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

2025
永續報告書
Sustainability Report

CONTENTS

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 13th Sustainability Report of TSH. (Since 2021, TSH's Corporate Social Responsibility Report has been renamed the Sustainability Report.) The Chinese and English versions are published annually and are available for download on the TSH Biopharm official website under Sustainable Development / Sustainability Report / Sustainability Report Download.

Report Preparation Principles

This report has been prepared in accordance with the Taiwan Stock Exchange "Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE Listed and TPEx Listed Companies." **TSH Biopharm Co., Ltd. has reported the information for the period from January 1, 2025 to December 31, 2025 in accordance with the GRI Standards.** This report adopts the GRI Universal Standards 2021 version (GRI Universal Standards 2021), and also refers to the Sustainable Development Goals (SDGs), the Sustainability Accounting Standards Board (SASB) Biotechnology & Pharmaceuticals indicators, and the Task Force on Climate-Related Financial Disclosures (TCFD) framework for disclosure. The Appendix to this report provides a relevant content index table to facilitate quick retrieval and cross-reference by stakeholders.

Reporting Boundary Entity Scope Description

The entity scope of this report is primarily TSH Biopharm Co., Ltd. (the parent company), covering the activities and services of three operating sites in northern, central, and southern Taiwan.

Explanation of Boundary Differences GRI 2-4

- **Financial data:**
  Cited from the 2025 Consolidated Financial Statements audited and attested by KPMG, the scope includes the parent company and subsidiaries (Chuang Yi BioTech and TOP Pharma Medical-wares Co., Ltd.), with NTD as the unit of calculation.
- **Sustainability information (ESG):**
  Considering that the subsidiaries (Chuang Yi BioTech and TOP Pharma Medical-wares Co., Ltd.) operate independently and have not yet implemented a sustainability management system, this report currently discloses only the performance of TSH Biopharm (the parent company), excluding financial data and the greenhouse gas inventory, and does not include the subsidiaries.
- **Special note on the greenhouse gas inventory:**
  To implement climate change management, the greenhouse gas inventory scope for this year has been expanded to include subsidiaries (Chuang Yi BioTech and TOP Pharma Medical-wares Co., Ltd.). To ensure the comparability and traceability of the parent company (TSH Biopharm)'s historical data, this report presents the inventory results by means of **"separate disclosure for parent and subsidiaries" without consolidated aggregation**, so that stakeholders can clearly identify the environmental performance of each individual entity.

Relevant statistical figures are calculated based on internationally accepted standard indicators. If the calculation basis of quantitative indicators differs from the past, or if there are restatements of information, this will be separately noted and explained in the text of the relevant chapter.

External Assurance GRI 2-5

The data in this report was reviewed by senior executives from each unit and provided to the Sustainable Development Committee. Following the Company's review and approval, and after being signed off by the responsible executives, it was reported to the Board of Directors. AFNOR Asia Ltd., an independent international third-party assurance provider, verified this report in accordance with the AA1000 AS v3 Assurance Standard, using Type 1 and The Moderate Assurance as the basis for assurance, assuring that the content of this report complies with the GRI Standards and the AA1000 Accountability Principles. The assurance statement for this year is included in the Appendix to this report.

Reporting Period, Issuance Frequency, and Contact Person GRI 2-3

This report discloses TSH Biopharm's actions and performance including social, corporate governance, and environmental sustainability aspects for the year 2025 (January 1, 2025, to December 31, 2025), and responds to issues of concern to stakeholders. This is the Company's 13th report. The **GRI Content Index** and material topic disclosure index are attached at the end of this report for readers' reference. Current publication date: August 2026. The previous version was issued in August 2025. Next edition estimated publication date: August 2027.

TSH Biopharm is willing to listen to and understand your suggestions and thoughts on this report. If you have any comments, please feel free to contact us.

Contact Unit | TSH Biopharm Sustainable Development Committee

Address:	**3F-1, No. 3-1, Yuanqu Street, Nangang District, Taipei City 11503 (Building G, Nangang Software Park)**
Contact Person:	**Manager Huang**
Tel.	**02-2655-8525**
E-mail	**tsh@tshbiopharm.com**
Website	**https://www.tshbiopharm.com/**

Message from Management

GRI 2-22

In the face of rapid changes in global medical trends, 2025 is a year for TSH Biopharm in which “deepening professionalism” and “expanding care” go hand in hand. We firmly believe that the core of sustainability in the biopharmaceutical industry lies in resolving unmet medical needs. This year, we not only achieved steady growth in operating performance but also concretely fulfilled our commitment to “Good Health and Well-Being” under the United Nations Sustainable Development Goals (SDGs) through scientific research breakthroughs in precision medicine and diversified deployment in ophthalmology and rare diseases.

Honors and Recognition: Domestic and International Awards Witness Sustainability Strength

Our sustainability efforts have continued to receive high recognition at home and abroad. In 2025, we won the Silver Award in the Sustainability Report Award (Healthcare Category II) at the 18th TCSA Taiwan Corporate Sustainability Awards, one of the most representative awards in Taiwan, demonstrating our outstanding performance in the transparency and completeness of information disclosure.

At the same time, we also received the 2025 Asia Responsible Enterprise Awards (AREA) from Enterprise Asia in two categories, the “Green Leadership Award” and the “Social Empowerment Award;” and we continued to rank among the top 5% of TPEx-listed companies in the 11th Corporate Governance Evaluation. From information disclosure, social and environmental projects to corporate governance, these honors prove that TSH Biopharm is a trustworthy sustainability partner.

R&D Breakthroughs: Precision Medicine Goes International, Quality Receives National-level Certification

“Precision” is our commitment to life. In 2025, TSH Biopharm achieved a major breakthrough in liquid biopsy technology, and our “Cancer Liquid-100 Liquid Biopsy” technology successfully increased the gene mutation detection rate significantly to 85.3%. This research result, which not only has the advantage of low invasiveness but also greatly improves testing accuracy, was published in the international authoritative journal “ESMO Open,” demonstrating Taiwan's biotech R&D strength to the world.

In addition, this technology was also certified with the 2025 SNQ National Quality Mark (Precision Testing Category). This means that our testing services have reached national-level standards in quality, safety, and clinical application, and can provide more precise treatment guidance for cancer patients, thereby fulfilling the ESG goals of product responsibility and quality innovation.

Diverse Engines: Expanding Vision Care and Fulfilling the Commitment to Rare Diseases

To realize the 2030 growth vision, we have launched diversified growth engines through strategic alliances, extending our care to different groups:

- Comprehensive vision care: Focusing on modern people's pursuit of vision quality, we have extended our reach from dry eye treatment to the field of vision correction. In December 2025, we cooperated with Zhaoke Ophthalmology to obtain the Taiwan license for the innovative presbyopia treatment product BCSA25. Together with the marketed dry eye nasal spray Tyrvaya, this enables us to provide a more complete vision care solution for people of all age groups and improve patients' quality of life.

- Rare disease care: "Not leaving any patient behind" is our original intention. In May 2025, we formed an alliance with Tenacia Biotechnology to introduce ZTALMY®, an innovative drug for CDD (cyclin-dependent kinase deficiency). This deployment not only fills a medical gap, but it is also a concrete action through which we respond to social responsibility and care for vulnerable patients.

Social Inclusion: Deepening Local Roots and Letting Love Circulate

While pursuing medical innovation, we have not forgotten our responsibility to this land. We continue to promote leopard cat rice contract farming to preserve biodiversity; and we have joined hands with the Old-Five-Old Foundation to reach rural areas through the "mobile supplies vehicle" and accompany older persons in celebrating festivals. From ecological conservation to care for older persons, every step of TSH Biopharm is taken to create social value for the common good.

Looking Ahead: Integrity-Based Governance, Leading Sustainability

Looking ahead, TSH Biopharm will continue to take "integrity" as its cornerstone and integrate Group resources through a dual-track strategy of "organic growth" and "inorganic mergers and acquisitions." We will continue to use world-class R&D capabilities to solve medical challenges, respond to stakeholder expectations with warm actions, and move forward steadfastly toward the goal of sustainable operation.

Ssu-Yuan Yang, President

Chuan Lin, Chairman

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2 Product Innovation and Accessibility
3 Environmental Sustainability
4 Employee Relations and Care
5 Social Inclusion and Impact

About TSH Biopharm

GRI 2-1

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

Founding of the Company

Date of Founding: 2010/09/01

Industry: Biopharmaceutical

TWSE/TPEx Listed

Listing Date: 2012/04/30

Paid-in Capital: NT$384 million

Specialty

Cardiovascular, gastrointestinal, autoimmune

Genetic testing, cancer treatment, and follow-up testing

Competitive Advantages

Marketing operations, patent procurement, channel development, R&D collaborations, clinical research, strategic alliances

Management Team

Chairman: Chuan Lin

President: Ssu-Yuan Yang

Basic information

Address: 3F.1, No. 3-1, Yuanqu St., Nangang Dist., Taipei City (Building G)

www.tshbiopharm.com

About TSH Biopharm

GRI 2-1

Activating Diverse Engines to Create Sustainable Health Value Together

1. Organizational Overview and Growth Momentum

TSH Biopharm (stock code: 8432) was established in 2010 and is headquartered in Taipei, Taiwan. It is a specialty pharmaceutical company dedicated to "providing solutions to unmet medical needs for all humankind." We focus on the field of chronic diseases and have established a solid leadership position in cardiovascular, gastrointestinal, central nervous system, and ophthalmology through the dual-engine model of "independent development" and "strategic licensing."

To realize the vision of doubling revenue by 2030, we fully launched four major growth engines in 2025. In addition to deepening our presence in the core pharmaceutical market, we have also extended our product lines into preventive medicine fields such as vaccines and probiotics through the channel advantages integrated from the 2023–2024 acquisitions of Chuang Yi BioTech and TOP Pharma Medical-wares, and successfully captured self-paid healthcare opportunities arising from an aging population.

2. Innovative R&D and Precision Medicine

"Detectable, and even more accurate" is our commitment to precision medicine. TSH Biopharm not only provides NGS next-generation genetic testing, but it also achieved a major breakthrough in liquid biopsy technology in 2025. Its gene mutation detection rate of up to 85.3% was published in the international authoritative journal "ESMO Open" and was certified with the 2025 SNQ National Quality Mark. We provide cancer patients with low-invasive, high-accuracy testing services, concretely fulfilling the social responsibility of medical innovation.

3. Expanding New Blue Oceans in Healthcare

We continue to see unmet medical needs. In 2025, TSH Biopharm expanded into rare disease treatment (introducing ZTALMY®) and comprehensive vision care (covering dry eye Tyrvaya and the new presbyopia drug BCSA25), extending care to a broader patient population and putting health equity into practice.

4. Global Presence and Deep Local Engagement

Rooted in Taiwan, with a vision across Asia. Our products have been sold steadily in Hong Kong and Thailand, and we are actively extending our successful model to ASEAN countries such as Myanmar, Vietnam, the Philippines, and Malaysia, with the goal of becoming the best first choice for international biotech partners in development and marketing in Asia.

5. Sustainability Commitments and Honors

TSH Biopharm firmly believes that "integrity and honesty" are the cornerstone of corporate sustainability. Our efforts received high recognition in 2025:

- **Industry recognition:** Continued to rank among the top 5% of TPEx-listed companies in the 11th Corporate Governance Evaluation.
- **Environment and society:** Received the 2025 AREA Asia Responsible Enterprise Awards — the "Social Empowerment Award" and the "Green Leadership Award."
- **Information Disclosure:** Received the 2025 18th TCSA Taiwan Corporate Sustainability Awards — "Silver Award for Sustainability Report, Healthcare Category II."

Operating Sites and Group Footprint

GRI 2-2

The TSH Biopharm Group has its global operating headquarters in Taipei and has established a comprehensive pharmaceutical service network through subsidiaries and offices. As of the end of 2025, the Group's major operating sites are as follows:

1. Global Operating Headquarters: Taipei, Taiwan

TSH Biopharm Corporation Ltd.
Address: 3F.-1, No. 3-1, Yuanqu St., Nangang Dist., Taipei City 115 (Nangang Software Park, Building G)
Tel: 02-2655-8525
Fax: 02-2655-8526

Chuang Yi Biotech co. ltd. (Subsidiary)
Address: 3F.-1, No. 3-1, Yuanqu St., Nangang Dist., Taipei City 115 (Nangang Software Park, Building G)
Tel: 02-2655-7339/ Fax: 02-26557338

2. Central Operations Center:

TSH Biopharm Taichung Office
Address: 4F-4, No. 424, Zhongming Road, North District, Taichung City 404
Tel: 04-2206-7276/ Fax: 04-2206-1883

Top Pharm. Medicalware Company Limited (Subsidiary)
20 F.-2, No. 499, Zhongming S. Rd., West Dist., Taichung City 403
Tel: 04-2375-9099/ Fax: 04-2375-6069

3. Southern Office:

TSH Biopharm Kaohsiung Office
Address: 12F-7, No. 56, Minsheng 1st Road, Xinxing District, Kaohsiung City 800
Tel: 07-2222-686/ Fax: 07-2222-696

[Ownership, Legal Form, and Compliance Statement]

■ **Basic Information and Legal Form [GRI 2-1]**
The Company (stock code: 8432) is a company limited by shares established under the laws of Taiwan, and it strictly complies with the relevant laws and regulations of Taiwan and international standards in all aspects, including corporate governance, environmental protection, labor and human rights, product responsibility, and financial transparency [GRI 2-23].

■ **Scope of Operations**
The Company's major operating activities are concentrated in Taiwan, and in accordance with its global new drug development strategy, it has extended its clinical trial and product licensing business to Asia and other overseas regions, actively expanding its international footprint.

■ **Compliance and Product Responsibility**
As of the end of 2025, all products and services of the Company complied with the regulatory requirements of the places where they were sold, and there were no cases of any product being prohibited from sale in any specific market; at the same time, we continued to maintain good communication with stakeholders to ensure that operating activities met social expectations and did not involve any major controversial issues.

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Sustainable Operation and Performance

Sustainable Development Strategy GRI 2-22

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.

*本業 SDGs3	*Core Business SDGs3
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
提升生活品質	Improving quality of life
病患*健康	Patient health
全人類*健康	Health for all
全人類與環境	All humankind and the environment
健康	Health
台灣	Taiwan
亞洲	Asia
全球	Global

Sustainability Blueprint

Aspect		Issue
Environmental (E)	**Green Transformation** The Company responds to climate and environmental issues, and actively engages in transformation from within and outside of the Company. 	Climate Change
Social aspect (S)	**Health Protection** Enhancing healthcare resources and patient well-being while contributing to society 	Drug distribution and pricing (Access to Medicines) Happy and Diversified Workplace (Incorporating labor-management relations, diversity and equal opportunity, and talent development and cultivation)
Governance aspect (G)	**Corporate Steady Development** Operating with integrity, emphasizing risk management, and cultivating a fulfilling work environment 	Information Security Supply chain management Legal compliance and ethical corporate management Quality and safety management of medicines New drug R&D and innovation Operating Risk, Risk Management Business Ethics Customer Privacy

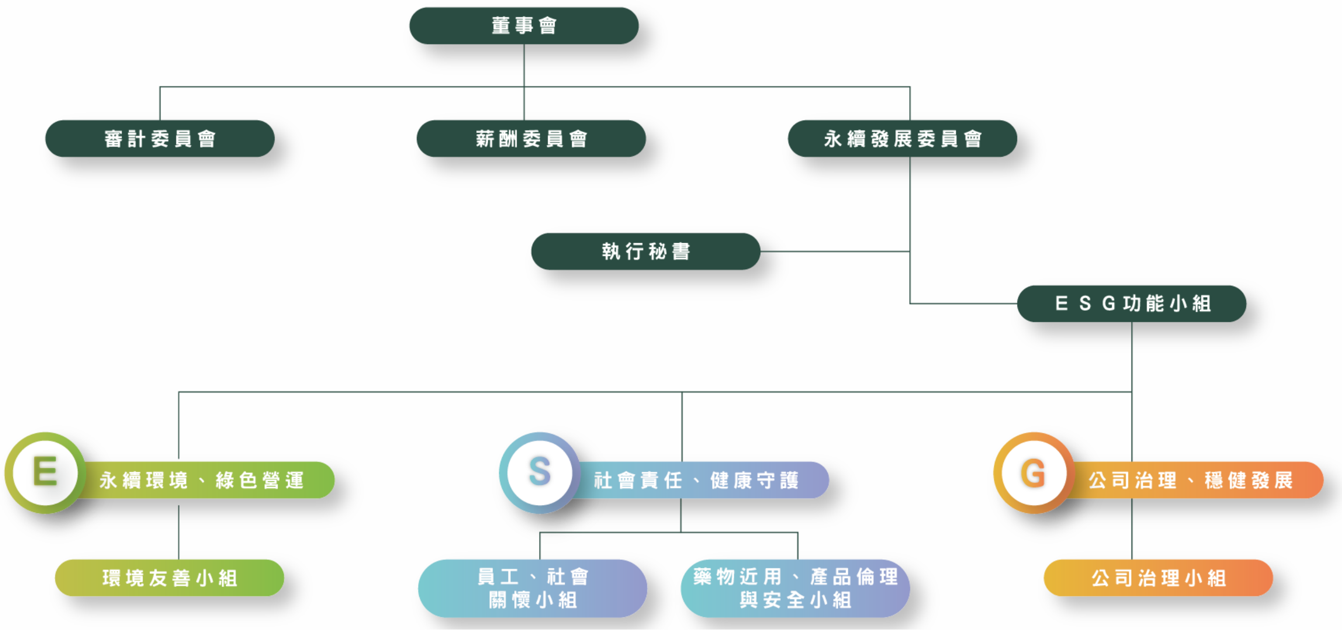
Sustainable Development Promotion Mechanism (Operation of the Sustainability Committee)

GRI 2-13 GRI 2-14 GRI 2-12

To fulfill corporate social responsibility, establish a sound governance system, align with international trends, and move toward the goal of sustainable operation, the Company has formulated the organizational charter of the Company's Sustainable Development Committee (hereinafter referred to as the Committee) in accordance with Article 26 of the Company's "Corporate Governance Best Practice Principles." The Sustainable Development Committee was established on August 4, 2022, and it is subordinate to the Board of Directors. The 2nd Term (current term) Sustainable Development Committee consists of Independent Directors Yao-Bin Huang, Jui-Hsun Chen, Te-Yu Chou, Hsiu-Ming Wu, and Yun-Liang Lai; the term of office is from May 25, 2023 to May 24, 2026 (expiring concurrently with the term of the Board of Directors). 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. The annual ESG sustainability report is submitted to the Board of Directors for review in August each year, and upon approval, is simultaneously uploaded to the Market Observation Post System and the Company's official website. The 2024 Sustainability Report was approved by the Board of Directors on August 4, 2025, and the upload procedure was completed.

1. Powers and duties of the Sustainable Development Committee:
   (1) Formulation of sustainable development policy.
   (2) Formulation of an annual sustainable development plan and strategic direction.
   (3) Follow-up and review of the implementation of sustainable development and the effectiveness thereof, and report on the same to the Board of Directors.
   (4) Determination of matters in relation to sustainable development.
2. For information on the professional qualifications, experience, and operation of the Sustainable Development Committee, please refer to page 42 of the 2025 AGM annual report; for details of ESG-related courses attended and the meeting dates, sessions, motion content, resolution results, and the Company's handling of the opinions of the Sustainable Development Committee in the most recent year, please refer to page 43 of the 2025 AGM annual report.

Sustainability Committee Organizational Chart



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

Mode of Operation

- The Sustainable Development Committee is responsible for formulating annual strategies, goals, and action plans
- Submit the planning content to the Board of Directors for review and confirmation
- Upon approval, the ESG functional team will carry out various sustainability activities in accordance with the plan
- The Committee regularly tracks performance and reports execution progress and results to the Board of Directors (including the review of the annual report)

永續發展策略規劃與執行流程	Sustainable Development Strategy Planning and Execution Process

策略規劃	Strategic planning
提報核准	Submitted for approval
分工執行	Division of work and execution
監督報告	Supervision and reporting

2025 TSH Biopharm Corporation ESG Achievements and Contributions [Winning domestic and international ESG awards, corporate governance ranking among the best]

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:
2025AREA 亞洲企業社會責任獎-社會公益發展、綠色領導	2025 AREA Asia Responsible Enterprise Awards – Social Empowerment, Green Leadership
受次參賽即得獎，從 19 個國家、逾 350 件參賽專案中脫穎而出	Won an award upon participating for the 2nd time, standing out among more than 350 entries from 19 countries
2025 第十八屆 TCSA 台灣企業永續獎	2025 18th TCSA Taiwan Corporate Sustainability Awards
首次參加即榮獲永續報告書獎-醫療保健 第二類 銀獎	Won the Silver Award for Sustainability Report Award – Healthcare Category II upon first participation
台灣企業永續獎	Taiwan Corporate Sustainability Awards
2025 第 11 屆、2022 第 8 屆公司治理評鑑 TOP5%	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 TOP 5%	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.
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.

東生華 2025ESG 成果：從守護石虎到關懷銀髮的永續實踐	TSH Biopharm Corporation 2025 ESG Achievements: Sustainable Practices from Protecting Leopard Cats to Caring for Older Persons

環境永續：從產地到產品的自然正向實踐	Environmental sustainability: Nature-positive practices from place of origin to product
契作累積 1,514 台斤守護石虎棲地生態	A cumulative total of 1,514 Taiwanese catties under contract farming to protect leopard cat habitat ecology
「石虎米流域收復計畫」，透過與上游農戶契作，將原本慣行農法的水田轉型為友善耕作，旨在修復破碎的淺山積地，並建構氣候韌性。	The "Leopard Cat Rice Watershed Restoration Project," through contract farming with upstream farmers, transforms paddy fields originally under conventional farming methods into eco-friendly cultivation, aiming to restore fragmented shallow mountain land and build climate resilience.
守護 454.6 平方公尺石虎棲地	Protected 454.6 square meters of leopard cat habitat
打造綠色價值鏈，降低環境衝擊	Building a green value chain and reducing environmental impact
製程 100%杜絕有機溶劑，堅持在地生產以減少碳足跡。並與基金會合作共同創造了「生產－生態－公益」 的循環價值。	The production process eliminates organic solvents 100%, and the Company adheres to local production to reduce carbon footprints. It also collaborated with the Foundation to jointly create the circular value of "production-ecology-public welfare."
社會共好：結合核心職能的共享價值	Social well-being: Shared value combined with core competencies
公益募資逾 19.4 萬元支持銀髮經濟	Raised more than NTD 194,000 in charitable fundraising to support the silver economy
義賣所得 100%全額捐贈老五老基金會運營， 支持「送餐到偏鄉計畫」，圓夢計畫等創造經濟包容性。	100% of the proceeds from the charity sale were fully donated to support the operation of the Old-Five-Old Foundation, the "Meal Delivery to Rural Areas Project," and the Dream Fulfillment Project, thereby creating economic inclusion.
鞏固土壤碳匯．實踐負碳農法	Strengthening soil carbon sinks and practicing carbon-negative farming

透過支持負碳農法，有效維持土壤有機質，成為『黃破』 基地，相較於慣行農法，貢獻於 286 kgCO2e 的碳排放減量。	By supporting carbon-negative farming, soil organic matter is effectively maintained, becoming a “Huangpo” base, and compared with conventional farming, contributing to a carbon emission reduction of 286 kgCO2e.
社區議合與代間共融	Community engagement and intergenerational inclusion
年度執行 4 場長輩關懷活動與響應『世界糧食日』 與全台老五老據點約 1,800 位長輩共享石虎米午餐，推廣糧食安全與在地食材理念，同時傳遞企業溫暖。	A total of 4 elder care activities were carried out during the year, and in response to “World Food Day,” approximately 1,800 older persons at our senior service sites across Taiwan shared leopard cat rice lunches, promoting food security and the concept of local ingredients while also conveying corporate warmth.
核心職能結合公益	Core competencies combined with public welfare
舉辦心血管健康講座，建立正確疾病預防與用藥觀念，落實聯合國 SDG 3.4 目標。具體實踐藥廠守護社區健康的社會責任。	Organized cardiovascular health lectures to establish correct concepts of disease prevention and medication, implementing the United Nations SDG 3.4 target. Concretely fulfilling the social responsibility of pharmaceutical companies to protect community health.

I. Ecological Footprint Quantification and Green Value Chain – Nature-positive Practices from Place of Origin to Product

TSH Biopharm fully understands that the investment of corporate resources must generate substantive ecological benefits. We have introduced the “ecological conversion coefficient” and “green procurement principles” to transform resource input into direct contributions to biodiversity, fully implementing environmental responsibility from the raw material end (upstream) to the product end (midstream).

(1) Biodiversity and Watershed Restoration

1. **Strategic commitment: Responding to Nature Positive through “watershed restoration”**
   TSH Biopharm fully understands that the pharmaceutical industry is closely related to natural resources. In response to the attention of TNFD and GRI 101 to nature risks, we go beyond compliance and proactively adopt the “precautionary principle.” Since 2024, we have cooperated with social enterprises to promote the “Leopard Cat Rice Watershed Restoration Project.” Through contract farming with upstream farmers, paddy fields originally under conventional farming methods are transformed into eco-friendly cultivation, aiming to restore fragmented shallow

mountain habitats and build climate resilience.

2. **Location & Drivers Management**
In accordance with the GRI 101: Biodiversity 2024 Standard, we precisely identify and disclose project locations, and adopt source management measures for "pollution," a key driver causing biodiversity loss:
- Project location: Located in the Xinjilong watershed in Tongluo Township, Miaoli County, with center coordinates of (120.821230, 24.430463). This area is an important potential habitat for leopard cats (1st-class protected species) and is an ecologically sensitive area.
- Driver control and quantified performance: We signed strict production agreements with contract farmers, comprehensively prohibiting the use of chemical pesticides and herbicides, and safeguarding farmers' income through a 100% purchase commitment. The specific environmental benefits achieved this year on the 0.24-hectare contract farming area are as follows:
  1. Prevention of chemical pollution: Successfully reduced approximately 288 kg of chemical fertilizer input into soil and water bodies.
  2. Reduction of eutrophication risk: Reduced the use of approximately 57.6 kg of nitrogen fertilizer, effectively alleviating eutrophication pressure on downstream waters and protecting aquatic habitats.
  3. Zero pesticide detection: Tested by an authoritative third-party institution, all 411 pesticide items in the rice grain were not detected (N.D.), confirming our strict control over environmental management in the supply chain.
- This initiative not only restored the soil micro-ecology but also directly contributed to a carbon emission reduction of 286 kgCO2e (compared with conventional farming), specifically responding to the "increasing soil organic matter" and "carbon-negative farming" strategies under the national "natural carbon sink" strategy (TWSE E-15).

3. **Ecological Performance**
To ensure the effectiveness of habitat restoration, we have introduced a scientific monitoring mechanism, covering the paddy fields and an extrapolated 200 meters. The 2025 monitoring results show that the habitat is healthy and stable, with the capacity to support diverse biological communities:
- Species richness: A total of 383 biological observation records were recorded throughout 2025, covering 195 species. Among them, birds are the most abundant (61 species), showing that the paddy field has become an important foraging and activity corridor for shallow mountain birds.
- Species of concern: Twelve species of concern were recorded, including the crested serpent eagle, black-winged kite (2nd-class protected species), and Cirsium arisanense (endangered plant).
- Habitat health indicator (NDVI): NDVI (Normalized Difference Vegetation Index) calculated through Google Earth Engine (GEE) shows that paddy field vegetation fluctuated regularly between 0.18 (fallow mudflat) and 0.85 (heading stage), forming a diverse microhabitat gradient that effectively supports biological needs in different seasons.
- Leopard cat monitoring description: Although leopard cats were recorded in 2024, none were found again during the monitoring period in 2025. This indicates that we need to continue strengthening the connectivity of ecological corridors. In the future, we will add infrared cameras and extend the monitoring period.

4. **Social Impact**

This project not only stops at environmental protection but also creates the circular value of "production-ecology-public welfare." Of the 682 kg (approximately 1,137 Taiwanese catties) of eco-rice purchased in 2025, part was sold in a charity sale in cooperation with the Old-Five-Old Foundation, and all proceeds from the charity sale were donated to the Foundation's operations for meal delivery services to older persons living alone; intergenerational exchange activities were also held in combination with food and agricultural education, transforming environmental value into concrete social care. Part of it is used as corporate brand gifts, becoming a medium for sharing TSH Biopharm's substantive ESG actions.

(2) Process management: Green Procurement and Low-Carbon Manufacturing (Midstream: Green Procurement & Manufacturing) For project-derived gifts (such as leopard cat hand towels), we extend sustainability standards to manufacturers to implement [TWSE E-16 Supplier Environmental Management]:

- **Elimination of chemical pollution (Pollution Removal):** The product manufacturing process insists on using eco-friendly water-based dyes (Pigment Ink) that comply with the **[ZDHC MRSL Level 1]** standard, replacing traditional oil-based offset printing, and eliminating the use of **organic solvents 100%**. This eliminates from the source the pollution risk of chemical substances to water resources, specifically implementing the spirit of **[TNFD Avoid and Reduce Pollution Drivers]** and **[GRI 303-2 Management of Water Discharge Impacts]**.
- **Local sourcing and decarbonization (Local Sourcing & Decarbonization): Adhering to local production in Taiwan (Local Sourcing)**, we significantly shorten transportation mileage to reduce the Scope 3 product carbon footprint, minimize environmental impact, and concretely practice local sourcing and decarbonization goals.

II. Social Well-Being (Social): Deepening Senior Employment and Community Health

In accordance with the principles of local community engagement, TSH Biopharm extends environmental achievements (leopard cat rice) to social care. We use "core competencies (medical and pharmaceutical expertise)" and "resource integration (cross-sector collaboration)" to create shared value with **[SDG 3 Good Health and Well-Being]** and **[SDG 8 Employment Economy]** in response to the issue of an aging society.

(1) Charitable fundraising: Supporting senior employment and economic inclusion

Corresponding indicators:

"Through a procurement and charity sale model, we support the operation of the Old-Five-Old Foundation, concretely practicing **economic inclusion** and helping older persons realize self-worth and economic independence:

- **Supporting senior productivity:** By procuring handmade cookies made by older persons to pair with leopard cat rice puffs, we not only support local agricultural products but also directly affirm the labor value and craftsmanship of older persons, enabling them to transform from "recipients of assistance" into "producers."
- **Charitable fundraising performance:** Through three promotional waves involving amazake brewing, Dragon Boat Festival co-branding, and Mid-Autumn Festival charity gift boxes (Earth Gift Box/Foolish Fortune Accompanies), total sales exceeded **620 sets**.
- **Social impact:** Charity sale proceeds totaled **NTD 194,000**, and **100% was fully donated** to support the "Meal Delivery to Rural Areas Project."

This initiative not only solves the problem of food shortages for older persons living alone, but it also, through visits by meal delivery personnel, weaves a social safety net for older persons in rural areas."

(2) Volunteer care: Community engagement and intergenerational inclusion (Community Engagement)

Corresponding indicators:

"Led personally by the General Manager, a top-down volunteer culture has been established, and **community engagement** is implemented through actual companionship:

- **Care actions blooming everywhere:** A total of 4 elder care activities were carried out during the year (Shiding, Beitou, Taichung, and Hsinchu), extending service locations across Taiwan. The Hsinchu event especially integrated physicians' expertise by bringing "hypertension health education" into the community, thereby implementing preventive medicine.
- **Responding to World Food Day [SDG 2]:** General Manager Ssu-Yuan Yang personally led volunteers to the Fengzilin Day Care Center in Shiding to respond to the spirit of "World Food Day." Approximately **1,800** older persons at our senior service sites across Taiwan shared leopard cat rice lunches, promoting food security and the concept of local ingredients.
- **Intergenerational interaction and inheritance:** Through the "Leopard Cat Rice Handmade Soap DIY" activity, volunteers and older persons shared stories of "eco-friendly cultivation × ecological conservation" in the course of interaction. This is not only the giving of supplies but also the creation of cross-generational dialogue and the warmth of companionship, enhancing older persons' sense of social participation and mental health."

(3) Professional health education: Core Competency CSR

Corresponding indicators:

"Giving full play to the core capabilities of the biotechnology and pharmaceutical core business, we are committed to improving public **health literacy** and reducing the social medical burden:

- **Cardiovascular health initiative:** Targeting the common three-high risks among the population, the public welfare health lecture "Cardiovascular Health • Protecting Love Without Missing a Beat" was held, with a total of 181 participants.
- **Expert engagement and knowledge diffusion:** Three authoritative experts were invited, namely Dr. Yu-Cheng Chu of Far Eastern Memorial Hospital, Director Wen-Ya Ma of Cardinal Tien Hospital, and Director Chao-Shun Chan of Taipei Medical University Hospital, to conduct an in-depth analysis on "multiple complications of hypertension," "graded treatment of hyperlipidemia," and "angina and microvascular disease."
- **Preventive medicine effectiveness:** Through easy-to-understand health education, we help the public establish correct concepts of disease prevention and medication, implementing the United Nations SDG 3.4 target of reducing mortality from non-communicable diseases and concretely fulfilling the social responsibility of pharmaceutical companies to protect community health.

III. Brand Communication and Impact Expansion (Stakeholder Engagement & Communication)

In accordance with stakeholder engagement principles, we embody ESG concepts through corporate gifts with sustainability significance and high-standard information disclosure, extending sustainability influence from within the Company to value chain partners (healthcare professionals and customers), and implementing **[SDG 12 Responsible Consumption and Production]**.

(1) Comprehensive sustainability promotion: Implementing green procurement and a low-carbon lifestyle

Corresponding indicators:

"Integrating ESG elements into corporate gifting culture and supporting sustainable products through actual procurement actions. The Mid-Autumn Festival and annual seminar gifts included "Leopard Cat Rice Handmade Soap," "300 g Leopard Cat Rice," and the "Low-Carbon Leopard Cat Hand Towel" (the seminar additionally incorporated a low-carbon 15th anniversary commemorative tote bag). Through the procurement of environmentally friendly gifts, we not only reduced the carbon footprint of marketing activities but also directly supported eco-friendly farming and local manufacturing.

(2) Expanding influence: Value Chain Engagement and Shared Vision (Value Chain Engagement)

Corresponding indicators:

Through gifts that possess "the power of sustainable storytelling," we conduct an in-depth dialogue with core stakeholders (physicians and customers). This is not only the giving of gifts but also a medium for sharing TSH Biopharm's substantive ESG actions. We hope to leverage brand influence to invite healthcare partners to begin with understanding leopard cat conservation, and then jointly respond to sustainable living, establishing cooperative partnerships based on shared values.

(3) Transparent information disclosure: Report aligned with international standards

Corresponding indicators:

"Adhering to high standards of information transparency, the following are expected to be released in 2025:

- **The 13th Chinese Sustainability Report:** Prepared in accordance with **GRI 2021, SASB, TCFD**, and **SDGs** standards, and obtaining assurance from an independent third-party institution of **[AA1000 Type 1 Moderate Assurance]**, ensuring information credibility.
- **The 5th English Sustainability Report:** Actively responding to the expectations of foreign institutional investors, releasing the English report to strengthen international communication and information equality.
- The reports are reviewed by the **Sustainable Development Committee** and submitted to the **Board of Directors** for approval before release, demonstrating the importance attached by the governance level to the disclosure of sustainability information.

Analysis of Sustainability Issue Concerns

Stakeholder Engagement

GRI 2-16 GRI 2-29

In accordance with the five dimensions of the AA1000 Stakeholder Engagement Standard 2015 (AA1000 SES) — dependency, influence, responsibility, diverse perspectives, and tension — for identification, TSH Biopharm identified, from among numerous stakeholders and based on importance, the stakeholders having the greatest influence on TSH Biopharm, including a total of 6 categories of stakeholders: employees, the media, suppliers, customers (patients and healthcare professionals), shareholders and investors, and government and competent authorities. 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
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 (9 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 Relationship and Social Participation ➢ 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.	✓ Ad hoc media luncheons ✓ Ad hoc media visits and luncheons ✓ Press releases for material information disclosure ✓ Communication, Email

Stakeholders	Key Issues of Concern	Importance and Significance to TSH	Engagement Method & Frequency
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.	✓ Regularly held meetings (monthly) ✓ Existing supplier evaluations (annually and every three years); 22 suppliers undergo annual evaluation ✓ New supplier audit (1 case) ✓ Phone and 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.	✓ Held large seminars from time to time ✓ Offered toll-free hotline ✓ Held meetings from time to time ✓ Offered educational 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) ✓ Held one shareholders' meeting and 6 board meetings ✓ Shareholders exercised voting rights electronically at the AGM, and the ratio of electronic voting to the voting rights represented at the AGM was 94.17% in 2025, increasing year by year, and they fully participated in the voting on motions. ✓ Prepared the annual report for the shareholders' meeting and announced information for investors' reference

Government and Competent Authorities	➢ Climate change, air pollution management ➢ Chemical Substance Management ➢ Ecological Impact ➢ Employment ➢ Legal compliance and ethical corporate management ➢ Information Security ➢ Water resource, 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 ✓ 37 bilingual material announcements published on the Market Observation Post System ✓ Held audits from time to time ✓ Participated in awareness-raising events on laws

Materiality Analysis Process GRI 3-1

In accordance with GRI 3: Material Topics 2021 under the GRI Universal Standards 2021 and the AA1000 Stakeholder Engagement principles, TSH Biopharm has constructed an impact-based materiality analysis process to ensure an effective response to stakeholders' expectations and concerns.

Execution steps	Implementation content	Achievements
Step 1. Identify the communication parties	Following the five aspects outlined in the AA1000 Stakeholder Engagement Standard – 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 stakeholders**

Execution steps	Implementation content	Achievements
Step 2. Collecting Sustainability Issues	In order to reasonably reflect the economic, environmental, and social impacts and effects brought about by operations, as well as issues that may affect stakeholders' decisions, external trends such as industry information, national policies, and international initiatives were collected, and 26 sustainability issues highly relevant to TSH Biopharm's operating activities were compiled as questionnaire items. The issues are classified into the three major dimensions of E environment, S society, and G governance, including: E Environment: Air pollution management, water resource management, waste management, circular production, climate change, energy management, chemical substance management, and ecological impact S Society: Occupational safety and health management, a happy diversified workplace, diversity and equal opportunity, talent development and cultivation, labor-management relations, physician-patient relations and social participation, human rights, information security, customer privacy, and drug distribution and pricing (access to medicines) G Governance: Business ethics, regulatory compliance and ethical management, operational risk, risk management, sustainable governance operation, supply chain management, economic performance, new drug R&D and innovation, and pharmaceutical quality and safety management	**Questionnaire on 26 sustainability issues**
Step 3. Survey stakeholder concern levels	To effectively respond to stakeholders' issues of concern and accurately reflect environmental, social, and governance impacts, TSH Biopharm included 26 issues of concern in the questionnaire and conducted survey assessments through questionnaire distribution and internal discussions. Domestic and overseas stakeholders of TSH Biopharm were invited to complete the “2025 TSH Biopharm Stakeholder ESG Questionnaire.” The level of concern of external stakeholders was used as one of the bases for identifying material topics requiring priority attention; a total of 200 questionnaire responses were collected in 2025. Compared with the 39 questionnaires collected in 2024, this represents an increase of approximately 5 times.	**199 questionnaires, 5-fold increase in responses**

Execution steps	Implementation content	Achievements
Step 4. Verification and Confirmation of Material Topic Identification	Functional groups reviewed the results of Step 3 and analyzed 18 issues of high concern. Six senior executives within the Company separately scored the “positive benefits” and “negative impacts” of the 18 issues, and after a final cross-comparison, a total of 11 material topics were identified. In 2025, the 11 material topics of TSH Biopharm were further jointly reviewed by external consultants to examine the appropriateness of the relevant procedures and standards, confirm the completeness and inclusiveness of the material topics, and report to the Sustainable Development Committee and the Board of Directors.	**11 material topics**

Step 5. Sustainability Report Review and Assurance

This report has been prepared in accordance with the Taiwan Stock Exchange "Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE Listed and TPEx Listed Companies." TSH Biopharm Co., Ltd. has reported the information for the period from January 1, 2025 to December 31, 2025 in accordance with the GRI Standards. This report adopts the GRI Universal Standards 2021 version (GRI Universal Standards 2021), and also refers to the Sustainability Accounting Standards Board (SASB) Biotechnology & Pharmaceuticals indicators and the Task Force on Climate-Related Financial Disclosures (TCFD) framework for disclosure. The Appendix to this report provides a relevant content index table to facilitate quick retrieval and cross-reference by stakeholders.

The information in this report was provided to the Sustainable Development Committee after being reviewed by senior executives from each unit. Following review by each company and approval by the responsible executives, the report was submitted to the Board of Directors. AFNOR Asia Ltd., an independent international third-party assurance provider, verified the content of this report in accordance with the AA1000 AS v3 Assurance Standard, using Type 1 and the Moderate Assurance as the basis for assurance, assuring that the content of this report complies with the GRI Standards and the AA1000 Accountability Principles. The assurance statement for this year is included in the Appendix to this report.

This report is the 13th Sustainability Report issued by TSH Biopharm, and before publication, it was reviewed by the Sustainable Development Committee and submitted to the Board of Directors for approval. The management of sustainability information has also been included in the annual audit plan.

The 13th Sustainability Report

Identification of Material Topics

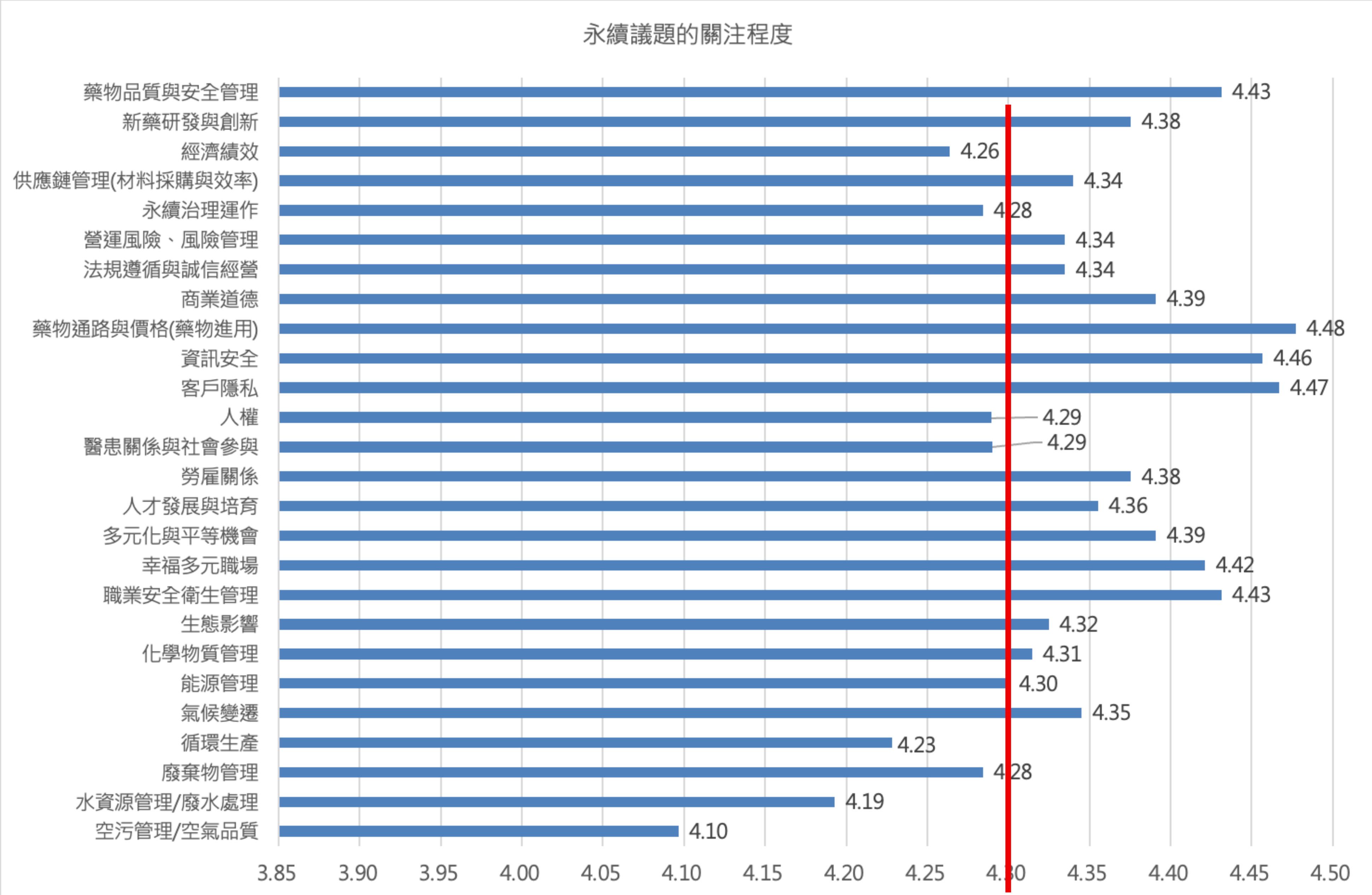
GRI 2-16

TSH Biopharm identified a total of 11 material topics in 2023–2024, and in 2025, it surveyed stakeholders' level of concern regarding 26 sustainability issues through the "2025 TSH Biopharm Stakeholder ESG Questionnaire." The results of the stakeholder concern questionnaire showed 18 issues with high concern. From the 18 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 in 2025. Results were reported to the Sustainable Development Committee and the Board of Directors.

Sustainability Issues

The "2025 TSH Stakeholder ESG Questionnaire" surveyed concern on 26 sustainability issues, including 8 Environmental (E) items, 10 Social (S) items, and 8 Governance (G) items, for a total of 26 items.

Environment (E)	Society (S)	Corporate governance (G)
1. Air Pollution Management/Air Quality 2. Water resource management/wastewater treatment 3. Waste management 4. Circular Production 5. Climate Change 6. Energy Management 7. Chemical Substance Management 8. Ecological Impact	9. Occupational Safety and Health Management 10. Happy and diversified workplace 11. Diversity and Equal Opportunity 12. Talent Development and Cultivation 13. Labor/management relations 14. Physician-Patient Relationship and Social Participation 15. Human rights 16. Customer Privacy 17. Information Security 18. Drug distribution and pricing (Access to Medicines)	19. Business Ethics 20. Legal compliance and ethical corporate management 21. Operating Risk, Risk Management 22. Sustainable Governance Operations 23. Supply Chain Management (Material Procurement and Efficiency) 24. Economic Performance 25. New drug R&D and innovation 26. Quality and safety management of medicines



永續議題的關注程度	Level of concern regarding sustainability issues

藥物品質與安全管理	Quality and safety management of medicines
新藥研發與創新	New drug R&D and innovation
經濟績效	Economic Performance
供應鏈管理(材料採購與效率)	Supply Chain Management (Material Procurement and Efficiency)
永續治理運作	Sustainable Governance Operations
營運風險、風險管理	Operating Risk, Risk Management
法規遵循與誠信經營	Legal compliance and ethical corporate management
商業道德	Business Ethics
藥物通路與價格(藥物進用)	Drug distribution and pricing (Access to Medicines)
資訊安全	Information Security
客戶隱私	Customer Privacy
人權	Human rights
醫患關係與社會參與	Physician-Patient Relationship and Social Participation
勞雇關係	Employment
人才發展與培育	Talent Development and Cultivation
多元化與平等機會	Diversity and Equal Opportunity
幸福多元職場	Happy and diversified workplace
職業安全衛生管理	Occupational Safety and Health Management
生態影響	Ecological Impact
化學物質管理	Chemical Substance Management
能源管理	Energy Management
氣候變遷	Climate Change
循環生產	Circular Production
廢棄物管理	Waste management
水資源管理/廢水處理	Water resource management/wastewater treatment
空污管理/空氣品質	Air Pollution Management/Air Quality

Part 1: Materiality Analysis Ranking Results (Overall Scoring Table)

Survey stakeholder concern levels

Based on the results of the "2025 TSH Biopharm Stakeholder ESG Questionnaire," using a concern level higher than 4.3 points as the screening standard, there were a total of the following 18 issues with high stakeholder concern.

Environment (E)	Society (S)	Corporate governance (G)

1. Climate Change 2. Energy Management 3. Ecological Impact 4. Chemical Substance Management	1. Drug distribution and pricing (recent use of drugs) 2. Employment 3. Diversity and Equal Opportunity 4. Happy and Diversified Workplace 5. Occupational Safety and Health Management 6. Talent Development and Cultivation	1. Information Security 2. Supply chain management 3. New Drug R&D and Innovation 4. Pharmaceutical Quality and Safety Management 5. Operating Risk, Risk Management 6. Legal compliance and ethical corporate management 7. Business Ethics 8. Customer Privacy

Part 2: Materiality Analysis Ranking Results (Overall Scoring Table)

Impact Assessment

1. Quantitative questionnaire results

Based on the questionnaire scoring results, the Sustainable Development Committee analyzed the 18 material issues on the basis of two major dimensions, and the final results are summarized in the figure below:

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 Explanation:

Positive benefits (opportunity impact):	Score the positive benefit of each sustainability topic on TSH's operations and sustainable development (ESG) from 1 to 5

Negative impacts (risk severity):	Score the negative impact of each sustainability topic on TSH's operations and sustainable development (ESG) from 1 to 5

Final ranking after cross-calculation based on the average values of senior executives' scores and the results of external stakeholder questionnaires (including overseas).

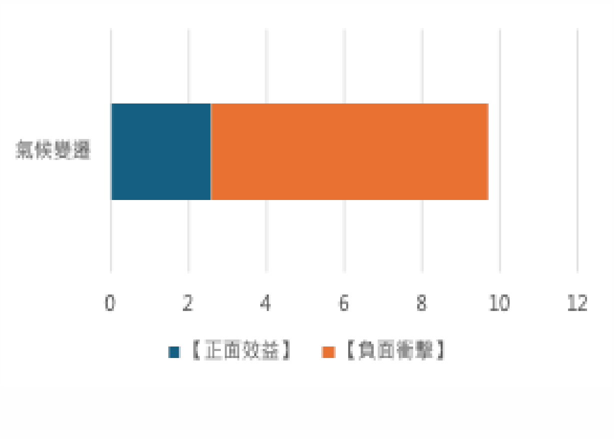
The Company conducted a comprehensive analysis based on the evaluation results of "positive benefits (average degree of impact × probability of occurrence)" and "negative impacts (average degree of impact × probability of occurrence)." After adding the scores of both, the issues were ranked from high to low by total score, and a total of 11 issues with scores higher than 9 were selected as the material issues for the current year.

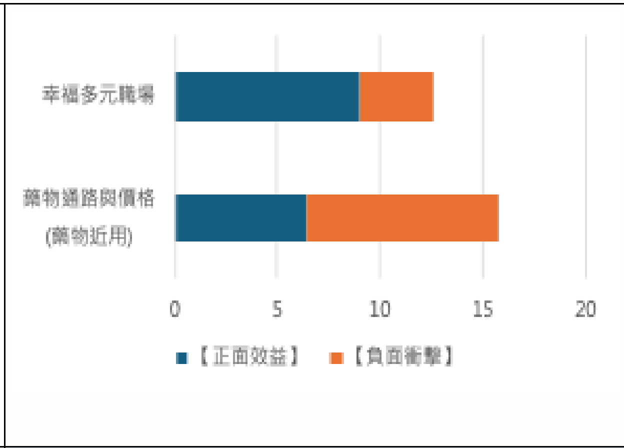
Item	Material topic item	Aspect	Positive benefits (Opportunity Impact)	Negative impact (Risk Severity)
1	**New drug R&D and innovation**	G Governance	**13.22**	**4.47**
2	**Drug distribution and pricing (Access to Medicines)**	S Social	**6.41**	**9.32**
3	**Supply chain management**	G Governance	**6.25**	**8.60**
4	**Legal compliance and ethical corporate management**	G Governance	**6.89**	**6.00**
5	**Happy and Diversified Workplace**	S Social	**8.97**	**3.55**
6	**Quality and safety management of medicines**	G Governance	**6.25**	**6.22**
7	**Information Security**	G Governance	**4.00**	**8.20**
8	**Operating Risk, Risk Management**	G Governance	**6.25**	**5.49**
9	**Business Ethics**	G Governance	**5.83**	**4.98**
10	**Customer Privacy**	G Governance	**4.34**	**5.44**
11	**Climate Change**	E Environment	**2.60**	**7.13**

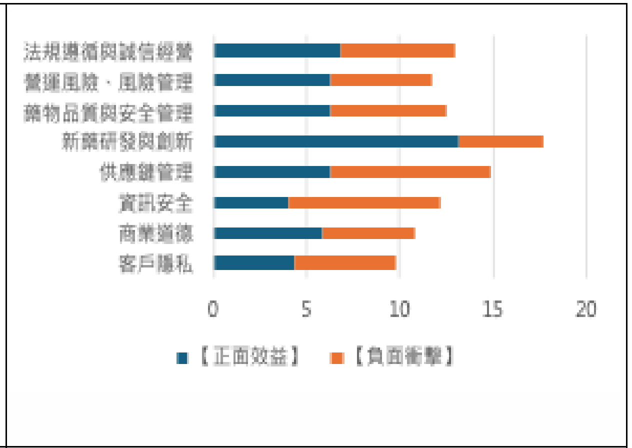
Part III: Analysis Findings

According to this latest data analysis, three key findings support the above rankings:

1. Heightened awareness of "information security" and "supply chain" risks: Compared with the past, the negative impact scores for these two issues were 8.20 and 8.60, respectively, both ranking near the top. This indicates that managers are deeply concerned that the external environment (hackers and geopolitical supply chain disruptions) may cause irreversible harm to the Company, which is fully consistent with overseas distributors selecting "very concerned" for information security in the questionnaire.
2. New drug R&D is the only "super opportunity:" In terms of positive benefits, "new drug R&D" scored as high as 13.22, far ahead of the other issues (the 2nd highest score was only 6.41). This shows that there is a high degree of consensus within the Company: Only innovative R&D is the locomotive driving profitability.
3. The special nature of "climate change:" Although managers gave climate change an extremely low positive benefit score (2.60, the lowest), its negative impact (7.13) still remained at a medium-high level. Given the requirements of the Financial Supervisory Commission and the supply chain, this issue must be retained among the material topics, but the strategy should be positioned as "risk control" rather than "profit opportunity."







Environment (E)	Society (S)	Corporate governance (G)

氣候變遷	Climate Change
【正面效益】	[Positive benefit]
【負面衝擊】	[Negative impact]
幸福多元職場	Happy and Diversified Workplace
藥物通路與價格 (藥物近用)	Drug distribution and pricing (recent use of drugs)
法規遵循與誠信經營	Legal compliance and ethical corporate management
營運風險、風險管理	Operating Risk, Risk Management
藥物品質與安全管理	Quality and safety management of medicines
新藥研發與創新	New drug R&D and innovation
供應鏈管理	Supply chain management
資訊安全	Information Security
商業道德	Business Ethics
客戶隱私	Customer Privacy

Part IV: Establishment of 11 Material Topics for 2025

Through a rigorous impact assessment this year, we identified the increasing importance of digital risk to operational resilience. Consequently, we have added information security and customer privacy as material topics. Meanwhile, to focus our core influence, we integrated labor relations, diversity and equal opportunity, and talent development and cultivation into "Happy and Diverse Workplace," and centered the environmental dimension on climate

risk response.
Based on the above analysis, the material topics for 2025 reported to the Board of Directors are as follows (by G/E/S classification):

G Corporate governance

- Information Security
- Supply chain management
- Legal compliance and ethical corporate management
- Quality and safety management of medicines
- New drug R&D and innovation
- Operating Risk, Risk Management
- Business Ethics
- Customer Privacy

E Environment

- Climate Change

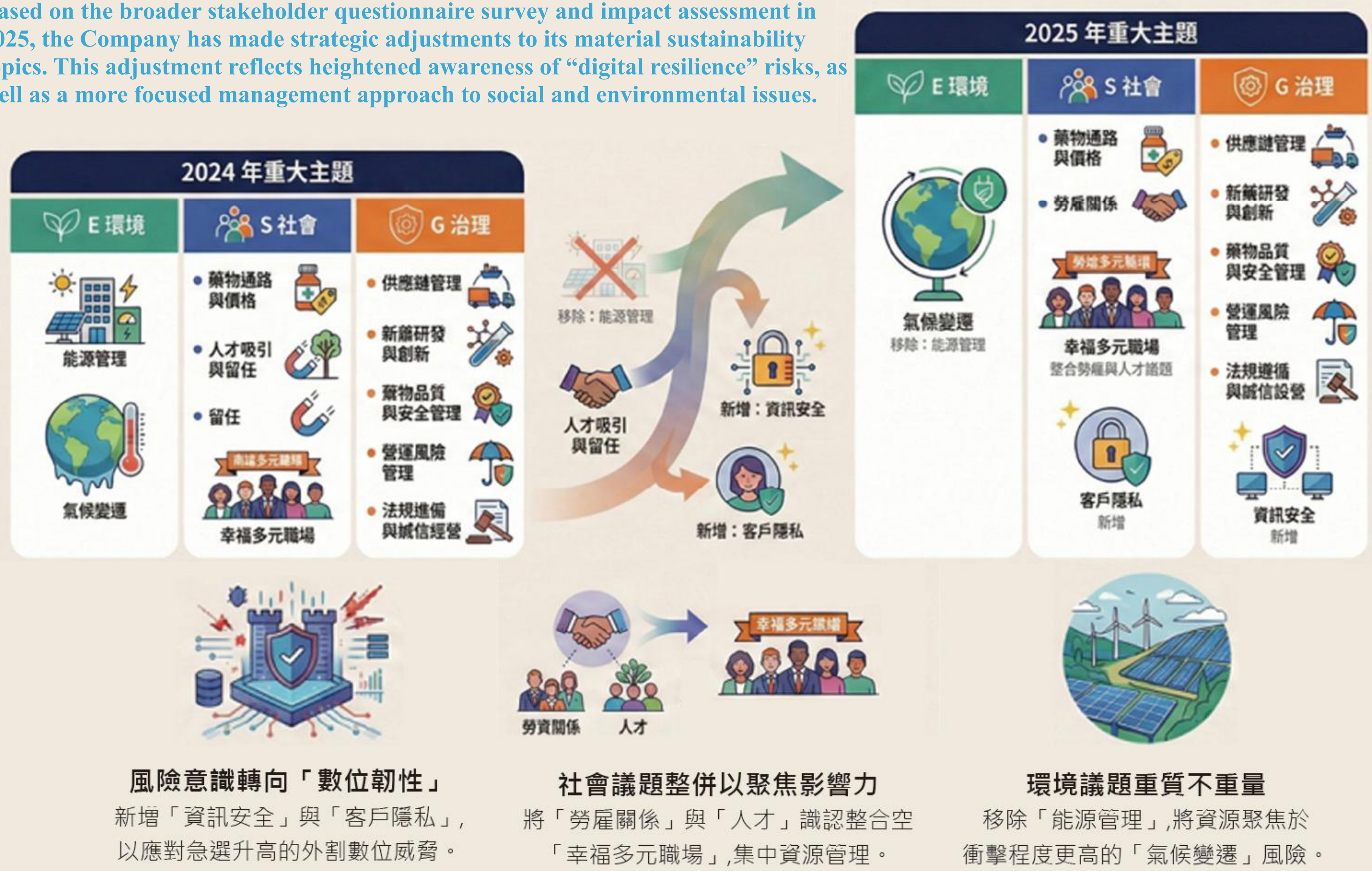
S Social

- Drug distribution and pricing (Access to Medicines)
- Happy and Diversified Workplace

(Incorporating labor-management relations, diversity and equal opportunity, and talent development and cultivation)

Evolution and Description of 2024 vs. 2025 Material Topics

Based on the broader stakeholder questionnaire survey and impact assessment in 2025, the Company has made strategic adjustments to its material sustainability topics. This adjustment reflects heightened awareness of "digital resilience" risks, as well as a more focused management approach to social and environmental issues.



2024 年重大主題	Material Topics in 2024
E 環境	E Environment
S 社會	S Social
G 治理	G Governance
能源管理	Energy Management
氣候變遷	Climate Change
藥物通路與價格	Drug Distribution and Pricing
人才吸引與留任	Talent Attraction and Retention
留任	Retention
幸福多元職場	Happy and Diversified Workplace
供應鏈管理	Supply chain management
新藥研發與創新	New drug R&D and innovation
藥物品質與安全管理	Quality and safety management of medicines
法規遵循與誠信經營	Legal compliance and ethical corporate management
移除：能源管理	Remove: Energy Management
人才吸引與留任	Talent Attraction and Retention
新增：資訊安全	Added: Information Security
新增：客戶隱私	Added: Customer Privacy
2025 年重大主題	Material Topics in 2025
E 環境	E Environment
S 社會	S Social
G 治理	G Governance
氣候變遷	Climate Change
移除：能源管理	Remove: Energy Management
藥物通路與價格	Drug Distribution and Pricing
勞雇關係	Employment
幸福多元職場	Happy and Diversified Workplace
整合勞雇與人才議題	Integration of labor and talent issues
客戶隱私	Customer Privacy

新增	Added
供應鏈管理	Supply chain management
新藥研發與創新	New drug R&D and innovation
藥物品質與安全管理	Quality and safety management of medicines
法規遵循與誠信經營	Legal compliance and ethical corporate management
資訊安全	Information Security
新增	Added
風險意識轉向「數位韌性」	Risk awareness shifts toward "digital resilience"
新增「資訊安全」與「客戶隱私」，以應對急遽升高的外割數位威脅。	Added "Information Security" and "Customer Privacy" to address rapidly escalating external digital threats.
勞資關係	Labor/management relations
人才	Talent
社會議題整併以聚焦影響力	Consolidating social issues to focus on impact
將「勞雇關係」與「人才」識認整合空 「幸福多元職場」，集中資源管理。	Integrated the identification of "labor relations" and "talent" into "Happy and Diverse Workplace" to centralize resource management.
環境議題重質不重量	Prioritize quality over quantity for environmental issues
移除「能源管理」，將資源聚焦於衝擊程度更高的「氣候變遷」風險。	Removed "Energy Management" and focused resources on the higher-impact risk of "climate change."

Based on the questionnaire data and impact assessment for 2025, there are two primary strategic reasons for these adjustments:

1. Risk awareness shifts toward "digital resilience"

- Change: Added "Information Security" and "Customer Privacy."
- Basis: Information security was removed in the 2024 report. However, the 2025 assessment data shows that the negative impact score for "Information Security" (8.2) surged to 2nd place, even higher than regulatory compliance. This indicates that management and stakeholders (especially overseas partners) are highly concerned about digital risks such as ransomware and data breaches, and therefore they must be re-included and prioritized for management.

2. Issue consolidation and focus

- Change: Merged "labor relations, diversity and equal opportunity, and talent attraction and retention" into "Happy and Diverse Workplace."
- Basis: "Happy and Diverse Workplace" had a positive benefit score as high as 8.97 in 2025, the highest-scoring item in the social dimension. Due to the high degree of overlap in management content among labor relations, diversity and equal opportunity, talent attraction and retention, and a happy workplace (all involving employee rights and communication), labor relations and talent attraction and retention were incorporated into the happy

workplace chapter for disclosure in order to avoid an overly diffuse report, and they will no longer be listed separately as material topics. The questionnaire for next year will also be readjusted.

3. Prioritize quality over quantity for environmental issues

- Change: Removed "Energy Management."
- Basis: Although energy conservation is important, in the pharmaceutical industry (which is not high-energy-consuming manufacturing), especially as TSH Biopharm has no factories, energy management is less important than "climate change." Because "climate change" involves the Financial Supervisory Commission's mandatory disclosure requirements under TCFD/IFRS S2 and carbon fee risk, it carries greater irreversibility and regulatory pressure. Therefore, for the environmental dimension, it is recommended that disclosure resources be concentrated on the climate change issue.

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. In the future, the Company will consider a double materiality assessment approach. It assesses not only the impact of sustainability issues on itself but also its own impact on the environment and society.

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 control and reduction. 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.	If TSH fails to respond actively to energy and climate issues, it may face public criticism (e.g. lower ESG ratings), damaging corporate image and market trust. Investors and financial institutions are placing increasing importance on corporate carbon risk management. This could raise capital costs or lead to disinvestment.	1. **Introduction of TCFD climate risk assessment:** The Company plans to adopt the Task Force on Climate-Related Financial Disclosures (TCFD) framework to systematically identify the transition risks and physical risks brought by climate change from the four aspects of governance, strategy, risk management, and metrics and targets, and to assess their financial impact. 2. **Implementation of GHG inventory:** In accordance with the ISO 14064-1:2018 standard, the Company conducts annual greenhouse gas emissions inventories and quantification reports to ensure data accuracy and transparency, serving as the basis for setting decarbonization targets. 3 **Equipment upgrades and energy-saving actions:** Continuously optimize the energy efficiency of office spaces and operational facilities (e.g., replacing outdated lighting fixtures and optimizing HVAC systems) to deliver concrete environmental performance in line with "energy conservation and love for the Earth."

Aspect	Material topic	Positive Actual and Potential Impact on TSH	Negative Actual and Potential Impact on TSH	Control Measures
Social	Happy and Diversified Workplace	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.	1. **Systematic training system:** Establish a tiered training map covering pharmaceutical expertise, clinical trial management, biotechnology engineering, and regulatory compliance to ensure that employees' professional skills remain aligned with industry trends. 2. **Career development and IDP:** We promote employee individual development plans (IDP) and a transparent promotion mechanism, integrated with performance evaluations, to provide a clear career growth path to retain key talent.
		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.	1. **Regular communication platform:** Regularly convene "labor-management meetings" and establish diversified suggestion boxes and grievance mailboxes to ensure that employee opinions can be promptly reported to management and effectively addressed. 2. **Legal compliance audit:** Strictly implement the Labor Standards Act, the Occupational Safety and Health Act, and other relevant labor laws and regulations, and establish an internal regular labor inspection mechanism to ensure full compliance in remuneration, working hours, and benefits, thereby reducing the risk of labor disputes. 3. **Cultivating employee identification:** Conduct employee satisfaction surveys regularly, and optimize benefit plans and management processes based on the survey results to build an honest and mutually trusting labor-employer partnership.
		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.	1. **Health promotion and safety management:** Provide employee health checkup items exceeding regulatory requirements, and promote psychological counseling, health lectures, and various sports clubs to implement a physical and mental health support system. 2. **Flexibility and balance measures:** We implement flexible working hours, leave categories that exceed regulatory requirements, and a friendly childcare environment to help employees achieve a quality work-life balance and reduce work fatigue.

				3. **DEI diversity and inclusion policy:** Implement anti-bullying and anti-discrimination regulations in the workplace to ensure that employees of different genders, ethnic groups, and ages enjoy fair promotion and compensation rights, thereby shaping a competitive employer brand.
	Drug Distribution and Pricing (Access to Medicines)	For TSH, opening up sales and distribution channels through hospitals, clinics, and specialty centers is critical. This directly affects whether the Company's products (such as cancer drugs or orphan drugs) 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.	1. **Active National Health Insurance drug price negotiation and cost control:** Regularly track drug price adjustment developments of Taiwan's National Health Insurance Administration, and optimize procurement and production costs through both market negotiation mechanisms and supplier price negotiations to mitigate the impact of drug price reductions on gross margin. 2. **Diversified allocation in the out-of-pocket market:** For specific therapeutic areas (such as testing or rare diseases), the Company flexibly allocates its out-of-pocket product portfolio. By adopting a differentiated pricing strategy to enter the out-of-pocket market, the Company provides patients with more diverse treatment options while ensuring stable corporate revenue. 3. **Accelerating product portfolio transformation and upgrading:** Continue to promote new drug R&D, technology licensing, and new product introduction to accelerate the market launch of next-generation high-quality drugs. By optimizing the product structure, the Company aims to offset revenue losses from price adjustments on existing products and ensure long-term market competitiveness.

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 (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	Supply chain disruption risk; alternatively, if rising prices caused by raw material or operational requirements result in overly stringent EHS or compliance thresholds being imposed on suppliers, some suppliers may be unable to cooperate and may withdraw from the partnership, with an especially severe impact on suppliers of key raw materials or outsourced manufacturing processes, thereby causing production delays or disruptions. Increased internal resource burden: If supplier	1. **Strict supplier admission and audit:** Through strict qualification review and on-site audit mechanisms, ensure that suppliers comply with international pharmaceutical quality standards (such as GMP guidelines) and environmental, health, and safety (EHS) standards. 2. **Diversified supply source strategy:** Actively seek and maintain secondary sources of raw materials that comply with regulations to mitigate production risks stemming from single-supplier disruptions or price volatility.

		TSH's competitive advantage in the pharmaceutical market.	management operations (such as on-site audits, EHS data reviews, and continuous improvement follow-up) lack standardized or systematic processes, this will increase the administrative burden on the quality, procurement, and EHS departments, causing manpower and cost pressures and potentially leading to inadequate implementation.	3. **Dynamic monitoring and coaching mechanism:** Establish a regular tracking mechanism (conducting GMP/GDP audits every 2-3 years) and provide guidance for improvement to underperforming suppliers to ensure the resilience and quality consistency of the overall supply chain.
	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.	1. **Precision R&D roadmap planning:** Establish an R&D monitoring mechanism closely aligned with the Company's development vision, disease trends, and market demands to ensure resources are channeled into key areas with market potential (such as oncology, immunology, and orphan drugs). 2. **Cross-border technology licensing and collaboration:** Actively seek partnerships with international pharmaceutical companies to diversify R&D risks and accelerate product launches through strategies such as technology licensing and joint development. 3. **Phased review and risk assessment:** Establish stringent review checkpoints for each phase of clinical trials and regularly review R&D progress and safety data to adjust development strategies in a timely manner, thereby mitigating the risk of significant capital losses.
	Quality and safety management of medicines	Comply with the PIC/S Good 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.	If a drug product experiences a quality 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).	1. **Implement the PIC/S GMP quality system:** Entrust manufacturing to pharmaceutical companies with PIC/S GMP certification and implement pharmacovigilance throughout all stages of the drug lifecycle to ensure that every batch of products maintains high quality and safety. 2. **Improve abnormality handling mechanism (CAPA):** For customer complaints or defective product incidents, implement root cause investigations and propose corrective and preventive actions (CAPA), while conducting annual mock recall exercises to ensure the effectiveness of recall procedures. 3. **All-staff drug safety education and training:** All employees are required to undergo at least one drug safety and adverse reaction reporting training session annually. New employees complete the relevant pre-service training during orientation to foster a rigorous quality culture.

Corporate Governance	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 manufacturing and delivery may further erode the trust of customers and medical units.	1. **Sound risk management system:** The Company has Approved the "Risk Management Policy and Procedures" and established a cross-functional "risk management organization" to regularly identify financial, operational, clinical trial, and strategic risks, ensuring that decision-making is both scientific and timely. 2. **Establishment of a Business Continuity Plan (BCP):** Formulate contingency procedures for the supply chain of core products against potential threats such as natural disasters (e.g., earthquakes, pandemics) and political changes, and establish diversified supply sources for key raw materials to ensure an uninterrupted supply of medicines. 3. **Strengthen Board of Directors oversight function:** Regularly report the status of risk management implementation to the Board of Directors to strengthen corporate resilience against market fluctuations and supply chain impacts through the direct participation of senior management.
Corporate Governance	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.	1. **Refine integrity governance guidelines:** Formulate and implement the "Ethical Corporate Management Best-Practice Principles" and the "Integrity Management Operating Procedures and Behavioral Guidelines" to incorporate the principle of integrity into daily operations and business execution. 2. **Implementation of internal control and complaint mechanism:** Establish a "whistleblowing system" for dishonest conduct and maintain the independence and confidentiality of the whistleblowing channel to effectively prevent non-compliance, such as fraud, bribery, and conflicts of interest. 3. **Strengthening compliance culture and education and training:** Promote regulatory compliance and integrity management to all employees and partner suppliers, and establish correct professional ethics through regular training to maintain the trust of physicians, hospitals, and government agencies in the Company.

	Information Security Customer Privacy	Strengthening the information security system can enhance operational stability and system reliability, and reduce the risk of downtime and data loss. Proper protection of personal data and medical-related information can enhance the trust of customers, medical institutions, and partners	Information security incidents may cause disruptions to ERP, R&D, or supply chain systems, affecting production and shipments Personal data breaches may damage brand image and reduce market trust Violations of personal data or information security regulations may result in fines, litigation, or sanctions by competent authorities	1. **Prevention of personal data leakage:** Establish a personal data protection management system, personal data classification and access control, and sensitive data encryption 2. **Prevention of hacker attacks and ransomware:** Implement firewalls, EDR, anti-virus software, multi-factor authentication (MFA), and regular vulnerability scanning and penetration testing 3. **Employee education and training** Regular information security training, phishing email drills, and information security awareness promotion
	Business Ethics	Establishing an integrity management culture can enhance corporate brand image and market trust. Lawful and compliant pharmaceutical promotion helps build trust with medical institutions and physicians. Good business ethics help build trust with multinational pharmaceutical companies and partners	Incidents of bribery, kickbacks, or improper marketing may damage corporate reputation. Improper transfer of benefits may lead to conflict of interest disputes. Violations of anti-corruption, anti-bribery, or fair trade regulations may result in fines or litigation.	1. **Establish anti-corruption and anti-bribery policies:** Prohibit improper benefit practices and regularly sign integrity pledges 2. **Establish pharmaceutical marketing and academic promotion regulations**, and review the legality of marketing content 3. **Establish a conflict of interest declaration system**, with regular disclosure and review 4. **Regular legal compliance training**, regulatory update tracking, and compliance checks

A total of 11 key issues were identified for 2025 GRI 3-2

●Direct impact Note 1 ◎Contributory impact ○Business relationship

Aspect	Material Topics	GRI Standards	Report Boundaries: Employees	Media outlets	Suppliers	Customers (patients, healthcare professionals)	Shareholders and Investors	Government and Competent Authorities	Corresponding Chapter
Environmental	Climate Change	GRI 305, GRI302, GRI 201-2	●	◎	●		●	●	3.1 Climate Change and Greenhouse Gas Management
Social	Happy and diverse workplace (includes Talent Development and Cultivation and Employment)	GRI 202, GRI 401, GRI 402, GRI 404, GRI 405	●				◎		4. Employee Relations and Care
			●				◎	●	4. Employee Relations and Care
			●				○	●	4. Employee Relations and Care
	Drug Distribution and Pricing (Access to Medicines)	Custom Topics			○	●	◎	◎	2.4 Access to Medicines and Pricing Responsibility
Corporate Governance	Information Security	GRI 418	●			●	◎	◎	1.6 Cybersecurity Management
	Supply chain management	GRI 204, GRI 308, GRI 414			●	◎	●	●	2.3 Supplier management
	New drug R&D and innovation	Custom Topics	◎		○	◎	◎	●	2.2 New Drug R&D and Innovation
	Quality and safety management of medicines	GRI 416	●		●	◎	●	●	2.3 Product quality and safety
	Operating Risk and Risk Management	GRI 2-12, GRI 2-13, GRI 201-2	●		●	○	●	●	1.4 Risk Management and Management Policy
	Legal compliance and ethical corporate management	GRI 2-27, GRI 205	●		●		●	●	1.3 Implementation of Ethical Corporate Management and Regulatory Compliance
	Business Ethics	GRI 2-23, GRI 2-26, GRI 205	●		○	●	●	●	1.3 Implementation of Ethical Corporate Management and Regulatory Compliance
	Customer Privacy	GRI 418	●			●	◎	◎	1.6 Cybersecurity Management

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

1

Company Operations and Governance

1. Company 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.
Positive and negative impacts	Positive Actual/ Potential Impact: 1. Ethical business practices strengthens TSH’s credibility in the healthcare industry and fosters a reputable image among physicians, hospitals, government agencies, and patients. 2. Sound ethical governance also mitigates reputational risk, enhances the public image, and builds consumer trust. 3. Establishing an integrity management culture can enhance the corporate brand image and market trust 4. Lawful and compliant pharmaceutical promotion helps build trust with medical institutions and physicians Negative Actual/ Potential Impact: 1. 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. 2. Improper transfer of benefits may lead to conflict-of-interest disputes 3. Incidents of bribery, kickbacks, or improper marketing may damage the corporate reputation
Responsible Units	President’s Office, Finance Department, Administration Department
2025 Evaluation Mechanism and Results	1. Ranked in the top 5% in the Corporate Governance Evaluation of TPEx listed companies. 2. In 2025, the total training hours for all directors was 83 hours, averaging 9 hours per person. 3. In 2025, the Company’s consolidated revenue grew by 20% compared to the previous year. 4. In 2025, no penalties were incurred due to violations of corporate governance, anti-corruption, or fair trade laws; no cases of insider trading by managers occurred. 5. In 2025, no customer complaints were received regarding privacy violations. 6. In 2025, the Company incurred no losses from major cybersecurity incidents.

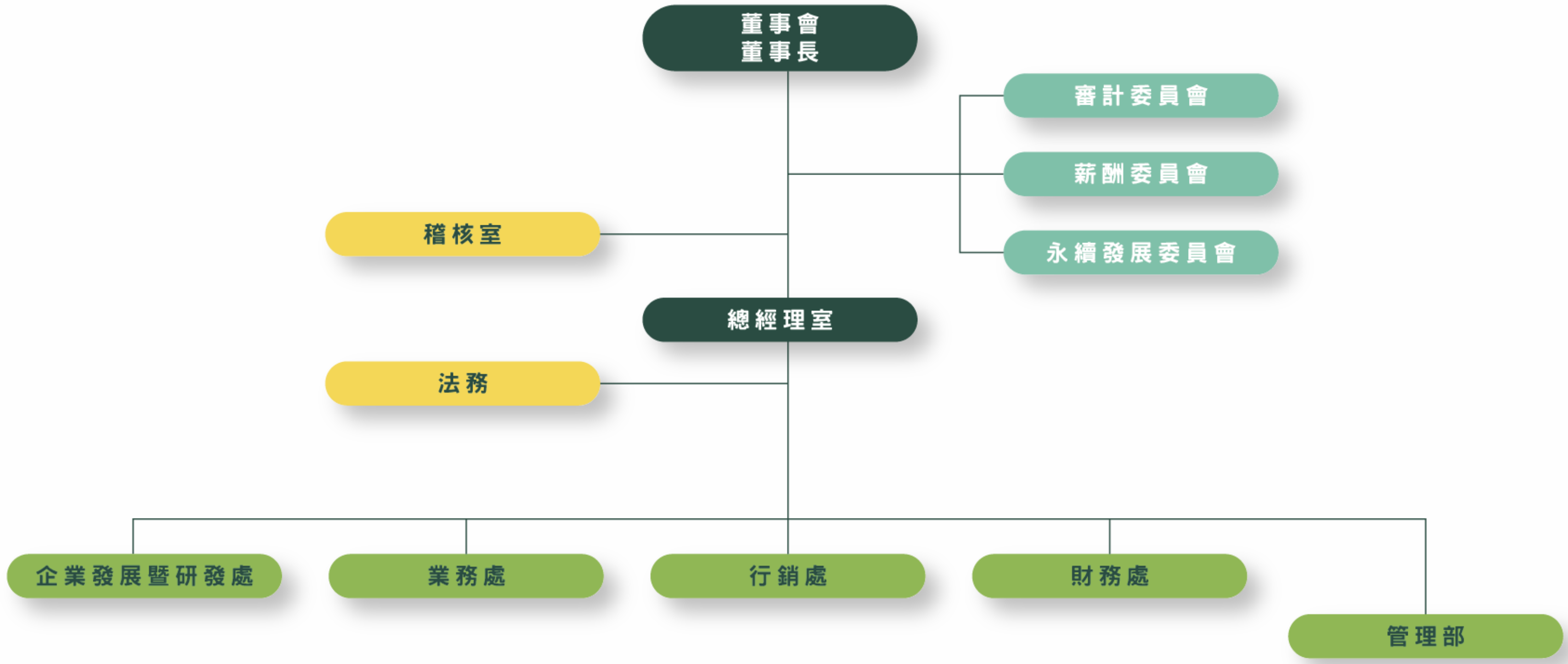
Chapter Dimension	Corporate governance (G)
Short-term Goals	1. Promote ESG training and advocacy to all employees at least once a year. 2. Strive to rank in the top 5% of the TPEx Corporate Governance Evaluation, or maintain a position within the top 6–20%. 3. Maintain 0 major violation incidents and 0 major fine incidents.
Mid- to Long-Term Goals	1. Continue to aim for zero penalties, conduct regulatory compliance training and promotion for employees. 2. Plan to introduce ISO 27001 and 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. Continue to evaluate strategic investments and M&As to achieve inorganic growth. 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.

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 GRI 2-9 GRI 2-11

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
董事長	Chairman

審計委員會	Audit Committee
薪酬委員會	Remuneration Committee
稽核室	Audit Office
永續發展委員會	Sustainable Development Committee
總經理室	President's Office
法務	Legal Affairs
企業發展暨研發處	Corporate Development and R&D Division
業務處	Business Division
行銷處	Marketing Division
財務處	Finance Division
管理部	Administrative Department

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.

Diversity of the Board of Directors GRI 2-10

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 Company's current Board of Directors consists of nine Directors, none of whom are employees of the Company. Among them, there are two female Directors, accounting for 22.22% of all Board seats. In order to continue improving corporate governance and achieve gender diversity goals, in future Director selection, while maintaining professional and technical advantages, the Company will actively approach female professional leaders with backgrounds in pharmaceutical operations, intellectual property rights, or international marketing, so as to increase the diversity of the candidate list. In addition, the Company will give priority to recruiting female directors who meet industry development needs, with the goal of gradually achieving the policy target where either gender accounts for one-third. The age distribution of the Board members is as follows: one director is aged 36 to 40, one director is aged 56 to 60, two directors are aged 61 to 65, two directors is aged 66 to 70, one director is aged 71 to 75, one director is aged 76 to 80, and one director is aged 81 to 85. One director holds U.S. nationality; the other eight are nationals of the Republic of China (Taiwan). (For further details, please refer to page 14 of the 2025 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 Directors members. The continuous tenure of all Independent Directors has not exceeded three terms, among whom four Independent Directors have served for less than three years, and one Independent Director is serving the 3rd term, with a tenure exceeding six years. 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. In addition to evaluating the academic and professional qualifications of each candidate, the Company also refers to stakeholder opinions and complies with the "Director Election Procedures" and the "Corporate Governance Best-Practice Principles" to ensure the diversity of Board members. The current Board consists of nine directors, 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.

Current Term of Office Members' Backgrounds

Diversified Core Items / Name	Nationality	Age	Gender	Term and seniority of independent directors	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 Chia-Pin Hsiao (Carl Hsiao)	USA	36–40	Male	-	None	V		V			V	
Director Chou Kang-Ji	Republic of China	81–85	Male	-	None	V	V			V		
Director Wu Yung-Liang	Republic of China	61–65	Male	-	None	V		V				
Independent Director Chou De-Yu	Republic of China	56–60	Male	3 years	None		V		V	V	V	V
Independent Director Chen Ruei-Syun	Republic of China	66–70	Female	8 years	None	V	V	V		V	V	V
Independent Director Huang Yao-Pin	Republic of China	61–65	Female	4 years	None		V	V			V	
Independent Director Wu Shou-Ming	Republic of China	66–70	Male	2 years	None		V					V
Independent Director Lai Hui-Liang	Republic of China	76–80	Male	2 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 2025, the Board convened four times. All independent directors attended each meeting in person.

- ✓ For the resolutions adopted by the Board of Directors in 2025 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 GRI 2-15

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 details of 2025 operations, please refer to page 23 of the 2025 AGM annual report)

Board performance evaluation GRI 2-18

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.

Internal evaluation mechanism

The 2025 performance evaluation of the Board of Directors and functional committees was reported to the Board on March 5, 2026. 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 Development Committee Evaluation Result
98 points	99.2 points	100 points	100 points	100 points

Based on the 2025 evaluation results, the Company will formulate a succession plan as part of its improvement initiatives. [**For details of the performance evaluation standards, please refer to: TSH Biopharm official website / Investor Relations / Corporate Governance / Corporate Governance Operations / Board of Directors Performance Evaluation**]

External performance evaluation

To further objectively review the effectiveness of the Board of Directors, the Company expressly stipulates that an external performance evaluation shall be conducted at least once every three years.

- **Implementation status: The Company commissioned the external professional institution "Taiwan Corporate Governance Association (TCGA)" in June 2025 to conduct a Board of Directors performance evaluation.**
- **Evaluation method: The association assigned an evaluation team to visit the Company and conduct the evaluation through on-site interviews and written document reviews.**
- **Institutional independence: The Taiwan Corporate Governance Association has no business dealings with the Company and possesses independence and professionalism.**
- **Evaluation results and improvement: The evaluation report for this assessment was obtained in October 2025, and the evaluation results and the improvement plan were reported at the Board of Directors meeting on November 5, 2025. The overall evaluation of this assessment is as follows:**

1. The Company's Board of Directors was re-elected at the AGM in May 2023, at which seven Directors were elected, including four institutional Directors and three Independent Directors; at the 2024 AGM, two additional Independent Directors were elected, forming a Board of Directors in which Independent Directors constituted a majority, accounting for 55.56%. Taking gender balance into consideration, the current Board of Directors' composition includes two female Directors. The diverse professional expertise of the Board of Directors' members covers experience and backgrounds in pharmaceuticals and biotechnology, pharmaceutics, biology, physics, economics, securities and finance, international finance, marketing and sales, law, and business management. The overall composition of the Board of Directors meets the Company's future operational development and strategic objectives, and also exceeds legal requirements.
2. Since 2020, to share Company information with directors and internal colleagues in a timely manner, the Company has regularly published the "Xiao-Hua Report" every two months to provide information on Company activities and media exposure, and has also published the "Xiao-Hua Express" on an irregular basis to provide information such as the Company obtaining drug approvals or receiving various honors, thereby ensuring that important Company information is effectively and promptly communicated.
3. The Company has continuously strengthened corporate governance, consistently maintaining a leading position in the Corporate Governance Evaluation rankings. In the inaugural Corporate Governance Evaluation in 2014, it ranked within 6–20%, and in the 2017 and 2021 Corporate Governance Evaluations, it ranked among the top 5% of TPEx-listed companies; in the remaining years, it also maintained excellent results within 6–20%. In the 2024 Corporate Governance Evaluation results announced this year, the Company once again ranked among the top 5% of TPEx-listed companies, with an improved ranking, which deserves recognition.
4. To strengthen the functions of the Board of Directors and implement corporate governance, your Company conducts annual performance evaluations of the overall Board of Directors and individual directors in accordance with the established "Board of Directors Performance Evaluation Rules;" in addition, it conducts performance evaluations of each functional committee in accordance with the "Functional Committee Performance Evaluation Rules." Since all functional committees are composed entirely of Independent Directors as members, the evaluations of the functional committees are combined into one self-assessment questionnaire to facilitate and simplify the timing and process of self-assessments by Independent Directors. The aforesaid evaluation results are submitted to the Board of Directors for reporting. The "Board of Directors Performance Evaluation Rules" stipulate that the Company shall commission an external professional independent institution to conduct an

evaluation at least once every three years. Your Company first commissioned an external professional independent institution to conduct a Board of Directors performance evaluation in 2019 and continued the external independent evaluation in 2022. This year (2025) is the 3rd time that an external professional independent institution has been commissioned to conduct the evaluation, demonstrating the proactive and positive attitude of your Company's Board of Directors in continuously spurring itself on and striving to enhance Board effectiveness.

Recommendations from Association and the Company's improvement plan:

Recommendations from Taiwan Corporate Governance Association (TCGA)	The Company's improvement plan
It is recommended that the Company set term goals for the current Board of Directors and functional committees after each Board of Directors re-election, review the "Board of Directors and Functional Committee Performance Evaluation Indicators," and incorporate the relevant goals into them to ensure that the term goals of the Board of Directors and functional committees can be reasonably achieved.	After the 2026 Board of Directors re-election, the Company plans to formulate term goals for the current Board of Directors and functional committees and submit them to the Board of Directors for review, and will also review the current performance evaluation indicators and revise relevant items, regularly reporting them to the Remuneration Committee and the Board of Directors for follow-up improvements.
It is recommended that the Company consider including the "senior managers' training development and succession plan" and the "risk management organization" convened by the General Manager within the scope of authority management of the Sustainable Development Committee, and regularly report their implementation status to the Sustainable Development Committee and the Board of Directors.	The Company plans to revise the scope of authority of the Sustainable Development Committee in 2026, incorporating the "senior managers' training development and succession plan" and the "risk management organization" into its scope of management and supervision, and plans for the risk management organization convened by the General Manager, as well as the HR unit, to report their implementation status to the Sustainable Development Committee annually and submit it to the Board of Directors.
It is recommended that the Company refer to the competent authority's templates and practical operations, and regularly review governance regulations in line with changes in relevant regulations and governance needs.	The Company plans in 2026 to refer to the competent authority's templates and practical operations in reviewing and revising corporate governance regulations.

Table of Director training status GRI 2-17

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 2025, the total continuing education hours for all directors reached 83 hours, averaging 9 hours per person, exceeding regulatory requirements.

Title	Name	Organizer	Course name	Hours of continuing education courses
Chairman Representative of	Chuan Lin	Taiwan Corporate Governance Association	Governance responsibilities of the Board of Directors in sustainability risk and crisis management	2

TTY		Taiwan Corporate Governance Association	2025 Contract Risk Management under the Impact of Trump's Reciprocal Tariffs	3
		Taiwan Corporate Governance Association	Challenges and perspectives under the new global tax order	3
		Taiwan Corporate Governance Association	Sustainability disclosure and investment value from an investor perspective: Explaining the ESG disclosure framework and risk monitoring, linking to capital market trust	3
		Taiwan Corporate Governance Association	Latest developments in insider trading practice	3
Director Representative of TTY	CARL HSIAO	Taiwan Corporate Governance Association	Case analysis of contests for corporate control	3
		Taiwan Corporate Governance Association	Annual sustainability governance strategy management by the Board of Directors (Sustainable Development Committee)	3
		Taiwan Corporate Governance Association	Practical Operation of the Sustainable Development Committee (Chief Sustainability Officer, Working Group)	3
		Taiwan Corporate Governance Association	2025 Contract Risk Management under the Impact of Trump's Reciprocal Tariffs	3
		Taiwan Corporate Governance Association	[Corporate Governance Officer Professional Course] Corporate Governance Officer and Sustainable Governance	3

Title	Name	Organizer	Course name	Hours of continuing education courses
Director Representative of TTY	Chou Kang-Ji	Taiwan Corporate Governance Association	From operational compliance to reputation maintenance: Preparations and challenges for enterprises amid the sustainability wave	3
		Securities and Futures Institute	2025 Legal Compliance Promotion and Briefing Session on Insider Equity Transactions	3
		Taiwan Corporate Governance Association	Sustainability disclosure and investment value from an investor perspective: Explaining the ESG disclosure framework and risk monitoring, linking to capital market trust	3
		Financial Supervisory Commission (FSC)	15th Taipei Corporate Governance Forum (15th TAICGOF)	6
Director Representative of TTY	Wu Yung-Liang	Taiwan Corporate Governance Association	2025 Contract Risk Management under the Impact of Trump's Reciprocal Tariffs	3
		Taiwan Corporate Governance Association	Sustainability disclosure and investment value from an investor perspective: Explaining the ESG disclosure framework and risk monitoring, linking to capital market trust	3
Independent Director	Te-Yu Chou	Taiwan Academy of Banking and Finance	Corporate Governance Forum – Senior Executive Seminar on Anti-Money Laundering and Anti-Fraud Promotion	3
		Taiwan Academy of Banking and Finance	Corporate Governance Forum – ESG Corporate Sustainability Management	3
		Taiwan Corporate Governance Association	Sustainability disclosure and investment value from an investor perspective: Explaining the ESG disclosure framework and risk	3

			monitoring, linking to capital market trust	
Independent Director	Chen Ruei-Syun	Taiwan Corporate Governance Association	2025 Contract Risk Management under the Impact of Trump's Reciprocal Tariffs	3
		Taiwan Corporate Governance Association	Sustainability disclosure and investment value from an investor perspective: Explaining the ESG disclosure framework and risk monitoring, linking to capital market trust	3

Title	Name	Organizer	Course name	Hours of continuing education courses
Independent Director	Huang Yao-Bin	Taiwan Project Management Association	SDGs and ESG Sustainability Management	3
		Taiwan Corporate Governance Association	Sustainability disclosure and investment value from an investor perspective: Explaining the ESG disclosure framework and risk monitoring, linking to capital market trust	3
Independent Director	Wu Shou-Ming	Taiwan Corporate Governance Association	2025 Contract Risk Management under the Impact of Trump's Reciprocal Tariffs	3
		Taiwan Corporate Governance Association	Sustainability disclosure and investment value from an investor perspective: Explaining the ESG disclosure framework and risk monitoring, linking to capital market trust	3
Independent Director	Lai Yun-Liang	Taiwan Corporate Governance Association	2025 Contract Risk Management under the Impact of Trump's Reciprocal Tariffs	3
		Taiwan Corporate Governance Association	Sustainability disclosure and investment value from an investor perspective: Explaining the ESG disclosure framework and risk monitoring, linking to capital market trust	3

Director remuneration policy

GRI 2-19 GRI 2-20

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 formulates the procedures for directors' remuneration and conducts the performance evaluations of individual board members and the Board of Directors as per the Company's Rules of the Performance Evaluation of the Board of Directors and Rules of the Performance Evaluation of the Functional Committees. As per the aspects of awareness of the Company's goals and missions, the understanding of directors' responsibilities, the degree of participation in the Company's operations, the management of internal relations and communication, directors' professional and continuing education, and internal control, the Remuneration Committee proposed their remuneration based on the values of their participation and contribution to the Company's operations while with reference to the general industry standards, which were then 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

1. Remuneration policy and structure

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." The remuneration structure for managers is divided into two major categories:

- **Fixed salary:** Including base salary and allowances, it is determined with reference to industry standards, title, education, experience, professional capabilities, and responsibilities, while considering internal fairness and external competitiveness.
- **Variable remuneration:** Including performance bonuses and employee remuneration, its payment is closely linked to the Company's overall operating results, ESG sustainability performance, and the achievement rate of individual annual targets, to ensure that the interests of managers are aligned with the long-term value of shareholders.

2. ESG performance and senior managers' remuneration linkage policy GRI 2-19

(1) **Linkage policy and mechanism (Remuneration Policy & Linkage)**

To implement sustainability governance, the Company has institutionalized ESG performance indicators into the annual key performance indicator (KPI) framework for senior managers (including the General Manager). We have clearly defined the linkage mechanism between variable remuneration and sustainability goals to ensure that the remuneration of the management team is closely aligned with the Company's long-term sustainable value.

(2) Indicator weighting and scope (Weighting & Scope)

In the 2025 performance evaluation, the weighting of sustainability-related indicators accounted for approximately 20%. The evaluation results will be directly reflected in the annual performance ratings of senior managers and linked to the calculation and payment levels of their performance bonuses.

(3) Key performance indicator items (Key Performance Indicators)

Based on the results of the material topic identification, the Company has established specific assessment items covering the three major dimensions of environment (E), society (S), and corporate governance (G), with the key points as follows:

Environmental (Environment) – focusing on climate resilience and the supply chain:

- **Climate Action:** Complete the Group's (including subsidiaries) greenhouse gas inventory (ISO 14064-1) in accordance with the sustainable development roadmap, specifically responding to IFRS S2 requirements regarding remuneration linked to climate-related performance.

- **Sustainable supply chain:** Strengthen supplier screening and audit mechanisms to enhance value chain resilience.

Social – focusing on human capital and workplace health:

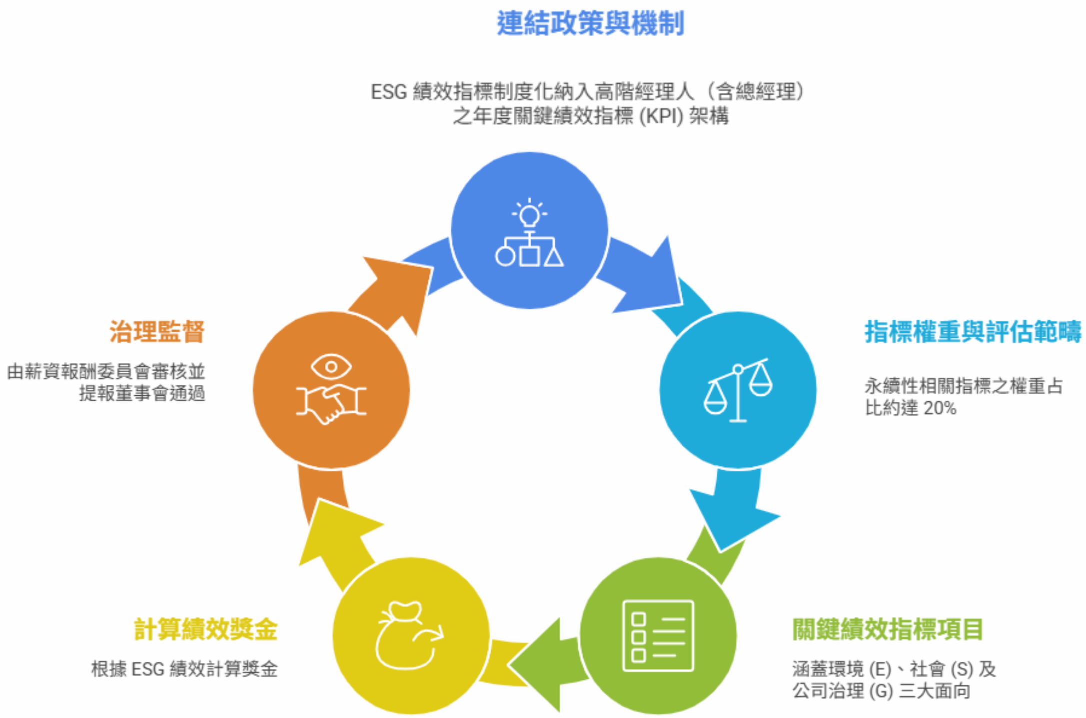
- Talent development and retention: Promote high-potential talent cultivation and competency enhancement training.
- Healthy workplace: Integrate employer branding and employee satisfaction surveys to optimize HR policies, and enhance employee engagement and well-being.

Governance – focusing on operational resilience and strategy execution:

- Optimization of internal control systems: Promote ERP system implementation, process optimization, and efficiency improvement across subsidiaries.
- Strategic risk management: Progress management of new product R&D and licensing introduction, and the quality of due diligence and risk assessment for major strategic projects.

(4) Governance oversight

The evaluation results of the above ESG performance indicators must be reviewed by the Remuneration Committee and submitted to the Board of Directors for Approval, to ensure the objectivity and reasonableness of remuneration payments.



連結政策與機制	Linkage policy and mechanism
ESG 績效指標制度化納入高階經理人(含總經理) 之年度關鍵績效指標(KPI) 架構	ESG performance indicators are institutionalized into the annual key performance indicator (KPI) framework for senior managers (including the General Manager)
治理監督	Governance oversight
由薪資報酬委員會審核並提報董事會通過	Reviewed by the Remuneration Committee and submitted to the Board of Directors for Approval
指標權重與評估範疇	Indicator weighting and scope
永續性相關指標之權重占比約達 20%	The weighting of sustainability-related indicators accounted for approximately 20%
計算績效獎金	Performance bonus calculation
根據 ESG 績效計算獎金	Bonuses are calculated based on ESG performance
關鍵績效指標項目	Key performance indicator items
涵蓋環境(E)、社會(S)及公司治理(G)三大面向	Covering the three major dimensions of environment (E), society (S), and corporate governance (G)

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 Ruei-Syun, Huang Yao-Bin, Chou Te-Yu, Wu Shou-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 Te-Yu Chou. A total of four Audit Committee meetings have been held in 2025, and the unit in charge of meeting affairs provided sufficient resources for members to perform their duties. During the Audit Committee' resolution in 2025, there were no members recused from proposals due to conflicts of interest.

Audit Committee members and their attendance are as follows

Independent Director Chou De-Yu	Independent Director Chen Ruei-Syun	Independent Director Huang Yao-Pin	Independent Director Wu Shou-Ming	Independent Director Lai Hui-Liang
4 attendances / 0 proxy attendances	4 attendances / 0 proxy attendances	4 attendances / 0 proxy attendances	4 attendances / 0 proxy attendances	4 attendances / 0 proxy attendances
100% attendance rate	100% attendance rate	100% attendance rate	100% attendance rate	100% attendance rate

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 Ruei-Syun, Chou De-Yu, Huang Yao-Bin, Wu Shou-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 Rwei-Syun Chen, 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 two 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 about any resolutions adopted by the Remuneration Committee.

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

Independent Director Chou De-Yu	Independent Director Chen Ruei-Syun	Independent Director Huang Yao-Pin	Independent Director Wu Shou-Ming	Independent Director Lai Hui-Liang
2 attendances / 0 proxy attendances	2 attendances / 0 proxy attendances	2 attendances / 0 proxy attendances	2 attendances / 0 proxy attendances	2 attendances / 0 proxy attendances
100% attendance rate	100% attendance rate	100% attendance rate	100% attendance rate	100% attendance rate

1.2 Operational Performance

Innovation-driven and value creation GRI 201-1

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. **In 2025, the Company's consolidated revenue grew by 20% compared to the previous year, demonstrating the concrete financial results of strategy execution.**

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 2025, the Company had secured four new drug licenses:

- Rancad Naldebain® Extended-Release Tablets: For the treatment of stable angina pectoris
- Cretrol Rancad® Tablets: A novel fixed-dose combination therapy for hyperlipidemia
- Alprosm Alprosm® Lyophilized Injection: For the symptomatic relief of peripheral arterial occlusive disease
- Tryvaya 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

Continuing years of planning, TSH Biopharm officially entered the ophthalmology field in 2023 by obtaining the Taiwan sales rights for Tyrvaya, an innovative dry eye medication from the United States, through licensing. It obtained new drug marketing approval in H2 2024, began entering Taiwan channels in 2025, and is expected to start sales in 2026 Q1. In addition, in November 2025, TSH Biopharm introduced a presbyopia drug and obtained the Taiwan sales rights, and is expected to initiate registration and inspection in 2026 Q1. 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. Precision medical innovation: Breakthroughs in clinical evidence and applications of liquid biopsy

(1) **Operational performance and technological growth**

In 2025, TSH Biopharm demonstrated significant growth in "liquid biopsy" testing services, particularly achieving major breakthroughs in the application of high-difficulty specimens (blood, pleural effusion, ascites, and cerebrospinal fluid). Through minimally invasive next-generation sequencing (NGS) technology, we successfully transformed drained body fluids (such as pleural effusion and cerebrospinal fluid), traditionally regarded as medical waste, into highly valuable genetic testing specimens, providing cancer patients with a more precise basis for diagnosis.

(2) **Clinical evidence and international recognition**

This year, we continued to deepen local clinical evidence research in Taiwan, and a number of important achievements have been published in international high-impact journals, confirming the leading position and clinical value of TSH Biopharm's technology:

- **Superiority of pleural effusion testing (published in *European Journal of Cancer, 2025; IF: 7.1*):** The study confirmed that using centrifuged pleural effusion supernatant for liquid biopsy can identify 10.0% more target gene mutations than RNA gene sequencing using fresh cells. More importantly, none of the 50 pleural effusion specimens in the study were rejected **(0% Rejection Rate)**, effectively resolving the clinical pain point where patients lose testing opportunities due to insufficient traditional tissue specimens or unstable RNA.
- **Monitoring of drug resistance mechanisms (published in *ESMO Open, 2026; IF: 8.3*):** For lung cancer patients who developed drug resistance after receiving 1st- and 2nd-generation EGFR targeted therapy, our study indicated that pleural effusion testing could effectively detect the **EGFR T790M** drug resistance mutation in **40%** of patients. This finding confirms that pleural effusion specimens are an excellent alternative that can help patients transition precisely to 3rd-generation targeted therapy and extend their chances of survival.
- **Cerebrospinal fluid testing sensitivity (published in *Neoplasia, 2025; IF: 7.7*):** In the diagnosis of brain metastases, the study showed that liquid biopsy of cerebrospinal fluid has extremely high sensitivity and **can detect gene mutations carried by patients at a 100% rate**, far superior to conventional malignant tumor cytology (which has only about a 50% detection rate). This technology not only helps physicians accurately assess brain metastasis but also simultaneously identifies feasible therapeutic targets.

(3) Sustainable value and patient well-being (ESG benefits)

TSH Biopharm is committed to implementing a "people-oriented" sustainability spirit. We transform medical waste fluids with high biological risk into golden specimens, which not only realizes resource value regeneration but also provides patients with an NGS alternative that is "minimally invasive, highly sensitive, and highly successful," greatly reducing the pain and risk of repeated sampling and concretely fulfilling the commitment to product responsibility and an improved quality of patient care.

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 in 2025 are as follows:

- Amtrel (an antihypertensive drug) officially signed a distribution authorization in Malaysia, deepening TSH Biopharm's ASEAN market deployment.
- LONINE (a rheumatology and immunology drug) and Lacoxa Legouxiao (a rheumatoid arthritis drug) successfully entered Macau, with the former officially shipped and the latter successfully obtaining drug approval, expanding brand influence in the Hong Kong and Macau regions.

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.

Financial Performance

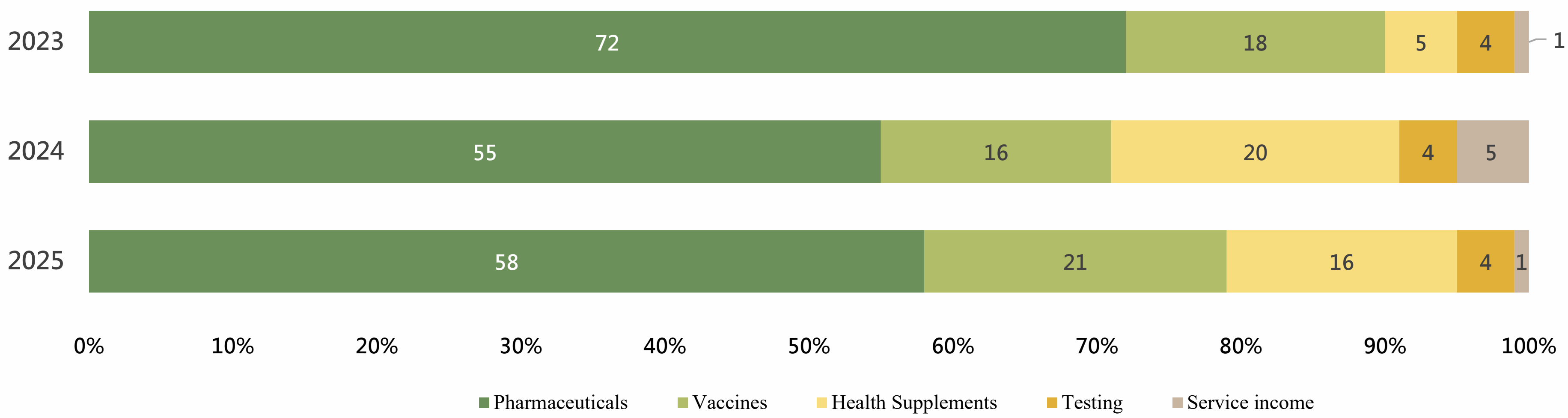
The Company's consolidated operating revenue for 2025 reached NT$1,336,523 thousand, a record high, demonstrating strong growth momentum. This represents an increase of NT$220,807 thousand, or 20%, from NT$1,115,716 thousand in 2024. In 2025, both revenue and profit saw significant increases: consolidated revenue grew by 20%, operating profit increased by 29%, and earnings per share (EPS) rose by 23%, fully demonstrating operational efficiency. This year's growth was 49% from organic growth fueled by increased market penetration of core products, and 51% 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 2025 reached NT$139,260 thousand, an increase of NT$26,167 thousand compared to NT$113,093 thousand in 2024, reflecting a growth rate of 23%. The increase in profit mainly came from steady growth in core business revenue, and the revenue and net profit contributed after the investee companies accounted for by the Company under the equity method—Corum Biotech and Summit Pharmaceuticals—were included in the consolidation.

Unit: NT$ thousand

Item	2023	2024	2025
Operating revenue	810,917	1,115,716	1,336,523
Operating Cost	411,018	532,954	655,785
Gross profit	399,899	582,762	680,738
Operating cost	336,269	412,906	462,368
Operating profit	63,630	169,856	218,370
Non-operating income and expenses	12,461	3,577	16,417
Net income before tax from continuing operations	76,091	173,433	234,787
Net income after tax from continuing operations	64,978	134,148	187,818
Total other comprehensive income for the period (Net Amount after Tax)	39,973	220,230	(6,913)
Total comprehensive income for the period	104,951	354,378	180,905

Basic earnings per share (EPS)	1.61	2.95	3.63

Revenue breakdown (%)



Item \ Year	2023 Amount	2023 Revenue Breakdown (%)	2024 Amount	2024 Revenue Breakdown (%)	2025 Amount	2025 Revenue Breakdown (%)
Pharmaceuticals	586,067	72%	611,816	55%	770,091	58%
Vaccines	149,263	18%	180,220	16%	277,940	21%
Health Supplements	40,093	5%	226,395	20%	216,134	16%
Testing	28,920	4%	44,734	4%	59,522	4%
Service revenue	6,574	1%	52,551	5%	12,836	1%
Total	**810,917**	**100%**	**1,115,716**	**100%**	**1,336,523**	**100%**

Economic value distribution among stakeholders (individual)

Unit: NT$ thousand

Stakeholders	Description of economic value distribution	2023	2024	2025
Shareholders	Cash dividends paid out in the year	61,437	49,150	81,404
Employees (excluding directors)	Salary, employee bonus, labor and health insurance expenses, pensions, and other employment expenses	114,204	115,681	119,014
Competent authorities	Income tax paid to the government of the Republic of China in the year	11,113	27,027	35,226
Licensing partners and drug joint development organizations	R&D expenses paid to licensing partners and drug joint development organizations	4,954	11,727	6,600

Direct economic value generated and distributed (individual)

Unit: NT$ thousand

Type	Items and definitions	2023	2024	2025
Economic value generated (A)	Operating revenue	497,305	628,508	656,947
	Non-operating income and interest income	11,440	22,911	65,469
Economic value distributed (B)	Operating costs (payments to suppliers, R&D expenses, and other operating expenses)	308,273	382,910	416,888
	Employee salaries and benefits (salaries, labor and health insurance, pensions, and employee benefits)	114,204	115,681	119,014
	Payments to capital providers (dividend payments and interest expenses)	61,549	49,205	81,541
	Payments to government (income tax and other taxes)	11,113	27,027	35,226
	Social investment (charitable donations and community feedback programs)	9,696	11,514	12,348
Retained economic value (A-B)	Funds for future operations and investments	3,910	65,082	57,399

Tax strategy and governance

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 Payment Status for the Year (individual)

The effective tax rate in 2025 was 20.19%, in line with the spirit of Taiwan's statutory tax rate, and concretely demonstrating the Company's contribution to the national treasury. Information such as pre-tax net profit and income tax payments by tax jurisdiction is as follows:

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	656,947	174,486	35,226	20.19%	35,226	20.19%

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

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1.3 Implementing Ethical Management and Legal Compliance

GRI 2-25 GRI 2-26 GRI 2-27

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 2025 implementation status of ethical management was reported to the Board of Directors on March 5, 2026:

Promotion and Training GRI 205-2

- To establish a sound internal control mechanism for handling and disclosing material information, and to prevent improper information leakage, TSH regularly conducts 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 regularly provides education session on the prevention of insider trading for directors, managers, and employees. On December 24, 2025, the Company conducted online "promotion of integrity management, prevention of insider trading, and compliance with the Personal Data Protection Act" for all employees, so that colleagues could understand the importance of integrity management and the prevention of insider trading and also comply with the requirements of the Personal Data Protection Act. An online test was completed after the course, with a total of 52 participants. 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 SASB-BP-510a.2

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

Grievance and suggestion channels

Grievance and suggestion channels: Integrity and responsible business conduct are the foundation of sustainable corporate operations. Therefore, TSH Biopharm has established various grievance, whistleblowing, and suggestion channels to encourage stakeholders to report, complain about, or provide relevant suggestions regarding dishonest or unethical conduct, or any matters in which operational activities cause impacts on the environment, economy, society, and human rights. In addition, whistleblowing channels have been established on the corporate website and the internal employee website, providing stakeholders with a whistleblowing mailbox: ethical@tshbiopharm.com. Both internal and external persons may directly report illegal conduct to the Company through this public whistleblowing mailbox.

Report on Cases of Whistleblowing

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.

No whistleblowing letters were received in 2025, and the Company will continue to provide promotion and monitor whether there are any violations of the Ethical Corporate Management Best-Practice Principles within the Company.

- 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 2025, 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 23 of the 2025 Annual Report.)

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):

- Required for whistleblowing: Whistleblowing must be made using the name of a whistleblower, who must enumerate the facts and sign for confirmation.
- Accepted.
- Investigation: After the case is accepted, an investigation will be carried out to verify the facts. If necessary, relevant information, with the personal information of the whistleblower being masked, can be provided to relevant units, external lawyers, or experts to seek their assistance. If the accusation is verified to be true, the accused will be demanded to cease relevant conduct immediately and appropriately punished. The Company may, where required, seek damages through legal proceedings.
- Reporting and adjudication of guilt: After the unit accepting the case completes necessary investigation procedures, the unit will issue an investigation report based on the facts verified and report the whistleblower protection policy to other units at the various levels. 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 GRI 2-27

1. Regulatory compliance management policy: Regulatory compliance is the cornerstone of stable corporate 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.
2. Criteria for determining "major violation incidents" (responding to GRI 2-27-d): To clearly measure regulatory compliance performance, the Company refers to the competent authority's "relevant regulations on the release of material information" and strictly defines the criteria for determining "major violation incidents." Any of the following circumstances occurring during operations shall be deemed a major violation:

Major penalties:

- Accumulated fines imposed by competent authorities for a single incident reaching NTD 1 million or more.
- Major information security and personal data breaches: The Company's important information and communication systems or official website are invaded, damaged, tampered with, encrypted, or attacked by denial-of-service (DDoS) attacks, causing an inability to operate or provide services normally, or posing a risk of leakage of personal data or a large quantity of internal documents and files.
- Major force majeure impacts: The Company encounters earthquakes, typhoons, pandemics, disasters, or other events, resulting in major damage to or impacts on the Company's operations.

3. 2025 compliance performance: We strictly comply with the Company Act, the Securities and Exchange Act, the Fair Trade Act, and statutory requirements on environmental protection and occupational safety. Based on the above materiality determination criteria, the Company did not experience any major violation incidents in 2025, namely:
   - There was no record of any fines of NTD 1 million or more for violations of corporate governance, anti-corruption, environmental, or fair trade regulations.
   - No managers engaged in insider trading.
   - There were no major information and communication security incidents causing operational interruption, nor any incidents involving infringement of customer privacy or personal data leakage.

TSH Biopharm will continue to pursue the goal of "zero major violations and zero fines," deepen its compliance culture, and strengthen organizational governance and digital defense resilience.

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.

企業風險管理框架	Enterprise risk management framework
本公司依據董事會通過之「風險管理政策與程序」，建立一套完整風險管理制度。我們每年定期評估風險，透過有效辨識、衡量及控制，將營運、財務、環境、社會等各項風險控制在可接受範圍內。	The Company has established a complete risk management system in accordance with the "Risk Management Policy and Procedures" Approved by the Board of Directors. We conduct regular annual risk assessments, and through effective identification, measurement, and control, keep operational, financial, environmental, social, and other risks within an acceptable range.
董事會	Board of Directors
作為最高單位，核定風險管理政策、架構及資源。	As the highest authority, approve risk management policies,

	frameworks, and resources.
內部稽核	Internal audit
隸屬董事會，獨立查核各部門風險管理執行情形。	Reporting to the Board of Directors, independently audit the implementation of risk management by each department.
審計委員會	Audit Committee
監督風險管理運作，審查政策並核定風險胃納。	Supervise risk management operations, review policies, and approve risk appetite.
風險管理組織	Risk management organization
由總經理召集，負責監控、衡量及評估日常風險。	Convened by the General Manager, responsible for monitoring, measuring, and assessing daily risks.

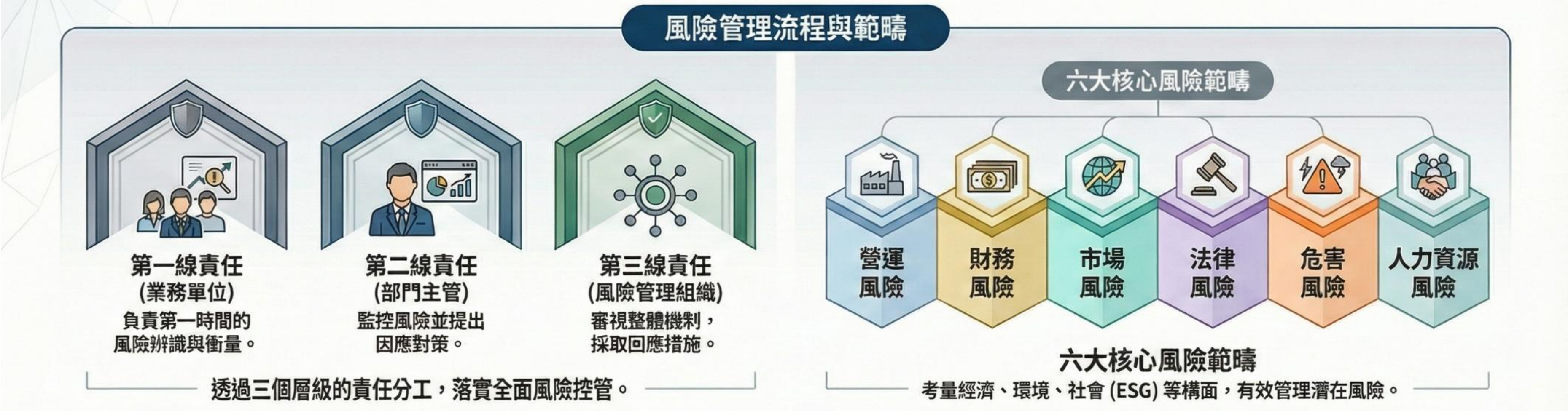
Risk Management Structure and Responsibilities

GRI 2-12

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.

Risk Management Factors

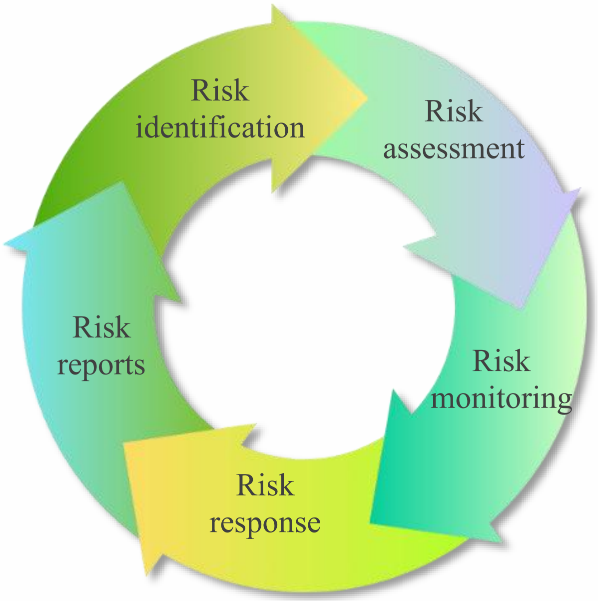
The Company has identified potential risk factors in its operations and categorized them for effective management, including "operational risk," "financial risk," "market risk," "legal risk," "hazard risk," "human resource risk," and "other risks." Risk considerations encompass economic (including corporate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



風險管理流程與範疇	Risk management process and scope
六大核心風險範疇	Six major core risk categories
第一線責任	First line of defense
(業務單位)	(Business units)
負責第一時間的風險辨識與衡量。	Responsible for first-line risk identification and measurement.
第二線責任 (部門主管)	Second line of defense (Heads of departments)
監控風險並提出因應對策。	Monitor risks and propose response measures.
第三線責任 (風險管理組織)	Third line of defense (Risk management organization)
審視整體機制，採取回應措施。	Review the overall mechanism and adopt response measures.
透過三個層級的責任分工，落實全面風險控管。	Comprehensive risk control is implemented through the division of responsibilities across three levels.
營運風險	Operating risk
財務風險	Financial risk
市場風險	Market risk
法律風險	Legal risk
危害風險	Hazards risk
人力資源風險	Human resources risk

六大核心風險範疇	Six major core risk categories
考量經濟、環境、社會(ESG)等構面，有效管理潛在風險。	Effectively manage potential risks by considering dimensions such as the economy, environment, and society (ESG).

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 5, 2025.



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.

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 2025.

The significant risks identified by the Company in 2025 and the status of their management are as follows (please refer to the Company's website for details):

Disclosure of Risk Information

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.

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 2025 and reported to the Board of Directors on November 5, 2025.

Aspect	Risk type	Overall Risk Assessment	Description	Risk management countermeasure
Economic (including corporate governance)	Operational risk (supply chain)	Price increases from API suppliers/OEMs	20 (highest)	• Strengthen the management of and communication mechanisms for cooperation with APIs and manufacturing plants. • Establish alternative site transfers and a 2nd source of supply to reduce single-source supply risk. • Regularly engage with partner suppliers through exhibitions and other mechanisms to strengthen supply chain resilience. • Enhance the bargaining capability of business and procurement personnel.
	Operational risk (R&D)	Underperformance of authorized development partners	12 (high)	• Strengthen the assessment of disease areas and clinical trial designs before contract signing. • Incorporate the clinical trial success rate into valuation assessments. • Ensure, through the design of phased milestone payments, that payments are made only after risks have been reduced.
	Legal Risk (Compliance)	Contractual disputes	12 (high)	• Information security personnel receive regular

				training to strengthen information security management and response capabilities. • Continue to promote information security awareness and social engineering drills for all employees to enhance vigilance. • Strengthen authority control and employees' awareness of the risks of cloud access.

In addition to disclosure required by regulatory authorities, the Company also discloses risk management-related information in its annual report and on its website.

For details, please refer to the Company's website: TSH Biopharm Official Website / Investor Relations / Corporate Governance / Corporate Governance Operations / Risk Management Policies and Procedures

1.5 Intellectual Property Policy

Legal Progress and Intellectual Property Strategy: A Value Protection Net Linked to Operational Goals

This section describes the Company's annual progress and long-term planning in legal affairs handling and intellectual property (IP) management. In view of the highly competitive and regulation-intensive characteristics of the biopharmaceutical industry, we regard legal and intellectual property strategies as the core cornerstone supporting the “dual-engine growth strategy (license-in + self-development).” Our strategy is designed not only to build a robust moat for our innovations but also to actively implement linkages with operational goals through the following three dimensions:

- Value Creation: For self-developed projects, accumulate the value of intangible assets through trademark planning and trade secret inventories.
- Rights Protection: For licensed-in products, ensure commercial interests and reduce infringement risks through rigorous contract reviews and due diligence.
- Risk Governance: Incorporate major legal disputes and intellectual property risks into the scope of risk management, and report regularly to the Board of Directors to ensure that the governance level can grasp and supervise potential operational impacts.

Intellectual property management plan

Since 2023, the Company has launched the “Intellectual Property Management Plan” closely linked to operational goals in accordance with the spirit of intellectual property management indicators. We align our intellectual property strategy with the “dual-engine growth strategy (license-in + self-development)” and systematically inventory and protect intangible assets to ensure R&D achievements and market competitiveness.

▼ Plan launch (2023): Establish a management plan framework.
▼ Inventory progress (2024 and 2025): Complete the inventory of trademarks, patents, and copyrights; trade secrets have been inventoried for certain departments, and reports on the results have been made to Directors at the annual Board of Directors meetings.
▼ Future planning (2026–): Continue to inventory the Company's intellectual property and focus on completing the inventory of trade secrets across the entire Company.

Current Intellectual Property Portfolio Overview

The Company's current intellectual property portfolio is as follows:

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- **Trademarks:** The current intellectual property portfolio consists mainly of trademarks, with more than 50 held domestically and approximately 5 held in other regions.
- **Patents & Know-How:** In consideration of product characteristics and our competitive strategy, the Company's core technologies are currently protected mainly in the form of trade secrets, and inventories have been completed for certain departments. At the same time, through the license-in model, we enjoy the protection of our partners' patent rights and interests, building a multi-layered defense network. Although there are currently no self-owned, published patents, the Company will continue to evaluate the progress of new drug development for planning purposes.

1.6 Cybersecurity Management GRI 418-1

Chapter Dimension	Description
Material Topics in this Chapter	Information Security, Customer Privacy
Commitments / Policies	The goal of the Company's information security policy: ensure the confidentiality, integrity, and availability of information. Commitment: Implement the principle that "prevention is better than cure," build a defense network in accordance with the ISO 27001 framework, and safeguard customer privacy and the security of the Company's assets.
Management Mechanism	1. Internal audit: Regularly review information and communication security policies and objectives. 2. Drill results: Track the opening rate and test pass rate of social engineering drills. 3. Reporting mechanism: Establish information security incident reporting and response procedures.
Positive and negative impacts	**Positive Actual/ Potential Impact** 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. **Negative Actual/ Potential Impact** 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.
Responsible Units	Establish an "Information Security Risk Management Team" composed of the head of the Management Department, the information security supervisor, and information security personnel. Ultimate oversight: Report the status of information security operations to the Board of Directors on a regular, annual basis
2025 Evaluation Mechanism and Results	☑Perform information security checks quarterly. ☑ Conducted 2 social engineering attack drills, interspersed with information security tests. ☑ Updated the endpoint security protection center and antivirus software. (Approximately NTD 1,553 thousand was invested in 2025 for software and hardware updates, endpoint protection, and information security services) ☑ Major information security incidents: 0 cases (no data leakage, theft, or loss). ☑ Customer privacy complaints: 0 cases (with no complaints from external parties or regulatory authorities). ☑ Drill coverage: 100% (reflecting that 100% of employees were included in information security awareness training).
Short-, Mid- to	Short-term Goals:

Long-Term Goals	Major information security incidents: 0 cases (with no data leakage, theft, or loss). Customer privacy complaints: 0 cases (with no complaints from external parties or regulatory authorities) Mid- and long-term goal: The Company will list the "introduction of ISO 27001 and the establishment of an information security management system" as a clear development plan in the future to further align with international standards.

1.6.1 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 November 5, 2025, a report was made to the Board of Directors on the status of information security operations in 2025. 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.

The Company aims to align with international standards and implement information security management (P-D-C-A) with reference to the ISO 27001:2022 framework. The specific management content and key points implemented in accordance with the ISO 27001 framework are as follows:

資訊安全風險管理小組	Information security risk management team
管理部主管	Head of Management Department
資安主管	Information Security Supervisor
資安人員	Information Security Personnel

Information security policy objectives (CIA principles) Based on the framework, the Company has formulated three core objectives:

- **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 protection to them according to their confidentiality level.

Specific management plan details

The Company implements the spirit of ISO 27001 in the specific operations of the following six major aspects:

Aspect	Activity	implementation status
Core business system management	• Core business system control • Confidential and sensitive data control	1. Identified the Company's core business and confidential and sensitive information, and inventoried the information assets of the core business system. 2. Formulated the recovery time objective (RTOs) and recovery point objectives (RPOs) for core business. 3. 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. 4. 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	1. Registered or canceled usernames in line with the Company's user management, and periodically reviewed usernames and their permission. 2. Periodically changed the passwords. 3. System server mainframe was installed in an area where access is controlled. 4. Server room environment complied with the requirements for safety operation in a server room. 5. 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	1. 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. 2. Perform information security checks quarterly. 3. The email system is capable of filtering out and detecting malware, to implement email security management. 4. An intrusion detection and prevention mechanism is in place at each network node. 5. A firewall is erected for open application systems to reduce operational risks.
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. 3. Require suppliers to sign confidentiality agreements.
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 improvement PDCA for information and communication security	• 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.

During the 2025 reporting period, the Company did not incur any losses due to major information and communication security incidents.

Future planning

Long-term goal (2030–) The "introduction of ISO 27001 and the establishment of an information security management system" will be listed as a clear development plan in the future to further align with international standards.

Continue to promote digital transformation

The Company has completed the requirements inventory and overall blueprint planning for the enterprise resource planning (ERP) system, and is carrying out system construction and implementation based on standardized processes. System cutover and launch are expected to be completed in 2026. Through the implementation process, the Company simultaneously reviews and optimizes existing operating processes and strengthens cross-departmental information integration and operational consistency. The implementation of the ERP system helps enhance operational transparency and data timeliness, and, through process standardization and systematic management, strengthens internal control mechanisms and further improves overall governance efficiency and decision-making quality.

1.6.2 Resource Investment and Defense Upgrade

To fulfill the disclosure requirements for information and communication security management and respond to the information security risk identified as "extremely material" this year, the Company invested NTD 1,553 thousand in 2025, focusing on strengthening digital resilience and defense in depth. Budget allocation focuses on two core areas:

- **Infrastructure strengthening:** Replace outdated software and hardware equipment and upgrade information security services to ensure system availability.
- **Endpoint defense optimization:** Carry out real-time updates and maintenance of the Company's endpoint security protection center and antivirus software, and effectively block malicious attacks with the latest virus definitions and protection rules to ensure uninterrupted operations.

Information Security Awareness and Drill Results

To strengthen the information security resilience of all employees, the Company conducted two social engineering attack drills in 2025 and implemented comprehensive information security awareness promotion during the intervals between drills, enhancing protection awareness through the cyclical mechanism of "drill-education-re-drill." The specific results for the year are as follows:

- **Drill coverage:** The drill participants covered all employees, achieving a coverage rate of 100%.
- **Training effectiveness:** Acceptance testing was conducted for the information security awareness courses, and all employees achieved a 100% pass rate.
- **Violation correction:** Enhanced education and training have been arranged for 100% of the employees who mistakenly clicked phishing emails during the drills, and all have passed the retest, ensuring that employees can identify new forms of cyberattacks and specifically implement information security awareness.

Risk Transfer Assessment and Professional Advancement

• **Information security insurance assessment:** According to the assessment results of the Company's "Information Security Risk Management Team," the current information security protection and response mechanisms are already capable of controlling risks within the acceptable appetite range, and therefore no insurance for information security risks was required in 2025. Nevertheless, we still uphold a spirit of proactive management and continue to strengthen defense in depth and establish joint defense plans to reduce potential impacts.
• **Professional competency enhancement:** To keep abreast of the latest information security threat trends, members of the Company's information security team continue to participate in advanced courses related to information security management each year to enhance professional competencies and introduce the latest protection technologies into corporate governance.

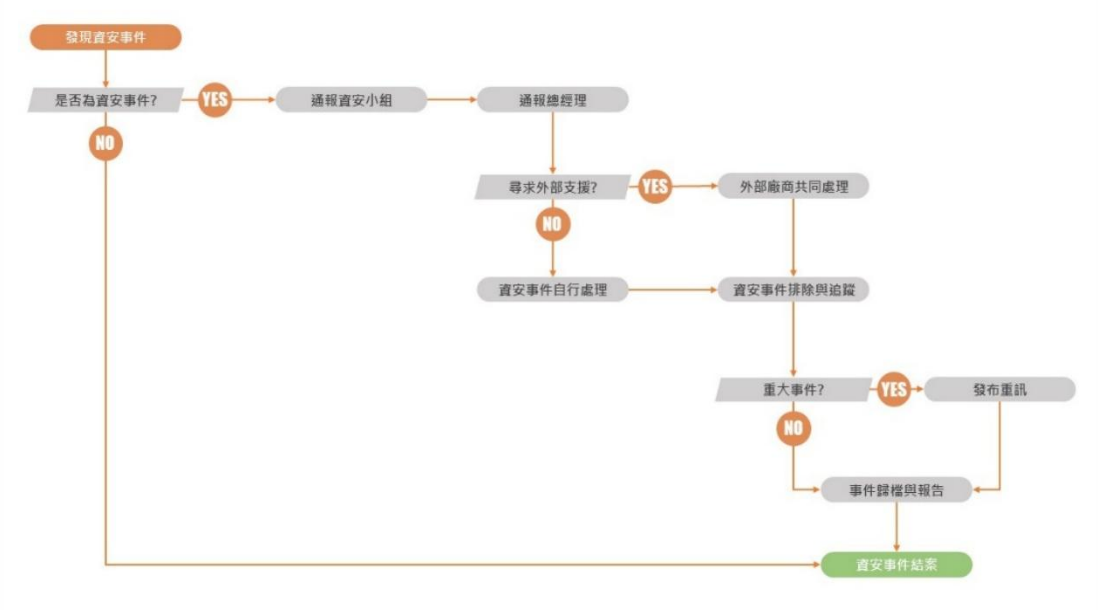
Information Security and Data Backup Mechanisms

The Company adopts a hybrid cloud and on-premises architecture to build its information environment. Core systems are deployed in a private cloud in the AWS Tokyo Region, Japan, and regular data backups are carried out through a cloud backup mechanism to ensure the security and integrity of key operational data. The on-premises environment is equipped with network-attached storage (NAS) for centralized management of operational data, and data protection is carried out in accordance with the 3-2-1 backup principle (multiple backups, offsite storage, and different media) to enhance data recovery capability and business continuity. Overall, the Company has established comprehensive data backup and management mechanisms and continues to strengthen the stability and security of the information environment to support long-term operations and sustainable development goals.

1.6.3 Information Security Risk Monitoring and Reporting Mechanism

- **Standardized reporting procedures:** The Company has established clear information and communication security reporting procedures to ensure that, when an information security incident occurs, reporting, handling, and damage control can be carried out promptly in accordance with standard operating procedures (SOP). For the detailed reporting flowchart and response mechanism, please refer to the Company's official website, TSH

Biopharm Corporation / Investor Relations / Corporate Governance / Information Security Policy and Management Plan.



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?
外部廠商共同處理	Handle the cybersecurity incident jointly with external vendors
資安事件自行處理	Handle the cybersecurity incident internally
資安事件排除與追蹤	Eliminate and track the cybersecurity incident
重大事件？	Major event?
發布重訊	Disclose material information
事件歸檔與報告	File and report the incident
資安事件結案	Close the cybersecurity incident

- **Three lines of defense and governance oversight:** To ensure the effectiveness of information security management, the Company has included information security in the "Internal Control System" for supervision:
  (1) **Management execution:** Formulate management policies based on identified information security risks and implement them in daily operations and quarterly information security inspections.
  (2) **Audit Office review:** The Audit Office includes "information and communication security inspection" as a mandatory item in the annual audit plan and regularly performs independent audits.
  (3) **Board of Directors oversight:** Audit results and the implementation of risk management are reported regularly to the Audit Committee and the Board of Directors to ensure that the highest governance unit can fully grasp information security risk patterns and defense effectiveness and implement the spirit of corporate governance.

1.6.4 Customer Privacy and Data Protection GRI 418-1

[Material Topic Management Approach Disclosure] "Customer privacy" is a newly identified material topic of the Company in 2025. As its risk management mechanism is highly integrated with "information security," the Company has uniformly included it within the scope of responsibilities of the "Information Security Risk Management Team." We specifically implement our commitment to protecting customer privacy through strict access control, encryption technology, and employee confidentiality agreements. The performance indicators and specific results for the year are described below:

Privacy Protection Performance Statement

"The Company strictly complies with the Personal Data Protection Act and relevant regulations, and it demonstrated excellent personal data protection performance during the 2025 reporting period:

- **External complaints:** In 2025, no substantiated privacy infringement complaints were received from external stakeholders (customers).
- **Regulatory sanctions:** In 2025, there were no related complaints or penalty cases from regulatory authorities.
- **Data leakage:** In 2025, there were no information security incidents involving customer data leakage, theft, or loss."

Proactive Defense and Management Mechanisms

"To implement the requirements of privacy protection policies and execution, and to ensure the sustainability of the above performance, we adopt the management policy of 'prevention is better than cure:'

- Risk response mechanism: Although no major information security incidents occurred this year, we have established standardized "information security incident reporting and response procedures." If any anomaly is detected, an investigation team will be immediately activated to conduct a root cause analysis and patch vulnerabilities, ensuring digital resilience for rapid recovery.
- Continuous strengthening of defense: Rather than waiting until an incident occurs to take action, we regularly perform vulnerability scanning and penetration testing to proactively identify and remediate potential system risks and reduce the likelihood of data theft.
- Awareness training: We continue to invest resources in information security education, training, and social engineering drills for all employees,

internalizing data protection awareness into our corporate culture and striving to build the most rigorous information security protection network for our customers."

1.7 Customer Relations and Domestic Association Participation

Marketing and Customer Relations

I. Marketing regulations:

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.

Product Marketing Ethics and Promotion Policy

HC-BP-260a.2 HC-BP-270a.2

TSH Biopharm regards patient health as its highest guiding principle and, in accordance with the Integrity Management Operating Procedures and Code of Conduct and the Ethical Corporate Management Best-Practice Principles, has formulated rigorous product promotion policies and commits to being responsible to consumers and stakeholders:

- Regulatory compliance: Drug marketing advertisements are all submitted to and approved by the health competent authority in accordance with the Pharmaceutical Affairs Act, ensuring that information is truthful, balanced, and not misleading.
- Off-label use management: The Company strictly prohibits business representatives from promoting off-label use of pharmaceuticals beyond package insert labeling. All promotional content must be based on the package inserts approved by the competent authority and medical evidence. If a product has potential quality issues or risks, the recall mechanism will be immediately activated in accordance with the reporting procedures.

2025 Results e Company had no incidents in 2025 of violations of regulations related to product and service

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.

2025 Results he Company had no incidents in 2025 in which product and service information or labeling violated

II. Customer Relationship Management

TSH places importance on market demand and customer satisfaction and continues to provide high-quality products and technical services. 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.

<table>
<tr><td>Responsible department</td><td colspan="2">Business Division, Marketing Division</td></tr>
<tr><td rowspan="5">Communication Channels</td><td>Customer Visits</td><td>Regular face-to-face customer visits</td></tr>
<tr><td>Regular Discussions</td><td>At least one face-to-face meeting with major customers each month to understand their needs and maintain open communication channels</td></tr>
<tr><td>Participation in Domestic and International Exhibitions</td><td>Invite customers to participate in domestic and international exhibitions</td></tr>
<tr><td>In-depth Visits</td><td>Frequent visits to major customers to understand needs and seek new business opportunities</td></tr>
<tr><td>Seminars</td><td>Occasional invitations to customers for seminars to share brand or product-related information</td></tr>
<tr><td>Grievance mechanism</td><td colspan="2">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. The handling procedures are described as follows:
Step 1 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
Step 2 Customer service receives the complaint and determines if it is valid → forwards it to the relevant department for clarification.
Step 3 The responsible unit receives the complaint → clarifies the dissatisfaction, solves the issue, improves the process, and reports the outcome to the main department.
Step 4 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.
Step 5 The responsible unit follows up → continues tracking whether the customer is satisfied with the outcome.</td></tr>
<tr><td>Management Mechanism</td><td colspan="2">■ 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.</td></tr>
</table>

	• 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	**2025 Results** **The Company had no major customer deficiency cases in 2025.** **2025 Results** **The Company had no incidents of customer privacy infringement in 2025.**

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Participation in Taiwanese Associations GRI 2-28

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
Taiwan Pharmaceutical Marketing & Management Association	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, and other international standards.

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Product Innovation and Customer Safety

2. Product Innovation and Customer Safety

This chapter aims to explain TSH Biopharm's operational foundation and social commitment as a leading Taiwan brand in chronic disease pharmaceuticals. We have always upheld the core concept of "patient-centeredness" and have deeply cultivated niche chronic disease markets such as the cardiovascular, gastroenterology, and central nervous system sectors. Leveraging a sales network covering more than 400 medical institutions throughout Taiwan, we served more than 1.1 million patient visits in 2025, establishing a solid profit foundation and market position.

We are well aware that pharmaceuticals are related to life safety, and therefore regard "drug quality" and "drug accessibility" as the Company's core sustainability responsibilities. To implement this commitment, the Company strictly complies with the regulatory requirements for the entire product life cycle, from R&D and manufacturing to sales, and adheres to high-quality standards. At the same time, we proactively undertake the mission of producing essential medicines designated by the World Health Organization (WHO), specifically responding to the United Nations Sustainable Development Goals (SDG 3), ensuring the stability and safety of the drug supply, and continuing to create long-term value for society.

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. With a "patient-centered" approach at the core of our products, the main prescription drug products are primarily cardiovascular drugs, gastroenterology drugs, and central nervous system drugs, while we continue to expand into ophthalmology and special disease fields, committing to cultivating niche chronic disease markets and simultaneously implementing a dual-engine strategy to create precision medicine and provide more comprehensive treatment options.
Positive and negative impacts	**Positive Actual/ Potential Impact** Through strict screening and continuous monitoring of suppliers, we ensure that raw materials comply with international drug quality standards (such as GMP and ICH guidelines), significantly reducing product defects and recall risks, thereby protecting patient safety and the Company's reputation. **Negative Actual/ Potential Impact** Supply chain disruption risk; alternatively, if rising prices caused by raw material or operational requirements result in overly stringent EHS or compliance thresholds being imposed on suppliers, some suppliers may be unable to cooperate and may withdraw from the partnership, with an especially severe impact on suppliers of key raw materials or outsourced manufacturing processes, thereby causing production delays or disruptions.
Responsible Units	Corporate Development and R&D Division, Marketing Division
2025 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. We promote multiple licensing projects closely linked to the Company's and product strategies, among which the rare disease licensing project responds to sustainable development and public health responsibilities by improving drug accessibility and affordability, while the presbyopia treatment licensing project continues to expand the ophthalmology product line and improve the layout for visual aging diseases, taking into account both social impact and medium- to long-term operational growth. 3. Sales of the new fixed-dose combination drug Cretrol exceeded 20 million tablets and NTD 200 million in sales revenue in 2025. 4. Precision medicine products achieved 30% growth in sales performance in 2025. The number of users increased by 37% compared with last year.

Short-, Mid- to Long-Term Goals	5. There were no incidents in 2025 involving violations of regulations related to product or service information or labeling, and no fines or warnings were issued by regulatory authorities. 6. In the 2025 supplier evaluation, 22 suppliers (including warehousing and logistics providers) were assessed, with 100% meeting required standards. **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.

Aspect	Social aspect (S)
Material Topics in this Chapter	Drug distribution and pricing (Access to Medicines)
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 drug accessibility, 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 drug accessibility, 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.
Positive and negative impacts	**Positive Actual/ Potential Impact** For TSH, opening up sales and distribution channels through hospitals, clinics, and specialty centers is critical. This directly affects whether the Company's products (such as cancer drugs or orphan drugs) 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. **Negative Actual/ Potential Impact** 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.
Responsible Units	Corporate Development and R&D Division, Marketing Division
2025 Evaluation Mechanism and Results	1. Signed an exclusive distribution agreement with a Korean diagnostics company for a new cancer detection product. 2. Signed a contract with a Spanish pharmaceutical company for the exclusive agency sale of new orthopedics products, and obtained the license in 2025. 3. Introduced the rare disease drug GASA25 4. Introduced the presbyopia drug BCSA25
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 a drug accessibility 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 drug accessibility, actively engaging in policy advocacy and cross-sector collaboration.

2.1 Core Products and Market Layout

2.1.1 Products and Market Layout

TSH Biopharm started in the chronic disease field and has recognized that modern medicine has moved from "group treatment" to "personalized precision medicine." We adopt a "dual-engine growth strategy:" on the one hand, we deepen our market advantages in prescription pharmaceuticals such as cardiovascular and gastroenterology treatments; on the other hand, we actively expand precision medicine testing services, striving to provide more excellent health solutions for humankind before, during, and after medical treatment.

- **Prescription pharmaceuticals: Revenue performance and international layout Solid Profit Foundation** HC-BP-000.A

  Prescription pharmaceuticals and market performance: "Leveraging the aforementioned solid foundation of medical channels, prescription pharmaceuticals are one of the Company's primary revenue sources. In 2025, we served more than 1.1 million patient visits, and annual revenue remained stable at nearly NTD 500 million. Our product lines cover core fields such as the cardiovascular, gastroenterology, and central nervous system sectors, and, through the strategy of "deep cultivation in Taiwan, layout in ASEAN," we continue to expand our market influence:

  - **High growth in the domestic market:**

    After the new fixed-dose combination drug for hyperlipidemia treatment, Cretrol, was included in National Health Insurance reimbursement at the end of 2022, it demonstrated strong growth momentum. Sales performance in 2024 maintained a growth rate of over 250%, and 2025 is expected to achieve a further annual growth of 54%, with the sales target exceeding 20 million tablets.

  - **International market perspective: We actively bring high-quality pharmaceuticals to the international market:**
    - Fixed-dose combination antihypertensive drug Amtrel: Following Thailand and Myanmar, the Company successfully obtained a Malaysia drug license in 2024.
    - Antiarrhythmic drug Rhynorm: A Hong Kong drug license has been obtained.
    - Macau market: This year, 4 domestic products, namely Lonine, Lacoxa, Rhynorm, and Linicor, were launched successively.
    - Emerging markets: Continue to promote the drug registration application processes in Vietnam, the Philippines, and Indonesia.

■ **Prescription drug list: 8 cardiovascular items, 2 gastroenterology items, 2 anti-inflammatory and analgesic items, 1 central nervous system item, and 1 ophthalmology item, totaling 14 items** HC-BP-000.B

心血管用藥

Amtrel諾壓

高血壓用藥

2012年　榮獲台北生技獎技術商品化獎
2015年　於泰國上市
2022年　取得緬甸藥證
2024年　取得馬來西亞藥證

Linicor理脂

降血脂用藥

高血脂初級預防用藥

Rancad 諾瑞心寧

心絞痛用藥

納入2023年台灣心臟學會最新發表 - 慢性冠心症治療指引 (CCS guideline) 優先用藥順序

Alprosm愛博第

治療周邊動脈阻塞疾病症狀改善、血行再建術後之血流維持

Rhynorm律諾

心律不整用藥

2022年　產品取得香港藥證

Cretrol脂瑞妥

降血脂用藥

高血脂Statin新複方新藥

Isormol愛速脈錠

狹心症用藥

Licodin利血達

抗血小板凝集用藥

心血管用藥	Cardiovascular Drugs
Amtrel 諾壓	Amtrel
高血壓用藥	Antihypertensive medication
2012 年 榮獲台北生技獎技術商品化獎	Won the Technology Commercialization Award at the Taipei Biotech Awards in 2012
2015 年 於泰國上市	Launched in Thailand in 2015
2022 年 取得緬甸藥證	Received drug license in Myanmar in 2022
2024 年 取得馬來西亞藥證	Received drug license in Malaysia in 2024
Linicor 理脂	Linicor
降血脂用藥	Lipid-lowering medication
高血脂初級預防用藥	Primary prevention medication for hyperlipidemia
Rancad 諾瑞心寧	Rancad
心絞痛用藥	Medication for angina
納入 2023 年台灣心臟學會最新發表-慢性冠心症治療指引(CCS guideline)優先用藥順序	Listed in the 2023 Taiwan Society of Cardiology's latest Chronic Coronary Syndrome Treatment Guideline as a priority treatment
Alprosm 愛博第	Alprosm
治療周邊動脈阻塞疾病症狀改善、血行再建術後之血流維持	Used for improving symptoms of peripheral arterial occlusive disease and maintaining blood flow post-revascularization
Rhynorm 律諾	Rhynorm
心律不整用藥	Antiarrhythmic medication
2022 年 產品取得香港藥證	Received drug license in Hong Kong in 2022
Cretrol 脂瑞妥	Cretrol
降血脂用藥	Lipid-lowering medication
高血脂 Statin 新複方新藥	New combination drug with Statin for hyperlipidemia
Isormol 愛速脈錠	Isormol
狹心症用藥	Medication for angina
Licodin 利血達	Licodin
抗血小板凝集用藥	Antiplatelet aggregation medication

腸胃科用藥

Mopride摩舒胃清

治療消化器官蠕動機能異常引起之不適症狀

Ribarin摩舒肝清

C型肝炎用藥

列名於WHO必要藥品清單

消炎止痛用藥

Lacoxa 樂夠效

類風濕性關節炎用藥

Lonine勞寧

骨關節炎用藥

中樞神經用藥

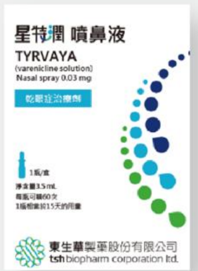
Aleviatin阿雷彼阿慶

癲癇用藥

列名於WHO必要藥品清單

眼科用藥

TYRVAYA星特潤



乾眼症鼻噴劑用藥

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

腸胃科用藥	Gastroenterology Drugs
Mopride 摩舒胃清	Mopride
治療消化器官蠕動機能異常引起之不適症狀	Used to treat discomfort caused by gastrointestinal motility disorders
Ribarin 摩舒肝清	Ribarin
C 型肝炎用藥	Hepatitis C medication
列名於 WHO 必要藥品清單	Listed in the WHO Model List of Essential Medicines
Aleviatin 阿雷彼阿慶	Aleviatin
癲癇用藥	Medication for epilepsy
列名於 WHO 必要藥品清單	Listed in the WHO Model List of Essential Medicines
消炎止痛用藥	Anti-inflammatory and Pain Management
Lacoxa 樂夠效	Lacoxa
類風濕性關節炎用藥	Medication for rheumatoid arthritis
Lonine 勞寧	Lonine
骨關節炎用藥	Medication for osteoarthritis
眼科用藥	Ophthalmology Drugs
TYRVAYA 星特潤	TYRVAYA
乾眼症鼻噴劑用藥	Dry eye nasal spray medication

Precision Medicine: From Group Treatment to Precision Personalization

TSH Biopharm is well aware that modern medicine has moved from “group treatment” to “personalized precision medicine.” In order to provide patients with more comprehensive treatment options, we launched the dual-engine strategy and extended services to the field of precision medicine testing in 2019 by introducing NGS (next-generation genetic testing) items. Through collaborations with domestic and international laboratories, we have successfully introduced cancer genetic testing services, aiming to benefit more cancer patients. In 2025, performance grew by 30%, and the number of users increased by 37% compared with last year.

1. Technical Highlights: Innovative Practice of Liquid Biopsy and Circular Economy

[ESG Innovation Highlights] Medical Waste Value Transformation: From “biomedical waste liquid” to “diagnostic gold”
In traditional cancer medical practice, body fluids generated by cancer patients, such as pleural effusion, ascites, and cerebrospinal fluid, are usually regarded as infectious “biomedical waste” and, after being extracted through drainage procedures, must undergo high-temperature sterilization or

incineration treatment, which not only incurs handling costs but also offers no other utilization value. At the same time, patients often need to additionally undergo invasive procedures to obtain tissue specimens for genetic testing.

2. [Innovative management thinking: Turning wastewater into gold]

TSH Biopharm breaks the traditional linear thinking of "waste is discarded" and transforms the aforementioned body fluids originally intended to be discarded into valuable "sources of genetic testing specimens." We use highly sensitive liquid biopsy technology to extract circulating tumor DNA (ctDNA) from this "wastewater," achieving the following dual benefits:

(1) Waste valorization (Resource Efficiency):
Transform pleural effusion and cerebrospinal fluid, originally classified as medical waste, into high-value diagnostic specimens, giving waste an entirely new life cycle. Research in 2024 confirmed that, even where tumor cells are extremely scarce in waste liquid, this technology can still accurately detect mutations, maximizing resource utilization.

(2) Reduction of invasive medical treatment (Patient Welfare):
Patients no longer need to additionally bear the pain and risks of tissue biopsy procedures, and testing can be completed directly by using body fluids that already need to be drained. This innovative model not only lowers the threshold for testing but also specifically implements the patient-centered SDG 3 (Health and Well-Being) goal.

[Future outlook]

This innovative model of "turning wastewater into gold" is not only a breakthrough in medical technology but also the best example of the Company's integration of "waste management" and "precision medicine." We will continue to promote this testing model, striving to lower testing barriers so that resource circulation and patient well-being can be improved simultaneously.

Advanced application: Personalized minimal residual disease monitoring (Advanced Application: MRD)

In addition to liquid biopsy, we have further launched “AlphaLiquid® Detect” for testing minimal residual disease (MRD, or minimal residual disease), currently the first innovative product in the Taiwan market capable of designing personalized follow-up testing plans based on whole-genome sequencing of the patient's tumor tissue:

• Personalized design: Tailor corresponding drug-target tracking kits based on the complete genetic mutation and medication information of the patient's tumor tissue.
• Ultra-high sensitivity monitoring: Use ultra-high-sensitivity and ultra-deep sequencing to accurately track whether residual tumor cells still release DNA signals in the bodies of early-stage patients after surgery.
• Recurrence risk management: If tumor DNA is detected in the blood, high-recurrence-risk patients can be identified, assisting physicians in close follow-up and proactive treatment to truly implement the goal of “early discovery, precise treatment.”

Clinical Evidence, Academic Publications, and National Certification HC-BP-210a.1

We are committed to establishing local clinical evidence in Taiwan. AlphaLiquid® 100 liquid biopsy continued to publish research findings in high-impact international journals during 2025–2026, confirming the clinical value of liquid biopsy over traditional testing:

• Advantages of pleural effusion testing (European Journal of Cancer 2025, IF: 7.1; Neoplasia 2025, IF: 7.7): Research indicates that the “supernatant liquid biopsy” after pleural effusion centrifugation can identify 10.0% more target gene mutations than RNA gene sequencing of fresh cells. More importantly, none of the 50 pleural effusion specimens were rejected (achieving a 100% success rate), effectively avoiding the clinical pain point of patients losing testing opportunities due to insufficient tissue specimens or unstable RNA.

• Precision monitoring of drug resistance (ESMO Open 2026, IF: 8.3): For patients who developed drug resistance after receiving 1st- and 2nd-generation EGFR targeted therapy, studies confirmed that pleural effusion testing successfully identified EGFR T790M resistance mutations in 40% of patients, meaning that patients may continue treatment with 3rd-generation targeted drugs. This finding confirms that pleural effusion specimens are the best alternative for patients with drug-resistant lung cancer, for whom it is usually difficult to obtain tissue specimens again.

• High-sensitivity application of cerebrospinal fluid (CSF): Studies show that cerebrospinal fluid liquid biopsy has a sensitivity of 100% in detecting gene mutations. By contrast, conventional cytology can detect malignant tumor cells in only about half (50%) of specimens. This technology not only accurately identifies therapeutic targets but also assists clinicians in determining whether brain metastasis has occurred.

• National-level quality certification (Quality Assurance): “AlphaLiquid liquid biopsy genetic testing” received certification in the 28th National Biotechnology and Medical Care Quality Award (SNQ). This honor not only represents that the quality of the testing service has passed the rigorous review of professional judges, but it also demonstrates TSH Biopharm's firm commitment to continuously providing high-quality, highly accurate genetic testing services.

Short-, mid- and long-term goals for precision medicine testing

To continue deepening the influence of precision medicine, we have established the following phased goals:

Stage	Goal details	Corresponding value
Short-term Goals	Reduce testing barriers and implement "turning wastewater into gold:" Continue to promote liquid biopsy applications for cerebrospinal fluid, ascites, and pleural effusion, so that most cancer patients are no longer unable to undergo genetic testing due to difficulty in obtaining tissue specimens. Provide relatively low-invasive but equally information-rich testing, improving the safety and convenience of testing for patients.	Accessibility Patient well-being
Mid-term goals	Precise tracking and recurrence monitoring: Through low-invasive blood testing, use ultra-deep sequencing to provide more accurate personalized tumor tracking biomarkers (MRD), identify patients truly at high risk of recurrence, and formulate more precise personalized disease management strategies.	Treatment effectiveness Precision medication
Long-term Goals	AI-driven early screening: Integrate bioinformatics big data and artificial intelligence (AI) technology and, through simple and convenient blood testing, achieve early cancer screening, early discovery, and early treatment, improving the overall health level of the public.	Preventive medicine Social impact

These innovative technological breakthroughs and cross-border cooperative relationships have enabled TSH Biopharm to make important progress in precision medicine and provide patients with more accurate and effective treatment options, not only specifically fulfilling ESG social responsibility but also further promoting the Company's sustainable development and enhancement of market position.

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.	Lung cancer gene testing	Lung Cancer Panel
ctDNA (NGS sequencing)	Solid tumor cancer patients, 192 genes + MSI + TMB analyzed to identify suitable targeted or immunotherapy drugs, enabling early treatment and increasing options for clinical trial medications.	AlphaLiquid®100 Liquid Biopsy (Blood)	AlphaLiqiud-100 (blood)
DNA (NGS sequencing)	Solid tumor cancer patients, 192 genes + MSI + TMB analyzed to identify suitable targeted or immunotherapy drugs, enabling early treatment and increasing options for clinical trial medications.	AlphaLiquid®100 Liquid Biopsy	Alpha-solid 100
ctDNA (NGS sequencing)	Solid tumor cancer patients, 192 genes + MSI + TMB analyzed to identify suitable targeted or immunotherapy drugs, enabling early treatment and increasing options for clinical trial medications.	AlphaLiquid®100 Liquid Biopsy (Body Fluids)	AlphaLiqiud-100 (bodyfluid)
ctDNA (NGS sequencing)	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.	Cancer-Accurate WES (Tissue Biopsy) +AlphaLiquid® Detect (blood)	CancerProfiler +AlphaLiquid Detect
ctDNA (NGS sequencing)	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.	Cancer Liquid Screen (blood)	CancerFind

For complete precision medicine product information,
please refer to TSH Biopharm's official website:https://www.tshbiopharm.com/ec99/rwd1427/category.asp?category_id=234

2.2 New drug R&D and innovation

Aspect	Description
Material Topics in this Chapter	New drug R&D and innovation
Commitments / Policies	Upholding the “dual-engine strategy,” we focus on unmet medical needs. We commit to introducing and developing new drugs with high patent barriers and high economic benefits, especially in the fields of cardiovascular, autoimmune, and rare diseases.
Management Mechanism	Regularly review the progress of new drug registration (Milestones), the achievement rate of R&D investment amount, and the number of patents obtained.
Positive and negative impacts	● Positive **Actual/ Potential Impact**: 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. ● Negative Actual/ Potential Impact: 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.
Responsible Units	President’s Office, Corporate Development and R&D Division, Marketing Division
2025 Evaluation Mechanism and Results	1. Expand into the rare disease field: Sign the GASA25 rare disease licensing agreement 2. Continue to expand into the ophthalmology field: Sign the BCSA25 presbyopia treatment licensing agreement 3. Orthopedics and chronic disease new drugs: Successfully obtained the drug license for a Spanish orthopedics drug in June 2025 4. As of the end of 2025, there were a total of 4 drugs in the R&D and registration stages.

Short-, Mid- to Long-Term Goals

Target category	**Short-term Goals** **Registration and license acquisition**	**Mid-term goals** **Launch and market expansion**	**Long-term Goals** **Internationalization and profit contribution**
New Drug Development (Pipeline)	1. Orthopedics layout: Complete the registration submission for the new osteoporosis drug EDIA20 (2025 Q4), and obtain the drug license (2026 Q4) 2. Cardiovascular: Complete the three-batch pilot validation for LBCA19 and initiate registration (2026 H1).	1. Ophthalmology expansion: Promote the launch of the new presbyopia drug BCSA25 in Taiwan and, together with dry eye drugs, build a complete ophthalmology product line. 2. Cardiovascular: LBCA19 will complete launch preparations in line with the progress of the Japanese original manufacturer (2027).	1. Rare disease solutions: Complete orphan drug registration for GASA25 (CDKL5 deficiency disorder) and officially launch it (target 2028–2029). 2. Continue to evaluate the introduction of 1-2 innovative assets targeting Asia-specific diseases.
R&D investment	1. Estimated R&D expenses of approximately NTD 7,500 thousand to be invested in 2025–2026 (LBCA19 + EDIA20).	1. Invest approximately NTD 5,000 thousand in registration expenses for the rare disease drug GASA25. 2. Invest approximately NTD 2,000 thousand in registration expenses for the new ophthalmic drug BCSA25.	1. Return on R&D investment (ROI) will increase year by year. 2. The proportion of revenue from proprietary products will increase to 55%.
Precision medicine (Precision Med)	1. Early screening: Introduce new Korean cancer testing items to complete the “screening” landscape (2025 Q4). 2. Performance growth target reaches 30%.	1. Expand the clinical validation of liquid biopsy applications in pleural effusion and cerebrospinal fluid, and publish papers in international journals. 2. Establish the status of an Asia-Pacific testing hub for precision medicine.	1. Realize a full-cycle cancer care ecosystem from “prevention, diagnosis, to treatment.”

1. New Drug Development Strategy and Progress (New Drug Pipeline)

- **Expansion into the rare disease field: Rare disease licensing agreement**

  In April 2025, TSH Biopharm signed the GASA25 rare disease licensing agreement, linking the Company's ESG sustainable development goals and strengthening the social responsibility of drug accessibility and affordability. This licensing agreement will introduce a brand-new treatment option to meet the needs of rare disease patients who have not been adequately cared for, and will bring strategic value to the Company's product portfolio. It is expected that, in 2026, CDD (CDKL5 Deficiency Disorder) will be promoted for inclusion as a rare disease in Taiwan, and preparation for the registration of the GASA25 orphan drug will be completed.

- **Continue to expand into the ophthalmology field: Presbyopia treatment licensing agreement**

  In 2025, TSH Biopharm signed the BCSA25 presbyopia treatment licensing agreement to expand the Company's ophthalmology product line and, combined with the existing dry eye product TYRVAYA® nasal spray, build a complete ophthalmology treatment portfolio and create channel synergy across specialties. The product has currently entered the U.S. FDA review process. This licensing will strengthen the Company's market layout in the vision care field and provide more options for patients. Registration is expected to be advanced successively in 2026 to enhance the growth potential of the Company's ophthalmology business.

- **New orthopedic and chronic disease drugs: Deepen the chronic disease protection network and plan for the aging demand**

  In addition to consolidating the Company's advantages in the cardiovascular field, we actively respond to the urgent demand for bone health in an aging society: the Spanish orthopedic drug successfully obtained a drug license in June 2025; meanwhile, the self-developed osteoporosis/orthopedic drug (EDIA20) has completed formulation development and stability testing, and it is expected to complete its registration submission in 2025 Q4 and obtain results in 2026 Q4, building a complete orthopedic treatment product line.

- **Chronic disease field (Chronic Diseases)**

  Continue to improve self-developed R&D capabilities. For the cardiovascular/chronic disease drug (LBCA19), a three-batch pilot validation has been completed. Registration is expected to be initiated in 2026, and progress will continue in 2027 in line with the launch schedule in Japan, thereby continuing to provide medication options with high economic benefits.

- **Precision medicine: Expand international alliances and extend from "treatment" to "prevention"**

  To improve full-cycle cancer care, we not only focus on genetic testing after a confirmed diagnosis but also actively target the early screening market: In December 2025, the Company signed a contract with a Korean testing company for the exclusive agency sale of forward-looking new cancer testing items. Complete the "early screening" landscape of the existing product line and, by combining it with existing liquid biopsy technology, provide complete solutions ranging from risk assessment, early discovery, to precision medication, thereby implementing the integrated service commitment of "companion diagnostics" and "preventive medicine."

2. New Drug/New Product Development Timeline

R&D Plan	R&D Progress	R&D Expenditure Still Required	Estimated Launch Time	Key Future Factors Affecting R&D Success
LBCA19	Completed three trial batches; registration expected to begin in the first half of 2026.	NT$6,000 thousand	Q3 2027	Launch progress in Japan and bioequivalence study results
EDIA20	Complete formulation development, scale-up batch validation, and stability testing, and complete registration submission in 2025 Q4	NT$1,500 thousand	Q4 2026	Results of registration review
GASA25	Promote the inclusion of CDD (CDKL5 Deficiency Disorder) as a rare disease in Taiwan. Complete preparations for the registration of the GASA25 orphan drug	NT$5,000 thousand	Q3 2028	Promote the inclusion of CDD as a rare disease in Taiwan
BCSA25	Advance registration in Taiwan	NT$2,000 thousand	Q3 2027	U.S. launch progress

Reporting period: As of the end of 2025, there was a total of 4 drugs in the R&D and registration stages.

Short-, mid-, and long-term goals for innovative R&D

Target category	Short-term goal: Registration and license acquisition	Mid-term goal: Launch and market expansion	Long-term goal: Internationalization and profit contribution
New Drug Development (Pipeline)	1. **Orthopedic layout:** Complete the registration submission for the osteoporosis new drug EDIA20 (2025 Q4), and obtain the drug license (2026 Q4) 2. **Cardiovascular:** Complete the three-batch pilot validation for LBCA19 and initiate registration (2026 H1).	1. **Ophthalmology expansion:** Advance the launch of the new presbyopia drug BCSA25 in Taiwan and combine it with dry eye drugs to create a complete ophthalmology product line. 2. **Cardiovascular:** LBCA19 will complete launch preparations in 2027 in line with the progress of the Japanese original manufacturer.	1. **Rare disease solutions:** Complete orphan drug registration for GASA25 (CDKL5 deficiency disorder) and officially launch it (target 2028–2029). 2. Continue to evaluate the introduction of 1-2 innovative assets targeting Asia-specific diseases.
R&D investment	1. Estimated R&D expenses of approximately NTD 7,500 thousand to be invested in 2025–2026 (LBCA19 + EDIA20).	1. Invest approximately **NTD 5,000 thousand** in registration expenses for the rare disease drug GASA25. 2. Invest approximately **NTD 2,000 thousand** in registration expenses for the new ophthalmic drug BCSA25.	1. Return on R&D investment (ROI) will increase year by year. 2. The proportion of revenue from proprietary products will increase to 55%.
Precision medicine (Precision Med)	1. **Early screening:** Introduce new Korean cancer testing items to complete the "screening" landscape (2025 Q4). 2. Performance growth target reaches 30%.	1. Expand the clinical validation of liquid biopsy applications in pleural effusion and cerebrospinal fluid, and publish papers in international journals. 2. Establish the status of an Asia-Pacific testing hub for precision medicine.	1. Realize a full-cycle cancer care ecosystem from "prevention, diagnosis, to treatment."

2.3 Product quality and safety

Aspect	Description
Material Topics in this Chapter	Quality and safety management of medicines
Commitments / Policies	In accordance with PIC/S GMP, GDP, and GVP regulations, we have formulated the "Pharmacovigilance Operating Procedure" and "Ethical Corporate Management Operating Procedure" to ensure safety throughout the product life cycle.
Management Mechanism	1. Source Management: 100% of manufacturing is outsourced to qualified GMP pharmaceutical manufacturers, and health and safety impact assessments are conducted for 100% of the main product categories to ensure compliance with market approval standards. 2. Oversight Mechanism: Strict audit procedures have been established for outsourced clinical trials (CROs). 3. Safety Monitoring: A dedicated unit has been established to perform pharmacovigilance (PV) and reporting. 4. Emergency Response: Mock recall drills are conducted annually. The results of mock recall drills and the timeliness of reporting are reviewed annually; regular inspections by the competent authority are conducted. ● External grievance: Adverse drug reaction reporting hotline and a customer service hotline. ● Internal Communication: Pharmacovigilance task force meetings.
Positive and negative impacts	● Positive **Actual/ Potential Impact**: Adhering to international standards to demonstrate consistent batch quality is key to ensuring that new drugs successfully pass regulatory review and to maintaining patient safety. ● Negative Actual/ Potential Impact: Quality defects in drug products (such as contamination or incorrect dosage) will lead to product recalls, patient harm, substantial compensation lawsuits, and criminal liability.
Responsible Units	Corporate Development and R&D Department, Marketing Department, and Regulatory Affairs Department
2025 Evaluation Mechanism and Results	1. No incidents of non-compliance with product health and safety regulations occurred. 2. No enforcement actions or penalties were imposed by the competent authority due to violations of Good Manufacturing Practice (GMP) or equivalent standards. 3. There were no instances of public product recalls due to safety concerns. 4. No clinical trials were outsourced; therefore, no adverse drug event reporting or adverse reactions occurred due to clinical trials (0 cases). 5. There were no counterfeit drug-related cases in 2025 that led to raids or criminal charges (0 cases).

Aspect	Category	Short-term Goals	Mid-term goals	Long-term Goals
Short-, Mid- to Long-Term Goals	**Drug Safety**	● Completion rate of the annual mock drug recall exercise reached 100%. ● 100% completion rate for employee training on drug safety reporting.	● Establish a more comprehensive digitalized pharmacovigilance database. ● Monitor post-marketing adverse drug reactions to ensure ongoing compliance.	● Achieve zero findings in global pharmacovigilance. ● Establish a full lifecycle drug risk management culture.
	Quality Compliance	● Zero major quality recall events occurred (0 cases). ● 100% of product labeling and marketing content complied with regulations.	● Strengthen the audit and oversight mechanisms for outsourced contract research organizations (CROs). ● Enhance the real-time capability and transparency of product traceability systems.	● Become an industry benchmark for drug quality and patient safety.

2025 Compliance Performance

HC-BP-250a.1 HC-BP-250a.2 HC-BP-250a.3 HC-BP-250a.4 HC-BP-250a.5 HC-BP-260a.1 GRI 416-1 GRI 416-2

Through rigorous internal monitoring and external audits, the Company achieved the following in 2025:

2025 Results The Company had no incidents of non-compliance with product health and safety regulations in 2025.

2025 Results No enforcement actions or penalties were imposed by competent authorities due to violations of Good Manufacturing Practice (GMP) or equivalent standards.

2025 Results There were no instances of products requiring public recall due to safety concerns.

2025 Results There were no reports of adverse drug events or occurrences of adverse reactions resulting from clinical trials.

Product Responsibility and Quality Commitment: Full Lifecycle Regulatory Compliance and Performance

TSH Biopharm regards drug safety as its paramount responsibility. In response to industry-specific ethical and regulatory requirements, we strictly implement full lifecycle product management. The Company conducts health and safety impact assessments for 100% of its product and service categories in accordance with the following international standards and domestic regulations, ensuring that every stage from the laboratory to the patient complies with regulatory requirements.

[Compliance with Regulatory Framework] Every link in the pharmaceutical industry chain is governed by strict legal regulations; therefore, experimentation, manufacturing, sales, and advertising must not be conducted arbitrarily. TSH Biopharm has implemented the following regulations at each stage:

- 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).
- 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).

Clinical Trials and Regulatory Oversight

To ensure the quality of human trials and the rights and interests of subjects, the Company's clinical trials in recent years have all been conducted by professional contract research organizations (CROs).

- Supervisory role: TSH Biopharm has established standard operating procedures to audit and inspect each clinical development phase performed by outsourced CROs.
- Ethical compliance: We strictly require our partners to adhere to the Declaration of Helsinki, ICH-GCP, and local regulations.

2025 Results The Company did not outsource any clinical trials in 2025; therefore, there was no adverse drug event reporting or occurrence of adverse reactions caused by clinical trials (0 cases)

Product Traceability and Anti-Counterfeiting Management

Mechanism of product traceability system (Traceability)

To ensure supply chain transparency, TSH Biopharm has established a comprehensive global product traceability mechanism. Each box of drugs is assigned a unique "product code and batch number code," with detailed records of the material number, batch number, and ex-factory activities. Through strict batch release procedures, we can precisely track product flows, ensuring rapid traceability and management whenever necessary.

Anti-Counterfeiting and Customer Communication

The Company's pharmaceutical sales are regulated by the Pharmaceutical Affairs Act and are limited to medical institutions (B2B model). Through rigorous channel management and the accurate dissemination of information by sales representatives, the Company prevents counterfeit drugs from entering the legitimate supply chain. **In 2025, there were no counterfeit drug-related cases that resulted in raids or criminal charges (0 cases).**

Drug Recall Drill (Product Recall)

To establish the final line of defense for patients, we have formulated standardized recall procedures in accordance with GDP regulations:

- Simulation drills: On November 10, 2025, an annual mock recall drill was conducted to verify the timeliness and accuracy of product traceability in receiving, inventory, and customer-side tracing.
- Execution results: In 2025, no adverse events occurred that required a drug recall (0 cases).

Global Pharmacovigilance and Reporting (PV)

The Company strictly complies with international pharmacovigilance regulations, as well as Taiwan's Pharmaceutical Affairs Act and Regulations for

Reporting Serious Adverse Drug Reactions.

• Dedicated mechanisms: We have established a dedicated unit to actively conduct post-marketing drug safety monitoring (PV). The scope includes adverse reaction case collection, evaluation, signal detection, and risk management.

2025 Results

• On August 20, 2025, the regulatory unit held the "Annual Employee Drug Safety Reporting Training" for all employees to communicate the latest regulations and reporting responsibilities. A total of 43 employees completed the training, and records were retained, fostering a company-wide quality and safety culture.

• In 2025, none of the Company's products were listed in public medical product safety or adverse event alert databases (such as FDA MedWatch) (0 cases). [SASB HC-BP-250a.1]

2025 Results — In 2025, the regulatory unit held the "Annual Employee Drug Safety Reporting Training" to communicate the latest regulations and reporting responsibilities to employees; a total of 43 employees completed the training, and records were retained

2025 Results — In 2025, none of the Company's products were listed in public medical product safety or adverse event alert databases (such as FDA MedWatch) (0 cases). [SASB HC-BP-250a.1]

Short-, Medium-, and Long-Term Goals for Product Responsibility and Safety

To ensure patient medication safety and product compliance, TSH Biopharm has established the following phased management goals:

Category	Short-term Goals	Mid-term goals	Long-term Goals
Drug Safety	● Completion rate of the annual mock drug recall exercise reached 100%. ● 100% completion rate for employee training on drug safety reporting.	● Establish a more comprehensive digitalized pharmacovigilance database. ● Monitor post-marketing adverse drug reactions to ensure ongoing compliance.	● Achieve zero findings in global pharmacovigilance. ● Establish a full lifecycle drug risk management culture.
Quality Compliance	● Zero major quality recall events occurred (0 cases). ● 100% of product labeling and marketing content complied with regulations.	● Strengthen the audit and oversight mechanisms for outsourced contract research organizations (CROs). ● Enhance the real-time capability and transparency of product traceability systems.	● Become an industry benchmark for drug quality and patient safety.

2.4 Access to Medicine and Pricing Responsibility

HC-BP-240a.1 HC-BP-240b.2 HC-BP-240b.3

Based on the 2025 materiality assessment results, "Drug Distribution and Pricing" is identified as one of the Top 7 double materiality issues. We recognize that while National Health Insurance drug price adjustments pose a potential financial impact (risk) on revenue, enhancing drug accessibility creates significant social value and long-term trust (opportunity). Therefore, TSH Biopharm adopts a management strategy that aligns "social responsibility" and "fair pricing." During sales, price control is implemented according to the approval authority of internal supervisors at various levels. This approach aims to achieve a win-win-win outcome for patients, the Company, and medical institutions, while striving to balance operating profit with public health interests:

Aspect	Description
Material Topics in this Chapter	Drug distribution and pricing (Access to Medicines)
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 drug accessibility, affordability, and equity. We are committed to continuously optimizing our channel strategy, promoting reasonable pricing, and actively introducing innovative therapies so that more patients can obtain high-quality treatment at reasonable prices.
Management Mechanism	To fulfill our commitment to drug accessibility, 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. The Company will regularly track the WHO essential medicines supply rate, new drug National Health Insurance pricing approval progress, and the growth rate of precision medicine service recipients. ●Grievance mechanism: A customer service hotline and a "stakeholder contact mailbox" are established to provide consultation services with responses provided within 24 hours regarding concerns about drug prices or supply.
Positive and negative impacts	Positive Actual/ Potential Impact: Opening up sales and distribution channels through hospitals, clinics, and specialty centers is critical. This directly affects whether the Company's products (such as cancer drugs or orphan drugs) can effectively reach patients. Negative Actual/ Potential Impact: 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.
Responsible Units	Corporate Development and R&D Division, Marketing Division
2025 Evaluation Mechanism and Results	1. Among the Company's primary products, a total of 8 products are included in National Health Insurance reimbursement, ensuring that a wide range of patients can obtain necessary medications at fair prices. 2. Compared to 2024, the Company implemented no product price increase (0% Price Increase). Conversely, in accordance with the national drug pricing policy, a total of 2 products underwent price reductions, with an average decrease of 5%. While this has pressured revenue, we have absorbed the costs through supply chain optimization to fulfill our social responsibility regarding drug affordability. 3. By the end of 2025, the Company had no products listed in the U.S. market, and thus was not involved in any pricing disputes within that market.
Short-, 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 a drug accessibility 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 drug accessibility, actively engaging in policy advocacy and cross-sector collaboration.

2025 Pricing Performance Highlights

- **NHI drug portfolio:** Among the Company's primary products, a total of **8** products are included in National Health Insurance reimbursement, ensuring that a wide range of patients can obtain necessary medications at fair prices.
- **Price changes:** In 2025, compared to 2024, the Company implemented **no product price increase (0% Price Increase)**. Conversely, in accordance with the national drug pricing policy, a total of **2** products underwent price reductions, with an average **decrease of 5%**. While this has pressured revenue, we have absorbed the costs through supply chain optimization to fulfill our social responsibility regarding drug affordability.

NHI Pricing Strategy & Affordability

Regarding the "drug pricing and price increases" issue of concern in the SASB Standards, TSH Biopharm's product portfolio consists primarily of prescription drugs, the vast majority of which have been included in Taiwan's National Health Insurance (NHI) reimbursement system. We recognize the significant impact of drug pricing on patient rights and national health insurance sustainability; therefore, we have adopted a "responsible pricing strategy:"

- Alignment with policy: Our drug pricing is not driven solely by the goal of maximizing market profits; instead, we strictly adhere to the drug pricing regulations of the National Health Insurance Administration (NHIA).
- Reducing burdens: Despite the operational challenges and profitability pressure brought about by regular adjustment of NHI drug prices, we have remained proactive in supporting national policies. By absorbing costs through internal supply chain optimization, we ensure that patients can access essential medications at fair and stable prices, effectively reducing the social healthcare burden.
- Market scope: Regarding the high drug price market risk highlighted by the SASB Standards, the Company hereby declares that as of the end of 2025, the Company had no products listed in the U.S. market, and therefore was not involved in any pricing disputes in the U.S. market.

Commitment to Public Health

While pursuing economic performance, we remain steadfast in our commitment to public health. Despite thin margins for some acute and critical care drugs, TSH Biopharm continues to produce key medicines listed on the WHO Model List of Essential Medicines (such as hepatitis C medication Ribarin and emergency medication Aleviatin), ensuring that Taiwan's medical safety net remains intact regardless of commercial considerations.

To fulfill the above commitments and align with the United Nations Sustainable Development Goals (SDG 3), we have established the following short, medium, and long-term management goals based on the risk assessment results:

Target dimension	Short-term Goals	Mid-term goals	Long-term Goals
Drug accessibility (Accessibility) Strengthening the medical safety net	1. Care for acute and critical illnesses: Ensure the continuous production of 2 WHO Essential Medicines List drugs (Ribarin for hepatitis C and Aleviatin anti-epileptic injection), maintaining the position as the sole supplier in Taiwan and preventing supply chain disruptions driven by profit considerations. 2. Expand coverage: Key products (such as Cretrol and Amtrel) maintained a high coverage rate across medical centers and regional hospitals in Taiwan; the number of precision medicine testing service users grew by 37%.	1. Overseas Expansion: Replicating the successful model of Amtrel, we will promote the registration and launch of Cretrol in ASEAN markets such as Vietnam, the Philippines, and Indonesia to expand access to medicine for Asian patients. 2. Orthopedics layout: Complete the registration and obtain the drug license for the new osteoporosis drug EDIA20 (expected in 2026 Q4).	1. Regional Leadership: Become a benchmark drug development and marketing partner in the Asia-Pacific region, establishing a transnational drug supply resilience network. 2. Full-lifecycle care: By integrating liquid biopsy with NGS technology, realize a comprehensive cancer care ecosystem spanning "screening, diagnosis, medication, and monitoring."
Affordability	1. Reasonable Pricing: In alignment with the	1. Localized Pricing: For Southeast Asian	1. Value-Based Payment: Evaluate the

(Affordability) Fair pricing and burden alleviation	NHI drug price adjustment policy, costs are absorbed through supply chain optimization to ensure that drug price increases remain below the CPI or maintain a 0% inappropriate increase (SASB indicator). 2. New Drug Access: We set an annual sales target of over 20 million tablets for Cretrol, a new fixed-dose combination drug, to provide more chronic disease patients with access to high-quality medication at NHI prices.	emerging markets, we have formulated a competitive pricing strategy aligned with local purchasing power, referencing local national income and health insurance systems. 2. Promotion of Insurance Coverage: Actively seek the inclusion of the orphan drug GASA25 in National Health Insurance or orphan drug reimbursement to reduce catastrophic healthcare expenditure for patients' families.	introduction of pharmacoeconomic models to demonstrate the value of drugs to stakeholders and support the sustainable allocation of National Health Insurance resources. 2. Social Impact: Evaluate the establishment of diverse medication support or assistance programs for economically disadvantaged patients.
Innovation and Unmet Needs (Unmet Needs) Filling medical gaps	1. Precision Prevention: The introduction of new cancer testing items from Korea complements the early screening portfolio and realizes preventive medicine. 2. Ophthalmology expansion: Accelerate the registration progress of BCSA25, a new drug for presbyopia treatment, in Taiwan to address vision issues associated with an aging population.	1. Rare disease solutions: Complete preparation for the orphan drug registration of GASA25 (for CDKL5 deficiency disorder) to fill the treatment gap for rare epilepsy. 2. New drug for chronic diseases: Complete the registration of the new cardiovascular drug LBCA19.	1. Dual-Engine Strategy: Continue to introduce international early-stage new drugs for co-development, focusing on Asia-specific diseases or neglected medical needs. 2. Sustainable R&D: The "drug accessibility assessment" has been formally incorporated into the standard decision-making process for new product in-licensing.

2.5 Sustainable Supply Chain Management

HC-BP-430a.1

Short-, Medium-, and Long-Term Supply Chain Management Goals

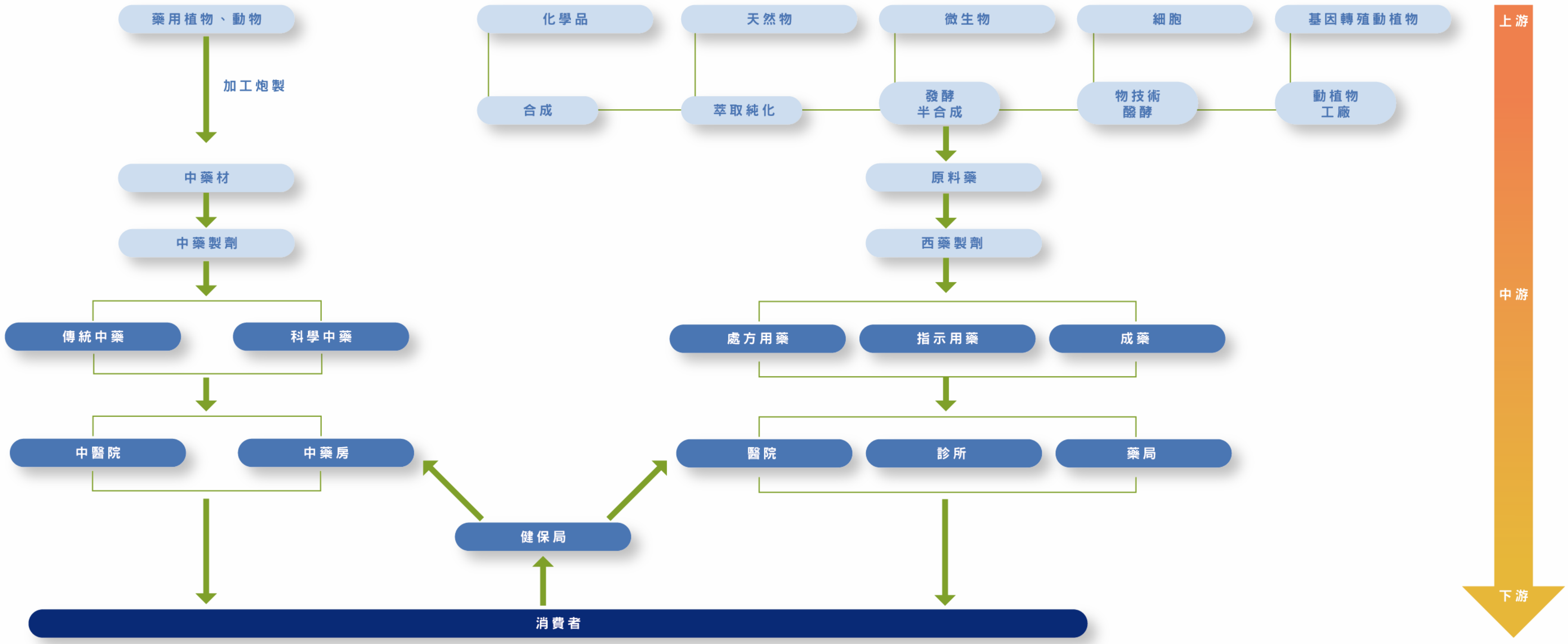
To ensure supply chain resilience and respond to climate change and human rights risks, TSH Biopharm has formulated the following phased quantitative management goals based on the risk assessment results:

Aspect	Description
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. Implement tiered management and adopt a dual-track system of written questionnaires or on-site inspections based on risk levels 2. With a "patient-centered" approach at the core of our products, the main prescription drug products are primarily cardiovascular drugs, gastroenterology drugs, and central nervous system drugs, while we continue to expand into ophthalmology and special disease fields, committing to cultivating niche chronic disease markets and simultaneously implementing a dual-engine strategy to create precision medicine and provide more comprehensive treatment options. 3. Resilience Enhancement: Actively seek compliant second sources. 4. Sustainable Engagement: Enhance supplier sustainability awareness through CSR / ESG questionnaires. ● External grievance: A supplier complaint mailbox is available in the "Stakeholder Section" of the official website. ● Internal Communication: Routine procurement meetings and supplier conferences are held on a regular basis. ● Review the percentage of E-grade suppliers annually based on the "supplier evaluation results;" and conduct internal audits to ensure procurement processes comply with ISO standards.
Positive and negative impacts	● Positive Actual/ Potential Impact: Strict supplier screening ensures that raw materials comply with GMP/ICH standards, reducing the risk of product recalls; local procurement further supports the domestic economy and minimizes carbon footprints. ● Negative Actual/ Potential Impact: Supply chain disruption risk; or excessively stringent EHS or compliance thresholds imposed on suppliers in response to rising prices caused by raw materials or operational requirements may result in some suppliers being unable to cooperate and withdrawing from the partnership, with a more severe impact especially on key raw material or outsourced process suppliers, which thereby causes production delays or interruptions.
Responsible Units	Corporate Development and R&D Division, Marketing Division
2025 Evaluation Mechanism and Results	1. There were no incidents in 2025 involving violations of regulations related to product or service information or labeling, and no fines or warnings were issued by regulatory authorities. 2. In the 2025 supplier evaluation, 22 suppliers (including warehousing and logistics providers) were assessed, with 100% meeting required standards. 3. The local procurement ratio in 2025 was approximately 60% (local is defined as a supplier whose registered place of business and primary operations are located in Taiwan), mainly concentrated in packaging materials and some pharmaceutical formulation contract manufacturing. 4. One new supplier (outsourced warehousing) was added this year, and 100% passed screening and on-site audits covering environmental, social, and quality standards, with evaluation results complying with GDP regulations.

	5. The Company conducted a periodic re-evaluation of 5 sites this year (including 4 manufacturers and 1 warehouse), and the audit results showed 100% compliance with GMP/GDP regulations.			
Short-, Mid- to Long-Term Goals	**Target category**	**Short-term Goals**	**Mid-term goals**	**Long-term Goals**
	Quality and Compliance	● Key 1st-tier suppliers maintained 100% PIC/S GMP certification. ● Completed the annual supplier on-site audit plan, achieving an audit completion rate of 100%.	● Implement a third-party audit mechanism or joint audit for high-risk suppliers. ● The degree of supplier management process digitalization reached 80%.	● Established a full supply chain quality risk early warning system with an early warning accuracy rate of 90%. ● Establish strategic alliances with key suppliers to jointly develop new process technology.
	Supply chain resilience	● Completed the evaluation and filing of 2nd sources for key active pharmaceutical ingredients. ● Maintain the local procurement ratio above 50%.	● The actual implementation ratio of 2nd sources for key products has increased. ● Achieve 100% coverage for the business continuity plan (BCP) against supply chain disruption risk.	● Increase the localization of key raw material procurement to mitigate geopolitical risks. ● The supply chain possesses adaptive resilience to climate change.
	ESG and Sustainability	● 100% of new suppliers signed the CSR commitment letter. ● The response rate of the CSR self-assessment questionnaire for key suppliers reached 58.3%. (The CSR questionnaire will be renamed as the ESG questionnaire)	● Encourage 2-3 key suppliers to conduct greenhouse gas inventories (ISO 14064). ● Incorporate supplier ESG performance into annual evaluation scoring and increase the weighting to 10%, thereby raising the questionnaire response rate to over 60%.	● Key suppliers set specific decarbonization targets (with reference to SBTi). ● Incorporate supplier ESG performance into annual evaluation scoring and increase the weighting to 10%, thereby raising the questionnaire response rate to over 70%.

Supply Chain Structure and Local Procurement GRI 2-6 GRI 204-1

The pharmaceutical manufacturing industry can be broken down to upstream, midstream, and downstream; those in the upstream and midstream engage in the search and manufacturing of raw materials (bulk drugs), and those in the downstream are the manufacturers and sellers of preparations (The figure below shows the following:). TSH Biopharm operates within pharmaceutical agency sales and distribution channels, positioned between the midstream and downstream segments of the value chain. After developing and outsourcing manufacturing to CDMO (Contract Development and Manufacturing Organization) vendors, the company markets and sells products to hospitals and clinics. Precision medicine products are directly offered to hospitals, clinics, and consumers.



藥用植物、動物	Medicinal plants and animals
加工焙製	Processing and roasting
中藥材	Chinese herbal medicines
中藥製劑	Finished dosage form of Chinese herbal medicine

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

Local Procurement and Support

The Company actively implements sustainable supply chain management to promote local economic development. The local procurement ratios for raw materials, finished product procurement, contract manufacturing, and testing services from 2023 to 2025 were as follows:

2023	2024	2025
71%	53%	60%

Due to the nature of the Company's product processes, certain key raw materials and finished products remain primarily sourced from overseas. In 2024, the expanded market introduction of new products led to increased procurement demand for overseas raw materials and finished products, causing the local procurement ratio for that year to decline to 53%. Entering 2025, the Company continued to optimize supply chain allocation and procurement strategies, while strengthening cooperation with local suppliers and increasing the proportion of outsourced manufacturing services, in order to enhance supply chain flexibility and overall operational efficiency, bringing the local procurement ratio back up to 60% in 2025. In the future, as market demand for products continues to grow, the Company will flexibly adjust its global procurement allocation based on product characteristics, quality requirements, and supply efficiency; therefore, the proportion of local procurement may fluctuate due to changes in the product mix. The Company will continue to evaluate and develop local supply resources, deepen supply chain resilience, and fulfill its sustainable procurement commitment.

Supplier management policy

To ensure focused management and risk control, and in compliance with the Company's "Supplier Management Procedures," TSH Biopharm classifies suppliers into three major categories based on their attributes:

- Finished product suppliers: Partners that provide pharmaceutical products that have completed manufacturing and packaging.
- Contract manufacturers: Manufacturers commissioned by the Company to carry out pharmaceutical production or contract manufacturing.
- Active pharmaceutical ingredient (API) suppliers: Sources that provide the active ingredients of drugs.

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.
The management policy covers four major aspects:

- 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 and Human Rights | Encourage suppliers to obtain certifications such as ISO 14001, ISO 45001, and AED safe premises. The evaluation standards also cover basic human rights clauses such as the prohibition of child labor and the elimination of forced labor, and require the signing of a corporate social responsibility self-assessment questionnaire.

Supplier Evaluation Mechanism

GRI 308-1 GRI 414-1

To ensure supply chain stability and compliance with internal control and sustainability requirements, the Company has established a comprehensive mechanism—from “new supplier onboarding and screening” to “existing supplier classification and dual-track evaluation system”—in accordance with the “Supplier Management Procedures:”

1. New Supplier Screening

For new partners seeking inclusion in the Company’s qualified supplier list, we implement a strict qualification review and ESG screening to ensure they not only meet quality standards but also demonstrate environmental and social responsibility awareness.

- Qualification review: Suppliers are required to provide documents such as pharmaceutical manufacturer/distributor licenses, valid PIC/S GMP certificates, factory registration certificates, and the latest version of the Site Master File (SMF). ESG and quality evaluation: Evaluators conduct on-site inspections or perform documentary reviews through the “entrusted manufacturer questionnaire (including sustainability questionnaire).”
- The review aspects cover: quality system: manufacturing, quality assurance, warehousing, and validation systems. Sustainability indicators: Environmental management (such as ISO 14001), labor human rights, and occupational health and safety (such as ISO 45001).

2025 Screening Performance

2025 Results In 2025, 1 new supplier (outsourced warehousing) was added, and 100% passed screening and on-site audits covering environmental, social, and quality standards, with evaluation results complying with GDP regulations.

2. Existing Supplier Classification and Dual-Track Evaluation System

To effectively manage risks, the Company implements a dual-track management mechanism of “annual comprehensive evaluation” and “periodic re-evaluation" for suppliers already included in the qualified supplier list, applying tiered management based on evaluation results.

Comparison item	Annual Comprehensive Evaluation (Annual Evaluation)	Periodic Re-evaluation (Re-evaluation / Site Audit)
Management purpose	Continuously track suppliers' daily operating performance and level of cooperation.	Conduct in-depth verification of quality systems and risk control capabilities for key/long-term partners.
Applicable scope	All qualified suppliers with business dealings with the Company.	Suppliers with a cooperation period of 3 years or more, or those assessed as high-risk/key suppliers.
Frequency of execution	Once a year	Once every 3 years (or adjusted flexibly based on risk conditions)
Evaluation method	Written questionnaire Completed by suppliers and reviewed by the procurement/quality assurance units.	On-site audit (Site Audit) The audit team goes to the site in person to inspect the manufacturing, quality assurance, and warehousing systems.
Assessment dimensions	Quality (Q), delivery (D), service (S), and cooperation.	Compliance with GMP/GDP regulations, process control, plant facilities, and document systems.
Management measures	Tiered management measures: Grading is based on the evaluation scores. If evaluation results fail to meet the standard (falling into Grade E / below 60 points), the following measures will be taken: 1. Notify of the suspension of procurement. 2. Request suppliers to submit an improvement plan. 3. Re-evaluations are conducted as necessary; those who fail to improve will be removed from the qualified supplier list.	Determine compliance with GMP/GDP regulations based on audit results. If deficiencies are identified, suppliers are required to submit corrective and preventive actions (CAPA) within the prescribed period, and improvement effectiveness will be tracked; if major violations are involved and remain uncorrected, qualified supplier status will be revoked or the cooperation will be terminated.
2025 Actuals	Number of companies assessed: 24 (including warehousing and logistics) CSR questionnaire response rate: 58.3% Assessment results: 100% all qualified	Number of sites executed: 5 (including 4 manufacturing plants and 1 warehouse) Audit results: 100% compliance with GMP/GDP regulations

Supply Chain ESG Engagement Practices and Effectiveness

Beyond quality and operating performance, the Company extends its management reach to environmental and social aspects through the "Supplier Corporate Social Responsibility Self-Assessment Questionnaire" and on-site visits. In 2025, the Company deepened its collaboration with key suppliers, with the following specific results:

1. New Supplier Screening

2025 Results **In 2025, 1 new supplier (outsourced warehousing) was added, and 100% passed screening and on-site audits covering environmental, social, and quality standards, with evaluation results complying with GDP regulations.**

2. Periodic Re-Evaluation

2025 Results **A total of 5 sites were audited this year (including 4 manufacturing plants and 1 warehouse), with audit results showing 100% compliance with GMP/GDP regulations.**

3. Key Supplier ESG Performance (Engagement)

We encourage suppliers to respond to the CSR questionnaire (which will be renamed the ESG questionnaire after 2026) and obtain international certifications. The following are the specific ESG initiatives of key partners in 2025:

2025 Key Supplier ESG Performance Highlights

Evaluation aspects	Domestic key suppliers (using API manufacturers as an example)	Overseas partners (using international manufacturers as an example)
Environmental (E) Climate and Energy	● **Management systems:** Obtained **ISO 14001** and **ISO 50001** energy management system certifications. ● **Carbon inventory work:** Completed **ISO 14064-1** greenhouse gas inventory and third-party verification. ● **Resource circularity:** Promoted solvent recovery and waste reduction.	● **Renewable energy:** A solar power generation system (1 MW) was installed at the plant, with renewable energy accounting for **20%** of total usage. ● **Water resources:** Installed a water metering and monitoring system. ● **Waste:** Handled by qualified vendors for legal disposal.
Social aspect (S) Human rights and Safety	● **Workplace safety:** Obtained **ISO 45001** occupational health and safety certification. ● **Health promotion:** Obtained the Ministry of Health and Welfare's "2025 Workplace Health Promotion Self-Assessment Qualification Certificate."	● **Human rights commitment:** Signed a statement committing to the **100%** prohibition of child labor. ● **Occupational injury performance:** Reported a **zero occupational injury** record for the past 5 years. ● **Salary and benefits:** Provided remuneration above the statutory minimum wage.
Governance aspect (G) Quality and Integrity	● **Quality certification:** 100% compliance with PIC/S GMP standards. ● **Ethical management:** Signed an anti-bribery commitment, with no record of ethical violations.	● **Supply chain management:** A risk mapping for high-risk areas has been established. ● **Compliance record:** No significant environmental or ethical violation penalties in the past 3 years.

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Environmental Sustainability: Climate Governance and Biodiversity

3. Environmental Sustainability: Climate Governance and Biodiversity

Management Approach for Material Topics – Climate Change

Aspect	Environmental Sustainability (E)
Material Topics in this Chapter	Climate Change
Commitments / Policies	1. **Climate Mitigation and Adaptation:** Committed to conducting greenhouse gas inventories in accordance with ISO 14064-1, while gradually adopting renewable energy and promoting green supply chains to reduce operational carbon emissions. 2. **Nature Positive:** Committed to ensuring that operational activities do not cause damage to ecologically sensitive areas, and to actively promoting "natural carbon sinks" and "habitat restoration" initiatives to reduce the environmental impact of the supply chain (in response to TWSE E-14, E-15).
Management Mechanism	1. Education and training on the disclosure of climate-related information have been conducted in accordance with the four core elements of the TCFD recommendations—governance, strategy, risk management, and metrics and targets—to proactively address emerging global issues. 2. **Data Governance and Verification:** Greenhouse gas inventory and quantification were conducted in accordance with ISO 14064-1:2018. **3. Value Chain Upstream Management:** For project-derived gifts, water-based dyes that meet the ZDHC standard were selected to eliminate chemical pollution at the source. **4. Promote the watershed restoration project:** Through contract farming, we required farmers to 100% discontinue the use of chemical pesticides and fertilizers. In 2025, we successfully reduced chemical fertilizer use by 288 kg and contributed 286 kgCO2e of carbon reduction.
Positive and negative impacts	● **Positive Actual/ Potential Impact:** By promoting "friendly contract farming" and "carbon-negative farming," the Company not only creates natural carbon sinks but also protects local biodiversity, enhances its green brand value, and fosters community inclusion. ● **Positive Actual/ Potential Impact:** Stricter domestic and international regulations (such as carbon fee collection and supply chain carbon reduction requirements) may increase operating costs; extreme climate may lead to supply chain disruptions.
Responsible Units	President's Office, Sustainable Development Committee
2025 Evaluation Mechanism and Results	1. Disclosed in accordance with the four core elements of the TCFD recommendations. 2. Completed greenhouse gas inventory and quantification according to ISO 14064-1:2018 standard. Total greenhouse gas emissions intensity for Scope 1 + Scope 2 (metric tons CO2e / Parent Company Only revenue) was 0.0921. A third-party verification statement was also obtained, and the total greenhouse gas emissions intensity for Scope 1 + Scope 2 in 2025 decreased by 11.52% compared to 2024. Total energy use intensity in 2025 decreased by 20.33% compared to 2024; for inventory details, please refer to 3.1.1 Greenhouse Gas Management. (After verification), an annual reduction target of 0.5% in emission intensity was set, and 0.9% was achieved in 2025.
Short-, Mid- to Long-Term Goals	Short-term Goals Implement emission reductions based on the emission hotspots identified in the greenhouse gas inventory results. Set reduction targets (annual greenhouse gas emission intensity to decrease by 0.5% compared to the previous year). 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. Ultimate goal of achieving carbon neutrality

3.1 Climate Change and Greenhouse Gas Management

Task Force on Climate-related Financial Disclosures (TCFD) GRI 201-2

Issues such as climate change, global warming, and greenhouse gas emissions have garnered significant global attention in recent years, while United Nations Sustainable Development Goal SDG 13 is specifically focused on climate action. TSH Biopharm has conducted education and training on the disclosure of climate-related information in accordance with the four core elements of the TCFD recommendations—governance, strategy, risk management, and metrics and targets—to proactively address emerging global issues. In addition, the implementation status of climate-related information is disclosed in accordance with Attachment 2 of the Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE Listed and TPEx Listed Companies, and the content is included in Attachment 4 to this report.

TFCD 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	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	In accordance with the domestic Climate Change Response Act, the Company has initiated total control of greenhouse gas emissions. Carbon fee collection or total emission control has been implemented in recent years and may increase the Company's operating costs in the future.	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 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.	To reduce supply chain risks, TSH Biopharm has adopted the 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 lead to damage to its	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.

		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 events may lead to energy supply disruptions, affecting production.	To reduce long-term risks, TSH Biopharm has adopted the following measures: ● **Energy 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. ● **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.

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.

Greenhouse Gas Management

GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4

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. The greenhouse gas inventory boundary for this year included subsidiaries (Chuang Yi BioTech and TOP Pharma Medical-wares). Through the inventory process and results, the greenhouse gas emissions of each operating site were identified, and feasible greenhouse gas reduction solutions were proposed. 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 total emissions in 2025 increased compared to 2024, mainly because revenue also increased simultaneously, emission intensity decreased by 11.52% compared to 2024. To effectively monitor greenhouse gas emissions, the Company uses greenhouse gas emission intensity (metric tons CO2e/consolidated revenue (NTD million)) as the greenhouse gas management indicator, in which consolidated revenue includes TSH Biopharm Corporation, Chuang Yi BioTech, and TOP Pharma Medical-wares; greenhouse gas emissions are the sum of Category 1 and Category 2 emissions of the above three companies. The 2025 greenhouse gas inventory has passed third-party verification.

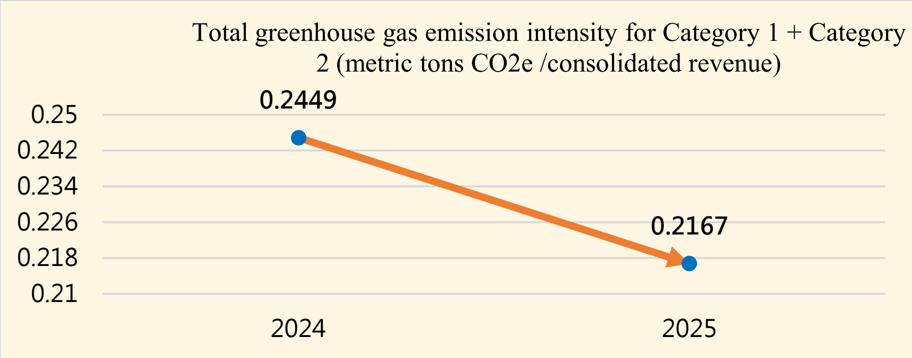
(The electricity carbon emission factor for the Company's greenhouse gas inventory is based on the factors published by the Bureau of Energy, Ministry of Economic Affairs: 0.494 kg CO_2e/kWh for 2023 and 0.474 kg CO_2e/kWh for 2024, 2025. Other factors are sourced from the greenhouse gas emission factor information platform published by the Bureau of Climate Change, Ministry of the Environment.)

2025 TSH's greenhouse gas emissions (Category 1 + Category 2)

Unit: (metric tons CO_2e/year)

Facility	TSH, Chuang Yi Biotech, Top Pharm	
Year	2024	2025
Category 1	157.7554	179.3999
CO_2	147.1585	168.3854
CH_4	4.4733	4.2630
N_2O	4.2315	4.8594
HFCs	1.8921	1.8921
PFCs	0.0000	0.0000
SF_6	0.0000	0.0000
NF_3	0.0000	0.0000
Category 2	115.4932	110.221
Category 1 + Category 2	273.2486	289.6207
Consolidated revenue	1,115.7	1,336.5

(NT$ million)		
Total greenhouse gas emission intensity for Category 1 + Category 2 (metric tons CO_2e / consolidated revenue)	0.2449	0.2167
Compared with the previous year	▼ **11.52%**	



GHG emissions from the headquarters and all operating locations in 2025 (Scope 3)

Unit: (Metric tons CO2e/year)

Facility / **Year**	**Taipei, Taichung, and Kaohsiung Offices** 2024	2025
Category 3 indirect greenhouse gas emissions from upstream transportation	87.7344	105.3873
3.1 Upstream raw material transportation and distribution	28.9503	17.9355
3.2 Downstream transportation and distribution	13.1757	13.8318
3.3 Employee commuting	35.2700	54.8558
3.5 Business travel	10.3384	18.7642
Category 4 indirect greenhouse gas emissions from products used by the organization	12.0172	14.7621
4.1 Fuel and energy-related activities	11.8151	14.3960
4.3 Waste generated in operations	0.2021	0.1088
Category 5 indirect greenhouse gas emissions from the use of organization-related products	-	-
Category 6 Other indirect emissions	-	-

Unit: (Metric tons CO2e/year)

Scope 3	**2024**	**2025**
Indirect greenhouse gas emissions from transportation • Upstream/downstream raw material transportation and distribution • Employee commuting and business travel • Indirect greenhouse gas emissions from the organization's use of products (fuel and energy-related emissions and waste generated by operations)	99.7516	119.8912

2025 Chuang Yi Biotech's greenhouse gas emissions (Scope 3)

Unit: (Metric tons CO2e/year)

	2024	2025
Category 3 indirect greenhouse gas emissions from upstream transportation	103.6966	33.2756
3.1 Upstream raw material transportation and distribution	2.8923	6.9378
3.2 Downstream transportation and distribution	6.6914	6.3268
3.3 Employee commuting	7.3572	15.9549
3.5 Business travel	86.7557	4.0561
Category 4 indirect greenhouse gas emissions from products used by the organization	1.0462	2.9164
4.1 Fuel and energy-related activities	-	-
4.3 Waste generated in operations	1.0462	2.9164
Category 5 indirect greenhouse gas emissions from the use of organization-related products	-	-
Category 6 Other indirect emissions	-	-

Scope 3	2024	2025
Indirect greenhouse gas emissions from transportation • Upstream/downstream raw material transportation and distribution • Employee commuting and business travel • Indirect greenhouse gas emissions from the organization's use of products (fuel and energy-related emissions and waste generated by operations)	104.7430	36.1920

2025 Top Pharm's greenhouse gas emissions (Scope 3)

Unit: (Metric tons CO2e/year)

	2024	2025
Category 3 indirect greenhouse gas emissions from upstream transportation	37.7709	98.3463
3.1 Upstream raw material transportation and distribution	4.6935	65.1932
3.2 Downstream transportation and distribution	20.8393	17.2692
3.3 Employee commuting	2.6367	6.6290
3.5 Business travel	9.6014	9.2549
Category 4 indirect greenhouse gas emissions from products used by the organization	52.5677	56.4028
4.1 Fuel and energy-related activities	51.2888	55.1239
4.3 Waste generated in operations	1.2789	1.2789
Category 5 indirect greenhouse gas emissions from the use of organization-related products	-	-
Category 6 Other indirect emissions	-	-

Scope 3	2024	2025
Indirect greenhouse gas emissions from transportation • Upstream/downstream raw material transportation and distribution • Employee commuting and business travel • Indirect greenhouse gas emissions from the organization's use of products (fuel and energy-related emissions and waste generated by operations)	90.3386	154.7491

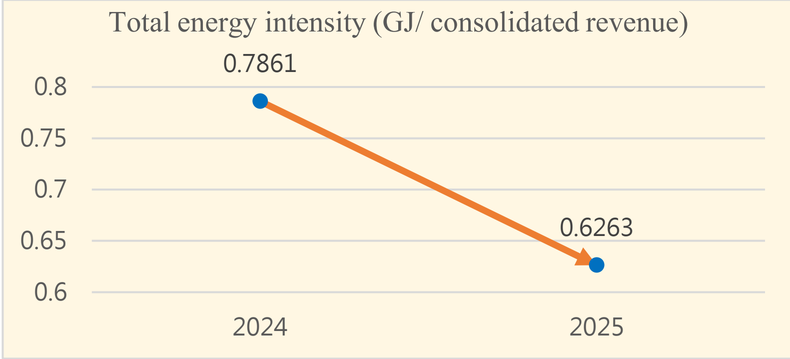
Unit: (Metric tons CO2e/year)

Energy Management GRI 302-1 GRI 302-3

Power Management

TSH, Chuang Yi Biotech, Top Pharm'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 is shown in the following table:

Year / Item	TSH, Chuang Yi Biotech, Top Pharm	
	2024	**2025**
Electricity (thousand kWh/year)	243.6565	232.5337
Electricity (GJ/year)	877.1634	837.1214
Consolidated Revenue (Unit: NT$ million)	**1,115.7**	**1,336.5**
Total energy intensity (GJ/ consolidated revenue)	0.7862	0.6263
(Compared with the previous year)	--	▼20.32%
Renewable energy usage rate/kWh	0	0



Conversion factor reference: Bureau of Energy, Ministry of Economic Affairs – Energy Product Unit Calorific Value Table (Updated 2024)
Electricity: 860,000 kcal/kWh, liquid petroleum gas (LPG): 10831 kcal/kg, natural gas (NG): 8,710 kcal/m³,
Gasoline: 7,520 kcal/L, Diesel: 8,629 kcal/L, 1 kcal = 4,186 J

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 2024 and 2025, total water consumption was 1,664.99 and 716.53 metric tons, respectively, with corresponding CO_2 emissions from water use at 0.1578 and 0.0679 metric tons. (The data on CO_2 emissions from water use is based on information from water bill receipts.)

Reduction Targets and Achievements

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.

Green Office

- **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.**
  **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.**
  **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.

Waste management GRI 306-3

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 2025.

Waste management process

Item		2023	2024	2025
General industrial waste	Pharmaceutical waste (Incineration)	1.84	1.34	0.76
Hazardous industrial waste	Medical waste	0.03	0	0
Total		**1.87**	**1.34**	**0.76**

Unit: Metric tons

廢棄物產生	Waste generation
營運特性主要污染源僅辦公室之一般生活廢棄物	The main pollution source from operational characteristics is only general domestic waste from offices.
存貨廢品存放於委外倉儲	Obsolete inventory stored in outsourced warehouses
貯存	Storage
貯存時嚴格執行資源及垃圾分類，以減少垃圾量	Strictly implement resource and waste segregation during storage to reduce waste volume.
廢棄/過期藥品委由加工製藥廠存放於委外倉儲	Waste/expired drugs are stored in outsourced warehouses by contract manufacturing pharmaceutical plants.
清運/處理	Transportation/disposal
辦公室產生之廢棄物皆委由大樓管委會委由合格廠商協助清運處理	Office waste is handled by qualified contractors commissioned by the building management committee.
報廢處理均透過專業的配合廠商並符合當地衛生局的規範來處理	Disposal is processed through professional partner vendors in compliance with local health department regulations.
數據留存	Data Retention
2024 年度無害特性及成份之廢棄藥品 1.34 公噸，並未產生有害醫療廢棄物，總廢棄物產量較 2023 年減少 28.34%。	In 2024, there were 1.34 metric tons of discarded pharmaceuticals with non-hazardous characteristics and ingredients, no hazardous medical waste was generated, and total waste production decreased by 28.34% compared with 2023.

Short-, Mid-, and Long-Term Goals for Climate Change and Greenhouse Gas Management

Target dimension	Short-Term Goals – Deepening Inventory and Aligning with Regulations	Medium-Term Goals: Scenario Analysis and Supply Chain Engagement	Long-Term Goals: Low-Carbon Transition and Science-Based Reduction
Greenhouse Gas Inventory and Reduction **(Scope 1 & Scope 2)**	**Verification completed:** Continued to follow ISO 14064-1:2018 to complete the inventory of greenhouse gas categories 1–6 and obtained third-party limited assurance.	**Continuous verification:** Continued to follow ISO 14064-1:2018 to complete the inventory of greenhouse gas categories 1–6 and obtained third-party limited assurance.	**Science-Based Targets:** Based on the inventory data, the Company will evaluate the adoption of the SBTi (Science Based Targets initiative) methodology and set reduction targets in line with the 1.5°C pathway.
Value Chain and Supply Chain Decarbonization **(Scope 3 & Procurement)**	**Commitment at the Source:** Require 100% of new suppliers to sign the ESG commitment letter (covering environmental protection regulations).	1. **Supplier Inventory:** Encourage and guide key suppliers to implement ISO 14064 greenhouse gas inventory. 2. **Evaluation Weighting:** Include supplier ESG performance (including carbon reduction actions) in annual evaluation scoring, with the weighting increased to 5%.	1. **The rate of suppliers introducing ISO 14064 greenhouse gas inventory increased by 3%.** 2. **Evaluation Weighting:** Include supplier ESG performance (including carbon reduction actions) in annual evaluation scoring, with the weighting increased to 10%.
Climate Risk Governance and Financial Disclosures (IFRS S2 / TCFD)	1. **Planning to implement IFRS S2:** Strengthen the disclosure framework for governance, strategy, risk management, and metrics and targets regarding climate-related risks and opportunities. 2. **Qualitative Scenario Analysis:** Initiated qualitative scenario analysis of physical and transition climate risks to identify potential financial impacts.	1. **Quantitative Financial Assessment:** The Company is progressively advancing climate scenario analysis to the "quantitative" stage to assess the financial impact of extreme climate or regulations on future cash flows and asset impairment. 2. **Internal Carbon Pricing:** Evaluate the introduction of an internal carbon pricing (ICP) mechanism as a reference for major investment decisions and risk management.	**Executive Performance Linkage:** Establish a substantive link between executive compensation and the achievement rate of climate/sustainability performance (ESG KPI).

3.2 Biodiversity and Watershed Restoration

1. Strategic Commitment:

Responding to Nature Positive through "Watershed Restoration" TSH Biopharm deeply understands that the pharmaceutical industry is closely connected with natural resources. To respond to the international TNFD framework and GRI 101's focus on nature-related risks, we have proactively adopted the "precautionary principle." 2025 marked the 2nd consecutive year of the Company's cooperation with social enterprises to support the "Leopard Cat Rice Watershed Restoration Project" in Tongluo Township, Miaoli County. Through contract farming with upstream farmers, the Company has transformed paddy fields previously under conventional farming into friendly farming, aiming to restore fragmented shallow mountain habitats and build regional climate resilience. This long-term commitment to the land has not only created fruitful ecological conservation results but also received high recognition from international authoritative institutions this year, winning the "Green Leadership Award" at the 2025 AREA Asia Responsible Enterprise Awards and demonstrating TSH's top benchmark green influence in Asia.

2. Management of Locations and Drivers [GRI 101-5, 101-6]

In accordance with the GRI 101: Biodiversity 2024 Standard, we have precisely identified project locations and implemented source control measures for "pollution" and "land-use change," which are key drivers of biodiversity loss:

- **Project Location:** Located in the Xinjilong Watershed, Tongluo Township, Miaoli County, the center coordinates are **(120.821230, 24.430463)**. This area is an important potential habitat for leopard cats (1st-class protected species) and is an ecologically sensitive area.
- **Drivers Control and Quantified Performance:** We have signed rigorous agreements with contract farmers that strictly prohibit the use of all chemical pesticides and herbicides. In 2025, the specific environmental benefits for the 0.24-hectare contracted area are as follows:
  - Preventing Chemical Pollution: Compared with conventional farming, this project can reduce approximately 57.6 kg of nitrogen fertilizer and approximately 288 kg of chemical fertilizer input each year, reducing potential pollution pressure on watershed water quality and soil at the source.
  - **Zero pesticide detection:** Testing by a third-party authoritative institution confirmed that none of the **411 pesticides were detected (N.D.)** in rice grains, demonstrating the implementation of green supply chain management (TWSE E-16).
  - **Advancing Natural Carbon Sinks:** Compared with conventional farming, this project directly contributed approximately **286 kgCO2e** in carbon emission reductions, specifically responding to "increasing soil organic matter" and "negative-carbon farming" in the national natural carbon sink strategy (TWSE E-15).

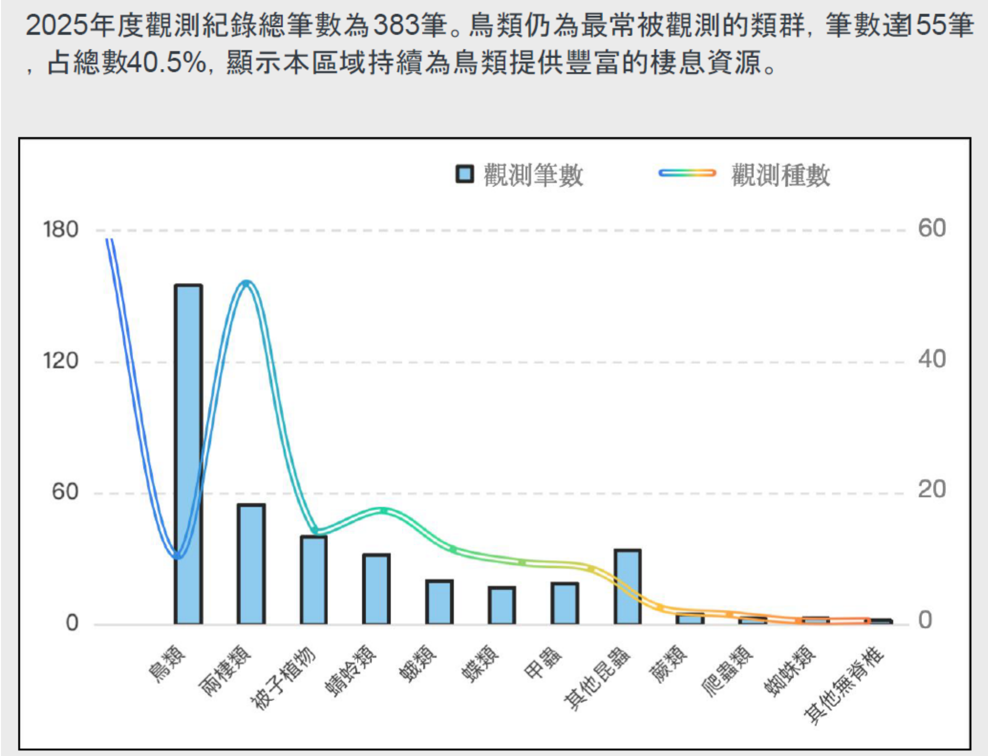
3. Ecological Performance [GRI 101-7]

To ensure the effectiveness of habitat restoration, we have implemented a scientific monitoring mechanism covering the fields and an extrapolated 200 meters. 2025 monitoring results indicate stable habitat health:

- **Species Richness:** A total of 383 biodiversity observation records were recorded throughout the year, covering 195 species. Birds were the most abundant (155 records and 61 species), indicating that the paddy field has become an important foraging and activity corridor for shallow mountain birds.
- **Species of Concern:** A total of 12 species of concern were recorded, including the black-winged kite, common kestrel (2nd-level protected species), and Formosan thistle (endangered plant). Although no leopard cats were captured on camera during the 2025 monitoring period, this

indicates that we need to continue strengthening ecological corridor connectivity; additional infrared cameras will be installed in the future to extend monitoring.

- **Habitat health index (NDVI):** The normalized difference vegetation index (NDVI) was calculated using Google Earth Engine (GEE). Data show that vegetation in paddy fields fluctuates regularly between 0.18 (fallow mudflat) and 0.85 (heading stage), creating spatiotemporal heterogeneity within the evergreen forest base and providing microhabitats and food resources in different seasons.



2025 年度觀測紀錄總筆數為 383 筆。鳥類仍為最常被觀測的類群，筆數達 55 筆，占總數 40.5%，顯示本區域持續為鳥類提供豐富的棲息資源。	The total number of observation records for 2025 was 383. Birds remained the most frequently observed group, with 55 records accounting for 40.5% of the total, indicating that this area continues to provide rich habitat resources for birds.
觀測筆數	Number of Observations
觀測種數	Number of Observed Species

鳥類	Birds
兩棲類	Amphibians
被子植物	Angiosperms
蜻蛉類	Odonates
蛾類	Moths
蝶類	Butterflies
甲蟲	Beetles
其他昆蟲	Other insects
蕨類	Ferns
爬蟲類	Reptiles
蜘蛛類	Arachnids
其他無脊椎	Other invertebrates

物種名稱	所屬類群	臺灣保育類等級	IUCN紅皮書受脅等級	2024 年觀測紀錄筆數	2025 年觀測紀錄筆數
石虎	哺乳類	第一級	無	1	0
大冠鷲	鳥類	第二級	無	3	4
灰面鵟鷹	鳥類	第二級	暫無危機	1	3
華薊	被子植物	無	瀕危	1	3
赤腹鷹	鳥類	第二級	接近受脅	1	1
東方蜂鷹	鳥類	第二級	接近受脅	0	0
林氏澤蘭	被子植物	無	易危	0	1
野黍	被子植物	無	瀕危	0	2
陰行草	被子植物	無	瀕危	0	3
鳳頭蒼鷹	鳥類	第二級	無	0	0
日本衛矛	被子植物	無	極危	0	0
東方鵟	鳥類	第二級	暫無危機	0	0
牛皮消	被子植物	無	瀕危	0	1
紅毛饅頭果	被子植物	無	易危	0	0
臺灣畫眉	鳥類	無	瀕危	0	1
臺灣藍鵲	鳥類	第三級	暫無危機	0	0
藍腹鷴	鳥類	第二級	暫無危機	0	0

註:臺灣保育類等級，第一級保育類為瀕臨 絕種保育類野生動物，第二級保育類為珍貴稀有保育類野生動物，第三級保育類為其他應予保育之野生動物。

物種名稱	Species Name
石虎	Leopard cat
大冠鷲	Crested serpent eagle
灰面鵟鷹	Grey-faced buzzard

華薊	Formosan thistle
赤腹鷹	Chinese sparrowhawk
東方蜂鷹	Oriental honey-buzzard
林氏澤蘭	Eupatorium lindleyanum
野黍	Fall panicgrass (Panicum dichotomiflorum)
陰行草	Sigesbeckia orientalis
鳳頭蒼鷹	Crested goshawk
日本衛矛	Japanese spindle
東方鵟	Eastern buzzard
牛皮消	Cynanchum auriculatum
紅毛饅頭果	Glochidion rubrum
臺灣畫眉	Taiwan Hwamei
臺灣藍鵲	Taiwan Blue Magpie
藍腹鷴	Swinhoe's blue pheasant
所屬類群	Category
哺乳類	Mammals
鳥類	Birds
被子植物	Angiosperms
臺灣保育類等級	Taiwan conservation status
第一級	1st level
第二級	2nd level
無	None
IUCN 紅皮書受脅等級	IUCN Red List threat status
無	None
暫無危機	Least Concern
瀕危	Endangered
接近受脅	Near Threatened
易危	Vulnerable
極危	Critically endangered
2024 年觀測紀錄筆數	Number of Observation Records in 2024
2025 年觀測紀錄筆數	Number of Observation Records in 2025

註:臺灣保育類等級，第一級保育類為瀕臨絕種保育類野生動物，第二級保育類為珍貴稀有保育類野生動物，第三級保育類為其他應予保育之野生動物。	Note: For Taiwan conservation status, 1st-level protected species are endangered protected wildlife, 2nd-level protected species are precious and rare protected wildlife, and 3rd-level protected species are other wildlife that should be protected.

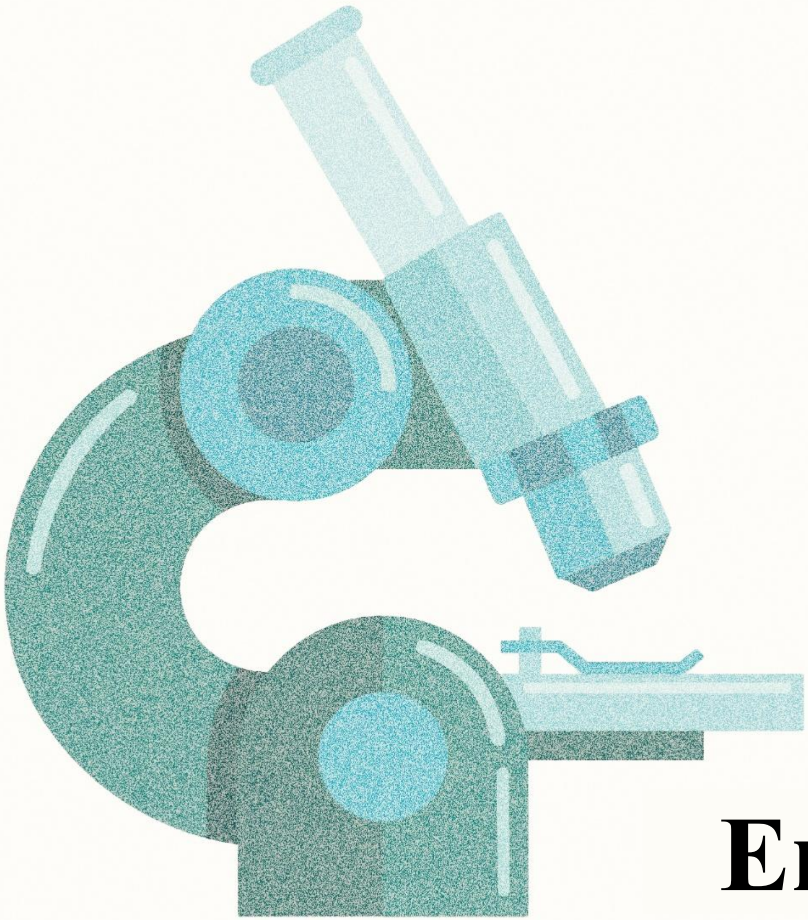
After 1 leopard cat (1st-level protected species) was recorded in 2024, none were recorded again in 2025. This phenomenon may reflect pressures such as roadkill and habitat disturbance on the population, and it may also be related to monitoring intensity or changes in individual activity. More infrared automatic cameras can be added in hotspot areas, combined with community reporting, to conduct 3–5 years of systematic monitoring to clarify population trends.

Social Inclusion Impact

This project not only stops at environmental protection but also creates the circular value of "production-ecology-public welfare." For the 2nd consecutive year, TSH Biopharm has supported the "Watershed Restoration" project, with contract farming increasing from approximately 377 Taiwanese catties in 2024 to approximately 1,137 Taiwanese catties in 2025. The cumulative contract farming volume over the two years reached approximately 1,514 Taiwanese catties, protecting leopard cat habitats and farmland ecology through concrete actions. The Company collaborated with the Old-Five-Old Foundation to sell part of the procured leopard cat rice for charity, with all proceeds donated to the foundation's operations for meal delivery services for elderly people living alone; it also held intergenerational exchange activities combined with food and agriculture education, transforming environmental value into concrete social care. Part of it is used as corporate brand gifts, becoming a medium for sharing TSH Biopharm's substantive ESG actions.

永續耕心 讓愛昇華	Sustainable Cultivation Elevating Love
東生華第二年投入「石虎流域收復計畫」，在通霄展開友善農耕，以插秧與石虎米手作肥皂活動，實踐環境永續。從同仁到家人，攜手守護棲地生態，讓公益內化為日常，讓愛在土地上持續發芽。	In the 2nd year of TSH Biopharm's participation in the "Leopard Cat Watershed Restoration Project," friendly farming was carried out in Tongxiao, and environmental sustainability was practiced through rice transplanting and leopard cat rice handmade soap activities. From colleagues to family members, working hand in hand to protect habitat ecology, public welfare is internalized into daily life, allowing love to

	continue sprouting on the land.



4

Employee Relations and Care

4. Employee Relations and Care

Aspect	Description
Material Topics in this Chapter	A Joyful and Diverse Workplace (including labor relations, diversity and equal opportunity, talent development and cultivation)
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. The company adheres to relevant labor regulations and respects internationally recognized fundamental labor rights principles, safeguarding employees' legal rights and implementing non-discriminatory employment policies, establishing appropriate management methods and procedures. 2. Provide employees with a safe and healthy environment, and regularly implement safety and health education for employees. 3. Establish regular employee communication mechanisms and reasonably notify employees of operational changes that may significantly impact them.
Positive and negative impacts	**Positive Actual/ Potential Impact:** 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. 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. 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. **Negative Actual/ Potential Impact** 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. 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.
Responsible Units	Administrative Department

2025 Evaluation Mechanism and Results	1. Occupational accident incidence rate in 2025: 0%. 2. The proportion of female employees of the Company in 2025 was 60%; among senior executives in 2025, women accounted for 20%. 3. The average salary adjustment in 2025 was approximately 2.5%~3.5%. 4. The Company provides one health examination each year, exceeding the requirements of the Labor Standards Act, and the total participation rate in 2025 was 74%, an increase of 16% over last year. 5. The Company subsidized influenza vaccination for employees and their family members in 2025. Subsidies were provided for 100 cell-based influenza vaccinations and 13 adjuvanted influenza vaccinations to strengthen the protection of employees' families.
Short-, 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. • Establish comprehensive psychological support channels and proactive measures to promote employee physical and mental health.

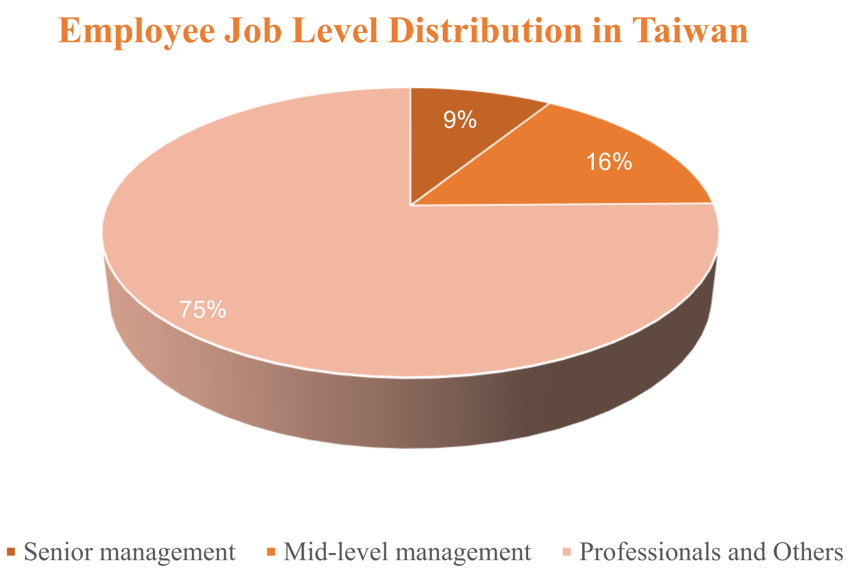
4.1 Employee Structure and Human Rights

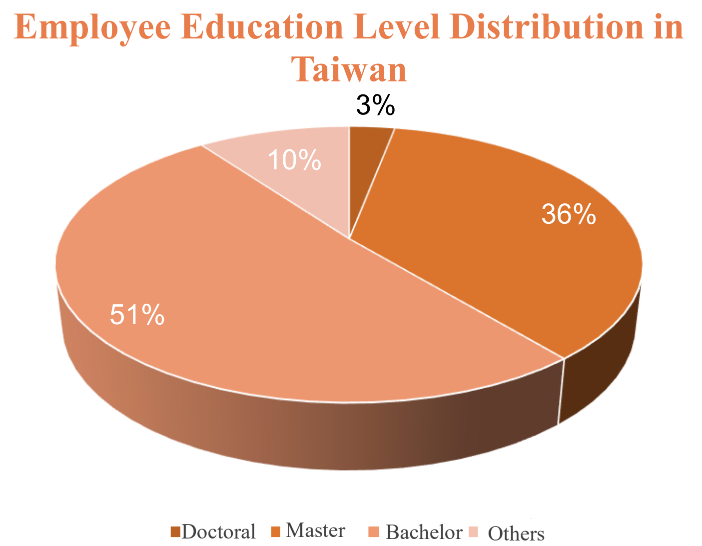
GRI 2-7 GRI 405-1

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 2025, TSH Biopharm's labor types included 70 full-time employees with indefinite-term contracts, 2 external consultants, and 0 dispatched workers to meet adjusted production needs. 100% of full-time employees with indefinite-term contracts are local nationals, and the proportion of female employees has remained steadily above 50% over the past 5 years; in addition, to promote equality in the employment environment, 1 person with disabilities was employed in 2025, and special groups accounted for 1.4% of all regular employees.





Workforce Composition in Taiwan (as of 2025.12.31)

GRI 2-7 GRI 2-8 GRI 405-1 GRI 202-2

Classification	Category	Male		Female		Total	
		Number of person	Proportion	Number of person	Proportion	Number of person	Proportion
Job Grade	Senior management	4	15%	1	2%	5	7%
	Mid-level management	4	15%	7	17%	11	16%
	Professionals and Others	19	70%	34	81%	53	77%
	Subtotal	27	39%	42	61%	69	100%
Age	Aged 30 and under	3	11%	3	7%	6	9%
	Aged 31–50	19	70%	32	76%	51	74%
	Aged 51 and over	5	19%	7	17%	12	17%
	Subtotal	27	39%	42	61%	69	100%
Education	Doctoral degree	0	0%	1	2%	1	1%
	Master’s degree	13	48%	12	29%	25	36%
	Bachelor's degree	13	48%	23	55%	36	52%
	Others	1	4%	6	14%	7	10%
	Subtotal	27	39%	42	61%	69	100%
Employment Type	Permanent employees (indefinite contract)	26	96%	41	98%	67	97%
	Fixed-term contract employees (temporary staff)	0	0%	1	2%	1	1%
	Minority or vulnerable groups	1	4%	0	0%	1	1%
	Subtotal	27	39%	42	61%	69	100%

Note: Years of service are calculated from the date of TSH Biopharm's establishment (established in September 2010) / Note: The work content of non-employees is general administrative work, and the Company pays fees to the staffing agency

Note: All management personnel are local (Taiwan area) personnel

Note: In 2025, there were 0 other non-employee workers (including outsourced personnel, dispatched personnel, contractors, etc.).

New hire and turnover employee structure GRI 401-1

- 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 2025, 21 new employees were hired, representing a new hire rate of 30%. 22 employees resigned, with a resignation rate of 30%. Due to the adjustment and expansion of the organization’s departments, the number of new hires and resignations in 2025 was higher than in 2024.

New Hire Structure in Taiwan, 2023–2025 (Statistics as of 2025.12.31)

Employee recruitment		2023		2024		2025	
Employees for the year (total)		67		71		69	
New hires (total)		7		23		21	
Percentage of new hires to total employees (%)		10%		32%		30%	
New hires	Under 18 years of age	0	0%	0	0%	0	0%
	Aged 18–30	2	29%	0	0%	2	10%
	Aged 30–50	5	71%	19	83%	18	86%
	Above 50 years of age	0	0%	4	17%	1	5%
	Male	1	14%	11	48%	10	48%
	Female	6	86%	12	52%	11	52%

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

Employee Turnover in Taiwan by Age Group, 2023–2025

2023–2025 Employee Turnover Structure in Taiwan	2023						2024						2025					
	Male		Female		Total		Male		Female		Total		Male		Female		Total	
	Number of person	Proportion	Number of person	Proportion	Number of person	Proportion	Number of person	Proportion	Number of person	Proportion	Number of person	Proportion	Number of person	Proportion	Number of person	Proportion	Number of person	Proportion
Aged 18 and under	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Aged 19 to 30 (inclusive)	2	25%	3	60%	5	38%	0	0%	0	0%	0	0%	1	10%	2	17%	3	14%
Aged 31 to 50 (inclusive)	6	75%	1	20%	7	54%	6	75%	9	82%	15	79%	9	90%	10	83%	19	86%
Aged 51 and over	0	0%	1	20%	1	8%	2	25%	2	18%	4	21%	0	0%	0	0%	0	0%
Subtotal	**8**	**62%**	**5**	**38%**	**13**	**100%**	**8**	**42%**	**11**	**58%**	**19**	**100%**	**10**	**45%**	**12**	**55%**	**22**	**100%**

2025 Employee Turnover in Taiwan by Management Level

2023–2025 Employee Turnover Structure in Taiwan	2023						2024						2025					
	Male		Female		Total		Male		Female		Total		Male		Female		Total	
By Management Level	Number of person	Proportion	Number of person	Proportion	Number of person	Proportion	Number of person	Proportion	Number of person	Proportion	Number of person	Proportion	Number of person	Proportion	Number of person	Proportion	Number of person	Proportion
Senior management	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Mid-level management	1	11%	0	0%	1	8%	0	0%	0	0%	0	0%	1	10%	0	0%	1	5%
Professionals and Others	8	89%	4	100%	12	92%	8	100%	11	100%	19	100%	9	90%	12	100%	21	95%
Subtotal	**9**	**69%**	**4**	**31%**	**13**	**100%**	**8**	**42%**	**11**	**58%**	**19**	**100%**	**10**	**45%**	**12**	**55%**	**22**	**100%**

2025 Total Turnover Rate and Voluntary Turnover Rate

SASB-BP-330a.2

2023~2025 Taiwan area Turnover Rate and Voluntary Turnover Rate	2023				2024				2025			
	Senior management	Mid-level management	Professionals and Others	Subtotal	Senior management	Mid-level management	Professionals and Others	Subtotal	Senior management	Mid-level management	Professionals and Others	Subtotal
Number of male who voluntarily	0	8	0	8	0	0	6	6	0	1	9	10
Number of female who voluntarily	0	0	4	4	0	0	10	10	0	0	12	12
Total number of employees who voluntarily	0	8	4	12	0	0	16	16	0	1	21	22
Turnover Rate	0%	12%	6%	18%	0%	0%	23%	23%	0%	1%	30%	32%
Number of male who involuntarily	0	0	1	1	0	0	2	2	0	0	1	1
Number of female who involuntarily	0	0	0	0	0	0	1	1	0	0	0	0
Total number of employees who involuntarily	0	0	1	1	0	0	3	3	0	0	1	1
Voluntary Turnover Rate	0%	0%	1%	1%	0%	0%	4%	4%	0%	0%	1%	1%
Total Turnover Rate	0%	12%	7%	19%	0%	0%	27%	27%	0%	1%	32%	33%

Note: The reason for involuntary turnover was incompetence

Note: Turnover rate = Total number of departing employees / Total number of employees in the current year

Human Rights Policy and Governance Structure

GRI 2-23

[Policy Commitment] TSH Biopharm strictly abides by the laws and regulations of its global operating locations and supports and complies with internationally recognized human rights standards, including the Universal Declaration of Human Rights, the Ten Principles of the United Nations Global Compact, and the United Nations Guiding Principles on Business and Human Rights (UNGPs). We are committed to treating all employees with fairness and dignity and to extending the scope of human rights protection to our supply chain partners.

[Scope of Management and Responsible Units] This policy applies to all employees and suppliers of the Company. The functional groups of the Sustainable Development Committee and the human resources unit serve as the responsible units for human rights issues, and they are responsible for regularly reviewing human rights risks and reporting implementation status to the Board of Directors.

TSH Biopharm Official Website / Sustainable Talent / Human Rights / Human Rights Management Program

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 2025, the Company employed one person with disabilities, accounting for 1.43% 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

SASB-BP-330a.1

TSH Biopharm attracts and retains talent through competitive 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 2025, we continued to deeply cultivate professional competencies and leadership training, and we stimulated the potential of colleagues through diversified teaching models:

Strengthening Core Competencies: Conducted the “Competency Forging Workshop,” guided by professional consultants to deeply instill the genes of team collaboration and self-leadership. In addition, the lecture “Reframing Thinking: Change Your Perspective, Restart Your Life” was also held to guide colleagues to view themselves and challenges from a new perspective through a shift in mindset.

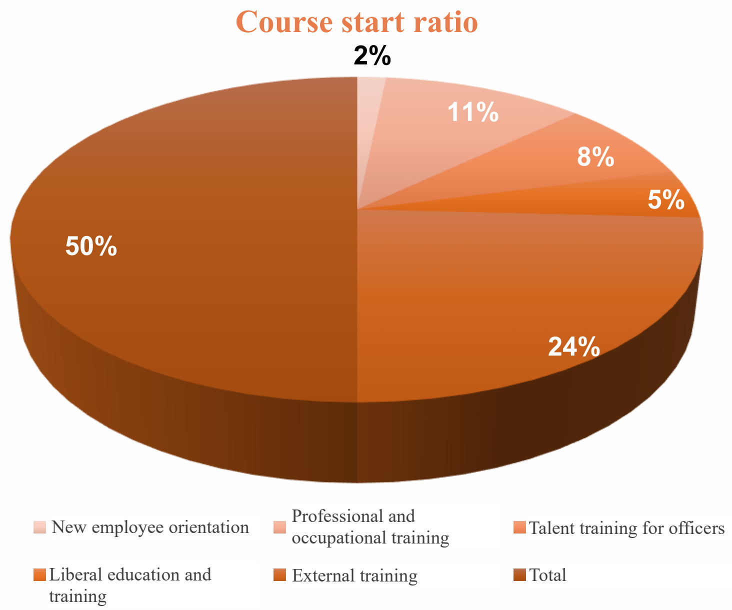
Management Competencies Improvement: Launched competency enhancement courses for new supervisors and utilized a “co-reading mechanism” to facilitate the exchange of management knowledge and the sharing of practical cases, thereby strengthening management competencies.

Digital Transformation Enablement: Promoted the “Power BI Data Application Course” to help colleagues improve work efficiency and decision-making accuracy through intelligent tools, demonstrating innovative value.

Education and training system and its implementation

The implementation of internal and external courses in 2025 is as follows:

Item	Number of classes	Total number of trainees
New employee orientation	2	40
Professional and occupational training	4	47
Talent training for officers	7	82
Liberal education and training	7	150
External training	27	27
Total	47	346



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 GRI 404-1

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

Average hours of employee education and training in 2025	Male		Female		Total	
	Total hours	Average hours	Total hours	Average hours	Total hours	Average hours
Senior executives	56.5	11.3	7.5	7.5	64	10.7
Mid-level managers	78	19.5	116.5	16.6	194.5	17.7
General employees	289	15.2	395	11.6	684	12.9
Total	423.5	15.1	519	12.4	942.5	13.5

* 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 2025, employee education and training were primarily conducted through group courses in collaboration with external consulting firms.

Additional Items in Performance Appraisal GRI 404-3

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)
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

Percentage of Regular Performance Reviews in 2025		Male	Female	Subtotal
Senior executives	(a1) Total employees at the end of the reporting period	4	1	5
	(b1) Number of employees receiving regular performance and career development reviews	4	1	5
	(b1/a1) Proportion	100%	100%	100%
Mid-level managers	(a2) Total number of employees at the end of the reporting period	4	7	11
	(b2) Number of employees receiving regular performance and career development reviews	3	7	10
	(b2/a2) Proportion	75%	100%	91%
General employees	(a3) Total employees at the end of the reporting period	19	34	53
	(b3) Number of employees receiving regular performance and career development reviews	17	32	49
	(b3/a3) Proportion	89%	94%	92%
Total	(R) Total number of employees at the end of the reporting period	28	42	70
	(Q) Number of employees receiving regular performance and career development reviews per employee	24	40	64
	(Q/R) Proportion	86%	95%	91%

Note: Regular performance review statistics exclude contract employees.

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.

Number of Promotions and Job Rotations by Job Categories in 2025	Promotion	Rotation	Subtotal
Senior executives	0	0	0
Mid-level managers	2	1	3
General employees	7	0	7
Total	9	1	10

Note: Promotion and rotation statistics exclude contract employees.

TSH education and training system

Management program	Sales 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	■ Introduction to Tender Management ■ Professional Sales Skills ■ Professional Pharmaceutical Sale Tools ■ Price Negotiation Skills ■ Distributor Management and Negotiation ■ Price Negotiation Process	■ Region Management ■ Practical Marketing ■ Introduction to Internationalization of Pharmaceuticals ■ New Market Development Assessment and Operations ■ Introduction to Regulatory Affairs and the Regulations for Registration of Medicinal Products	■ New Employee Training ■ Presentation Skills ■ Regulatory courses ■ Performance Development System

Collaborative learning mechanism

Regular reading clubs are held to facilitate the exchange of management knowledge and the sharing of practical cases, creating a cross-departmental learning environment for collective growth and thereby strengthening the leadership and management competencies of managers. In 2025, a total of 6 reading clubs were held.

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. In 2025, 6 sessions were jointly held in conjunction with the collaborative learning mechanism.

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 2025, 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. One person was cultivated in 2025.

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. The proportion of female employees of the Company in 2025 was 60%; among senior executives, women accounted for 20%.

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.

GRI 202-1 GRI 405-2

Ratio of Average Salary of Entry-Level Employees to Local Minimum Wage (Unit: NTD)

Year	Minimum Monthly Salary	Average Monthly Standard Salary for Entry-Level Employees		Ratio of average entry-level employee standard salary to local minimum wage (Note)	
		Female	Male	Female	Male
2023	26,400	30000	26400	1	0.88
2024	27,470	32250	27470	1	0.85
2025	28,590	34050	28,590	1	0.84

Note: 1. The average salary gap between male and female entry-level employees is primarily due to differences in work content and job attributes.

Remuneration Ratio by Employee Category:

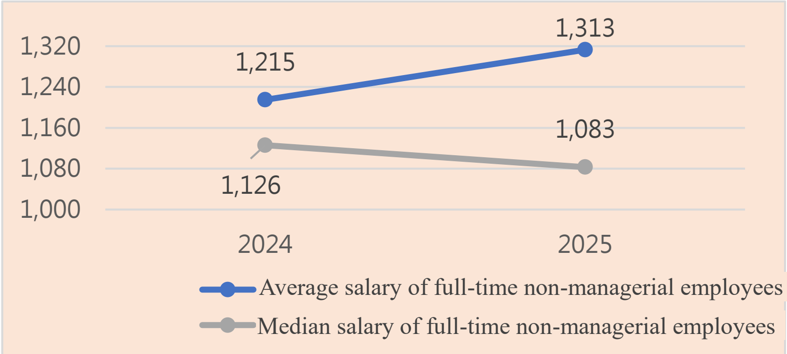
Ratio of Basic Salary and Compensation Between Genders in 2025		2023	2024	2025
		Female: Male	Female: Male	Female: Male
Job Grade	Senior executives	1:0.41	1:0.45	1:0.56
	Mid-level managers	1:0.91	1:0.90	1:0.86
	General employees	1:0.88	1:0.85	1:0.84

In 2025, the ratio of the annual total compensation of the highest-paid individual at TSH Biopharm to the median annual total compensation of other employees of the organization was 6.9:1. Additionally, the ratio of the percentage increase in total compensation for the highest-paid individual (from 2024 to 2025) to the median percentage increase for all other employees (excluding the highest-paid) was also 5.7:1.

Average and Median Salaries for Full-Time Non-Managerial Employees, and Year-on-Year Change GRI 2-21

	2023	2024	2025	Compared with the previous year
Average salary of full-time non-managerial employees	1,198	1,215	1,313	▲8.07%
Median salary of full-time non-managerial employees	1,125	1,126	1,083	▼3.82%

Unit: NTD thousand/person



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 average adjustment rate was 2.5~3.5% in 2025. In addition, to provide performance-based incentives, employees who performed exceptionally well and met promotion criteria were promoted with corresponding salary increases in 2025.

Diverse benefits

GRI 401-2

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 condolence allowance	Any employees who have passed the probationary period and are hospitalized due to illness will be offered a condolence 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 GRI 403-3

- 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 2025, 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 was 58% in 2024 and 74% in 2025, an increase of 16%.
- 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 (parental leave without pay) system GRI 401-3

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.
Parental Leave: As of December 31, 2025, a total of 1 employee (0 male / 1 female) were eligible for parental leave without pay. Zero employees actually applied for parental leave without pay, 0 employees were due to return to work and actually returned to work, and the reinstatement rate was 0%.

Year	2023			2024			2025		
Item	Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees eligible for unpaid parental leave in the year	3	3	6	1	1	2	0	1	1
Employees who applied for unpaid parental leave in the year	0	1	1	0	1	1	0	0	0
Employees expected to return from parental leave in the year	0	0	0	0	1	1	0	0	0
Employees who actually returned in the year	0	0	0	0	1	1	0	0	0
Employee return-to-work rate (%)	0%	0%	0%	0%	100%	100%	0%	0%	0%
Employees who returned from unpaid leave in the previous year	0	0	0	0	0	0	0	0	0
Employees who remained employed for 1 year after reinstatement	0	0	0	0	0	0	0	0	0
Retention rate	0%	0%	0%	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.

- **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:	A total of NT$4,731,000 was contributed in 2025.
Application for retirement	No employees applied for retirement in 2025.

- **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.

- **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 are paid to each employee in a lump sum.

4.4 Employee Communication and Care

Labor–Management Meetings

GRI 2-30

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.

Minimum notice period regarding operational changes

GRI 402-1

TSH Biopharm upholds the principles of integrity and the protection of employee rights and interests, and it is committed to maintaining harmonious labor-management relations. If the Company faces operational changes, such as organizational integration or changes in business nature, that may have a major impact on employee rights and interests, the Company will strictly comply with Article 16 of the Labor Standards Act and give employees an appropriate advance notice period based on their years of service. The specific minimum advance notice periods are as follows:

- Those who have continued working for more than 3 months but less than 1 year shall be given notice 10 days in advance.
- Those who have continued working for more than 1 year but less than 3 years shall be given notice 20 days in advance.
- Those who have continued working for more than 3 years shall be given notice 30 days in advance.

In addition, to ensure information transparency and mutual trust between labor and management, when the Company faces "major operational changes" (such as organizational restructuring, business outsourcing, mergers and acquisitions, or changes in operating locations) that may have significant positive or negative impacts on workers, we commit to implementing timely and transparent labor-management communication mechanisms. The Company will also, in accordance with the law, consult with and explain situations early to labor representatives and all employees through regularly held "labor-management meetings" or internal communication channels, ensuring that employees can obtain sufficient information and necessary assistance.

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 2025.

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 2025, 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

GRI 403-6

■ Influenza vaccination to protect employees and their families

TSH Biopharm provides employees with free influenza vaccinations and subsidizes 1 dose of influenza vaccination for employees and their family members. In 2025, a total of 100 people received subsidies for cell-based influenza vaccinations, and 13 people received subsidies for adjuvanted influenza vaccinations.

■ Health promotion courses

To implement employee healthcare and create a happy workplace, the Company continued to promote diversified health promotion measures during the year, holding 2 health promotion lectures in June and 2 in August, with topics covering "Weight Loss Traps of Eating Out" and "Vision Care." Through the sharing of professional knowledge, colleagues are assisted in understanding common health risks and enhancing health literacy and self-care awareness; they are also guided to pay attention to dietary management and physical health in addition to their busy work, thereby cultivating good living habits, promoting physical and mental health, and achieving work-life balance.

■ Emphasis on work and leisure balance measures (Travel Subsidy & Family Day)

In 2025, 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 Busan. 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.

About This Report
1 Company Operations and Governance
2 Product Innovation and Accessibility
3 Environmental Sustainability
4 Employee Relations and Care
5 Social Inclusion and Impact

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 2025. 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 all sites in 2024 and 2025

GRI 403-9 GRI 403-10

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 2024 and 2025 was zero.

5

Social Inclusion and Impact

5. Social Inclusion and Impact

5.1 Social Inclusion Strategy and Commitment

1. Our Commitment: From one-way giving back to a social impact of "cross-sector shared good"

TSH Biopharm upholds the core values of "people-oriented and health-first" and firmly believes that corporate social responsibility should not be limited to one-way charitable donations, but should combine the Company's core competencies to create shared value with long-term impact.
In accordance with the GRI 413-1 principles of local community engagement, our social participation strategy goes beyond the traditional framework and focuses on two main pillars: "extension of core competencies" and a "cross-sector sustainable cycle." We not only use pharmaceutical expertise to enhance public health literacy, but we also innovatively extend the results of "Environmental Sustainability (E)" to "Social Care (S)," transforming the ecological value of habitat protection into tangible care for an aging society and striving to create a sustainable virtuous cycle of "production-ecology-public welfare."

2. Two Core Pillars of Social Engagement and SDG Contributions

The Company's social participation actions precisely align with the United Nations Sustainable Development Goals (SDGs), and resources are concentrated on the following two pillars:

- Pillar 1: Extension of core competencies – Public health and preventive medicine (corresponding to SDG 3.4). As a medical partner focusing on chronic diseases and acute and severe diseases, we extend care from "patients" to the "public." By connecting a network of professional physicians, we regularly enter communities to hold public welfare health lectures (such as cardiovascular care and health education on hypertension, hyperglycemia, and hyperlipidemia), proactively enhancing the public's self-health management capabilities, implementing preventive medicine at the source, and reducing the health risks of non-communicable diseases.
- Pillar 2: Cross-sector sustainable cycle – Care for disadvantaged groups and ecological conservation (corresponding to SDG 15.1 and SDG 12.2). Facing the dual challenges of aging and fragmented ecological habitats, TSH Biopharm has created a social participation model across the E/S fields. Through "green procurement," we support the Leopard Cat Rice Watershed Restoration Project and protect the habitat of 1st-level protected animals; subsequently, the procured non-toxic agricultural products are contributed to the "Old-Five-Old Foundation" for charity sales, meal delivery for the elderly, and community inclusion activities, not only supporting the independence of the silver economy but also promoting intergenerational community exchange.

3. Quantified performance of social impact investment in 2025 (LBG measurement framework)

To scientifically evaluate the effectiveness of the Company's investment in social welfare, TSH Biopharm has introduced the internationally adopted **LBG (London Benchmarking Group)** social investment evaluation framework. In 2025, we specifically quantified social inclusion performance through various forms such as cash donations, in-kind donations (such as leopard cat rice), and employee volunteer hours:

Contributing Units	Types of Resource Inputs	2025 Input Amount/Quantity	Summary of Specific Action Highlights
Oldyes! Foundation	Donation of Charity Sale Proceeds	Total Input Value approximately NTD 1 million Specifically aligns with TWSE S-3 Promoting Community Development Indicators	Through three rounds of charity gift box sales, all proceeds were donated to the Old-Five-Old Foundation to support the "Meal Delivery to Rural Areas" project.
	Cash purchases		Dragon Boat Festival gift box procurement and handmade cookie gift boxes made by seniors.
	In-kind donations		Donated approximately 950 Taiwanese catties of Leopard Cat Rice, including charity sale gift boxes and the provision of non-toxic healthy meals for seniors at our senior locations across Taiwan.
Leopard Cat Rice Watershed Restoration	Contract Farming Paddy Field Management and Products		Support for Leopard Cat Rice contract farming and rice transplanting activities.
TSH Biopharm	Public welfare lectures		The Company's core business disseminates information related to cardiovascular disease health education and implements health education.
TSH Biopharm	Remaining costs		Costs of event props, leopard cat hand towels, leopard cat rice soap, gifts for the three major festivals, transportation, and miscellaneous expenses.
Total Time Invested by TSH Biopharm		Employee volunteers contributed a total of approximately 45 hours. Approximately 67 participant-times	The General Manager personally led corporate volunteers to conduct 4 senior care and intergenerational handicraft activities (such as the Leopard Cat Rice soap experience) and World Food Day events in Shiding, Beitou, Taichung, and Hsinchu, benefiting 1,922 seniors. Public lectures benefited 181 people.

5.2 Cross-Sector Collaboration: Our Senior Comprehensive Cooperation Program

[Three Years of Deep Commitment, Recognized with an International Social Welfare Award]

2025 marked the 3rd year of the deep cooperation between TSH Biopharm and the Old-Five-Old Foundation. We broke away from the traditional model of single charitable donations and deeply integrated the watershed restoration project (Leopard Cat Rice) in Chapter 3, "Environmental Sustainability," with elderly care in a successful effort to create a sustainable virtuous cycle of "production-ecology-public welfare."

This highly innovative and cross-sector influential project not only successfully transformed the environmental value (E) of protecting the foothill ecosystem into social action (S) for caring for elderly people living alone, but it also received recognition from an international authoritative institution in 2025, **winning the "Social Empowerment Award" at the 2025 AREA Asia Responsible Enterprise Awards**. This demonstrates that TSH Biopharm's social participation strategy has reached the level of a top benchmark in Asia.

In 2025, we continued to expand our comprehensive support for the Old-Five-Old Foundation through the following three specific actions:

1. Innovative Charitable Fundraising: Supporting Senior Employment and Meal Delivery to Rural Areas

We made value-added use of 682 kg of contract-farmed non-toxic Leopard Cat Rice, combining the procurement of handmade products made by seniors with charity sales to directly support senior employment and foundation operations:

- **Beginning-of-year amazake gift box:** Launched the "Leopard Cat Rice Amazake Gift Box," with all 110 boxes sold out, and charity sale proceeds of NTD 44,000 fully donated to the Foundation.
- **Dragon Boat Festival co-branded gift box:** We procured handmade cookies made by seniors together with Leopard Cat Rice crispy rice crackers (110 sets in total), supporting handmade production by senior citizens and affirming their self-worth.
- **Mid-Autumn Festival charity gift box:** Launched the "Leopard Cat Rice Earth Gift Box" and the "Silly Blessings Companion Small Gift Box," with a total of 400 sets sold out. 100% of the charity sale proceeds, totaling NTD 150,000, were donated. The three waves of action this year raised a total of NTD 194,000, all of which was invested in the Old-Five-Old Foundation's "Meal Delivery to Rural Areas" and "Dream Fulfillment" projects, becoming an important force in protecting elderly people living alone.

2. In-Depth Volunteer Companionship: Intergenerational Inclusion and Health Empowerment

TSH Biopharm brought not only supplies but also the warmth of companionship and professional healthcare. In 2025, we conducted 4 senior care activities across Taiwan (Shiding, Beitou, Taichung, and Hsinchu):

- Intergenerational food, agriculture, rice transplanting, and handicraft exchange: The General Manager personally led corporate volunteers and invited a total of 32 community seniors to participate in a fulfilling one-day experience of "Leopard Cat Rice transplanting" and "handmade soap DIY." Through food and agriculture education in the fields and handicraft interaction, volunteers and seniors shared stories of "friendly farming × ecological conservation," which not only revitalized community participation by senior citizens but also promoted deep intergenerational inclusion.
- Leveraging the medical core business to protect health: In the Hsinchu session of the care activity, we specially integrated the Company's medical network resources and invited professional physicians to conduct "hypertension health education" for seniors, precisely implementing the core functions of the Company's core business (cardiovascular disease prevention) in community senior care.

3. Responding to World Food Day: Safeguarding Nutrition from Production Area to Table

To expand the project's impact, TSH Biopharm specially planned an initiative in response to "World Food Day." General Manager Ssu-Yuan Yang personally led corporate volunteers to the Fengzilin Day Care Center in Shiding to provide companionship. At the same time, we delivered contract-farmed Leopard Cat Rice to our senior locations across Taiwan so that approximately 1,800 disadvantaged seniors could enjoy pure, non-toxic, and healthy meals, putting into action the corporate commitment to "nurture Taiwan's watersheds and the health of seniors with the goodwill in every grain of rice."

Charity sales

Gifts for the three major festivals

World Food Day

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DIY activities at our senior centers


TSH 15th anniversary
Toward Superior Health
tsh
Old yes!

5.3 Giving Back Through Core Functions: Public Health and Health Education Advocacy

1. Strategic Commitment: Implementing "Preventive Medicine" Through Pharmaceutical Expertise

As a leading pharmaceutical brand deeply rooted in Taiwan in the fields of chronic diseases such as cardiovascular, gastrointestinal, and central nervous system diseases, TSH Biopharm understands that "prevention is better than cure" is fundamental to reducing the overall healthcare burden on society. We have expanded the target of our care from "patients" to the "general public." Since 2022, we have launched the long-term "Public Cardiovascular Health Literacy Enhancement Program." By connecting authoritative physician resources from major medical institutions across Taiwan, we have entered communities in the form of free public welfare health education lectures, striving to reduce the risk of premature death from non-communicable diseases such as angina, hyperlipidemia, and hypertension (SDG 3.4).

2. Results Promoted Over the Years: Three Years of Deep Commitment, with Influence Continuing to Expand

The Company's health education advocacy is not a one-time activity but a social inclusion strategy with continuity and scalability. Over the past three years, our health education footprint has spread across Taiwan, with more than 8 large-scale in-person lectures held, connecting 24 physicians, directly benefiting a cumulative total of 1,339 people, and effectively improving the public's ability to manage their own health:

- [2022: Laying the Foundation] Safeguarding Health. In the first year of the launch of the National "Heart" Movement project, we held two large-scale free public welfare health education lectures on the three most common invisible killers of cardiovascular health among the public in Taiwan—angina, hyperlipidemia, and hypertension. Through physicians' professional yet accessible explanations, the annual cumulative number reached 441 people, successfully raising public awareness of the risks of cardiovascular disease.
- [2023: Nationwide Expansion] Building on the enthusiastic response in the 1st year, in 2023 we expanded health education resources beyond Taipei and New Taipei City, and launched the "Nationwide Heart Protection Grand Connection" initiative. During the year, 5 intensive sessions of the [Safeguarding Health. National "Heart" Movement] free public welfare health education lectures were conducted, covering five major metropolitan areas: Taipei, Hsinchu, Taichung, Tainan, and Kaohsiung. The lectures likewise focused on the three major themes of angina, hyperlipidemia, and hypertension, inviting professional physicians from various regions to interact closely with the public and provide correct disease knowledge and medication concepts. A total of 717 people benefited during the year, enabling seniors and at-risk groups across Taiwan to enjoy equal access to health information.
- [2025: In-Depth Focus] Cardiovascular Healthcare • Protecting Love Without Missing a Beat After establishing broad disease awareness, this year's lectures further moved toward "depth and precision." We invited three authoritative director-level experts from Far Eastern Memorial Hospital, Cardinal Tien Hospital, and Taipei Medical University Hospital to provide in-depth health education analysis on "multiple complications of hypertension," "graded treatment for hyperlipidemia," and "microvascular lesions." Although this event was held on the day before the Mid-Autumn Festival consecutive holiday, it still attracted as many as 181 enthusiastic participants. This not only demonstrates the high degree of importance the public places on their own health, but it also confirms the excellent reputation of the Company's health education activities. Through face-to-face on-site Q&A exchanges between doctors and patients, we effectively dispelled public misconceptions about medication and established the correct concept of long-term adherence to medical advice.


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


722 原則
722 原則

3. Future Outlook and Digital Extension

Physical health education lectures can bring warmth and depth, and in order to break through the limitations of physical venues, TSH Biopharm has also digitalized health education resources. We have established a “Health Education Section” on the official website to provide articles and video resources on cardiovascular diseases, allowing the influence of health education advocacy to continue beyond the limits of time and space and continuously build a solid preventive medicine protection network for Taiwan society.

關於東生華	About TSH Biopharm
產品介紹	Products
衛教專區	Health Education Section
投資人專區	Investors
永續人才	Sustainable Talent

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永續發展	Sustainable Development
檢驗報告查詢	Report Query
搜尋	Search
文章專區	Article Section
心血管疾病	Cardiovascular diseases
精準醫療	Precision medicine
影音專區	Audio-Visual Section
心血管疾病	Cardiovascular diseases
精準醫療	Precision medicine
心血管疾病	Cardiovascular diseases
精準醫療	Precision medicine
廣播專區	Broadcast Section
心血管疾病	Cardiovascular diseases
名醫養身之道	Wellness Secrets of Renowned Doctors

Official Website Health Education Section: https://www.tshbiopharm.com/ec99/rwd1427/category.asp?category_id=109

Attachment 1 GRI Content Index

Statement of Use	TSH Biopharm Corporation Ltd. prepares its 2025 Sustainability Report in accordance with the GRI Standards. The scope of data and information covers January 1 to December 31, 2025.
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 Biopharm		6
2-2	Entities Included in the Organization's Sustainability Report	About This Report		8
2-3	Reporting Period, Frequency, and Contacts	About This Report		3
2-4	Restatements of Information	About This Report		2
2-5	External assurance	About This Report		3
Activities and workers				
2-6	Events, Value Chain, and Other Business Relationships	2.5 Sustainable Supply Chain Management (Supply Chain Structure and Local Procurement)		112
2-7	Employees	4.1 Employee Structure and Human Rights		137
2-8	Non-Employee Workers	4.1 Employee Structure and Human Rights		138
Governance				
2-9	Governance Structure and Composition	1.1 Corporate Governance – Organizational Structure		45
2-10	Nomination and selection of the highest governing body	1.1 Corporate Governance – Organizational Structure		47
2-11	Chairman of the Highest Governance Body	1.1 Corporate Governance – Organizational Structure		45
2-12	Role of the Highest Governance Body in Overseeing Impact Management	Promoting sustainable development mechanisms (operation of the Sustainability Committee) 1.4 Risk Assessment and Management Policy		11, 69
2-13	Impact management responsible person	Sustainable management performance (Sustainable Development Committee)		11
2-14	Role of the Highest Governance Body in Sustainability Reporting	Sustainable management performance (Sustainable Development Committee)		11
2-15	Conflicts of Interest	1.1 Corporate governance – Board member conflict of interest avoidance and ethical conduct		49
2-16	Communication of key material events	Stakeholder Engagement on Material Topics, 1.4 Risk Assessment and Management Policy		26 69

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2-17	Collective Intelligence of the Highest Governance Body	1.1 Corporate Governance – Continued Education		51
2-18	Performance Assessment of Highest Governance Body	1.1 Corporate Governance – Board performance evaluation		49
2-19	Remuneration policies	1.1 Corporate Governance – Director Remuneration Policy		54
2-20	Process for Determining Remuneration	1.1 Corporate Governance – Director Remuneration Policy		53
2-21	Total annual remuneration ratio	4.3 Employee remuneration and benefits		147
		Strategy, policies and practices		
2-22	Statement of Sustainability Strategy	Message from Management, Sustainable management performance		4, 9
2-23	Policies and Commitments	Message from Management, Sustainable management performance, Human Rights policies		4, 9, 140
2-24	Integration into Policies and Commitments	Message from Management, Sustainable management performance, Human Rights policies		4, 9, 140
2-25	Procedures for remediation of negative impacts	1.3 Implementation of Ethical Corporate Management and Regulatory Compliance		65
2-26	Mechanisms for seeking advice and raising concerns	1.3 Implementation of Ethical Corporate Management and Regulatory Compliance		65
2-27	Compliance	1.3 Implementation of Ethical Corporate Management and Regulatory Compliance – Adhere to compliance		68
2-28	Membership of associations	1.7 Customer Relations and Domestic Association Participation		86
		Stakeholder Engagement		
2-29	Stakeholder Engagement Methods	Stakeholder Engagement on Material Topics		20
2-30	Collective bargaining agreements	4.4 Employee Communication and Care		152

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	24
3-2	List of material topics	Stakeholder Engagement on Material Topics	39
3-3	Management of Material Topics	Stakeholder engagement on material topics (continued from Table 11) Explained in each chapter	---

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
1. "Climate Change"				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 3. Environmental Sustainability and Climate Strategy	20 118	
GRI 201-2	Financial impacts and other risks and opportunities arising from climate change	3.1 Climate Change and Greenhouse Gas Management (Task Force on Climate-related Financial Disclosures (TCFD))	120	
GRI 302-1	Energy consumption within the organization	3.1 Climate Change and Greenhouse Gas Management (Energy Management)	127	
GRI 302-2	Energy consumption outside the organization.	---	---	Not applicable. Not using external energy
GRI 302-3	Energy intensity	3.1 Climate Change and Greenhouse Gas Management (Energy Management)	127	
GRI 305-1	Direct (Scope 1) GHG emissions	3.1 Climate Change and Greenhouse Gas Management (Greenhouse Gas Management)	124	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	3.1 Climate Change and Greenhouse Gas Management (Greenhouse Gas Management)	124	
GRI 305-3	Other indirect (Scope 3) GHG emissions	3.1 Climate Change and Greenhouse Gas Management (Greenhouse Gas Management)	124	
GRI 305-4	GHG emissions intensity	3.1 Climate Change and Greenhouse Gas Management (Greenhouse Gas Management)	124	
GRI 305-5	Reduction of GHG emissions	---		Incomplete information.
GRI 305-6	Emissions of Ozone-Depleting Substances (ODS)	---		Not applicable.
GRI 305-7	Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Significant Gas Emissions	---		Not applicable. The Company has no production process

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
2. "Happy and diverse workplace" (includes Talent Development and Cultivation and Employment)				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 4. Employee Relations and Care	20 135	
GRI 202-1	Ratios of standard entry-level wage by gender compared to	4.3 Employee remuneration and benefits	146	

	local minimum wage			
GRI 202-2	Proportion of senior management hired from the local community	4.1 Employee Structure and Human Rights	138	
GRI 401-1	New employee hires and employee turnover	4.1 Employee Structure and Human Rights	138	
GRI 401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	4.3 Employee remuneration and benefits	148	
GRI 401-3	Parental leave	4.3 Employee remuneration and benefits	150	
GRI 402-1	Minimum notice period regarding changes in operations	4.4 Employee Communication and Care	152	
GRI 404-1	Average hours of training per year per employee	4.2 Cultivating and Developing Diverse Talent	143	
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	4.2 Cultivating and Developing Diverse Talent	143	
GRI 405-1	Diversity of governance bodies and employees	1.1 Corporate Governance – Organizational Structure 4.1 Employee Structure and Human Rights	45 138	
GRI 405-2	Ratio of salary and remuneration of women to men	4.3 Employee remuneration and benefits (Remuneration system)	146	

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
3. Drug distribution and pricing (recent use of drugs)				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 2.4 Access to Medicine and Pricing Responsibility	20 106	
	Custom Topics	2.4 Access to Medicine and Pricing Responsibility	106	

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
4. "Information Security", 5. "Customer Privacy"				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 1.6 Cybersecurity Management	20 75	
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	1.6 Cybersecurity Management (Customer Privacy and Data Protection)	81	

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
6. "Supply chain management"				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 2.5 Sustainable supply chain management	20 110	
GRI 204-1	Proportion of spending on local suppliers	2.5 Sustainable Supply Chain Management (Supply Chain Structure and Local Procurement)	113	
GRI 308-1	New suppliers screened based on environmental criteria.	2.5 Sustainable Supply Chain Management (New Supplier Onboarding and Screening)	114	
GRI 308-2	Negative environmental impacts in the supply chain and the measures taken.	---	---	Incomplete information. The supply chain management regulations do not clearly definenegative environmental impactsor the actions taken.
GRI 414-1	New suppliers screened using social criteria.	2.5 Sustainable Supply Chain Management (New Supplier Onboarding and Screening)	114	
GRI 414-2	Negative social impacts in the supply chain and the measures taken.	---		Incomplete information. The supply chain management measures do not clearly define the negative social impacts within thesupply chain, nor the actions taken to address them

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
7. "New Drug R&D and Innovation"				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 2.2 New Drug R&D and Innovation	20 98	
	Custom Topics	2.2 New Drug R&D and Innovation	98	

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
8. "Pharmaceutical Quality and Safety Management"				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 2.3 Product quality and safety	20 102	
GRI 416-1	Assessment of the impacts of product and service categories on health and safety	2.3 Product quality and safety (Product Quality and Responsibility)	103	
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	2.3 Product quality and safety (Product Quality and Responsibility)	103	

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
9. "Operating Risk and Risk Management"				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 1.4 Risk Assessment and Management Policy	20 69	
GRI 201-2	Financial impacts and other risks and opportunities arising from climate change	3.1 Climate Change and Greenhouse Gas Management (Task Force on Climate-related Financial Disclosures (TCFD))	120	

GRI Standards	Item of Disclosure	Corresponding Chapter	Page	Omitted
10. "Compliance and Ethical Corporate Management", 11 "Business Ethics"				
GRI 3-3	Management of Material Topics	Stakeholder Engagement on Material Topics 1.3 Implementation of Ethical Corporate Management and Regulatory Compliance	20 65	
GRI 205-1	Operations assessed for risks related to corruption	1.3 Implementation of Ethical Corporate Management and Regulatory Compliance	65	100%
GRI 205-2	Communication and training on anti-corruption policies and procedures	1.3 Implementation of Ethical Corporate Management and Regulatory Compliance	65	
GRI 205-3	Confirmed incidents of corruption and actions taken	1.3 Implementation of Ethical Corporate Management and Regulatory Compliance	67	

Voluntary Disclosure

Item of Disclosure		Description	Chapters for Reference	Page
Operational Performance	201-1	Direct economic value generated and distributed	1.2 Operational Performance	60
Waste (2020)	306-3	Waste generation	3.1 Climate Change and Greenhouse Gas Management (Waste Management)	128
Occupational Safety and Health (2018)	403-3	Occupational health services	4.3 Employee remuneration and benefits (Health management)	149
	403-6	Worker health promotion	4.4 Employee Communication and Care (Focus on employees' physical, mental, and spiritual health)	153
	403-9	Occupational Injuries	4.5 Workplace Safety and Health	155
	403-10	Occupational disease	4.5 Workplace Safety and Health	155

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	Discussion of management processes for ensuring quality and patient safety in clinical trials, by region	2.1 Core Products and Market Deployment (Clinical Evidence, Academic Publications, and National Certification)	95
HC-BP-210a.2	Number of inspections related to clinical trial management and pharmacovigilance resulting in: (1) voluntary remedial action by the entity or (2) regulatory or administrative measures imposed on the entity	TSH had no such occurrences (0 cases)	N/A
HC-BP-210a.3	Total monetary losses arising from legal proceedings related to clinical trials in developing countries1	TSH had no such occurrences (NT$0)	N/A
Disclosure Topic: Access to Medicine			
HC-BP-240a.1	Description of actions and initiatives to promote access to healthcare products for priority diseases and priority countries as defined by the Access to Medicine Index	2.4 Access to Medicine and Pricing Responsibility Current Status of Products and Development of New Drugs	106
HC-BP-240a.2	List of individual products included in the list of prequalified medicinal products under the World Health Organization Prequalification of Medicines Programme (PQP)	TSH Biopharm had no such occurrences (0 cases) (Discussion and Analysis)	N/A
Disclosure Topic: Affordability and Pricing			
HC-BP-240b.1		TSH had no such occurrences (0 cases)	N/A
HC-BP-240b.2	Percentage change in (1) weighted average list price and (2) weighted average net price of the product portfolio compared with the previous reporting period	2.4 Access to Medicine and Pricing Responsibility (1) TSH Biopharm's products are mainly prescription drugs, eight of which are National Health Insurance drugs. Compared with 2024, two items had price reductions in 2025, with an average decrease of 5%; (2) the Company has no products listed in the United States	106
HC-BP-240b.3	Percentage change in (1) list price and (2) net price of the product with the largest increase compared with the previous reporting period	2.4 Access to Medicine and Pricing Responsibility (1) TSH Biopharm's products are mainly prescription drugs, eight of which are National Health Insurance drugs. Compared with 2024, two items had price reductions in 2025, with an average decrease of 5%; (2) there were no products with price increases in the current year	106
Disclosure Topic: Drug Safety			
HC-BP-250a.1	Products listed in public medical product safety or adverse event alert databases	0 cases (Discussion and Analysis)	N/A
HC-BP-250a.2	Product-related deaths	0 people	N/A
HC-BP-250a.3	(1) Number of public recalls, (2) Total quantity of recalled units	0 times 0 cases	N/A
HC-BP-250a.4	Total weight of products accepted for recovery, reuse,	0 tonnes (t)	N/A

Attachment 3: Comparison Table of TCFD & Climate-Related Information Disclosure

	or disposal		
HC-BP-250a.5	Number of enforcement actions taken in response to violations of Good Manufacturing Practices (GMP) or equivalent standards, by type 2	0 times	N/A
Disclosure Topic: Counterfeit Drugs			
HC-BP-260a.1	Description of methods and technologies used to maintain product traceability and prevent counterfeiting throughout the supply chain	2.3 Product quality and safety Mechanism of product traceability system (Traceability) To ensure supply chain transparency, TSH Biopharm has established a comprehensive global product traceability mechanism. Each box of drugs is assigned a unique "product code and batch number code," with detailed records of the material number, batch number, and ex-factory activities. Through strict batch release procedures, we can precisely track product flows, ensuring rapid traceability and management whenever necessary.	104
HC-BP-260a.2	Discussion of processes for alerting customers and business partners to potential or known risks associated with counterfeit products	1.7 Customer Relations and Participation in Domestic Public Associations (Product Marketing Ethics and Promotion Policy) 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 main sales channels for diagnostic services are general medical institutions, where tests are ordered by physicians or health screening units. Although there are currently no direct government regulations on marketing or advertising methods for these services, the company maintains the same marketing standards as those for pharmaceutical products.	83
HC-BP-260a.3	Number of actions related to counterfeit products resulting in raids, seizures, arrests, or criminal charges	TSH had no such occurrences (0 cases)	N/A
Disclosure Topic: Ethical Marketing			
HC-BP-270a.1	Total monetary losses arising from legal proceedings related to false marketing claims3	TSH had no such occurrences (NT$0)	N/A
HC-BP-270a.2	Description of the code of ethics for the marketing of off-label use of approved indications in product package inserts	1.7 Customer Relations and Participation in Domestic Public Associations (Product Marketing Ethics and Promotion Policy) When a product has known or potential quality issues, product recall procedures are initiated in accordance with the "Global Pharmacovigilance System and Reporting Procedures" to properly handle recalled products and notify local	83

		competent authorities	
Disclosure Topic: Employee Recruitment, Development, and Retention			
HC-BP-330a.1	Discussion of efforts on talent recruitment and retention for scientists and research and development employees	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.	142
HC-BP-330a.2	(a) Senior management/senior managers, (b) middle managers, (c) professionals, and (d) all other employees: (1) voluntary and (2) involuntary turnover rates	4.1 Employee Structure and Human Rights Senior Management – (a)Voluntary: 0%, Involuntary: 0% Middle Management – (b) Voluntary: 0%, Involuntary: 0% Professionals & All Other Staff (c) (d)– Voluntary: 17%, Involuntary: 3%	140
Disclosure Topic: Supply Chain Management			
HC-BP-430a.1	Percentage of (1) the entity's facilities and (2) Tier 1 supplier facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party audit program for supply chain integrity and authenticity of raw materials	2.5 Sustainable supply chain management (1) 0% – TSH does not own or operate any manufacturing facilities. (2) 100% – All passed PIC/S GMP standards.	110
Disclosure Topic: Business Ethics			
HC-BP-510a.1	Total monetary losses arising from legal proceedings related to corruption and bribery4	NT$0	N/A
HC-BP-510a.2	Description of the code of ethics for 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.	65
Activity indicators			
HC-BP-000.A	Number of patients treated	In 2025, TSH Biopharm provided treatment to approximately 1.1 million patients both domestically and internationally with prescription drugs. *Based on 2025 sales and days of usage.	91
HC-BP-000.B	Number of drugs in (1) the portfolio and (2) research and development (Phases 1 to 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)	92

Attachment 3 Comparison Table of TCFD & 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	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 and risk management processes.	If there is a transition plan to manage climate-related risks, explain the content of the plan, and the indicators and targets used to identify and manage physical and transition risks.	3.1 Climate Change and Greenhouse Gas Management

	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_2e), intensity (metric tons CO_2e 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 4 Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE Listed and TPEx Listed Companies – Attachment 2 Implementation Status of Climate-Related Information

<table>
<tr><th>Item</th><th colspan="4">implementation status</th></tr>
<tr><td>1. Explain the oversight and governance of climate-related risks and opportunities by the Board of Directors and management.</td><td colspan="4">The Company established the Sustainable Development Committee on August 4, 2022, with the Corporate Governance officer serving as Executive Secretary, and the Finance Department leading operating units to form an ESG functional group. The Board of Directors serves as the highest guiding unit for sustainable development, supervising the formulation of the Company's sustainable management strategies and goals and providing recommendations. The Sustainable Development Committee is responsible for formulating sustainable development policies and strategic directions, and the ESG functional group plans and executes the annual sustainable development plan. The Sustainable Development Committee members regularly report progress to the Board of Directors and at the same time track and manage various sustainability performance. This enables the Board of Directors to accurately grasp the Company's climate risk management and implementation effectiveness, and the Board of Directors may also propose improvement or implementation recommendations at any time to guide and supervise the Company's climate risk management.</td></tr>
<tr><td rowspan="4">2. Explain how identified climate risks and opportunities affect the enterprise's operations, strategy, and finances (short, medium, and long term).</td><td colspan="4">The Company assesses the potential operational and financial impacts brought by relevant climate risks and opportunities in order to plan various actions to respond to climate-related risks and opportunities. The Company classifies climate risks and opportunities into short, medium, and long term, defined as 3 years for short term, 5 years for medium term, and more than 10 years for long term. After identifying climate risks, the Company actively proposes corresponding strategies in the hope of reducing the operational and financial impacts brought by climate change and increasing business opportunities.
(1) Identification of climate change-related risks and response measures</td></tr>
<tr><td colspan="2">Risk Category</td><td>Risk Impacts</td><td>Response measures and potential financial impact</td></tr>
<tr><td rowspan="2">Transition risks</td><td>Policies and regulations risk</td><td>In accordance with the domestic Climate Change Response Act, the Company has initiated total control of greenhouse gas emissions. Carbon fee collection or total emission control has been implemented in recent years and may increase the Company's operating costs in the future.</td><td>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.</td></tr>
<tr><td>Market risk</td><td>Due to increased frequency and intensity of extreme weather events and rising market demands for carbon emission management, the supply chain may face the following risks:
1. Unstable supply: Extreme weather events may disrupt supplier production or transportation, affecting supply stability.
2. Raw Material Price Increases: Higher carbon emission management requirements may lead to increased raw material costs.</td><td>● Supplier Management
1. Establish secondary source suppliers for specific critical raw materials to diversify supply risks.
2. Evaluate suppliers' carbon emission management performance and require suppliers to implement carbon reduction measures.
● Inventory Management
1. Appropriately increase inventory of critical raw materials to address risks of unstable supply. An increase in safety stock levels will in turn increase inventory costs. Based on inventory of approximately NTD 99,540 thousand at the end of 2025, each 1% increase in inventory volume will increase inventory</td></tr>
</table>

<table>
<tr><th>Item</th><th colspan="4">implementation status</th></tr>
<tr><td rowspan="2"></td><td rowspan="2"></td><td></td><td></td><td>costs by approximately NTD 995.4 thousand.
2. Establish a supply chain risk early warning mechanism to respond promptly to unexpected situations such as supply chain disruptions.</td></tr>
<tr><td>Reputational risk</td><td>Climate change may affect how customers or communities judge the Company's image as being committed to the low-carbon transition.</td><td>Develop environmentally friendly products or services, continue to internally improve waste recycling and reuse rates, and externally conduct environmental sustainability promotion activities.</td></tr>
<tr><td>3. Explain the financial impacts of extreme climate events and transition actions.</td><td colspan="4">The Company assesses that climate change may lead to increases in the frequency and intensity of extreme weather events such as typhoons, floods, and droughts. The supply chain may face disruptions in supplier production or transportation, affecting product manufacturing processes, shipping progress, and supply stability; it may also lead to increases in raw material prices, increasing production costs.
The Company's transition actions mainly focus on managing suppliers and inventory. These include establishing second-source suppliers for specific key raw materials to diversify supply risks; evaluating suppliers' carbon emission management performance and requiring suppliers to adopt carbon reduction measures; incorporating suppliers' climate change risks into evaluation criteria, such as drainage and emergency power supply, and regularly evaluating their climate change risk management performance; and appropriately increasing inventory for key raw materials to address the risk of unstable supply.</td></tr>
<tr><td>4. Explain how the identification, assessment, and management of climate risks are integrated into the overall risk management system.</td><td colspan="4">The Board of Directors is the highest decision-making body for risk management and is responsible for approving the Company's risk management policies and framework, ensuring that the direction of operating strategies is aligned with risk management policies, that the risk management mechanism operates effectively, and that sufficient and appropriate resources are allocated and assigned. To strengthen risk assessment and enhance management functions, the Board of Directors resolved on October 30, 2020 to establish a risk management organization. This organization is the unit responsible and accountable for executing risk management, with the General Manager serving as convener, and it is required to report annually to the Audit Committee and the Board of Directors. Each unit is responsible for risk identification and risk measurement, assessing the probability of risk occurrence and the degree of impact, and proposing response measures when risks are discovered in the monitoring of its business, which will be provided to the risk management organization. Among them, the ESG functional group is responsible for identifying climate risks and opportunities relevant to the Company's operations. The risk management organization reviews whether the Company has adopted appropriate response measures for the risks it faces to ensure that risks are controlled within an acceptable range.</td></tr>
<tr><td>5. If scenario analysis is used to assess resilience to climate risks, explain the scenarios used, parameters, assumptions, analytical factors, and major financial impacts.</td><td colspan="4">The Company has not yet used scenario analysis to assess resilience in the face of climate change risks.</td></tr>
<tr><td>6. If there is a transition plan to manage climate-related risks, explain the content of the plan, and the indicators and targets used to identify and manage physical and transition risks.</td><td colspan="4">In response to the results of transition risk identification, the Company will formulate a transition plan and set indicators and targets for identifying and managing physical risks and transition risks. For detailed information, please refer to pages 62–63 of this annual report.</td></tr>
</table>

<table>
<tr><th>Item</th><th>implementation status</th></tr>
<tr><td>7. If internal carbon pricing is used as a planning tool, disclose the basis for pricing.→</td><td>The Company has not yet used internal carbon pricing as a planning tool.</td></tr>
<tr><td>8. 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.</td><td>The Company is committed to promoting and advocating improvements in energy conservation and environmental protection measures, and responding to the energy-saving and carbon-reduction policies promoted by the government. The scope of greenhouse gas emissions covers Scope 1 and Scope 2 of the Company's Taipei, Taichung, and Kaohsiung offices. Using 2023 as the base year, the greenhouse gas emission reduction target is an annual 0.5% reduction in per capita carbon emissions (combined Scope 1 and Scope 2). The Company will continue to review the climate threats it faces and make plans in advance, ultimately achieving the 2050 carbon neutrality target in accordance with national policies. (The 2025 greenhouse gas inventory data will be announced in the TSH Biopharm Sustainability Report) The Company did not use carbon offsets or renewable energy certificates (RECs) to achieve the relevant targets.</td></tr>
<tr><td>9. Greenhouse gas inventory and assurance status, reduction targets, strategies, and specific action plans.</td><td>Company's greenhouse gas inventory and assurance status for the most recent two years
● Greenhouse gas inventory information
The Company is a TPEx-listed company with paid-in capital of less than NTD 5 billion. According to the “Sustainable Development Roadmap for TWSE/TPEx Listed Companies,” the Company falls under the applicable timeline of the 3rd phase and is required to disclose its greenhouse gas inventory in 2026 and its assurance status in 2028. However, in response to international trends, the Company conducted its first inventory and quantification in 2023 in accordance with the ISO 14064-1:2018 standard and disclosed it in the Sustainability Report. The Company has no factories or R&D laboratories, and all products are outsourced for manufacturing. Its operating sites are mainly office activities. The greenhouse gas emissions for the most recent two years are shown in the table below:
<table>
<tr><td>Year</td><td>2024</td><td>2025</td></tr>
<tr><td>Category 1 (metric tons CO_2e/year)</td><td>1.1049</td><td>0.6082</td></tr>
<tr><td>Category 2 (metric tons CO_2e/year)</td><td>57.5578</td><td>61.2420</td></tr>
<tr><td>Category 1 + Category 2 (metric tons CO_2e/year)</td><td>58.6627</td><td>61.8502</td></tr>
<tr><td>Category 3 (metric tons CO_2e/year)</td><td>87.7344</td><td>105.3873</td></tr>
<tr><td>Category 4 (metric tons CO_2e/year)</td><td>12.0172</td><td>14.5048</td></tr>
<tr><td>Individual revenue (unit: NT$ million)</td><td>628.5</td><td>656.9</td></tr>
<tr><td>Total intensity of greenhouse gas emissions for Category 1 + Category 2 (metric tons CO_2e/individual revenue)</td><td>0.0933</td><td>0.0942</td></tr>
</table>
● Greenhouse gas assurance information
As of the printing date of the annual report, greenhouse gas emissions are still undergoing external verification

● The greenhouse gas reduction targets, strategies, and specific action plans are as follows:
Reduction target: Using 2023 as the base year, the greenhouse gas emission reduction target is to reduce per capita carbon emissions by 0.5% annually, and to continue reviewing and adjusting for the climate threats faced by the Company, ultimately achieving</td></tr>
</table>

<table>
<tr><th>Item</th><th>implementation status</th></tr>
<tr><td></td><td>the 2050 carbon neutrality target in accordance with national policies. (The 2025 greenhouse gas inventory data will be announced in the TSH Biopharm Sustainability Report)
Strategy:
1. Use revenue-generating equipment certified with energy-saving labels to save electricity and reduce carbon dioxide emissions from electricity.
2. Digital transformation to reduce energy demand from physical operations.
3. Phased completion of a comprehensive Scope 3 greenhouse gas inventory.
4. Evaluate the feasibility of green power procurement.
Specific actions: Due to the Company's business characteristics, the Company currently only has offices and has no self-owned production factories or laboratories. Direct emission sources mainly consist of fugitive refrigerant emissions from refrigerators and similar equipment; energy indirect emission sources mainly consist of purchased electricity; and other energy indirect emission sources mainly consist of upstream and downstream transportation, employee commuting, and business travel. The main specific actions are:
1. Replace revenue-generating equipment with energy-saving equipment.
2. Launched a core system upgrade project to migrate the ERP system to a cloud platform, which is expected to go live by the end of 2026, reducing the power consumption and carbon emissions of information equipment.
3. The results of the 2025 greenhouse gas inventory have been scheduled for the 1st external verification in April 2026.</td></tr>
</table>

Attachment 5 Independent Assurance Statement

獨立保證意見聲明書

東生華製藥股份有限公司 2025 年永續報告書

「法國標準協會」於1926年成立，作為法國國家標準的主管機關，並擔任「國際標準組織」的常任理事國代表，是全球知名的驗證機構之一。本項保證工作由「法國標準協會」亞太公司「法標國際認證股份有限公司」執行，團隊成員均具有專業背景，且接受過AA1000 AS、AFAQ 26000、ISO 9001、ISO 14001、ISO 14064、ISO 45001、ISO 50001等永續性相關之品質、環境、能源、安全與社會責任等國際標準的訓練，而擁有主導稽核員或查證員之資格。法標國際認證股份有限公司(以下簡稱法標)與東生華製藥股份有限公司(以下簡稱東生華)為相互獨立的實體，法標除了本獨立保證聲明書所述內容外，並未涉及或介入東生華永續報告書之準備過程。

責任

東生華負責按所宣告之永續報導準則，在永續報告書中對臺灣營運據點的經濟、環境與社會面向之營運活動與績效進行報導。

法標負責按所描述的範圍與方法，為東生華及其利害關係人提供一份獨立保證意見聲明書，本聲明書僅供東生華使用，不對其他用途負責。

範圍與標準

東生華與法標協議的保證範圍包括：

1. 保證作業範疇與「東生華製藥股份有限公司2025年永續報告書」揭露範疇一致。
2. 法標依據AA1000保證標準(v3)之第一應用類型進行保證作業，審查與評估東生華遵循AA1000當責性原則(2018)的符合程度。
3. 保證作業包括審查與評估東生華的相關流程、系統與管制及可取得之績效資訊，以及下列報導準則遵循的情況：
   - GRI永續報導準則
   - SASB準則

方法

- 報告書採用依循 GRI 永續報導準則進行報導，對報告書內容符合 GRI 準則的一般揭露及特定主題揭露進行審查。
- 查證團隊與相關人員進行訪談，確認利害關係人的溝通與回應機制與重大主題決策流程等，然而，並不直接接觸外部利害關係人。
- 與報告書編制相關的所有文件、數據和資訊由查證團隊與相關人員的訪談進行查核。
- 基於抽樣計畫，審查組織產出、蒐集與管理報告書中所揭露的質化與量化資料的流程。
- 藉由訪談各組負責人員，檢驗與審視相關的文件、資料與資訊，評估報告書內容之支持性素材與證據來源合理。

結論

◆ **AA1000當責性原則**

包容性

東生華已依循AA1000利害關係人議合標準鑑別出六類重要利害關係人，透過多元溝通管道與利害關係人進行議合，蒐集並了解各方利害關係人關注資訊，廣納對該公司永續發展之回饋與意見，並作為重大主題決策的輸入。整體而言，已展現依循包容性原則的具體實踐作為。

重大性

東生華已持續實施以衝擊為基礎的重大性分析方法學，持續鑑別與評估衝擊，從26項永續議題中已鑑別與更新得出11項重大主題，並對各重大主題規劃策略、管理方案與目標等。在報告書中已詳細揭露其流程細節與顯著門檻，提高其透明度與可信度。整體而言，已展現依循重大性原則的實踐作為。

回應性

東生華已透過報告書、官網與其他公開資訊管道，定期與不定期地揭露該組織在經濟、治理、環境與社會的運作績效資訊，使利害關係人得以對該組織的治理與管理績效進行了解與判斷。整體而言，已展現符合回應性原則的具體作為。

衝擊性

東生華已對其營運過程中對整體環境產生之衝擊，提供必要的資源進行監控與量測。在報告書中已揭露所辨識的各項衝擊與管理措施，以質化與量化目標呈現對衝擊的管理績效，提供了合適的資訊供利害關係人了解該組織的永續作為。整體而言，已展現符合衝擊性原則的實踐內容。未來可持續提供資源，提升對衝擊管理的規劃與量測。

◆ **GRI永續報導準則**

基於審查的結果，確認報告書中一般揭露與特定主題揭露及重大主題管理揭露等，已遵循GRI永續報導準則之要求。未來可持續依報導要求，透過跨部門合作來持續彙整各重大主題與營運據點績效，揭露充分的永續資訊給利害關係人。

◆ **SASB準則**

基於審查之結果，該報告書已參照SASB準則的永續性主題與指標、活動指標進行相關資訊揭露。未來可持續依據準則在跨部門合作下進行資料蒐集與報導，提供具有價值的資訊給投資人。

意見聲明

法標依據AA1000保證標準(v3)的查證指引及GRI永續報導準則，已發展完整的永續性報告保證準則。我們認為就東生華所提供的足夠證據及現場查證的所見事實，秉持公允的原則，對該組織遵循的全球永續性報導準則的情況出具聲明。

我們總結「東生華製藥股份有限公司2025年永續報告書」內容，對於東生華的相關運作與特定績效提供了一個公平的觀點。我們相信有關東生華在2025年的經濟、社會及環境等特定績效指標是被正確地呈現。

保證等級

依據AA1000保證標準(v3)，我們謹依據本聲明書中所描述的範圍與方法，審定本聲明書為中度保證等級。

以上，謹代表「法國標準協會」

Dr. August Tsai
認證與評鑑部門 理事
2026年07月13日
查證團隊：陳其瑛(主導查證員)、詹正豪(查證員)

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