38%	28	39%
	Female	42	62%	44	61%
	Others	0	0%	0	0%
Permanent employees (indefinite contract)	Male	25	36%	27	37%
	Female	42	62%	44	61%
Fixed-term contract employees (temporary staff)	Male	1	1.5%	1	1.5%
	Female	0	0%	0	0%
Full-time Employees	Male	26	38%	28	39%
	Female	42	62%	44	61%
Age and percentage (%)	Under the age of 30	11	16%	4	5.56%
	30–50 years old	45	66%	54	75%
	Over the age of 50	12	18%	14	19.44%
Minority or vulnerable groups		1		1	

Male-to-female employee ratio

■ 男 ■ 女

男女員工人數比率	Male-to-female employee ratio
男	Male
女	Female

Age ratio

■ <30歲 ■ 30~50歲 ■ >50歲

年齡比率	Age ratio
30 歲	30 years old
30~50 歲	30–50 years old
>50 歲	Over the age of 50

New hire and turnover employee structure

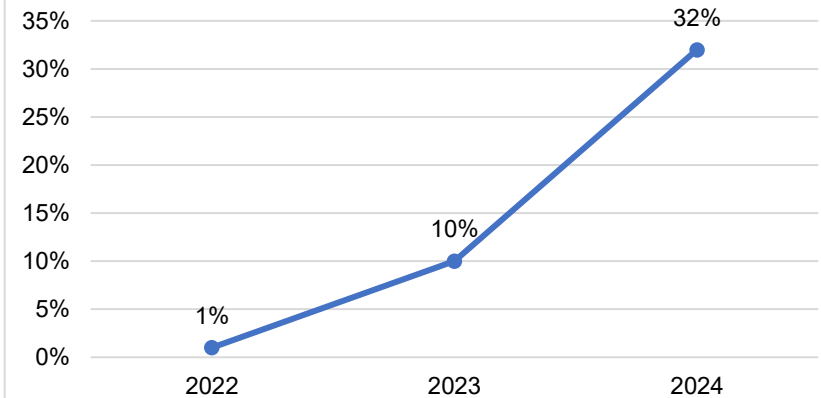
TSH Biopharm actively recruits new employees, strictly adhering to the Employment Service Act in its personnel selection process. Through fair and open recruitment channels, the Company considers professional abilities and aptitude characteristics without discrimination based on race, gender, nationality, religion, political affiliation, sexual orientation, or age.

TSH Biopharm is committed to cultivating excellent talent. In 2024, 23 new employees were hired, representing a new hire rate of 31.9%. 19 employees resigned, with a resignation rate of 26.3%. Due to the adjustment and expansion of the organization's departments, the number of new hires and resignations in 2024 was higher than in 2023.

Structure of new hires in Taiwan 2022–2024

Employee recruitment		2023		2024	
Employees for the year (total)		68		72	
New hires (total)		7		23	
Percentage of new hires to total employees (%)		10%		32%	
New hires	Under 18 years of age	0	0%	0	0%
	Aged 18–30	1	9%	0	0%
	Aged 30–50	6	13%	19	35%
	Above 50 years of age	0	0%	4	29%
	Male	1	4%	11	39%
	Female	6	14%	12	27%

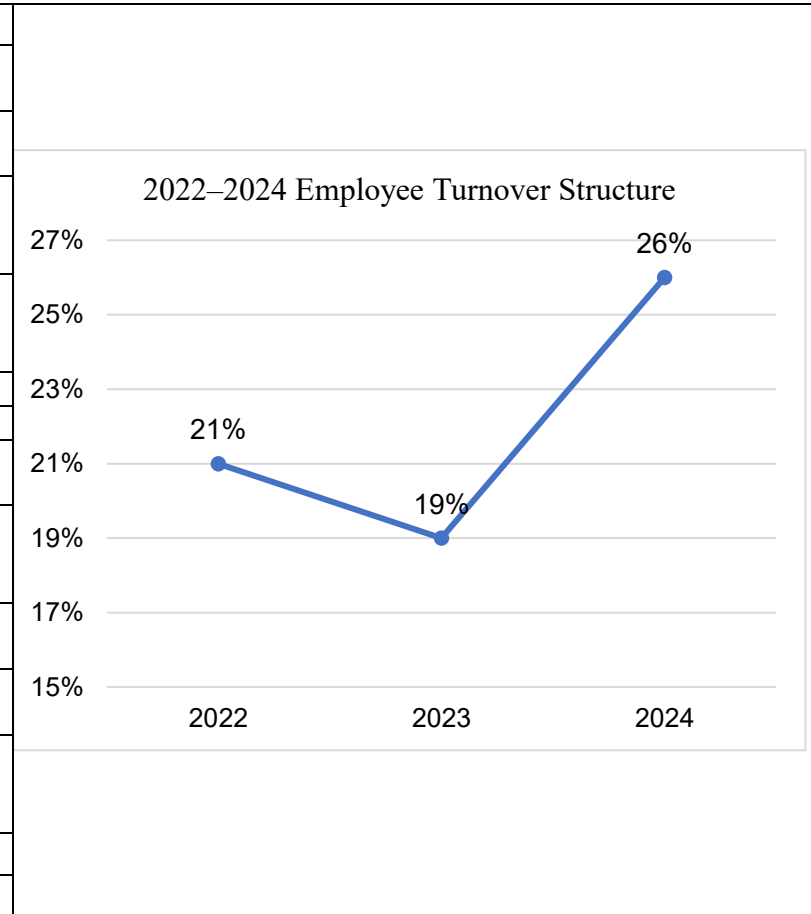
Structure of new hires 2022–2024



*New employee hiring rate = Total number of new employees / Total number of employees for the year

2022–2024 Employee Turnover Structure in Taiwan

Employee turnover		2023			2024		
Employees for the year (total)		68			72		
Employee turnover (total)		13			19		
Percentage of departing employees to total employees (%)		19%			26%		
Voluntary/Involuntary turnover		Voluntary	Non-voluntary	Turnover ratio	Voluntary	Non-voluntary	Turnover ratio
Senior management		0	0	0	0	0	0
Mid-level management		0	0	0	0	0	0
Professional and others		12	1	12:1	16	3	16:3
Departing employees	Under 18 years of age	0		0%	0		0%
	Aged 18–30	4		36%	0		0%
	Aged 30–50	9		20%	15		28%
	Above 50 years of age	0		0%	4		29%
	Male	9		35%	8		29%
	Female	4		10%	11		25%



* Turnover rate = Total number of resigned employees / Total number of employees for the year

* The reason for involuntary separation is incompetence.

Human Rights policies

The Company abides by labor laws and the International Bill of Human Rights, and treats employees fairly with reference to the “Universal Declaration of Human Rights,” “Ten Principles of the UN Global Compact,” and “United Nations Guiding Principles on Business and Human Rights.” The Company also formulates related management policies and systems to ensure employees’ basic rights. In addition, the appointment and dismissal, remuneration, and welfare of the Company’s personnel are carried out in accordance with the Company’s “personnel regulations.”

The Company’s implementation approaches:

- ❁ Provide a safe and healthy workplace to ensure the safety of employees and effectively reduce the risk of occupational accidents.
- ❁ Any form of discrimination is prohibited; discrimination in any form or in treatment on the basis of gender, gender orientation, race, age, marital status, religion, political affiliation, place of birth, appearance, facial features, and disability is prohibited. Equal employment opportunities must be ensured.
- ❁ Employment of child labor and illegal foreign labor is prohibited.
- ❁ Encourage employees to maintain physical and mental health and strike a balance between work and life.
- ❁ Forced labor is prohibited; employees are not restricted from taking a leave, nor are they forced to work overtime.
- ❁ Create a communicative environment and encourage colleagues to communicate with the Company through labor and management meetings.
- ❁ Provide diverse, open communication channels through which stakeholders, such as suppliers and business partners, can submit feedback to the Company or report suspected violations.
- ❁ Protect the labor rights of disadvantaged or marginalized groups, and employ physically challenged persons and assign them a job that they are qualified to do so as to help them engage in the workforce. In 2024, the Company employed one person with disabilities, accounting for 1.39% of all employees, in compliance with requirement of the People with Disabilities Rights Protection Act.
- ❁ Regularly review and evaluate relevant risks and review relevant systems and conduct.

4.2 Cultivating and Developing Diverse Talent

TSH Biopharm attracts and retains talent through compensation and benefits, a friendly workplace environment, agile organizational management, internal rotation, and talent development. At the same time, to enhance the professional knowledge and skills of employees so as to have them effectively achieve work goals, and to stimulate their potential and enhance their willingness to learn in order to meet the needs of their self-growth and organizational development, the Company implements pre-employment training, internal and external on-the-job training, and external training at home or abroad according to its “Education and Training Management Regulations.”

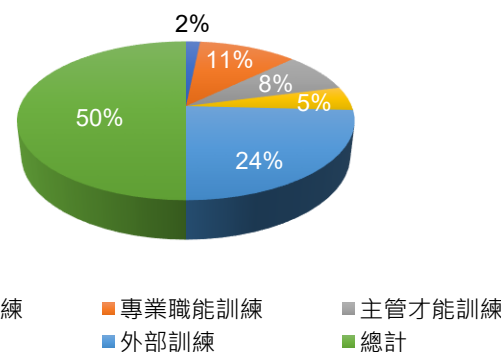
In 2024, continued focus was placed on organizational talent development and deepening collaboration with academic institutions. Various professional competency and managerial training programs were held, along with the signing of MOUs for industry–academia internship projects. In addition, professional consultants were invited to conduct DEI (Diversity, Equity, and Inclusion) cultural seminars and managerial workshops, aimed at cultivating a healthy and positive workplace culture and environment. To help the organization align with AI trends, professional instructors were also invited to offer the course “AI Empowerment: Building Effective Presentation Skills,” assisting employees in producing efficient and innovative work outcomes.

Education and training system and its implementation

The implementation of internal and external courses in 2024 is as follows:

Item	Number of classes	Total number of trainees
New employee orientation	1	15
Professional and occupational training	7	189
Talent training for officers	5	47
Liberal education and training	3	97
External training	15	15
Total	31	363

Course start ratio



		課程開班比例	Course start ratio
		新進人員訓練	New employee orientation
		通識訓練	Liberal education and training
		專業職能訓練	Professional and occupational training
		外部訓練	External training
		主管才能訓練	Talent training for officers
		總計	Total

TSH is committed to building a learning organization environment, in which individuals, teams, the organization as a whole, and even groups interacting with the organization can constantly learn and transform themselves. Through continuous learning and strategic application, we aim to integrate this process with the daily work of individual members, achieving changes in organizational members' knowledge, attitudes, and behaviors, ultimately strengthening the momentum for organizational innovation and growth.

Average hours of employee education and training

Includes new recruit training, professional skills training, management training, general training, and external training

Number of people trained	Employee education and training			
	Male		Female	
	Total hours	Average hours	Total hours	Average hours
Managerial officers	48	0.67	210	2.92
R&D technicians	19.5	0.27	29.5	0.41
Other employees	267	3.71	411.5	5.72
Total	334.5	4.65	651	9.04

* Average training hours are calculated by dividing the total training hours for both male and female employees by the total number of employees as of December 31.

* In 2024, employee education and training were primarily conducted through group courses in collaboration with external consulting firms.

Additional Items in Performance Appraisal

TSH conducts an annual Performance Development Plan (PDP) for all employees. Through three phases – initial goal setting, mid-term feedback discussions, and end-of-period results review – the system promotes continuous performance management and employee skill development.

The PDP emphasizes two-way communication and personal career growth. It is based on fair and reasonable evaluation principles and serves as an important basis for job assignments, promotions, salary adjustments, and training planning. Through PDP, TSH not only enhances overall organizational performance but also fosters the shared growth of employees and the company, moving toward sustainable operations.

	Beginning (Goal Setting)	Mid-term (Review)	End of Period (Assessment)
Managerial officers	Department PI setting, work goals, core competencies, management competencies, personal development plan	PDP operational process: (1) Supervisor and employee meet and reach a consensus (2) Agreed PDP content is recorded into the system (3) Evaluation is completed within the deadline	(1) Review employee performance (2) Provide encouragement for contributions and strengthen positive behavior (3) Provide suggestions and support for areas that need improvement (4) Discuss key work points and development plan for the following year
Other personnel (including R&D technical staff)	Work goals, core competencies, personal development plan		

Number of personnel evaluated (2024)	Job performance evaluation			
	Male		Female	
	Number of person	Percentage (%)	Number of person	Percentage (%)
Managerial officers	6	8%	7	10%
R&D technicians	3	4%	4	6%
Other employees	15	21%	30	42%
Total	24	33%	41	57%

*A total of 65 people participated in the 2024 annual performance appraisal. Employees who joined before 2024/9/30 and were still employed as of 2025/2/28 were included

in the performance evaluation for the year.

TTT (Train the Trainer)

Develop internal instructors to deliver the professional knowledge required by the organization and to create training materials that make implicit organizational knowledge explicit.

Mentor program

The Mentor Program cultivates dedicated TSH mentors. When new employees join, mentors provide them with onboarding resources and support. By sharing experiences and the corporate culture of TSH, mentors help reduce newcomers' adaptation challenges and support their rapid integration into the TSH team, allowing them to work together toward organizational goals.

Project assignment

Through project assignment, employees have the opportunity to lead projects or work with colleagues in different fields, to diversify their work experiences and enable them to learn and grow through new challenges and responsibilities. Employees can discuss with their immediate supervisors and formulate an exclusive personal development plan (IDP) at the beginning of each year with project assignments listed as one of the development methods. In 2024, we continued to develop key talent in alignment with the organization's short-, mid-, and long-term strategic goals and positioned the IDP development plan as a priority item in talent development.

Job rotation

TSH encourages employees to engage in diverse learning opportunities. We provide job opportunities that are suited to the capabilities of employees at all levels, from junior staff to senior executives. The process is open and equal. As long as the transition adds value to the organization, employees are encouraged to embrace new roles. Through rotation across different departments, employees can gain hands-on experience, deepen their understanding of the company's overall operations, and discover their own potential and strengths.

TSH education and training system

Management program	Sales program	R&D program	Culture program	General knowledge program
■ Introduction to Management ■ Selection Skill and Behavioral Interviewing Skills ■ Remuneration Management Introduction ■ Financial Statement Judgment and Interpretation ■ Performance Development System for Managers	■ Sales -Professional Sales Skills - Professional Pharmaceutical Sale Tools - Price Negotiation Skills - Distributor Management and Negotiation - Price Negotiation Process - Region Management ■ Marketing - Marketing Introduction and Practice -Strategic Marketing -Introduction to Internationalization of Pharmaceuticals -New Market Development Assessment and Operations -Sales and Marketing Management Practice	■ On Translational Scientific Research Methods ■ Introduction to Biosimilars ■ New Drug Development Risk Assessment and Management ■ Project Management Introduction and Practice ■ Introduction to Regulatory Affairs and the Regulations for Registration of Medicinal Products ■ Introduction to Clinical Trials and the Regulations for Good Clinical Practice ■ Pharmaceutical Development Patent Issues	■ Performance Development System ■ Mentor Program	■ New Employee Training ■ Basic Application of Office Tools ■ Presentation Skills ■ Introduction to Contracts ■ Internal TTT

4.3 Employee remuneration and benefits

The Company's compensation system, diversified benefits, retirement scheme and its implementation, as well as labor-management agreements and employee rights protection measures are as follows:

Remuneration system

Talent is the Company's most important asset and the key to its competitiveness. In a globally competitive environment, the value of talent outweighs cost. Good talent cannot be acquired solely by minimizing expenses. Therefore, the Company prioritizes employee compensation and welfare to attract and retain top talent, which serves as a driving force for sustainable growth. The Company has established a competitive salary structure and consistent salary determination principles. These principles take into account both external market competitiveness and internal fairness, while also complying with the Labor Standards Act. Salaries are determined based on education, experience, and individual performance, without differences based on gender. Similarly, starting salaries for new hires do not vary based on race, religion, political beliefs, gender, or marital status. Compensation is based on the market value of each role and the employee's contribution and is integrated with a performance management system. In 2024, our female employees accounted for 61.11% of all employees and female top-level managers accounted for 20.45% of all top-level managers.

The salary structure includes a base salary, three-festival bonuses, departmental performance bonuses, annual performance bonuses, and employee remuneration/distribution. The HR unit conducts regular market salary surveys and adjusts salary ranges accordingly. Bonuses are based on performance appraisal outcomes, while the Remuneration Committee proposes remuneration distribution to the Board of Directors based on company performance, financial conditions, job responsibilities, contributions, and individual performance.

1. Entry-Level Employee Basic Salary

Gender	Taiwan Plants			
	2023		2024	
	Male	Female	Male	Female
Gender Pay Ratio	1:1.14		1:1.74	
Ratio of Base Salary to Statutory Minimum Wage for Entry-Level Staff (%)	100%	113.64%	100%	117.4%

The Taiwan plant comparison is based on the Ministry of Labor's announced minimum wages: NT\$26,400 for 2023 and NT\$27,470 for 2024, compared to the Company's base salary.

2. Ratio of Basic Salary and Compensation Between Genders

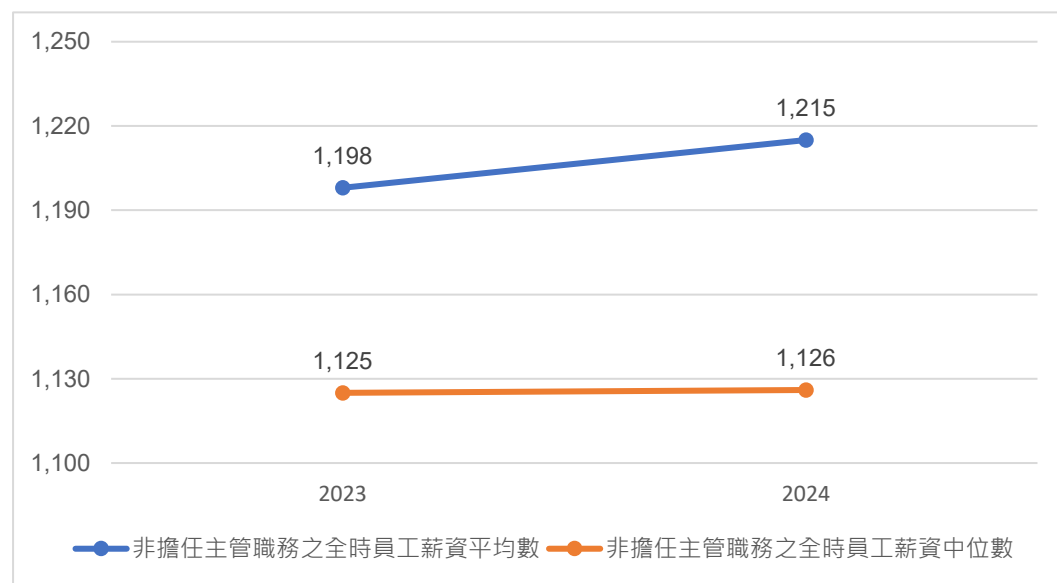
Employee Category	2023	2024
	Compensation Ratio (Female: Male)	
Management	1.04:1	1.1:1
R&D	0.71:1	0.85:1
Others	1.14:1	1.174:1

In 2024, the total annual compensation of the highest-paid individual at TSH Biopharm was six times the median annual compensation of all other employees. Additionally, the ratio of the percentage increase in total compensation for the highest-paid individual (from 2023 to 2024) to the median of the average annual compensation increases of all other employees (excluding the highest-paid individual) was 6:1.

Average and Median Salaries for Full-Time Non-Managerial Employees, and Year-on-Year Change

Unit: NT\$ thousand/person

	2023	2024	
Average salary of full-time non-managerial employees	1,198	1,215	↑ 1.42%
Median salary of full-time non-managerial employees	1,125	1,126	↑ 0.09%



非擔任主管職務之全時員工薪資平均數	Average salary of full-time non-managerial employees
非擔任主管職務之全時員工薪資中位數	Median salary of full-time non-managerial employees

Annual salary raise plan

Salary adjustments are made to recognize employees' efforts in achieving strategic goals and to reflect inflation, ensuring that employees' basic living needs are met. The Company evaluates and implements an annual salary adjustment plan every April based on its operating performance. Since its establishment in 2010, the annual salary adjustment rate has ranged from 1.5% to 4%. In 2024, the average adjustment rate was 3.47%. In addition, to provide performance-based incentives, employees who performed exceptionally well and met promotion criteria were promoted with corresponding salary increases in 2024.

Diverse benefits

To strengthen the bond between the Company and its employees, encourage contributions, improve well-being, and build a positive corporate culture and spirit, the Company established the Employee Welfare Committee on November 8, 2011, approved by the Taipei City Government under document No. 09941864100. The Company allocates funds to the Committee, which manages various welfare programs.

■ Bonuses/Subsidies

Item	Description
Birthday cash gift	A birthday cash gift of NT\$1,000 will be provided to each employee in the month of their birthday.
Wedding cash gift	We pay NT\$3,600 to each employee who has served for over three months but less than one year. We pay NT\$6,000 to each employee who has served for over one year. If the couple is both the Company's employees, both of the couple will receive a cash gift.
Childbirth cash gift	When employees have a newborn baby or their spouses give birth, we pay NT\$3,600 to full-time employees who have passed the probationary period for each newborn baby. If their spouses also work at the Company, we will only pay the cash gift once.
Bonuses on three major holidays	The Welfare Committee pays a cash gift of NT\$1,000 to each employee on the Dragon Boat Festival, the Mid-Autumn Festival, and the Labor Day every year.
Education expense subsidy	There are scholarships and bursaries. To the children of employees who are in school and achieve the required scores, scholarships ranging from NT\$1,000 to NT\$4,000 are awarded depending on the children's level of education. To the children of employees who qualify as members of low-income households, bursaries ranging from NT\$4,000 to NT\$10,000 are given depending on the children's level of education.
Hospitalization	Any employees who have passed the probationary period and are hospitalized due to illness will be offered a condolence

Item		Description
condolence allowance		allowance of NT\$3,000. Each gift for visiting is limited to a value of NT\$800.
Disaster relief fund		A relief fund from NT\$5,000 to NT\$30,000 will be offered to an employee who encounters a disaster depending on the situation.
Funeral condolence money		Employees' parents, children, spouses, and parents-in-law: NT\$3,100 and NT\$2,000 floral baskets. A funeral flower basket of NT\$1,500 or NT\$2,000 will be provided to any employee's grandparent, great grandparent, sibling, grandchild, or great grandchild.
Others		Company dinner parties and year-end party: The Welfare Committee holds various activities from time to time depending on needs and the budget. The committee is also responsible for planning the year-end party and preparing the gifts at the end of each year.

Leave policy

- Annual leave exceeding Labor Standards Act requirements (7 days after 3–12 months of service, 10 days after 12–36 months)
- Maternity leave exceeding legal requirement (60 days)
- Travel leave (3 days)
- Family care leave
- Menstrual leave
- Parental leave
- Maternity checkup leave / Paternity leave

Health management

- ☼ The Company places high importance on employee health and goes beyond legal requirements by arranging annual health checkups for all employees through the Welfare Committee. In 2024, the Committee signed agreements with health checkup centers in northern, central, and southern Taiwan. Employees can schedule checkups within designated periods at partner centers, with the Company covering all expenses to ensure their well-being. Additionally, employees' family members may participate at discounted prices negotiated by the Committee. Each year, the Company and its parent group also organize various disease prevention and health training courses that employees are free to attend. The total participation rate in 2024 was 58%.

- ❁ The Company has first aid kits in place.
- ❁ In addition to mandatory labor insurance and National Health Insurance, the Company provides group insurance for comprehensive protection. This includes accidental death coverage from NT\$1 million to NT\$5 million based on job grade, injury medical insurance of NT\$20,000 per person, and hospitalization insurance. For employees on overseas business trips, the HR department provides travel accident insurance and adjusts coverage amounts as needed to ensure travel safety.

Unpaid leave policy

In addition to legally required types of leave, TSH offers unpaid parental leave for employees needing to care for infants, to encourage childbirth and allow parents to care for their children with peace of mind.

As of December 31, 2024, two employees (1 male, 1 female) were eligible for unpaid parental leave. One employee actually applied, and one employee returned to work as scheduled – a 100% reinstatement rate.

Year	2023			2024		
Item	Male	Female	Total	Male	Female	Total
Employees eligible for unpaid parental leave in the year	3	3	6	1	1	2
Employees who applied for unpaid parental leave in the year	0	1	1	0	1	1
Employees expected to return from parental leave in the year	0	0	0	0	1	1
Employees who actually returned in the year	0	0	0	0	1	1
Employee return-to-work rate (%)	0%	0%	0%	0%	100%	100%
Employees who returned from unpaid leave in the previous year	0	0	0	0	0	0
Employees who remained employed for 1 year after reinstatement	0	0	0	0	0	0
Retention rate	0%	0%	0%	0%	0%	0%

Well-established pension system and its implementation status

All our employees have adopted the new scheme under the Labor Pension Act, which has been in effect since July 1, 2005. We have adopted a defined contribution plan for employees' length of service. We contribute to their pension funds an amount equal to at least 6% of their monthly salaries, which is allocated to their individual labor pension accounts to protect their future after retirement.

(1) Implementation status:

Pension scheme	New scheme
Applicable law	Labor Pension Act
Contribution method	Make a contribution equal to 6% of their insured salary level to their individual account under the Labor Insurance Bureau.
Contribution Amount:	NT\$5,037,000 was contributed in 2024.
Application for retirement	No employees applied for retirement in 2024.

(2) Qualification for retirement:

As per Article 24 of the Labor Pension Act, employees who have reached the age of 60 and have worked for more than 15 years may apply for monthly pension payment. However, those who have worked for fewer than 15 years should apply for pension payment in a lump sum.

(3) Pension payment standards

Individual pension account system:

Monthly pension payment: The amount calculated based on the individual pension account, cumulative income, average life expectancy specified in the annuity mortality table, and the interest rate is adopted as the amount of the monthly pension payment.

Pension in a lump sum: The principal and cumulative income in the individual pension account is paid to each employee in a lump sum.

4.4 Employee Communication and Care

Labor–Management Meetings

The Company has not established a labor union and therefore has not signed any collective bargaining agreement. Regular labor–management meetings are held. Any new or revised measures regarding labor relations are thoroughly discussed and coordinated through these meetings, ensuring harmonious labor relations. These meetings promote cooperation, improve work efficiency, and establish an internal mechanism for dialogue and negotiation between labor and management to achieve win-win outcomes.

Diverse communication channels

Employees are the most important asset to TSH. Effective communication opens the door to their wisdom and engagement, helping to motivate them, unlock potential, and generate added value and competitive advantage for the Company. To this end, TSH encourages open communication and provides multiple channels for employees to express opinions and have them addressed. In addition to labor–management meetings, employees may communicate during regular company-wide POA meetings, strategic meetings, departmental meetings, regional or functional meetings, and scheduled one-on-one meetings with supervisors at the beginning, mid-year, and end-of-year stages. They may also use internal platforms such as the “TSH News Bulletin” and “TSH Talk” for regular or ad hoc announcements and engagement. Furthermore, the Company has established an “Employee Handbook” and related policies that clearly outline employees’ rights and responsibilities, demonstrating our commitment to protecting their rights. There were no employee complaints in 2024.

Employee rewards

TSH has a clear reward and disciplinary system in place. Employees who demonstrate outstanding performance or make special contributions to the Company are recognized with appropriate awards. Every year during the annual banquet, awards are presented to employees with 10 and 20 years of service, including a commemorative gold coin, to thank them for their long-term commitment. By the end of 2024, one employee will have reached 25 years of service and two will have reached 20 years. (The Company was incorporated on September 21, 2010, split off from TTY Biopharm Company Limited. To protect the rights and benefits of employees split off from TTY Biopharm Company Limited, the

Company signed an employment agreement with the employees to retain their length of service at TTY Biopharm Company Limited.)

Focus on employees' physical, mental, and spiritual health

❁ Influenza vaccination to protect employees and their families

TSH provides free flu vaccinations for employees and subsidies for family members. In 2024, a total of 96 doses were administered.

❁ DEI (Diversity, Equity, Inclusion) Lectures and Workshops

By promoting DEI, TSH aims to build a more inclusive workplace that enhances employee satisfaction and loyalty, drives innovation, and strengthens competitiveness. From August to November, the Company hosted DEI lectures and management workshops to cultivate an inclusive organizational culture. These initiatives, centered around psychological safety, enhanced inclusive leadership, promoted open dialogue and collaboration, and fostered a win-win team dynamic through two-way performance reviews. They also helped management strengthen team diversity and trust, laying the groundwork for future leadership succession.

Work-Life Balance Initiatives



Travel Subsidies & Family Day

At the beginning of 2024, to thank employees for their efforts and achievements in the previous year, the Welfare Committee and the Company organized a company-wide overseas trip to Okinawa. This trip provided an opportunity for employees to relax and celebrate their accomplishments together. The event also incorporated a Family Day spirit, with special packages for family members, encouraging employees to bring their loved ones and strengthen the emotional bond between work and family life.

To further promote cross-departmental interaction and teamwork, the Welfare Committee launched a travel subsidy program in conjunction with the Spring Banquet. Employees were encouraged to plan trips with teammates across or within departments. These shared travel experiences helped build mutual trust, foster collaboration, and inspire creativity and enthusiasm. Through meaningful participation and warm interactions, the Company aims to cultivate a strong sense of identity and belonging, paving the way for the next chapter of growth.



4.5 Workplace Safety and Health

The Company places great importance on the health of every employee. Although no factory has been established due to strategic reasons, the Company is committed to safeguarding employee health and safety and providing a safe and hygienic work environment, recognizing this as its responsibility to both employees and their families. There was no occupational accident in 2024. Although ISO 45001:2018 Occupational Health and Safety Management System has not been implemented, the Company adheres to relevant regulatory requirements for effective management of employee safety and health.

Workplace safety

- ❁ Sexual harassment prevention and implementation procedures were formulated.
- ❁ The “Regulations for the Safety and Maintenance of Offices” was formulated to maintain office safety:
 - ✓ Flammable and dangerous items are not prohibited.
 - ✓ After daily work hours or overtime on holidays, the last employee to leave must ensure windows, air conditioning, and entrance lights are turned off.
 - ✓ After getting off work every day or working overtime on holidays, employees are required to lock the door (ground lock) when there is no one else in the office to prevent thieves from breaking in at night.
 - ✓ Indoor and public areas are fully non-smoking in accordance with the Tobacco Hazards Prevention Act.
 - ✓ Employees who borrow parking spaces or office keys should return them afterwards; employees are also prohibited from lending the Company’s keycards and keys to personnel who do not work at the Company without consent.
- ❁ To maintain the work environment and employees’ personal safety, we have formulated the Safety and Health Work Rules and designated an occupational health and safety specialist: The Company’s “Safety and Health Work Rules” has been implemented since it was approved by the competent authority.
 - ✓ Safety and health inspections are generally conducted by the personnel performing the task, with management responsible for oversight.
 - ✓ To prevent stacked objects from collapsing or falling, we tie up all stacked objects with ropes or protect them with bollards when at a limited height or change the stacking method.
 - ✓ We stipulate the first aid measures for general first aid, bleeding, electrical shock, fractures, apnea, and cardiac arrests.
 - ✓ In the event of three or more casualties occurring simultaneously in a workplace accident, with one or more victims hospitalized or under the circumstances specified in the announcement made by the central competent authority, we should provide emergency first

aid, rescue the victims, and report to the labor inspection agency within eight hours.

- ❁ We have installed drinking water equipment in alignment with workplace drinking water standards, and we regularly clean and maintain it every 1 to 2 months.
- ❁ Cleaning and environmental hygiene are performed regularly by a professional cleaning company in accordance with the Company's "Cleaning and Maintenance Schedule" and cleaning SOPs.
- ❁ We implement access control. Employees and visitors entering the Company should pass the card swipe sensor for verification at the elevators of our building in the park and the door of our office.
- ❁ We participate in fire exercises and lectures held by the Management Committee of the Nangang Software Park Phase II every year.
- ❁ We made available an adequate number of fire extinguishers in the workplace.

Fire safety

- ❁ The Company is located in the Nangang Software Park, and we have installed a complete fire protection system in accordance with regulations, including an alarm system, a firefighting system, and an egress system.
- ❁ We have appointed a qualified professional testing consultancy for the testing of the firefighting system of the building where the Company is located.
- ❁ The Company participates annually in fire drills and training sessions organized by the Software Park Phase II Management Committee, and also in irregular promotional events to help employees understand facility use and escape routes.

Occupational Accidents and Injuries at Headquarters and Offices in 2023 and 2024

Although TSH has not implemented the ISO 45001:2018 Occupational Health and Safety Management System, it regularly compiles work injury statistics in accordance with occupational safety laws to ensure and achieve the sustainable goal of zero accidents.

The number of work-related injuries in both 2023 and 2024 was zero.

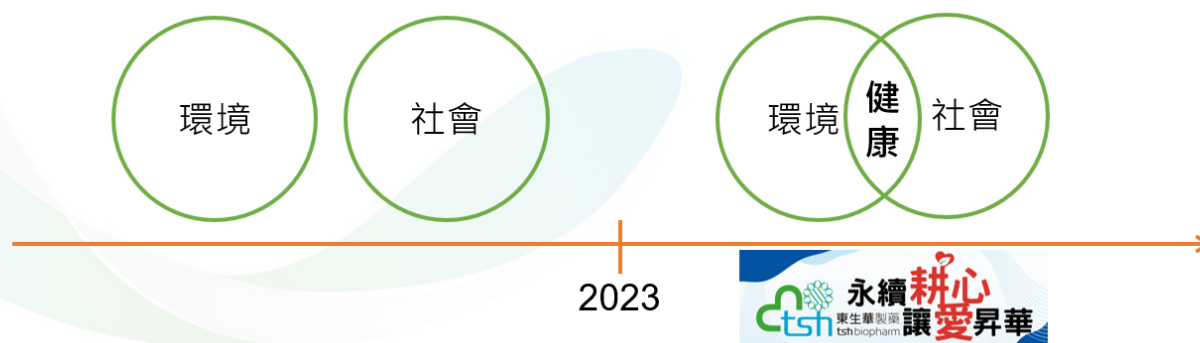
5. Social Contribution and Participation



公益永續活動分水嶺



東生華永續活動可以說是以2023年作為分水嶺，在此之前進行的是單一永續活動，面向分別以環境或社會進行。而自2023年後，東生華除了以Slogan「**永續耕心·讓愛昇華**」出發，**更以本業「健康」為軸心出發**，採用年度主軸來進行永續活動，並且同時包含環境健康與社會健康兩個面向進行，以在地產業支持在地產業為其公益理念。

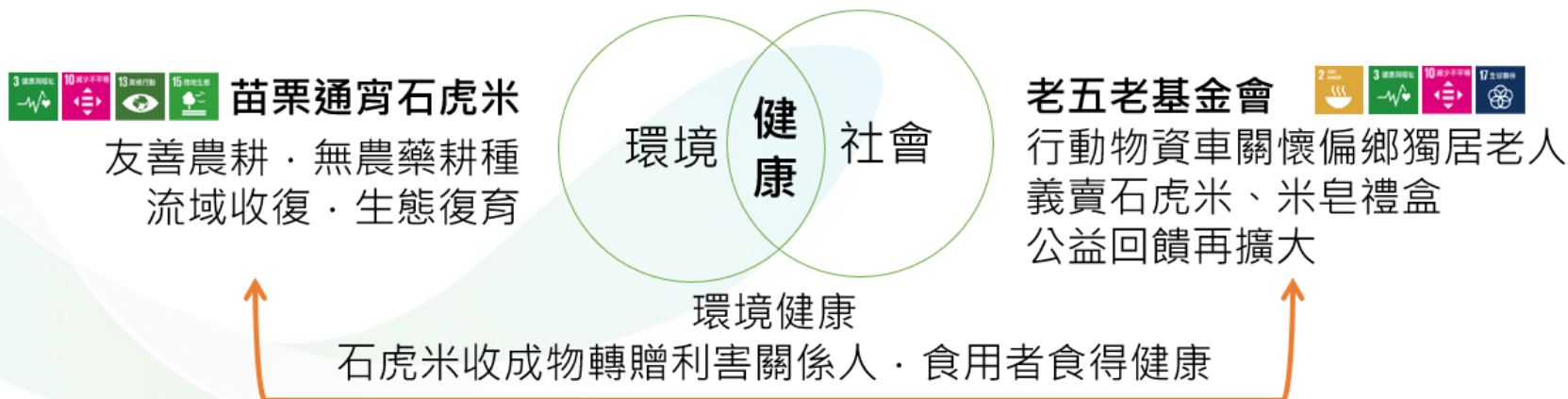


公益永續活動分水嶺	Watershed Moment for Public Welfare Sustainability Activities
東生華永續活動可以說是以 2023 年作為分水嶺，在此之前進行的是單一永續活動，面向分別以環境或社會進行。而自 2023 年後，東生華除了以 Slogan「 永續耕心·讓愛昇華 」出發， 更以本業「健康」為軸心出發 ，採用年度主軸來進行永續活動，並且同時包含環境健康與社會健康兩個面向進行，以在地產業支持在地產業為其公益理念。	For TSH, 2023 marked a turning point in sustainability activities. Prior to that, activities were conducted as standalone efforts, either environmental or social in focus. Since 2023, TSH has adopted the slogan “ Sustainable Cultivation, Elevating Love, ” and with “ health ” at the core of its business, it began launching sustainability initiatives with an annual theme encompassing both environmental and social health, rooted in local industry support.
環境	Environment
社會	Social
健康	Health

石虎米 & 老五老基金會

東生華持續回饋社會與環境，2024年契作支持以「流域收復」為核心的石虎米稻田，支持無農藥耕種稻田，讓環境得以恢復健康以外，更是從源頭開始，讓整片流域都能得以復育，並藉由觀察石虎復育的成功與否，成為生態修復的最佳的表徵。

同時，也持續並深化與老五老基金會的合作，今年首度合作推出義賣石虎米、米皂禮盒，共提供300盒禮盒，義賣金額全額回饋給基金會，50%作為營運基金，50%作為行動物資車資金，如此良善循環，並將效益更大化。



石虎米&老五老基金會	Leopard Cat Rice & Old Five Old Foundation
東生華持續回饋社會與環境，2024 年契作支持以「流域收復」為核心的石虎米稻田，支持無農藥耕種稻田，讓環境得以恢復健康以外，更是從源頭開始，讓整片流域都能得以復育，並藉由觀察石虎復育的成功與否，成為生態修復的最佳的表徵。	TSH continues to give back to society and the environment. In 2024, it supported leopard cat rice paddies based on a watershed restoration model, promoting pesticide-free farming that restores environmental health from the source and enables full watershed recovery. The success of leopard cat reintroduction also serves as a key ecological restoration indicator.
同時，也持續並深化與老五老基金會的合作，今年首度合作推出義賣石虎米、米皂禮盒，並提供 300 盒禮盒，義賣金額全額回饋給基金會，50%作為營運基金，50%作為行動物資車資金，如此良善循環，並將效益更大化。	The partnership with the Old Five Old Foundation also deepened. For the first time, a charity sale of leopard cat rice and rice soap gift boxes was launched, with 300 boxes donated. All proceeds were returned to the foundation – 50% for operations, 50% for the mobile supply vehicle – creating a virtuous cycle and maximizing the initiative's impact.
苗栗通宵石虎米	Miaoli Tongxiao Leopard Cat Rice
友善農耕，無農藥耕種	Friendly farming, pesticide-free
流域收復，生態復育	Watershed restoration and ecological rehabilitation
老五老基金會	Old Five Old Foundation
行動物資車關懷偏鄉獨居老人	Mobile supply vehicle to care for solitary elderly in rural areas
義賣石虎米、米皂禮盒	Charity sale of leopard cat rice and rice soap gift boxes
公益回饋再擴大	Expanding Public Welfare Contributions
環境	Environment
健康	Health
社會	Social
環境健康	Environmental Health
石虎米收成物轉贈利害關係人，食用者食得健康	Leopard cat rice harvests were shared with stakeholders for healthy consumption.

Watershed Restoration Plan: Full support for leopard cat rice cultivation to protect ecological health and biodiversity



In 2024, the contracted volume reached 226,150g; support will continue in 2025. TSH's ESG vision centers around health, aiming to bring better health to people, the planet, and society – our ongoing pursuit. From 2024, TSH began supporting the Watershed Restoration Plan, contracting 226,150g of leopard cat rice.

Grown in watershed areas that are leopard cat habitats, the rice is cultivated without pesticides, allowing biodiversity and rural communities to coexist harmoniously. TSH advocates friendly farming to protect health – not only of farmers and ecosystems, but also of everyone who consumes leopard cat rice.



永續耕心 東生華製藥 tsh biopharm 讓愛昇華

東生華ESG永續經營以本業「健康」為核心，持續將更卓越的健康回饋給全人類、環境和社會，這是我們永續不懈的追求。

自2024年起，我們開始支持流域收復計畫，契作「石虎米」
石虎米是以石虎棲地集水區作為無農藥的耕作區域產物，此舉讓萬物生態與農村共存共榮於集水區。東生華支持友善耕作，共同成為健康的守護者，不僅是耕種者、生態環境，以及食用石虎米的你、我、他，皆獲得了更全面的永續健康。



Supporting the Taiwan Psycho-Oncology Society to safeguard patients' physical and mental well-being



TSH's ESG efforts are centered around “health” as the core of its business, and in 2024, we continue our collaboration with the Taiwan Psycho-Oncology Society. Together, we focus on the mental health of cancer patients!

In 2024, TSH Biopharm will support the Foundation by providing gift packs that include:
50 branded notebooks+100 alcohol spray bottles+150 branded tote bags+250 NGS health education booklets

1. Completion gifts for participants in the Emotional Stress Survey for Cancer Patients and Caregivers
2. Guest souvenirs for the “Love in Words” Awards Ceremony and Sharing Event, with vitamin D sponsored by Chuang Yi Biotech
3. The “Many Talents, Love Forever” Smartphone Short Video Workshop
4. The “Many Talents, Love Forever” Life Storybook Project



Protecting Ecology and Enriching Life – Leopard Cat Rice Gift Boxes for Dragon Boat Festival



Starting in 2024, TSH actively participated in the Paddy Field Restoration Program by contracting to grow “Leopard Cat Rice.” This rice is cultivated in catchment areas within leopard cat habitats using pesticide-free farming, allowing ecosystems and rural communities to coexist harmoniously.

We are committed to eco-friendly cultivation and terrestrial biodiversity protection, positioning ourselves as stewards of health and the environment. This benefits not only the farmers and the environment, but also consumers, who enjoy healthier food. For Dragon Boat Festival, we prepared special gift boxes for stakeholders featuring Leopard Cat Rice and rice soap. The gift box contains Leopard Cat Rice and rice soap.

Leopard Cat Rice is plump, fragrant, and a healthy choice for every table. Staying true to our food-saving philosophy, we repurposed previously discarded, imperfect white rice into something meaningful. These rice grains, though blemished, were carefully processed into natural, eco-friendly rice soap. This represents both a respect for resources and a tribute to nature. In total, TSH distributed 78 Leopard Cat Rice gift boxes to stakeholders – not only as festive offerings but also as tokens of care for nature and health, celebrating a joyful Dragon Boat Festival together.

Harvest Celebration and Charity Sale – NT\$120,000 Donated to Support the Lao Wu Lao Foundation



Despite the scorching summer heat, TSH's commitment to sustainability remained unwavering.

In a spirited effort, President Yang, Si-Yuan led 12 enthusiastic TSH employees to Tongluo, Miaoli, joining 16 elders and volunteers from the Lao Wu Lao Foundation in harvesting Leopard Cat Rice. Among the elders were two seniors aged 80 and 90, whose nimble harvesting brought back nostalgic memories of traditional farming life.



This year, TSH supported the cultivation of Leopard Cat Rice through watershed contract farming, promoting eco-friendly agricultural practices and strengthening ties with local farmers to revitalize the rural economy. By personally participating in the harvest, we added a heartfelt, human touch to the gifts we prepare for the festive season. To further extend the impact, we launched special gift boxes containing rice and rice soap,

which were sold through the Lao Wu Lao Foundation's charity sale. A total of 300 boxes were sold, raising NT\$120,000 in 2024. Fifty percent of the proceeds supported the Foundation's daily operations, while the remaining fifty percent was dedicated to their mobile supply vehicle program, continuing TSH's care for elderly residents living alone in remote areas.



日期：2024/09/03

收據

收執聯

收據編號：M202409-000004

姓名/抬頭	東生華製藥股份有限公司	組織簽章
身分證字號/統一編號	53093421	 
收入用途/類別	實物捐贈(石虎米禮盒300盒)	
繳費方式		
金額(大寫)新台幣	壹拾貳萬元整	
金額(小寫)	NT\$ 120,000 元整	經辦人： 

組 織 資 訊	立案字號：部授家字第1020851831號 統一編號：20388655 電話：04-22463927#26 地址：406台中市北屯區北屯路212巷9號1樓	備 註 說 明	依所得稅法第17條第2項第2款：個人對公益機構或團體之捐贈總額最高不超過綜合所得總額20%為限，可扣除其綜合所得稅。
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TSH's Sustainable Commitment – Spreading Love to Every Corner: Continued Support for the Mobile Supply Vehicle!



In 2024, TSH's mobile supply vehicle reached remote areas including Shigang, Shiding, Wulai, Changhua, and Hemei, providing services to 19 elderly individuals living alone.

The first round of the mobile supply vehicle program was led by volunteers from the Taichung sales team, who partnered with the Old Five Old Foundation to care for seniors in Shigang, Guguan, and Heping. TSH has always embraced the spirit of “sustainable cultivation with heart,” delivering love to even the most remote corners.

During the visit, one grandmother joyfully expressed how happy she was to receive visitors, even breaking into a cheerful welcome song. Another elderly man warmly reminded the volunteers, “Thank you for coming! Please stop by and say hello whenever you pass by, and drive carefully around the

bends!” Tears sparkled in the eyes of many elders – joy mingled with quiet loneliness.

Despite heavy afternoon thunderstorms and mountain roads turning into streams, TSH volunteers remained undeterred in the second and third visits. Their determination to complete the mission never wavered, rain or shine. A special highlight this year: two elementary school students joined as volunteers, learning early on the joy of giving over receiving.

The mobile supply vehicles continued to Shiding, Shenkeng, and Wulai, where they celebrated the 93rd birthday of an elderly woman and shared warm ukulele music with the Wulai indigenous community – receiving heartfelt songs in return.

A sincere thank you to all TSH volunteers for their selfless dedication⁴, which gives every mobile supply mission deep meaning.



Protecting the Ecology, Nourishing Life: Leopard Cat Rice Gift Boxes for Mid-Autumn Festival



During the 2024 Mid-Autumn Festival, we prepared a heartfelt gift box for our stakeholders, filled with blessings from the fields: 200 contracted packs of 85g Leopard Cat Rice, paired with 40 boxes of handmade cookies from the Old Five Old Foundation – Lao Feng Guang Traditional Pastry Shop, as Mid-Autumn Festival gift boxes!



Leopard Cat Rice – each grain is full and plump, with every bite carrying the gift of the land. We adhere to environmentally friendly farming methods, making Leopard Cat Rice not only a delicious ingredient but also a form of support for ecological conservation.

Meanwhile, the handmade cookies from Lao Feng Guang carry a deep sense of warmth and human connection. These cookies are made by senior volunteers from the Old Five Old Foundation through the Senior Workforce Program for those aged 55 and above. Each cookie embodies the care and enthusiasm for life from the elderly, representing a perfect combination of traditional craftsmanship and modern philanthropy.

On this Mid-Autumn Festival, let us taste the warmth that comes from the land and from the heart. Together with family and friends, let's enjoy the delicious Leopard Cat Rice and handmade cookies, feel the joy of this traditional holiday,

and contribute to both environmental protection and social care.

Old Five Old Foundation Shiding Center Hypertension Health Education Event – Safeguarding Cardiovascular Health for the Elderly



TSH continues to be dedicated to promoting the health and well-being of all people (SDG3). In October 2024, TSH invited Dr. Wu Li-Wei, Director of the Department of Geriatric Medicine at Tri-Service General Hospital, to visit the Shiding Center of the Old Five Old Foundation and deliver a wonderful hypertension health education lecture to 30 elderly attendees. The atmosphere on-site was lively, with the elders showing great concern for their own health, especially regarding blood pressure management.

Dr. Wu's explanations were clear and easy to understand. He thoroughly addressed the causes and effects of high blood pressure, and also covered diet, exercise, and medication in daily life. Among his points, the Director especially emphasized the importance of exercise and encouraged the elderly to be more physically active. Many elders shared that they exercise

regularly – some even walk 8,000 to 10,000 steps every day, which earned widespread admiration. However, Dr. Wu also reminded everyone that taking 5,000–7,000 steps a day or maintaining exercise for more than 10 minutes is already greatly beneficial for health, and there's no need to overly pursue high numbers. In addition, he explained that resistance exercises – such as tiptoe raises, half squats, and using water bottles for hand training – can effectively improve muscle mass and the quality of physical activity.

To help seniors better understand how to control their blood pressure, Dr. Wu introduced the “722” rule: measure blood pressure for 7 consecutive days, twice daily (morning and evening), with more than 1 minute between each reading.

This simple and easy-to-remember method encourages seniors to build the habit of daily monitoring and recording, allowing doctors to more accurately adjust treatment plans.

However, many seniors expressed confusion over the numbers on blood pressure monitors, such as what “systolic” and “diastolic” pressure mean. Thanks to Dr. Wu's explanations, the seniors gained clearer knowledge about their own blood pressure readings. At the same time, daycare staff also actively participated in learning how to properly measure seniors' blood pressure and how to recognize abnormal conditions.

Sustainable Talent, Deepening Campus Collaboration – TSH Signs MOU with NYCU for AI-Powered Precision Drug Development



In 2024, TSH signed a five-year industry–academia collaboration memorandum of understanding (MOU) with the College of Medicine at National Yang Ming Chiao Tung University (NYCU). This partnership focuses on two main areas: “talent cultivation” and “precision drug development.” Through early-stage verification of novel target functions and AI-driven drug screening, the collaboration aims to improve the success rate of new drug development, shorten time-to-market, and reduce overall costs.

This MOU integrates the strengths of both parties to enhance cooperation in biotechnology and pharmaceutical R&D, with a particular focus on vascular diseases, organ protection, and anti-aging research. By verifying new functionalities of

specific drug targets, applying for patents, and screening candidate drugs using AI technology, both TSH and NYCU are committed to addressing unmet clinical needs and increasing the efficiency of new drug development.

The collaboration between TSH and NYCU marks a significant milestone in Taiwan’s industry–academia research and development. With the joint efforts of both parties, the initiative is expected to accelerate the development of innovative drugs tailored to the needs of Taiwanese patients, injecting new energy into Taiwan’s healthcare sector and advancing the domestic biotechnology and pharmaceutical industry.

Attachment 1 GRI Content Index

Statement of Use	TSH Biopharm Corporation Ltd. prepares its 2024 Sustainability Report in accordance with the GRI Standards. The scope of data and information covers January 1 to December 31, 2024.
GRI Version	GRI 1: Foundation 2021
GRI Standards Statement	None

GRI Standards	Item of Disclosure	Chapters for Reference	Omitted description	Page
GRI 2: General Disclosures 2021				
Organization and reporting practices				
2-1	Detailed organizational information	About TSH		7
2-2	Entities Included in the Organization's Sustainability Report	About This Report		2
2-3	Reporting Period, Frequency, and Contacts	About This Report		2
2-4	Restatements of Information	About This Report		2
2-5	External assurance	About This Report		2
Activities and workers				
2-6	Events, Value Chain, and Other Business Relationships	2.3 Supply chain management		101
2-7	Employees	4.1 Employee Structure and Human Rights		131
2-8	Non-Employee Workers	4.1 Employee Structure and Human Rights		131
Governance				
2-9	Governance Structure and Composition	1.1 Corporate Governance – Organizational Structure		38
2-10	Nomination and selection of the highest governing body	1.1 Corporate Governance – Organizational Structure		38
2-11	Chairman of the Highest Governance Body	1.1 Corporate Governance – Organizational		38

		Structure		
2-12	Role of the Highest Governance Body in Overseeing Impact Management	1.1 Corporate Governance – Sustainable Development Committee		54
2-13	Impact management responsible person	1.1 Corporate Governance – Sustainable Development Committee		54
2-14	Role of the Highest Governance Body in Sustainability Reporting	1.1 Corporate Governance – Sustainable Development Committee		54
2-15	Conflicts of Interest	1.1 Corporate governance – Board member conflict of interest avoidance and ethical conduct		47
2-16	Communication of key material events	Stakeholder Engagement on Material Topics, 1.4 Risk Assessment and Management Policy		17
2-17	Collective Intelligence of the Highest Governance Body	1.1 Corporate Governance – Continued Education		48
2-18	Performance Assessment of Highest Governance Body	1.1 Corporate Governance – Board performance evaluation		47
2-19	Remuneration policies	1.1 Corporate Governance – Director Remuneration Policy		51
2-20	Process for Determining Remuneration	1.1 Corporate Governance – Director Remuneration Policy		51
2-21	Total annual remuneration ratio	4.3 Employee remuneration and benefits		143
Strategy, policies and practices				
2-22	Statement of Sustainability Strategy	Message from Management		4
2-23	Policies and Commitments	Message from Management		4
2-24	Integration into Policies and Commitments	Message from Management		4
2-25	Procedures for remediation of negative impacts	1.3 Implementation of Ethical Corporate Management and Regulatory Compliance		66
2-26	Mechanisms for seeking advice and raising	1.3 Implementation of Ethical Corporate		66

	concerns	Management and Regulatory Compliance		
2-27	Compliance	1.3 Implementation of Ethical Corporate Management and Regulatory Compliance – Adhere to compliance		70
2-28	Membership of associations	2.5 Customer Relations and Domestic Association Participation		109
Stakeholder Engagement				
2-29	Stakeholder Engagement Methods	Stakeholder Engagement on Material Topics		17
2-30	Collective bargaining agreements	4.4 Employee Communication and Care		150

Material Topics Disclosure

GRI Standards	Item of Disclosure	Corresponding Chapter	Page
GRI 3: Material Topics 2021			
3-1	Process for determining material topics	Stakeholder Engagement on Material Topics	17
3-2	List of material topics	Stakeholder Engagement on Material Topics	17
3-3	Management of Material Topics	Stakeholder engagement on material topics (continued from Table 11)	17

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
1. “Energy Management” (2016)				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 3. Environmental Sustainability and Climate Strategy	17 114	
GRI 302-1	Energy consumption within the organization	3.1.2 Resource management	123	
GRI 302-2	Energy consumption outside the organization.	---	---	Not applicable. Not using external energy
GRI 302-3	Energy intensity	3.1.2 Resource management	123	

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
2. Climate Change (2016)				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 3. Environmental Sustainability and Climate Strategy	17 114	

GRI 305-1	Direct (Scope 1) GHG emissions	3.1.1 Greenhouse Gas Management	119	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	3.1.1 Greenhouse Gas Management	119	
GRI 305-3	Other indirect (Scope 3) GHG emissions	3.1.1 Greenhouse Gas Management	119	
GRI 305-4	GHG emissions intensity	3.1.1 Greenhouse Gas Management	119	
GRI 305-5	Reduction of GHG emissions	---	---	
GRI 305-6	Emissions of Ozone-Depleting Substances (ODS)	---	---	
GRI 305-7	Nitrogen Oxides (NO _x), Sulfur Oxides (SO _x), and Other Significant Gas Emissions	---	---	

Voluntary Disclosure Topics

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
3. Drug distribution and pricing (Access to Medicine)				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 2.2 Innovative Research & Development and Access to Medicine	17 98	

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
4. “Employment Relationship” (2016)				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 4. Employee Relations and Care	17 129	
GRI 202-1	Ratios of standard entry-level wage by gender compared to local minimum wage	4.3 Employee remuneration and benefits	143	

GRI 202-2	Proportion of senior management hired from the local community	4.1 Employee Structure and Human Rights	131	
GRI 401-1	New employee hires and employee turnover	4.1 Employee Structure and Human Rights	131	
GRI 401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	4.3 Employee remuneration and benefits	143	
GRI 401-3	Parental leave	4.3 Employee remuneration and benefits	143	

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
5. “Talent Attraction and Retention” (2016)				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 4.2 Cultivating and Developing Diverse Talent	17 138	
GRI 404-1	Average hours of training per year per employee	4.2 Cultivating and Developing Diverse Talent	138	
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	---	---	The information is incomplete. Currently, only a retirement system has been established; however, a transition assistance program for employees who are retiring or whose employment is terminated has not yet been provided
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	---	---	

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
6. “Diversified Workplace”				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 4. Employee Relations and Care	17 129	
GRI 405-1	Diversity of governance bodies and employees	4.1 Employee Structure and Human Rights	131	
GRI 405-2	Ratio of salary and remuneration of women to men	4.3 Employee remuneration and benefits	143	

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
7. “Supply Chain Management” (2016)				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 2. Product Innovation and Customer Safety	17 81	
GRI 308-1	New suppliers screened based on environmental criteria.	2.3 Supply chain management	101	
GRI 308-2	Negative environmental impacts in the supply chain and the measures taken.	---	---	Incomplete information. The supply chain management regulations do not clearly define negative environmental impacts or the actions taken.
GRI 414-1	New suppliers screened using social criteria.	2.3 Supply chain management	101	
GRI 414-2	Negative social impacts in the supply chain and the	---		Incomplete information. The

	measures taken.			supply chain management measures do not clearly define the negative social impacts within the supply chain, nor the actions taken to address them
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GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
8. “New Drug R&D and Innovation”				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 2.1 Product Quality and Responsibility	17 87	

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
9. “Pharmaceutical Quality and Safety Management”				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 2.1 Product Quality and Responsibility	17 85	

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
10. “Operational Risk, Risk Management” (2016)				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 1. Company Operations and	17 35	

		Governance		
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GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
11. “Compliance and Ethical Corporate Management” (2016)				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 1. Company Operations and Governance	17 35	
GRI 205-1	Operations assessed for risks related to corruption	---	---	
GRI 205-2	Communication and training on anti-corruption policies and procedures	1.3 Implementation of Ethical Corporate Management and Regulatory Compliance	66	
GRI 205-3	Confirmed incidents of corruption and actions taken	1.3 Implementation of Ethical Corporate Management and Regulatory Compliance	66	

Voluntary Disclosure

Item of Disclosure		Description	Chapters for Reference	Page
Waste (2020)	306-3	Waste generation	3.2.1 Waste Management	126
Occupational Safety and Health (2018)	403-3	Occupational health services	4.5 Workplace Safety and Health	152
	403-6	Worker health promotion	4.5 Workplace Safety and Health	152
	403-9	Occupational Injuries	4.5 Workplace Safety and Health	152
	403-10	Occupational disease	4.5 Workplace Safety and Health	152
Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	2.4 Customer Health and Safety	106

Attachment 2 SASB Index

Code	Disclosure indicators	Reference section and page number/description	Page
Disclosure Topic: Safety of Clinical Trial Participants			
HC-BP-210a.1	Describe management processes for ensuring medical quality and patient safety in different regions worldwide	2.2 Innovative R&D and Access to Medicines (Clinical Trial Process)	98
HC-BP-210a.2	Regarding the number of FDA-reviewed items related to clinical trial management and active drug surveillance, the following approaches can be adopted: (1) Voluntary Action Indicated (VAI); (2) Official Action Indicated (OAI)	TSH had no such occurrences (0 items)	N/A
HC-BP-210a.3	Total monetary losses resulting from legal proceedings associated with clinical trials in developing countries	TSH had no such occurrences (NT\$0)	N/A
Disclosure Topic: Access to Medicines			
HC-BP-240a.1	Explain measures and initiatives to promote the use of healthcare products for priority diseases and in countries with less advanced medical and health conditions (as defined by the “Access to Medicine Index”).	2.1 Product Quality and Responsibility Current Status of Products and Development of New Drugs	85
HC-BP-240a.2	As a product listed in the WHO PQP (Prequalification Programme)	TSH had no such occurrences (0 cases)	N/A
Disclosure Topic: Affordability and Pricing			
HC-BP-240b.1	Number of ANDA lawsuit settlements involving fines and/or delayed sales of	TSH had no such occurrences (0 cases)	N/A

	approved drugs due to regulatory requirements		
HC-BP-240b.2	Average change in drug price: (1) Average list price; (2) Average net price in the U.S.	(1) TSH's products are all prescription medications. Among them, eight are reimbursed by National Health Insurance. Compared with 2023, all were reduced in 2024, with an average decrease of 5.5%; (2) TSH has no products on the U.S. market	N/A
HC-BP-240b.3	Change in drug price: (1) List price; (2) Net price of the product with the largest increase from the previous year	(1) TSH's products are all prescription medications. Among them, eight are reimbursed by National Health Insurance. Compared with 2023, all were reduced in 2024, with an average decrease of 5.5%. (2) One product was designated as an essential medicine in 2024 and therefore had a price increase of 236%	N/A
Disclosure Topic: Drug Safety			
HC-BP-250a.1	Products listed in the FDA Med Watch Human Factors Product Safety Alert database	2.4 Customer Health and Safety Global Drug Safety Monitoring System and Notification Procedures	106
HC-BP-250a.2	Number of deaths caused by products reported in the FDA adverse event reporting system	0 people	N/A
HC-BP-250a.3	Number of product recalls	0 items	N/A
HC-BP-250a.4	Statistics on product recycling, reuse, or disposal	0 items	N/A
HC-BP-250a.5	FDA enforcement actions taken for violations of current Good Manufacturing Practices (cGMP)	0 cases	N/A
Disclosure Topic: Counterfeit Drugs			
HC-BP-260a.1	Describe methods and technologies used to maintain product traceability and prevent counterfeiting throughout the supply chain	2.4 Customer Health and Safety – Global Pharmacovigilance System and Reporting Procedures	106

HC-BP-260a.2	Describe the process for alerting customers and business partners to potential or known risks related to counterfeit drugs.	2.4 Customer Health and Safety – Global Drug Safety Monitoring System and Reporting Procedures	106
HC-BP-260a.3	Number of actions leading to raids, seizures, arrests, or criminal charges related to counterfeit drugs.	TSH had no such occurrences (0 cases)	N/A
Disclosure Topic: Ethical Marketing			
HC-BP-270a.1	Monetary losses resulting from legal proceedings associated with false marketing claims	TSH had no such occurrences (0 cases)	N/A
HC-BP-270a.2	Describe ethical guidelines for off-label use of products	2.5 Customer Relations and Participation in Domestic Industry Associations / Marketing and Customer Relations TSH's products are all prescription drugs. All regulations are strictly in compliance with the Pharmaceutical Affairs Act.	109
Disclosure Topic: Employee Recruitment, Development, and Retention			
HC-BP-330a.1	Describe recruitment and retention strategies for scientists and R&D talent	4.2 Cultivating and Developing Diverse Talent TSH Biopharm attracts and retains talent through competitive compensation and benefits, a friendly workplace environment, agile organizational management, internal rotation, and talent development.	138
HC-BP-330a.2	(2) Voluntary and (2) involuntary turnover rates: (a)Senior management (b)Middle management (c)Professionals and (d)All other employees	(a) Senior Management – Voluntary: 0%, Involuntary: 0% (b) Middle Management – Voluntary: 0%, Involuntary: 0% (c) Professionals & (d) All Other Staff – Voluntary: 17%, Involuntary: 3%	136
Disclosure Topic: Supply Chain Management			
HC-BP-430a.1	Percentage of (1) physical facilities and (2) Tier 1 supplier facilities participating in the Rx-360	2.3 Supply chain management (1) 0% – TSH does not own or operate any manufacturing facilities. (2) 100% – All passed PIC/S GMP standards.	101

	International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party supply chain and ingredient integrity audit programs.		
Disclosure Topic: Business Ethics			
HC-BP-510a.1	Total monetary losses resulting from legal proceedings associated with corruption and bribery	NT\$0	N/A
HC-BP-510a.2	Describe the code of ethics for managing interactions with healthcare professionals	1.3 Implementation of Ethical Corporate Management and Regulatory Compliance Establish operational procedures and a Code of Conduct for employee interactions with healthcare professionals, to implement ethical marketing and prevent any improper or unethical conduct.	66
Activity indicators			
HC-BP-000.A	Number of patients treated	In 2024, TSH Biopharm provided treatment to approximately 1 million patients both domestically and internationally with prescription drugs. *Based on 2024 sales and days of usage.	82
HC-BP-000.B	(1) Number of drugs in product portfolio (2) Number of drugs in development (Phase 1-3)	(1) A total of 14 prescription drug products and 6 diagnostic product services (2) A total of 5 drugs currently under development (pharmaceutical stage)	83 88

Attachment 3-1: Comparison Table of Climate-Related Information Disclosure

Risks and opportunities of climate change for the Company, and the Company's corresponding measures. (For detailed information, please refer to this report section 3.1 Climate Change and Greenhouse Gas Management (TCFD))

Four major aspects	TCFD Indicators	Attachment 2 to the Operational Guidelines (Revised January 2024)	Response content and corresponding sections
Governance	a) Describe the Board of Directors' oversight of climate-related risks and opportunities.	Explain the oversight and governance of climate-related risks and opportunities by the Board of Directors and management.	3.1 Climate Change and Greenhouse Gas Management
	b) Describe management's role in assessing and managing climate-related risks and opportunities.		
Strategy	a) Describe the short-, medium-, and long-term climate-related risks and opportunities identified by the enterprise.	Explain how identified climate risks and opportunities affect the enterprise's operations, strategy, and finances (short, medium, and long term).	3.1 Climate Change and Greenhouse Gas Management
	b) Describe the impact of climate-related risks and opportunities on the business, strategy, and financial planning of the enterprise.	Explain the financial impacts of extreme climate events and transition actions.	
	c) Describe the resilience of the enterprise's strategy, taking into consideration different climate-related scenarios (including a 2°C or more stringent scenario).	If scenario analysis is used to assess resilience to climate risks, explain the scenarios used, parameters, assumptions, analytical factors, and major financial impacts.	TSH Biopharm has not yet conducted scenario analysis using different climate-related scenarios (including 2°C or stricter scenarios).
Risk Management	a) Describe the process for identifying and assessing climate-related risks.	Explain how the identification, assessment, and management of climate risks are integrated into the overall risk management system.	3.1 Climate Change and Greenhouse Gas Management
	b) Describe the process for managing climate-related risks.		
	c) Describe how the processes for identifying, assessing, and managing climate-related risks are integrated into the enterprise's overall risk management system.		
Indicators and targets	a) Disclose the indicators used to assess climate-related risks and opportunities based on the enterprise's strategy	If there is a transition plan to manage climate-related risks, explain the content of the plan, and the indicators	3.1 Climate Change and Greenhouse Gas Management

Four major aspects	TCFD Indicators	Attachment 2 to the Operational Guidelines (Revised January 2024)	Response content and corresponding sections
	and risk management processes.	and targets used to identify and manage physical and transition risks.	
	b) Disclose Scope 1, Scope 2, and Scope 3 (if applicable) greenhouse gas emissions and related risks.	Greenhouse gas inventory and assurance status, reduction targets, strategies, and specific action plans. 1-1 Report the Company's greenhouse gas emissions (metric tons CO ₂ e), intensity (metric tons CO ₂ e per NT\$ million), and data coverage scope for the past two years. Report the assurance details for the past two years, including scope, assurance body, standards used, and assurance opinions. 1-2 Report baseline year data, reduction goals, strategies, specific action plans, and progress toward achieving those goals.	
	c) Describe the targets used to manage climate-related risks and opportunities, and performance in achieving those targets.	If climate-related targets are set, disclose the activities covered, GHG emissions scopes, planned timeline, and annual progress. If carbon offsets or Renewable Energy Certificates (RECs) are used, disclose the source and quantity of carbon offsets or number of RECs.	
	-	If internal carbon pricing is used as a planning tool, disclose the basis for pricing.→	The Company has not yet implemented Internal Carbon Pricing (ICP).

Attachment 3-2: Annex 2 of Operating Procedures – Implementation Status of Climate-Related Information

Annex 2 of Operating Procedures – Implementation Status of Climate-Related Information	TSH Biopharm Implementation Status
1. Describe the Board’s and Management’s Oversight and Governance of Climate-Related Risks and Opportunities.	TSH Biopharm has established a Sustainability Development Committee responsible for decision-making, oversight, and implementation of sustainability-related matters. An ESG Task Force has also been set up to manage daily operations and promote ongoing initiatives. The Board of Directors regularly receives reports on climate-related risks and opportunities to ensure that relevant strategies are integrated into the company’s business decisions.
2. Describe how identified climate-related risks and opportunities affect the company’s business, strategy, and financial planning over the short, medium, and long term.	<u>1. Business Impact</u> Short Term: With the tightening of climate-related regulations and disclosure requirements, the company must allocate resources to conduct greenhouse gas inventories and implement management mechanisms, thereby strengthening internal environmental management

	capabilities. Medium Term: The gradual replacement of energy-consuming equipment and the implementation of green procurement practices will enhance operational energy efficiency, contributing to greater operational stability and reduced environmental risks. Long Term: As low-carbon healthcare and green supply chain initiatives advance, the company's corporate image and market credibility will be further enhanced, fostering new collaboration opportunities and driving sustainable growth momentum. <u>2. Strategic Impact</u> Short Term: Monitor the latest regulations on greenhouse gas emissions and energy management. Identify and quantify greenhouse
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	gas emissions in accordance with the ISO 14064-1:2018 standard. Medium Term: Replace outdated equipment with energy-efficient alternatives and prioritize the use of green and environmentally friendly materials. Obtain third-party verification for ISO 14064-1:2018 compliance. Long Term: Continuously assess potential climate-related threats and take early action to strengthen business resilience. Key Strategic Measures: Promote green procurement and require suppliers to comply with sustainability standards. Establish energy-saving measures to improve energy efficiency.
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	Gradually invest in green technologies and renewable energy to reduce carbon emissions. <u>3. Financial Impact</u> Short Term: The introduction of climate-related disclosure and carbon inventory initiatives will increase management and consultancy expenses; however, these efforts enhance regulatory compliance and strengthen the company's corporate image. Medium Term: Investments in energy-saving initiatives and green procurement will lead to higher short-term costs, but improved energy efficiency is expected to reduce future operating expenses. Long Term: Proactive planning for low-carbon transition can help
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	mitigate potential carbon fees and supply chain disruption risks, while also expanding access to sustainable financing and investment opportunities.
3. Describe the financial impacts of extreme weather events and transition actions.	Supply Chain Impacts and Mitigation Measures Due to the increasing frequency and intensity of extreme weather events, along with rising market expectations for carbon emission management, the supply chain may face instability risks. Extreme climate events could disrupt suppliers' production or transportation processes, leading to unstable supply conditions. In addition, stricter carbon management requirements may drive up raw material costs, creating upward pressure on procurement expenses. To mitigate supply chain risks, TSH Biopharm has adopted the following measures: Supplier Management Establish secondary suppliers for specific critical raw materials to diversify supply risks. Evaluate suppliers' carbon emission management performance and require them to implement carbon reduction measures.

	Inventory Management Maintain appropriate safety stock levels for key raw materials to address potential supply disruptions. ● Establish a supply chain risk early-warning mechanism to enable proactive responses to unexpected interruptions.
4. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management framework.	The company has established a climate risk management framework that is integrated into the Enterprise Risk Management (ERM) system. This framework includes mechanisms for risk identification, assessment, monitoring, and reporting. The Sustainability Development Committee reviews relevant climate-related risks annually and reports the findings to the Board of Directors for review and oversight.
5. If scenario analysis is used to assess the company's resilience to climate change risks, disclose the scenarios, parameters, assumptions, analytical factors, and key financial impacts applied in the assessment.	The company has not yet adopted specific climate scenarios (such as the 2°C or more stringent scenarios) to assess financial resilience. In the future, such analyses will be progressively introduced and the corresponding financial impacts will be evaluated based on operational needs.
6. If transition plans have been developed to manage climate-related risks, disclose the details of such plans, along with the metrics and targets used to identify and	As the company does not operate its own manufacturing facilities, future climate transition efforts will focus on supply chain decarbonization, green procurement, and operational

manage physical and transition risks.	energy efficiency measures to promote low-carbon transformation. The company will also gradually introduce carbon pricing assessments and expand the use of renewable energy to enhance the effectiveness of climate risk management.
7. If internal carbon pricing is used as a planning tool, disclose the basis for determining the carbon price.	The company has not yet implemented an Internal Carbon Pricing (ICP) mechanism. It will continue to monitor the development of carbon fee and carbon trading systems, and evaluate the appropriate timing and approach for implementation.
8. If climate-related targets have been set, disclose the activities covered, the greenhouse gas (GHG) emission scopes, the planning timeframes, and the annual progress toward achieving such targets. If carbon offsets or Renewable Energy Certificates (RECs) are used to meet these targets, disclose the sources and quantities of the offset credits or the number of RECs applied.	The company began capacity-building programs in 2023 and completed one greenhouse gas (GHG) inventory training session each in 2024 and 2025. Third-party assurance is scheduled to be completed in 2026. At present, the company has not utilized any carbon offsets or Renewable Energy Certificates (RECs).
9. Greenhouse Gas (GHG) Inventory and Assurance Status, Reduction Targets, Strategies, and Action Plans	● The company conducted training programs in preparation for third-party certification under ISO 14064-1:2018. ● In accordance with the ISO 14064-1:2018 standard, the

	company completed its greenhouse gas (GHG) inventory and quantification. In 2024, the total GHG emission intensity for Category 1 and Category 2 decreased by 15.47% compared with 2023. ● The total energy consumption intensity in 2024 also decreased by 5.47% compared with 2023. For details of the inventory and analysis, please refer to Section 3.1.1 Greenhouse Gas Management.
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Attachment 4: Independent Assurance Statement



Independent Assurance Statement

TSH BIOPHARM CORPORATION LIMITED 2024 SUSTAINABILITY REPORT

The AFNOR GROUP was established in 1926. We are the National Standardization Body of France, a permanent council member in ISO and one of the leading certification bodies in the world. This assurance work was carried out by AFNOR ASIA LTD., a subsidiary of AFNOR GROUP. All the members of the verification team have professional backgrounds and have accepted AA1000 AS, AFAQ 26000, ISO 9001, ISO 14001, ISO 14064, ISO 45001, ISO 50001, and other sustainability-related international standard trainings. All assigned verifiers have been approved as the lead auditors or verifiers. AFNOR ASIA LTD. (hereinafter referred to as AFNOR ASIA) and TSH BIOPHARM CORPORATION LIMITED (hereinafter referred to as TSH) are independent entities. Except for the contents described in this independent assurance statement, AFNOR ASIA is not involved in the preparation process of the sustainability report of TSH.

RESPONSIBILITIES

TSH responsible for reporting on the economic, environmental, and social operating activities and performance of its operating locations in Taiwan in its sustainability report (hereinafter referred to as "the Report") in accordance with the declared sustainability reporting standards.

AFNOR ASIA is responsible for providing an independent assurance statement to TSH and its stakeholders in accordance with the described scope and method. This statement is for TSH use only and is not responsible for any other purpose.

SCOPE AND CRITERIA

The assurance scope of the agreement between TSH and AFNOR ASIA includes:

- The scope of assurance operation is consistent with the scope disclosed in the "TSH BIOPHARM CORPORATION LIMITED 2024 SUSTAINABILITY REPORT".
- AFNOR ASIA performs assurance operation according to the Type 1 assurance of the AA1000 assurance standard (v3), reviewing and evaluating TSH's compliance with the AA1000 AccountAbility Principles (2018).
- The assurance operation includes reviewing and evaluating TSH's relevant processes, systems and controls and available performance information, as well as compliance with the following reporting criteria:
 - GRI Standards
 - SASB Standards

METHODOLOGY

- The Report is reported in accordance with the GRI Standards, and the content of the Report is



reviewed for compliance with the GRI Standards for general disclosure and specific topic disclosure.

- The verification team interviewed relevant personnel to confirm the communication and response mechanism for stakeholders and the decision-making process for material topics, but did not directly contact external stakeholders.
- All documents, data and information related to the preparation of the Report were verified by the verification team through interviews with relevant personnel.
- The process of reviewing organizational outputs, collecting and managing qualitative and quantitative data disclosed in reports based on a sampling plan.
- By interviewing the responsible personnel of each group, examining and reviewing the relevant documents, materials and information, the verification team evaluated the reasonableness of the sources of supporting materials and evidence for the contents of the Report.

CONCLUSION

AA1000 Accountability Principles

Inclusivity

TSH has identified 6 important stakeholders in accordance with the AA1000 stakeholder engagement standard, and has engaged with stakeholders through multiple communication channels to ensure that the opinions of all stakeholders are included in the decision-making process. The Report has demonstrated the organization's actions to achieve the inclusivity principle.

Materiality

TSH has established a materiality analysis methodology based on impacts, continuously identified and evaluated impacts, identified 11 material topics from 26 sustainable issues, and planned strategies, management plans and goals for each material topics. The Report reflects the importance and priority of these material topics.

Responsiveness

TSH has developed and implemented a stakeholder response mechanism through various communication channels, such as Report and official websites, clearly announcing various relevant policies, regulations, codes, assessment targets, etc., and regularly communicates and negotiates with stakeholders, striving to implement and monitor management policies and performance targets that meet the expectations of stakeholders.

Impact

TSH has taken measures to monitor and measure the risks and opportunities of major impacts



of various sustainable development actions; identify various risks and opportunities and formulate action plans to effectively manage, continuously improve, communicate accountability and demonstrate sustainable performance.

Global Reporting Initiative Sustainability Reporting Standards

Based on the results of the review, it is confirmed that the general disclosures, specific topic disclosures, and material topics management disclosures in the Report have complied with the requirements of the GRI Standards. In the future, the organization can continue to compile the performance of each operating location in accordance with reporting requirements and disclose sufficient sustainable information to stakeholders.

Sustainability Accounting Standards Board Standards

Based on the results of the review, the Report has disclosed relevant information based on the Sustainability disclosure topics & metrics and activity metrics of the SASB Standards. In the future, the organization can continue to collect and report data based on the SASB Standards and provide valuable information to investors.

ASSURANCE OPINION

AFNOR ASIA has developed a complete sustainability reporting assurance standard based on the verification guidelines of the AA1000 Assurance Standard (v3) and the GRI Standards. Based on the sufficient evidence provided by TSH and the facts seen during on-site verification, we adhere to the principle of fairness and issue a statement on the global sustainability reporting standards followed by the organization. In our opinion, the information and data presented in the Report by TSH provides a fair and balanced representation. We believe the focuses on economic, social, and environmental indicators in TSH in 2024 are well represented.

ASSURANCE LEVEL

In accordance with the AA1000 Assurance Standard (v3), we verified this assurance statement corresponding to a moderate level. The scope and methods are as described in this statement.

For and on behalf of AFNOR :



Dr. August Tasi
The Director for Certification and Assessment
Jul.25 2025



AA1000
Licensed Report
000-84/V3-S2SFV

Verification team: Chi Huang Chen (Lead Verifier), Chung Pen Chen (Verifier), Jheng-Hao Jhan (Verifier).

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