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Pharmosa Biopharm Inc.
Sustainability Report
2025 Sustainability Report

Message from Management

Message from the Chairman

Pharmosa develops new drugs with novel formulations and routes of administration via the 505(b)(2) pathway. We are dedicated to ensuring drug safety and efficacy throughout the development lifecycle and post-launch, aiming to deliver innovative therapies that are meaningfully differentiated from existing products while offering superior safety and efficacy. While pursuing core business growth, we firmly believe that embedding Environmental (E), Social and Human Rights (S), and Governance (G) principles into our daily operations is essential to creating long-term, sustainable value for society, employees, and shareholders.

Regarding corporate governance and economic performance, Pharmosa continuously strengthens board operational effectiveness, enhances information disclosure transparency, and implements integrity management through comprehensive performance evaluations. Over the past year, as we advanced into international markets, our in-house quality control laboratory successfully passed the European Union Qualified Person (QP) audit and obtained a QP release certificate, while our aseptic filling line at the Taipei Biotech Park progressed steadily. This achievement not only demonstrates that Pharmosa meets rigorous international standards in product quality and safety governance, but also marks a critical milestone in building a high-quality and resilient supply chain.

Furthermore, to enhance internal operational synergy and risk management, the Company officially launched a Document Management System (DMS), comprehensively upgrading information security protections for intellectual property and confidential documents while optimizing internal review and cross-departmental collaboration workflows. Through digital management, we have strengthened the organizational resilience supporting our regulatory compliance and core technological assets.

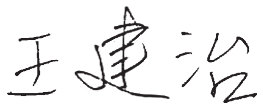
In terms of environmental and social responsibility, we continue to promote steady, everyday sustainability practices. Environmentally, beyond leveraging smart energy- and water-saving designs at our Taipei Biotech Park headquarters and turning off lights during the lunch break, we organize weekly group purchases of organic vegetables to reduce our carbon footprint and support local farmers through practical action. Additionally, the Company regularly retires communication devices to support the ASUS Foundation's "Recycled Computers, Hope Project," perfectly integrating environmental protection with social welfare by bridging the digital divide.

Regarding human rights and social care, Pharmosa strictly enforces its Human Rights Policy to foster a diverse, equitable, and inclusive workplace. We have partnered with fellow park enterprises—such as OBI Pharma, Century Biotech, and AP Biosciences—to co-host blood donation drives, pooling the philanthropic energy of the biotech industry. We also extended our care externally by donating rhodiola supplies to support patients of the Foundation for Rare Diseases. In terms of industry

collaboration and social communication, our senior leadership spared no effort: our President was invited to a management training camp to share our entrepreneurial journey and forward-looking vision, while the Pharmosa team traveled to the United States to attend a patient conference on Systemic Sclerosis with Digital Ulcers (SSc-DU). By engaging in in-depth dialogues with international patients and medical experts, we not only conveyed the clinical value of our pipeline drugs, but also deepened patient care and local community engagement.

Looking ahead, Pharmosa will continue to drive new drug development through innovative technology, guided by our mission to enhance the quality of human life. Building upon our robust framework of international quality standards and governance, we will steadfastly uphold sound corporate management, steadily advance our business operations, and deepen our commitment to sustainability in everyday practices, thereby making positive and substantive contributions to society and the environment.

Chairman, Pharmosa Biopharm Inc.



About This Report

In pursuit of sustainable corporate management and greater information transparency, Pharmosa is publishing its 2025 Sustainability Report (the "Report"). Through this Report, we explain to our stakeholders the measures and performance achieved toward our sustainability goals, including building integrity-based governance, implementing environmental protection and occupational safety measures, and enhancing employee compensation and benefits. Pharmosa hopes stakeholders will continue to pay attention to us and offer valuable feedback, helping the Company take great strides forward on the path of sustainable corporate management.

ESG Disclosure

This Report covers Pharmosa's Taiwan parent company, which focuses on 505(b)2 new drug development for novel drug-device combination products. Pharmosa has a U.S. subsidiary, established mainly to support the parent company's policy of obtaining patent protection for R&D technology by filing PCT patent applications, and it currently has no substantive business operations.

Reporting Basis and Information Verification

- This Report is structured in accordance with the Sustainability Reporting Standards (2021) issued by the Global Reporting Initiative ("GRI"), the GRI Standards (2021), the SASB Standards issued by the Sustainability Accounting Standards Board, and complies with the requirements of Schedule 2 of the "Regulations Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies." This Report's appendix provides a GRI Standards index and climate-related information for listed/OTC companies for stakeholders' reference.
- The financial data disclosed in this Report have been audited by PwC Taiwan in accordance with International Financial Reporting Standards (IFRS) and are presented in thousands of New Taiwan Dollars, with a disclosure scope consistent with the Company's publicly disclosed consolidated financial data. Environmental, employee, and occupational safety data are compiled by the responsible departments, confirmed by department heads, and presented using internationally recognized indicators; where estimation methods are used, this is noted in the text.
- Pharmosa has established "Sustainability Report Preparation and Verification Procedures," under which responsible internal departments first review the accuracy of information disclosed in the ESG report, after which the Sustainability Promotion Group confirms that the Report fully covers all material topics.
- This Report has not yet undergone external assurance. Future sustainability reports are planned to undergo third-party verification to enhance the reliability and accuracy of the Report.

Publication Frequency

This Report covers information and data for the period from202511 to20251231. To fully present changes in performance, some information traces back data from the past three years. Any cross-year operating activities are separately explained in the text. This is Pharmosa's first sustainability report, and there has been no restatement of information.

Going forward, Pharmosa will publish a report annually. To improve the transparency and accessibility of information disclosure, the Report will continue to be published on a regular annual basis and released simultaneously on the Market Observation Post System (MOPS) and the Company's website.

- Current edition: August 2026
- Next edition: August 2027

Feedback

If you have any comments or suggestions regarding the content of this Report, please feel free to contact us through the following channels. We look forward to your feedback to help us continue to improve.

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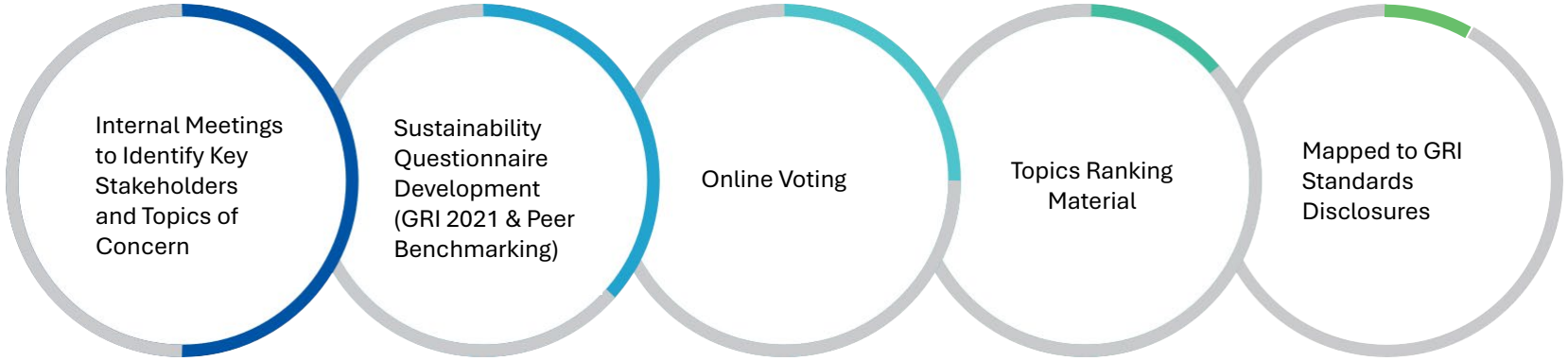
I. Stakeholder Engagement

I. Stakeholder

Stakeholder and Material Topic Identification Process



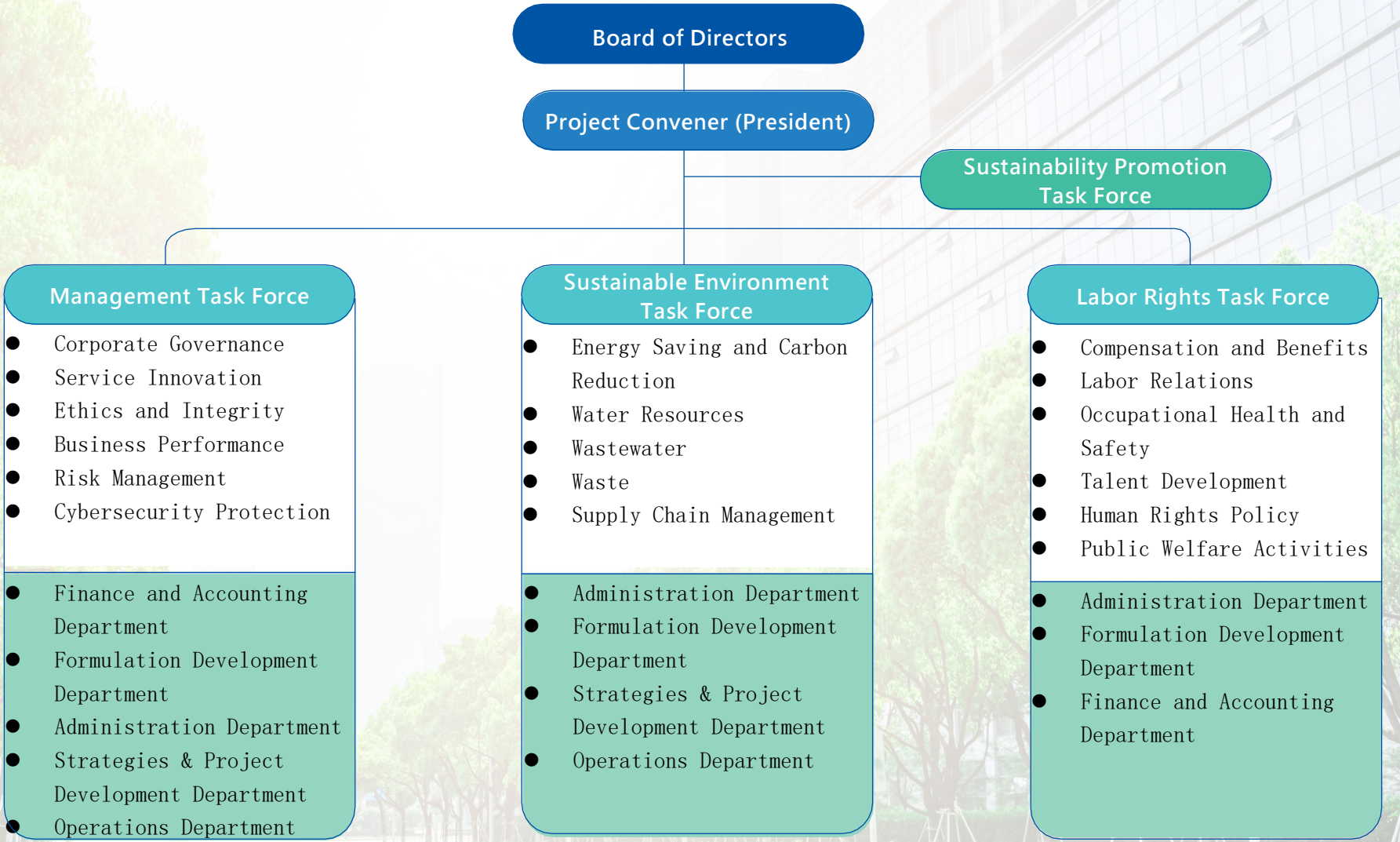
1.1 Sustainability Governance Organizational Structure

To fulfill its corporate social responsibility and promote progress in the economy, environment, and society toward the goal of sustainable development, Pharmosa has established a "Code of Practice for Sustainable Development" and "Sustainability Information Management Guidelines" for compliance, actively practicing sustainable development in line with international trends, and, through good corporate citizenship, enhancing its contribution to the national economy, improving the quality of life of employees, communities, and society, and fostering competitive advantage grounded in sustainable development.

The Board of Directors is the Company's highest decision-making and oversight body for sustainable development. In response to the Company's development needs, a "Sustainability Promotion Group" was established in 2024, convened by the President. The Sustainability Promotion Group comprises three functional teams: the "Business Management Team," the "Sustainable Environment Team," and the "Labor Rights Team." Through internal coordination meetings, each team continuously promotes the concept of corporate sustainable development, identifies and analyzes sustainability topics, and discloses the results of the Company's stakeholder engagement and sustainability performance in the annual sustainability report, which is reported to the Board of Directors.

In addition, to ensure that sustainability policies and commitments remain aligned with the Company's development, Pharmosa plans to report to the Board of Directors on a regular annual basis.

Sustainability Promotion Organizational Chart



1.2 Identifying Stakeholders

PharmosaWith reference to the five characteristics of the AA1000 SES (Stakeholder Engagement Standard)—dependency, responsibility, influence, diverse perspectives, and tension—we define six major categories of key stakeholders: shareholders and investors, employees, customers, suppliers and contract manufacturers, government agencies, and news media. The focus of this identification is to understand what stakeholders care about when interacting with the Company, as well as the aspects in which the interaction may affect the Company or be affected by it. This identification enables the Company to enhance communication with stakeholders in a timely and appropriate manner and respond promptly to their needs.

1.3 Stakeholder Communication Channels and Topics of Concern

The Company maintains a sound operating strategy and financial management, disclosing operational and financial information on the Market Observation Post System and the Company website to protect stakeholders' rights and interests. Company departments also communicate with stakeholders through routine business interactions, regular surveys, and interview analyses, incorporating stakeholders' topics of concern into the responsibilities and work plans of relevant departments. Through constructive communication and interaction with stakeholders, the Company accurately grasps their needs and expectations, identifies any gaps between the Company's and stakeholders' concerns, adjusts its operations and management in light of their views, and provides appropriate responses to stakeholders' concerns.

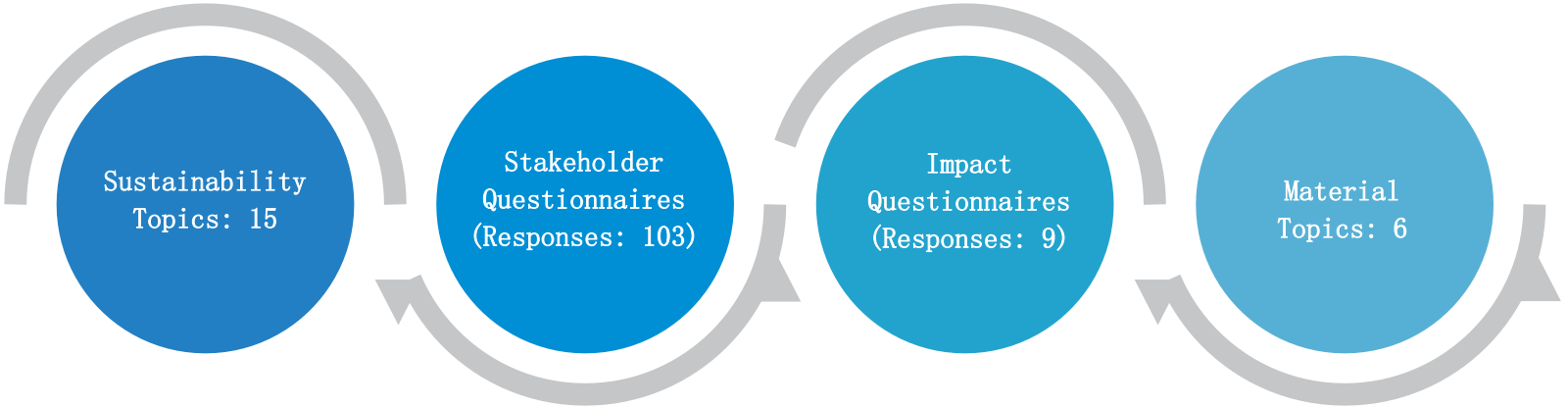
Pharmosa's departments collect topics of concern raised by key stakeholders during routine business interactions, which the Sustainability Promotion Group consolidates. With reference to the GRI Sustainability Reporting Standards 2021 and peer ESG reports, 15 sustainability topics were identified, covering the economic, environmental, and social (including human rights) dimensions, ensuring that Pharmosa's sustainability disclosures meet the completeness and diversity required by the GRI Standards.

Key Stakeholders Category	Significance of Key Stakeholders to the Company	Topics of Concern	Communication Channels / Frequency	Communication Practice Statistics
 Shareholders and Investors	Focus on financial and economic performance, and value the Company's operating strategy and sustainable development. To protect shareholders' rights and treat all shareholders fairly, the Company discloses all information in a timely, sufficient, and transparent manner, engaging in good communication with shareholders and other stakeholders.	● Operating Performance ● Operating and Financial Status ● Corporate Governance ● Risk Management ● Regulatory Compliance	● Annual Shareholders' Meeting / Annually ● Investor Conference / Quarterly ● Market Observation Post System / Real-time ● Company Website / Real-time ● Phone, Email / Real-time	● Held 1 Annual Shareholders' Meeting session(s) ● Held Investor Conference(s)2 session(s) ● Material Information Announcements on MOPS24 item(s) ● Real-time press releases and operating and financial reports published on the Company website and MOPS ● Real-time responses to phone and email inquiries
 Employees	Employees are an important asset of the Company, key to its innovation, R&D, and competitiveness, while also embodying cohesion and identification with the Company, forming the foundation for practicing sustainable development. Pharmosa is committed to building a friendly workplace, providing quality compensation and benefits, supporting employees' professional growth, and continuously pursuing a win-win work-life balance.	● Labor Relations ● Employee Benefits and Compensation ● Talent Development and Training ● Occupational Safety and Health ● Human Rights and Diversity & Inclusion ● Performance Appraisal	● Labor-Management Meeting / Quarterly ● Employee Welfare Committee / As needed ● Employee Performance Appraisal /Semi-annually ● Employee Health Checkup / Annually ● Safety and Health Training / As needed ● Employee Training / As needed ● Employee Grievance Channel and Mailbox / Real-time ● Internal Announcements / As needed ● Company Website / Real-time ● Corporate Sustainability Report / Annually	● Held 4 regular Labor-Management Meeting(s) ● Held Employee Welfare Committee meeting(s):5 regular Labor-Management Meeting(s) ● Employee Performance Appraisal: Conducted twice a year on a regular basis, comprising a mid-year, goal-oriented review and a year-end substantive performance evaluation. ● Health checkup participation rate:82% ● Fire safety awareness sessions:66 participant(s) ● Total training hours:1,076 hours ● No cases received via the whistleblower/grievance mailbox and hotline ● Operational information published in real time on the Company website and internal announcements

Key Stakeholders Category	Significance of Key Stakeholders to the Company	Topics of Concern	Communication Channels / Frequency	Communication Practice Statistics
Customers	Value intellectual property rights and partnership strategy and positioning; this is the most important R&D and commercial asset for Pharmosa. Both parties work closely together, jointly investing in global pharmaceutical market development.	● Operating and Financial Status ● Operating Performance ● Risk Management ● Regulatory Compliance	● Video Conference / Real-time ● Academic Conferences / ● Phone, Email / Real-time	● Video Conferences > 50 session(s) ● Academic Conferences 5 session(s) ● Real-time phone and email communication ● Since licensing the L606 drug-device combination product to Liquidia, regular visits and video conferences, and written communications are used to update progress.
Suppliers and Contract Manufacturers	The Company's products rely on suppliers to provide stable raw materials and services. Through close cooperation and good two-way communication, we jointly pursue the Company's sustainable operation and growth.	● Corporate Governance ● Products and Technology ● Procurement Practices ● Risk Management ● Regulatory Compliance	● New Supplier Evaluation / Real-time ● Annual Supplier Evaluation / Annually ● Visits / As needed ● Meetings / As needed ● Phone, Email / Real-time	● New supplier evaluations:16 supplier(s) ● Annual supplier evaluations:40 supplier(s) ● On-site audits of API suppliers and contract formulation manufacturers:3 time(s) ● On-site visits to potential overseas CRO/CMO supplier partners:2 time(s) ● Supplier meetings > 100 times ● Real-time phone and email communication
Government Agencies	Focus on the Company's financial soundness and regulatory compliance, protecting investor rights, and overseeing the Company's governance, requiring timely responses to matters affecting public perception and public opinion.	● Corporate Governance ● Ethics and Integrity ● Sustainable Development Strategy ● Regulatory Compliance	● Policy Communication and System Promotion /Real-time ● Official Correspondence / As needed ● Compliance with Regulations / As needed ● Meetings and Seminars with Competent Authorities / ● As needed ● Phone, Email / Real-time	● Material information and various announcements filed and disclosed on the Market Observation Post System. ● Correspondence received from government agencies: 236 item(s); correspondence sent:28 item(s). ● No violations of applicable regulations occurred ● Actively participated in meetings and seminars held by competent authorities ● Real-time communication via phone and email
News Media	In line with the Company's development, regularly issues news and engages with media on the Company's operating results and development trends.	● Operating Performance ● Operating and Financial Status ● Regulatory Compliance	● Press Releases / As needed ● Spokesperson System / Real-time ● Market Observation Post System / Real-time ● Company Website / Real-time	● Press releases issued:12 item(s) ● Spokesperson interaction and communication with media ● Real-time press releases and operating and financial reports published on the Company website and MOPS

1.4 Identification of Material Topics

Material Topic Identification Process

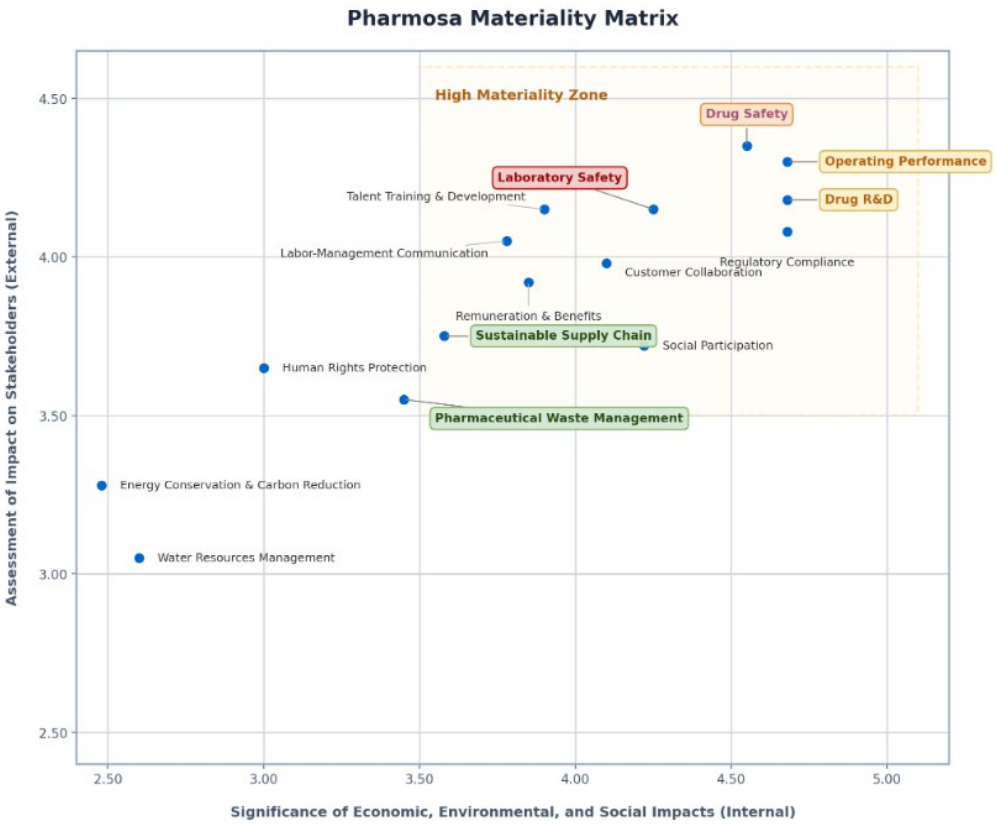


Dimension	Sustainability Topics
Environmental Dimension	Sustainable supply chain, pharmaceutical waste management, energy conservation and carbon reduction, water resources management
Social (Including Human Rights) Dimension	Compensation and benefits, labor-management communication, drug safety, laboratory safety, talent development, human rights protection
Economic Dimension	Operating performance, regulatory compliance, drug R&D, information security, customer collaboration

Note: Corporate governance, risk management, and ethics & integrity are required disclosure topics under the GRI Sustainability Reporting Standards 2021 (GRI Standards: 2021). Although not listed as a material topic this year, this Report will still disclose related content.

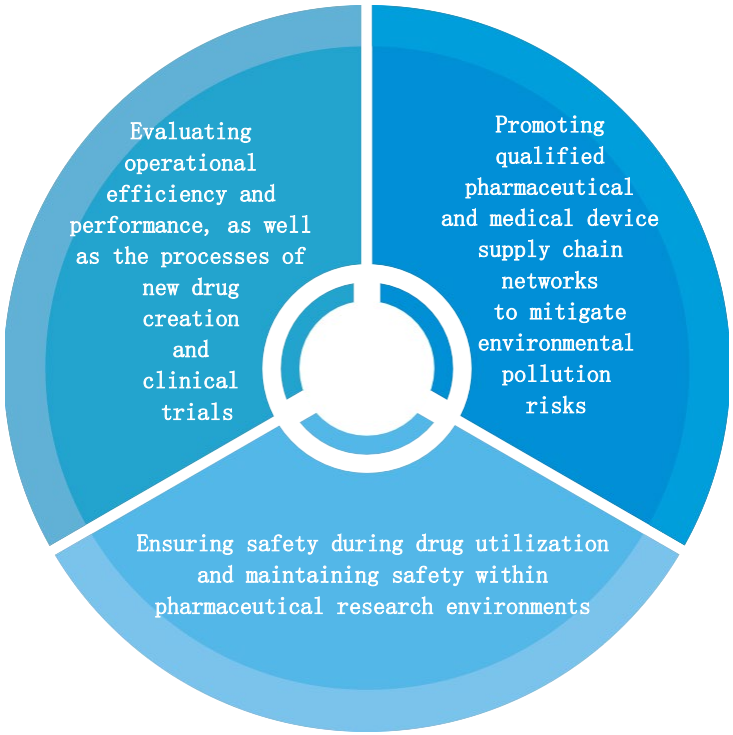
Pharmosa's Sustainable Development Promotion Group identified 15 sustainability topics and surveyed key stakeholders (103 valid responses) and 9 company executives to construct a materiality matrix. Reviewed by the ESG Committee, the top two scoring topics in the environmental, social, and economic dimensions were designated as the year's 6 material topics: sustainable supply chain, pharmaceutical waste management, drug safety, laboratory safety, operating performance, and drug R&D.

These topics embody both risks and opportunities. While driving operational performance and stakeholder trust, we remain strictly committed to environmental quality and employee well-being, as regulatory compliance is vital to our reputation. By balancing economic, environmental, and social dimensions, we transform risks into opportunities for sustainable growth. This Report outlines the management approach for each material topic, complemented by our community engagement outcomes.



ESG Dimension	Material Topic (Impact Dimension)
Environmental Dimension	Sustainable Supply Chain (Negative), Pharmaceutical Waste Management (Positive)
Social (Including Human Rights) Dimension	Drug Safety (Positive), Laboratory Safety (Positive)
Economic Dimension	Operating Performance (Positive), Drug R&D (Positive)

Pharmosa integrates environmental, social, and governance considerations into its business strategy. This year's report focuses on three main pillars, demonstrating the Company's responsibility and sustainability vision as a listed new drug company.



Reporting Principles

The Company is a new drug R&D company that has recently been successfully listed on the TPEx. Upholding a strong commitment to sustainable development, our sustainability report is prepared in accordance with the eight principles of the Global Reporting Initiative (GRI), specifically describing our responsibilities and performance in the economic, environmental, and social dimensions.

01

Accuracy

The organization shall report accurate and detailed information, ensuring that quantitative data methods are clear and that qualitative information is consistent with evidence, and shall indicate data measurement methods and limitations to avoid misleading readers.

02

Balance

Information shall be presented fairly, including both positive and negative impacts, avoiding overemphasis on achievements or concealment of challenges, ensuring that information truthfully reflects the organization's actual condition.

03

Clarity

Content shall be concise and easy to understand, considering user needs, avoiding jargon, and supplemented with charts and data to make information easily accessible and understandable.

04

Comparability

Use consistent standards and internationally recognized units of measurement, provide historical data for trend analysis, explain relevant context, and ensure that information can be compared with other organizations.

05

Completeness

Fully disclose activities and impacts within the reporting period, including short-term and long-term effects, without omitting material information, ensuring that users can comprehensively assess the organization's impact.

06

Sustainability Context

Reporting shall be placed in the context of global sustainable development, explaining contributions and impacts on relevant goals, combining international and local context in the explanation.

07

Timeliness

Information shall be published on a regular basis, ensuring it meets decision-making needs, that the reporting period and schedule are consistent, and that it reflects the latest developments in a timely manner.

08

Verifiability

Information shall be verifiable, with internal controls and documentation established to ensure that data sources are reliable and can support assumptions or calculations and withstand external scrutiny.

Dimension	Material Topic Ranking	Impact Dimension	Upstream	Midstream	Downstream	Corresponding GRI Standards 2021General Disclosures / Topic Standards	Report Disclosure Chapter
			Suppliers / Partners	Company	Licensing Partners		
Social Dimension	Drug Safety	Positive		●	●	Custom Material Topic	3.5.2 Drug Safety Management
Economic Dimension	Operating Performance	Positive		●		201-1 Economic Performance:2016	3.4 Operating Performance
Economic Dimension	Drug R&D	Positive	●	●	●	Custom Material Topic	3.5.1 Drug R&D
Social Dimension	Laboratory Safety	Positive		●		Custom Material Topic	5.5.5 Laboratory Safety Management
Environmental Dimension	Sustainable Supply Chain	Negative	●	●		308 Supplier Environmental Assessment:2016 414 Supplier Social Assessment:2016	4.5 Sustainable Supply Chain Management
Environmental Dimension	Pharmaceutical Waste Management	Positive		●		306 Waste:2020	4.4 Waste Management

II. About Pharmosa

I. About Pharmosa

2.1 Company Profile

Pharmosa focuses on 505(b)2 new drug development for novel drug-device combination products, and the Company holds proprietary patents for its liposome (Liposome) sustained-release technology and core manufacturing technology, combined with a specialized drug delivery system and a purpose-built next-generation medical device, to develop a cross-disciplinary platform for Drug-Device Combination Products. The product's distinguishing feature is combining a specialized formulation (such as a liposomal nanoformulation) with a novel home-use medical device (such as a Breath-Actuated Nebulizer), expanding the addressable market from hospital-based use by healthcare professionals to home-based self-administration by patients.

The Company's business model is built on its proprietary liposomal formulation patents and proprietary core scale-up manufacturing technology, partnering with medical device manufacturers to co-develop next-generation breath-actuated nebulizers that form drug-device combination products—addressing unmet needs of existing therapies or expanding into new indications to benefit patients, and after clinical validation supported by patient data through Phase II/III development, partnering with major international biopharmaceutical companies for product licensing or collaboration, leveraging licensing partners to accelerate clinical progress and expand market scale, enabling rapid capture of market opportunities upon new drug launch.

The Company's two flagship products, L606 and L608, focus on treating conditions related to pulmonary and peripheral vascular disease. They are internally developed, internationally unique liposomal inhalation products that enable convenient home-based treatment while achieving stable, long-acting sustained release with low side effects, offering patients a more friendly treatment option to meet currently unmet clinical needs. Among them, L606 has published excellent 48-week data from a U.S. open-label Phase III trial, and its licensing partner has initiated a global multi-national, multi-center Phase III trial for pulmonary hypertension associated with interstitial lung disease (PH-ILD); meanwhile, L608 has not only completed its Phase I clinical trial in Australia, achieving human proof of concept, and has also received Orphan Drug Designation from the U.S. FDA and European EMA. It has formally applied to the U.S. FDA for a Phase II clinical trial, with potential indications including rare disease Pulmonary Arterial Hypertension (PAH) and Raynaud's phenomenon and digital ulcers associated with rare systemic sclerosis (SSC-RP/DU).

Company Name	Pharmosa Biopharm Inc.
Industry	Biotech / Healthcare
Headquarters	No. 508, Sec. 7, Zhongxiao E. Rd., Nangang Dist., Taipei City, 11F & 11F-1
Capital	NT$645,764 thousand
Shareholding Structure	Domestic Institutions 42.57% Domestic Individuals 55.21%, Foreign Institutions and Individuals 2.22%
Consolidated Revenue for the Year	NT$67,268 thousand
Number of Employees	57 employees
Operating Locations	Taiwan
Main Products / Services	New Drug R&D (Novel Drug-Device Delivery Systems)

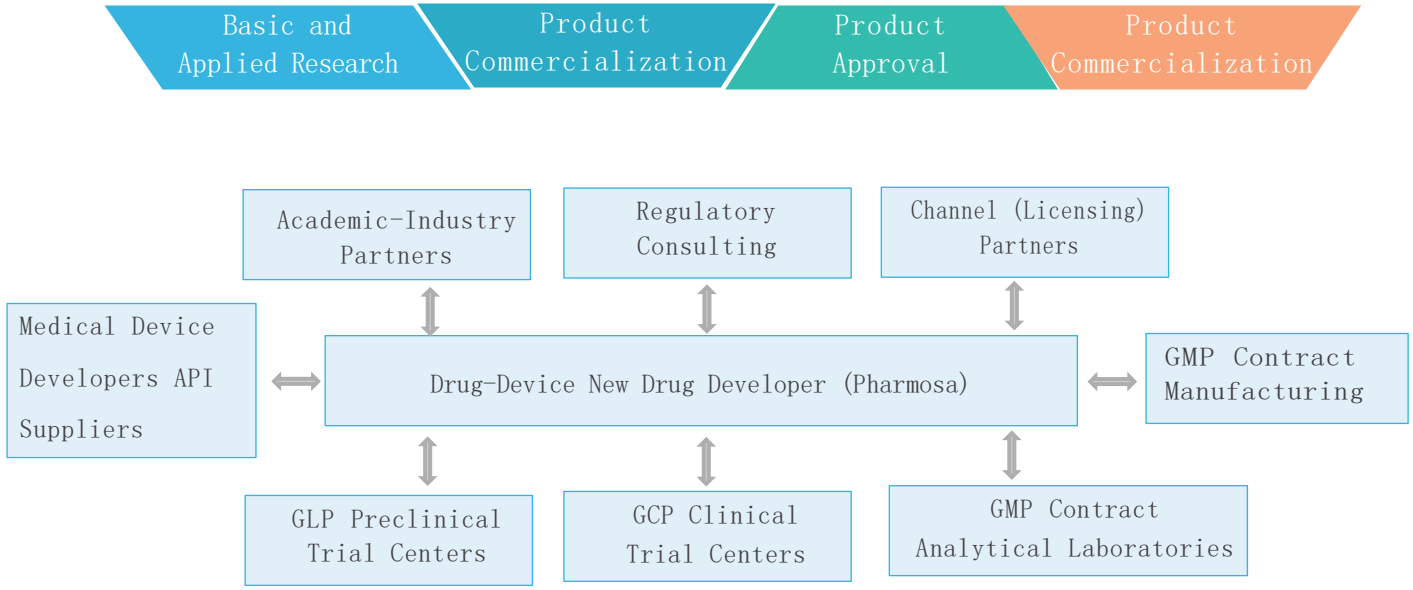
Date	Milestone
October 2016	The company was renamed "Pharmosa Biopharm Inc.", and its operational headquarters relocated from Taichung to Nangang, Taipei.
November 2017	Independently developed L606, a novel drug for the treatment of rare pulmonary arterial hypertension, which received a subsidy grant from the Ministry of Economic Affairs' Emerging Incubation Program.
December 2018	Received the approval letter for the "L606" biotech new drug investment project issued by the Industrial Development Bureau of the Ministry of Economic Affairs, qualifying shareholders for investment tax credits under the Statute for Industrial Development of Biotech and New Drugs.
January 2019	L606 received US FDA clearance for its Phase I clinical trial application.
March 2019	Initiated the Phase I clinical trial of L606 in the US.
April 2019	Enrolled the first subject in the Phase I clinical trial of L606.
July 2019	Changed the par value per share to NTD 5 (the company's stock par value was adjusted from NTD 10 to NTD 5).
September 2019	Completed patient enrollment for the Phase I clinical trial of L606.
October 2019	Received a grant for L606 from the Ministry of Economic Affairs' "A+ Enterprise Innovation R&D Leapfrog Program – Fast-Track Clinical Trial Program".
December 2020	Submitted an application to the US FDA for the Phase III pivotal clinical trial of L606 for the treatment of rare pulmonary arterial hypertension.
April 2021	Held preliminary consultation meetings with Taiwan's Ministry of Health and Welfare (MOHW) regarding the new drug L608.
August 2021	Initiated the Phase III pivotal clinical trial of the new drug L606 for the treatment of rare pulmonary arterial hypertension in the US.
October 2021	Enrolled the first patient in the US Phase III pivotal clinical trial of L606 for rare pulmonary arterial hypertension.
November 2021	Completed public issuance of shares.
December 2021	Held a Pre-IND meeting with the US FDA regarding the clinical development plan for L606 for the treatment of interstitial lung disease-associated pulmonary hypertension (PH-ILD).
February 2022	The company was approved for emerging stock board registration and trading.
March 2023	Applied to expand the patient enrollment demographics for the US Phase III clinical trial of the rare pulmonary arterial hypertension new drug L606.
June 2023	**Signed an exclusive licensing agreement with Liquidia, granting them the rights for the research, development, and commercialization of the new drug L606 for the treatment of pulmonary hypertension in the North American market.**
August 2023	The new drug L608 received approval from the Human Research Ethics Committee (HREC) in Australia to conduct a Phase I clinical trial, and was filed with the Therapeutic Goods Administration (TGA).
December 2023	● L608 obtained Orphan Drug Designation (ODD) from the US FDA for the treatment of rare systemic sclerosis (SSc). ● Received the approval letter for the "L608" biotech new drug investment project from the Ministry of Economic Affairs, qualifying shareholders for investment tax credits under the Statute for Industrial Development of Biotech and New Drugs.
March 2024	Shares were officially listed and traded on the Taipei Exchange (TPEx).

Date	Milestone
June 2024	L608 received approval from Medsafe and the HDEC in New Zealand to conduct a Phase I clinical trial.
August 2024	Completed clinical trial design consultation with the European Medicines Agency (EMA) for the Phase III clinical trial of L606 in treating PH-ILD.
August 2024	**Signed an exclusive commercialization licensing agreement with Menagen for the new drug L606 in the Middle East, North Africa, and Turkey (MENAT) region.**
October 2024	Completed the Phase I human clinical trial of L608 in Australia.
October 2024	**mended the licensing agreement with Liquidia to expand the global market for the new drug L606, granting research, development, and commercialization rights for regional markets outside North America—including Europe and Japan—along with entering into an exclusive licensing agreement for our proprietary nebulizer.**
May 2025	Received a positive opinion for Orphan Drug Designation from the Committee for Orphan Medicinal Products (COMP) of the European Medicines Agency (EMA) for L608.
June 2025	Formally granted Orphan Drug Designation by the European Commission for L608.
October 2025	Licensing partner Liquidia announced the R&D results of the L606 Phase III clinical trial in the US.

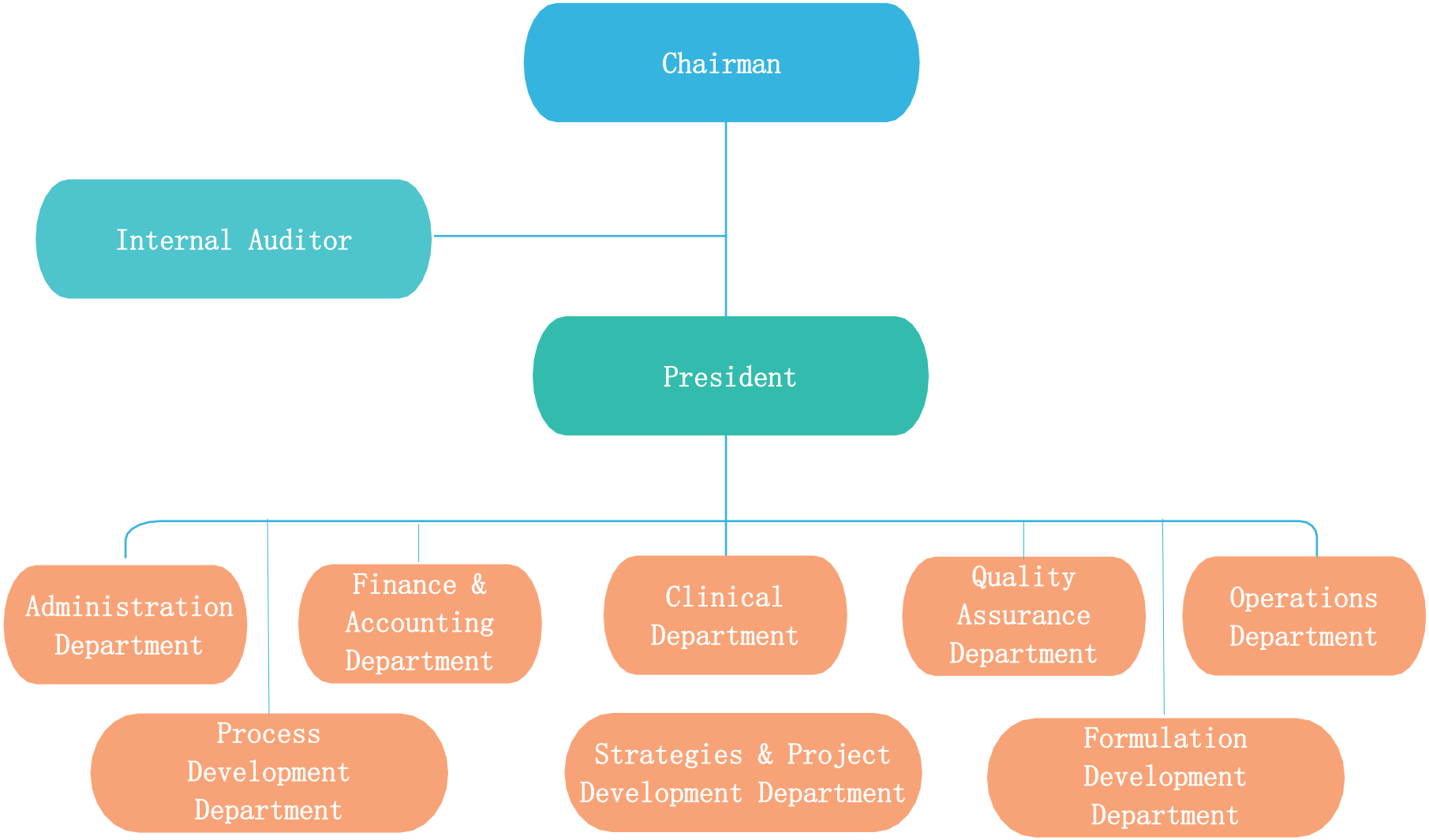
Upstream, Midstream, and Downstream Industry Relationships

The Company's upstream, midstream, and downstream industry relationships are illustrated below, including domestic and international preclinical and clinical trial centers, API and pharmaceutical contract manufacturers, medical device manufacturers, and licensing partners. Based on the concept of drug development risk, the Company leverages its proprietary liposomal technology platform to improve upon existing drug shortcomings, developing new sustained-release formulations such as L606 and L608. Its R&D laboratory completes technical evaluation and Proof of Concept for products, demonstrating that the newly developed formulations can significantly improve efficacy and ease of use compared to existing drugs. In addition, all of the Company's new drug products are drug-device combination products, making collaborative R&D with medical device manufacturers an important part of the process. The R&D department first selects mature, established medical devices and completes suitable device combination fine-tuning and testing in-house, reducing the difficulty of redesigning devices for special requirements, thereby accelerating combination product development timelines and reducing new drug development risk.

The Company adopts an industry-academia-research collaboration model, combining domestic and international resources through product technology transfer or joint development. Partners include domestic and international research institutions, contracted preclinical trial organizations, PIC/S-certified professional manufacturers, medical device manufacturers specializing in mesh nebulizers, international clinical strategy consulting firms, and internationally renowned regulatory consulting firms in the orphan drug/505(b)2 field. Through cross-disciplinary technology integration and service processes, the Company builds long-term, close partnerships up and down the value chain, maximizing the value and impact of R&D results and forming a complete new drug R&D industry value chain.



Organizational Structure

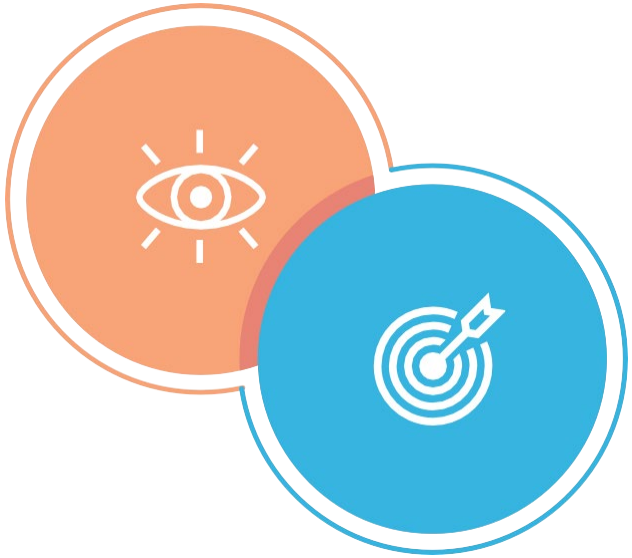


2.2 Business Philosophy

Pharmosa is an innovative pharmaceutical R&D company with complete formulation development and manufacturing core technologies. Our R&D work strictly complies with the latest international pharmaceutical regulatory requirements. By shortening clinical trial timelines, we partner with or license to international pharmaceutical companies after completing clinical proof of concept, creating the fastest path to royalty income and drug commercialization benefits.

Our Vision

Through breakthrough innovation in new drug development technology, while consistently maintaining high product quality standards, Pharmosa strives to achieve its mission of pursuing a better quality of life for humanity.



Our Mission

Pharmosa leverages existing drugs through proprietary innovative delivery system technology to redesign formulations paired with medical devices, thereby providing patients and healthcare payers with more effective drug-device combination products.

Corporate Strategic Direction

Innovation

Our collaborative team has unlimited imagination and creativity

Dedication

Developing products efficiently while maintaining high quality standards

Care

Listening to, understanding, and caring for patients' needs as the foundation of the Company's growth

2.3 Awards & Honors

L606 drug-device combination product was honored with the 2023 Benchmark Enterprise Award – International Licensing Benchmark, presented by the Institute for Biotechnology and Medicine Industry (IBMI)

L606 drug-device combination product was honored with the Potential Benchmark Award at the 2024 Taiwan BIO Awards, presented by the Taiwan Bio Industry Organization (Taiwan BIO)

The L606 drug-device combination product received the Gold Award in the 'Innovative Technology Award – Pharmaceutical and Applied Biotechnology' category at the 2024 Taipei Biotech Awards, alongside the 'Taipei Biotech Star' award

2.4 External Memberships

New drug R&D is a highly regulated, highly competitive, and highly uncertain industry. In addition to focusing on its core business, Pharmosa actively participates in external association activities, staying current on the latest industry trends and regulatory developments, while also strengthening positive relationships with industry peers.

External Association Name	Membership Status
Chinese Association for Sterile Products	Member
Taiwan Bioindustry Organization	Member

III. Corporate Governance

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III. Corporate Governance

Corporate governance is a core requirement for sustainable corporate management. It involves establishing a comprehensive mechanism for guiding and managing the enterprise in a manner consistent with the best interests of the Company and all shareholders, achieving operating goals, facilitating corporate management, and providing an effective oversight mechanism to fulfill management's responsibilities and protect shareholders' lawful rights while also considering the interests of other stakeholders.

Pharmosa has built its corporate governance system in accordance with Taiwan's Securities and Exchange Act and relevant regulations of the competent authority, in order to strengthen the protection of shareholders' rights, enhance the functions of the Board of Directors, respect stakeholders' rights, and improve information transparency. The Board has adopted the "Corporate Governance Best Practice Principles," and follows fair, just, and open director election procedures, along with measures such as establishing independent directors, to strengthen the Board's management and oversight functions. The Board has also adopted "Procedures for Handling Material Inside Information" and "Regulations Governing the Prevention of Insider Trading," prohibiting directors, managers, and employees from profiting from information not available to the market. In addition, the Company adheres to the principles of accurate, timely, and fair disclosure, establishing a comprehensive information disclosure system and providing information on operations, finance, the Board of Directors, and shareholders' meetings on the Company website and the Market Observation Post System, to ensure that shareholders have access to the Company's latest information.

Pharmosa has also established a grievance mechanism, setting up a contact point and communication channel in the Stakeholder section of the Company website. Through two-way communication, the Company understands stakeholders' requirements and expectations and strives to meet stakeholders' expectations.

3.1 Governance Practices

In accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies," the Company has, since 2023, appointed a corporate governance officer to protect shareholders' rights and strengthen the Board's functions. Their main responsibilities include formulating and promoting corporate governance best practice principles, providing directors with information needed to perform their duties, assisting directors in complying with laws and arranging continuing education, handling matters related to Board and shareholders' meetings in accordance with the law, handling company registration and amendment registration, and preparing minutes of Board and shareholders' meetings. During the year, the corporate governance officer completed corporate-governance-related professional

training totaling 18 hours.

The Board of Directors is the highest governance body, and all Board members faithfully fulfill their fiduciary duty of care as a good administrator. The Chairman and the President are not held by the same person; the President assists the Chairman in formulating the Company's operating policy and sustainability strategy, while the Board reviews financial performance and sustainability strategy, and ensures that the Company's operations comply with applicable laws. To improve corporate governance operations and strengthen the Company's competitiveness, the Board has established an Audit Committee and a Remuneration Committee to enhance Board operations. An independent Audit Office also reports to the Board and regularly conducts audit work, reporting audit results to the Audit Committee and the Board of Directors.

The Board of Directors is the Company's highest governance body. The Board acts in accordance with applicable laws, the Company's Articles of Incorporation, and corporate governance practices and arrangements, and is accountable to the Company and its shareholders. It guides the Company's strategy and oversees management, and supervises the planning and progress of sustainable development strategy in the economic, social, and environmental dimensions.

Per the Articles of Incorporation, the Board consists of seven directors, three of whom are independent directors, drawn from accomplished professionals in new drug R&D, biotech/healthcare, and finance and accounting, among other fields. Each director possesses extensive knowledge, industry experience, and an international perspective, enabling them to guide the Company in the right operating direction. On June 26, 2024, the Company held a full re-election of directors. The current Board's term runs from June 26, 2024 to June 25, 2027. The list of Board members can be found in Chapter 3, Corporate Governance Report, of the Company's annual report for the reporting year.

At the same time, the Company's financial statements are regularly audited and certified by an accounting firm, and the Company is able to accurately and promptly complete all disclosures required by law. Responsible personnel are in charge of the Company's external information disclosure, and a spokesperson system has been established to ensure that material information is disclosed in a timely and proper manner for shareholders and other stakeholders to reference the Company's financial and business information.

Looking ahead, strengthening Board operations, improving information transparency, and progressively integrating sustainability governance strategy into the corporate governance framework remain Pharmosa's continuing goals.

3.1.1 Board of Directors

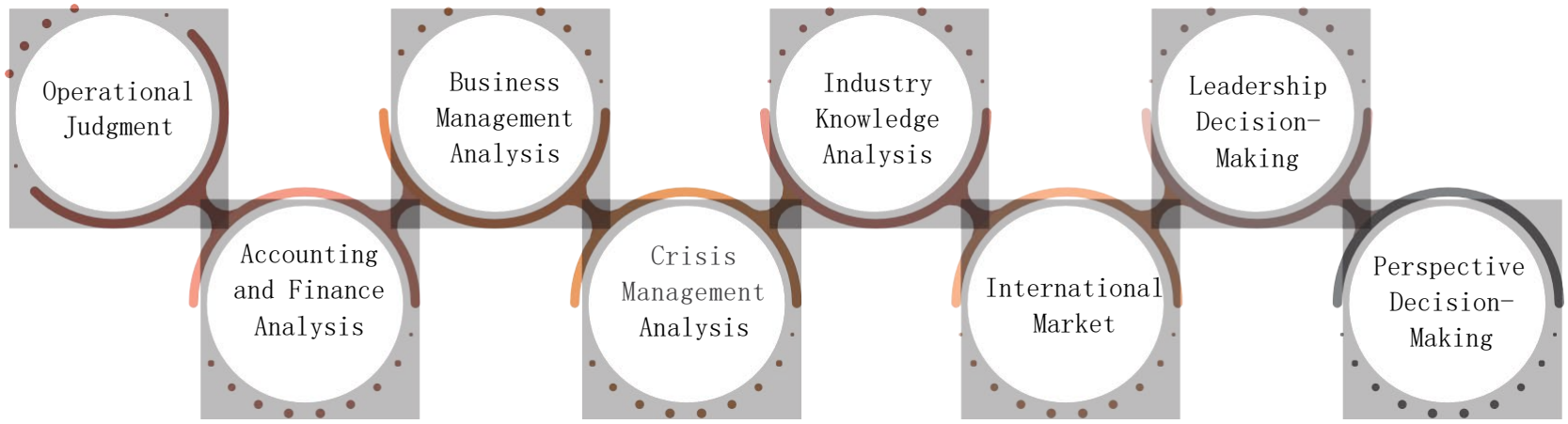
The Company has established "Rules of Procedure for Board of Directors Meetings," which specify the frequency of Board meetings and operating procedures. The Company holds at least one Board meeting per quarter, with managers and the finance/accounting head attending as needed to respond to inquiries, and the audit officer regularly reports audit status to the Board.

A total of5 Board meetings were held during the reporting year, with directors' average attendance rate reaching 100%. Important resolutions can be found in Chapter 3, Corporate Governance Report, of the Company's annual report.

To implement diversity among Board members, Pharmosa specifies in its "Director Election Rules" and "Corporate Governance Best Practice Principles" that Board composition should consider diverse professional expertise and commitment across different dimensions. Nomination and selection of Board members follow the Articles of Incorporation and adopt a candidate nomination system, with regular re-elections. In addition to evaluating candidates' educational qualifications, the Company believes a diversity policy helps improve overall Company performance. Board members are selected on a merit basis, taking into account the Company's own operations, business model, and development needs to formulate an appropriate diversity policy, which should include, but is not limited to, standards in the following two dimensions:

- Basic conditions and values: gender, age, nationality, and culture, among others.
- Professional knowledge and skills: professional background (e.g., law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience, among others.

Board members should generally possess the knowledge, skills, and qualities necessary to perform their duties. To achieve the ideal goal of corporate governance, the capabilities the Board should possess as a whole are as follows:



Board Diversity Matrix	Industry Experience			Professional Expertise				
	Operational Business Dev.	Business Mgmt.	Global Market Exp.	Academia/ Lecturer	Business & Commerce	Legal & Law	Accounting & Finance	Risk Mgmt.
FENGSI Investment Co., Ltd. Rep.: Chien-Chih Wang	✓	✓	✓	—	✓	—	—	✓
FUKESHE Investment Co., Ltd. Rep.: Lin-Chiuan Yan	✓	✓	✓	—	✓	—	—	✓
Pei Kan	✓	✓	—	—	✓	—	—	✓
Gschliesser Siegfried	✓	✓	✓	—	✓	—	—	✓
Yen-Ling Fang	—	—	—	—	✓	✓	✓	✓
Wen-Chang Chang	—	✓	✓	✓	✓	—	—	—
Peter Wu	✓	✓	—	—	✓	—	—	—

Diversity Statistics / Year			2025	
			No.	Percentage
Director	Gender	Male	6	86%
		Female	1	14%
	Age	Under50	1	14%
		50 - 60	3	43%
		Over 60	3	43%
	Education	Graduate	6	86%
		College/ University	1	14%
	Nationality	Domestic	6	86%
		Foreign	1	14%

The Company's "Rules of Procedure for Board of Directors Meetings" provide that where a director or the juristic person he/she represents has an interest in a matter under discussion, that director must explain the material content of the interest at the relevant Board meeting; if the matter may be detrimental to the Company's interests, the director may not participate in the discussion or voting, must recuse himself/herself, and may not exercise voting rights by proxy for other directors. Where a resolution involves a conflict of interest, the Company discloses in its annual report the director's recusal from voting, including the director's name, the content of the resolution, the reason for recusal, and participation in voting. During the reporting year, directors' recusal from conflicts of interest was disclosed in the Corporate Governance Operations chapter of the annual report for the same year. Where a resolution of the Board involves an independent director's dissenting or qualified opinion that is recorded or documented in writing, this is noted in the minutes and, in accordance with law, filed and announced on the information reporting website designated by the competent authority within two days of the Board meeting.

Board Performance Evaluation

To build a sound Board operating system and strengthen oversight functions while ensuring the independence of independent directors in performing their duties, the Board has established "Regulations Governing the Operation of Board Meetings" and "Rules Governing the Scope of Powers of Independent Directors," providing resources for exercising their authority.

Directors maintain a high degree of self-discipline in implementing recusal from conflicts of interest. Where a director or the juristic person he/she represents has an interest in a Board matter, the director must, in addition to explaining the material content of the interest at that Board meeting, recuse himself/herself from discussion and voting if the matter may be detrimental to the Company's interests, and may not exercise voting rights by proxy for other directors.

The Company has established "Board Performance Evaluation Regulations," conducting an internal evaluation annually and an external evaluation once every three years. The evaluation scope covers the Board as a whole, individual directors, and functional committees. The evaluation is conducted by the Finance & Accounting Division via questionnaires.

For the external evaluation, the most recent one was conducted in 2024, commissioning the independent Taiwan Corporate Governance Association to conduct a Board effectiveness evaluation covering the period from January 20221 to November 30, 2024 (see the Company website for the evaluation report). The evaluation resulted in 3 recommended improvements, including establishing a Corporate Governance section on the Company website with regular updates, regularly explaining to investors and the Board the importance of relevant expenditures to Company development, and establishing a comprehensive whistleblower mechanism and communication channel.

Assessment Scope	Assessment Content	Self-Assessment Results
Board of Directors	A. Degree of participation in Company operations B. Improving the quality of Board decision-making C. Board composition and structure D. Director selection and continuing education E. Internal controls	Positive Recognition
Board Members	A. Grasp of company goals and mission B. Awareness of director's duties C. Degree of participation in Company operations D. Internal relationship management and communication E. Director's professionalism and continuing education F. Internal controls	Positive Recognition
Functional Committees	A. Degree of participation in Company operations B. Awareness of the functional committee's duties C. Improving decision-making quality of functional committees D. Composition and member selection of functional committees E. Internal controls	Positive Recognition

In response, Pharmosa has established a Corporate Governance section on its official website that is continuously updated on a regular basis; will continue to regularly publish progress updates on capital and R&D expenditures at Board meetings and investor conferences, and will include such explanations in the annual report, sustainability report, investor presentations, or media reports. Finally, the Company website has disclosed a whistleblower mailbox, which is used jointly by independent directors and the internal audit officer.

The Company's departments regularly interact with stakeholders through routine channels on a daily basis, and engage in ad hoc communication as needed. If, during this process, a stakeholder or sustainability topic is found that could have a potential significant negative impact on Company operations, the responsible department will immediately conduct in-depth due diligence on the topic, covering financial condition, business operations, compliance record, environmental protection, labor rights, and health and safety, among other areas. The findings are submitted to the President and Chairman, and the Chairman assesses, based on the specific findings, whether the matter could have a material impact on Company operations. If a material risk or potential harm is confirmed, the Chairman reports to the Board and makes relevant recommendations, and the Board then discusses the matter and makes a resolution, which is carried out by the responsible Company department. Based on the situation in 2025, the Company did not encounter any potential material negative event during the year, and therefore there is no related report on record. This process ensures that the Company has an effective and complete due diligence mechanism and decision-making process for addressing stakeholder issues and potential impacts, further strengthening the Board's role and responsibility in addressing material matters.

The Company has purchased Directors' and Officers' (D&O) liability insurance, which effectively reduces the legal and financial liability directors may bear due to negligence or erroneous decisions in performing their duties, protecting directors' personal assets and thereby improving the confidence and decision-making efficiency of Board members. This also helps attract and retain outstanding directors, and ensures the stability and smoothness of corporate governance operations.

To fully realize the functions of the Board, the Company actively encourages and arranges for directors to take relevant professional courses, and provides directors with regulatory information and various professional continuing education courses as needed, including: "Technology and Trends - AI Innovation Applications and Risk Management," "Dual-Axis Transformation to Strengthen Organizational Resilience - AI Governance and Sustainability Governance," "IR & Engagement New Trends: ESG and Sustainable Investment Forum," "Sustainable Corporate Governance Forum - From Carbon Fee Levies to "E"SG New Trends," "2025 Corporate Governance Forum: Corporate Governance Amid Change," and "2025 Cathay Sustainable Finance and Climate Change Summit," among others. In 2025, directors' total continuing education hours reached63 hours, of which ESG-related courses accounted for 62%. Through this continuing education and training, directors are able to more comprehensively understand current market and regulatory changes, improving corporate governance effectiveness and thereby driving the Company's continued steady development.

For details of directors' continuing education, please see the Company's 2025 annual report, Corporate Governance Report section, regarding directors' continuing education.

3.1.2 Functional Committees

To strengthen oversight functions and enhance management functions, the Board has established the "Audit Committee" and "Remuneration Committee" as functional committees to help the Board fully realize its functions. Except where independent exercise of authority is required by regulation, these committees are accountable to the Board and submit proposed resolutions to the Board for decision.

Audit Committee

Functional Commit	Overview	Main Responsibilities	Title	Members	Independence	Attendance Rate
Audit Committee	The Audit Committee is composed of independent directors, assisting the Board in overseeing financial reporting processes and financial controls, and submitting evaluation results to the Board for discussion. It meets at least once per quarter, holding , with 2025 meetings held in the year, totaling 5 time(s) meeting(s).	● Establishing or amending the internal control system pursuant to Article 14-1 of the Securities and Exchange Act. ● Evaluating the effectiveness of the internal control system. ● Establishing or amending procedures for acquisition or disposal of assets, derivatives trading, lending of funds to others, and endorsements/guarantees for others, pursuant to Article 36-1 of the Securities and Exchange Act. ● Matters involving a director's own interests. ● Material asset or derivatives transactions. ● Material lending of funds, endorsements, or guarantees. ● Public offering, issuance, or private placement of equity-type securities. ● Appointment, dismissal, or compensation of the Company's certified public accountant. ● Appointment or dismissal of the finance, accounting, or internal audit officer. ● Annual financial reports signed by the Chairman, managers, and accounting officer, and second-quarter financial reports requiring CPA audit and certification. ● Other material matters as required by the Company or the competent authority.	Convener	Peter Wu	Independent Director	100%
			Members	Wen-Chang Chang	Independent Director	100%
			Members	Yen-Ling Fang	Independent Director	100%

Note 1: For details on the operation of the Audit Committee, please see the 2025 annual report, Chapter 3, Audit Committee Operations section.

Pharmosa has established communication channels between the Audit Committee and the certified public accountant and the internal audit officer. The audit officer submits a monthly email summary report on the prior month's audit follow-up status for independent directors' review; the audit officer regularly attends the quarterly Audit Committee meetings to report audit work, results, and follow-up status to independent directors; and the audit officer also attends the quarterly Board meetings to report on quarterly internal audit execution. In addition, the certified public accountant explains the process, scope, and relevant regulatory updates regarding the audit or review of the Company's financial statements at the quarterly Audit Committee meetings, and discusses these with independent directors. Finally, independent directors may contact the internal audit officer and the certified public accountant via email, meetings, or phone as needed, and overall communication practices operate well.

The Remuneration Committee's main authority is to establish and regularly review the system and standards for directors' and managers' performance and compensation, and to regularly evaluate directors' and managers' compensation. When conducting evaluations, the Remuneration Committee comprehensively considers the following principles: that the Company's compensation complies with relevant laws and is sufficient to attract outstanding talent; that directors' and managers' performance evaluation and compensation reference customary levels paid by peers, taking into account the individual's time invested, responsibilities, achievement of individual goals, performance in other positions, compensation paid to holders of equivalent positions in recent years, and the reasonable linkage between individual performance, the Company's operating performance, and future risk, based on achievement of the Company's short- and long-term business goals and financial condition; and it should not induce directors and managers to engage in behavior exceeding the Company's risk appetite in pursuit of compensation. For directors and

In practice, the Remuneration Committee faithfully fulfills its fiduciary duty of care in establishing and regularly reviewing the policies, systems, standards, and structure for directors' and managers' performance evaluation and compensation, and regularly evaluating and setting directors' and managers' compensation, submitting recommendations to the Board for discussion.

The Company's Articles of Incorporation provide that, if the Company earns a profit in a given year, no less than 1% shall be allocated as employee compensation and no more than 2% as director and supervisor compensation. Employee compensation may be paid in stock or cash. The distribution of employee compensation and director/supervisor compensation is resolved by the Board and reported to the shareholders' meeting. Employees of subsidiaries or affiliates who meet conditions set by the Board may also be included in the distribution of employee compensation. However, if the Company has accumulated losses, an amount to cover such losses shall be reserved first before the allocation of employee and director compensation in accordance with the aforementioned proportions.

The Company's compensation policy has not yet linked the Company's ESG goals and performance with the personal compensation of the Board and senior managers. The Company will continue to monitor this issue and give it careful consideration once ESG implementation matures.

Remuneration Committee

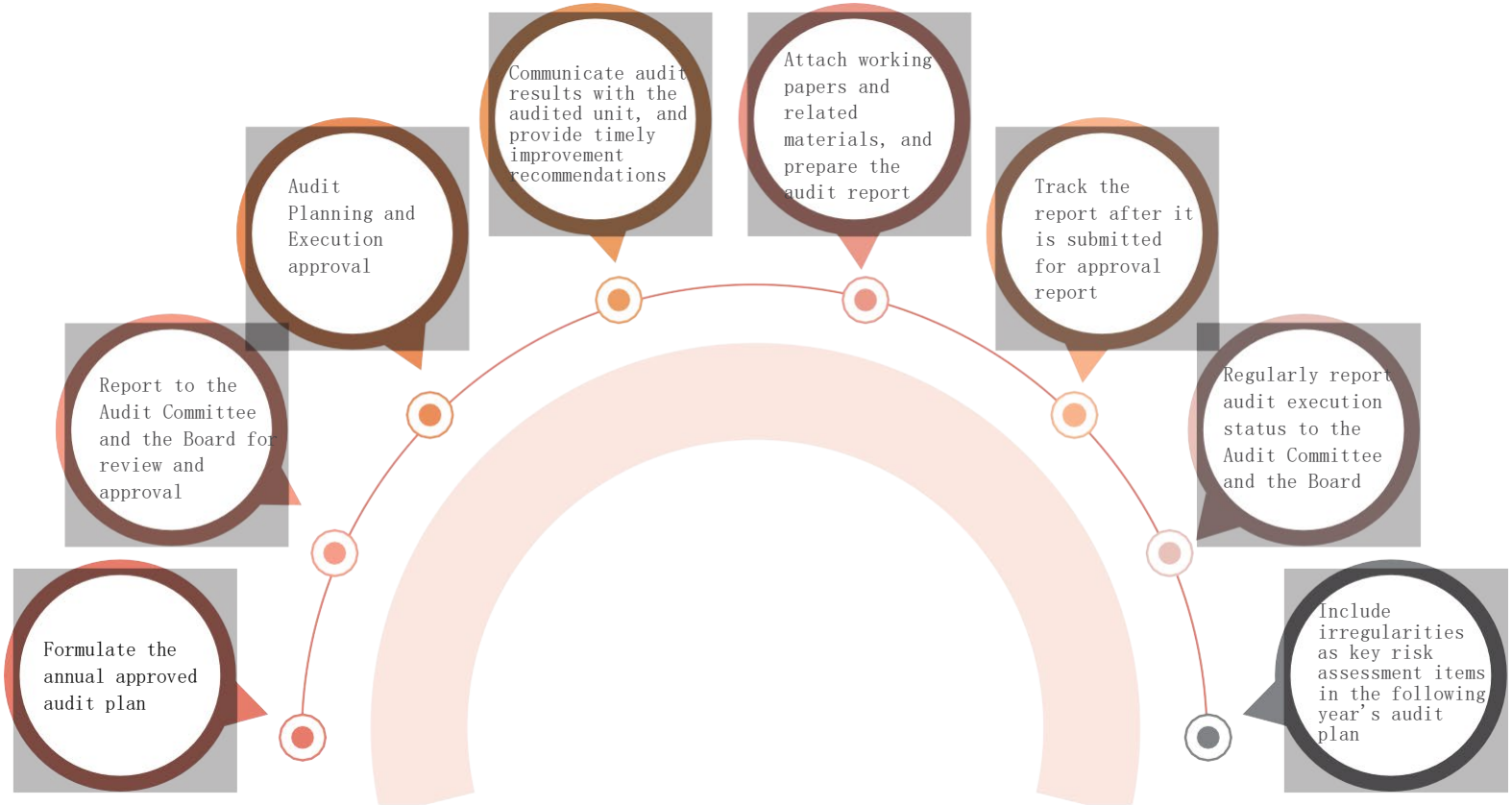
Functional Commit	Overview	Main Responsibilities	Title	Members	Independence	Attendance Rate
Remuneration CommitteeN	To strengthen the compensation system for directors and managers, and evaluate directors' and managers' operating performance and whether their compensation received is fair and reasonable, and submitting to the Board recommendations for decision-making reference. It meets at least twice a year, with2025 meetings held in the year, totaling2 meeting(s).	● Establishing and regularly reviewing the performance evaluation and compensation policies, systems, standards, and structure for directors, supervisors, and managers. ● Regularly evaluating and setting the compensation of directors, supervisors, and managers.	Convener	Yen-Ling Fang	Independent Director	100%
			Members	Wen-Chang Chang	Independent Director	100%
			Members	Peter Wu	Independent Director	100%

Note 2: For details on the operation of the Remuneration Committee, please see the 2025 annual report, Chapter 3, Remuneration Committee Operations section.

3.1.3 Internal Audit

The Company's Internal Audit is an independent unit reporting to the Board of Directors, assisting the Board and managers in examining and reviewing deficiencies in the internal control system and measuring operating efficiency. It regularly reports on audit work to independent directors and attends Board meetings quarterly to report, strengthening the Board's oversight of the Company's audit system. In the event of material irregularities, meetings may be convened at any time, and reports may be made as needed on an ad hoc basis to the Chairman, the Audit Committee convener, independent directors, and the President. At least once a year, it assists each unit in conducting internal control self-assessments and provides timely improvement recommendations, to reasonably ensure that operational effectiveness, legal compliance, and financial reporting continue to be effectively implemented, serving as a basis for reviewing and revising the internal control system. Through audit activities, management is kept timely informed of internal control issues that exist or may arise, thereby implementing the corporate governance system.

The Company continuously monitors its status each year through auditors' risk assessments, implementing operating systems and establishing a sound risk control mechanism. In 2025, the audit unit conducted a total of60 audit items, and found no material non-conformities or audit deficiencies requiring an improvement tracking report.



3.1.4 Ethics & Integrity

Board Performance Evaluation

Pharmosa adheres to the principles of fairness, honesty, trustworthiness, and transparency. To implement its integrity management policy, the Company has established a "Code of Ethical Conduct," "Ethical Corporate Management Best Practice Principles," and "Ethical Corporate Management Procedures and Guidelines," all approved by the Board, expressly requiring directors, managers, and all employees to strictly comply, thereby embedding the concept of "ethical management" throughout the Company.

The Company regularly communicates integrity principles to employees each year to raise compliance awareness and reduce the risk of dishonest conduct, and the Board fulfills its fiduciary duty of care in overseeing the prevention of dishonest conduct to ensure implementation of the integrity management policy. Because pharmaceuticals are highly relevant to life safety and health, the Company ensures that its products and related business conduct comply with the regulations of each country. In 2025, the Company had no material violations of the Company Act, integrity management policy, ethical corporate management best practice principles, or other relevant laws and regulations.

The President serves as convener and convenes "Sustainability Promotion Group" meetings as needed, responsible for formulating the integrity management policy and prevention programs and overseeing their implementation. It sets out codes of conduct employees should follow with respect to business operations, products and services, employees, business partners, society, and the environment, and holds integrity, anti-corruption, and insider trading prevention training courses to strengthen employees' awareness of ethical management.

To thoroughly implement the concept of ethical management, Pharmosa has published its "Code of Ethical Conduct," "Ethical Corporate Management Best Practice Principles," and "Ethical Corporate Management Procedures and Guidelines" on the Company website, and actively communicates matters employees should observe in the course of their duties.

The Company's audit unit conducts independent audits to ensure that the overall mechanism operates effectively, jointly managing and preventing dishonest conduct. In 2025, no incidents of corruption or anti-competitive behavior occurred.

The "Sustainability Promotion Group" is required to report to the Board at least once a year on the implementation of the integrity management policy and anti-dishonest-conduct program for the year. The most recent report was made to the Board in 2026310 regarding the implementation of the2025 year's integrity management policy.

Prevention of Insider Trading

Pharmosa has established "Regulations Governing the Prevention of Insider Trading," disclosed on the Company website, specifying the scope of application, persons subject to the regulations, and relevant procedures, to prevent directors, managers, and other insiders from unknowingly or intentionally violating insider trading regulations, thereby protecting the rights and interests of investors and the Company. Training on the prevention of insider trading is arranged on an ad hoc basis each year, covering the definition of insiders and their scope, immediate reporting upon resignation, short-swing trading (recapture rights), the prohibition of insider trading, and the prohibition on selling during treasury stock buyback periods, among other topics.

Each January, directors are notified of the dates of regular Board meetings, and each quarter directors are reminded not to trade the Company's stock during the blackout period before the announcement of financial reports, i.e.15 days before, and 30 days before the announcement of the annual financial report.

Whistleblower Regulations and Whistleblower Protection

Pharmosa has established a "Whistleblower System," disclosed on the Company website. When a Company employee or external party discovers improper conduct that is unlawful, violates Company policy, systems, or the Code of Ethical Conduct, or harms the Company's interests—such as fraud, misappropriation of Company assets, disclosure of Company secrets, or acceptance of improper benefits—they may file an anonymous report by letter or email.

- Letter: 11F, No. 508, Sec. 7, Zhongxiao E. Rd., Nangang Dist., Taipei City, c/o Whistleblower Mailbox
- Email: audit@pharmosa.com.tw

If the person reported is a director or senior manager, or if there is a material violation causing significant damage to the Company's reputation, the Company, after investigation, will report to the "Audit Committee," a functional committee under the Board, and record and retain the reported case, investigation process, findings, and related documents.

At the same time, the Company opens an investigation in accordance with the "Whistleblower Regulations" and commits to protecting whistleblowers, ensuring that whistleblowers are not dismissed, demoted, or have their pay reduced, or otherwise have their rights under law or contract impaired or suffer other unfavorable treatment as a result of filing a report. The Company also maintains confidentiality regarding the whistleblower's identity, the content of the report, and the investigation process, and shall not disclose any information that could identify the whistleblower.

2025, the Company received 0 reports.

3.2 Risk Management

The Company properly manages risks related to market/industry, R&D, supply chain, information security, and compliance and sustainability topics. It establishes risk management policies, internal control systems, and related operating procedures in accordance with relevant regulations, and continuously tracks and improves matters not yet fully addressed, in order to control potential or existing risk issues.

Risk Category	Risk Description	Risk Management Strategy
Corporate Governance	Changes in industry trends and market competition from similar drug development may affect the terms of external licensing negotiations	● Closely monitor the R&D activities of competitors developing similar drugs, in order to take timely responsive measures. ● Regularly invite experts for discussions or meetings on industry R&D trends and the Company's own R&D strategy, to keep abreast of drug development trends and adjust R&D plans and resource allocation. ● Conduct competitive analysis of target markets early, and engage potential partners at the early stages of development, building long-term trust relationships to facilitate smooth licensing or collaboration at later stages. ● After completing new drug proof of concept (Proof of Concept), clearly divide responsibilities to advance the commercialization of licensed products, while expanding into different target markets to achieve product commercialization goals and improve operating performance. ● Use the patent protection system to establish a presence in major global sales markets and strengthen product competitiveness.
	The success of new drug development depends on approval by regulatory authorities	● Continuously monitor FDA and EU EMA regulatory amendments to support product R&D planning, including Chemistry, Manufacturing, and Controls (CMC)), preclinical trials (preclinical), and clinical trial (clinical) regulatory requirements and quality standards. ● License out products during development, leveraging international partner pharmaceutical companies' familiarity with local regulations to save development time and resources. ● Build strong strategic alliances and networks with domestic and international preclinical and clinical trial contract organizations, to manage timing gaps in registration and licensing and reduce the time and resources spent on duplicate trials.
	Insufficient raw materials or capacity supplied by outsourced partner factories leading to shortages of required products	● Establish long-term, stable partnerships with partner manufacturers to form a supply chain network of qualified drugs and devices, reducing risk variables. ● Establish a second supply chain, including the Company's ongoing construction of a filling facility, and establishing a second supplier through technology transfer, to increase capacity, diversify risk, manage supply and demand, and enhance supply chain resilience.

Risk Category	Risk Description	Risk Management Strategy
Corporate Governance	Information security incidents affecting normal operations	● Establish an IT team responsible for information security, in charge of information security policy, assisting in planning and executing information security operations, and promoting and implementing information security policy. ● Information security personnel cooperate with the audit unit to conduct annual internal audits, implementing information security audit work and ensuring the feasibility and effectiveness of the Company's information security practices. ● Information security personnel regularly monitor the Company's host system hardware for anomalies in response to cybersecurity information, and update firmware and patch software system vulnerabilities. ● Information security personnel regularly review the Company's host backup plan and record it in a backup log checklist, to ensure the effectiveness of the annual host disaster recovery drill implementation.
Environmental Dimension	Improper handling of pharmaceutical waste may pollute the environment	Industrial waste is controlled in accordance with the law, classified and stored according to each waste's chemical properties, and then entrusted to a contractor approved by the competent authority for disposal.
Social Dimension	Improper handling of pharmaceutical waste may pollute the environment	● Establish comprehensive laboratory safety and health operating procedures. ● Regularly procure corresponding safety equipment, such as protective clothing and first aid supplies. ● Conduct laboratory safety training for laboratory personnel once a year, cultivating employees' emergency response and self-safety management capabilities. ● Hold1 employee first aid and emergency response drills annually, strengthening the response team's coordination.
	Inability to guarantee drug quality and safety, threatening patient health and corporate reputation	● Establish and rigorously implement a comprehensive quality system to fully and reliably oversee the quality of operations. ● Supervise and manage raw materials and production supplied by outsourced partner factories, to ensure that the raw materials and drug quality provided meet usage requirements and the marketing authorization standards approved by regulatory authorities.

3.3 Regulatory Compliance

The Company is a Taiwan TPEx-listed company. Corporate governance is a core requirement for sustainable corporate management, establishing a comprehensive mechanism for guiding and managing the enterprise to achieve operating goals in a manner consistent with the best interests of the Company and all shareholders, facilitating corporate management, and providing an effective oversight mechanism to fulfill management's responsibilities, protecting shareholders' lawful rights while considering other stakeholders' interests. In addition, as a company whose core business is new drug R&D, to prevent drugs from harming the human body, from development to market launch, drugs must comply with all pharmaceutical regulations, and attention must also be paid to the experiments and manufacturing processes involved in drug development; the Company also strictly observes all administrative regulations on waste and related matters.

Pharmosa complies with regulations spanning new drug R&D and preclinical research, clinical trials, manufacturing, drug license application, and post-market marketing/sales and pharmacovigilance, with the goal of providing customers with safe, compliant products, and actively protects the rights and interests of stakeholders.

The Company is committed to establishing, in respect of its operating activities and governance matters, the "Corporate Governance Best Practice Principles," "Code of Practice for Sustainable Development," "Code of Ethical Conduct," "Ethical Corporate Management Best Practice Principles," "Ethical Corporate Management Procedures and Guidelines," "Procedures for Handling Material Inside Information," and "Regulations Governing the Prevention of Insider Trading," and regularly reviewing regulatory updates. To ensure compliance with relevant regulations, Pharmosa regularly holds related training, requiring each department, while familiarizing itself with existing regulations and maintaining economic performance, to remain attentive to regulatory amendment trends that may affect the Company. The Company also designs its internal control system based on existing policies, regulations, and laws, overseeing each unit to implement compliance with all applicable regulations.

In 2025, Pharmosa adhered to the highest principle of complying with industry regulations in conducting new drug development, and had no violations of regulations or sanctions in any area, including corporate governance, environmental protection, labor rights, or drug development.

Drug Lifecycle		Related Regulations
Pre-marketing	New Drug R&D and Preclinical Research	● Good Laboratory Practice (GLP) ● Regulations established by regulatory authorities in various countries
	Clinical Trials	● Good Clinical Practice (GCP) ● Good Manufacturing Practice (GMP) ● Ethical principles of the Declaration of Helsinki ● Regulations established by local regulatory authorities
	Manufacturing	● Good Distribution Practice (GDP) ● Good Manufacturing Practice (GMP) ● Regulations established by local regulatory authorities
	Drug Application	● Regulations established by local regulatory authorities
Post-marketing	Marketing and Sales	● Good Distribution Practice (GDP) ● Relevant ethical guidelines established by the World Health Organization (WHO) and countries worldwide
	Pharmacovigilance	● Good Vigilance Practice (GVP) ● Regulations established by local regulatory authorities

3.4 Operating Performance

Pharmosa upholds its three core business philosophies of "Innovation," "Dedication," and "Care" in developing its biotech new drug business, guided by its R&D belief of being "people-centered, starting from the heart." Starting from the needs of patients and healthcare professionals, and combining novel formulations with the most suitable device, the Company identifies unmet medical needs and expands the potential of existing markets through the convenience of home use, creating better medical care and quality of life for patients, thereby advancing the well-being of humanity as a whole—this is Pharmosa's vision.

As the Company focuses on approved inhaled sustained-release drug products that are relatively rare on the market, with high product uniqueness, the market size can continue to expand given strong patient demand. With fewer competitors and orphan drug status for treating rare diseases, the Company can benefit more patients through alliances with international pharmaceutical companies, and can leverage local market orphan drug incentives to expand product market size, bringing considerable potential to Pharmosa's future operations.

Based on a foundation of science and integrity, the Company aims to build a world-class new drug development company, creating maximum operating value and continuously repaying stakeholders' support and expectations, laying a solid foundation for sustainable development.

Material Topic：Operating Performance	
Short-Term Goals	1. Complete licensing of the L606 combination product in key target markets of China, Korea, and Southeast Asia. 2. Collaborate with regional licensing partners, initiating L606 combination product Phase IIIglobal clinical trial. 3. Collaborate with regional licensing partners, initiatingL606 combination product global drug license application related research report. 4. Initiate L608 combination product Phase II clinical trial. 5. InitiateL608 combination product commercial expansion and planningNegotiate regional collaboration and licensing. 6. Complete L608 combination product global drug license regulatory strategy.. 7. Establish a proprietary drug production line, building a resilient supply chain and scaling up operations.
Mid- to Long-Term Goals	1. With regional licensing partners, collaborate tocomplete the global launch of the L606 combination product and obtain sales royalties upon launch, steadily distributing dividends to shareholders. 2. Continue to expand L606 and L608 into new indications and global markets, such as Group 3 pulmonary hypertension due to chronic obstructive pulmonary disease (PH-COPD), Group 4 chronic thromboembolic pulmonary hypertension (CTEPH), and pulmonary fibrosis. 3. Focus new drug R&D on the drug-device combination product line, including expanding from L606 and L608 respiratory therapy products to injectable drug-device combination systems for treating peripheral vascular disease, and continuing to develop drug-device combination products using novel medical devices. 4. Build on existing novel drug-device combination delivery systems to add new drug development of combination formulations.
Resources and Actions Taken	1. Completed L606's first Phase III clinical trial and presented clinical data at Liquidia's R&D Day. 2. Manufactured and sold L606 clinical trial drug supply to Liquidia. 3. L608 received Orphan Drug Designation (ODD) from the EU EMA. 4. L608 completed a Scientific Advice Working Party (SAWP) meeting with the EU EMA, completing discussions on the clinical trial plan for L608's EU marketing authorization application. 5. Completed one L608 candidate nebulizer development and completed a Phase I clinical trial.
2025Performance Results	The Company's operating revenue was NT$67,2268 thousand.
Responsible Department	Strategy & Project Development Division

The Company operates in the new drug R&D industry, which is inherently high-risk, as the success of new drug development depends on regulatory approval. Given this, Pharmosa's financial operations follow the principle of prudence, with comprehensive planning of working capital utilization, primarily keeping cash in low-risk, fixed-income time deposits to meet future operating needs and avoid financial losses that could result from market fluctuations. The Company continues to strengthen corporate governance and regulatory compliance, and is committed to recruiting senior international talent and strategically partnering with international pharmaceutical companies to strengthen its global intellectual property portfolio, enhancing the Company's R&D capacity and international competitiveness.

Unit: NT$ thousand

Item	2023	2024	2025
Revenue(A)	314,500	167,568	67,268
Operating Costs(B)	0	40,665	54,235
Employee Wages and Benefits(C)	63,729	90,658	103,922
Payments to Capital Providers(D)	2,857	2,419	2,100
Payments to Government(E)	0	0	0
Community Investment(F)	83,677	0	0
Economic Value Retained (A-B-C-D-E-F)	164,237	33,826	(92,989)

Note:

- Revenue is defined as net sales plus income from financial investments and asset sales.
- Operating costs are defined as cash payments to external parties for the purchase of raw materials, product components, facilities, and services.
- Employee wages and benefits are defined as total wages (including employee salaries and payments made to the government on behalf of employees) plus total benefits (excluding training, protective equipment costs, or other costs directly related to employees' job duties).
- Payments to capital providers are defined as dividends paid to all shareholders plus interest paid to lenders.
- Payments to government are defined as all taxes and fines paid by the organization in accordance with international, national, and local standards. Taxes may include business tax, income tax, and property tax.

Note: In 2024, received a cash prize of NT$800 thousand for the Taipei Biotech Award - Innovative Technology Award, Pharmaceutical and Applied Biotechnology category.

3.5 Pharmaceutical R&D and Safety

3.5.1 Drug R&D

The Company holds patents for liposomal sustained-release technology and complete core technologies for formulation development and manufacturing, mesh-nebulizer breath-actuated inhalation devices and their worldwide patent usage rights, and a cross-disciplinary integration platform combining drug delivery systems with medical devices. It is therefore committed to developing innovative drug-device combination products, combining specialized formulations (such as nanocarriers and liposomal formulations) with home-use medical devices (such as inhalation nebulizers), expanding the addressable market from hospital-based use by healthcare professionals to home-based self-administration by patients.

Centered on U.S. 505(b)2 NDA new formulations or new routes of administration, the Company changes the formulation of already-marketed, clinically validated drug substances. By partially referencing data publicly disclosed by the original drug developer in various countries or data already reviewed by health authorities, certain trials can be waived when applying for drug licenses, shortening development timelines and reducing development costs and risks. The Company focuses primarily on developing niche markets for rare diseases related to pulmonary hypertension and peripheral vascular disease, addressing unmet needs of existing drugs, or expanding into new indications to benefit patients.

The Company has built a team with successful new drug development experience in the liposomal field, possessing depth and breadth of expertise in both preclinical and clinical product development. Team members all have experience collaborating with major international companies, spanning formulation development, analytical method development, preclinical pharmacology, and drug metabolism and toxicology, building R&D data to international quality standards. Following animal studies, the team can precisely select promising formulation candidates and design and launch multinational clinical trial plans. To reduce capital investment and accelerate development, the professional team manages domestic and international contract preclinical trial and drug manufacturing organizations to conduct animal studies and GMP production, and after clinical trials demonstrate that the product achieves its target efficacy and safety, partners with international pharmaceutical companies for licensing, technology transfer, or co-development, collecting licensing fees, R&D milestone payments, and launch royalties, aiming for rapid entry into international markets and multiplying value at each product stage, thereby creating maximum benefit from limited resources, so that royalty income can be reinvested into the development of other new drugs, creating synergies.

For the Company's proprietary liposome preparation and controlled drug release technology, since the R&D stage, the Company has progressively carried out comprehensive global patent portfolio planning, building a patent protection network for its core technologies and products, establishing a robust patent protection wall around the Company's technology platform and product line. The following describes how the Company develops innovative R&D through two major technology platforms to continuously enhance its own competitiveness:

(1) Nano Sustained-Release Formulation Patent Technology

The Company's R&D team has accumulated many years of R&D experience in liposomal products, and specializes in controlling

the formulation design of liposomal sustained release, having applied for patent protection on its unique sustained-release technology. This technology addresses past shortcomings such as low encapsulation efficiency or drug leakage, enabling stable, long-term drug release and reducing clinical side effects, establishing a new formulation technology platform.

(2) Drug Delivery Technology for Medical Device Combinations

The Company's liposomal sustained-release patented technology can simultaneously address product stability and slow in vivo release requirements, demonstrating optimal drug efficacy. To achieve local administration, the product must be paired with a medical device to form a delivery system that nebulizes the product for inhalation. This requires continuously adjusting the liposomal sustained-release formulation while simultaneously screening for the most suitable nebulization device, assessing the effects of physical stresses generated during nebulization on liposomal stability, and repeatedly testing the properties of the aerosol droplets produced by the delivery device, in order to confirm the feasibility of the drug-device combination product's performance and develop the optimal drug-device combination product. These R&D outcomes, including process technology, compositions, and applications, have all been patented to protect the Company's core technology.

Current Product R&D Progress

The Company's two flagship products, L606 and L608, focus on treating conditions related to pulmonary and peripheral vascular disease. Among them, L606 is undergoing a pivotal Phase III clinical trial in the U.S. for treating rare disease Group 1 pulmonary hypertension, and for treating Group 3 hypertension associated with interstitial lung disease, has completed consultation with the U.S. FDDA and EU EMA regarding a Phase III clinical trial application; L608 is currently undergoing a Phase I clinical trial in Australia, with potential indications including rare disease Group 1 pulmonary hypertension and Raynaud's phenomenon and digital ulcers associated with rare systemic sclerosis.

The Company's L606 and L608 products also have the potential to expand into other indications, including treating chronic thromboembolic Group 4 pulmonary hypertension (CTEPH), Group 3 pulmonary hypertension associated with chronic obstructive pulmonary disease (PH-COPD), and pulmonary fibrosis and pulmonary fibrosis (Pulmonary Fibrosis), and the Company will expand into related indications based on actual research and development of L606 and L608.

Current Product Line Progress and Future Development Potential

*: Rare disease

Product	Indication	P1	P2	P3	Target Market Size	Regional Licensing Status
L606 (Liposomal Treprostinil)	PH-ILD	Initiating global Phase III clinical trial			Global > $13.5 billion, US inhaled prostacyclin pathway > $7.0 billion	Liquidia (North America, Europe, Japan, etc.)
	PAH*	Safety and long-term efficacy observation				menagen (Middle East, North Africa, Turkey)
L608 (Liposomal Iloprost)	SSc-DU* (US / EU)	Applying for US Phase II clinical trial			US > $1.0 billion	Conducting commercial model negotiations by region (co-development or licensing)
	SSc-RP* (US / EU)	Clinical data collection			Expanding US SSc market > $1.0 billion	
	PAH*	Completed Phase I clinical trial in Australia			Europe, China, Japan > 100,000 patients	

Material Topic：Drug R&D	
Short-Term Goals	1. Supply L606 to Liquidia for clinical trial drug supply supporting R&D for drug license applications in major countries worldwide. 2. Supply L606 to Liquidia forConduct related clinical research using the dedicated nebulizer. 3. Assist Liquidia in establishing a second production line outside Taiwan. 4. Conduct L608 Phase II/III clinical trials in the U.S., and discuss with European regulatory authorities L608’s subsequent clinical development and drug license application strategy for various indications. 5. L608’sExpand development into new indications, planning inhalation toxicology studies per target market regulatory requirements to meet the long-term animal safety data requirements of different indications. 6. Collaborate with partner medical device companies to conductDFDA/EMA nebulizer medical device review-related research, to meet future L606/L608 drug license and medical device certification requirements in major countries worldwide, and develop the nebulizer device supply chain and establish qualified production lines to support future clinical trial and commercialization needs.
Mid- to Long-Term Goals	1. Continue to expand L606 and L608 into new indications and global markets, partnering with licensing partners to accelerate human clinical trials, such as for the treatment of pulmonary hypertension due to chronic obstructive pulmonary disease (PH-COPD), chronic thromboembolic pulmonary hypertension (CTEPH), and pulmonary fibrosis (Pulmonar y Fibrosis) and other indications. 2. Focus new drug R&D on the drug-device combination product line, including expanding from L606/L608 respiratory therapy products to injectable drug-device combination systems for treating peripheral vascular disease, and continuing to develop drug-device combination products using novel medical devices. 3. Build on existing novel drug-device combination delivery systems to add new drug development of combination formulations, addressing unmet needs of existing treatments, or expand into new indications to benefit patients.
Resources and Actions Taken	1. The R&D unit holds regular R&D meetings to plan and discuss R&D project content, and holds regular cross-departmental meetings to track project progress and decisions. 2. R&D personnel: 44, an increase of19% from the prior year. 3. R&D expenditure:3.67 NT$ hundred million, an increase of% from the prior year24.41% from the prior year.
2025 Performance Results	1. L606 has assisted Liquidia in officially launching the global Re-Spire Phase III clinical trial. 2. L608 has completed its Phase I clinical trial in Australia, confirming L608’s sustained-release effect in humans. 3. L608’ sApplying to the U.S. FDA to conduct a Phase II human clinical trial. 4. No incidents occurred of products or services violating customer health and safety regulations. 5. The total number of global patents obtained by the Company has accumulated to over50.
Responsible Department	R&D Division

R&D Progress and Achievements

Product Name	Indication	Development Achievements
L606’s Pulmonary Inhalation Drug-Device Combination	Rare Disease Pulmonary Arterial Hypertension (PAH)	✓ Completed a full-line EU Qualified Person (QP) audit and obtained a Certificate of Qualified Person Release (QP Declaration), successfully achieving the milestone of supporting global clinical trial drug supply. ✓ 2025 officially presented excellent U.S. Phase III clinical trial results at licensing partner Liquidia’s R&D Day. ✓ 2025 licensing partner Liquidia officially initiated a global multi-national, multi-center Phase III clinical trial for PH-ILD.
	Pulmonary Hypertension Due to Interstitial Lung Disease (PH-ILD)	
L608’s Pulmonary Inhalation Drug-Device Combination	Rare Disease Pulmonary Arterial Hypertension (PAH)	L608’sA novel drug-device combination product combining a new formulation with an inhalation nebulizer device, targeting regions outside the U.S./Canada for the treatment of rare disease pulmonary arterial hypertension; has completed clinical trial drug production, and in August 2023 received approval from Australia’s Human Research Ethics Committee to conduct a Phase I human clinical trial, and was noted by Australia’s Therapeutic Goods Administration;2024 in October, completed the Phase I clinical trial in Australia.
	Raynaud’s Phenomenon and Digital Ulcers Associated with Rare Disease Systemic Sclerosis (SSc-RP/DU)	✓ 2025 In February, completed confirmation of Phase II clinical trial design with the U.S. FDA. ✓ 2025 In June, officially granted Orphan Drug Designation by the European Commission. ✓ 2025 In September, submitted for the EU EMA’s Scientific Advice Working Party (SAWP) procedure and received preliminary feedback on the Phase III clinical trial plan. ✓ 2025 In September, initiated a 6-month GLP toxicology study, continuing long-term safety assessment. ✓ 2025 In November, completed design and development of the dedicated nebulizer and initiated GMP batch production of the clinical trial nebulizer. ✓ 2026 In February, applied to the U.S. Food and Drug Administration (FDA) to conduct a Phase II human clinical trial (IND).

Planned New Product (Service) Development

Drug-Device Combination Product Description	Indication
Pulmonary Inhalation Drug-Device Combination	Treatment of chronic thromboembolic Group 4 pulmonary hypertension (CTEPH),
Pulmonary Inhalation Drug-Device Combination	Treatment of Group 3 pulmonary hypertension associated with chronic obstructive pulmonary disease (PH-COPD),
Pulmonary Inhalation Drug-Device Combination	Treatment of pulmonary fibrosis (Pulmonary Fibrosis)

In addition to the aforementioned treatment of Group 1 pulmonary arterial hypertension (PAH), Group 3 pulmonary hypertension associated with interstitial lung disease (PH-ILD), and Raynaud's phenomenon and digital ulcers associated with systemic sclerosis (SSc-RP/DU), the Company also has the potential to expand into other indications, including chronic thromboembolic Group 4 pulmonary hypertension (CTEPH), Group 3 pulmonary hypertension associated with chronic obstructive pulmonary disease (PH-COPD), and pulmonary fibrosis (Pulmonary Fibrosis). The Company will expand into related indications based on actual research and development progress.

R&D Costs Continue to Grow

Unit: NT$ thousand; persons

R&D Personnel & Expenditure Over the Past 3 Years			
	2023	2024	2025
R&D Expenses	276,971	294,785	366,654
R&D Expenses / Total Expenses	87.28%	85.33%	88.16%
R&D Personnel	25	37	44

3.5.2 Drug Safety Management

Pharmosa upholds its mission of "Innovative Drugs, Protecting Health," focusing on new drug R&D for novel delivery systems and drug-device combination products. Wefirmly believe that drug safety and efficacy arethe cornerstone of improving patient well-being. Therefore, at every stage of R&D, we manage and control quality to the highest standards. The Company is committed to providing patients with better treatmentoptions through innovative R&D models and rigorous safetymanagement, based on international standards and combining professionalknowledge with innovative technology, ensuring that products meet strict regulatory requirements at every stage from clinicalresearch to market launch, emphasizing patient interests and medication safety at every stage. Pharmosa's continuous efforts to advance drug quality and innovative applicationsaim to bring more breakthrough value to the global healthcare field.

Material Topic: Drug Safety	
Importance to the Company	Drug safety is directly related to patients' lives and health, is critical to the Company's reputation and market trust, and can reduce medical risk. Improving drug quality and reducing side effects helps strengthen the Company's market competitiveness and comply with regulations and international standards.
Policy / Commitment	Pharmosa develops and manufactures safe, effective drugs to treat diseases that harm human health. To achieve this goal, the Company commits to complying with GMP (Good Manufacturing Practice) and GDP (Good Distribution Practice), ensuring that drug quality is monitored throughout the entire process from R&D to production and distribution, protecting consumer safety.
Short-Term Goals	1. Continue to promote and implement the Company's internal quality improvement plans to optimize raw material processes and build proprietary facilities, achieving improved operational efficiency and production reliability. 2. Comply with drug R&D and quality control regulations, ensuring products meet standards and providing patients with new, safe, and reliable treatment options.
Mid-to Long-Term Goals	1. Implement employee training and establish an appropriate backup personnel system to ensure that the stability of important operations is not disrupted by personnel changes. 2. Strengthen certification of suppliers/contract manufacturers/contract logistics providers, ensuring that key raw materials, important test items, and outsourced drug manufacturing have two or more qualified suppliers/contract manufacturers/contract logistics providers. 3. Research and develop innovative, effective, and safe drugs to address unmet needs of existing treatments or expand into new indications to benefit patients.
Resources and Actions Taken	1. Establish and rigorously implement a comprehensive quality system to fully and reliably oversee the quality of operations. 2. Supervise and manage suppliers and contract manufacturers to ensure the quality of the raw materials and drugs they provide. 3. Quality meets our usage requirements and the marketing authorization standards approved by regulatory authorities. 4. Work closely with distribution partners, continuously monitoring drug production and supply status to ensure uninterrupted supply. 5. Actively collaborate with international medical and research institutions to conduct clinical trials.
2025YearPerformance Results	No incidents occurred of products or services violating customer health and safety regulations.
Responsible Department	Operations Division

Pharmosa enhances the efficacy, safety, and convenience of medications, and can also extend the market life cycle of best-selling marketed drugs. Although products are still in the R&D stage and have not yet obtained marketing approval, the Company has established comprehensive management regulations throughout the R&D process—from determining composition, preclinical R&D, and clinical trials to market sales, supplier selection, and product information labeling—striving to ensure 100% compliance with management regulations, with every stage undergoing rigorous evaluation and testing.

In addition to comprehensively prohibiting the sale and purchase of controversial products, these regulations are based on social ethical standards, ethical principles, and industry norms, such as the "Good Manufacturing Practice" (PIC/S GMP), the "Good Laboratory Practice" (GLP), the "Good Clinical Practice" (GCP), and domestic regulations such as the "Medical Care Act," "Regulations Governing the Management of Human Trials," and "Pharmaceutical Affairs Act." From design to development, products undergo a series of toxicology, pharmacology, and animal preclinical trials before proceeding to human trials.All new drug clinical trials must establish a Safety Review Committee composed of independent, professional, and authoritative individuals (Safety Review Committee), regularly monitoring subject safety data, thereby rigorously regulating the entire process to provide patients with assured treatment quality.

Pharmosa's product R&D technologies have all established comprehensive patent protection, and to date there have been no incidents of counterfeiting or infringement; and the manufacturing, storage, distribution, and use of clinical trial drugs are all fully documented and traceable.

The Company's clinical trial drug distribution is entrusted to qualified vendors certified toPIC/S, GDP, PIC/S GMP standards. Both parties execute ordering, warehouse release, product selection, and packaging in accordance with the contract, and after quality control inspection, the product is shipped. All distribution vehicles are equipped with GPS tracking systems to monitor drug transport status, ensuring drug quality and safety.

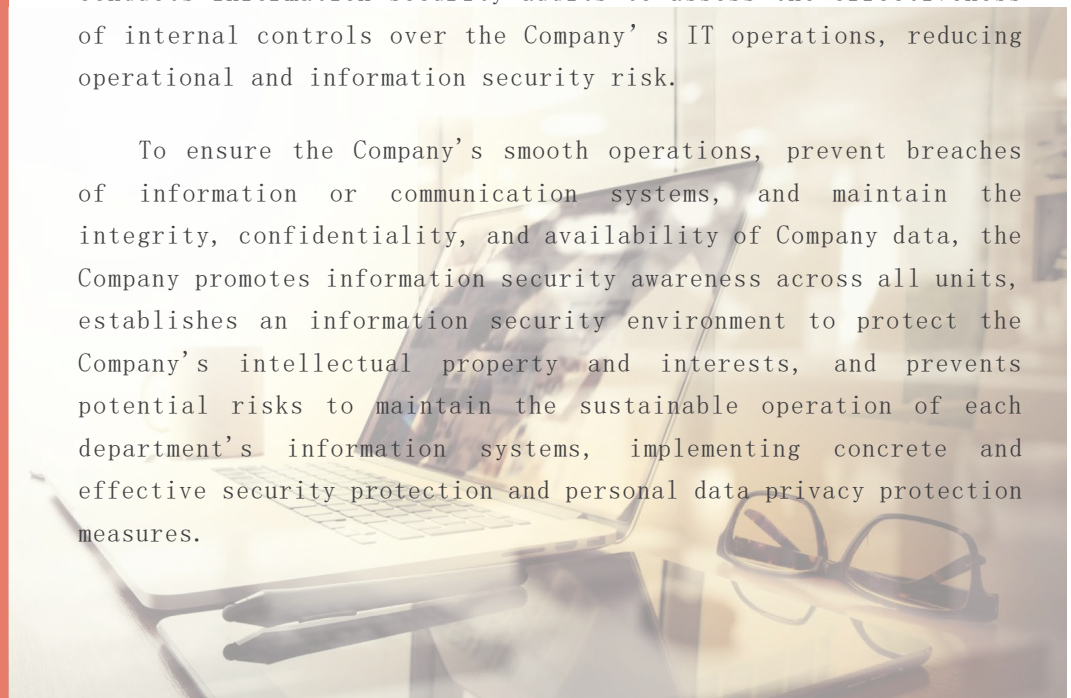
The Company has not yet commenced product and service safety information labeling and marketing activities, but commits that in the future it will ensure that information and labeling for products or services provided to customers comply with the "Medical Care Act," "Pharmaceutical Affairs Act," "Enforcement Rules of the Pharmaceutical Affairs Act," "Regulations Governing the Review of Drug Registration," "Regulations Governing the Management of Drug Safety Surveillance," "Regulations Governing the Reporting of Serious Adverse Drug Reactions," "Pharmaceutical Injury Relief Act," "Regulations Governing the Management of Drug Samples and Gifts," and "Good Manufacturing Practice for Drugs," "Good Manufacturing Practice for Western Pharmaceutical Products," and other related regulations.

3.6 Information Security

In response to the rapid development of information technology and increasing cyber threats—including frequent attacks such as ransomware, malware, phishing, and social engineering—the Company recognizes the importance of information security to its operations, continuing to promote its information security management system and establish a comprehensive information security protection mechanism to ensure the confidentiality, integrity, and availability of the Company's information assets, operating systems, and customer data.

The Company's information security responsibility unit is the IT & Systems Operations team under the Administration Division, responsible for establishing internal information security policy, planning and executing information security operations, and regularly reporting to the President. Internal Audit regularly conducts information security audits to assess the effectiveness of internal controls over the Company's IT operations, reducing operational and information security risk.

To ensure the Company's smooth operations, prevent breaches of information or communication systems, and maintain the integrity, confidentiality, and availability of Company data, the Company promotes information security awareness across all units, establishes an information security environment to protect the Company's intellectual property and interests, and prevents potential risks to maintain the sustainable operation of each department's information systems, implementing concrete and effective security protection and personal data privacy protection measures.



- System Account and Access Control

The Company follows the Principle of Least Privilege (Principle of Least Privilege) for account and access management, granting appropriate system access based on job requirements, and establishing procedures for account application, modification, and deactivation. Important information systems and cloud services all employ account authentication mechanisms, with regular account inventory and access reviews. For personnel who resign, transfer, or change positions, account access is promptly adjusted or deactivated per standard operating procedures to prevent unauthorized access risk. In addition, the Company has implemented Multi-Factor Authentication (MFA) to strengthen login security for important systems and cloud services, effectively reducing the risk of account compromise.

- Network and Endpoint Device Security

The Company has deployed enterprise firewalls, antivirus software, and network access control mechanisms to reduce the impact of malware, viruses, and cyberattacks on the Company's IT environment. For employees' computers and mobile devices, a unified management mechanism implements security configuration, system updates, and protective software management, ensuring devices maintain the latest security status. IT equipment also undergoes regular security checks and vulnerability patching to reduce information security risk.

- Data Protection and Access Management

The Company has established an information classification and grading management system, implementing appropriate protective measures based on data importance and sensitivity. Important documents are managed through access control, encryption protection, and information classification management mechanisms,

preventing unauthorized access, copying, or leakage of confidential information. File access logs and change management mechanisms are also established to ensure traceability and auditability of data processing. Data related to customers, suppliers, and partners is properly protected in accordance with internal management regulations, ensuring data security and privacy rights.

- Security Incident Management and Monitoring

The Company has established information security incident reporting and response procedures. In the event of an information security anomaly, dedicated personnel follow standard operating procedures to conduct incident analysis, risk assessment, and corrective action tracking, thereby mitigating the impact scope and enhancing response capabilities. Additionally, the Company continuously monitors external cybersecurity threat intelligence and adjusts protective measures as needed to strengthen overall information security resilience.

- IT System Continuity

To ensure the security and availability of key systems and data, the Company has established a data backup and recovery mechanism, regularly performing local and offsite backups per its backup policy. Important systems undergo regular backup verification and data recovery drills, ensuring that in the event of equipment failure, system anomalies, or other unforeseen incidents, IT services and operations can be quickly restored, reducing the risk of business disruption.

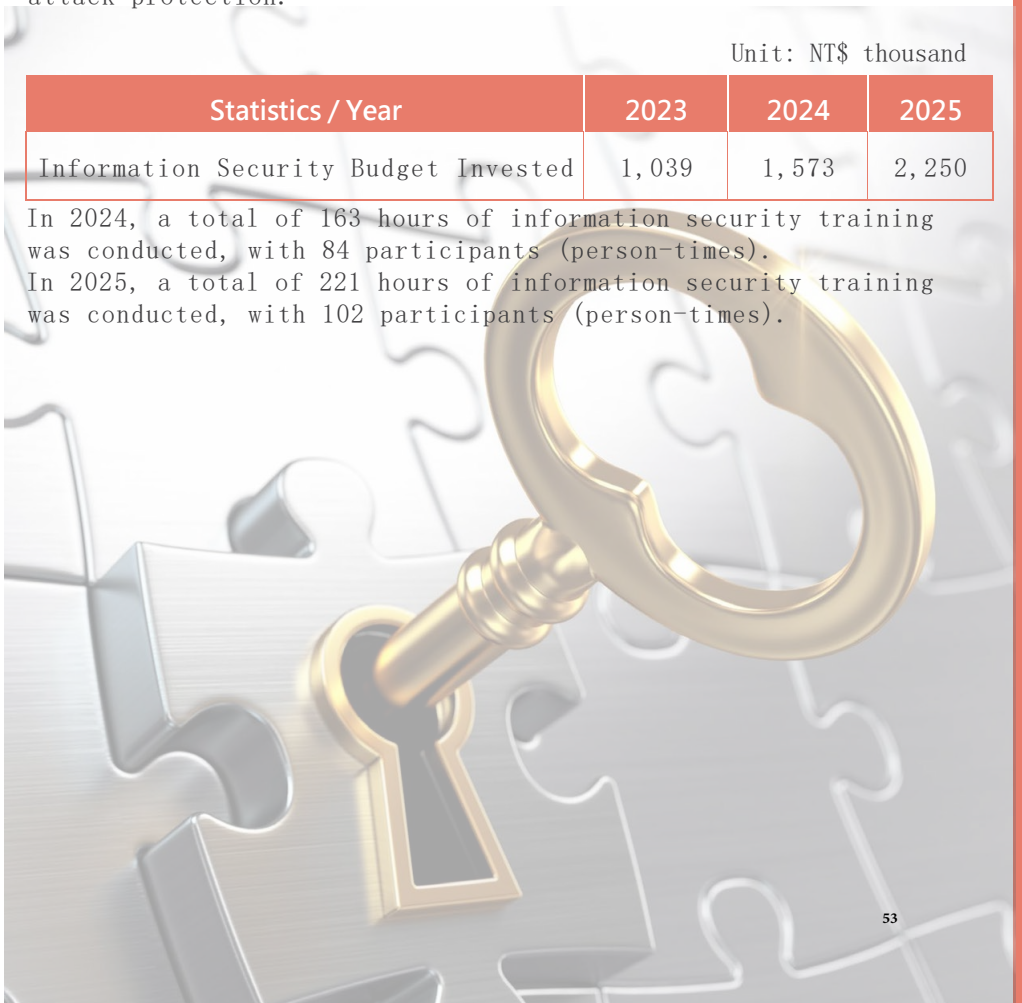
- Resources Invested in Information Security Management

To strengthen the Company's information security technology and protection, the Company不 conducts ad hoc awareness campaigns using current news promoting cybersecurity awareness among employees via the internal and conducting periodic phishing/social engineering drills via email to test employee vigilance and strengthen security awareness. Daily hardware and system status checks are performed regularly, along with weekly backups and local/offsite storage of backup media. Dedicated information security personnel regularly receive external training; aging IT equipment is promptly replaced upon reaching its usage lifespan; endpoint protection systems and intelligent service management have been implemented to facilitate monitoring of device status and strengthen security defenses. Telecom services incorporate multiple redundant lines and distributed denial-of-service (DDoS) attack protection.

Unit: NT$ thousand

Statistics / Year	2023	2024	2025
Information Security Budget Invested	1,039	1,573	2,250

In 2024, a total of 163 hours of information security training was conducted, with 84 participants (person-times).
In 2025, a total of 221 hours of information security training was conducted, with 102 participants (person-times).



IV. Environment

4.1 Energy Management

4.2 Greenhouse Gas Emissions Management

4.3 Water Resources Management

4.4 Waste Management

4.5 Sustainable Supply Chain Management

IV. Environment

Environmental Management Policy

Pharmosa has always operated in an environmentally friendly and sustainable manner, with corresponding control measures in place for energy, greenhouse gas emissions, water resources management, and waste, in order to minimize negative environmental impact as much as possible.

Our Approach

[Energy Conservation & Carbon Reduction]

- Set office air conditioning temperature to 26° C to reduce carbon emissions.
- Turn off lights for one hour during the lunch break.
- Turn off air conditioning and lights when leaving meeting rooms.

[Waste Reduction – Waste Sorting]

- Promote waste sorting and set up recycling bins to reduce waste.
- Promote the elimination of disposable tableware to reduce the amount of household waste.
- Promote a paperless office, using email and cloud sharing platforms to reduce paper use.
- Encourage employees to print double-sided, and set double-sided printing as the default mode.
- Establish an office supplies management system to avoid over-purchasing or stockpiling.
- Set up comprehensive recycling stations with clear labeling to distinguish recyclables from general waste.
- Prioritize the purchase of Energy Efficiency Grade 1 appliances for the Company's use.

[Industrial Waste]

- Industrial waste is controlled in accordance with the law, classified and stored according to each waste's chemical properties, and then entrusted to a contractor approved by the competent authority for disposal.

[Emergency Response]

- Pharmosa has established an emergency response plan, set up an emergency response command center, and planned an emergency response team. In the event of an emergency, the emergency response team carries out the response and handling. New employees receive emergency response training and fire drills every six months, and through drill team simulations, employees develop emergency response and self-safety management skills, enabling appropriate action before an incident escalates, reducing the impact and harm caused by a crisis.
- Coordinate with the fire department to provide employees with fire escape, first aid, and related training.
- In accordance with the emergency response plan, cooperate with the building to conduct emergency response drills. Per assigned roles—on-site commander, notifying rescue teams, security communications, evacuation guidance, safety officers, etc.—drills are conducted so that employees can respond quickly in the event of an emergency, reducing personnel injury and environmental impact.

4.1Energy Management

Pharmosa upholds its core goal of "improving energy use efficiency and reducing greenhouse gas emissions," and is committed to realizing its vision of sustainable development. As an office-based enterprise focused on the biotech/healthcare industry, although we belong to a low-energy-consumption industry, we recognize the importance of energy conservation and carbon reduction, and continue to actively promote various energy management measures, integrating environmental principles into daily operations to contribute to social and environmental sustainability.

In terms of energy management, we strictly comply with relevant laws and regulations, benchmark against international standards, and pursue a more efficient and responsible energy use model, demonstrating our commitment to corporate social responsibility.

Energy Usage Statistics

Year	Electricity (GJ)	Gasoline (GJ)	Total Energy Consumption (GJ)
2023	852.9444	9.6428	862.5872
2024	644.2164	6.5667	650.7831
2025	3,885.0336	11.1552	3,896.1888

Note: The 2024 and 2025 electricity energy data cover the Nangang Campus and Taipei Biotech Park.

Note: Heat value coefficients reference the "A4-02 Unit Heat Value Table for Energy Products" published by the Ministry of Economic Affairs' Energy Administration.

Note: 1 kWh = 3.6 million joules, 1 GJ = 10^9 joules; gasoline heat value is7800kcal/L, 1 kkccal = 4,187 joules.

Energy Intensity

Year	Total Energy Consumption (GJ)	# of employees	Energy Intensity
2023	862.5872	35	24.6453
2024	650.7831	50	13.0157
2025	3,896.1888	57	68.3542

Note: Energy Intensity = Total Energy Consumption (GJ) / Number of Employees.

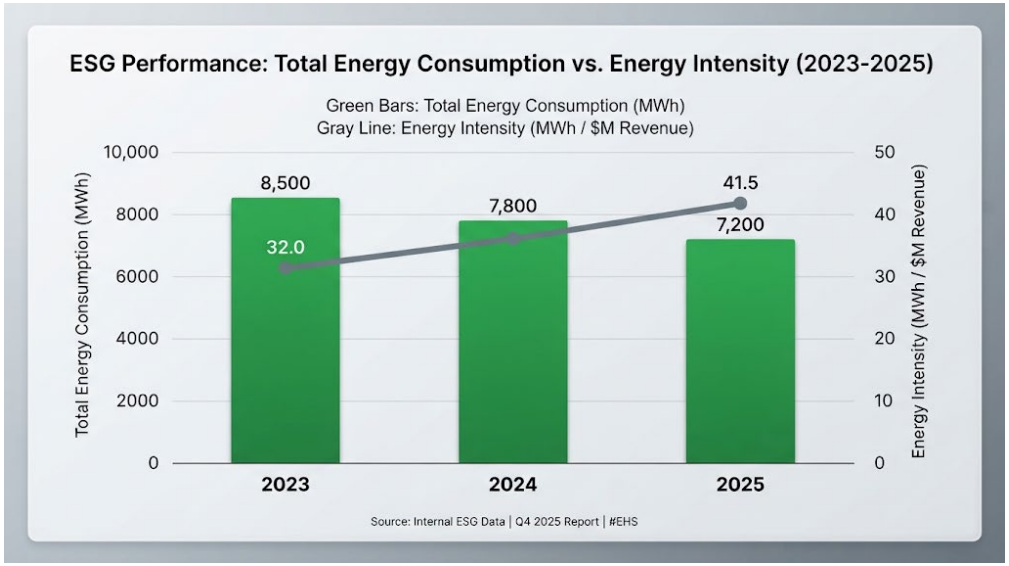
Note: The 2024 and 2025 electricity energy data cover he Nongang Campus and Taipei Biotech Park.

We will fulfill our role as a good corporate citizen, taking concrete action to promote green sustainability and working together toward a low-carbon future, becoming a steadfast practitioner of environmental protection and sustainable development.

Internal and External Energy Consumption

The Earth's energy resources are limited. To avoid improper waste, Pharmosa places great importance on energy resource management. The Company's internal energy consumption is mainly from purchased electricity, 100%, with no use of renewable energy; external energy consumption is mainly from company vehicle gasoline. Office lighting is entirely LED panel energy-saving lights, and air conditioning has been switched to inverter type, set to activate only once a certain temperature is reached; energy-saving information is communicated on an ad hoc basis.

Energy Intensity



4.2 Greenhouse Gas Emissions Management

Extreme climate change caused by greenhouse gas emissions has become a major environmental challenge faced by the world. Although Pharmosa is an office-based industry and not a major carbon emitter, as a member of the planet, we are keenly aware that greenhouse gas reduction is a responsibility and goal that all enterprises should share. Pharmosa therefore actively participates in carbon reduction actions, treating sustainable development as an important part of its business operations. As Pharmosa's greenhouse gas emissions come mainly from Scope 2 purchased electricity, we pay particular attention to optimizing electricity use efficiency and continue to promote energy-saving measures to reduce unnecessary energy consumption. To effectively manage greenhouse gas emissions, Pharmosa conducts an annual greenhouse gas inventory and, based on the inventory results, makes rolling adjustments to its reduction strategies and action plans to ensure that carbon reduction measures remain up to date and are precisely implemented.

Although Pharmosa is not a major energy consumer or carbon emitter, we maintain a proactive and responsible attitude, continuing to pay attention to climate change issues, and work together with all employees to promote green transformation. Going forward, Pharmosa will take concrete action to improve energy use efficiency and reduce our carbon footprint, becoming a model enterprise for sustainable industry development and contributing to protecting the global environment and moving toward a net-zero future.

Greenhouse Gas Inventory Statistics

Year		Scope1	Scope2	Total Emissions Equivalent
		Direct Emissions	Energy Indirect	
2023	Emissions Equivalent (Metric Tons CO_2e /Year)	0.7008	117.0429	117.7437
2024	Emissions Equivalent (Metric Tons CO2e /Year)	0.4876	84.8218	85.3094
2025	Emissions Equivalent (Metric Tons CO2e /Year)	0.7868	502.8960	503.6828

Note：Per the Ministry of Economic Affairs' Energy Administration announcement, the electricity emission factors are:20230.494 kg CO_2e, 20240.474 kg CO_2e in025, 0.467 kg CO_2e.

Note：National Greenhouse Gas Registry Platform announcement - Greenhouse Gas Emission Factor Management Table, Version 6.0.4.Note: The Company's greenhouse gas inventory data are self-estimated.

Emissions Intensity

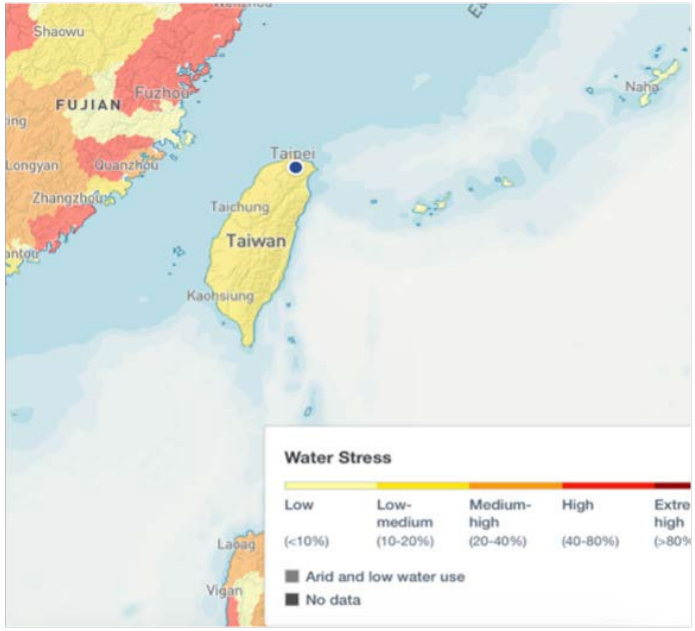
Year	Total Emissions (Metric Tons)	Number of Employees	Emissions Intensity
2023	117.7437	35	3.3641
2024	85.3094	50	1.7062
2025	503.6828	57	8.8365

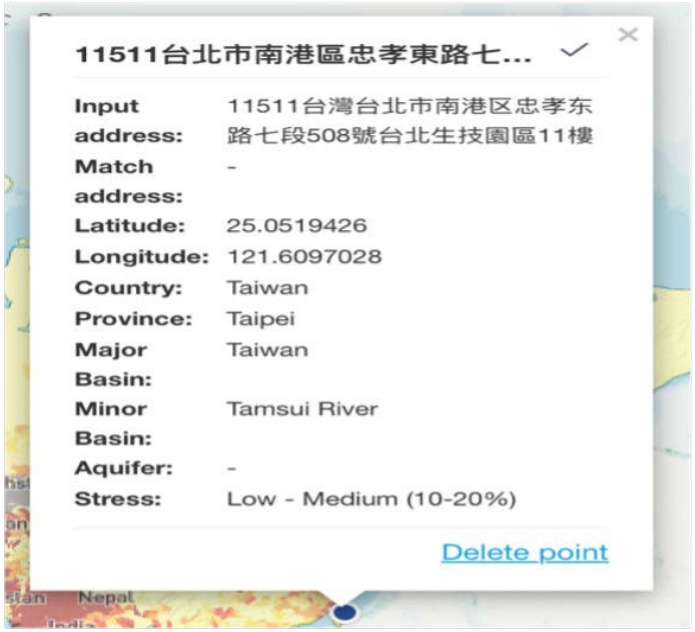
Note：Greenhouse Gas Emissions Intensity = Total Greenhouse Gas Emissions (CO_2e Metric Tons)/12/31 Number of Employees.

4.3 Water Resources Management

As a biotech/healthcare company, the Company has not yet engaged in the production or manufacturing of products, and therefore has no process water requirements; all water use is for domestic purposes. The Company is located in the Taipei Biotech Park, which is not a water-stressed area. Following assessment, the Company does not have a significant environmental impact on water resources or the source watershed ecosystem.

To ensure that domestic wastewater discharge meets the requirements of the software park, annual water quality testing is conducted, and results have consistently met requirements. In addition, per the risk identification results of the water risk assessment tool developed by the World Resources Institute (WRI), the results show that, in 2025, the Company's operating locations are classified as being in areas of low to medium water stress.





Water Withdrawal and Discharge

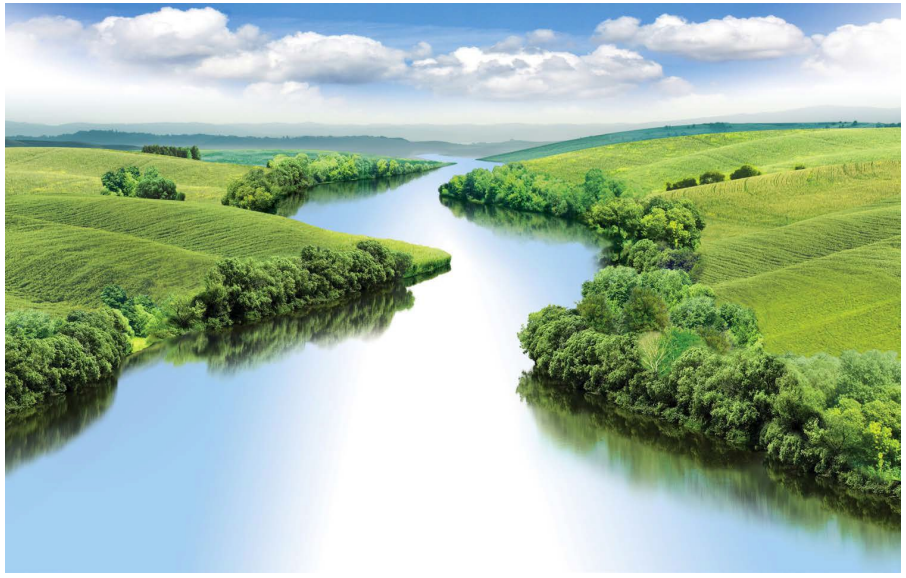
All of Pharmosa's water withdrawal comes from tap water supplied by Taiwan Water Corporation (third-party water, freshwater (≤ 1,000 mg/L Total Dissolved Solids), with no withdrawal from seawater, groundwater, or other water sources. It is used mainly for general office employees' domestic use and some air conditioning equipment, such as restrooms and cooling towers; wastewater is discharged through the Taipei Biotech Park wastewater treatment plant. As the Company is located in the greater Taipei area, which is not a water-stressed region, the risk of operations being affected by water resources is relatively low. Nonetheless, the Company fully implements water resources management, focusing on infrastructure maintenance and improvement for office employees' domestic water use, and continuously supervising employee water-saving education and awareness, practicing water conservation to reduce impact on water resources and the environment.

Operating Location	Water Source	Water Supplier	Use	
			Process	Domestic
Nangang	Feitsui Reservoir	Taiwan Water Corporation		✓

Locations Water Resources Statistics Table

Unit: Million Liters

Water Resource Usage			
Year	Total Water Withdrawal	Total Water Discharge	Water Consumption
2023	0.3681	0.3681	0
2024	1.8881	1.8881	0
2025	6.3536	6.3536	0



Water Resources Management Measures

1. Promote water conservation measures, recycling and reuse, and improve the efficiency of water-using equipment.
2. Use sensor-activated faucets.
3. Use dual-flush toilets.
4. Regularly replace water dispenser filters and test water quality to ensure water safety.
5. Regularly maintain equipment and disinfect/clean water towers to improve the efficiency of water-using equipment.
6. Periodically post on bulletin boards or via email notices on water conservation and resource conservation, and conduct training for new and existing employees to teach proper water use practices.

4.4 Waste Management

The Company's waste is mainly general industrial waste from production and manufacturing, and also includes small amounts of chemicals used in R&D and laboratories. Waste is managed in accordance with regulations to avoid the risk of legal violations or environmental pollution due to improper handling.

Material Topic：Pharmaceutical Waste Management	
Importance to the Company	If pharmaceutical waste is not properly handled, it may seriously affect the environment, ecosystems, and public health, including water pollution, drug resistance issues, and toxicity accumulation. Effective waste management can reduce the risk of regulatory violations, enhance corporate reputation, and comply with sustainable development international standards.
Policy / Commitment	The Company commits to complying with current pharmaceutical waste regulations, entrusting qualified vendors to remove and dispose of laboratory waste.
Short-Term Goals	1. Establish a pharmaceutical waste record form. 2. Regularly conduct training on waste sorting and disposal. 3. Ensure each category of pharmaceutical waste has a corresponding temporary storage area, ventilation, and leak-prevention facilities. 4. Conduct regular spot checks to ensure implementation of laboratory waste sorting
Mid- to Long-Term Goals KPI	1. Increase the number of training sessions on pharmaceutical waste sorting and disposal. 2. Track environmental regulation announcements, assess the Company's operational risk, and respond to regulatory requirements early. 3. Audit and visit the vendors entrusted with waste removal.
Resources and Actions Taken	1. Set up a dedicated laboratory waste liquid storage area. 2. Regularly arrange for qualified vendors to remove waste. 3. Conduct training for employees on laboratory waste sorting and disposal. 4. Contract with qualified vendors.
2025 Year Performance Results	1. Conducted 1 pharmaceutical waste sorting awareness training session for laboratory personnel 2. No incidents of violation of pharmaceutical waste disposal regulations 3. Waste removal and disposal costs were NT$200 thousand.
Responsible Department	R&D Division

Waste Generation Statistics Table

Unit: Metric Tons

Category	Item	2023	2024	2025	Disposal Method	Disposal Location
General Industrial Waste	Office Household Waste	11.8437	17.1625	19.6223	Incineration	Off-site
Hazardous Industrial Waste	Solid	0.0800	0.7200	0.6246	Incineration	Off-site
	Liquid	0.4700	1.3900	1.3100	Incineration	Off-site

Note：Per the Ministry of Environment's Department of Statistics announcement on national general waste generation, per capita waste was: 1.32 kg in 2023, 1.373 kg in 2024, and 1.35 kg in 20277.

Waste Intensity

Unit: Metric Tons; Persons

Year	Total Waste	Number of Employees	Waste Intensity
2023	12.3937	35	0.3541
2024	19.2725	50	0.3847
2025	21.5569	57	0.3782

4.5 Sustainable Supply Chain Management

Material Topic: Sustainable Supply Chain	
Importance to the Company	Avoid shortages of raw materials or capacity due to unstable supply or quality issues from partner manufacturers; avoid delays in outsourced manufacturing schedules that affect Company operations; and reduce the risk of being unable to supply products on time.
Policy / Commitment	Pharmosa commits to providing patients with the highest quality, safe drug-device combination products. It has established a stable, safe, and traceable product supply chain covering production scheduling, quality control, drug transportation, and cost considerations. The Company complies with its quality management policy and external GMP/GDP regulations involved throughout the product life cycle, and strengthens the overall safety and stability of its supply chain, building a high-quality, safe, and stable supply chain network for drugs and devices.
Short-Term Goals	1. Continue to build long-term, stable relationships with partner manufacturers and establish second-source suppliers, forming a supply chain of qualified drugs and devices, and optimize the "Supplier Management Procedures." 2. Statistics Near-Term PlansEvaluate suppliers on sustainability dimensions, including indicators of suppliers' environmental management, social responsibility, labor rights, and governance, to ensure supplier compliance with the Company's sustainability requirements. 3. Complete the establishment of a second supply chain, building a proprietary facility at the Taipei Biotech Park covering an analytical laboratory and a GMP filling plant, achieving a complete production supply chain in Taiwan, and also assist licensing partners in establishing a complete production supply chain overseas, ensuring sufficient capacity to meet future drug demand.
Mid- to Long-Term Goals	1. For investigational drugs, schedule production plans according to clinical trial timelines, ensuring uninterrupted supply of materials so that drug launch timelines can proceed as planned. 2. Ensure sustainable supply of raw materials in the supply chain, while increasing supply flexibility to meet demand, maintaining stable quality, and planning for potential market demand, requiring suppliers to comply with social responsibility and reduced environmental impact requirements.
Resources and Actions Taken	Collaborate with outsourced partner manufacturers to arrange production and shipment schedules in advance according to the supply plan, ensuring stable drug supply.
2025Annual Performance Results	1. New Suppliers Evaluated:16 supplier(s) 2. Annual supplier evaluations:40 supplier(s) 3. On-site audits of API suppliers and contract formulation manufacturers:3 time(s) 4. On-site visits to potential overseas CRO/CMO partner suppliers2 time(s)
Responsible Department	Purchasing Department

As an international new drug R&D company, it is crucial for Pharmosa to have good, resilient suppliers. The Company also regards suppliers as important partners in its continued growth and has established "Supplier Management Regulations" governing the selection, management, and evaluation of suppliers. To precisely align with international pharmaceutical regulatory standards and implement sustainability governance, the Company defines its supplier scope as key drug substance/device suppliers and Contract Development and Manufacturing Organizations (CDMOs) that will be used in future R&D products and must comply with GMP (Good Manufacturing Practice) and GDP (Good Distribution Practice).

Within the supply chain, the Company places particular emphasis on the delivery of drug-device combination products, as any shortage would affect Pharmosa's R&D progress and sales. The Company therefore strictly requires partner manufacturers to ensure supply and quality. Outsourced R&D vendors for preclinical research (such as toxicology and pharmacokinetic studies) and clinical trials are separately and strictly managed by the Company's R&D and clinical operations units in accordance with applicable regulatory requirements (GLP/GCP).

Supplier Selection Mechanism

(1)Suppliers selected by the Company must hold valid company registration, factory registration, business registration, and change registration permits, among other documents. For suppliers doing business with the Company, the procurement unit shall complete a "Supplier Basic Information Form" and file it.

(2)For new vendors complying with GM(D)P, the requesting unit and procurement unit shall complete a "Supplier Evaluation." Qualifying vendors are registered as qualified suppliers via a qualified supplier registration application form completed by the requisitioning unit; all must sign a non-disclosure agreement (NDA) to protect trade secrets. A quality agreement must be signed before contract manufacturing begins, to ensure product quality.

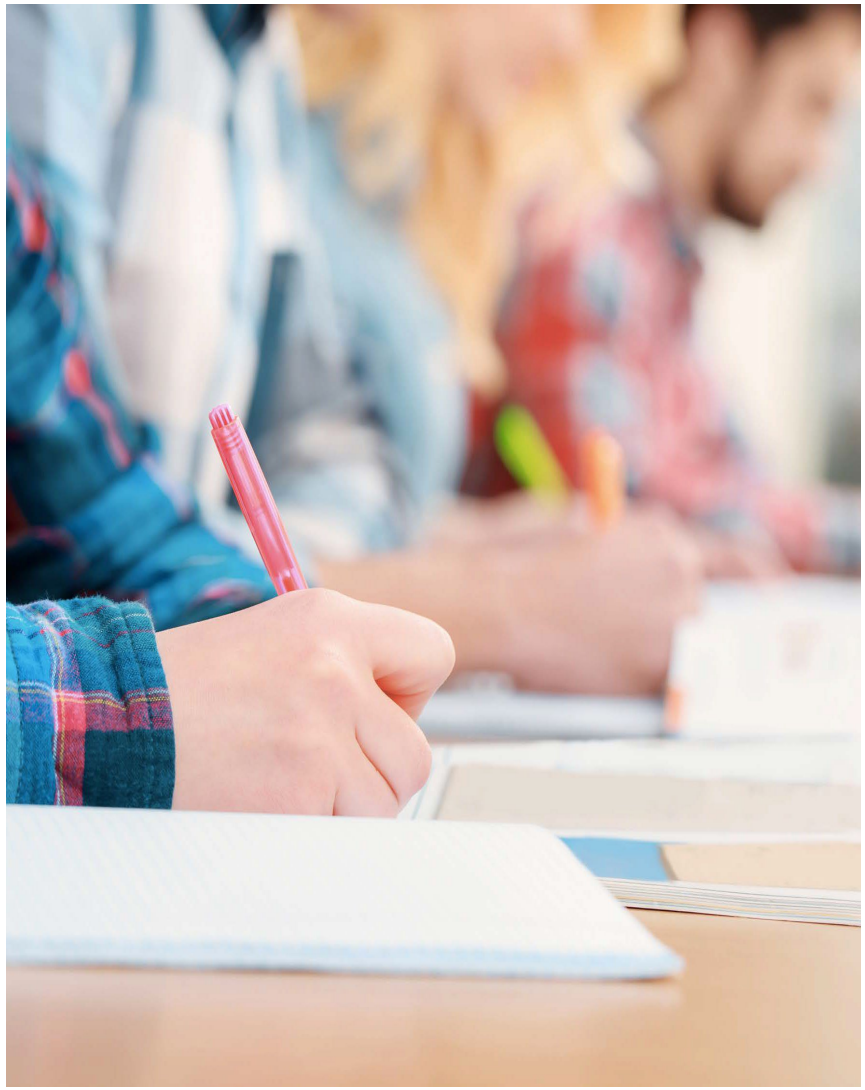
(3)Among qualified suppliers, suppliers with an annual transaction value of NT$100,000 or more, or 2 or more annual transactions, are evaluated on 10 items, including: product/service quality, quality management capability, related quality data, technical expertise, responsiveness to technical issues, ability to resolve technical issues, price reasonableness, quotation and delivery time compliance, vendor service attitude, and ESG performance score. The evaluation is conducted once a year, led by the procurement unit in coordination with relevant department personnel, per the "Annual Supplier Evaluation Form." Suppliers scoring 700 or above are deemed qualified vendors; if the score is below 70, the supplier will be required to make improvements, and if a material deficiency sufficient to affect product quality is found, the supplier's qualification will be revoked. (Key Materials) Supplier Audit Execution Status.

Overall Supplier Audit	2024	2025
New Suppliers	14	16
Number of Suppliers	24	40
Number of Supplier Self-Assessments	24	40
Overall Supplier Audit Rate (%)	100%	100%

Supplier Code of Conduct

Pharmosa is committed to working with suppliers to build a supply chain that values environmental protection, respects human rights, ensures safety, and is sustainable, fulfilling corporate social responsibility and creating greater value for society. In aiming to build a sustainable enterprise, Pharmosa has referenced international initiatives such as the "UN Global Compact," "Universal Declaration of Human Rights," and "UN Guiding Principles on Business and Human Rights" in formulating a "Supplier Corporate Social Responsibility CommitmentLetter," requiring all suppliers to sign it. Environmental Protection Policy: Implement environmental protection measures to reduce environmental impact.

- Prohibition of Child Labor: Ensure that no form of child labor is employed.
- Protection of Basic Labor Rights: Respect fundamental rights such as labor rights and freedom of assembly.
- Protection of Working Hours and Conditions: Provide reasonable working hours and conditions.
- Occupational Health and Safety: Comply with health and safety regulations, providing a safe and compliant working environment.
- Ethical Management: Uphold business ethics and manage with integrity.



V. Social Prosperity

V. Social Prosperity

Starting from its core goal of biotech new drug R&D, Pharmosa takes concrete action to promote social inclusion. The Company is committed to creating a diverse, equitable, and inclusive corporate culture, upholding an attitude of non-discrimination and respect for employees, while establishing comprehensive compensation and benefits and diverse learning programs to retain employees and attract talent, and building employees' sense of self- worth, enhancing their cohesion with the Company as it steadily advances toward a spirit of sustainability for both the enterprise and society.

The Company also actively promotes workplace health and safety awareness to continuously improve workplace culture, regularly reviewing comprehensive assessment measures to ensure the Company achieves its goals of occupational safety and worker health, and is committed to building a diverse workplace and creating an inclusive environment.

5.1 A Diverse and Equitable Workplace

The Company regards employees as the cornerstone of sustainable operations, upholding the principle of "equality and equity" and complying with current government regulations, strictly avoiding discrimination in employment or treatment based on race, gender, age, religion, nationality, political affiliation, or any other factor. Through internal regulations such as "Work Rules" and "Sexual Harassment Prevention, Grievance, and Disciplinary Measures," we have established an organizational structure suited to the Company's development, and have never illegally employed child labor, and strictly prohibit forced labor and hazardous work by employees.

5.1.1 Human Rights Protection

In terms of human rights protection, the Company respects employees' labor rights, following the "Universal Declaration of Human Rights," the "UN Global Compact," the "UN Guiding Principles on Business and Human Rights," the "International Labour Organization" conventions, and the principles and spirit of other international human rights conventions, prohibiting any form of discrimination, forced labor, and child labor, eliminating any violation or infringement of human rights, protecting gender equality, and clearly demonstrating fair treatment of all employees, actively implementing human rights protection policies. From 2023–2025, Pharmosa had no incidents of discrimination or human rights violations.

The Company strictly complies with domestic labor laws such as the "Labor Standards Act," "Occupational Safety and Health Act," "Act of Gender Equality in Employment," and "Sexual Harassment Prevention Act," neither forcing nor coercing any unwilling person into labor, ensuring that the Company does not violate its human rights policy internally, and complying with local labor regulations to protect employees' lawful rights, uphold employees' basic human rights, and foster a workplace of equality, mutual understanding, and respect for all.

At the same time, Pharmosa complies with labor and human rights laws, communicating human rights protection and labor rights to current employees; the purpose of training and development is to strengthen the organization's strategy and operating goals, with the common element being to strengthen employees' knowledge, skills, and attitudes through systematic needs analysis, course design, training implementation, and training evaluation, thereby improving future work performance.

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2025 Human Rights-Related Training

Training and Awareness Courses	Content	No. of Participants (Person-Times)	No. of Trainees (Person-Times)
Workplace Equality	Focus on creative thinking and sharing of workplace-friendly practices.	2	6 hours per person
	Guided by the government's "Guidelines for the Prevention of Unlawful Infringement in the Course of Performing Duties," the five common types of unlawful infringement are examined one by one; the session also provides an in-depth analysis of the "Guidelines for Workplace Sexual Harassment Prevention Measures" and related regulations, implementing the core value of a friendly workplace.	1	6 hours per person
	Course Topics: 1. Definition and common forms of workplace bullying 2. Workplace bullying grievance handling process 3. How to build a friendly workplace environment	1	1 hour per person
Protect Employee Information Privacy and Security	Implement information and communication security inspection and control operations; a dedicated unit is established to promote, coordinate, supervise, and review information security management matters.	101	2 hours per person
A Safe and Healthy Working Environment for Employees	Implement the "Safety and Health Work Rules," continuously optimizing employee health management and health promotion measures.	116	2 hours per person

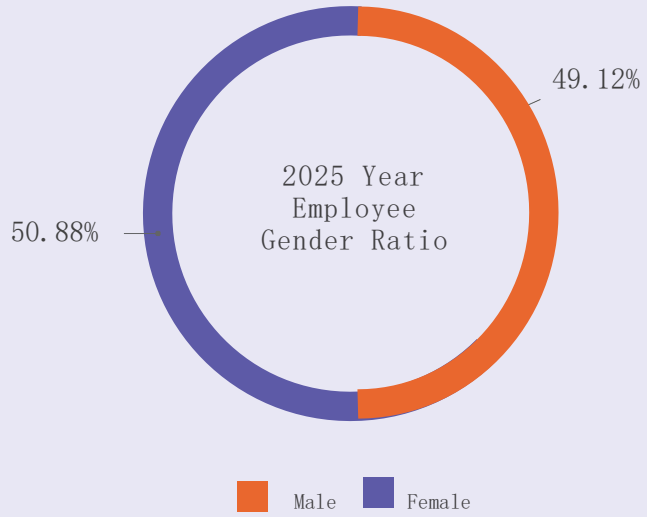
5.1.2 Employee Composition

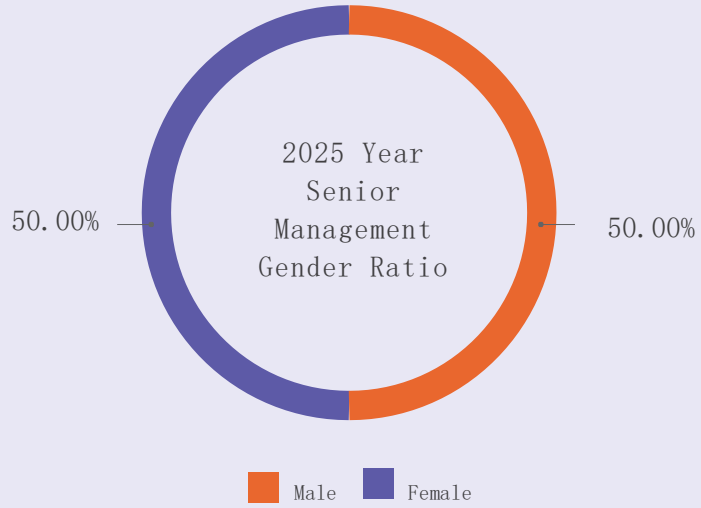
In response to the Company's business development, the total number of employees in 2025 was 57, an increase of 7 from 2024. Employees are predominantly under 50 years of age, averaging 88%; the male-to-female ratio is 1:1.04, and female managers account for 50% of management, demonstrating the Company's commitment to protecting gender-equal employment rights and creating diverse and equitable development opportunities. All of the Company's employees are permanent, full-time employees; there are no temporary or part-time employees.

Employee Information for the Past Three Years

Category / Year		2023		2024		2025	
		Number	Percentage	Number	Percentage	Number	Percentage
Permanent Employees	Male	13	37.1%	19	38.0%	28	49.1%
	Female	22	62.9%	31	62.0%	29	50.9%
Temporary Employees and Employees Without Guaranteed Hours	Male	-	-	-	-	-	-
	Female	-	-	-	-	-	-
Full-Time	Male	13	37.1%	19	38.0%	28	49.1%
	Female	22	62.9%	31	62.0%	29	50.9%
Part-Time	Male	-	-	-	-	-	-
	Female	-	-	-	-	-	-
Age	< 30 years	2	5.7%	5	10.0%	4	7.0%
	31 - 50 years	30	85.7%	41	82.0%	46	80.7%
	> 51 years	3	8.6%	4	8.0%	7	12.3%
Education	Graduate	23	65.7%	35	70.0%	35	61.4%
	College/University	12	34.3%	15	30.0%	22	38.6%
	Other	-	-	-	-	-	-
Total Employees		35		50		57	

Note 1:Employee count is the number of employees on payroll at year-end.
Note 2:All employees are Taiwanese nationals, and all work locations are in Taiwan.
Note 3: In 2023 - 2025, the Company had no layoffs.
Note 4:The Company has not yet established a labor union, so collective bargaining agreements are not applicable.





Percentage of Local Residents Employed as Senior Managers

Key Operating Location	Total Senior Managers	Number of Local Residents Employed as Senior Managers	Percentage
Taiwan	8	8	100%

Overview of Non-Employee Workers

Pharmosa's non-employee workers are individuals who provide labor to the Company but have no employment contract with the Company, such as senior advisors.

2025 Year Total non-employee workers:1.

Employee Diversity Statistics

Employee Diversity Statistics / Year				2023		2024		2025	
				Number	Percentage	Number	Percentage	Number	Percentage
Employees	Managers	Gender	Male	4	50.0%	4	50.0%	4	50.0%
			Female	4	50.0%	4	50.0%	4	50.0%
		Age	< 30 years	-	-	-	-	-	-
			31 - 50 years	5	62.5%	5	62.5%	5	62.5%
			> 51 years	3	37.5%	3	37.5%	3	37.5%
		Education	Graduate	7	87.5%	7	87.5%	7	87.5%
			College/University	1	12.5%	1	12.5%	1	12.5%
			High School or Below	-	-	-	-	-	-
	Non-Managers	Gender	Male	9	33.3%	15	35.7%	24	49.0%
			Female	18	66.7%	27	64.3%	25	51.0%
		Age	< 30 years	2	7.4%	5	11.9%	4	8.2%
			31 - 50 years	25	92.6%	36	85.7%	41	83.6%
			> 51 years	-	-	1	2.4%	4	8.2%
		Education	Graduate	16	59.3%	28	66.7%	28	57.1%
			College/University	11	40.7%	14	33.3%	21	42.9%
			High School or Below	-	-	-	-	-	-

New Hire and Turnover Rates

The Company is committed to diverse, equitable, and inclusive development, building a fair working environment and recruiting promising talent through diverse channels. In 2025, the total number of employees was 57, all permanent full-time employees, with a 1:1 gender ratio. To support business development, we recruited 17 new colleagues in 2025. To help newcomers quickly adapt and integrate, we implement comprehensive onboarding training on day one, providing a detailed introduction to the environment and facilities. We offer continuous guidance, respect, and encouragement to foster a shared corporate culture and team cohesion.

Valuing employee feedback, we recorded 10 departures in 2025, resulting in a turnover rate of approximately 17.5%—up 11.5 percentage points from 2024. This change was mainly due to personal career plans, alongside rising talent demand and cross-industry mobility in the biotech sector.

During departures, the Company fully protects employee confidentiality and autonomy in accordance with regulations. Moving forward, we will continue to build robust two-way communication channels and optimize retention programs to reduce turnover risk. We are committed to deepening our DEI culture, providing a secure and protected working environment.

New Hire and Turnover Information for the Past Three Years

Category / Year		2023				2024				2025			
		New Hires		Departures		New Hires		Departures		New Hires		Departures	
		Total	Percentage	Total	Percentage	Total	Percentage	Total	Percentage	Total	Percentage	Total	Percentage
Age	< 30 years	-	-	-	-	4	8.0%	-	-	1	1.8%	1	1.8%
	31 - 50 years	8	22.9%	4	11.4%	14	28.0%	3	6.0%	13	22.8%	8	14.0%
	> 51 years	1	2.9%	-	-	-	-	-	-	3	5.3%	1	1.8%
Gender	Male	3	8.6%	-	-	6	12.0%	-	-	13	22.8%	4	7.0%
	Female	6	17.1%	4	11.4%	12	24.0%	3	6.0%	4	7.0%	6	10.5%
Education	Graduate	5	14.3%	2	5.7%	13	26.0%	1	2.0%	6	10.5%	7	12.3%
	College/University	4	11.4%	2	5.7%	5	10.0%	2	4.0%	11	19.3%	3	5.3%
	Other	-	-	-	-	-	-	-	-	–	–	–	–
Region	Taiwan	9	25.7%	4	11.4%	18	36.0%	3	6.0%	17	29.8%	10	17.5%
	Overseas	-	-	-	-	-	-	-	-	–	–	–	–
Total		9	25.7%	4	11.4%	18	36.0%	3	6.0%	17	29.8%	10	17.5%

Note 1：New hire rate = Total new hires in the year / Total employees at year-end.
Note 2：Turnover rate = Total departures in the year / Total employees at year-end.

5.2 Employee Rights and Benefits

Employee Compensation

The Company is committed to building a diverse, equitable, and inclusive (DEI) workplace. The compensation system is oriented toward professional competency and core values. We conduct objective evaluations based on employees' educational and professional background, professional skills, and performance appraisal results, never differentiating based on gender, ethnicity, or beliefs, implementing equal pay for equal work and dignified labor from the outset. We also strictly comply with the "Labor Standards Act," establishing a comprehensive compensation and benefits system to protect all employees' rights in accordance with the law.

In 2025, the standard salaries of the Company's entry-level employees continued to demonstrate a market advantage, with male and female standard salaries reaching 2.05 times and 1.77 times Taiwan's statutory minimum wage, respectively. This average difference in salary distribution mainly reflects the objective distribution of entry-level position structures and specific project scopes; the Company consistently maintains a rigorous and transparent compensation management mechanism, ensuring a high degree of internal fairness in all compensation-setting processes.

In addition, the Company considers overall market economic trends and industry compensation benchmarks, regularly implementing a competitive salary adjustment mechanism and performance appraisal system. Through diverse long- and short-term incentive programs, we continue to optimize our overall compensation structure, building a secure workplace where talents can be fully utilized, and sharing the results of sustainable operations with all employees.

Ratio of Entry-Level Standard Salary to Statutory Minimum Wage

Taiwan's Statutory Minimum Wage (effective5 January 1, 202)	Gender	Ratio of Standard Salary to Local Minimum Wage
NT$28,590	Male	2.05
	Female	1.77

Compensation Information for Full-Time Non-Ma material Employees

Unit: NT$ thousand; persons

Year	Number of Employees	Total Salary	Average Salary	Median Salary
2023	22	24,156	1,098	1,018
2024	37	42,660	1,153	948
2025	42	49,474	1,178	1,005

Compensation System

Pharmosa regards employees as an important Company asset. In its compensation system, the Company complies with the "Labor Standards Act" and other relevant regulations, establishing a comprehensive salary system. Compensation is determined based on job nature and authority/responsibility, distinguishing between managerial and professional competency roles, and taking into account employees' knowledge, skills, relevant experience, and educational attainment, with different job categories serving as the basis for salary determination; employee compensation does not differ based on age, gender, ethnicity, religion, political affiliation, marital status, or other factors.

We provide good compensation policies and employee benefits, complying with relevant labor regulations and respecting employees' rights, generously protecting employee compensation and benefits, including leave, insurance, and pension contributions. In addition, out of consideration for employees, we provide diverse supplementary benefits beyond regulatory requirements, including health checkups, employee trips, and group recreational activities, along with a comprehensive training system, appraisal mechanism, and clear promotion pathways, aiming to build a workplace with a sense of belonging and well-being for employees, thereby retaining and attracting outstanding talent.

Basic Salary and Compensation Ratio

Employee Category Item		2023		2024		2025	
		Male	Female	Male	Female	Male	Female
Managerial	Basic Salary	1.25	1	1.33	1	1.35	1
	Compensation	1.33	1	1.34	1	1.36	1
Non-Managerial	Basic Salary	1.35	1	1.39	1	1.26	1
	Compensation	1.34	1	1.40	1	1.27	1

Note 1：Basic salary refers to the minimum fixed amount paid to an employee for performing their duties, excluding any additional compensation such as overtime pay, bonuses, or allowances. The average basic salary should be disclosed separately for a specific gender/employee category.

Note 2：Compensation refers to basic salary plus additional amounts paid to employees, including seniority allowances, bonuses, benefits, overtime pay, and any other subsidies (such as transportation, living, and childcare allowances).

Diverse Benefits

Employees are the Company's greatest asset, and talent is the lifeblood of corporate sustainability. To ensure every employee receives respect and protection, we offer compensation above industry standards, with regular, competitive salary adjustments based on operating conditions and performance to ensure fair rewards.

Our benefits include festival and wedding/funeral cash gifts. For health protection, we provide labor and health insurance, pension contributions, group and travel insurance, and annual checkups. Since 2025, we upgraded our health checkup benefits, replacing the "unused allowance is forfeited" restriction with a "cross-year accumulation mechanism".

This program allows the current year's allowance to be deferred and combined with the following year (deferral limited to once), giving employees greater flexibility to choose advanced examinations and meet diverse health needs.

We continue to optimize our office environment, providing comfortable open areas, modern meeting rooms, and a pantry stocked with coffee, snacks, and a rice-steaming facility. Our Employee Welfare Committee meets quarterly to implement budget planning, recreational activities, employee trips, partner discounts, and year-end parties, enhancing employee cohesion and corporate identification.

In leave arrangements, we comply with labor regulations, providing two-day weekends and flexible working hours, alongside special employee trip leave and health checkup leave. Furthermore, we provide comprehensive training to help employees enhance professional skills and achieve career development.

Employee Benefit Item	Content
Festival Cash Gifts	Dragon Boat Festival, Mid-Autumn Festival, and Lunar New Year cash gifts and gift boxes
Welfare Cash Gifts	Wedding gifts and funeral subsidies
Health Care	Regular health checkups, with an optimized and upgraded cross-year flexible accumulation mechanism for checkup allowances (deferral limited to once)
Flexible Arrangements	Flexible working hours and leave benefits exceeding Labor Standards Act requirements
Recreation and Leisure	Annual employee trips, occasional movie outings, Christmas and year-end party events, and partner merchant discounts
Education and Training	Internal training courses and external training course fee subsidies
Senior Employee Benefits	Long-service awards and gold ingot recognition for senior employees
Parental Leave	Employees with parental needs may apply for parental leave and apply for reinstatement upon its expiration, balancing work and family caregiving. In 2025, a total of two employees applied, and both have since returned to work, with a retention rate six months after reinstatement of 100%
Insurance	Labor insurance, National Health Insurance, group employee insurance, business travel insurance, and labor pension contributions
Pension	Labor pension contributions
Bank Transfer Benefits	Fee-free cross-bank withdrawals and transfers for payroll accounts

Retirement System

In terms of retirement protection, in accordance with the Labor Pension Act, the Company contributes 6% of each employee's monthly salary to their individual pension account. Employees who voluntarily contribute to their pension have the voluntary contribution rate withheld from their monthly salary and remitted to their individual pension account with the Bureau of Labor Insurance.

Parental Leave Implementation

Pharmosa complies with the rights granted under the "Act of Gender Equality in Employment." To help employees balance career and family, all employees are legally entitled to apply for parental leave. Relevant statistics are as follows:

Parental Leave Statistics Table

Item / Year / Gender / Total	2023			2024			2025		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Number Eligible to Apply for Parental Leave(A)	-	2	2	1	–	1	4	4	8
Number Who Actually Applied for Parental Leave in the Year(B)	-	2	2	–	–	–	–	2	2
Number Expected to Return to Work After Parental Leave in the Year(C)	-	1	1	–	1	1	–	2	2
Number Who Actually Returned to Work After Parental Leave in the Year(D)	-	1	1	–	1	1	–	2	2
Number Who Actually Returned to Work After Parental Leave in the Prior Year(E)	-	–	–	–	1	1	–	1	1
Number Who Remained Employed One Year After Returning from Parental Leave in the Prior Year(F)	-	–	–	–	1	1	–	1	1
Reinstatement Rate for the Year (%) (D/C)	-	100%	100%	-	100%	100%	-	100%	100%
Retention Rate for the Year (%) (F/E)	-	-	-	-	100%	100%	-	100%	100%

Note 1: The number of employees eligible for parental leave is based on the number of male and female employees who applied for maternity or paternity leave over the past 3 years.
Note 2: The number who actually returned to work after parental leave in the year includes those who returned early.
Note 3: Reinstatement rate = (Number who actually returned to work after parental leave in the year / Number expected to return to work after parental leave in the year) * 100%.
Note 4: Retention rate = (Number who remained employed one year after returning from parental leave in the prior year / Number who actually returned to work after parental leave in the prior year) * 100%.
Note 5: Eligible employees who did not apply for parental leave mainly did so because family members were available to help care for children under 3 years old, or other reliable childcare arrangements were available; some had also been employed for less than 6 months.

5.3 Talent Development and Training

Employee growth and company development are mutually reinforcing. Every employee, from the day they join, has access to Company-provided training resources. Through systematic training plans, such as onboarding training, on-the-job training, and professional skills training, employees in different positions are helped to deepen their expertise and enhance management competencies, with the hope that every employee can grow together with the Company, thereby achieving the Company's sustainable development goals.

Onboarding Training

To help new employees quickly understand and comply with Company regulations, and establish basic awareness of operational safety protections, new employees participate in general pre-employment training arranged by the HR unit on their first day, covering the Company's history and core values, organizational overview, introduction to the Company environment, and various benefit policies, to help new employees understand the Company's business philosophy and job content. In 2025, the completion rate of pre-employment training among new hires was 100%.

General Courses for All Employees

In line with Company goals and policies, general courses are held annually (human rights policy, environmental safety policy, labor safety and health, fire evacuation drills, information security awareness, etc.) to ensure that all employees are aware; among these, the information security awareness and fire evacuation drill completion rate was 100%.

Professional Category Training

For professional on-the-job training, training is conducted mainly based on R&D strategy or the functional needs of each department. Employees may attend various professional technical training courses or academic institution seminars according to different competencies and project needs, enabling employees to enhance their professional skills and broaden their knowledge, helping employees apply their strengths to their work, thereby improving the Company's overall capacity and strengthening employees' cohesion and sense of belonging.

Average Training Hours per Employee

Statistics / Year		2023	2024	2025
Average Training Hours per Employee		15.37	19.64	18.87
Average Training Hours per Employee by Gender	Female	17.00	20.21	18.28
	Male	12.62	18.71	19.49
Average Training Hours per Employee by Gender	by Category / Managers	16.88	6.81	11.63
	R&D Personnel	14.00	21.13	17.62
	Other Employees	17.57	25.15	28.48

Employee Competency Enhancement Training Program

In response to the development needs of different positions and professional fields, the Company plans dedicated training courses for quality inspection, quality management fundamentals and standardized operations, R&D design, instrument calibration, internal audit, and other technical personnel, helping employees acquire the professional knowledge and skills required to perform their duties, and deepening the core concepts of quality and continuous improvement, further enhancing the team's overall competitiveness.

The Company upholds the philosophy of growing together with all employees, establishing a comprehensive and systematic talent development mechanism, planning progressive training courses based on different career stages, ensuring employees can continuously improve their professional competency and work effectiveness. In line with its business strategy, the Company also actively expands employees' diverse skills and cultivates cross-disciplinary talent with potential, laying a solid foundation for sustainable corporate development.

Performance Appraisal System

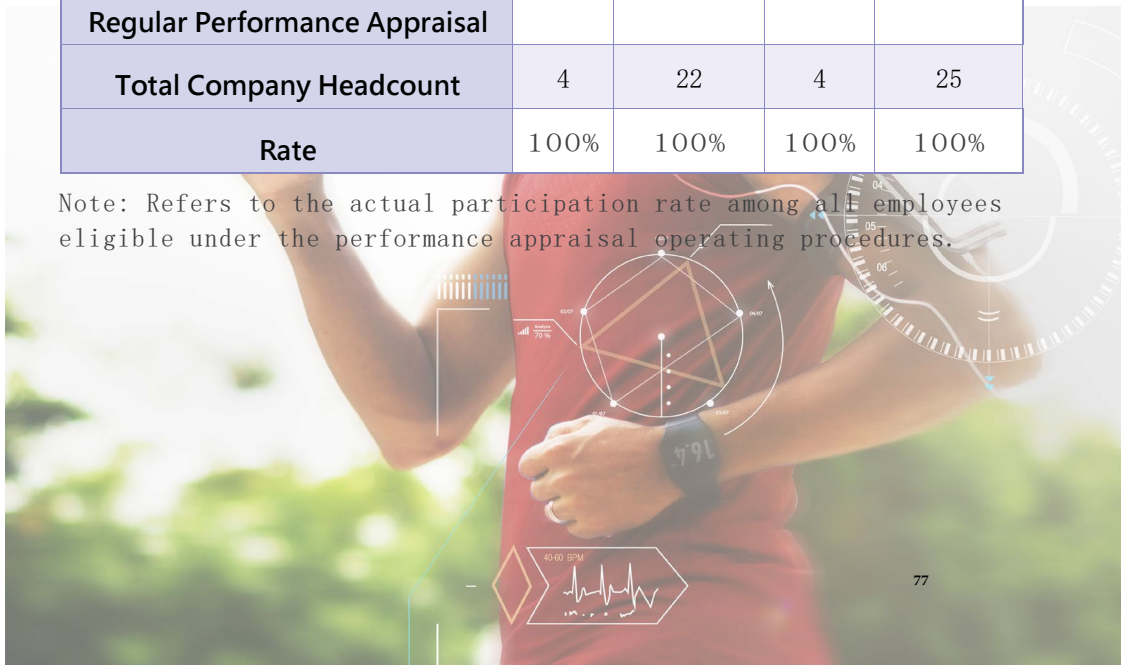
The Company has established a fair and objective performance appraisal system, distinguishing between job content, goal management, and professional competency in execution, and separately setting performance appraisal items and weightings for employees, serving as a reference for employees' work goals and personal career development. In 2025, the percentage of regular employees receiving performance appraisals, excluding those on probation or leave without pay, was 100% for male and female employees across all departments and job categories.

The open and transparent performance management system begins with employee self-assessment, encouraging employees to understand their own annual work performance and areas for improvement; annual work goals are reviewed every six months. Through dialogue between employees and supervisors, employees can stay informed of regular performance appraisal content, adjustments, and results, and can also formulate corresponding career plans in line with the Company's future business strategy, goals, and management policies. Supervisors can also set work goals through performance interviews, better understand employees' thoughts and needs, and provide concrete, actionable feedback, guidance, and recommendations after the appraisal. If the performance appraisal results indicate a need for improvement, the employee, with the supervisor's assistance, jointly develops a performance improvement plan, which is then implemented step by step; the supervisor reviews the adjustments and progress, providing appropriate assistance or encouragement, and necessary resources and professional skills.

2025, Pharmosa's performance appraisal status, regardless of gender, employment type, or managerial/ non-managerial position, the performance appraisal participation rate is shown in the table below:

Gender	Male		Female	
Position	Mgr.	Non-Mgr.	Mgr.	Non-Mgr.
Number of Employees Receiving Regular Performance Appraisal	4	22	4	25
Total Company Headcount	4	22	4	25
Rate	100%	100%	100%	100%

Note: Refers to the actual participation rate among all employees eligible under the performance appraisal operating procedures.



5.4 Diverse Communication Channels

Labor-Management Relations

Pharmosa values employees' opinions and ideas, encouraging employees to express their views. Through two-way communication, labor and management help promote labor-management cooperation, striving to build a friendly workplace with employees as the starting point. Quarterly labor-management meetings are held to protect the rights of both labor and management and strengthen labor relations, and an appropriate grievance mechanism is provided to promptly respond to matters harming employee rights. Employees and supervisors can communicate at any time through interviews, meetings, and other means, and the HR unit also understands employees' various concerns about organizational systems and the working environment through end-of-probation and exit interviews. The Company hopes employees will embody its corporate culture of "Innovation, Dedication, and Care," building a harmonious working environment with diverse, unimpeded communication.

Minimum Notice Period for Significant Operational Changes

In terms of job security, the Company values employee rights and provides reasonable treatment. Every system established is based on legal compliance as a fundamental consideration. The Company complies with local labor regulations, including the "Labor Standards Act" and the "Act for Worker Protection of Mass Redundancy." When the Company is about to undergo a significant operational change that would impair employees' employment rights or change labor conditions, employees will be notified in advance before termination of the labor contract, with effective communication to ensure there is no dispute over the rights of both parties, submitting written notice per the following notice periods:

1. For employees who have worked continuously for 3 months or more but less than 1 year, notice shall be given 10 days in advance.
2. For employees who have worked continuously for 1 year or more but less than 3 years, notice shall be given 20 days in advance.
3. For employees who have worked continuously for 3 years or more, notice shall be given 30 days in advance.

After receiving the aforementioned notice, an employee may take leave during working hours to seek new employment; such leave shall not exceed two working days per week, and wages shall be paid as usual during such leave. If the Company terminates the contract without providing notice within the prescribed period, wages for the notice period shall be paid. In addition, for terminated (laid-off) employees, the Company also reports in accordance with regulations, indicating in the report whether counseling is needed or whether the employee is willing to accept vocational training, and pays severance in accordance with Article 11 of the "Labor Standards Act," as required by law. In 2025, Pharmosa had no labor-management disputes requiring negotiation.

Workplace Sexual Harassment Prevention Measures

To protect gender-equal employment rights and ensure that employees, job applicants, or other personnel are free from sexual harassment in the work and service environment, and to take appropriate preventive, corrective, disciplinary, and remedial measures, the Company has established "Sexual Harassment Prevention Measures, Grievance, and Disciplinary Regulations," and has established a sexual harassment grievance channel to protect the complainant's information and rights. In 2025, Pharmosa had no sexual harassment complaints.

5.5 Occupational Safety and Health

Pharmosa upholds the core belief that "employee safety and health are the Company's priceless asset," fully promoting workplace safety and health management, and is committed to becoming a model that combines corporate responsibility and sustainable operations. We focus on providing high-quality, safe products and services that comply with relevant regulations and international standards, actively preventing occupational hazards, promoting health, and creating a friendly, harmonious working environment, fully practicing corporate social responsibility.

As a professional biotechnology and healthcare company, Pharmosa's primary operations are office- and laboratory-based and do not involve high-risk activities. We fully comply with the Occupational Safety and Health Act and all applicable domestic regulations. Our safety and health management system covers all personnel at our operating sites and all routine and non-routine work-related activities. We are committed to providing safe, healthy, and humane working conditions while pursuing our ultimate goal of zero occupational accidents.

As a Category 2 business entity, the Company has appointed a Class B occupational safety and health manager in accordance with applicable regulations. The manager is responsible for planning, promoting, and implementing occupational safety and health measures. The Company takes a multifaceted approach by regularly reviewing work processes, improving workplace conditions, and promoting employee health programs to reduce occupational hazards and prevent work-related injuries and illnesses.

In 2025, Pharmosa achieved several occupational safety and health milestones. Since its founding, the Company has recorded no injuries, disabilities, occupational diseases, fires, or casualties, demonstrating the effectiveness of its safety management. Going forward, we will strengthen workplace safety and health management, enhance risk prevention mechanisms, and uphold higher standards to provide all employees with a safe, healthy, and comfortable workplace while advancing sustainable operations.

5.3.1 Worker Participation, Consultation, and Communication

The Company has established Safety and Health Work Rules to protect employees, prevent workplace accidents, and reduce the risk of occupational diseases. Occupational safety and health personnel review and coordinate relevant matters, provide professional guidance, assess accident investigations and workplace monitoring results, and recommend health management and promotion initiatives. They also evaluate on-site safety and health performance to prevent occupational accidents and maintain a safe and healthy working environment.

Although the Company has not established an Occupational Safety and Health Committee, it facilitates labor-management communication through quarterly meetings. Important Company matters and operating goals are also communicated at regular department meetings, allowing senior management to discuss the Company's vision and culture directly with managers and employees and build consensus on shared goals. To encourage employee participation in occupational safety and health activities and address related complaints, the Company has established an employee grievance mailbox for reporting concerns to labor representatives. No occupational safety and health complaints were received in 2025.

5.3.2 Occupational Safety and Health Training for Workers

To ensure employees work in a healthy and safe environment, Pharmosa actively promotes environmental safety and health education and training, raising employees' awareness of relevant regulations, emergency response plans, and safety and health risks.

For new employees, the Company provides labor safety and health training on the day of onboarding, helping employees understand environmental safety and health regulations and policies, and identify with the Company's commitment to environmental safety and health, thereby implementing relevant goals. In addition, this ensures new employees grasp necessary safety knowledge, reduce workplace safety incidents, and raise health and safety awareness.

For all employees, the Company regularly arranges annual safety and health training, and fire evacuation drills each year, comprehensively strengthening employees' safety awareness and response capabilities. To strengthen employees' understanding of environmental safety and health regulations, emergency response plans, and event safety risks, activities such as laboratory and office environmental safety briefings and fire evacuation drills are also arranged. In addition, the Company periodically plans courses to raise all employees' occupational safety and health awareness, ensuring employees can work in a healthy, safe environment.

Building Fire Evacuation Drill

5.3.3 Occupational Health Services and Health Promotion

With social and economic changes, the International Labour Organization (ILO) and the World Health Organization (WHO) advocate treating workplace safety and health services as a basic right of workers. The Company upholds this philosophy, actively planning and promoting health management measures in accordance with relevant regulations, regularly holding health checkups and sports-related activities, committed to protecting employees' health and well-being. The Company pays particular attention to health risk assessment, health management and promotion, and conducts hazard assessments of the working environment, proposing improvement recommendations. It also promotes health education concepts, helping employees avoid health problems while at work, fully implementing workplace health care and creating a safe, friendly working environment.

The Company organizes diverse health promotion activities, cultivating good exercise habits with employees outside of work, and providing diverse ways to relieve physical and mental stress, safeguarding each other's health.

2025 - Star Lanes Bowling Alley

5.3.4 Contractor Management

Pharmosa plans to 2025 establish a "Workplace Hazard Notification Form" in the year; going forward, contractors shall assess in detail the possible hazards of specific tasks based on the hazard factors listed on the form, with the contractor's responsible person signing the form before the start of work, and notifying all workers of possible hazards to ensure their safety.

5.3.5 Laboratory Safety Management

Pharmosa upholds the core values of "safety, environmental protection, and sustainability," regarding laboratory safety management as an important part of business operations, and is committed to building a safe, environmentally compliant, and sustainably operating laboratory environment. We ensure personnel safety, effective resource utilization, and environmental friendliness through a rigorous management mechanism, promoting the Company's long-term sustainable development goals.

Material Topic： Laboratory Safety	
Importance to the Company	Good laboratory safety management helps reduce the risk of accidents, maintain environmental sustainability, and comply with regulatory requirements.
Policy / Commitment	The Company commits to strictly complying with laboratory safety and health operating regulations and related domestic and international safety regulations, ensuring that all laboratory operations meet the highest safety standards.
Short-Term Goals	1. Establish standard operating procedures for chemical classification, storage, and labeling. 2. Establish laboratory emergency response management procedures. 3. Install fume hoods, universal exhaust hoods, ventilated chemical cabinets, and emergency showers in high-risk reagent areas. 4. Regularly check fire extinguisher expiration dates and drain water from emergency showers.
Mid- to Long-Term Goals	1. Continue to optimize laboratory safety management procedures. 2. Increase the number of emergency response drills held. 3. Increase the number of laboratory personnel safety training sessions. 4. Regularly hold first aid skills training courses.
Resources and Actions Taken	1. Established "Laboratory Safety and Health Operating Regulations." 2. Conducted safety training for laboratory personnel. 3. Purchased corresponding safety equipment, such as lab coats, protective clothing, and first aid supplies. 4. Installed fume hoods, universal exhaust hoods, ventilated chemical cabinets, and emergency showers.
2025 Year Performance Results	1. Conducted 1 laboratory personnel safety training session 2. 0 major laboratory hazard incidents 3. Laboratory safety budget invested: NT$75 thousand
Responsible Department	R&D Department

Providing Laboratory Safety Management Procedures

In the biotech/healthcare industry, laboratory safety is the core foundation for ensuring research progress and personnel health. Pharmosa has established a comprehensive "Laboratory Safety and Health Operating Regulations," covering laboratory safety and health management matters and laboratory emergency response measures. We emphasize every employee's safety awareness, minimizing safety risk through standardized operations and regular training. Through quarterly safety drills and annual audits, we are committed to building a safe, efficient, and sustainable laboratory operating environment for innovative research to provide a solid safeguard.

Laboratory Emergency Response Measures

1. Emergency Response Plan

   Laboratories shall formulate an emergency response plan addressing potential hazards caused by spills or exposure, referencing Safety Data Sheets (SDS) and relevant emergency response information. The plan and emergency contact numbers shall be posted in prominent locations within the laboratory and communicated to all personnel.

2. Emergency First-Aid Facilities

   Laboratories shall install emergency flushing equipment (such as safety showers and eyewash stations). First-aid kits must be placed in prominent, easily accessible locations and their supplies regularly updated.

3. Emergency Response Actions

   In the event of a hazard, personnel on site shall immediately evacuate the area, evaluate the site conditions and take response actions in accordance with the emergency response plan, while simultaneously notifying the department supervisor and the laboratory.

4. Accident Reporting Process and Handling

   In the event of an occupational accident, fire, explosion, or other incidents, in addition to immediately taking necessary rescue measures, personnel shall notify the department supervisor and the laboratory safety and health officer, and contact the building management center to assist with post-incident handling.

5. Emergency Response Drills

   Emergency response drills shall be conducted annually in conjunction with the laboratory's annual safety and health education and training, with records kept for future reference. The drill content shall include familiarity with warning systems and disaster relief methods.

5.6 Community Engagement

As a member of society as a whole, the enterprise is interdependent with investors, employees, local communities, and other stakeholders. Pharmosa leverages its influence to fulfill its corporate social responsibility, leading by example. We collaborate with local groups at each operating location to ensure resources reach those who truly need help, committed to making society better.

One Bag of Blood, One Life Save

Pharmosa, together with OBI Pharma, ScinoPharm Taiwan, and AP Biosciences Inc., co-organized a charity blood donation drive at the Taipei Biotech Park. The Company actively encouraged employees to roll up their sleeves and give with love, promoting the habit of regular blood donation. "One bag of blood, one life saved" is not just a slogan—according to World Health Organization statistics, one blood donation can save an average of three lives. Donating blood not only saves others' lives, but is also beneficial to one's own health. In 2025, we successfully collected 75 bags of blood, contributing to maintaining a safe blood supply.

Recycled Computers Hope Project

Pharmosa regularly retires communication products each year, participating in the ASUS Foundation's digital divide reduction program (ADOC 2.0), the "Recycled Computers, Hope Project," which combines environmental protection with social good, aiming to build a "circular society" of resource recycling and reuse, refurbishing retired IT products into renewed computers donated to disadvantaged groups, to narrow the digital divide while caring for the planet we live on. 2025 Pharmosa's greenhouse gas and carbon reduction environmental benefits from recycled IT products this year:1.98 metric tons; equivalent to fewer trees felled per year: 4 trees.

Appendix

Appendix I. GRI Content Index

★ denotes a Material Topic

Statement of Use Pharmosa Biopharm Inc. has reported in accordance with the GRI Standards for the period5 from January 1 to December 31, 2025

GRI 1 Used GRI 1: Foundation 2021

Applicable GRI Sector Standards The Company operates in the biotech/healthcare sector, for which no GRI Sector Standard Standards

Topic	Disclosure	Disclosure Description	Chapter	Page	Reason for Omission / Explanation / Note
GRI 2: General Disclosures2021					
Organization and Reporting Practices	2-1	Organizational Details	2.1 Company Profile	18	
	2-2	Entities Included in the Organization's Sustainability Reporting	About This Report / Reporting Basis and Information Verification	05/05	
	2-3	Reporting Period, Frequency, and Contact Point	About This Report / Publication Frequency, Feedback	05/06	
	2-4	Restatements of Information	About This Report / Publication Frequency	05/06	
	2-5	External Assurance	-		Not applicable / The Company currently has no third-party verification or assurance
Activities and Workers	2-6	Activities, Value Chain, and Other Business Relationships	2.1 Company Profile	18	
	2-7	Employees	5.1.2 Employee Composition	68	
	2-8	Workers Who Are Not Employees	5.1.2 Employee Composition	68	
Governance	2-9	Governance Structure and Composition	3.1.1 Board of Directors	28	
	2-10	Nomination and Selection of the Highest Governance Body	3.1 Governance Practices	27	
	2-11	Chair of the Highest Governance Body	3.1 Governance Practices	27	
	2-12	Role of the Highest Governance Body in Overseeing the Management of Impacts	3.1 Governance Practices	27	

Topic	Disclosure	Disclosure Description	Chapter	Page	Reason for Omission / Explanation / Note
Governance	2-13	Delegation of Responsibility for Managing Impacts	1.1 Sustainability Governanc Organizational Structure	08	
	2-14	Role of the Highest Governance Body in Sustainability Reporting	1.1 Sustainability Governanc Organizational Structure	08	
	2-15	Conflicts of Interest	3.1.1 Board of Directors	28	
	2-16	Communication of Critical Concerns	3.1.1 Board of Directors	28	
	2-17	Collective Knowledge of the Highest Governance Body	3.1.1 Board of Directors	28	
	2-18	Evaluation of the Performance of the Highest Governance Body	3.1.1 Board of Directors	28	
	2-19	Remuneration Policies	3.1.1 Board of Directors	28	
	2-20	Process to Determine Remuneration	3.1.2 Functional Committees	33	
	2-21	Annual Total Compensation Ratio	-		Confidentiality Constraints / Company Confidential Information
Strategy, Policies, and Practices	2-22	Statement on Sustainable Development Strategy	Message from Management	03	
	2-23	Policy Commitments	4.5 Sustainable Supply Chain Management 5.1.1 Human Rights Protection	62 66	
	2-24	Embedding Policy Commitments	4.5 Sustainable Supply Chain Management 5.1.1 Human Rights Protection	62 66	
	2-25	Processes to Remediate Negative Impacts	3.1.1 Board of Directors	28	
	2-26	Mechanisms for Seeking Advice and Raising Concerns	3.1.4 Ethics & Integrity 5.4 Diverse Communication Channels 5.5.1 Worker Participation, Consultation, and Communication	37 78 79	
Strategy,	2-27	Regulatory Compliance	3.3 Regulatory Compliance	41	

Topic	Disclosure	Disclosure Description	Chapter	Page	Reason for Omission / Explanation / Note
Policies, and Practices	2-28	Membership Associations	2.4 External Memberships	25	
Stakeholder Engagement	2-29	Approach to Stakeholder Engagement	1.3 Stakeholder Communication Channels and Topics of Concern	10	
	2-30	Collective Bargaining Agreements	-		Not applicable / The Company has not established a labor union nor signed a collective bargaining agreement with employees; instead, quarterly labor-management meetings provide two-way interaction with employees. The Company's labor relations remained harmonious during the reporting year
GRI 3: Material Topics2021					
Material Topics	3-1	Process to Determine Material Topics	1.4 Identification of Material Topics	13	
	3-2	List of Material Topics	1.4 Identification of Material Topics	13	
Economic Dimension					
Economic Performance					
GRI 3: Material Topics 2021	3-3	Management of Material Topics	3.4 Operating Performance	42	
GRI 201: Economic Performance 2016	201-1	Direct Economic Value Generated and Distributed	3.4 Operating Performance	42	
	201-2	Financial Implications and Other Risks and Opportunities Due to Climate Change	Appendix II. Climate-related Information for Listed/OTC Companies	87	
	201-3	Defined Benefit Plan Obligations and Other Retirement Plans	5.2Employee Rights and Benefits	72	
Market Presence					
GRI 202: Market Presence 2016	202-1	Ratios of Standard Entry-Level Wage by Gender Compared to Local Minimum Wage	5.2 Employee Rights and Benefits	72	

Topic	Disclosure	Disclosure Description	Chapter	Page	Reason for Omission / Explanation / Note
	202-2	Proportion of Senior Management Hired from the Local Community	5.1.2 Employee Composition	68	
★ Drug R&D					
GRI 203: Material Topics 2021	3-3	Management of Material Topics	3.5.1 Drug R&D	44	
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Energy					
GRI 302: Energy 2016	302-1	Energy Consumption Within the Organization	4.1 Energy Management	56	
	302-2	Energy Consumption Outside of the Organization	4.1 Energy Management	56	
	302-3	Energy Intensity	4.1 Energy Management	56	
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GRI 303: Water and Effluents 2018 Management Approach	303-1	Interactions with Water as a Shared Resource	4.3 Water Resources Management	58	
	303-2	Management of Water Discharge-Related Impacts	4.3 Water Resources Management	58	
GRI 303: Water and Effluents 2018	303-3	Water Withdrawal	4.3 Water Resources Management	58	
	303-4	Water Discharge	4.3 Water Resources Management	58	
	303-5	Water Consumption	4.3 Water Resources Management	58	
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GRI 305 : Emissions 2016	305-1	Direct (Scope 1) GHG Emissions	4.2 Greenhouse Gas Emissions Management	57	
	305-2	Energy Indirect (Scope 2) GHG Emissions	4.2 Greenhouse Gas Emissions Management	57	
GRI 305 : Emissions 2016	305-4	GHG Emissions Intensity	4.2 Greenhouse Gas Emissions Management	57	

Topic	Disclosure	Disclosure Description	Chapter	Page	Reason for Omission / Explanation / Note
★ Waste					
GRI 3: Material Topics 2021	3-3	Management of Material Topics	4.4 Waste Management	60	
GRI 306: Waste 2020 Management Approach	306-1	Waste Generation and Significant Waste-Related Impacts	4.4 Waste Management	60	
	306-2	Management of Significant Waste-Related Impacts	4.4 Waste Management	60	
GRI 306: Waste2020	306-3	Waste Generated	4.4 Waste Management	60	
	306-4	Waste Diverted from Disposal	4.4 Waste Management	60	
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★ Supplier Environmental Assessment					
GRI 3: Material Topics 2021	3-3	Management of Material Topics	4.5 Sustainable Supply Chain Management	62	
GRI 308: Supplier Environmental Assessment 2016	308-1	New Suppliers That Were Screened Using Environmental Criteria	4.5 Sustainable Supply Chain Management	62	
	308-2	Negative Environmental Impacts in the Supply Chain and Actions Taken	4.5 Sustainable Supply Chain Management	62	
Social (Including Human Rights) Dimension					
Employment					
GRI 401 : Employment 2016	401-1	New Employee Hires and Employee Turnover	5.1.2 Employee Composition	68	
	401-2	Benefits Provided to Full-Time Employees That Are Not Provided to Temporary or Part-Time Employees	5.2 Employee Rights and Benefits	72	
	401-3	Parental Leave	5.2 Employee Rights and Benefits	72	
	salary	Number of Full-Time Non-Managerial Employees, Average and Median Compensation of Full-Time Non-Managerial Employees, and Year-over-Year Change for All Three	5.2 Employee Rights and Benefits	72	

Topic	Disclosure	Disclosure Description	Chapter	Page	Reason for Omission / Explanation / Note
Labor/Management Relations					
GRI 402: Labor/ Management Relations 2016	402-1	Minimum Notice Periods Regarding Operational Changes	5.4 Diverse Communication Channels	78	GRI 402: Labor/Management Relations 2016
GRI 403: Occupational Health and Safety 2018 Management Approach	403-1	Occupational Health and Safety Management System	5.5 Occupational Safety and Health	79	
	403-3	Occupational Health Services	5.5 Occupational Safety and Health	79	
	403-4	Worker Participation, Consultation, and Communication on Occupational Health and Safety	5.5 Occupational Safety and Health	79	
	403-5	Worker Training on Occupational Health and Safety	5.5 Occupational Safety and Health	79	
	403-6	Promotion of Worker Health	5.5 Occupational Safety and Health	79	
	403-7	Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships	5.5 Occupational Safety and Health	79	
	403-8	Workers Covered by an Occupational Health and Safety Management System	5.5 Occupational Safety and Health	79	
	403-9	Work-Related Injuries	5.5 Occupational Safety and Health	79	
	403-10	Work-Related Ill Health	5.5 Occupational Safety and Health	79	
Training and Education					
GRI 404: Training and Education 2016	404-1	Average Hours of Training per Year per Employee	5.3 Talent Development and Training	76	
	404-2	Programs for Upgrading Employee Skills and Transition Assistance Programs	5.3 Talent Development and Training	76	
	404-3	Percentage of Employees Receiving Regular Performance and Career Development Reviews	5.3 Talent Development and Training	76	

Topic	Disclosure	Disclosure Description	Chapter	Page	Reason for Omission / Explanation / Note
Diversity and Equal Opportunity					
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of Governance Bodies and Employees	3.1.1 Board of Directors 5.1.2 Employee Composition	28 68	
	405-2	Ratio of Basic Salary and Remuneration of Women to Men	5.2Employee Rights and Benefits	72	
Supplier Social Assessment					
GRI 3: Material Topics 2021	3-3	Management of Material Topics	4.5Sustainable Supply Chain Management	62	
GRI 414: Supplier Social Assessment 2016	414-1	New Suppliers That Were Screened Using Social Criteria	4.5Sustainable Supply Chain Management	62	
	414-2	Negative Social Impacts in the Supply Chain and Actions Taken	4.5Sustainable Supply Chain Management	62	
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GRI 3: Material Topics 2021	3-3	Management of Material Topics	3.5.2Drug Safety Management	50	
★ Laboratory Safety					
GRI 3: Material Topics 2021	3-3	Management of Material Topics	5.5.5Laboratory Safety Management	82	

Appendix II. Climate-related Information for Listed/OTC Companies

<table>
<tr><th>Disclosure</th><th colspan="3">Disclosure Description</th></tr>
<tr><td>1. Describe the Board and management's oversight and governance of climate-related risks and opportunities.</td><td colspan="3">Pursuant to the government's corporate sustainable development policy, Pharmosa has established a "Code of Practice for Sustainable Development" as its guideline for practicing environmental sustainability, emphasizing resource recycling and reuse and environmental pollution prevention, communicating to employees how to develop and practice environmentally responsible habits at work and in daily life to achieve energy conservation and carbon reduction. The Board of Directors is the highest climate governance body, overseeing and formulating climate change-related strategy from a sustainability perspective, and responding to domestic and international net-zero commitment initiatives by authorizing the Sustainability Promotion Group to identify potential climate-related risks and opportunities, formulate response measures, regularly review implementation results, conduct reviews, and report outcomes to the Board.</td></tr>
<tr><td rowspan="3">2. Describe how the identified climate risks and opportunities affect the Company's business, strategy, and finances (short, medium, and long term).</td><td>Item</td><td>Financial Impact on the Company</td><td>Response Strategy</td></tr>
<tr><td>Transition Risk Policy and Regulation Strengthen</td><td>emissions reporting, investing resources in energy conservation and carbon reduction, and in inventorying, verifying, and disclosing the organization's greenhouse gas emissions, further extending to the full life cycle.</td><td>● Adhere to energy conservation and carbon reduction policies, reducing operating energy consumption through air conditioning temperature control and water/electricity reduction measures.
● Strengthen greenhouse gas inventory training to build in-house inventory capability.
● When renovating offices, the Company purchases air conditioning, lighting, and water-saving equipment eligible for energy-saving subsidies, and has purchased an industrial steam system to optimize waste heat recovery.
● Plan to conduct an annual carbon emissions inventory and disclose it on the Company website and in the sustainability report.</td></tr>
<tr><td>3. Describe the impact of extreme climate events and transition actions on finances.</td><td>Rising Raw Material Costs</td><td>Climate change causes raw material shortages and requirements for low-environmental-impact raw materials; carbon tariffs required by various countries increase the Company's operating costs, with a moderate</td><td>● Although the Company's products have not yet entered mass production, since the current stage of clinical trial drug production, the Company has emphasized manufacturing methods, processes, and production management to effectively achieve energy conservation and emissions reduction.
● When designing R&D and production process trials, the Company incorporates green packaging concepts and establishes new energy-efficient, low-carbon experimental models, providing lower carbon-intensity drugs to the public.</td></tr>
</table>

Disclosure	Disclosure Description		
		financial impact.	
	Physical Risk Extreme Weather Events Such as Typhoons and Floods Increasing in Severity	Natural disasters causing damage or operating losses; given the current office-based nature of operations, the financial impact is low.	● The Company promptly assesses the situation, advising employees to work remotely or arranging for job coverage by other staff, flexibly deploying manpower to reduce operational impact and property loss. ● Confirm that doors and windows are securely closed and store valuables in a safe area. ● Check that ceiling-mounted equipment is stable and secure.
4. Describe how the process for identifying, assessing, and managing climate risks is integrated into the overall risk management system.	The following is implemented in accordance with risk management policy: ● The Sustainability Promotion Group assesses ESG risks while simultaneously conducting a climate risk assessment. ● The Sustainability Promotion Group meeting discusses and resolves material ESG and climate risks, subject to approval by the President. ● Based on approved ESG and climate risks, execution strategy goals are set. The Company plans to report annually to the Board on ESG and climate risk implementation status.		
5. If scenario analysis is used to assess resilience to climate change risks, describe the scenarios, parameters, assumptions, analytical factors, and key financial impacts used.	The Company has not yet used scenario analysis to assess climate change risk.		
6. If there is a transition plan to manage climate-related risks, describe the plan's content, and the indicators and targets used to identify and manage physical and transition risks.	The Company has not yet established a transition plan and does not use internal carbon pricing.		
7. If internal carbon pricing is used as a planning tool, describe the basis for setting the price.			

Disclosure	Disclosure Description
8. If climate-related targets have been set, describe the activities covered, the greenhouse gas emissions scope, planning timeline, annual progress toward targets, and other relevant information; if carbon offsets or renewable energy certificates (RECs) are used to achieve the targets, describe the source and quantity of carbon credits offset, or the quantity of renewable energy certificates (RECs) used.	As Pharmosa's proprietary R&D products are currently in the clinical trial stage and not yet marketed, no emissions reduction target has been set at this time, as carbon emissions are not currently the Company's primary climate topic. As the Company scales up operations with future mass production, it will continue to reasonably use energy to minimize greenhouse gas emissions generated by operations, and will continue to actively cooperate with competent authorities' requirements for greenhouse gas reduction, progressively establishing a carbon emissions management system.
9. Greenhouse gas inventory and assurance status, along with reduction targets, strategy, and specific action plans (to be separately completed in Tables1-9-1 and 9-2)	as shown in Table (9-1) and (9-22) below.

1-1 Greenhouse Gas Inventory Information

Describe the greenhouse gas emissions for the most recent two years (metric tons $CO_{22}e$), intensity (metric tons CO_2 CO_2e/ NT$ million), data coverage scope, and assurance status. The greenhouse gas inventory and assurance status for the Company and its consolidated financial reports (the subsidiary currently has no substantive business operations) for the most recent two years are described below:

Category		2024		2025		Assurance Body and Assurance Status (Verification Certificate)
		Total Emissions (Metric Tons $CO_{22}e$),	Intensity (Metric Tons CO2 CO_2e/NT$ Million)	Total Emissions (Metric Tons $CO2_2e$),	Intensity (Metric Tons CO2 CO_2e/NT$ Million)	
Parent Company	Scope 1	0.4876	0.0029	0.7868	0.0117	The Company has not yet conducted a greenhouse gas inventory or assurance. The Company will follow Corporate Governance 3.0 - Sustainable Development Roadmap planning and requirements, completing the greenhouse gas inventory and assurance according to the timeline.
	Scope 2	84.8218	0.5062	502.8960	7.4760	
	Scope 3	-	-	-	-	
	Total	85.3094	0.5091	503.6828	7.4877	

Note: In 2024, revenue was NT$167.568 million; in 2025, revenue was NT$67.28 million; the subsidiary currently has no substantive business operations.

1-2 Greenhouse Gas Reduction Targets, Strategy, and Specific Action Plans

Describe the greenhouse gas reduction base year and its data, reduction targets, strategy and specific action plans, and progress toward reduction targets.v
Per the "Sustainability Roadmap for Listed/OTC Companies" issued by the Financial Supervisory Commission, as the Company's capital is below NT$50 hundred million, it shall complete, at the latest by 2027, a greenhouse gas inventory of the consolidated parent and subsidiary companies for 2026, using2026 as the base year. The Company will continue to monitor the latest developments in government and industry carbon reduction initiatives.

Appendix III. SASB Content Index-Medical Equipment & Supplies (HC-MS)

Topic	Disclosure Topic / Code	Metric	Category	Disclosure / Description
Safety of Clinical Trial Participants	HC-BP-210a.1	Discussion, by Region, of Management Process for Ensuring Quality and Patient Safety During Clinical Trials	Discussion and Analysis	The Company's L606 works closely with its international licensing partner (Liquidia), and has engaged internationally recognized Contract Research Organizations (CROs) to manage multi-national, multi-center trials. Clinical trial protocols are approved by the health authorities of each country, and during trial execution, an independent Data Safety Monitoring Board (DSMB) holds regular meetings to conduct external independent review of clinical trial data safety, ensuring the rights and safety of trial subjects. The Company's L608 is conducted through a professional CRO. Informed consent is obtained from subjects prior to trials, and real-time Adverse Event (AE) and Serious Adverse Event (SAE) reporting mechanisms have been established. The Company conducts regular internal audits and periodic on-site or remote inspections of contracted CROs and trial sites, ensuring clinical trial quality and subject safety.
	HC-BP-210a.2	Number of Inspections Related to Clinical Trial Management and Pharmacovigilance That Resulted in Voluntary Remediation or Regulatory/Administrative Action	Quantitative	No such incidents have occurred to date.
	HC-BP-210a.3	Total Amount of Monetary Losses as a Result of Legal Proceedings Associated with Clinical Trials in Developing Countries	Quantitative	No such incidents have occurred to date.
Access to Medicines	HC-BP-240a.1	Description of Actions and Initiatives to Promote Access to Healthcare Products for Priority Diseases and in Priority Countries as Defined by the	Discussion and Analysis	The Company's main products under development are currently in the clinical trial stage, and the Company is not currently a large pharmaceutical company evaluated by the Access to Medicine Index. However, the indications for the Company's core products L606 and L608 are both rare diseases. Once products are launched, the Company will comply with rare disease drug reimbursement policies of health authorities in various countries, and through cooperation with global licensing partners and regional distributors, actively promote fairer and faster

Topic	Disclosure Topic / Code	Metric	Category	Disclosure / Description
		Access to Medicine Index		access to its innovative drugs for patients with these rare diseases lacking effective treatment options, putting into practice its commitment to healthcare access.
	HC-BP-240a.2	List of Products on the WHO Prequalification Program (PQP) Prequalified Medicines List	Discussion and Analysis	The Company's products under development are not yet marketed, and are positioned as long-acting novel formulation new drugs for treating rare diseases, which do not fall within the scope of mass public health infectious disease procurement under the WHO Prequalification Programme; therefore, the Company has no products on the prequalified list.
Drug Safety	HC-BP-250a.1	Products Listed on Public Medical Product Safety or Adverse Event Alert Databases	Discussion and Analysis	The Company's drugs under development are not yet marketed, so no products are listed on any domestic or international public medical product safety or adverse event alert database.
	HC-BP-250a.2	Number of Fatalities Associated with Products	Quantitative	The Company's drugs under development are not yet marketed, so this is not applicable.
	HC-BP-250a.3	Number of Recalls Issued	Quantitative	The Company's drugs under development are not yet marketed, so this is not applicable.
	HC-BP-250a.3	Total Units Recalled	Quantitative	The Company's drugs under development are not yet marketed, so this is not applicable.
	HC-BP-250a.4	Total Amount of Products Accepted for Take-Back, Reuse, or Disposal	Quantitative	The Company's drugs under development are not yet marketed, so this is not applicable.
	HC-BP-250a.5	Number of Enforcement Actions Taken in Response to Violations of GMP or Equivalent Standards, by Type	Quantitative	The Company's drugs under development are not yet marketed, so this is not applicable.
	HC-BP-250a.2	Number of Fatalities Associated with Products	Quantitative	The Company's drugs under development are not yet marketed, so this is not applicable.
Counterfeit Drugs	HC-BP-260a.1	Description of Methods and Technologies Used to Maintain Traceability of Products Throughout the Supply Chain and Prevent Counterfeiting	Discussion and Analysis	The Company's core products are currently in the clinical trial stage; however, to ensure the safety of clinical trial drugs and prevent misappropriation or counterfeiting of trial drugs and dedicated inhaler devices, the Company implements the following traceability and prevention mechanisms in its current supply chain management: 1. Full-process bidirectional traceability: The production (via contracted CDMOs), packaging, and transportation of clinical trial drugs and devices to clinical hospitals are all assigned specific lot numbers, serial numbers, and trial-specific codes throughout. The

Topic	Disclosure Topic / Code	Metric	Category	Disclosure / Description
				Company has established a 100% bidirectional traceability system, ensuring every vial of trial drug solution and every nebulizer can be traced back to its original production record. 2. Strict cold chain and logistics monitoring: The distribution and transportation of trial drugs are entrusted throughout to professional pharmaceutical logistics companies compliant with Good Distribution Practice (GDP), with continuous temperature loggers deployed to prevent drug substitution or diversion in unauthorized, uncontrolled environments.
Counterfeit Drugs	HC-BP-260a.2	Discussion of the Process for Alerting Customers and Business Partners to Potential or Known Risks Associated with Counterfeit Products	Discussion and Analysis	The Company currently has no products on the market for sale. Once products are launched in the future, the Company will Change establish relevant response mechanisms.
	HC-BP-260a.3	Number of Actions That Led to Raids, Seizures, Arrests, or Filing of Criminal Charges Related to Counterfeit Products	Quantitative	The Company's drugs under development are not yet marketed, so this is not applicable.
Ethical Marketing	HC-BP-270a.1	Total Amount of Monetary Losses as a Result of Legal Proceedings Associated with False Marketing Claims	Quantitative	The Company's drugs under development are not yet marketed, so this is not applicable.
	HC-BP-270a.2	Description of Code of Ethics Governing Promotion of Off-Label Use of Products	Discussion and Analysis	The Company's drugs under development are not yet marketed, so the Company does not currently conduct any drug marketing or promotional activities. The Company places great importance on pharmaceutical ethics and integrity, strictly complying with Taiwan's Pharmaceutical Affairs Act, U.S. FDA regulations, and the regulations of health authorities in other countries, and commits to not conducting any marketing or promotion for unapproved off-label use.
Employee Recruitment, Development, and Retention	HC-BP-330a.1	Discussion of Talent Recruitment and Retention Efforts for Scientists and Research and Development Employees	Discussion and Analysis	5.3 Talent Development and Training

Topic	Disclosure Topic / Code	Metric	Category	Disclosure / Description
Employee Recruitment, Development, and Retention	HC-BP-330a.2	Voluntary Turnover Rate for Executives/Senior Managers	Quantitative	5.3 Talent Development and Training
	HC-BP-330a.2	Involuntary Turnover Rate for Executives/Senior Managers	Quantitative	5.3 Talent Development and Training
	HC-BP-330a.2	Voluntary Turnover Rate for Mid-Level Managers	Quantitative	5.3 Talent Development and Training
	HC-BP-330a.2	Involuntary Turnover Rate for Mid-Level Managers	Quantitative	5.3 Talent Development and Training
	HC-BP-330a.2	Voluntary Turnover Rate for Professionals	Quantitative	5.3 Talent Development and Training
	HC-BP-330a.2	Involuntary Turnover Rate for Professionals	Quantitative	5.3 Talent Development and Training
	HC-BP-330a.2	Voluntary Turnover Rate for All Other Employees	Quantitative	5.3 Talent Development and Training
Supply Chain Management	HC-BP-430a.1	Percentage of (1) Entity's Own Sites and (2) Tier I Suppliers' Sites Participating in the Rx-360 International Pharmaceutical Supply Chain Consortium Audit Program or Equivalent Third-Party Audit Programs for Integrity of Supply Chain and Ingredients	Quantitative	The Company does not have its own manufacturing facility for commercial-scale drug production. However, to strengthen the supply resilience of R&D and clinical trial drugs, the Company has established an advanced aseptic filling line for clinical drugs at the Taipei Biotech Park. This self-operated facility is managed and self-inspected in strict compliance with the highest official quality standards, including Taiwan FDA (TFDA) PIC/S GMP and Good Distribution Practice (GDP). The Company currently has no plan to join the Rx-360 International Pharmaceutical Supply Chain Consortium audit program, and will continue to assess the need to adopt diverse third-party audit programs based on product commercialization and international market progress in the future.
	HC-BP-430a.1	Percentage of Tier I Supplier Sites Participating in the Rx-360 International	Quantitative	Although the Company does not directly require Tier I suppliers to participate in the Rx-360 Consortium audit program, to ensure the safety of clinical trial drugs and the integrity of the supply chain and ingredients, the Company has established a comprehensive supplier evaluation and regular audit mechanism.

Topic	Disclosure Topic / Code	Metric	Category	Disclosure / Description
		Pharmaceutical Supply Chain Consortium Audit Program or Equivalent Third-Party Audit Programs for Integrity of Supply Chain and Ingredients		100% of the Company's current Tier I supplier sites providing core R&D raw materials, contract drug manufacturing (CDMO), and patented drug delivery devices have participated in and passed PIC/S GMP audits by health authorities in various countries, ISO 13485 medical device quality management system certification, or equivalent third-party quality audit programs compliant with Good Distribution Practice (GDP). The Company's quality assurance team also regularly conducts rigorous supplier evaluations and audits of these key Tier I suppliers, ensuring that raw material and product quality meet international regulatory requirements.
Business Ethics	HC-BP-510a.1	Total Amount of Monetary Losses as a Result of Legal Proceedings Associated with Corruption and Bribery	Quantitative	3.3 Regulatory Compliance
	HC-BP-510a.2	Description of Code of Ethics Governing Interactions with Health Care Professionals	Discussion and Analysis	3.3 Regulatory Compliance
Activity Metrics	HC-BP-000.A	Number of Patients Treated	Quantitative	The Company' sLimited to clinical trial subjects; no patients treated with marketed drugs.
	HC-BP-000.B	Number of Drugs in Portfolio and in Research and Development (Phases 1-3)	Quantitative	3.5 Pharmaceutical R&D and Safety

Appendix III. SASB Content Index-Biotechnology & Pharmaceuticals (HC-BP)

Topic	Disclosure Topic / Code	Metric	Category	Disclosure / Description
Affordability & Pricing	HC-MS-240a.2	Description of How Price Information for Each Product Is Disclosed to Customers or Their Agents	Discussion and Analysis	The Company is still in the clinical trial R&D stage and has not yet formally obtained drug license or medical device approval for marketing; therefore, it currently has no products for sale and no existing process for disclosing price information to customers or agents.
	HC-MS-240a.3	Percentage Change in Weighted Average List Price Across Product Portfolio Compared to the Prior Reporting Period	Quantitative	The Company's drugs under development are not yet marketed, so this is not applicable.
	HC-MS-240a.3	Percentage Change in Weighted Average Net Price Across Product Portfolio Compared to the Prior Reporting Period	Quantitative	The Company's drugs under development are not yet marketed, so this is not applicable.
Product Safety	HC-MS-250a.1	Number of Recalls Issued	Quantitative	The Company's drugs under development are not yet marketed, so this is not applicable.
	HC-MS-250a.1	Total Units Recalled	Quantitative	The Company's drugs under development are not yet marketed, so this is not applicable.
	HC-MS-250a.2	Products Listed on Any Public Medical Product Safety or Adverse Event Alert Database	Discussion and Analysis	None of the Company's drugs or dedicated nebulizer devices are recorded on any domestic or international public medical product safety or adverse event alert database. However, for drugs and dedicated delivery devices used during clinical trials, the Company strictly follows the regulations of the health authorities in the trial location to ensure subject safety and rights.
	HC-MS-250a.3	Number of Fatalities Associated with Products	Quantitative	The Company's drugs under development are not yet marketed, so this is not applicable.
	HC-MS-270a.1	Total Amount of Monetary Losses as a Result of Legal Proceedings Associated with False Marketing Claims	Quantitative	The Company's drugs under development are not yet marketed, so this is not applicable.

Topic	Disclosure Topic / Code	Metric	Category	Disclosure / Description
	HC-MS-270a.2	Description of Code of Ethics Governing Marketing of Products for Off-Label Use	Discussion and Analysis	The Company's drugs under development are not yet marketed,so the Company does not currently conduct any drug marketing or promotional activities. The Company places great importance on pharmaceutical ethics and integrity, strictly complying with Taiwan's Pharmaceutical Affairs Act, U.S. FDA regulations, and the regulations of health authorities in other countries, and commits to not conducting any marketing or promotion for unapproved off-label use.
	HC-MS-250a.4	Number of Enforcement Actions Taken in Response to Violations of GMP or Equivalent Standards, by Type	Quantitative	The Company's drugs under development are not yet marketed, so this is not applicable.
Product Design & Lifecycle Management	HC-MS-410a.1	Discussion of Process to Assess and Manage Environmental and Human Health Considerations Related to Chemicals in Products, and Meeting Demand for Sustainable Products	Discussion and Analysis	The Company focuses on developing "drug-device integrated" long-acting inhalation formulation new drugs, placing high importance on the impact of chemicals and materials on the environment and human health from the initial R&D and process design stages. The Company implements sustainable product design through the following specific process management and technological advantages: 1.Safety and Environmental Friendliness of Raw Material Composition: (1)The Company's core technology is "liposome encapsulation technology," whose main raw materials are natural phospholipids and other highly biocompatible, highly biodegradable, non-toxic materials, with an extremely low burden on human health and the ecological environment. (2)Solvents and auxiliary chemicals used in R&D and manufacturing processes are all subject to strict chemical hazard assessment, with priority given to green alternatives with low volatility and low environmental hazard. 2.Green Drug-Device Design: Significantly Reducing Medical Waste (1)Reduced Dosing Frequency: Traditional inhaled pulmonary hypertension drugs, due to their extremely short half-life, require patients to dose frequently 4 to 9 times per day, generating large amounts of discarded inhalers and packaging. The Company's L606 and L608 long-acting formulations reduce dosing frequency to just 2 times per day, reducing consumables, plastic nebulizer cups, and packaging waste used by patients by more than 50% at the source. (2)High-Efficiency Delivery: Paired with a high-efficiency dedicated nebulizer, the nebulized drug solution is precisely delivered to the lungs, preventing the drug from dispersing into the surrounding air and protecting the health of patients and healthcare workers.

Topic	Disclosure Topic / Code	Metric	Category	Disclosure / Description
				3.Low-Carbon, Sustainable Process: The aseptic filling line established by the Company at the Taipei Biotech Park uses hardware equipment and air filtration systems designed per green facility planning that meets the latest environmental protection and energy-saving standards, strictly managing the recovery and reduction of process waste and organic solvents, meeting sustainable production requirements.
Product Design & Lifecycle Management	HC-MS-410a.2	Total Amount of Products Accepted for Take-Back and Reused, Recycled, or Donated, Broken Down by: (1) Devices and Equipment and (2) Supplies	Quantitative	The Company's drugs under development are not yet marketed, so this is not applicable.
Supply Chain Management	HC-MS-430a.1	Percentage of Entity's Sites Participating in Third-Party Audit Programs for Manufacturing and Product Quality	Quantitative	The Company does not have its own manufacturing facility for commercial-scale drug production. However, to strengthen the supply resilience of R&D and clinical trial drugs, the Company has established an advanced aseptic filling line for clinical drugs at the Taipei Biotech Park. This self-operated facility is managed and self-inspected in strict compliance with the highest official quality standards, including Taiwan FDA (TFDA) PIC/S GMP and Good Distribution Practice (GDP).
	HC-MS-430a.1	Percentage of Tier I Supplier Sites Participating in Third-Party Audit Programs for Manufacturing and Product Quality	Quantitative	100% of the Company's current Tier I supplier sites providing core R&D raw materials, contract drug manufacturing (CDMO), and patented drug delivery devices have participated in and passed PIC/S GMP audits by health authorities in various countries, ISO 13485 medical device quality management system certification, or equivalent third-party quality audit programs compliant with Good Distribution Practice (GDP). The Company's quality assurance team also regularly conducts rigorous supplier evaluations and audits of these key Tier I suppliers, ensuring that raw material and product quality meet international regulatory requirements.
	HC-MS-430a.2	Description of Efforts to Maintain Traceability Within the Distribution Chain	Discussion and Analysis	The Company's products have not yet been commercially launched and distributed, so there is currently no management of a marketed product distribution chain involved.

Topic	Disclosure Topic / Code	Metric	Category	Disclosure / Description
Supply Chain Management	HC-MS-430a.3	Description of Management of Risks Associated with the Use of Critical Materials	Discussion and Analysis	The Company' sAs a "drug-device integrated" new drug R&D company, stable and compliant critical materials (including API, synthetic lipids, and other key chemicals, as well as core hardware components such as patented nebulizer delivery devices and nozzles) are the cornerstone of successful clinical trials and future commercialization. The Company implements the following risk management strategies for critical materials: 1. Establishing Diversified and Backup Supply Chains (Dual Sourcing): For key chemical raw materials and composite lipids required for production, the Company actively evaluates and develops backup suppliers (including second sources), reducing the risk of material shortage due to single-source disruption or geopolitical factors. 2. Contractual and Intellectual Property Protection: For patented drug delivery devices and nebulizer hardware, the Company signs exclusive licensing and long-term supply agreements with key equipment suppliers, safeguarding the stability of core device supply. Safety Stock Management and Regular Evaluation: The Company dynamically adjusts safety stock levels of critical materials based on clinical trial progress and production schedules. In addition, the quality assurance and procurement teams conduct annual risk evaluations of critical material suppliers (covering quality, financial, capacity, and ESG compliance dimensions), ensuring the safety and high resilience of the critical material supply chain.
Business Ethics	HC-MS-510a.1	Total Amount of Monetary Losses as a Result of Legal Proceedings Associated with Bribery or Corruption	Quantitative	No such incidents have occurred to date.
	HC-MS-510a.2	Description of Code of Ethics Governing Interactions with Health Care Professionals	Discussion and Analysis	The Company has established "Ethical Corporate Management Best Practice Principles" and a "Code of Ethical Conduct," clearly regulating all employees, contracted CROs, and partners, strictly prohibiting the offering, promising, requesting, or receiving of any improper benefits or gifts when interacting with healthcare professionals
Activity Metrics	HC-MS-000.A	Number of Units Sold, by Product Category	Quantitative	The Company's drugs under development are not yet marketed, so this is not applicable.


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