



2025 SUSTAINABILITY REPORT

INDEX

Message From the Chairman 02

Chapter 1

About the Report

1.1 Report Overview	05
1.2 Analysis of Material Issues	07
1.3 Stakeholder engagement	11
1.4 Sustainable Performance	13

Chapter 2

Corporate Overview

2.1 About CCSB	15
2.2 Economic Performance	17

Chapter 3

Corporate Governance

3.1 Corporate Governance	21
3.2 Ethical Corporate Management	26
3.3 Legal Compliance	29
3.4 Information security protection	30

Chapter 4

Climate action

4.1 Climate-Related Risks	35
---------------------------	----

Chapter 5

Environmental Sustainability

5.1 Environment Policies	39
5.2 GHG and Energy Management	40
5.3 Water Resource Management	44
5.4 Waste Management	46

Chapter 6

Product Responsibility

6.1 Customer Health and Safety	49
6.2 Product Quality and Responsible Manufacturing	51
6.3 Supply Chain Management	55
6.4 R&D Innovation	60

Chapter 7

Employee Care

7.1 Employment	63
7.2 Talent Cultivation and Development	73
7.3 Occupational Health and Hygiene	77

Chapter 8

Social Welfare

8.1 Social Welfare and Community Participation	85
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Appendix

Appendix I. GRI Standards Disclosure Index	87
Appendix II. Reference table of SASB Standards – Disclosure Standards of Biotechnology & Pharmaceuticals	91
Appendix III. Index Table of Climate-related Information	93
Appendix IV. GHG Verification Opinion	94
Appendix V. Summary Table of Assurance Items	95
Appendix VI. CPA Limited Assurance Report	96

Message From the Chairman

From One Person to a Community: Joining Hands to Protect a Healthy and Hopeful Future

For more than 60 years since its establishment, CCSB has remained steadfast in its belief that the value of an enterprise lies not only in growth figures, but also in its commitment to society and its reverence for life.

Guided by our core values of “honesty, selflessness, fraternity, and mutual assistance”, we began with one individual’s vision and have since evolved into a collective force, establishing ourselves as a significant and trusted member of the global active pharmaceutical ingredient industry.

For more than half a century, we have continuously refined our technology, enhanced our quality, and established a manufacturing system aligned with international standards while obtained internationally recognized certifications in multiple countries. However, we have always believed that what truly drives a company’s sustainable development is not only operational excellence, but also responsible stewardship toward the environment, society, and all stakeholders.

Deepening Corporate Governance to Make Sustainability the Core of Our Operations

We continue to deepen our corporate governance framework and strengthen our internal control system and information transparency, ensuring that every decision stands up to scrutiny and earns trust. Through the professional oversight of the Board of Directors and its various functional committees, we strive to strike a robust balance between efficiency and accountability.

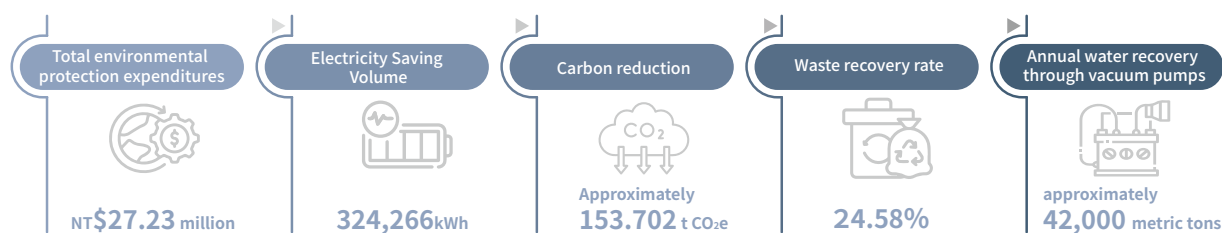
CCSB completed a comprehensive re-assessment of its material sustainability topics, adding “information security” to the 13 existing issues identified in 2024. This expansion brings the total to 14 material sustainability topics, covering all environmental, social, and governance aspects while strengthening risk management capability to address the challenges of the digital era. For us, ESG is more than just a report; it is a journey of continuous improvement.

Coexisting with the Environment to Create a Sustainable Future for the Earth

As climate change presents increasing challenges, we are acutely aware that every business decision shapes the future of our planet.

Consequently, CCSB Technology has been actively investing in energy-saving, carbon reduction, and resource recycling initiatives, ranging from process improvements to equipment upgrades, to progressively reduce its environmental impact. We have implemented a GHG inventory system, ensuring that changes are traceable and our commitments are more tangible and credible.

2025 Environmental Performance Results



Every kilowatt-hour of electricity saved, every drop of water recycled, and every achievement in carbon reduction represents our responsibility and response to future generations. We believe that lasting progress is achieved by living in harmony with the environment.

People-Centric Approach: Creating a Supportive and Inclusive Workplace

At CCSB, every employee is more than just a colleague; they are partners in achieving our shared vision.

We are committed to creating a safe, healthy, and growth-oriented workplace where every individual can work with peace of mind, embrace lifelong learning, and envision a clear career path. From comprehensive talent cultivation programs to employee stock ownership plans, we aim to ensure that hard work is recognized and success is shared.

At the same time, we diligently safeguard the physical and mental well-being of our colleagues. Through occupational safety management, health promotion, and psychological care, we ensure that work is more than a responsibility, but a journey of feeling supported and understood. We believe that only those who are well cared for can care for others.

Upholding Quality to Show Our Value to the World

As a key partner in the active pharmaceutical ingredient (API) value chain, we are deeply aware that the quality we deliver carries the trust of countless lives.

CCSB continues to deepen its R&D capabilities, integrating chemical synthesis and bioprocessing technologies to develop a diverse portfolio of active pharmaceutical ingredients (APIs) across therapeutic areas covering cardiovascular, immunosuppressive, anti-infective, and metabolic therapeutic areas.

The Company's products comply with international cGMP standards and have successfully passed inspections conducted by the U.S. FDA, the EU, Japan's PMDA, and Taiwan's TFDA. This not only demonstrates outstanding quality but also enhances trust in the international market.

Amidst the restructuring of global supply chains, the Company has demonstrated robust operational resilience, continuing to expand its presence in the European, U.S., and Japanese markets. Furthermore, the Company has strengthened customer partnerships and transitioned toward higher value-added products and technological upgrades.

Amidst the rapid shifts in the global supply chain, we remain resilient as we move forward. We continue to expand our market presence while deepening partnerships with our customers, progressing toward a future of higher value and greater impact.

Giving Back to Society by Spreading the Power of Kindness

"Take from society, give back to society" has long been our core belief.

We have translated this belief into tangible action by reaching out to communities and supporting underserved communities, with a particular focus on the lives and needs of the older people living alone. Guided by our core value of "Embrace Life, Beyond Health", we have ensured that our care extends beyond medical treatment to provide companionship, dignity, and respect.

Through community investment, industry-academia collaboration, and local engagement, we aim to leverage our corporate resources to advance sustainable social progress.

Moving Toward the Future: Sustainability as Our Shared Commitment

Looking back, we have made steady progress, gradually integrating the concept of sustainability into our corporate DNA.

Looking ahead, we will continue to move forward by:

- + Environment: Responding to climate change challenges and promoting net-zero transition;
- + Governance: Integrate sustainable business strategies and enhance cybersecurity;
- + Social area: Deepen community engagement to create shared value.

We aspire for CCSB to be more than just a company; we strive to be a trusted partner and a trusted partner in creating sustainable value for society.

Let us join hands to build a healthier, more sustainable world for future generations.

Chairman 



Chapter 1

About the Report

1.1 Report Overview	05
1.2 Analysis of Material Issues	07
1.3 Stakeholder engagement	11
1.4 Sustainable Performance	13

1.1 Report Overview

About the Report

The Report, the 13th ESG Report of Chunghwa Chemical Synthesis & Biotech Co., Ltd. (stock code 1762; hereinafter referred to as “CCSB,” “the Company,” “We”), has been prepared in accordance with the GRI Sustainability Reporting Guidelines 2021 released by the Global Reporting Initiative (GRI), and the “Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies” of Taiwan Stock Exchange. In light of the increasing responsibility and mission with respect to sustainability of shareholders, employees, and relevant stakeholders, CCSB upholds the principle of honesty, transparency, openness and sustainable progress, and explains to our stakeholders its 2025 economic, environmental and social performances in the Report.

The Report covers company overview and detailed disclosure of our efforts in terms of corporate governance, climate action, environmental sustainability, product responsibility, employee care and public welfare in order to fulfill our commitment to implementing sustainable development.

For information on financial analysis and operation overview, please refer to the 2025 annual report. All financial information is based on the financial report attested by the CPA. For relevant information, please visit the “Investors” section on CCSB’s website.

Reporting Period

This report discloses economic, environmental, and social performance data for 2025 (January 1 to December 31, 2025). For the integrity and comparability of information, some performance data are traced back to December 31, 2022 and earlier periods.

Scope and Boundaries of the Report

The boundary of the Report is Chunghwa Chemical Synthesis & Biotech Co., Ltd., with the scope of disclosure accounting for 97.26% of the consolidated net income of CCSB. Unless otherwise indicated, disclosures in the Report are parent company only information.

Preparation Principle

The Report has been prepared with reference to the GRI Sustainability Reporting Guidelines 2021 released by the Global Reporting Initiative (GRI) and the industry standards of the Sustainability Accounting Standards Board (SASB), disclosing the operations strategy, investment and performance of CCSB in sustainable development to stakeholders.

Information Calculation Basis

The information and statistics in the Report are from the results of surveys and compilations. Some financial figures in Business Performance are based on the financial statements attested by the CPA. All financial figures in the report are expressed in New Taiwan dollars. The collection, measurement and calculation of data and information are mainly based on compliance with international or local regulatory requirements. Unless otherwise specified by law, international standards shall prevail; if no international standards are applicable, industrial standards or industrial practices shall be referred to.

Report Management

The content and information of each chapter are reviewed and confirmed for accuracy by the heads of each unit and approved by the Chairman of the Sustainability Committee, before being submitted to the Board of Directors for approval by resolution and subsequent publication.

Information Released	Standards Followed	Verification/Assurance Organization
Financial data	Annual financial report	PricewaterhouseCoopers, Taiwan (PwC Taiwan)
Sustainability data	Independent limited assurance was conducted on selected information in accordance with the TWSAE3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information"	PricewaterhouseCoopers, Taiwan (PwC Taiwan)

Issuance

An ESG report is released annually. With the paperless operations adopted to protect the environment, the whole report is presented in an electronic manner and available on [CCSB's website](#) for all stakeholders.

The Report was released in August 2026

Next report is scheduled to be released in August 2027



Contact for the Report

Please contact us via the following means if you have any questions regarding the Report.

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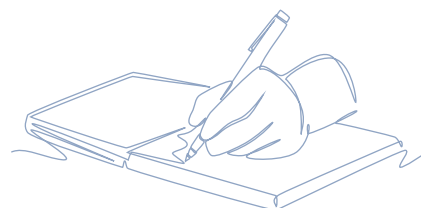
+ ESG Report Task Force

Tel: (02)8684-3318

+ Manager Kuan-Chieh Wang (Deputy Spokesperson of the Company)

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1.2 Analysis of Material Issues

Identification Process of Material Topics

CCSB follows the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, the 2021 edition of the Chinese version of the Guidelines for Sustainability Reporting, corporate sustainability trends, and important domestic and international regulatory developments, in collecting domestic and international issues of concern to the industry. After identifying common topics through an intersection method, we then incorporate the firm business philosophy of CCSB to systematically identify major stakeholders and major sustainability topics, and use them as the basis for preparing the Sustainability Report and responding to stakeholders' responsibilities.

First, CCSB completed the identification of major stakeholders and invited them to conduct questionnaire surveys. Then, the internal ESG Group assessed the degree of impact and likelihood of occurrence of the topics based on the results of the survey for 2025. Based on the AA1000 SES (Stakeholder Engagement Standard), we precisely grasped the material environmental, social and corporate governance issues of concern to stakeholders. We also developed corresponding management policies and actions to respond to the demands and expectations of stakeholders.



Step 1 Identification of Stakeholders

We followed the five major aspects of the AA1000 SES namely dependency, responsibility, level of concern, influence, and diverse perspectives and sent out stakeholder identification questionnaires to the colleagues of the task forces. According to the importance, seven types of stakeholder groups were categorized: investors, employees, suppliers, customers, government agencies, banks, and neighboring communities and social welfare organizations.

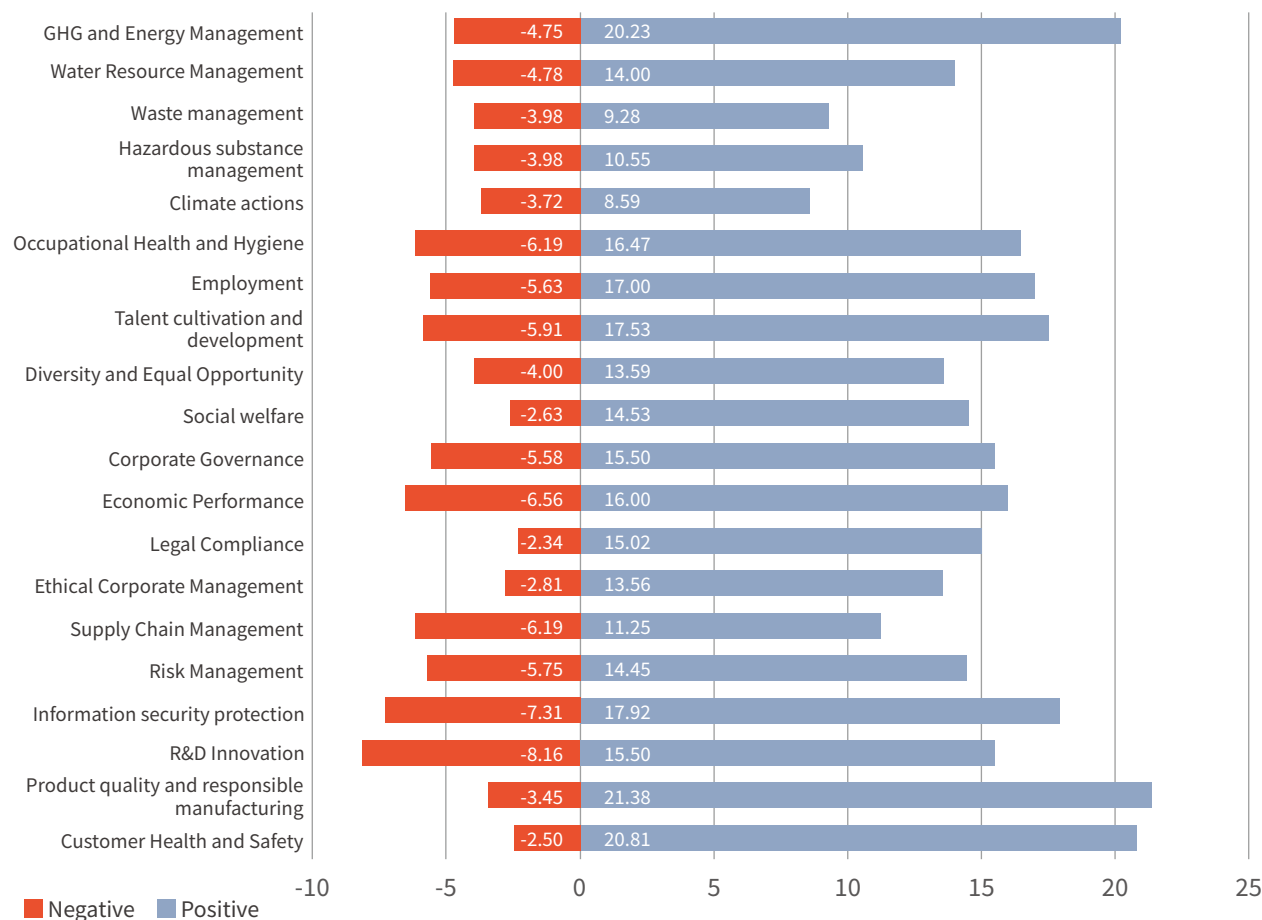
Step 2 Collection of Sustainability Topics

In order to practice sustainability and respond to international development trends, the Company referred to the GRI Standards and the corporate culture and management philosophy of CCSB to identify topics of concern to companies in the same industry, and a total of 20 sustainability issues were identified.

Aspects	Sustainability Issues				
Governance/ Economy	Economic Performance	Corporate Governance	Ethical Corporate Management	Legal Compliance	Supply Chain Management
	Risk Management	Information security protection	Product quality and responsible manufacturing	Customer health and safety	R&D Innovation
Environment	Climate actions	GHG and Energy Management	Water Resource Management	Waste management	Hazardous substance management
Society/ Employee	Employment	Talent Cultivation and Development	Diversity and Equal Opportunity	Social welfare	Occupational Health and Hygiene

Step 3 Surveying and Analyzing the Degree of Concern and Impact of Material Sustainability Topics

Among the seven types of stakeholders, CCSB selected representative stakeholders and conducted the questionnaire of “Identifying the Level of Concern and Impact on the 20 Sustainability Topics.” In 2025, a total of 85 online questionnaires were sent, and 77 (including 8 internal stakeholder questionnaires) were recovered, with a recovery rate of 91%. Impacts are measured by the probability of positive or negative occurrence and the scale of impact.



Step 4 Determining Material Topics

The working group compiles the quantitative results of the impact assessment and discusses and makes adjustments through the internal ESG Group meeting. Considering the overall sustainable development promotion strategy, topics that have a significant positive and negative impact on the economy, environment, society, and CCSB are defined as material topics. In the future, the performance results and effectiveness will be examined each year to evaluate the management objectives and indicators of each material topic. The following are the material topics selected by CCSB in 2025:

Aspects	Material Topics			
Governance/ Economy	Legal Compliance	Economic Performance	Ethical Corporate Management	Corporate Governance
	Information security protection	Customer Health and Safety	R&D Innovation	Product quality and responsible manufacturing
Environment	GHG and Energy Management	Water Resource Management	Waste management	
Society/ Employee	Employment	Talent Cultivation and Development	Occupational Health and Hygiene	

Step 5 Responding to Sustainability Topics

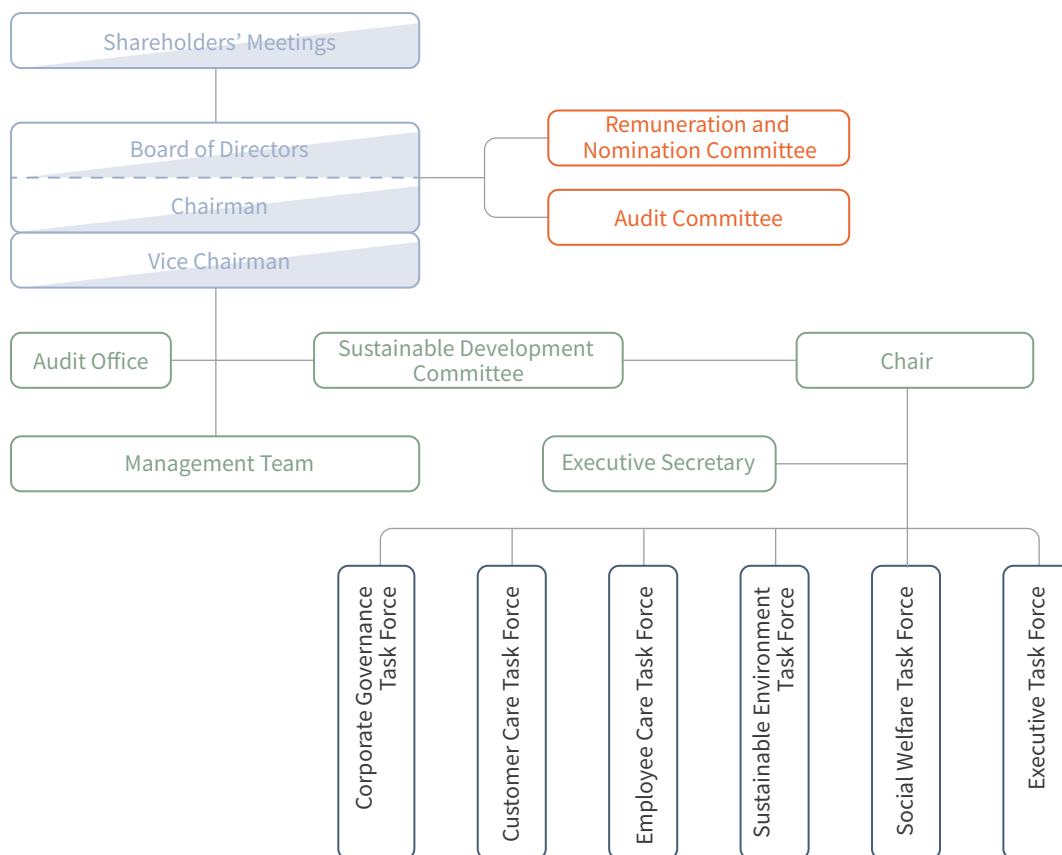
Pursuant to the definition of GRI 2021, CCSB analyzed the 14 sustainability topics from the perspective of positive and negative impacts, taking into account external economy, environment, society, and CCSB's internal suggestions. The potential impacts we face under the approach to each material topic and our response strategies are explained below.

Aspects	2025 Material Topics	Corresponding GRI Standard	Materiality to the Company and Countermeasures	Economic, Environmental and Social Impact Boundaries		Corresponding Chapter
				Within the Organization	Outside the Organization	
Governance/ Economy	Economic Performance	GRI 201-1 GRI 201-4	The Company's financial information on revenues, expenses and profits, including measures to manage the risks and opportunities arising from climate change.	CCSB	Investors, banks	2.2 Economic Performance
	Corporate Governance	GRI 2-9 GRI 2-10 GRI 2-11 GRI 2-12 GRI 2-13 GRI 2-14 GRI 2-15 GRI 2-16 GRI 2-17 GRI 2-18 GRI 2-19 GRI 2-20 GRI 2-21	Information transparency of the Company's internal governance, composition and operation of the Board of Directors, operation of the functional committee, and corporate governance.	CCSB	Investors, government agencies, banks	3.1 Corporate Governance
	Ethical Corporate Management	GRI 205-1 GRI 205-2 GRI 205-3 GRI 206-1	The Company's compliance with the Ethical Corporate Management Best Practice Principles, Code of Conduct, assessments of corruption risks, including communication training on anti-corruption policies and procedures.	CCSB	Investors, employees, supplier, customers, government agencies	3.2 Ethical Corporate Management
	Legal Compliance	GRI 2-27	CCSB had no violations of laws and regulations in the social and economic areas, including significant fines and non-monetary sanctions for violations of laws or regulations in the social and economic areas, or the context in which significant fines and non-monetary sanctions occurred.	CCSB	Investors, employees, customers, government agencies, banks	3.3 Legal Compliance
	Information security protection	GRI 418	Information security aims to provide stable and secure information systems required for the Company's operations, ensuring information availability, accuracy, and confidentiality. We ensure lawful access to information through appropriate access rights design and prevent unauthorized, illegal use. The storage of various corporate data, the execution of transaction procedures, and the application of the internet have become deeply ingrained across all of the Company's units and processes. Maintaining information security to protect the Company's trade secrets and transaction security is of paramount importance and serves as the foundation for the Company's sustainable operations.	CCSB	Employees, supplier, customers	3.4 Information security protection
	Customer Health and Safety	GRI 416-1 GRI 416-2	The Company assessed the impact of its products and services on customer health and safety; whether there were non-compliance incidents concerning the health and safety of products and services.	CCSB	Customer, Government Agencies	6.1 Customer Health and Safety
	Product quality and responsible manufacturing	Self-established Topics	The Company's top criterion is "pursuit of excellent quality." As pharmaceutical products are directly related to the health and safety of users, they are subject to strict reviews and supervision by health authorities of all governments worldwide. Pharmaceutical products can only be sold in the market and continuously supplied after they have been verified and certified.	CCSB	Customer, Government Agencies	6.2 Product Quality and Responsible Manufacturing
	R&D Innovation	Self-established Topics	CCSB believes that R&D and innovation capability is one of the keys to its sustainability. CCSB accumulates capital for sustainable operations through the continuous promotion and listing of new products and exploring new markets.	CCSB	Investors, banks, government agencies	6.4 R&D Innovation

Aspects	2025 Material Topics	Corresponding GRI Standard	Materiality to the Company and Countermeasures	Economic, Environmental and Social Impact Boundaries		Corresponding Chapter
				Within the Organization	Outside the Organization	
Environment	GHG and Energy Management	GRI 305-1 GRI 305-2 GRI 305-4 GRI 305-5 GRI 302-1 GRI 302-2 GRI 302-3 GRI 302-4	GHG management covers inventories and reduction of the organization; energy management covers internal/external energy consumption, energy intensity, energy-saving measures and the use of renewable of the organization. Effective management of GHG and energy by the Company can mitigate the impact of climate change. Given this, the Company's focus for issues is the decrease of GHG, inventory and reduction, energy consumption and reduction of energy demand for products and services, and management measures.	CCSB	Employees, suppliers, customers, government Agencies, nearby communities and social welfare groups	5.2 GHG and Energy Management
	Water Resource Management	GRI 303-1 GRI 303-2 GRI 303-3 GRI 303-4 GRI 303-5	CCSB's annual water resource usage data and management measures include water-saving plans, water intake sources, discharge locations, and wastewater quality inspections. The Company's effective management of water consumption and its wastewater treatment measures can reduce the impact on the local water ecosystem.	CCSB	Government Agencies, nearby communities and social welfare groups	5.3 Water Resource Management
	Waste management	GRI 306-1 GRI 306-2 GRI 306-3 GRI 306-4 GRI 306-5	Waste management is critical to the Company's sustainable development, enhancing economic benefits and fostering a positive social image, ultimately creating a win-win situation for both environmental protection and corporate growth. CCSB ensures that the generation, processing, storage, transportation, and disposal of all industrial waste comply with local laws and regulations. At the same time, the Company is doing its utmost to reduce waste generation and promote waste reduction, recycling, and reuse to maximize resource circulation.	CCSB	Customer, Government Agencies	5.4 Waste Management
Society/ Employee	Employment	GRI 2-7 GRI 2-8 GRI 2-30 GRI 401-1 GRI 401-2 GRI 401-3 GRI 201-3	The Company discloses employee ratio and benefits, including ratio of new and departed employees, employee benefit policy, parental leave policy, and payroll benefits.	CCSB	Employee, Government Agencies	7.1 Employment
	Talent Cultivation and Development	GRI 404-1 GRI 404-2 GRI 404-3	At CCSB, we have programs to help with the employee's career development. These include programs for education and training courses, average number of training hours received by employees each year and enhancing employee function, and transition assistance programs. Information on the ratio of the periodic receipt of performance and career development reviews is also available.	CCSB	Employees	7.2 Talent Cultivation and Development
	Occupational Health and Hygiene	GRI 403-1 GRI 403-2 GRI 403-3 GRI 403-4 GRI 403-5 GRI 403-6 GRI 403-7 GRI 403-8 GRI 403-9 GRI 403-10	The Company's internal and contractors' occupational safety management policies, as well as the operation of the Safety and Health Committee jointly assembled by labor and management, such as statistics on the rate of work-related injuries, occupational diseases and occupational injuries, disaster prevention advocacy and management measures for employee health.	CCSB	Employees, nearby communities and social welfare groups	7.3 Occupational Health and Hygiene

1.3 Stakeholder engagement

Sustainable Development Committee



In order to promote sustainable development more systematically and efficiently, CCSB established the “CSR Committee” in 2014, which has been further renamed “Sustainable Development Committee” in December 2021 to conform with the amended laws and regulations. The committee serves as the top sustainable development decision-making center in the Company, implementing the matters related to sustainable development and fully disclosing the Company’s major considerations, management approach, performance indicators and measurement methods of the indicators in the “economic,” “social” and “environmental” aspects. The Sustainable Development Committee is composed of members from the General Manager’s Office, Finance and Accounting Department, Human Resources Department, Management Department, Sales Department, Procurement Department, Quality Assurance Department, Manufacturing Department, and Safety and Health Department. We review the compliance and implementation effectiveness of sustainability laws and regulations from other aspects, and report the implementation progress of sustainable development and future work plans to the Board of Directors twice a year. The report content includes sustainable development issues and strategies at all levels, action plans, and implementation effectiveness. The Board of Directors listens to the report, evaluates the progress and implementation of strategies, makes recommendations, and urges the management team to make strategic adjustments if necessary. An ESG report is continuously issued through discussions with stakeholders such as investors, employees, suppliers, customers, governmental agencies, banks, and neighboring communities and social welfare organizations.

Stakeholder	Issue of Concern	Communication Channel/Format	Communication Frequency	Responding Chapters
Investors	Social welfare Waste Management Corporate Governance Customer Health and Safety Supply Chain Management Hazardous substance management	- Annual Shareholders’ Meeting - Company Website and Market Observation Post System - Investor Hotline - Investor conference and meeting	- Once a Year - Unscheduled, at any time - Unscheduled, at any time - Twice a Year	Chapter 2 Corporate Overview 3.1 Corporate Governance 5.1 Environment Policies 5.4 Waste Management 6.1 Customer Health Safety 6.3 Supply Chain Management 8.1 Public Welfare

Stakeholder	Issue of Concern	Communication Channel/Format	Communication Frequency	Responding Chapters
Employees	Customer Health and Safety Hazardous substance management Occupational Health and Hygiene Employment	• Labor Conference • Employee Welfare Committee • President Mailbox • Company Bulletin Board • Company Website	• Four Times a Year • At Least Once a Quarter • Unscheduled • Unscheduled • Unscheduled	Chapter 2 Corporate Overview 5.1 Environment Policies 6.1 Customer Health Safety 7.1 Employment 7.3 Occupational Health and Hygiene
Suppliers	Waste management Occupational Health and Hygiene Legal Compliance Hazardous substance management	• Supplier Visit and Certification Audit • Supplier Satisfaction Survey • Telephone or Email Communication • Supplier Sustainable Procurement Self-Evaluation Questionnaire	• Unscheduled • Unscheduled • Unscheduled • Once a Year	Chapter 2 Corporate Overview 3.3 Legal Compliance 5.1 Environment Policies 5.4 Waste Management 6.3 Supply Chain Management 7.3 Occupational Health and Hygiene
Customers	Occupational Health and Hygiene Employment Talent Cultivation and Development	• Customer Visit and Certification Audit • Corporate Website, Telephone, and Email Communication	• Unscheduled • Unscheduled	Chapter 2 Corporate Overview 7.1 Employment 7.2 Talent Cultivation and Development 7.3 Occupational Health and Hygiene
Government Agencies	Waste management Legal Compliance	• Participation in the Various Policy and Regulation Related Seminars, Forums, Briefings, and Training Courses • Market Observation Post System • On-site Plant Audit • Official Document and Telephone Communications	• Unscheduled • Released According to Regulations • Unscheduled • Unscheduled	Chapter 2 Corporate Overview 3.3 Legal Compliance 5.4 Waste Management
Banks	Economic Performance Ethical Corporate Management	• Document Exchanges and Telephone Communications • Personal Visits • Company Website	• Unscheduled • Unscheduled • Unscheduled	Chapter 2 Corporate Overview 2.2 Economic Performance 3.2 Ethical Corporate Management
Nearby Communities and Social Welfare Groups	Social welfare Corporate Governance Legal Compliance Ethical Corporate Management Customer Health and Safety	• Visit the neighborhood or township chief nearby the plant, care for the community residents, and implement the community affinity work • Charitable Event	• Unscheduled • Unscheduled	Chapter 2 Corporate Overview 3.1 Corporate Governance 3.2 Ethical Corporate Management 3.3 Legal Compliance 6.1 Customer Health and Safety 8.1 Public Welfare

At CCSB, we are keen on fulfilling our responsibility for sustainable development. To understand the expectations and needs of stakeholders, in addition to the proactive interaction with relevant stakeholders in our daily business, we have also set up an open communication channel on the company website. The communication issues of stakeholders are distributed to each responsible unit for response.

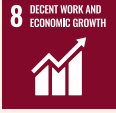
We will continue to work hard towards the goal of creating sustainable environmental, social and governance value.

Stakeholders Section



1.4 Sustainable Performance

CCSB is committed to corporate sustainable development, focusing on promoting corporate governance, developing a sustainable environment, and committing itself to social welfare. Furthermore, we take a proactive approach to promote UN's SDGs, which are incorporated in the Company's objectives. In addition to reinforcing its core business, we hope to help solve global problems and create a better future.

Aspects	United Nations Sustainable Development Goals	Company Actions and Annual Results
Governance/ Economy	 	- The attendance of the functional committees in 2025 was 85.71%. - There are two female directors on the Board, accounting for 29% of all directors. - CCSB holds 26 pharmaceutical product licenses issued by the Taiwan TFDA and 29 Pharmaceutical Product Master Files (DMFs) approved by the U.S. FDA. - The percentage of local suppliers in 2025 was 69%.
Environment	    	- In 2025, the GHG inventory of CCSB and its subsidiaries in the consolidated financial statements was completed in accordance with the ISO 14064-1 standard. The GHG inventory was verified by a third party, and certification was obtained. - In 2025, 3 energy efficiency actions were completed, saving 324,266 kWh of electricity per year, equivalent to reduction of 153.702 metric tons of CO₂e. - In 2025, based on the water risk identification of the World Resources Institute (WRI) Aqueduct Water Risk Atlas, Taipei and Taoyuan, where CCSB is located, are considered "low-medium" risks. - Wastewater discharge in 2025 met the regulatory standards. - Recycling and reuse of waste accounted for 24.58% of the total waste. - There were no major violations of laws or regulations related to products and services or health and safety in 2025.
Society/ Employee	  	- In 2025, the percentage of general and special health checkups was 100%. - A total of 227 employees participated in employee share ownership trust (ESOT), with a total incentive payment of NTD 3,787,000 distributed. - In 2025, employees received a total of 51 hours of training by a professional training organization.



Chapter 2

Corporate Overview

CCSB adheres to the business philosophy of “Integrity, Unselfishness, Friendship and Mutual Aid” and integrates operations strategies to contribute to the health of the world

2.1 About CCSB

15

2.2 Economic Performance

17

2.1 About CCSB

Company Profile

Company name	Chunghwa Chemical Synthesis & Biotech Co., Ltd.
Chairman	Wang Hsieh, I-Chen
Date of foundation	May 19, 1964
Number of employees	261 employees
Share capital	NTD 769,180,000 (as of December 31, 2025)
Location	New Taipei City, Taiwan

Chunghwa Chemical Synthesis & Biotech Co. Ltd. (CCSB) was founded in 1964, with its headquarters located in New Taipei City. It is one of the largest manufacturers of active pharmaceutical ingredients (API) in Taiwan. Currently, the Company has 10 plants for synthetic products and 2 plants for biotechnology products that are in accordance with the cGMP regulations.

CCSB has developed more than 30 APIs. In the future, the Company will focus on the development of unique techniques and special products, such as anti-cancer, immunosuppressive drugs or high potency products and peptide APIs with high gross profit, and develop new customers through product segmentation.

In 1984, we were the first API manufacturer in Taiwan that passed the U.S. FDA inspection. Later on, the Company has also been certified by the drug certification units of Germany, France and Japan through their official plant inspections, and has been inspected and recognized by many drug companies in Europe, the U.S., Japan and India. As of the end of 2025, we have had 29 pharmaceutical products registered under FDA. With a view to actively expanding the business in North America and providing better services for the locals, we established the sales office, Pharmaports LLC, in the U.S. in 1999.

CCSB Important Milestones and Awards

1964

Established China Chemical Synthesis & Biotech Co., Ltd.

1984

Approved by FDA as the first GMP API plant in Southeast Asia.

1990

Establish an R&D center to produce synthetic, biotechnology and pharmaceutical products.

1995

Received the 3rd Biotech Award.

1997

Received the 5th Excellent Biotech Award.

1998

Built 2 cGMP biotech plants.

Received the Silver Award for National Pharmaceutical Quality.

1999

Completed 4 new cGMP plants and established an office in the U.S.

2003

Company renamed as Chunghwa Chemical Synthesis & Biotech Co., Ltd.

2009

OTC stock.

2010

Listed on TPEX.

2015

Received the certificate of appreciation given by the New Taipei City Government for the "Clean Energy Conservation and Carbon Reduction Plan."

2016

Obtained the "ISO 50001 certification."

Awarded the Gold Medal Prize for "Manufacturing Technology Award" by the Ministry of Health and Welfare and the Ministry of Economic Affairs.

2018

Once again awarded the Gold Medal Prize for the "Manufacturing Technology Award" by the Ministry of Health and Welfare and the Ministry of Economic Affairs.

2020

Ranked top 20% among the listed companies in the 6th "corporate governance evaluation for TWSE/TPEX listed companies of Taiwan Stock Exchange."

Received the honor of being selected as a constituent stock of Taiwan Stock Exchange's "Corporate Governance 100 Index."

2021

Ranked top 20% among the listed companies in the 7th "corporate governance evaluation" for TWSE/TPEX listed companies of Taiwan Stock Exchange.

Received the honor of being selected as a constituent stock of Taiwan Stock Exchange's "Corporate Governance 100 Index" again.

2022

Received the Golden Quality Award for Outstanding Biotechnology Industry from Taiwan Bio Industry Organization.



2024

2024 Net Zero Industry Competitiveness Award.

Product Services

Since its establishment in 1964, CCSB has successfully launched products in pharmacological categories such as lipid-lowering, immunosuppression, muscle relaxation, and ACE-Inhibitor antihypertensive agents, and has passed audits and certifications by the US FDA, the European Union, Japan's PMDA, and Taiwan's TFDA.

Current products

Biotechnology products (Including development)	Non-biotechnology products (Including development)
- Anidulafungin (ANI; antifungal medication) - Caspofungin Acetate (CAS; antifungal medication) - Dalbavancin Hydrochloride (DA; Bacterial Skin Infection Drug) - Everolimus (EVE; immunosuppressant, anticancer drug) - Midostaurin (MID); the drug for treating acute myeloid leukemia - Mycophenolate Mofetil (MMF; immunosuppressive drug) - Mycophenolate Mofetil HCl (MMF-HCl; immunosuppressive drug) - Mycophenolate Sodium (MPA-NA; immunosuppressive drug) - Pneumocandin B0 (PNB0; antifungal intermediate) - Rapamycin (Sirolimus) (RAPA; immunosuppressant) - Rezafungin acetate (RZF; antifungal medication) - Semaglutide (SG; weight loss medication, type 2 diabetes medication) - Tacrolimus (FK506; immunosuppressant)	- Abaloparatide (ABA; osteoporosis medication) - Baricitinib (BA; rheumatoid arthritis medication) - Brivaracetam (BCT; antiepileptic drug) - Difelikefalin Acetate (DFK; Pruritus results from hemodialysis) - Edoxaban Tosylate Monohydrate (ETH; anticoagulant) - Eltrombopag Olamine (ELT; for thrombocytopenia) - Eslicarbazepine Actate (ESL; antiepileptic drug) - Ethyl Eicosapentate: (EPAE; Lower triglyceride) - Lanreotide Acetate (LAN; acromegaly) - Ozanimod HCl (OZH; medicine for multiple sclerosis) - Palbociclib (PB; breast cancer medication) - Plecanatide (PLE; chronic idiopathic constipation medication) - Ribociclib (RIB; breast cancer medication) - Selumetinib Sulfate (SEL; for neurofibromatosis) - Setmelanotide Acetate (SET; genetic obesity drug) - Sugammadex Sodium (SGM; anesthesia recovery medication) - Tofacitinib Citrate (TOF; rheumatoid arthritis medication) - Trandolapril (TDP; antihypertensive medication) - Trilaciclib Dihydrochloride (TRC; bone marrow protectant) - Tenapanor HCl (TEN; medication for constipation-predominant irritable bowel syndrome and hyperphosphatemia in dialysis patients)

New products to be developed

New product development	The Company's main core business is to supply high-quality new APIs required by global development that challenges for patented new products and generic manufacturers whose patents are about to expire or have expired. The Company, as well, uses the core advantages of chemical synthesis and microbial fermentation technology process development to continuously develop new products such as immune preparations, anti-cancer drugs, cardiovascular drugs and rheumatoid arthritis medication.
Contract manufacturing business	The Company also provides research and development and contract manufacturing (CDMO/CMO) services to new drug developers and generic drug companies at home and abroad, striving to become the provider of active pharmaceutical ingredients to those new drug developers when they successfully launch their drugs.

Among domestic active pharmaceutical ingredient manufacturers, the Company is one of the few companies currently capable of producing microbial biotechnology products, with a product portfolio that continues to diversify. In addition to gradually developing chemical synthesis products with key technologies, the Company also focuses on contract manufacturing of non-biotech products. This segment grows alongside the contracting party's market expansion; furthermore, by enhancing its capabilities, the Company attracts more contract projects and gradually introduces advanced technologies, thereby developing even more promising products.

The Company's main products are immunosuppressive drug active pharmaceutical ingredients. Currently, the primary global immunosuppressive drug products include Everolimus, Rapamycin (Sirolimus), and Tacrolimus derivatives. The Company has successfully developed APIs for these three products, and commercial shipments have commenced. For Everolimus developed by Novartis, the client has obtained the Everolimus ANDA and been granted 180 days of market exclusivity. Where the existent Paragraph IV customers have been in sales in the U.S. markets successively one after another, the demand for such products would continually grow. Everolimus is the Company's product of the year. The Company is also a major supplier in the U.S. market. In addition, generic drugs of Sirolimus developed by Pfizer and Tacrolimus developed by Astellas have been launched and are commercially available. Fish oil API EPAE was launched in the U.S. as early as 2021 due to market factors. The Company is one of the major suppliers in the U.S. market. However, in 2025, clients faced challenges competing with late-entering generic drug manufacturers, resulting in a temporary decrease in demand for EPAE. However, the client has continued to work hard to expand its market share, which is expected to increase again in the future. Our company has also continued to explore other markets and potential customers.

The Company has successfully boosted productivity and satisfied customers' needs in line with customer requirements. Although in addition to the Company there are peers who want to cut into such product market, the Company's products are of high quality, and cGMP inspection records are excellent and trusted by customers. By taking these competitive advantages, the Company continues to grow with mass production and shipment.

In the Company, the very competitive edge lies upon immunosuppressants which has been mass-produced and shipped. Amidst strain optimization, process improvement, improved purity, reduced and lowered amount in residuals and impurities, the quality already significantly excels equivalents available from other international suppliers. Where the Company puts forth maximum possible efforts to continually cut its costs, this is the very flagship product highly competitive in the markets.

Participation in Associations and External Organizations

CCSB actively participates in relevant industry associations, associations, and academic institutions. During the meeting and related activities, the Company's senior executives spoke as important opinion leaders in the industry, establishing CCSB's professional leading position in R&D, manufacturing, and sales. In 2025, associations and organizations CCSB participated in are as follows:

Name of Association	Region (Taiwan/ other countries)	Role
Taiwan Pharmaceutical Manufacturer's Association	Taiwan	Member
Taiwan Pharmaceutical Manufacture and Development Association	Taiwan	Member
Taiwan Parenteral Drug Association	U.S.	Member
Institute of Internal Auditors – Taiwan	Taiwan	Member
Taiwan Bio Industry Organization	Taiwan	Member
Customs Association of the R.O.C	Taiwan	Member

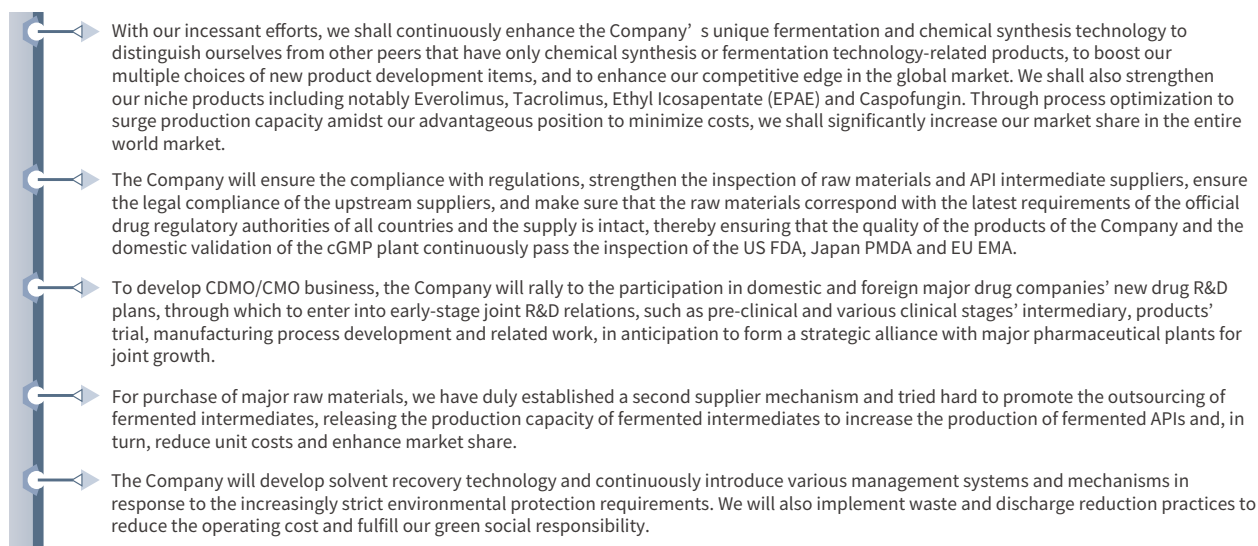
2.2 Economic Performance

Management Policy for Material Topic – Economic Performance GRI201-1, 201-4

Material Topics	Economic Performance
Materiality	CCSB aims to achieve sustainable operations and steady profits. Continuous and stable profitability consolidates stakeholders' trust in the Company and is also the cornerstone of the Company's sustainable management.
Policy and Commitment	- The Company complies with the Sustainable Development Best Practice Principles. - The Company has passed the U.S. FDA and European PIC/S regulations and their requirements for plant inspection. - Many products have been certified for DMF and proven competitive in foreign sales. - An API manufacturer that is equipped with bio-fermentation and chemical synthesis technologies and equipment. - Enters the part of market in which small batches of API are used for R&D.
Goals	Short-term business development plan - With our incessant efforts, we shall continuously enhance the Company's unique fermentation and chemical synthesis technology to distinguish ourselves from other peers that have only chemical synthesis or fermentation technology-related products. - To boost our multiple choices of new product development items, enhance competitive edge in the global market; and strengthen our Company's niche products including notably Everolimus, Tacrolimus, Caspofungin and CDMO. Through process optimization to surge production capacity amidst our advantageous position to minimize costs, we shall significantly increase our Company's market share in the entire world market. Long-term business development plan - Continue to expand R&D capacity. - Adjust R&D strategy: Focus on developing high-priced, high-tech, high-margin products with few competitors. - Improve production efficiency and revenue efficiency.
Responsible Unit	The "Sustainable Development Committee," chairman and each senior manager.
Invest in resources	- Continued investment in the scale-up of the main products, Caspofungin and Everolimus, increases production capacity and provides cost advantages through process optimization to enhance market share. - Invest in R&D to develop high potency and high-margin products such as Peptide.
Complaint Mechanism	The Company has established a spokesperson system, website, etc., and a channel of communication for the stakeholders.
Action Plan	- Establish a biotech and non-biotech mass production base and accumulate experience to help develop markets in Europe, the U.S., and Japan for emerging biotech and non-biotech products, such as Ozanimod HCl and Difelikefalin acetate Peptide series. - Report the implementation of sustainable development to the Board of Directors twice a year. The Board of Directors listens to the report, evaluates the progress and implementation of strategies, provides recommendations, and urges the management team to make strategic adjustments if necessary.
Effectiveness evaluation	- Up to December 31, 2025, we completed the DMF registration with the U.S. FDA for 29 products. We will continue to develop new products, obtain their DMF registrations and improve our competitiveness in foreign sales. - In 2025, 16 customer site inspections were successfully completed, with no official site inspections conducted during the year. - The Company will develop unique key technologies to develop special products, such as high-growth products such as anti-cancer, high potency and peptide drugs.

Operations strategy

Short-term business development plan



Long-term business development plan

- ▶ We shall continually boost our R&D momentum and adjust R&D strategies to further develop products at high prices, with high technical threshold, with few competitors but high profitability. Through such efforts, we could successfully enhance the productivity and operating benefits at the current business premises.
- ▶ The Company will develop unique key technologies to develop special products, such as high gross margin products like anti-cancer drugs, high potency drugs and peptide APIs, to support the development of new customers and enhance the niche and appeal of product differentiation.
- ▶ We will develop key technologies such as hydrogenation, optical splitting, asymmetric synthesis and organometallic reactions.
- ▶ The Company will integrate chemical synthesis and microbial fermentation technology to develop biotechnology and semi-synthetic products in the fields of cancer, immunosuppression and antifungals, and strengthen product features to facilitate market competition.
- ▶ By increasing our long-term investment into China Chemical and Pharmaceutical Co., Ltd., we shall constantly strengthen the strategic alliance between the business undertakings of both parties. Taking Tacrolimus SD20 as the very blueprint, we shall expand the scope to cover other new products on the existing grounds to lay out the market over the entire world.

Business Performance

Sustained and stable profit growth is an indicator of a company's business performance, the cornerstone of its sustainable development, and a major topic that investors pay attention to.

In the face of the many challenges in the global industrial environment, CCSB adheres to the business philosophy of "Integrity, Unselfishness, Friendship and Mutual Aid" to create competitive advantages, improve operational efficiency, and drive profit growth. In order to provide stakeholders with a detailed understanding of the operations of CCSB, we hold a shareholders' meeting annually, and update the financial information audited by a third party in the investors section of the Company's website regularly; such financial information includes the consolidated financial statements which have the disclosed boundaries that include all the subsidiaries under CCSB. In addition, we communicate with the stakeholders through investor conferences as well to ensure that the investors clearly know our business performance.

In 2025, the Company's turnover was NTD 804,878 thousand and the net loss after tax was NTD 243,847 thousand. Please refer to the Company's annual financial statements on the Market Observation Post System and the Company's official website for the details of our operational and financial performances.

Unit: NTD thousand

Item	2023	2024	2025
Generation of direct economic value A	2,165,582	1,422,655	888,041
Operating revenues ^{Note 1}	2,165,582	1,347,375	804,878
Distribution of direct economic value B	1,990,113	1,414,937	1,157,471
Operating costs ^{Note 2}	1,152,598	826,832	713,305
Business expenses ^{Note 2}	257,545	216,927	160,597
Staff salaries and benefits ^{Note 3}	395,489	297,274	250,514
Payments to providers of capital ^{Note 4}	81,487	36,021	16,731
Payments government ^{Note 5}	101,321	36,249	16,020
Community Investment ^{Note 6}	1,673	1,634	304
Economic value retained A-B	175,469	7,718	-269,430

Note: The above financial information is consolidated and was prepared in accordance with the IFRS.

Note1: Including consolidated net operating revenues and non-operating revenues for each year.

Note2: Including consolidated operating costs, operating expenses and non-operating expenses, excluding employee benefit expenses for each year.

Note3: Including bonuses, pensions, labor and health insurance, and other employment expenses.

Note4: Including cash dividends and financial costs distributed in the year.

Note5: Including profit-seeking enterprise income tax, stamp duty and other taxes.

Note6: Public welfare expenditures of donations to government agencies and public welfare organizations.

The subsidies from the government received by the Company are as follows

Unit: NTD thousand

	Law	Items offset	2023	2024	2025
Tax exemption ^{Note 1}	Article 10 of the Statute for Industrial Innovation	R&D expenditures offset	5,949	5,621	2,899
Government subsidies ^{Note 2}		Restructuring and upgrade programs of the pharmaceutical industry, equipment subsidies by MOEA, subsidies for overseas exhibitions, and subsidies for domestic travels	900	660	295

Note1: Tax exemptions for 2025 have not yet been approved by the National Taxation Bureau. (2026.05.31)

Note2: Subsidies received in the year.

Note3: The above financial information is consolidated information.

Percentage of operating revenue (number on the consolidated financial report)

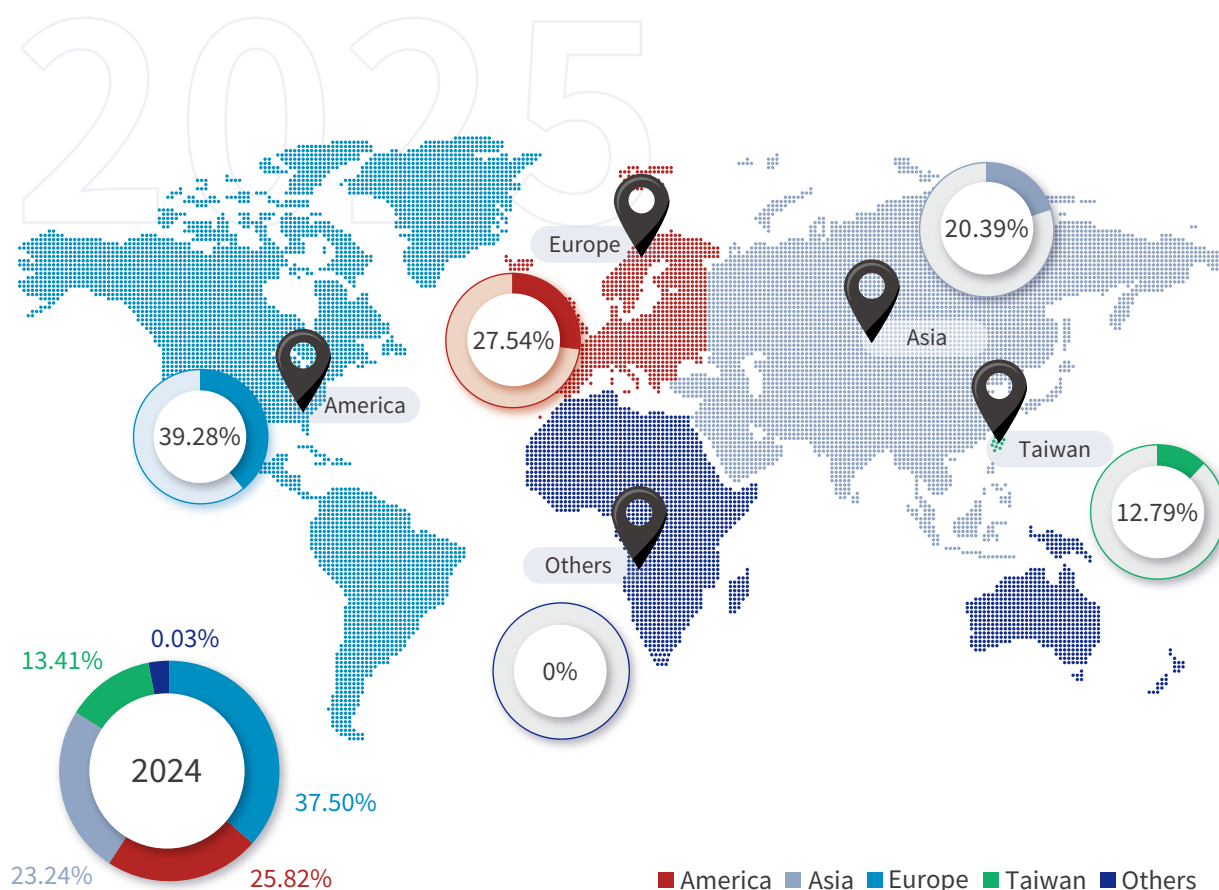
In 2024, CCSB's total sales and export revenue decreased compared to the same period last year, while 2024 domestic sales revenue increased compared to the same period last year. Amidst the expanded generic pharmaceutical market scale, we shall, continually as always, develop more new products with utmost effort to boost productivity so as to boost market shares step-by-step.

Operating Revenues and Percentage

Unit: NTD thousand

		2024	2025
The amount of product sales		1,347,375	804,878
Domestic and foreign sales	Domestic sales	180,671	102,933
	Foreign sales	1,166,704	701,945
Percentage of product	Biotech products	825,348	573,024
	Non-biotech products	493,999	207,352
	Labor income	28,028	24,502

Percentage of Sales Area



Percentage of Top Three Customers

Percentage of sales revenue	Customers in U.S./Croatia	Customers in Greece	Customers in the U.S./Italy
2025	26%	13%	13%
2024	-	10%	33%

Note: Starting from 2025, customer data will be aggregated at the group level rather than being listed solely by country.



Chapter 3

Corporate Governance

- ✦ Compliance with the Company Act, Securities and Exchange Act, and other relevant laws and regulations
- ✦ Formulation of corporate governance framework and guidelines based on ethical corporate management
- ✦ Actively promote operational transparency
- ✦ Protect the rights and interests of stakeholders

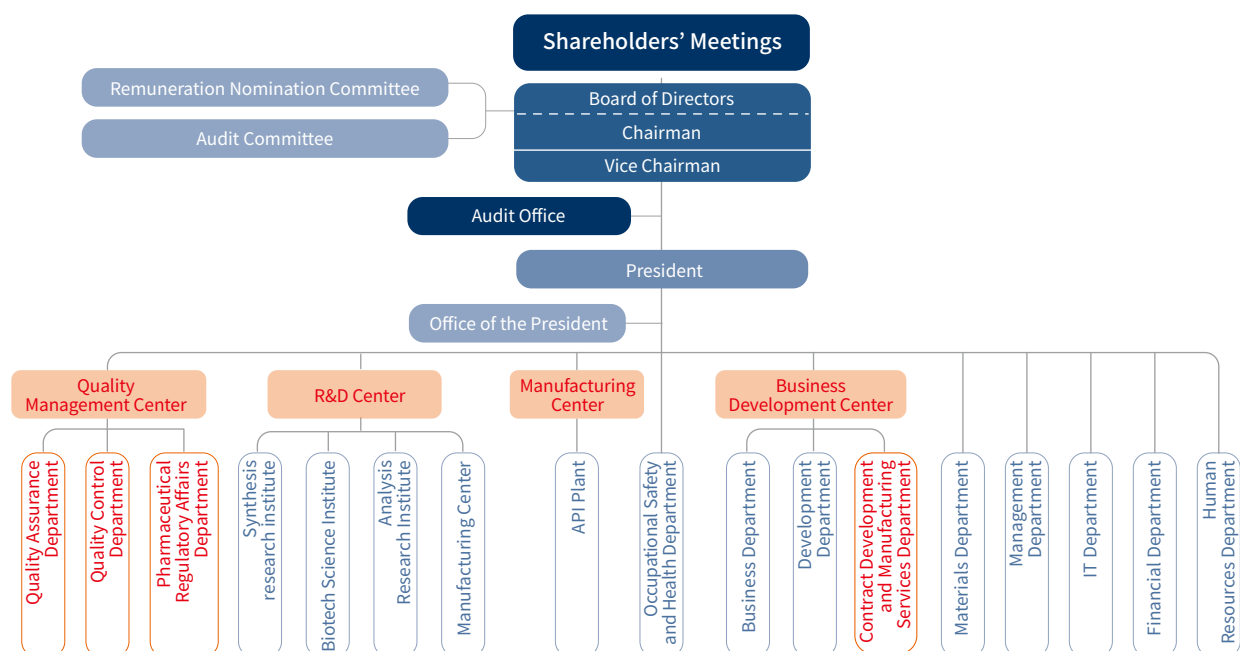
3.1 Corporate Governance	21
3.2 Ethical Corporate Management	26
3.3 Legal Compliance	29
3.4 Information security protection	30

3.1 Corporate Governance

Management Policy for Material Topic – Corporate Governance GRI2-9~2-21

Material Topics	Corporate Governance	
Materiality	CCSB complies with the Company Act, the Securities and Exchange Act, and other relevant laws and regulations. We uphold the concept of ethical corporate management to formulate our corporate governance framework and standards, actively promote operational transparency, and protect the rights and interests of stakeholders.	
Policy and Commitment	- CCSB attaches great importance to corporate governance, insists on ethical management, strengthens the governance structure, pursues sustainable development, values transparency of information, and combines with an effective internal control system to protect the rights and interests of stakeholders. - CCSB has formulated and implemented Procedures for Establishment of Internal Control Systems by considering the Company's overall operating activities. Continuously collect internal and external reports and review them in a timely manner after environmental changes to ensure that the internal control system continues to be effective. - CCSB's "Corporate Governance Best Practice Principles," approved by the Board of Directors, are implemented. The operating performance is enhanced through a comprehensive management mechanism, achieving the goal of sustainability.	
Goals	<u>Short-term goal</u> Enhancing corporate governance and continuing to improve information transparency.	<u>Medium- and long-term goals</u> Improve the corporate governance structure, implement ESG indicators, and improve the cornerstone of corporate sustainability.
Responsible Unit	Board of Directors, Audit Committee, Board of Directors, Audit Committee, Remuneration and Nomination Committee, corporate governance unit, corporate governance unit.	
Invest in resources	- In 2025, a total of four Audit Committee meetings were held. - In 2025, a total of three Remuneration and Nomination Committee meetings were held. - In 2025, a total of ten Board meetings were held.	
Complaint Mechanism	- Inside the Company: Employees can provide opinions through various channels such as regular labor-management meetings, the employee suggestion box, and the Company's website. CCSB has dedicated personnel to handle related matters. - External: CCSB uses the spokesperson system and website to establish communication channels with stakeholders.	
Action Plan	- CCSB provides shareholders with real-time information on the Market Observation Post System or the company website, and reports the Company's operations and financial status through the investor conference. - CCSB examines the independence and suitability of the CPAs on an annual basis. Starting in 2023, we further participated in the AQI disclosure structure information released by the Financial Supervisory Commission on August 19, 2021 as a reference for evaluation. The content includes 13 indicators from five major aspects, including professionalism, independence, quality control, supervision, and innovation capability. We have also formulated procedures for assessing the CPA's independence and suitability.	
Effectiveness evaluation	- In 2025, the Company was invited to participate in two investor conferences. - Internal evaluation: CCSB's agenda working group completed the 2025 internal evaluation of the performance of the Board of Directors. The scores of the evaluation ranged between 97.77 and 98.51. The results of the 2025 evaluation of the performance of the Board of Directors indicate good operation of the Board of Directors, Audit Committee, and Remuneration and Nomination Committee. The results of the performance evaluation were submitted to the meeting of the Board of Directors held on March 5, 2026.	

Corporate Governance Structure



In terms of corporate governance, CCSB upholds the concept of ethical corporate management to formulate the corporate governance framework and guidelines, while actively promoting operational transparency, and protecting the rights and interests of stakeholders. As the Company considers adequate information disclosure an essential element of corporate governance, material information is disclosed in compliance with the Guidelines for Online Filing of Public Information by Public Companies to fully achieve the information transparency. Furthermore, the Company also discloses related information through CCSB website, investor conferences, shareholder service hotline and spokesperson, so that all the stakeholders can receive the information for reference. In April 2026, TWSE announced the results of the 2025 (12th) Corporate Governance Evaluation and CCSB was ranked 21-35% among listed companies. We will continue to strengthen corporate governance and implement sustainable corporate development. (2026.04.30)

Board Structure and Operation

The Board of Directors of CCSB is the Company's highest decision-making body.

The Board of Directors adheres to the principles of compliance with laws, the Company's Articles of Incorporation, various operations and arrangements of corporate governance, and accountability to the Company and shareholders. The Board of Directors guides the Company's strategies, supervises management, and oversee the economic, social, and environmental sustainable development strategic planning and progress.

Nomination and Selection of the Highest Governance Body

In order to implement board diversification, CCSB has specified in the "Procedures for Election of Directors and Supervisors" and "Corporate Governance Best Practice Principles" that the professionalism and dedication of board members in different aspects are considered for composition. As expressly provided for in Article 20 of the Company's "Corporate Governance Best Practice Principles" (The overall capabilities required for the Board of Directors): The Board of Directors shall be organized in a diversified, comprehensive and multifaceted manner. The directors concurrently serving as the Company's managerial officers shall not exceed one-third of the total number of director seats. Besides this, toward the Board of Directors' operations, operating style and requirements in development, the Company should work out diversified, comprehensive and multifaceted policies which should include standards/criteria of the two major aspects below:

- + Basic conditions and values: Gender, age, nationality, and culture.
- + Professional knowledge and skills: Professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industrial experience.

The members of the Board are disciplined with the kinds of knowledge, skills, and education necessary for their performance of professed duties. The Board shall be capable of performing the following for achieving the goal of corporate governance:

01	Operating judgment	05	Industry knowledge
02	Accounting and financial analysis	06	International market viewpoint
03	Management capability	07	Leadership capability
04	Crisis management capabilities	08	Decision-making ability

Rules for Elections of Directors ► CCSB follows Article 17 of the Articles of Incorporation and the Rules for Elections of Directors.

Composition of Directors with Diverse Backgrounds

Pursuant to the Articles of Incorporation, the Company has appointed seven directors, three of whom are independent directors, accounting for more than one-third of the total seats on the Board. This is on par with the requirements in the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies." The members of the Board have a diverse range of backgrounds covering biotechnology and finance, etc. Two of the seven members are female directors, accounting for 29% of the Board. The composition of the Board of Directors is mainly based on each director's professional background, experience, participation and contribution to the future development of the Company. There is no specific limit on the gender ratio. However, the Company will continue to emphasize and implement gender equality among board members in the future, and set a long-term goal of having more than one-third of the seats held by either gender, in order to increase the participation of women in the decision-making and achieve the goal of gender diversity among board members. The Board of Directors has formulated the "Rules for Board Meetings" in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies," and we abide by the principle of recusal, fulfill its supervisory responsibilities, and improved its governance functions. All other business functions are equipped with complete handling procedures and control mechanisms.

The Chairperson of CCSB supervises the management team in the Board of Directors and does not concurrently serve as a member of the management team. In addition, internal auditors are subordinate to the Board of Directors. They attend Board meetings and report directly to the Board of Directors to ensure the consistency of company operations with the resolutions of the Board of Directors. For the detailed background information about our Board members, please refer to our 2025 Annual Report, which can be accessed on the website (<http://www.ccsb.com.tw>).

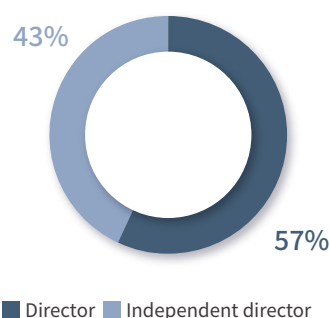
List of Board Members

Title/Name	Gender	Major education and experience	Professional skills
Chairman			
China Chemical & Pharmaceutical Co., Ltd. Representative: Wang Hsieh, I-Chen	Female	Department of Philosophy and Department of Business Management, Fu Jen Catholic University Current Chairman of Cenra Inc., Chairman of China Chemical & Pharmaceutical Co., Ltd., Chairman of Chunghwa Yuming Healthcare Co., Ltd., Chairman of Chunghwa Senior Care Co., Ltd., Chairman and President of Tairung Development Co., Ltd., Chairman of HU-YU Co., Ltd, Chairman of Majiade Enterprises Co., Ltd., Supervisor of Sela Holdings Inc., Director of Suzhou Chung-Hwa Chemical Pharmaceutical Industrial Co., Ltd., Chairman of Wang Ming-Ning Memorial Foundation	Business management
Vice Chairman			
China Chemical & Pharmaceutical Co., Ltd. Representative: Wang, Hou-Kai	Male	Bachelor of Science, Leonard N. Stern School of Business, New York University Current Chairman of Sela Holdings Inc., Chairman of Providence Investments Co., Ltd., Director, CEO and President of Cenra Inc. Director of Sino-Japan Chemical Co., Ltd., Director of China Chemical & Pharmaceutical Co., Ltd., Director of Chunghwa Yuming Healthcare Co., Ltd., Director of Chunghwa Senior Care Co., Ltd., Director of Tairung Development Co., Ltd., Supervisor of Majiade Enterprises Co., Ltd., Director of Suzhou Chung-Hwa Chemical Pharmaceutical Industrial Co., Ltd., Director of Wang Ming-Ning Memorial Foundation Having served with KKR & Co. as the Investment Manager for Private Placement Equity; served with Baring Private Equity Asia as the Investment Manager for Private Placement Equity and served with Lazard Frères & Co., as the analytical specialist of merger/ acquisition (M&A) for medical healthcare businesses	Finance, investment, business management
Director			
Wang Ming-Ning Memorial Foundation representative: Wang, Hou-Jie	Male	Department of Psychology, University of Southern California Current Chairman of Cenra Inc., Director of Tairung Development Co., Ltd., Director and President of Suzhou Chung-Hwa Chemical Pharmaceutical Industrial Co., Ltd.. Executive Director of Shanghai Yuhou Trading Co., Ltd. Trading Co., Ltd., Director of CHUNGHWA HOLDING CO., LTD.	Business management
Wang Ming-Ning Memorial Foundation representative: Wu, Shih-Hsuan	Male	Master of Statistics in the College of Law and Business of National Chung Hsing University (now Taipei University) Current Director of China Chemical & Pharmaceutical Co., Ltd., Director, Chunghwa Yuming Healthcare Co., Ltd., Supervisor of Tairung Development Co., Ltd., Director of Suzhou Chung-Hwa Chemical Pharmaceutical Industrial Co., Ltd., Vice President of Finance Center/ Operational Performance/Strategic Procurement, Cenra Inc. Assistant President of Hon Hai Precision Industry Co., Ltd., Director of Lite-On Technology Corporation	Finance, business management
Independent Director			
Wang, Kuo-Chiang	Male	Master's Degree from the NCTU Executive Master of Business Administration Bachelor of Accounting, National Chung Hsing University (Now National Taipei University) Current Chairman of Lien Chieh Management and Consultation Co., Ltd., Independent Director, convener of the remuneration committee, and convener of the audit committee of Feng Yuan Group Co., Ltd. (KY company), Independent Director, convener of the remuneration committee, and convener of the audit committee of Optronix Technology Co., Ltd., Adjunct Assistant Professor of National Yang Ming Chiao Tung University Former Acting President of Dafeng Cable Co., Ltd., Chief Internal Auditor, President of Taiwan Digital Broadband Cable Television Co., Ltd. and Assistant Professor of National Taipei University of Technology	Finance and accounting, business management, securities
Kuan, Arthur	Male	M.S. in Biotechnology, Johns Hopkins University University of Pennsylvania Biology B.A. Current Chairman and Chief Executive Officer, CG Oncology (Eternal Facial Biotechnology Co., Ltd.)	Biotechnology, investment, business management
Lee, Ming-Jye	Female	Master of Business Administration, Master of Information Management, University of Pittsburgh, USA. Currently the Vice President of the Young Women's Christian Association Former the Director and finance officer of the Taipei Young Women's Christian Association, Director of Investment Operation Management Department of Fidelity Investments (HK) Ltd., Senior Manager of Jardine Fleming (HK) Ltd.	Investment, finance, business management, international affairs development

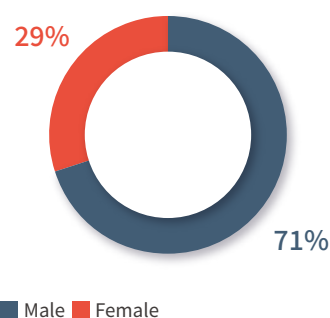
The Board members (including independent directors) are nominated in accordance with the CCSB's Articles of Incorporation, the Company Act, and the Securities and Exchange Act. After reviewing the nomination list, the directors are elected by the shareholders. According to the election results, the directors elected shall elect the chairman of the Board from among themselves.

Seven directors including three independent directors were elected at the annual general meeting held in May 2025. The number of independent directors accounts for 43% of the total directors, which exceeds the statutory requirement. The diverse policy was also taken into account, so that the current Board of Directors younger and more diverse.

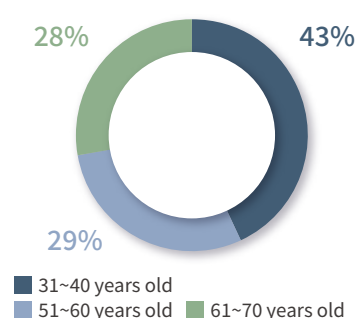
Independent director ratio in 2025



Director gender ratio in 2025



Director age ratio in 2025



Functional Committees

Audit Committee

In May 2016, the Company established the Audit Committee to take over the responsibilities of supervisors. The committee aims to support the Board to exercise its functions and powers to supervise the Company's compliance with the Company Act, Securities and Exchange Act and other pertinent laws and regulations. Meanwhile, the Company's internal audit reports are also provided to the Audit Committee to strengthen the internal supervising function. The Company's current Audit Committee consists of three independent directors. The Audit Committee's main responsibilities are overseeing the fair presentation of the Company's financial statements, the appointment (dismissal), independence, and appropriateness of the CPAs, the effective implementation of the Company's internal control system, the Company's compliance with applicable laws and regulations, and the control and management of the Company's existing or potential risks. An Audit Committee meeting must be held once every quarter. In 2025, a total of four meetings were held, and the actual attendance rate of the independent directors was 83.33%. No independent directors expressed dissenting opinions on the internal audit report.

Remuneration and Nomination Committee

In 2011, the Company established the Remuneration Committee responsible for the suggestion, assessment and supervision of the Company's remuneration for the directors, and managers and related policies, to assist the Board in managing the remuneration. The Remuneration Committee will, based on its professionalism, evaluate the top governance personnel and high-level managers' remuneration according to the Company's operating performances. On December 23, 2025, the Board of Directors resolved to expand the functions of the original "Remuneration Committee" to include those of a "Nomination Committee" and to rename it the "Remuneration and Nomination Committee" in order to further strengthen the board's functions and governance mechanisms. The Company's current Remuneration and Nomination Committee member consists of three independent directors. In 2025, a total of three meetings were held, and the actual attendance rate of the convener and members was 88.89%.

Internal Audit

The Company has set up an internal audit unit subordinate to the Board of Directors to be in charge of the internal audits. A dedicated internal audit supervisor and a dedicated internal audit person have been appointed based on the Company's scale, operations, management requirements and relevant regulations. The internal audit person acts independently and performs the duties properly from an objective and fair position, while the audit supervisor needs to be present in the Board meetings to deliver reports.

The internal audit unit draws up an annual audit plan according to the risk assessment results, determines the items that should be audited on a monthly/quarterly basis, and checks the effectiveness of the Company's internal control system, and then submits the working paper and related materials to prepare an audit report. In addition to regular audits, the audit unit is also necessary to supervise the Company's internal units and subsidiaries to regularly self-assess the effectiveness of the internal control system every year. After reviewing the evaluation reports of each unit and subsidiary, the unit provides improvement suggestions in a timely manner to assist the Board of Directors and managers in determining the effectiveness of the internal control system, thereby predicting possible risks and ensuring reasonable and stable operating results.

Name of Governance Unit	Composition	State of Operation in 2025
Board of Directors	7 directors, including 3 independent directors	92.86% actual attendance
Audit Committee	All three independent directors are members	83.33% actual attendance
Remuneration and Nomination Committee	All three independent directors are members	88.89% actual attendance

Board Performance Evaluation and Remuneration Policy

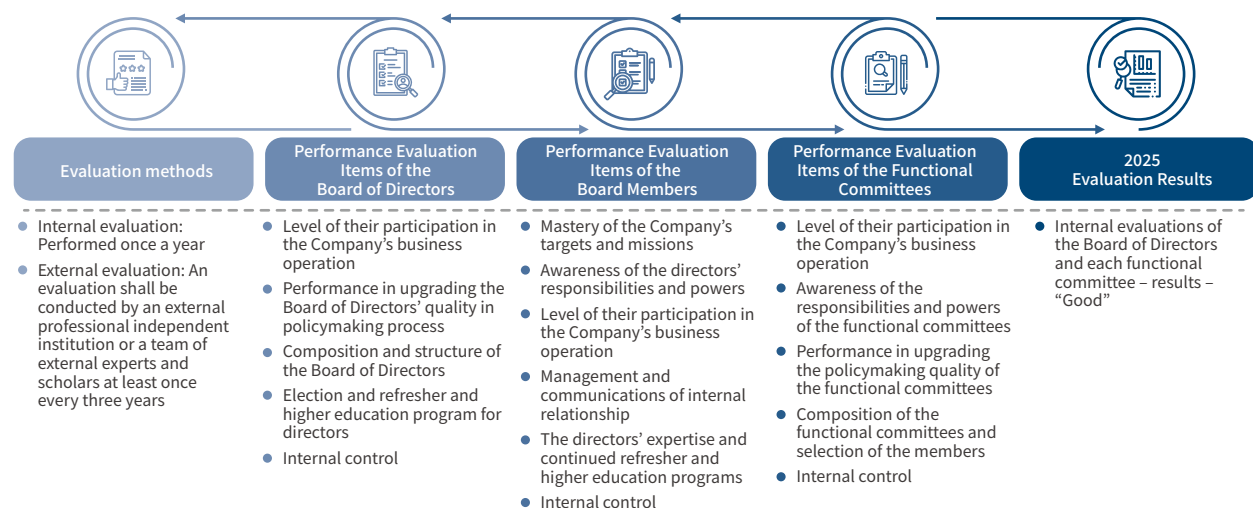
Board Performance Evaluation

To implement corporate governance and enhance the competence of the Company's Board of Directors and functional committees, CCSB has established a performance evaluation system designed to strengthen the operational efficiency of each organization. On June 24, 2019, the "Rules and Procedures for Self-evaluation by the Board of Directors or Peers" were approved, which were renamed as the "Rules and Procedures for Performance Evaluation of the Board of Directors" approved by the meeting of the Board of Directors on November 9, 2020. These Rules and Procedures explicitly outline that the performance evaluation of the Board of Directors as a whole, individual board members, and functional committees shall be conducted at least every three years by an external professional independent organization or a team of external professional experts or scholars.

The results of the performance evaluation of the Board of Directors and each functional committee in 2025 were "good." In May 2025, the Company engaged Taiwan Investor Relations Institute, an external independent corporate governance evaluation organization, to carry out the evaluation of the performance of the Board of Directors. The results for the 2025 performance evaluation were submitted to the Remuneration and Nomination Committee and the Board of Directors in March 2026 as a reference for future continuous improvement.

In the performance evaluation report, “Taiwan Investor Relations Institute” made the following overall evaluations and recommendations:

Overall Evaluation	Recommendations
The Board of Directors is composed of diverse and professional members, with an appropriate proportion of independent directors, who can effectively play supervisory and checks-and-balances roles. The Board of Directors maintained high overall attendance and effective communication. It has actively overseen financial reporting, internal controls, and sustainability issues, strengthening governance effectiveness through its functional committees and systematic operations. Overall, the Board of Directors operates with maturity and stability.	- Plan for the next Board of Directors to have at least one-third representation of each gender to strengthen diversity in governance. It is recommended that the next Board of Directors plan in advance for the election of female directors and the allocation of board seats, striving to achieve a goal of at least one-third representation from each gender. This will further strengthen the board's structure and enhance corporate governance. - Incorporate ESG indicators into senior executive compensation to strengthen sustainable governance. It is recommended that ESG-related indicators be included in the senior executive compensation system and regularly disclosed to enhance information transparency and demonstrate the Company's commitment to sustainable governance.



Remuneration Policy of the Directors

For the remuneration of directors, the Remuneration Committee regularly assesses the level of participation and contribution value of individual directors according to the “Regulations Governing Salary Remuneration to Directors and Functional Committee Members” and the “Rules and Procedures for Performance Evaluation of the Board of Directors” and submits the recommended amount of remuneration and remuneration policy to the Board of Directors for discussion. After comprehensive consideration, the Company's operating performance, and the general level of pay in the same industry, the Board of Directors reached a consensus and determined that no more than 3% of the profits shall be set aside as the remuneration to directors according to the Company's Articles of Incorporation and based on the profit of the current year.

Continuous Education of the Directors

Directors of CCSB receive continuous education each year in accordance with the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies.” In 2025, the directors actively participated in external educational training courses and seminars, accumulating 60 hours of training, which is higher than the legal recommendation. The external training courses included “Strategy and Execution – Reshaping Business Models and Case Studies”, “Embracing AI and Sustainability – Executive Compensation Management and Talent Cultivation”, “Annual Insider Equity Trading Law Compliance Promotion Conference in 2025”, “Enterprise digital transformation and digital governance”, “Analysis of Director Shareholding Declaration and Prevention of Insider Trading in Accordance with the Securities Transaction Laws and Regulations”, “Strengthening Corporate Sustainability: Generating Positive Enterprise Value Through Diversified Management”, “Succession team building and talent development”, “Analysis of Artificial Intelligence Trends and Corporate Risk Management Strategies”, “2025 Cathay Sustainable Finance Climate Change Summit”. In the future, the Company will continue to arrange professional courses related to environmental protection, social responsibility and corporate governance for directors based on the overall continuing education status. Continuous education of directors in 2025 is disclosed in CCSB's 2025 annual report.

Independence and Management of Conflicts of Interest of Directors

The Rules for Board Meetings of the Company explicitly outline provisions on recusal. Where a motion involves interests of a director or legal entity he/she represents at a board meeting, he/she shall explain the important contents of his/her interests. If the interests of the director may be harmful to the interests of the Company, the director or the proxy shall not participate in discussion or voting, and shall recuse himself/herself from the meeting at the time of discussion and voting. The director may not exercise voting rights on behalf of another director.

Currently, the Company has three independent directors, accounting for 43% of all directors. All external directors are independent with no conflicts of interest.

3.2 Ethical Corporate Management

Management Policy for Material Topic – Ethical Corporate Management GRI205-1~3, 206-1

Material Topics	Ethical Corporate Management
Materiality	The regulations specifying the conduct norms for directors and employees, as well as the penalties for violating such procedures and principles, which are implemented accordingly; supplemented by relevant education, training, and promotion efforts to enable directors and employees to fully understand the Company's commitment to ethical corporate management.
Policy and Commitment	- The Board of Directors and management of the Company shall actively implement the integrity management policy and ensure actual execution during internal management and external business activities. - The Company has published the integrity management policy on its website and annual reports to enable the suppliers, customers, or other business-related organizations and personnel to clearly understand the Company's business integrity philosophy and to regulate matters that should be observed by the Company's personnel when performing businesses. - When signing external contracts, the Company and its subsidiaries shall observe the principle of honesty and mutual benefit to negotiate reasonable contract contents, and actively fulfill the contractual commitments.
Goals	<u>Short-term goal</u> Promoting and implementing the Company's rules for conduct. <u>Medium to long-term goal</u> Internalizing the concept of ethical management and building an enterprise with business ethics and integrity.
Responsible Unit	To uphold the philosophy of ethical corporate management, CCSB has formulated the "Procedures for Ethical Management and Guidelines for Conduct." These were developed by the General Manager's Office in coordination with Human Resources, Finance, and other relevant departments, and are implemented by the General Manager's Office and the Human Resources Department. Report the implementation results to the Board of Directors on a yearly basis and assist the Board of Directors in evaluating whether the preventive measures for ethical corporate management established by the Company are effectively implemented.
Invest in resources	- CCSB implements ethical corporate management and incorporates the "Code of Conduct for Employees" and the "Procedures for Ethical Management and Guidelines for Conduct" in the pre-employment education and training courses for new recruits to promote the Company's corporate culture that values integrity. In 2025, there were 2 sessions of pre-service education and training for new recruits, with 2 people participating, for a total of 2 hours, and the completion rate was 100%. - To implement integrity and corporate sustainability, CCSB scheduled the Quality Management Center, R&D Center, Production Center, and other relevant departments to participate in education and training for cGMP-related (current good manufacturing practice) courses in 2025, reaching a total of 5,016 attendees and totaling 3,382 hours.
Complaint Mechanism	The Company has established a reporting and complaint channel in the "Rules for Handling Complaints of Illegal and Unethical or Dishonest Conduct" and established a dedicated unit to take charge. All business integrity violation related matters shall be handled according to the relevant regulations.
Action Plan	- The "Rules for Board Meetings" established by CCSB specifically stipulate that directors with conflicts of interest shall abstain from participating in the discussion or voting during the discussion and voting of various Board of Directors meetings. - CCSB has incorporated the "Employee Code of Conduct" and "Ethical Corporate Management Operating Procedures and Code of Conduct" into the pre-employment education and training courses for new recruits, and promotes the Company's corporate culture of integrity and integrity to new employees. - CCSB has listed integrity and ethics as an item in its year-end performance evaluation. - CCSB has formulated its "Employee Code of Conduct" on its policy to prevent conflicts of interest. Employees can fully express their opinions through the employee suggestion box and the Company's website; a spokesperson system is set up to take charge of communication with the outside world.
Effectiveness evaluation	- The implementation status of ethical corporate management in 2025 was reported to the 6th meeting of the 23rd Board of Directors on December 23, 2025: No employee violated ethical corporate management in 2025. - In 2025, no fines were imposed due to anti-corruption or anti-competitive business. - In 2025, there was no grievance incident related to anti-corruption matters.

Deepen Anti-corruption and Ethical Conduct

Integrity and ethics are the core values and attitudes that we must possess as employees of CCSB.

In order to implement the concept of ethical management, CCSB has implemented the following policies to uphold ethical management, and has announced the promotion of ethical management, so that relevant personnel can fully understand the importance of ethical behavior to the Company:

- ✦ Promulgated the “Employee Code of Conduct,” “Procedures for Ethical Management and Guidelines for Conduct,” and “Code of Ethical Conduct,” explicitly providing guidelines needing attention in the course of performing duties for the directors, managers and employees of CCSB, its subsidiaries and their related organizations.
- ✦ Strictly prohibit any bribery or corruption such as kickbacks, commissions, facilitating payments.
- ✦ All relevant conduct must be in compliance with commercial norms and be approved by the Company’s internal superiors in advance; we must not have undue influence on customers, distributors, and suppliers or conflict with the laws and regulations accepted by the Company.
- ✦ Establish an evaluation mechanism for current customers and suppliers. Cooperating suppliers are required to read the CCSB Supplier Code of Conduct and complete the Supplier Sustainable Procurement Self-Assessment Questionnaire annually. In addition to promoting ESG-related concepts such as ethical management, these efforts further guide suppliers to review the implementation of their sustainable procurement practices on a year-by-year basis.
- ✦ All business activities are conducted in accordance with the principles of fairness, impartiality, openness, and transparency, and fair and reasonable benefits and remuneration are paid to each customer and supplier.

In order to uphold the principle of ethical corporate management, CCSB promotes and reminds current directors and managers to prevent accidental violations of laws and regulations:

- ✦ On May 9, 2023, we amended the “Operating Procedures in Management of Major Internal Information and Prevention of Insider Trading,” adding regulations related to prevention of insider trading.
- ✦ The Company has sent emails on February 3, April 14, July 21, and October 22, 2025 to remind insiders that they are prohibited from trading the Company’s shares during the financial report close period. 2025 Insider Trading Prevention Education and Training Course and the status of official document publicity are disclosed in CCSB’s 2025 Annual Report.
- ✦ On December 23, 2025, a 30-minute education and promotion course was held for a total of 15 current directors, managers, and employees. The course was called “2025 Insider Trading Prevention Promotion Course”, which included “Analysis of Insider Trading Regulations; Common Questions About Insider Trading Supervision and Practice; and Discussion on Internal Control and Insider Trading Prevention and Common Deficiencies”. The course also reminded insiders that they should not trade their stocks during the closed period before the announcement of the financial report.

In order to implement ethical management and promote the Company’s corporate culture of emphasizing integrity, the “pre-employment education and training” courses for new recruits include:

- ✦ “Employee Code of Conduct”
- ✦ “Procedures for Ethical Management and Guidelines for Conduct”
- ✦ Confidentiality of Material Information
- ✦ Prohibition and prevention of insider trading and basic concepts of insider trading, laws and regulations, constitutive elements, legal effects, identification process, illustrative examples of trading and violation of regulations

Number of people receiving ethical management-related courses and the total number of people in 2025

Course type	Number of people trained	Total	Training percentage	Total number of training hours
Pre-employment education and training	2	2	100%	2

Ethical Management Risk Assessment

To uphold the philosophy of ethical corporate management, CCSB has formulated the “Procedures for Ethical Management and Guidelines for Conduct.” These were developed by the General Manager’s Office in coordination with Human Resources, Finance, and other relevant departments, and are implemented by the General Manager’s Office and the Human Resources Department. Report the implementation results to the Board of Directors on a yearly basis and assist the Board of Directors in evaluating whether the preventive measures for ethical corporate management established by the Company are effectively implemented. The implementation status of ethical corporate management in 2025 was reported to the 6th meeting of the 23rd Board of Directors on December 23, 2025: No employee violated ethical corporate management in 2025.

Management of Ethical Management

Relevant Regulations

Enactment of the “Procedures for Ethical Management and Guidelines for Conduct”

At CCSB, we emphasize the importance of ethics and integrity. We explain the importance of adhering to the Principles of Ethics of the Company to gain the public’s trust, ensuring the Company’s sustainable growth and development.



Enactment of the “Rules for Handling Complaints of Illegal and Unethical or Dishonest Conduct”

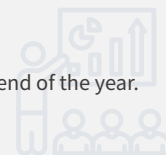
For more details, please refer to the Complaint Mechanism and Reporting of Unethical Conduct.



Education and Training

Employee Education and Training

Ethics and integrity are included in the performance evaluation items of employees at the end of the year. This conveys the importance of ethics to the entire company.



In 2025, no fines were imposed due to anti-corruption or anti-competitive business.

Complaint Mechanism and Reporting of Unethical Conduct

CCSB upholds the principle of ethical corporate management and conducts business activities in accordance with the principles of fairness, impartiality, openness, and transparency. We have also formulated the “Rules for Handling Complaints of Illegal and Unethical or Dishonest Conduct” which are disclosed on the website for employees and stakeholders to refer to at any time. The specific implementation process is described as follows:



Through the implementation of the above policies, we aim to prevent incidents of corruption. In 2025, there was no grievance incident related to anti-corruption matters.

3.3 Legal Compliance

Management Policy for Material Topic – Legal Compliance GRI2-27

Material Topics	Legal Compliance	
Materiality	The API industry is characterized by a high degree of legal compliance. In addition to complying with existing laws and regulations related to corporate governance, environmental protection, labor rights, etc., the Company must also pay attention to the latest changes in the amendments and take timely response measures to protect the rights and interests of stakeholders.	
Policy and Commitment	Legal compliance is an indispensable cornerstone of building a sustainable enterprise. CCSB adheres to the beliefs of rigor and transparency, and continues to strengthen the implementation of corporate governance philosophy and internal management system in all aspects of legal compliance.	
Goals	<u>Short-term goal</u> Comply with relevant laws and regulations such as corporate governance, environmental protection, and the Labor Standards Act.	<u>Medium to long-term goal</u> Establishing a process mechanism that proactively identifies, completely reviews, and responds to changes according to the laws and regulations on each department's responsibilities.
Responsible Unit	Board of Directors, Quality Management Center, Occupational Safety and Health Department.	
Invest in resources	- The Company has provided the relevant legal information to the directors and managers as well as the professional knowledge training course information to the relevant units on an irregular basis. - The Company's directors have completed the advance study hours as required by the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies" in 2025 and the information is disclosed in the Market Observation Post System. - In an effort to protect the rights and interests of our shareholders, we have taken out liability insurance for all directors since August 2016. Insurance renewal for 2025 has been submitted to the meeting of the Board of Directors on August 7, 2025.	
Complaint Mechanism	The Stakeholders and Investors sections of the Company's website have disclosed the contact points for various business operations to handle related questions and suggestions. These include the spokesperson, the acting spokesperson, the stock affairs unit, and the contact points for stakeholders. To protect the rights and interests of stakeholders, the Company engages lawyers to handle legal issues.	
Action Plan	- All new employees must sign a confidentiality contract when joining the Company. The contents of the contract shall include the protection of the Company's business secrets and information security. This prevents the leakage of business secrets causing damage to the Company. - Auditors audit various systems and important operations. This ensure the implementation situation of colleagues, effectively reducing the risk of violating the laws. - A stakeholder contact channel has been set up on the official website of CCSB. Stakeholders can report any illegal activities through the contact channel.	
Effectiveness evaluation	- The Company regularly hold labor-management meetings to facilitate harmonious labor relations. - An Employee Welfare Committee has been set up to proactively promote various employee welfare plans. - We enhance communication with investors through shareholders' meetings, investor conferences, the spokespersons mechanism. - In 2025, CCSB committed no major violations of corporate governance, biotech and pharmaceuticals, environmental, and labor laws and regulations. No major non-conformances were found during internal audits, and no dispute resolution mechanisms were passed.	

Note: The Company defines material violations based on the following standards:

- Whether the severity of the incident has a material impact on the Company's operations, financial condition, reputation, or the environment.
- Whether the fine amount exceeds NTD 200,000.

Strictly complying with the laws and regulations is the practice of corporate social responsibility and one of the keys to the sustainable operation of enterprises.

In order to ensure compliance with relevant laws and regulations, CCSB organizes relevant education and training on a regular basis. All departments are required to keep abreast of the trend of regulatory amendments that may affect the Company while keeping paying close attention to existing regulations and maintaining economic performance. The Company has designed an internal control system in accordance with existing government decrees, policies, and regulations, and supervises all units to comply with various laws and regulations.

In 2025, there were no major violations of corporate governance, biotech and pharmaceutical, environmental, and labor laws and regulations. No major non-conformities were found during internal audits, and no disputes were reported through the dispute resolution mechanism. However, one administrative penalty was issued for a violation of environmental regulations (the waste storage area was fined NTD 72,000 due to a fallen sign and failure to install a rain shelter and rain-blocking facilities as required); the fine has been paid in full. Follow-up improvements and remediation have been completed. The severity of the incident did not have a material impact on the Company's operations, financial condition, reputation, or the subsequent environment.

Course name	Total training hours	Total number of people trained
cGMP Training	3,381.5	5,016
SOP Training	505	400
Specialized training	51	53
Instrument Training	169.5	221
New-hire Training	2	2
Industrial Safety	311	272
Others	716	1,085

3.4 Information security protection

Management Policy for Material Topic-Information security protection GRI418

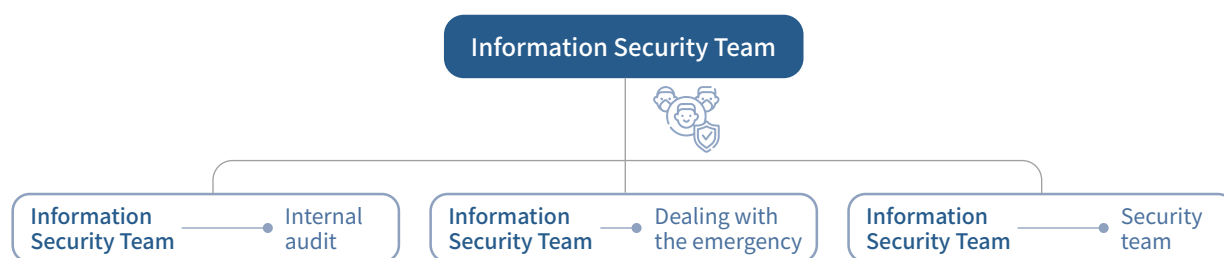
Material Topics	Information security protection
Materiality	Information security aims to provide stable and secure information systems required for the Company's operations, ensuring information availability, accuracy, and confidentiality. We ensure lawful access to information through appropriate access rights design and prevent unauthorized, illegal use. The storage of various corporate data, the execution of transaction procedures, and the application of the internet have become deeply ingrained across all of the Company's units and processes. Maintaining information security to protect the Company's trade secrets and transaction security is of paramount importance and serves as the foundation for the Company's sustainable operations.
Policy and Commitment	<u>The information and communication security policy is as follows.</u> - Regularly implement information and communication security education and training, promote information and communication security policies and related implementation regulations, promote employee awareness of information security and strengthen their awareness of related responsibilities. - Implement an internal audit system for information and communication security to ensure the implementation of information and communication security management. - Protect the company's business activities, avoid unauthorized modifications, ensure its correct integrity, protect the company's data, systems, equipment and network communications security, and prevent external invasion and destruction. - Protect the company's business activities, avoid unauthorized access, system information account access rights and system changes, all must be controlled by rights. - Protect the integrity of the company's data and implement the destruction procedures. The computer storage media that have been scrapped should be destroyed to avoid accidental exposure. - The company will monitor the security status and activity records of the information system to effectively grasp and deal with information security incidents. - The execution of the company's business activities must comply with the requirements of relevant laws or regulations. <u>Commitments.</u> - Protect the confidentiality, integrity, and availability of information assets. - Comply with domestic and international regulations and information security standards. - Continue to strengthen information security technology protection and monitoring capabilities. - Cultivate information security awareness and professional capabilities among all employees.
Goals	<u>Short-term goal</u> Implement information and communication security training to enhance employee information security awareness and the ability to identify phishing/social engineering attacks. <u>Medium-term goal</u> Strengthen the depth of security defense and automated detection capabilities: - Implement behavioral analysis and advanced threat defense technology to enhance the identification of and response to new types of attacks. - Implement data monitoring and device compliance policies to enhance data protection and audit capabilities. - Expand information security personnel capabilities and resource investment (the budget was increased from approximately NTD 13,630 thousand in 2024 to NTD 20,000 thousand in 2025). - Cultivate the capabilities of internal information security technical personnel, including skills such as threat analysis and penetration testing. <u>Long-term goal</u> Establish a comprehensive and robust information and communication security system and information security culture: - Cultivate a corporate culture where "information security is everyone's responsibility," internalizing information security awareness as a part of daily operations. - Establish an information security strategy for corporate sustainable operations, emphasizing disaster recovery, offsite backup, and risk resilience.
Responsible Unit	IT Department.
Invest in resources	- Joined the Taiwan Computer Emergency Response Team (TCERT) to receive cyber threat intelligence notifications and share information. - Participated in a total of 32 hours of external cybersecurity training in 2025. - Completed the deployment of the next-generation firewall. - Implemented external network controls and enabled the secure authentication mechanism for VPN connections. - Promptly patched high-risk vulnerabilities in systems and equipment and updated antivirus software versions. - The redesign of the Company's official website began in September 2025 and will be completed and launched in 2026, with the database injection vulnerability remediated. - Cybersecurity risk management measures are implemented regularly, with personnel access control maintained to ensure data security; monthly checks of inactive accounts are also performed. - Continue to replace and upgrade legacy computer hardware and systems to strengthen security protection. - Optimized system backups and enabled Chunghwa Telecom's offsite data center backup mechanism. - Conduct social engineering phishing email drills and design training programs based on the results to bolster the organization's defensive capabilities. - Core system restoration drills are conducted once each year. - In 2025, information and communication security announcements and promotion, as well as education and training, were implemented for all employees to strengthen cybersecurity crisis awareness and the response capabilities of cybersecurity incident response personnel. These efforts aim to prevent risks in advance and ensure the effective detection and containment of risk propagation at the earliest possible stage. The Company has provided the relevant legal information to the directors and managers as well as the professional knowledge training course information to the relevant units on an irregular basis.
Complaint Mechanism	Tel: 02-8684-3318 ext. 801 E-mail: ccsb@ccsb.com.tw

Material Topics	Information security protection
Action Plan	[Positive Aspect: Strengthening information security advantages and creating enterprise value.] The Company has enhanced its information security governance maturity and market trust by establishing an information and communication security management system and referencing international standards. The Company continues to introduce advanced threat defense, behavioral analysis, and data activity monitoring technologies, combined with abnormal traffic analysis mechanisms, to enhance real-time detection and response capabilities for potential information security risks. Furthermore, through comprehensive employee training and information security culture building, the Company strengthens employees' information security awareness and self-management capabilities, establishing a secure foundation for enterprise digital transformation.
	[Negative Aspect: Prevention of Potential Risks and Response to Actual Incidents.] The Company has established a clear information security incident response process, covering the stages of notification, investigation, response, and recovery, and regularly conducts simulation exercises to enhance overall response effectiveness. To mitigate risks such as malicious emails, internal device infections, and external intrusions, a multi-layered cybersecurity protection framework has been implemented, encompassing firewalls, intrusion detection/prevention systems (IDS/IPS), endpoint protection, and email filtering. • In 2025, a total of 27,361 phishing and malicious attacks and 128,310 spam emails were blocked. • There were 233,965 external intrusions and 216 instances of internal infection spread. • The Company has conducted in-depth audits, reviews, and risk corrections, while strengthening training and policy adjustments for high-risk units.
Effectiveness evaluation	• In 2025, a total of 27,361 phishing and malicious attacks, 128,310 spam emails, 233,965 external intrusions, and 216 instances of internal infection spread were blocked. • In 2025, no information security incidents occurred that impacted the Company's operations or involved violations of customer privacy.

Framework information and communication security management, information and communication security policies, specific management plans, and resourced inputted into information and communication security management

The Company has formulated Regulations Governing Management Operation toward Computerized Information System and Operating Procedures of Cyber Safety Operation Procedures to faithfully implement thoroughly the sound internal control system and policy in cyber security. Ensure its appropriateness and effectiveness through annual internal inspections and external assessments of its safety regulations and procedures. The company will explain the details in the following sub-items:

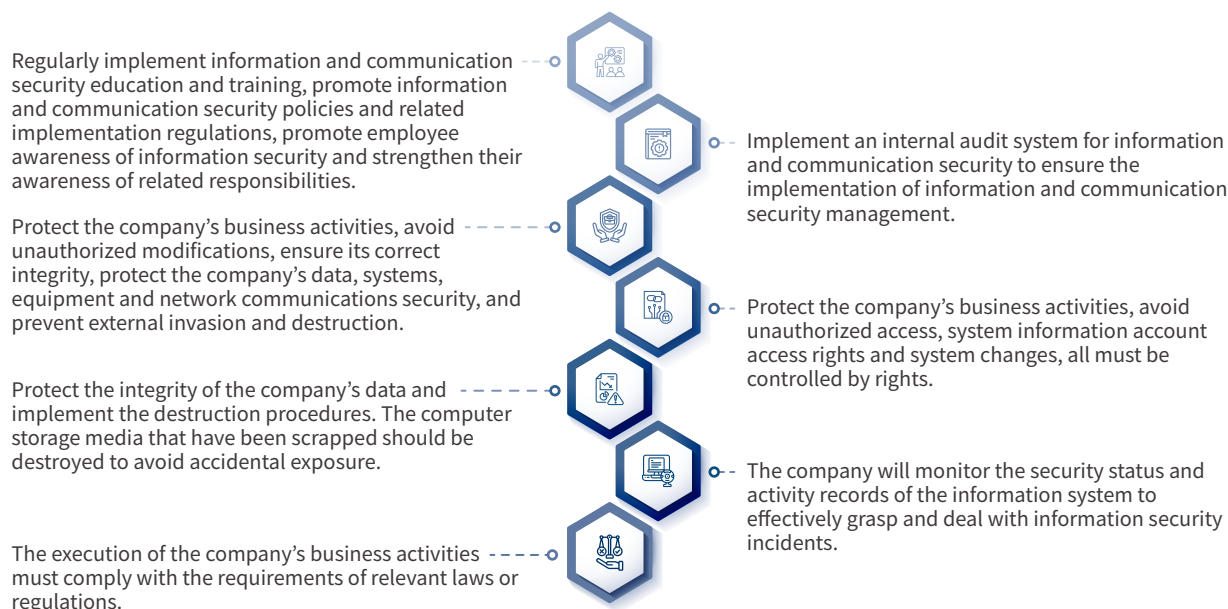
Framework of information and communication security risk management



Here at the Company, we have established the Cyber Security Task Force under the Information Division the organization chart of which is shown above. The head of the Information Department serves as the full responsibility supervisor of the Cyber Security Task Force which is, as well, staffed with one full-responsibility specialist. The Cyber Security Task Force assume the responsibility to formulate information security policies, monitor and update the information security related messages, map out, monitor and implement information security related maintenance services. The internal audit and external audit are carried out regularly by the auditing office and the accounting firm every year. In April 2025, the auditing office performed the internal audit of the safety inspection and control operations, and issued an internal audit report, which was reported to the audit committee and the board of directors. The external audit of the "Information System Environmental Auditing" was carried out by PWC Certified Public Accountant Firm in November 2025. The server host used by the system is located in the internal virtual network. The internal host is protected by a firewall. The external network is isolated and cannot be directly accessed. It has adopted multiple network security defense systems. The firewall and intrusion detection at the front end of the network. Test system and anti-virus are used as the basis for enterprise security protection. It can also strengthen the detection of malicious programs for traffic, web pages and emails. Through the correlation analysis of different security mechanisms, it can play the role of defense in depth and immediately block the latest malware, harmful website links, defense against external network attacks, mail content security control system is responsible for filtering the contents of incoming and outgoing links, and can further block files with zero-day malware, APT attack tools, and vulnerabilities. Attack files... threats such as threatening emails, spam emails, etc. The internal host and endpoints of the company are deployed by the central control unit to provide anti-virus software, which can update the virus code and instantly identify malicious behaviors. It can instantly intercept virus Trojan worms, ransomware, malicious files in folders, etc. The risk of damage from the hacker attack could be effectively reduced.

Information and Communication Security Policy

To assure the Company's satisfactory business operation without a hitch to prevent our information or information (cyber) security system from unauthorized access, use, control, leakage, destruction, tampering, damage or infringement in other means to perfectly ensure confidentiality, integrity and availability, we have formulated the information (cyber) security polices as enumerated below:



At present, the company's information and communication security maintenance measures are complete, and the consideration of security insurance is still an emerging insurance, and it involves supporting the grading of security and claims, so it is still evaluating the stage of future applicability.

Specific management plans for information and communication security

 System account and permission management	The computerized system of the company should have sufficient authority to prevent unauthorized intrusion or unauthorized changes to the data. The content includes information and communication security rights, information access rights and information access control. The company will determine the degree of security control, according to the importance of the computerized system. The user's account and authority, data access shall not be used or changed until approved by the competent department head(s). Retired personnel (including those who remain in office) should immediately lock, stop or remove accounts and permissions in accordance with the procedures to prevent unauthorized use.
 Data access records should be audited and kept properly	In order to ensure the integrity of the data, the computerized system should be able to record the transaction history, that is, any data change/deletion, who should perform it, record the track record of the system file access, and historical data such as incoming and outgoing mail, archive and save. Computers of the company that have completed the retirement process perform hard disk disassembly and destruction to comply with the regulatory system and the security policy.
 Information system continues to operate	To assure perfect safety & security of the Company's information and data, systems, equipment and network communications, we have duly set up data/backup methods and backup operation standards. All systems and documents are backed up locally daily, weekly and quarterly. The backed up information and data are further transmitted to a different equipment or stored at a different venue daily, weekly and quarterly to assure that information and data are backed up in varied venues and varied machines coupled with the strengthened efforts through various simulation tests and emergency countermeasure drills. Through such efforts in combination, our information systems are assured under very sound operation amidst safe and secured environments. On a regular basis every year, we carry out recovery drills for our system information to assure the information system to be operated safe and sound under perfect safety & security. Thanks to such efforts, we virtually minimize a potential disaster by nature without a prior warning. In turn, we virtually evade potential risks that might lead to significant data loss. In May 2025, we carried out IT disaster recovery (ITDR) drill test. The Company's information system proves to have been operated continually without an interruption, free of a potential risk that might lead to loss of information.

Resources input into information and communication security management

Here at the Company, the head of our Department of Information serves as the dedicated supervisor in charge of information safety & security and is staffed with one dedicated specialist to assume the responsibility to map out system, monitor and implement information security related business affairs. From time to time on a nonscheduled basis, the Company takes the current events to launch publicity focusing on information (cyber) security toward the entire staff. Through such events, we convey significant regulations and precautions linked up with information security. In an effort to intensify the Company's information security technology and security protection, we invested a total of NT\$1,078 thousand onto information (cyber) security related affairs in 2025.

Related expenses for cyber security measures in 2025

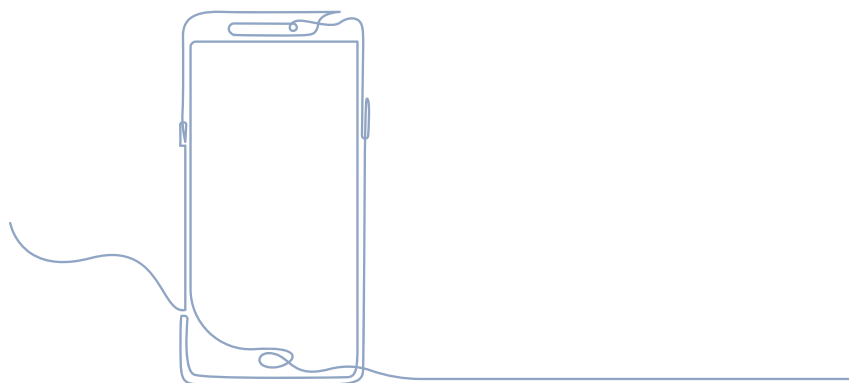
Training/Purchase	Number of participants	Training hours per person	Total expenses ^{Note} (NT\$ thousand)
Annual email social engineering drill and IT security education and training, 2 sessions.	39	1	1,078
	112	1	
External training courses: Cybersecurity Testing Tool Practices (Advanced)	2	32	

Note: Including Purchase cyber security protection software.



There were no information security incidents that impacted the Company's operations or led to violations of customer privacy.

No losses were incurred due to major cybersecurity incidents.





Chapter 4

Climate Action

- ✦ Fulfilling the Responsibilities of Global Citizens for “2050 Net Zero” and “Biodiversity”
- ✦ Continue to pay attention to domestic and foreign regulatory changes, sustainability issue trends, and management indicators
- ✦ Anticipate the risks and opportunities of climate change on corporate operations, and formulate response strategies

4.1 Climate-Related Risks GRI201-2

CCSB keeps track of global trends related to climate action.

Against the backdrop of intensifying global climate change and the international sustainability trend, the positioning of enterprises has shifted from being mere “economic producers” to becoming “guardians of ecological symbiosis.” CCSB deeply recognizes that proactively engaging in climate risk adaptation and planning for its decarbonization transition are the fundamental cornerstones for ensuring operational resilience and protecting stakeholder rights and interests.

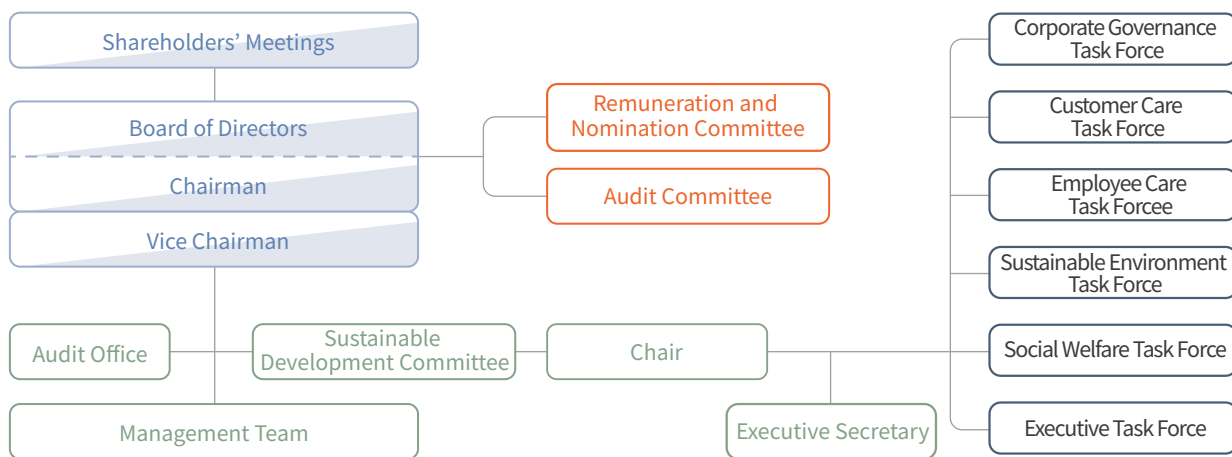
Since 2022, the Company has voluntarily followed the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations to systematically construct a climate governance framework. We have comprehensively identified and disclosed climate-related risks and transition opportunities associated with our operations through the four core pillars of “Governance,” “Strategy,” “Risk Management,” and “Metrics and Targets.” We have actively implemented mitigation and adaptation actions while collaborating with our supply chain to move toward the net-zero emissions target by 2050.

Climate Governance

To ensure that the climate strategy is integrated into the Company’s operational DNA, the Company established the Sustainable Development Committee to serve as the highest-level internal sustainability decision-making core.

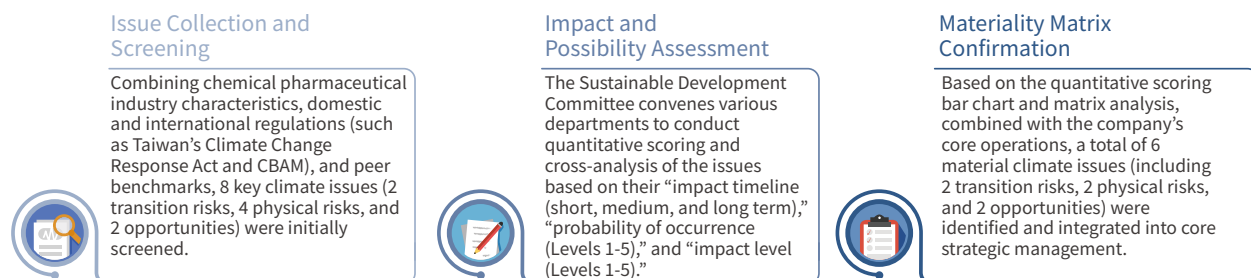
- ✦ **Authority and Supervision:** The committee is chaired by the Chairman, who reports to the Board of Directors twice a year on sustainability performance, climate risk assessment, and decarbonization target progress to ensure the Board of Directors maintains a high level of substantive climate oversight function.
- ✦ **Cross-departmental collaboration:** Six major task forces—corporate governance, customer care, employee care, sustainable environment, social welfare, and execution—have been established under the committee, with members drawn from across all core business departments. Each team assesses the impact and probability of climate issues based on its respective responsibilities, formulating and implementing adaptation plans to mitigate business interruption risk.

Organizational Chart of the Sustainable Development Committee



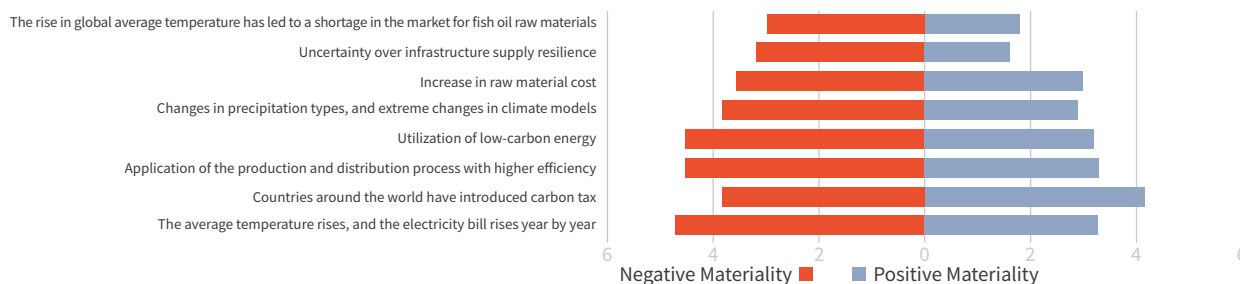
Climate Change Response Strategy and Identification Process

CCSB has deeply integrated climate action into its daily operations. To accurately identify material climate issues, we convened a cross-functional team of experts from the General Manager’s Office, finance and accounting, human resources, management, sales, procurement, quality assurance, manufacturing, and occupational safety and health to conduct a comprehensive identification process for climate risks and opportunities:

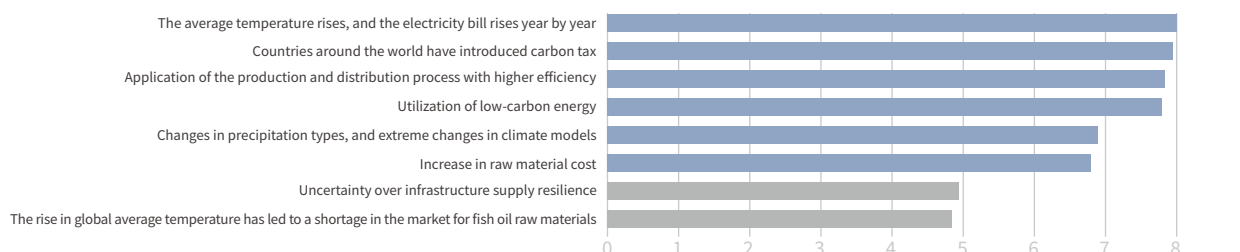


Climate Risk and Opportunity Materiality Bar Chart of CCSB

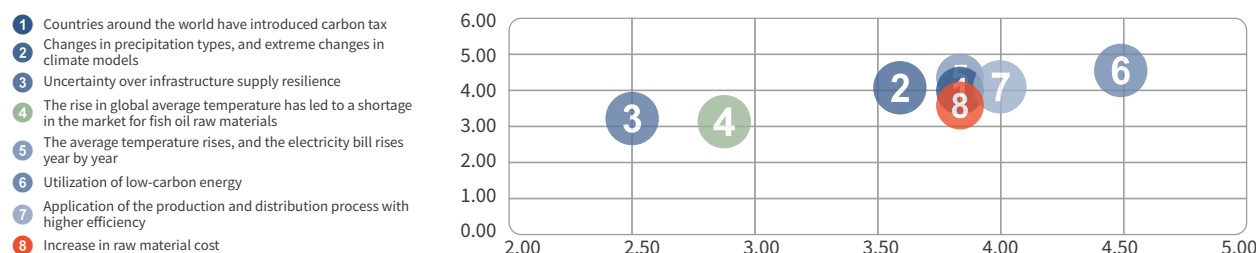
Sustainability Topic Questionnaire Statistics



Overall Materiality



Sustainable issues



Identification Results of the Climate-related Risks and Opportunities

The following table outlines the potential operational impacts, financial implications, and response strategies for the 6 material climate issues identified and confirmed through our assessment:

Aspects	Significant issues	Impact Period	Potential Operational Impacts	Specific Countermeasures	Potential Financial Impact
Transition risks (policies and regulations)	Global imposition of carbon taxes and carbon fees	Long-term (>5 years)	The main energy source of CCSB comes from the electricity generated by Taipower. Potential electricity price hikes driven by future carbon pricing policies or the direct implementation of carbon fee regulations will lead to an increase in regulatory fees and operating costs.	- Implement voluntary greenhouse gas inventories and develop emission reduction pathways on a rolling basis. - Conduct a comprehensive inventory of high-energy-consumption equipment and prioritize the replacement of such units with high-efficiency or energy-saving labeled alternatives. - Implement plant energy-saving programs and deeply instill awareness of energy conservation among all employees.	Increase in operating costs (electricity and regulatory fees)
Transition risks (Market)	Rising raw material costs driven by extreme weather	Long-term (>5 years)	The increased frequency of extreme weather (such as typhoons and heavy rains) may cause disruptions in the international supply chain, logistics disruptions, and significant fluctuations in raw material prices, which in turn affect product delivery lead time.	- Maintain at least two or more diversified sources for key raw materials and introduce high-quality local suppliers to mitigate geopolitical and transportation risks. - Adopt centralized procurement management, optimize transportation frequency, and actively develop new suppliers to strengthen negotiation resilience.	Increase in procurement and logistics costs
Physical risks (Long-term)	Changes in Rainfall Patterns and Extreme Drought Adaptation	Long-term (>5 years)	Global warming has led to fewer rainy days but an increase in the intensity of heavy rainfall. Although the Company's production base is located in northern Taiwan, where the water scarcity risk is relatively low, it is still necessary to guard against rising water prices or water restrictions caused by drought.	- Continue investing in water recycling; six water recovery systems have been installed across all facilities. - Implement regular inspections and maintenance for cooling towers and scrubbers to prevent water waste resulting from equipment malfunctions.	The cost of water procurement has increased; however, this is offset by a reduction in wastewater treatment expenses resulting from improved recycling efficiency

Aspects	Significant issues	Impact Period	Potential Operational Impacts	Specific Countermeasures	Potential Financial Impact
Physical risks (Long-term)	Rising Average Temperatures and Summer Electricity Rate Hikes	Long-term (>5 years)	Rising global temperatures have led to a surge in the operating load and power consumption of indoor cooling and refrigeration systems (such as air conditioning and chillers) at our facilities, exacerbating the pressure of electricity costs.	Mandate the implementation of variable frequency air compressors, high-efficiency air conditioners, and air conditioning systems during the replacement cycles for legacy equipment.	Increased electricity costs for production equipment and air conditioning
Opportunity (Resource benefits)	Implementing high-efficiency production and distribution processes	Long-term (>5 years)	Optimizing manufacturing processes and logistics distribution efficiency not only reduces transition costs, but also serves as a core opportunity to deepen the green transition of corporate sustainability.	- Systematically inventory high-energy-consumption processes and introduce high-efficiency, low-carbon production equipment. - Optimize distribution and transportation scheduling to reduce the overall supply chain carbon footprint.	Lower energy and operating costs to enhance the green competitiveness of products
Opportunity (Energy sources)	Adoption and use of low-carbon/renewable energy	Long-term (>5 years)	International customers pay close attention to the "sustainability performance" of the supply chain. The concrete demonstration of low-carbon energy results will significantly enhance the competitiveness and revenue of products in international markets.	- Gradually adjust the purchased electricity mix, and plan for the medium- to long-term introduction and use of green electricity (such as solar power and wind power) rights and interests. - Seek low-carbon, low-emission manufacturing processes and energy alternatives.	Revenue from green orders is expected to increase, while transition costs may rise slightly during the transition period.

CCSB identified six material issues from climate risks and opportunities, including two transitional risks, two physical risks and two opportunities. Future response strategies have been formulated accordingly.

Transition plans

To translate our climate strategy into substantive action, we have developed short-, medium-, and long-term transition plans.

Short-term: 1–3 years

- Conduct greenhouse gas inventory, identify major emission sources, and formulate carbon reduction strategies.
- Evaluate the acquisition, use, and cost-effectiveness of renewable energy.
- Installation or conversion of water recovery and reuse equipment.
- Replacement of equipment that have high energy consumption and low energy conversion rate.
- Optimization of procurement model and logistics system.

Medium to long-term: Over 3 years

- Incorporating the concepts of energy saving and low carbon into the prerequisites for process development and improvement.
- Formulate carbon reduction strategies and support low-carbon energy with practical actions.

Indicator and Goal

In response to the issue of climate change, CCSB continues to monitor changes in domestic and international regulations and sustainability issue trends in order to respond in advance and continue to track climate-related management indicators. Since we released the 2013 corporate social responsibility report, we, by referring to the "Guidance Manual for Greenhouse Gas Inventory" announced by the Environmental Protection Administration, Executive Yuan, conduct GHG inventories for Scope 1 and Scope 2 of the previous year.

✦ **Inventory Compliance and Assurance:** Since 2023, the Company has conducted its inventory in full compliance with the ISO 14064-1:2018 international standard and obtained certificates through third-party verification by authoritative institutions. In 2024, the scope of inventory and third-party verification was further expanded to include subsidiaries in the consolidated financial statements, ensuring the integrity and transparency of sustainability data.

✦ **Through the GHG inventory report, we were able to understand the current GHG emission structure and carbon reduction performance. We then set carbon reduction management indicators and action plans for implementation. Phased Carbon Reduction Management Indicators:**

Short-term

- Continue to implement and improve the greenhouse gas inventory process (including obtaining third-party verification and certification).

Medium Term

- Carbon reduction plans and targets are being established and implemented.
- Continue to implement and amend the content and goals of the plan on a rolling basis.
- Assess and introduce product carbon footprint inventory.

Long-term

- Drawing on the existing low-carbon and carbon reduction experience and achievements, plan the process of moving towards net zero emissions.

2025 Achievement of the Annual Climate Targets



Total electricity consumption from the previous year decreased by 1%



Chapter 5

Environmental Sustainability

- + CCSB believes that environmental sustainability and industrial development are equally important
- + Energy efficiency and carbon reduction, resource recycling, environmental management and climate action
- + CCSB continues to actively promote various environmental protection measures and contributes to environmental sustainability. Only by coexisting with the environment and ecology can we achieve sustainable economic and social development

5.1 Environmental Sustainability	39
5.2 GHG and Energy Management	40
5.3 Water Resource Management	44
5.4 Waste Management	46

5.1 Environment Policies

At CCSB, environmental protection and industrial development are equally important. Only by coexisting with the environment and ecology can we achieve sustainable economic and social development. Given this, CCSB continues to actively promote various environmental protection measures and contributes to environmental sustainability.

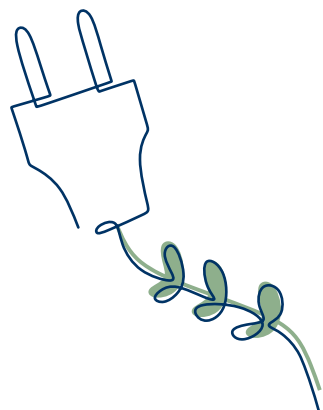
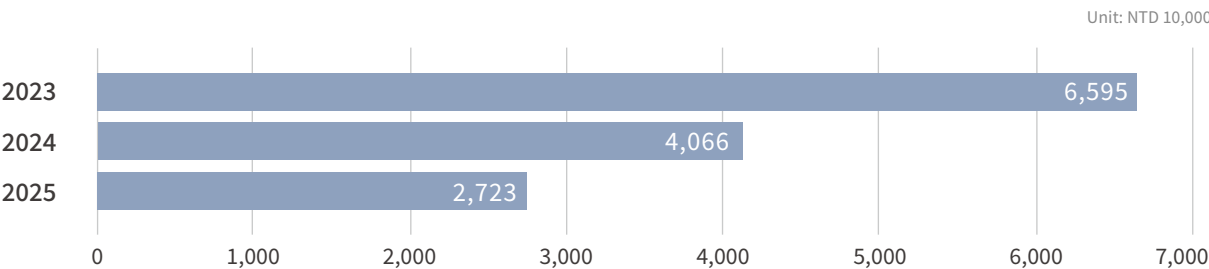
As required by the competent authorities, CCSB regularly reports its environmental data, such as reporting and payment of air pollution emissions, waste removal disposal volume, registration of toxic chemicals and new chemicals, and reporting of effluent monitoring. We also continue to invest in water recycling equipment. The total expenditures for air pollution, waste treatment, water pollution prevention, toxic chemical management, and environmental investment equipment-related expenses totaled NTD 27.23 million in 2025.

2025 Environmental Pollution Control Measures and Equipment Expenditures

Unit : NTD 10,000

Investment Category	Description	Content	Amount
Waste Disposal	Cost of waste treatment outsourced	Outsourcing waste included domestic waste	1,991
Water Pollution Prevention	Water pollution control fees, investment in wastewater treatment chemicals, wastewater detection agent	Water pollution control fees, investment in wastewater treatment chemicals, wastewater detection agent	704
Air	Air pollution control fees	Air pollution-related expenses	17
Toxic Chemicals	Toxic release testing fees	Toxic release testing and review fees	10
New Chemicals	New chemical registration fees	New chemical registration and extension fees	-
Total Environmental Expenditure			2,723

Environmental Pollution Control Measures and Equipment Expenditures for the Most Recent Three Years



5.2 GHG and Energy Management

Management Policy for Material Topic – GHG and Energy Management GRI302-1~5, 305-1~5

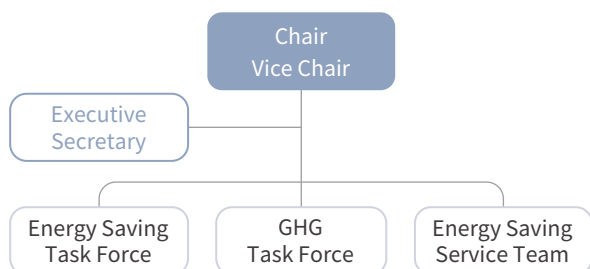
Material Topics	GHG and Energy Management
Materiality	In the face of global warming, the accumulation of GHGs has seriously threatened the environment for all living things. Therefore, issues related to GHG emission reduction and energy management have attracted the attention of various countries and international organizations. At present, many countries around the world have announced a net zero emissions phase, and the European Union and the United States have also planned to levy carbon tariffs on imported products. GHG emissions have not only become an environmental issue, but have also expanded into an economic issue. Governments around the world have enacted relevant laws and regulations to control the carbon emissions of enterprises under their jurisdiction according to their net zero emission plans, including limiting the annual carbon emissions of enterprises, levying air pollution fees or energy taxes, etc. The industry must pay attention to the long-term risks arising from laws and regulations that may have an impact on the operation of their enterprises. Only by proactively facing the issues of GHG emission reduction and energy management and taking more proactive actions can we find a new path for sustainable business operations in a business environment restricted by increasingly stringent energy-saving and carbon reduction regulations.
Policy and Commitment	CCSB pays ongoing attention to international climate change trends and GHG reduction. By conducting greenhouse gas inventories to focus reduction efforts, the Company has implemented energy management systems, innovative equipment and technologies, and other measures to improve energy efficiency. These efforts promote energy efficiency and carbon reduction, ultimately achieving greenhouse gas reduction and mitigating the potential impacts of climate change.
Goals	- Electricity saving rate: More than 1% per year from 2023 to 2030. - Absolute GHG Reduction Target: Using 2023 as the base year, the Company has established a target of reducing Scope 1, Scope 2, and material Scope 3 greenhouse gas emissions included in the GHG inventory by 5% by 2030 compared with the base year. Reduction performance is continuously monitored through annual greenhouse gas inventories and third-party verification. - GHG emission intensity: Based on 15.53Note metric tons CO₂e per NTD million in revenue in 2023 – decrease by 4% in 2025, and decrease by 10% in 2030. - Energy intensity: Based on the turnover of 75.45GJ/NTD million in 2022 – decrease by 4% in 2025, and decrease by 9% in 2030. - ISO 14064-1:2018 GHG inventory was introduced in 2023. The “2023 GHG Inventory Report (ISO 14064-1:2018)” was certified by a third-party with a certificate obtained in Q2 2024. - Starting from 2024, the Company has been including subsidiaries in the consolidated financial statements for GHG inventory and has commissioned a third-party company to verify the “2024 GHG Inventory Report (ISO 14064-1:2018)” in Q2 2025 with certification obtained.
Responsible Unit	“Energy Management System Committee”: Promotion of in-plant energy-saving plans. “GHG Inventory Committee”: Enforcement of in-plant GHG inventories.
Invest in resources	- Joint management by the “Energy Management System Committee” and the “GHG Inventory Committee”. - Use energy-saving equipment. - Systemize energy management. - Invest in renewable energy. - Enhance product energy efficiency. - Implement ISO 14064-1:2018 GHG inventory.
Complaint Mechanism	GHG Inventory Committee Tel: 02-8684-3318 ext. 404 E-mail: rdh@ccsb.com.tw
Action Plan	The following approaches have been taken to control and reduce GHG emissions - Optimization of processes and equipment. - Introduction of innovative carbon reduction management methods. - Execution of GHG inventories in compliance with ISO 14064-1:2018 and competent authority standards. - Continue to promote GHG reduction measures. - Continue to implement various energy-saving and carbon reduction measures.
Effectiveness evaluation	Tracking and evaluation mechanism - The GHG inventory report is verified by a third-party external certification body every year. - Hold a regular Energy Task Force meeting at least once a month. Achievement of targets for 2025 (compared to 2022 and 2023) - Annual electricity saving rate of 2.28%. - Energy intensity (GJ/NTD million revenue) 114.51 (increased from 75.45 in 2022). - Greenhouse gas emission intensity (CO₂e/NTD million revenue) 20.543283 (an increase from 15.53 in 2023).

Note: The original benchmark was 7.72 from the five regulated items (Scopes 1 & 2) reported to government agencies in 2022, to 15.53 from the 38 independent GHG inventory items (Scopes 1, 2 & 3) in 2023.

Energy Management

In order to effectively implement energy management, reduce energy costs, and implement environmental friendliness, CCSB established the “Energy Management System Committee” in 2016 to promote in-plant energy conservation and carbon reduction. We achieve energy saving, carbon reduction and continuous improvement through the implementation of the Energy Management System Committee.

Energy Management System Promotion Committee



Energy Structure

All energy consumed by CCSB is non-renewable:

- + Purchased electricity account for approximately 59.6% of the total consumption of CCSB;
- + Natural gas accounts for about 40.3%, which is used for boiler combustion to generate steam for use in the production process;
- + Diesel accounted for about 0.1% of the total fuel used, for emergency generator start-ups, regular maintenance, and forklift operation.

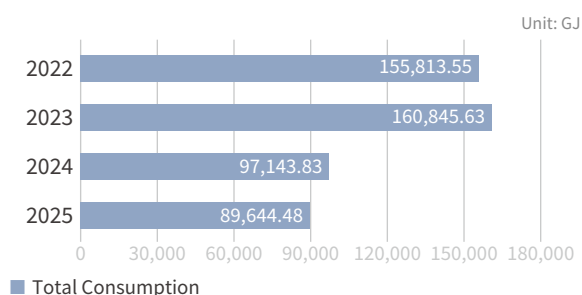
In 2025, due to reduced production volume and product mix adjustment, CCSB’s energy consumption decreased compared to the previous two years, while energy intensity increased. CCSB will continue to promote energy-saving improvement measures and enhance energy efficiency. Total energy consumption was 89,644.48 gigajoules (GJ), with an energy intensity of 114.51 GJ/NTD million.

Types of Non-renewable Energy	2023	2024	2025
Purchased power (GJ)	83,378.80	58,201.49	53,399.63
Liquefied Natural Gas (GJ)	77,052.52	38,639.18	36,130.69
Diesel Fuel (GJ)	414.30	303.16	114.16
Total Energy Consumption (GJ)	160,845.63	97,143.83	89,644.48
Turnover (NTD million)	2,038.63	1,327.61	782.85
Energy Intensity (GJ/NTD million)	78.90	73.17	114.51

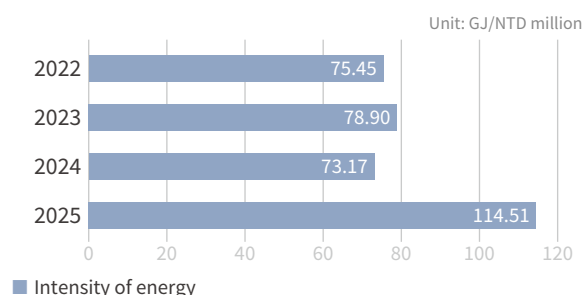
Note1: Calorific value of liquefied natural gas = 8,000kcal/L, calorific value of diesel fuel = 8,400kcal/L, calorific value of electricity = 860kcal/kWh. source of coefficients: Table of calorific values of product units by the Energy Administration, Ministry of Economic Affairs.

Note2: Energy Intensity (GJ/TWD million) = Total Energy Consumption (GJ) ÷ Turnover (TWD million).

Total consumption of CCSB’s energy



Total intensity of CCSB’s energy



GHG Emissions

GHG emissions are accumulating year by year, and the global warming phenomenon caused by the greenhouse effect is becoming more and more apparent, jeopardizing the survival of mankind and the ecological environment in the future. Therefore, governments, environmental groups, and business organizations around the world are paying more and more attention to the GHG emission control issues and regulations, and have set the long-term goal of “2050 Net Zero.”

Although CCSB has not yet been included in the GHG emission regulation industry, the Company still regularly discloses relevant information in accordance with government regulations, continues to monitor the updates of domestic and foreign regulations, understands carbon reduction issue trends, and plans carbon reduction actions in advance. Therefore, in 2023, CCSB implemented an ISO 14064-1:2018 GHG voluntary inventory, which covers Categories 1 to 6. Subsequently, based on the analysis of the inventory data, we will formulate specific carbon reduction plans to fulfill our responsibilities as a global citizen, to make concrete contributions to the goal of “Net Zero by 2050.”

The increase in the total amount and intensity of GHG emissions in 2023 was due to the increase of the “inventory facilities / activities” items from the five items of Scope 1 to Scope 2 reported to the government in 2021 and 2022 to 38 items of GHG self-inventory categories 1 to 6 in 2023. Starting from 2024, in addition to the Company, subsidiaries included in the Consolidated Financial Statements were included in the GHG inventory operations, and in Q2 2025, a third party was commissioned to verify the “2024 GHG Inventory Report (ISO 14064-1:2018)” and a certificate was obtained.

In 2025, CCSB (and all subsidiaries in the Consolidated Financial Statements) recorded a decrease in total greenhouse gas emissions due to reduced production volume and product mix adjustment, though emission intensity increased compared to the previous two years. Going forward, greenhouse gas reduction measures will continue to be promoted, and carbon emissions performance will be improved through process optimization, equipment energy efficiency, and energy management. The total GHG emissions of CCSB (and all subsidiaries included in the consolidated financial statements in 2025 were 16,532.97 metric tons of CO₂e, and the GHG emission intensity was 20.54 metric tons of CO₂e/million dollars).

Structure of GHG emissions of CCSB (and all subsidiaries included in the consolidated financial statements) in 2025

Unit: Metric tons of CO₂e

Item	Scope of Data Coverage	CCSB	All subsidiaries in the consolidated financial statements	Total
Scope 1: Direct GHG emissions		2,920.56	0.00	2,920.56
Scope 2: Energy indirect GHG emissions		7,029.35	4.18	7,033.53
Scope 3		6,578.88	0.00	6,578.88
Total emissions (metric tons CO ₂ e)		16,528.79	4.18	16,532.97
Emission intensity (metric tons of CO ₂ e/NTD million)		21.11	0.19	20.541

Note1: Pharmaports LLC, is a 100% owned subsidiary of CCSB, established in Pennsylvania, USA in 1999.

Note2: Emission intensity (metric tons of CO₂e/NTD million) = Scope 1 + Scope 2 + Scope 3 emissions (metric tons of CO₂e) ÷ Turnover (NTD million).

Statistics and Intensity of GHG Emissions in the Past Three Years

Unit: Metric tons of CO₂e

Item	Year	2022	2023	2024	2025
Scope 1: Direct GHG emissions		4,028.60	5,471.72	3,283.10	2,920.56
Scope 2: Energy indirect GHG emissions		11,913.15	11,438.82	7,668.00	7,033.53
Scope 3		Not yet inventoried	14,749.93	8,150.87	6,578.88
Total emissions		15,941.75	31,660.46	19,101.98	16,532.97
Emission intensity (metric tons of CO ₂ e/NTD million)		7.72	15.53	14.18	20.541

Note1: The types of Scope 1 emissions in 2022 were natural gas, diesel, and septic tanks; the types of Scope 1 emissions in 2023 were natural gas, diesel, and septic tanks, processes, and fugitive sources.

Note2: Types of GHG inventory in 2022: carbon dioxide, methane, nitrous oxide; types of GHG inventory in 2023: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, nitrogen trifluoride, sulfur hexafluoride.

Note3: Electricity coefficients from 2022 were based on a coefficient of 0.509kg CO₂e/kWh by the Energy Bureau the Ministry of Economic Affairs published in 2021; electricity coefficients in 2023 were based on the coefficient of 0.494kg CO₂e/kWh published by the Energy Bureau of the Ministry of Economic Affairs in 2024; and electricity coefficients in 2024 were based on the coefficient of 0.474kg CO₂e/kWh published by the Energy Bureau of the Ministry of Economic Affairs in 2024.

Note4: Starting from 2024, in addition to the Company, subsidiaries were included in the statistics.

Note5: Emission intensity (metric tons of CO₂e/NTD million) = Scope 1 + Scope 2 + Scope 3 emissions (metric tons of CO₂e) ÷ Turnover (NTD million).

Chart of GHG Emissions by CCSB

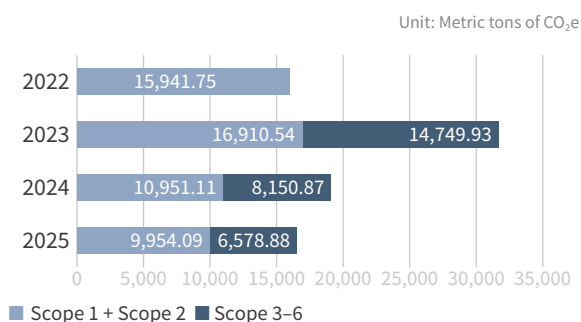
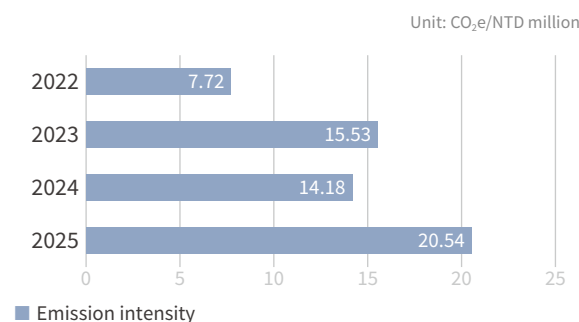


Chart of GHG Intensity by CCSB



Energy Efficiency Measures and Effectiveness

CCSB continuously and actively promotes energy-saving measures and fosters the concept of energy-saving.

In compliance with the “Energy Conservation Targets and Execution Plan for Energy Users” established by the Bureau of Energy, Ministry of Economic Affairs, we continue to implement various energy-saving measures and set an energy target to reduce the annual electricity saving rate by more than 1%. In 2025, we replaced old energy-consuming equipment with energy-efficient models, and reduced the operating frequency of exhaust fans to reduce their energy consumption. In 2025, the total electricity saving was 324,266 kWh, the equivalent energy saving was 1,167,358 GJ, and the GHG emission reduction was 153.702 metric tons CO₂e. The annual electricity saving rate was 2.28%, achieving the electricity saving rate target (an annual electricity saving rate of more than 1% from 2023 to 2030).

CCSB's Energy Efficiency Key Measures

- | | |
|--|---|
| <ul style="list-style-type: none"> ✦ Reduce resource and energy consumption of products and services. ✦ Enhance the recyclability and reusability of raw materials. ✦ In response to Earth Day, non-essential lighting is turned off during the lunch break. ✦ Control AC temperature in summer. | <ul style="list-style-type: none"> ✦ Unplug the appliances or equipment that will not be used for a long while. ✦ Gradually replace high-energy-consuming equipment with water-saving, energy-efficient, and high-energy-conversion equipment. ✦ Replace inverters in ventilators. |
|--|---|

CCSB's 2025 Energy Conservation and Carbon Reduction Actions

Energy Efficiency Actions	Description of Actions	Electricity Saving Volume (Unit: kWh)	Energy saving (Unit: GJ)	Carbon Reduction Volume (Unit: Metric tons of CO ₂ e)
Replacement of six 500W high-bay mercury lamps in Area 05	A total of 6 lamps were replaced with energy-saving LED models (from 500W to 100W).	15,660	56.376	7.7517
Area 12 S1201-502 Scrubber 30HP Exhaust Fan	Reduced the frequency of the 30HP exhaust windmill from 60HZ to 48HZ.	123,525	444.69	61.1449
Replace old 15HP air compressors in Zone 13 with new ones	In Area 13, two 15HP air compressors originally operated simultaneously until one experienced a motor failure. After an evaluation determined that repair was not cost-effective, the failed unit was replaced with a 30HP variable frequency air compressor for independent operation, while the other unit was repurposed as a backup unit to achieve energy savings.	30,970	111.492	15.3301
Frequency adjustment for Area 16 50HP exhaust fan S1601	Reduced the frequency of the 50HP exhaust windmill from 60HZ to 40HZ.	154,111	554.800	76.2849
Total		324,266	1,167,358	153.7021

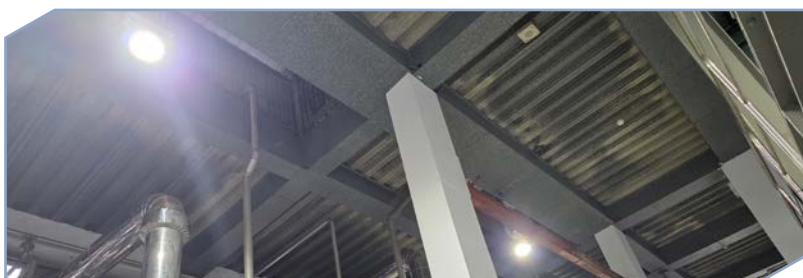
Note: The electricity emission factor used was 0.474 kg CO₂e/kWh, as published by the Bureau of Energy, Ministry of Economic Affairs in 2025.



Area 12 S1201-502 Scrubber 30HP Exhaust Fan



Frequency adjustment for Area 16 50HP exhaust fan S1601



Replacement of six 500W high-bay mercury lamps in Area 05



Replace old 15HP air compressors in Zone 13 with new ones

5.3 Water Resource Management

Management Policy for Material Topic – Water Resource Management GRI303

Material Topics	Water Resource Management	
Materiality	Water is one of the essential elements in the production process of CCSB. A stable supply of water resources is required for process water, cooling water, vacuum pump water and equipment cleaning. CCSB is committed to promoting rationalization of water use, implementing relevant measures such as water conservation and recycling, and strictly controlling wastewater discharge to meet the requirements of effluent standards.	
Policy and Commitment	Although CCSB is located in the northern region where water resources are relatively abundant, the management of water resources is urgent as a result of the frequent occurrence of droughts due to climate change. To cherish water resources, we are committed to rationalizing process water consumption, replacing old equipment with new ones that can recycle water resources. At the same time, we continuously improve wastewater treatment performance to reduce environmental impact.	
Goals	<u>Medium-term goal (2023–2028)</u> - Build six vacuum pump water recycling systems, designed to reduce water consumption by about 156 metric tons per day. - Install six non-solvent vacuum pumps to recycle and reuse cooling water. The designed capacity is to save about 130 metric tons of water per day. - Establish a plant water monitoring and performance tracking mechanism. Reduce water intensity by 1% annually, with 2025 as the base year.	<u>Long-term goal (2029–2050)</u> - Assess the feasibility of recycling and reusing treated wastewater. - Establish a water resource circular utilization management mechanism and increase the recycled water utilization ratio. - Using 2025 as the base year, the goal is to achieve a 25% cumulative reduction by 2050.
Responsible Unit	Occupational Safety and Health Department.	
Invest in resources	Purchase vacuum pump and water recovery systems.	
Complaint Mechanism	Occupational Safety and Health Department.	
Action Plan	<u>Drainage</u> Continue to maintain and invest in wastewater treatment facilities to enhance wastewater treatment efficiency.	<u>Water intake</u> - Perform water use information surveys. - Setup of a water recycling system for high duty vacuum pumps.
Effectiveness evaluation	<u>Hold a meeting at least once a month to track</u> - Wastewater treatment efficiency. - New construction progress and improvement results. - Water resource utilization status.	<u>Annual targets</u> - Compliance rate (%) of discharge standard of wastewater treatment = 100%. - After the completion of the vacuum pump water recycling system, the water-saving capacity is estimated to be 42,000 metric tons/year.

Water Resource Structure and Use

CCSB checked the risk assessment tool of the World Resources Institute's Aqueduct Water Risk Atlas, and identified the overall water risk classification of the plant as "Low-Medium (1-2)"^{Note1}. In 2025, the total water withdrawal was 135.503 million liters, which was used for production and domestic water of our colleagues. The assessment results show that CCSB's water withdrawal source is located in a medium-low risk (not water-stressed) area; consequently, the company faces no water scarcity risk and has no significant impact on water sources. Total water withdrawal in 2025 was 135.503 million liters, an increase from 2024 driven by expanded production capacity.

Location	Water Source	Year	Water withdrawal Disclosure (million liters)	Water discharge Disclosure (million liters)	Water consumption (million liters)	Water Intensity	Risk/Impact Description
CCSB	Shihmen Reservoir	2025	135.503	78.15	149.551	0.1910	Non-water-stressed area

Note1: Water consumption = total water withdrawal - water discharge.

Note2: Water withdrawal is based on water utility bills; water discharge is based on water meters or sewage treatment bills.

Note3: Water intensity (million liters/NTD million) = water consumption (million liters) ÷ revenue (NTD million).

In order to prevent the change of precipitation patterns caused by climate change and the risk of shortage of available water, CCSB installed water recycling equipment in 2023 and formulated water shortage response measures. During low water seasons, we cooperate with government agencies to make adjustments to achieve the water-saving goals set by the government without affecting the Company's operations.

Note: WATERRISKATLAS: <https://reurl.cc/yvjme2>

Water Pollution Prevention Management

The production of APIs at CCSB is planned based on the order requirements. The types and quantities of production equipment, unit operations, and input raw materials required for different products vary. Therefore, the content and discharge volume of the wastewater discharged every day are subject to change due to different product production schedules.

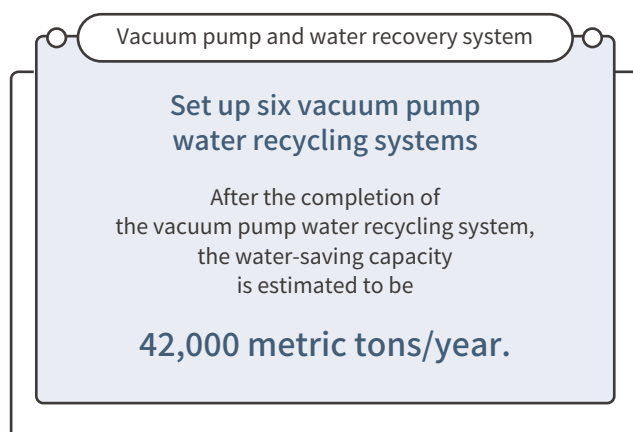
In the production process of APIs, in addition to the necessary organic compounds, we also need to add auxiliary materials such as acids, bases, metals, salts, and catalysts. The process wastewater is discharged during the extraction and separation of the aqueous and organic phases. The wastewater contains 20–40% of organic solvents, such as acetone, ethanol, ethyl acetate, methanol, toluene, tetrahydrofuran, etc., as well as different types of organic compound raw materials, intermediates, and finished products.

The plant is equipped with wastewater treatment equipment according to regulatory requirements. Both the process wastewater and domestic sewage are diverted to the wastewater treatment equipment in the plant. The wastewater is treated until it meets the nationally controlled water quality standards before it is discharged outside the plant and eventually into the Dahan River. CCSB monitors the chemical oxygen demand (COD), hydrogen ion concentration index (pH), and suspended solids (SS) of the effluent on a daily basis, which are regularly inspected by a qualified testing company. In 2025, the external testing values in each quarter were lower than the upper limit of the COD and SS testing values (COD<100mg/L; SS<30mg/L), in compliance with the effluent discharge standards.

2025 COD Testing Values by Entrusted Vendor

Testing item	Water quality standards	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
COD (mg/L)	<100mg/L	15.2	20.2	25.5	23.1
SS (mg/L)	<30mg/L	8.8	9.3	<2.5	<2.5

Water-saving Measures and Efficiency



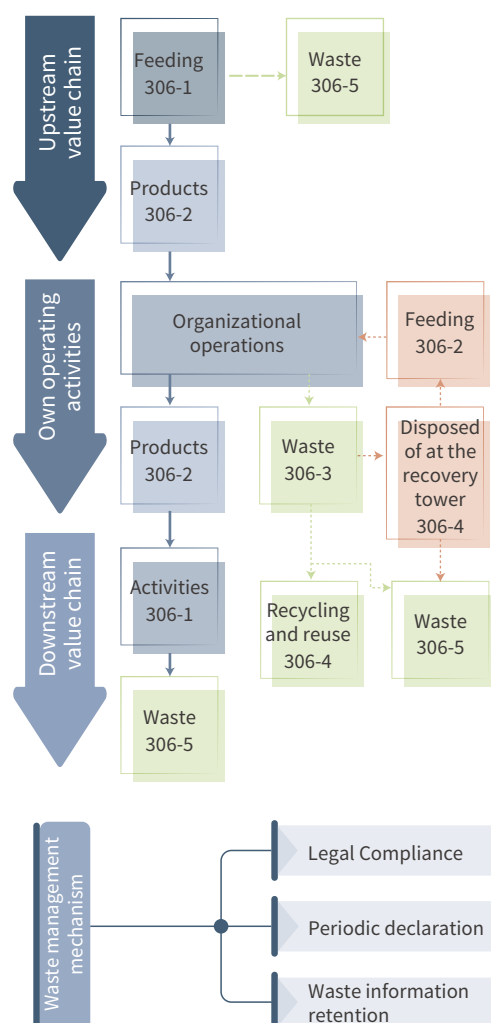
Vacuum pump and water recovery system

5.4 Waste Management

Management Policy for Material Topic – Waste management GRI 306-1~5

Material Topics	Waste management	
Materiality	Waste management is critical to the Company's sustainable development, enhancing economic benefits and fostering a positive social image, ultimately creating a win-win situation for both environmental protection and corporate growth.	
Policy and Commitment	- Ensure that the generation, processing, storage, transportation, and disposal of all industrial waste comply with local laws and regulations. - Reduce waste generation, promote waste reduction, recycling, and reuse, and maximize resource circulation.	
Goals	<u>Short-term goal</u> Reduce raw material waste to achieve waste reduction and cost control.	<u>Mid-term and long-term goals</u> Recycling and reusing waste to achieve a circular economy. Annual waste recycling and reuse rate reaches 5%.
Responsible Unit	Occupational Safety and Health Department.	
Invest in resources	Reduce waste generation, promote waste reduction, recycling, and reuse, and maximize resource circulation.	
Complaint Mechanism	Occupational Safety and Health Department.	
Action Plan	<u>Negative Impact Management</u> Regular follow-up inspections of waste removal and disposal are conducted annually to ensure proper tracking of waste flow within the plant premises and to strengthen contractor audits.	<u>Positive Impact Management</u> - Perform a business waste information survey. - Enhance employees' environmental awareness and sense of responsibility through education, training, and promotion.
Effectiveness evaluation	<u>Tracking management</u> Regular follow-up inspections of waste removal and disposal are conducted annually to ensure proper tracking of waste flow within the plant premises and to strengthen contractor audits.	<u>Annual targets</u> - Waste management complies with relevant laws and regulations. - The waste recycling and reuse rate was 24.58% in 2025.

Flow Chart of CCSB's Value Chain Waste



Management of Waste Contractors

Before engaging an external professional and legal waste disposal company to clear waste, CCSB must perform the following inspection steps to fulfill its responsibility of management at source:

- Evaluate the qualifications of waste disposal contractors and confirm their operational status.
- Confirm that the disposal method complies with the relevant requirements of the Waste Disposal Act.
- When signing a contract with a waste disposal manufacturer, the manufacturer is required to sample waste and conduct TCLP (Toxicity Characteristic Leaking Procedure) tests.

After waste disposal, proper documents must be provided by the waste treatment plant to ensure completion. Pursuant to the Regulations Governing Determination of Reasonable Due Care Obligations of Enterprises Commissioning Waste Clearance, waste regulated will be checked again for confirmation. For the removal, transportation, and disposal of hazardous industrial wastes, CCSB follows the removal truck and visits the treatment plant to audit its operations at least once a year to audit the operation of the waste treatment plant. In 2025, the audit results met the regulatory requirements.

Different solvents used in the production of different APIs are different from the starting materials of APIs. Therefore, the type and quantity of waste chemical solvents generated by the production process vary widely. For the organic waste liquid produced by the production process, CCSB has set up a waste liquid storage area in the plant according to the laws and regulations. The organic waste liquid is transported by a legal disposal service provider to the legal professional waste treatment company for disposal.

Waste Output Structure

In 2025, the total amount of non-hazardous waste was 344.51 tons, hazardous waste was 966.97 tons, waste was 1,311.48 tons. All waste is entrusted to qualified waste disposal companies for disposal. The disposal methods include reuse, incineration, landfill and other treatments. No waste is disposed of on site. At CCSB, we are committed to promoting recycling and reuse and we do our utmost to treat recyclable resources as properly as possible. In 2025, the amount of waste reused accounted for 24.58% of the total waste, with a volume of 322.33 metric tons; the remaining 75.42% was disposed of by incineration or landfill or other means, totaling 989.15 metric tons.

Total Waste by Direct/Transfer Disposal

Unit: metric tons

Types of Waste	Breakdown	Total	Disposal by Transfer	Directly Disposed Of		
			Reuse	Incineration	Landfill	Other treatment
Hazardous Industrial Waste	The flash point of the waste liquid is below 60°C (excluding alcoholic waste with ethanol concentration less than 24% by volume) C-0301	966.97	322.33	644.64	-	
	Percentage		33.3%	66.7%	0.00%	0.00%
Non-hazardous Industrial Waste	Organic sludge D-0901	344.51	-	-	-	290.85
	Other general industrial waste not categorized D-2499		-	-	-	53.66
	Waste wood		-		-	-
	Percentage		0.00%	0.00%	0.00%	100.00%
Total weight of waste	Total	1,311.48	322.33	644.64	0	344.51
	Percentage		24.58%	49.15%	0.00%	26.27%

Note: Other treatments include heat treatment and physical treatment.

Total Waste Generated by Breakdown of Waste

Disposal Method	Breakdown	Total Weight of Waste (metric tons)	Percentage
Reuse	The flash point of the waste liquid is below 60° C (excluding alcoholic waste with ethanol concentration less than 24% by volume)	322.33	24.58%
Incineration (non-energy recovery)		644.64	49.15%
Physical Treatment		0	0%
Heat Treatment	Organic sludge	290.85	22.18%
Heat Treatment	Other general industrial waste not categorized	53.66	4.09%
Total Weight of Waste Generated		1,311.48	100.00%

Statistics of Total Waste for the Past Three Years

Unit: metric tons

	2023	2024	2025
Hazardous Industrial Waste	1,868.46	1,455.72	966.97
Non-hazardous Industrial Waste	620.04	479.71	344.51
Total weight of waste	2,488.50	1,935.43	1,311.48

Hazardous Business Waste Disposal Methods



Overall Business Waste Disposal Methods



Waste Reduction Targets: Implementation Measures and Achievements

- + To address the resource consumption and waste generation associated with production processes, the Company has designated “waste reduction, recycling, and circular utilization” as a core policy for production cycle management. By optimizing processes and establishing circular utilization mechanisms, waste source reduction and resource recycling and reuse are promoted to enhance resource utilization efficiency, maximize resource circular value, and mitigate environmental impacts. The waste recycling and reuse rate in 2025 was 24.58%.
- + Waste Reduction Project: After preliminary cleaning and classification, scraps with residual value are commissioned to be cleaned and transported by legally licensed manufacturers. 40% of the proceeds are allocated to the Welfare Committee.

Project Name	Project Description	Details	2025 Performance
Resource Classification and Recycling	Waste Classification and Recycling Project	After preliminary cleaning and classification, the waste with residual value is commissioned to be cleared, transported and disposed of by contractors with legal licenses.	3,299 scrap metal drums 38,180 kg of scrap metal parts 3,660 kg of waste paper



Chapter 6

Product Responsibility

- ✦ CCSB continues to improve its cGMP system and cultivate a professional team to provide customers with the highest quality products and comprehensive services
- ✦ Supply chain risk management ensures quality, information transparency, and consumer health

6.1 Customer Health and Safety	49
6.2 Product Quality and Responsible Manufacturing	51
6.3 Supply Chain Management	55
6.4 R&D Innovation	60

6.1 Customer Health and Safety

Management Policy for Material Topic – Customer Health Safety GRI416-1~2

Material Topics	Customer Health and Safety
Materiality	APIs involve the health, efficacy, and safety of users who use them. Governments around the world are highly concerned about the quality regulations, production processes, and logistics systems of APIs. Any serious violation of the drug-related regulations of each country will expose the enterprise to huge operational risks. Over 90% of the APIs sold by CCSB are exported. As an important international supplier of APIs, it is necessary for us to comply with the regulations of the pharmaceutical authorities in each country.
Policy and Commitment	As a midstream manufacturer in the pharmaceutical product supply chain, CCSB is committed to ensuring the overall pharmaceutical product quality and customer safety. In addition to the cautious control during the internal operations, the Company has also received the “pharmaceutical licenses” for all the pharmaceuticals externally sold, making sure that the pharmaceutical products are not in compliance with any regulations or voluntary principles regarding the impacts on health and safety during their life cycle. At CCSB, we will continue to strive to pursue the goals of excellent quality, services and talent so as to become a competitive and major supplier of high quality Active Pharmaceutical Ingredients (API).
Goals	<u>Short-term goal</u> Our products meet the “International PIC/S GMP” and “Good Drug Distribution Practices” to ensure that the drug production and distribution process are in compliance with the standards, and to provide safe APIs. <u>Medium to long-term goal</u> Continue to obtain or renew GMP certificates in various countries.
Responsible Unit	- Quality Management Center. - All employees within the Company.
Invest in resources	CCSB has established a Quality Management Center, consisting of Quality Assurance (QA) Department, Quality Control (QC) Department, and Regulatory Affairs Department, staffed with professional and experienced professionals responsible for supervising and managing product quality and safety, as well as handling domestic and international drug registration matters.
Complaint Mechanism	To ensure the immediate handling of customer complaints to protect the rights and interests of customers while also maintaining company reputation, we have adopted the “Customer Complaint Handling Procedure.” There is also a special line in place for the Business Department and email in place for customer complaints. Hotline: 02-8684-3318 Email: ccsb@ccsb.com.tw
Action Plan	- CCSB organizes GMP courses each year to share information on the latest regulations, trends, and plant deficiencies, with corresponding employee evaluation completed. - After receiving a poor quality incident (customer complaint), the Quality Assurance Department will refer the case to the relevant department for investigation and judgment according to the “Customer Complaint Handling Procedure.” For more serious cases (level 1 hazards, that is, those with major quality abnormalities that may endanger the health and safety of consumers), the Company proactively and promptly notifies the relevant customers and pharmaceutical regulatory agency according to the established schedule in the “Drug Recall Standards.”
Effectiveness evaluation	<u>CCSB adopts the following mechanisms to conduct routine reviews and audits</u> - In accordance with the “Annual Product Quality Review,” we regularly conduct a product review including relevant quality issues, such as deviations and customer complaints. - A review meeting of management is convened at least twice a year for the discussion of material quality issues. - Regularly track the implementation status and effectiveness of improvement plans for material quality events (including deviations, customer complaints, regulatory/customer inspection results) at least twice a year. <u>Achievement situation of the annual goals of 2025</u> - There was no occurrence of material quality events in CCSB. - There was no violation of regulations of the authority in charge of pharmaceutical products.

As a member of the midstream of the pharmaceutical industry, CCSB

- ✚ In 2025, there were no events of CCSB violating any law and regulations in relation to products and services or health and safety.
- ✚ All drugs on the market have been licensed with drug permit licenses in compliance with the “Pharmaceutical Affairs Act.” Moreover, CCSB makes sure the health and safety of its drugs do not violate relevant regulations or standards in compliance with Taiwan Food and Drug Administration (TFDA), international PIC/S GMP standard, and Good Distribution Practice (GDP).
- ✚ Strict sample retention control procedures are formulated and implemented to ensure the quality of drugs and the health and safety of consumers.



Customer Health

CCSB manufactures and sells APIs in the pharmaceutical industry chain.

The quality of APIs affects the efficacy of drugs, and the impurities contained in them have a significant impact on the safety of drugs and directly affect the health and life safety of users. In order to ensure the effectiveness and safety of drugs, pharmaceutical companies in all aspects of the pharmaceutical industry, including raw material pharmaceutical manufacturers and finished product preparation plants, have strict regulations on the quality of raw materials. For all APIs produced by CCSB, a “drug license” must be obtained to ensure their quality and safety before they can be sold. As of the end of 2025, CCSB holds 26 pharmaceutical product licenses issued by the Taiwan FDA and 29 Pharmaceutical Product Master Files (DMFs)^{Note} approved by the U.S. FDA.

Note: The above statistics include those that have been discontinued, but the licenses have not yet expired.

Sample Retention and Control

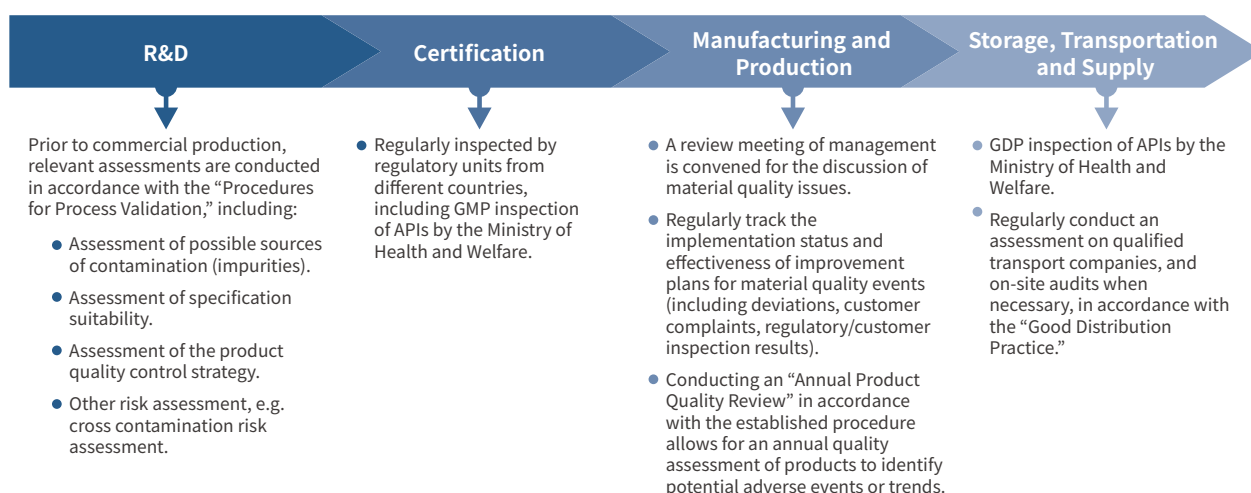
For all the products of CCSB, the samples of finished products and important semi-finished products are retained and controlled in batches according to the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH), in order to guarantee drug use safety.

With stringent sample retention and testing procedures in place, we verify the stability of product quality, trace the quality of products and raw materials, and handle quality issues. In doing this, we ensure that our products are in compliance with regulations or voluntary guidelines on health and safety during the product’s life cycle, provide top-class quality products to our customers.



CCSB's Samples of Finished Products and Important Semi-finished Products Are Retained and Controlled in Batches

Product Health/Safety Assessment



Product Types Assessed	Life Cycle Stage of Products Assessed	Assessment Standards	Percentage of Products Assessed	Assessment Benefits
Products under development (including CDMO projects)	R&D	API development (ICH Q11)	5.49%	We work on design to develop products that meet customers' needs and regulatory requirements.
Commercial production	Certification	Good Manufacturing Practice for Medical Products (PIC/S GMP, ICH Q7)	94.51%	With quality management meeting international standards, after certification, we are able to supply to the market in a sustainable manner.
	Manufacturing and Production	Good Manufacturing Practice for Medical Products (PIC/S GMP, ICH Q7)		
	Storage, Transportation and Supply	Good Distribution Practice for Medical Products (PIC/S GDP)		

6.2 Product Quality and Responsible Manufacturing

Management Policy for Material Topic – Product Quality and Responsible Manufacturing

Material Topics	Product quality and responsible manufacturing
Materiality	The Company's top criterion is "pursuit of excellent quality." As pharmaceutical products are directly related to the health and safety of users, they are subject to strict reviews and supervision by health authorities of all governments worldwide. Pharmaceutical products can only be sold in the market and continuously supplied after they have been verified and certified.
Policy and Commitment	<u>Product quality</u> - Continuously adhere to international pharmaceutical quality standards, including "Good Manufacturing Practice for Medical Products" and "Good Distribution Practice for Medical Products." - Establishing quality management policies and operating procedures that comply with international standards. - Strictly adhere to relevant regulations, such as "Pharmaceutical Affairs Act." <u>Responsible manufacturing</u> - In terms of the entire manufacturing process, which includes supplier management, raw material management control, procedure management control, finished goods storage, and transportation management, we establish corresponding manufacturing management procedures. - Strictly follow the "Good Manufacturing Practice for Medical Products" and "Good Distribution Practice for Medical Products" standards for production and manufacturing.
Goals	<u>CCSB continuously pursues</u> - Satisfying customer needs, including meeting quality expectations, while simultaneously adhering to all relevant regulatory requirements. - Enhancing product quality through systematic methods and standardized procedures to meet regulatory requirements in different markets. - Continuously improving the quality system to enhance or maintain the ability to meet customer or regulatory requirements.
Responsible Unit	Quality Management Center, Manufacturing Center.
Invest in resources	<u>Product quality</u> - Establish a Quality Management Center: consisting of Quality Assurance (QA) Department, Quality Control (QC) Department, and Regulatory Affairs Department, staffed with qualified and experienced professionals responsible for supervising and managing product quality and safety. <u>Responsible manufacturing</u> - Establish a Manufacturing Center: in addition to the production units, which includes departments for facilities management, public facilities, production management, calibration, and warehousing operations, the Division is staffed with trained and certified professionals. These said departments are in charge of production and manufacturing, maintenance of production equipment and support systems, and warehouse management. <u>Ensure the safety of production operations</u> - All production areas involving organic solvents are planned as explosion-proof areas and equipped with equipment that meets explosion-proof requirements. - Equipped with ventilation, organic solvent detectors and other devices. 24-hour (3 shifts) of supervisors with qualified licenses of organic operation and anoxic operation.
Complaint Mechanism	The Company has set up dedicated business department hotline and email inbox to provide customer complaint handling services. Hotline: 02-8684-3318 Email: ccsb@ccsb.com.tw
Action Plan	- In accordance with the International Council of Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH) Pharmaceutical Quality Systems, especially ICH Q10, the principles of quality management, encompassing the four key elements of process performance and product quality monitoring, correction and prevention systems, change management system, and management review, should be appropriately applied across various stages of the active pharmaceutical ingredient lifecycle. This includes product development, technology transfer, commercial production, and product discontinuation. - In order to incorporate the concepts of product quality and production safety into daily operations, the Company places significant importance on employee training. Apart from the mandatory external training and certification required for key personnel as per regulations, all employees are required to complete job-specific educational training and pass assessments corresponding to their roles. - Conducting an "Annual Product Quality Review" in accordance with the established procedure allows for an annual quality assessment of products to identify potential adverse events or trends. - Based on the risk management principles of ICH Q9 Quality Risk Management, for the production and manufacturing process in CCSB, which includes supplier management, raw material management control, procedure management control, finished goods storage, and transportation management, an overall process review and risk analysis should be conducted using Failure mode and effects analysis (FMEA). This ensures that all risks are effectively managed and controlled throughout the entire process. We determine the appropriate control methods to be adopted to achieve the purpose of quality risk management.
Effectiveness evaluation	<u>CCSB adopts the following mechanisms to conduct routine reviews and audits</u> - Regular management review meetings are convened to discuss significant quality issues, which may arise from deviations, customer complaints, changes, trends, and regulatory inspection results, etc. These meetings are held at least twice a year. - Regular internal audits are conducted at least four times a year. - Regular significant system reviews are conducted, including deviations, customer complaints, changes, regulatory inspections, and customer inspection results, etc. <u>Achievement situation of the annual goals of 2025</u> - Passed the Ministry of Health and Welfare's GMP and GDP audits for APIs. - Passed the GMP audit for APIs by the US FDA, Germany, and Japan's PMDA. - No significant violations of relevant pharmaceutical good practice regulations occurred. - No product quality-related issues requiring reporting occurred.

Product production and manufacturing process



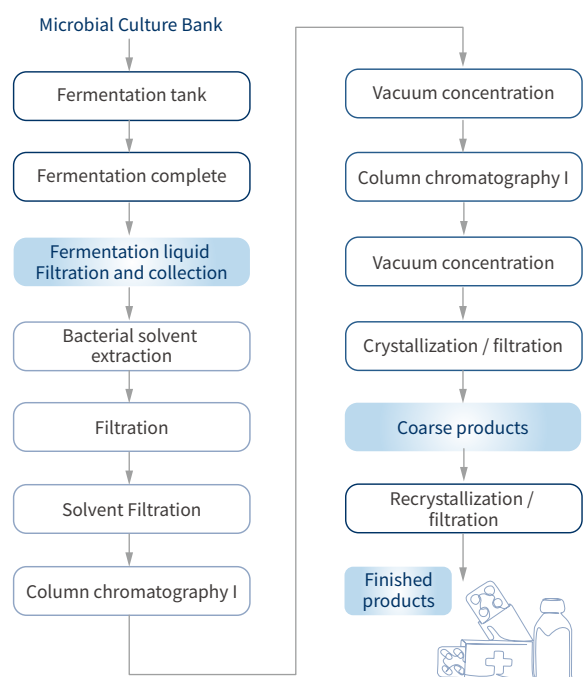
API development

The development of APIs can be categorized into two methods, biotechnology fermentation and chemical synthesis:

Biotechnology fermentation

By utilizing modified microbial strains, a fermentation process is employed to enable the production of APIs with desired metabolites. Subsequently, a series of purification processes are implemented to meet the specifications of drug purity and impurities in accordance with the pharmaceutical standards.

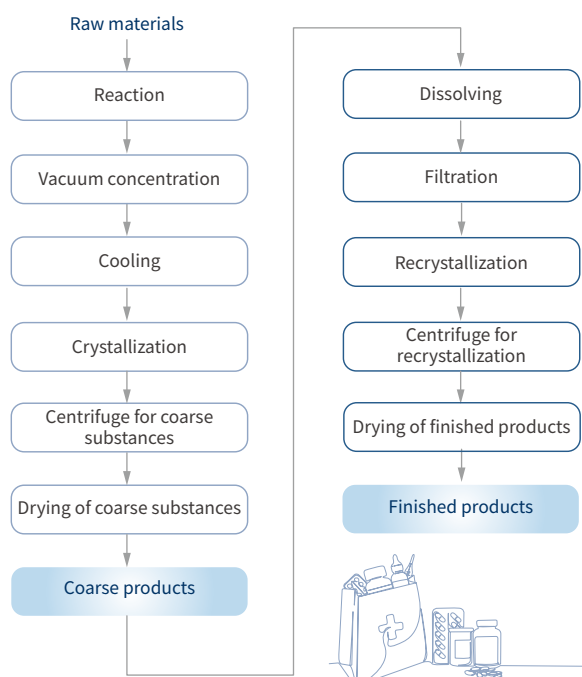
+ Fermentation Flowchart



Chemical synthesis

With mature and excellent chemical synthesis technology and knowledge, as well as advanced production and purification equipment, we can further optimize the production process and stabilize the quality of APIs.

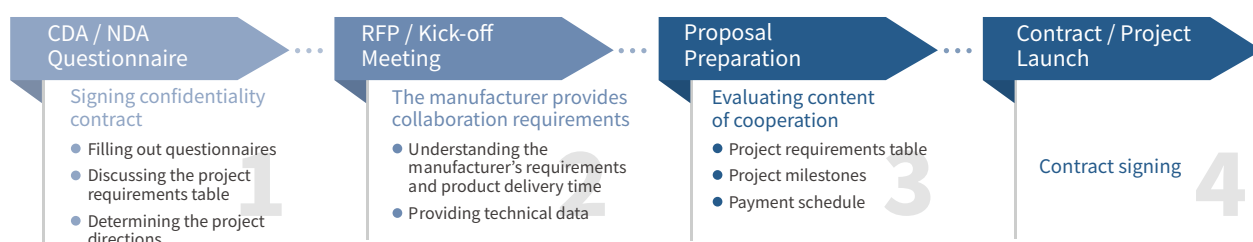
+ Synthesis Flowchart



API Outsourcing (CMO/CDMO)

Based on the compound structure or synthesis route provided by the customer, we first complete gram to 100-gram production in the laboratory, and then optimize the reaction steps after confirming the design route. Through the verification of several batches of small batches to confirm that the product quality and yield are stable, we will gradually increase the batch size to the kilogram scale to meet customer needs.

+ API outsourcing flowchart



Product Quality and Safety Management Organization and Operating Procedures

Quality and Safety Organization

CCSB has established a Quality Management Center, consisting of Quality Assurance (QA) Department, Quality Control (QC) Department, and Regulatory Affairs Department, staffed with qualified and experienced professionals responsible for supervising and managing product quality and safety, as well as handling domestic and international drug registration matters. Furthermore, they report directly to the President and are responsible for quality assurance, quality control, and regulatory affairs. They are involved in all matters related to quality, including reviewing and approving quality-related documents.

Quality Safety Operating Procedures

CCSB follows international regulations such as PIC/S GMP to design quality and safety practices. The Company has established over 2,500 documents such as quality manuals, quality-related standard operating procedures, various plans, and reports to ensure product quality and safety.

Product Quality and Safety Education and Training

CCSB attaches great importance to product quality and safety.

To ensure that employees have knowledge of PIC/S GMP, a series of education and training courses are organized and required for the Company's employees to take relevant courses. New recruits are required to participate in the entire process; relevant employees are also regularly arranged to participate in external training courses. In 2025, the cumulative number of participants in the course was 333 person-times, totaling 697 hours, demonstrating the importance that all employees of the Company place on product quality and safety.



CCSB offers courses related to Good Manufacturing Practice for Medical Products (GMP) as per PIC/S standards.

Types of Education and Training	Following regulations/standards	2025 Course Titles	2025 Number of Course Participants	Total Training Hours in 2025
Good Manufacturing Practice for Medical Products (GMP) course	Pharmaceutical Inspection Co-operation Scheme Good Manufacturing Practice for Medical Products (PIC/S GMP)	Annual training of Good Manufacturing Practice for Medical Products (GMP) of 2025	271	271
New-hire Training	Pharmaceutical Inspection Co-operation Scheme Good Manufacturing Practice for Medical Products (PIC/S GMP)	Training on Good Manufacturing Practice for Medical Products (GMP) for new quality-related personnel	3	6
External Training	Pharmaceutical Inspection Co-operation Scheme Good Manufacturing Practice for Medical Products (PIC/S GMP)	Depending on external training courses	59	420
Total			333	697

Product Quality and Safety Monitoring and Improvement Tracking

In recent years, CCSB has successfully passed customer and regulatory authority inspections without significant findings or deficiencies.

CCSB has established a "Product Quality Review" procedure and conducts an annual review of product quality to ensure that existing processes can consistently produce products that meet quality standards. We continue to monitor process performance and product quality through a monitoring systemNote to maintain control status and comply with Good Manufacturing Practice for Medical Products (GMP) for pharmaceuticals, identifying defects for improvement as needed. In 2025, a total of four internal audits were conducted, revealing 29 discrepancies. These discrepancies were categorized as "minor," with no major or critical issues identified. Additionally, all of these discrepancies had corrective plans submitted within the specified timelines, which were successfully implemented.

CCSB has established the "Corrective and Preventive Action (CAPA) Management" procedure book to identify the root cause of errors through systematic reviews and investigations, and take appropriate measures to prevent similar situations from happening again. For corrective and preventive measures derived from the investigation and monitoring of product quality reviews, customer complaints, non-conformance, deviations, audits, etc., the improvement results are tracked through appropriate internal tracking processes and systems. Simultaneously, regular management review meetings are convened to discuss significant quality issues, which may arise from deviations, customer complaints, changes, trends, and regulatory inspection results, etc. These meetings address the corrective and preventive actions related to such issues and aim to continuously improve the pharmaceutical quality system.

Note: The monitoring system includes product quality feedback from both internal and external sources, such as customer complaints, non-conformances, deviations, and various audits.

Statistics on customer and regulatory authority inspection within CCSB

Year	2020	2021	2022	2023	2024	2025
Food and Drug Administration, Ministry of Health and Welfare (Taiwan)	1	1	2	1	1	NA
Food and Drug Administration (U.S.)	0	0	1	0	1	NA
German official	0	0	0	0	1	NA
Japanese official	0	0	0	0	1	NA
The number of regulatory authority inspections	1	1	3	1	4	0
Number of Customer Inspections	5	9	16	11	11	16

Product Storage and Transportation

Warehousing Management

CCSB complies with Good Distribution Practice (GDP) and has established a series of standard operating procedures (WH series) for the storage and management of raw materials, intermediates, and APIs. These procedures ensure that product quality is not affected by environmental factors.

Item	Raw materials	Intermediates	APIs
Storage Management	- Storage Management Practices (WH01) - Raw Material Management Practices (WH02) - Good Storage Management Practices (WH19)	- Storage Management Practices (WH01) - Finished Product Management Practices (WH03) - Good Storage Management Practices (WH19)	- Storage Management Practices (WH01) - Finished Product Management Practices (WH03) - Shipping Management Practices (WH07) - Good Storage Management Practices (WH19) - API Transportation Management Practices (WH21)

Shipping and Transportation Management

- + A standard document titled “Good Distribution Practice (GDP)” is established, which outlines the requirement to engage qualified contracted transportation providers for product distribution to ensure that products are maintained under appropriate environmental conditions.
- + Before using contracted transportation providers, a validation/assessment (Note) process is carried out to ensure that the services provided meet quality requirements.
- + Properly store product distribution records for traceability purposes.

Note: Contracted suppliers, including transportation providers, undergo an annual validation or assessment for the previous year to confirm their compliance with in-house outsourcing requirements to identify any related deviations.

Product Traceability, Anti-Counterfeiting, and Storage Procedures

CCSB assigns a batch number to each batch of products and maintains records of incoming inspection, production, and quality control for at least 8 years to ensure product traceability. In the event of a quality issue, the records serve as reference information to trace the production and quality control status of the product at that time. This information is valuable for investigating deviations, customer complaints, and other abnormal events.

To maintain product traceability in the supply chain and prevent counterfeiting, an inspection is carried out before shipment in accordance with the procedure of the “Shipping Management Practices”:

- + Confirm that the finished product packaging is intact and free from damage.
- + Confirm that anti-counterfeiting labels or seals (bearing the “CCSB” mark) have been affixed or inserted.

In 2025, CCSB had no incidents related to the discovery, seizure, arrest, or initiation of criminal prosecution involving counterfeit drugs.

According to the “Customer Approval Procedures,” all product shipments must be confirmed to be within the legal supply chain. We sell APIs to pharmaceutical companies in the United States, Canada, the European Union, Japan, South Korea, and Taiwan, all of which have been confirmed to be within the legal supply chain.

Upon receiving a quality defect event (customer complaint), the Quality Assurance Department in CCSB follows the “Customer Complaint Handling Procedure” to initiate an investigation into the cause of the issue and conduct an evaluation. For more severe cases (those meeting the criteria for level 1 Hazards, i.e. those with significant quality abnormalities that pose a risk to patient health and safety), relevant customers and pharmaceutical regulatory authorities should be proactively and promptly notified. Based on the frequency and severity of customer complaint events, the handling is classified as follows:

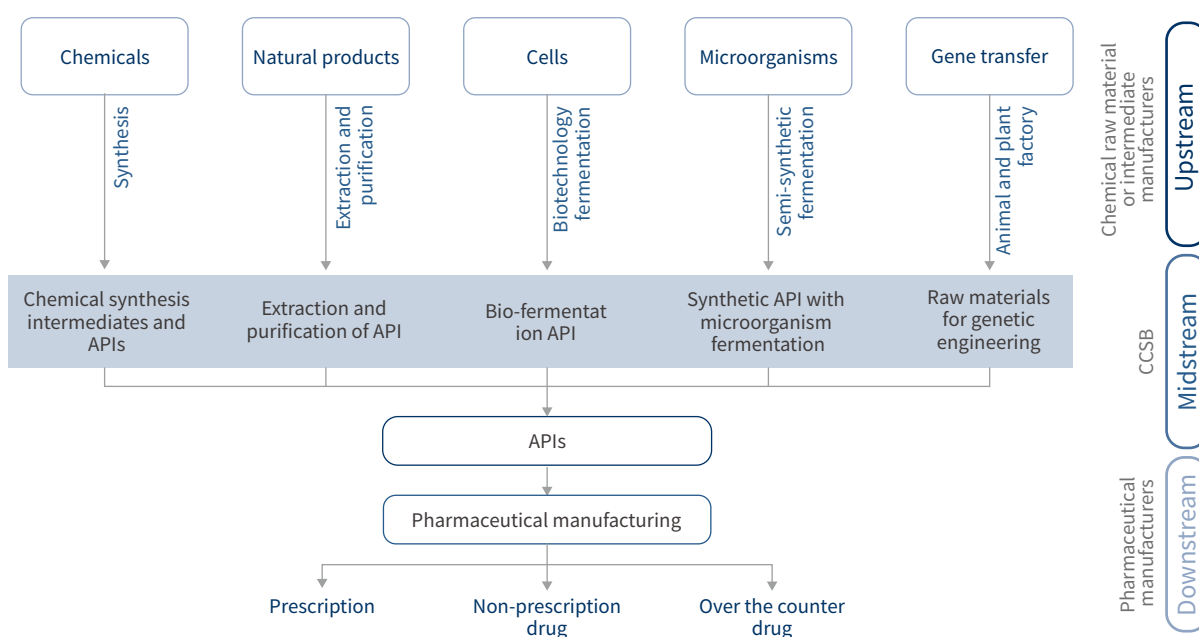
Level	Frequency of Occurrence	Severity of Hazards	Reporting and Processing Deadlines
Level 1 Hazards	No such occurrence	Products that affect product quality and have the potential to harm the end user (patient) after being formulated, or products that have been officially listed as prohibited drugs.	Within 48 hours from the date of recall confirmation, customers are notified by telephone or email as a preliminary step, and formal written notifications, including domestic and foreign pharmaceutical regulatory authorities, are completed within 72 hours.
Level 2 Hazards	No such occurrence	May affect product quality but does not pose a risk to the end user (no patient harm concern).	Customer notifications are completed within two weeks from the date of recall confirmation.

6.3 Supply Chain Management GRI 2-6、204-1、308-1、308-2、414-1、414-2

Industry Supply Chain

CCSB is in midstream API manufacturing segment in the pharmaceutical industry chain. After purchasing relevant raw materials from upstream suppliers according to product needs, CCSB produces APIs for sale to downstream preparation plants, which then invest in relevant excipients according to the formulas to be processed into the commonly used dosage forms in the market. As APIs are the main ingredient in drugs with therapeutic effects, they directly affect the health and safety of users. In order to ensure the efficacy and safety of drugs, the quality of raw materials is regulated very strictly by relevant global organizations and pharmaceutical plants (API plants and finished product preparation plants) in the pharmaceutical industry. Therefore, in order to comply with the FDA's Good Manufacturing Practice for Medical Products (cGMP) regulations and maintain quality stability, most of the upstream and downstream manufacturers are long-term strategic partners.

Upper, middle and downstream supply chain of the pharmaceutical industry



Supplier management and evaluation

Supplier Management Policy

To ensure that the quality of the APIs produced meet product specifications, intended efficacy, and safety, we implement the following supply chain management policies:

- + Establish rigorous procurement procedures: There are corresponding management procedures from raw material search, procurement to raw material acceptance.
- + Procurement from reliable suppliers, including: integrity, quality, delivery, etc.
- + Suppliers of new raw materials must undergo scrutiny and necessary audits, and the provided raw materials must be qualified by the R&D unit and on-site before they can be used in the production process.
- + While maintaining the trust of existing suppliers, we actively seek other suppliers to diversify procurement risks and maintain supply chain flexibility.
- + Formulate sustainable procurement policies and Supplier Code of Conduct, commit to continuous monitoring of sustainability-related environmental and social issues, and incorporate sustainability principles into the supplier evaluation process.

The suppliers of CCSB can be primarily categorized into raw material suppliers and process auxiliary material suppliers, with a major presence in Taiwan and China. A smaller portion of suppliers comes from Europe and America, and the local procurement ratio exceeds 60 percent. In 2025, there were a total of 85 suppliers with procurement records, including 70 raw material suppliers and 15 process auxiliary material suppliers.

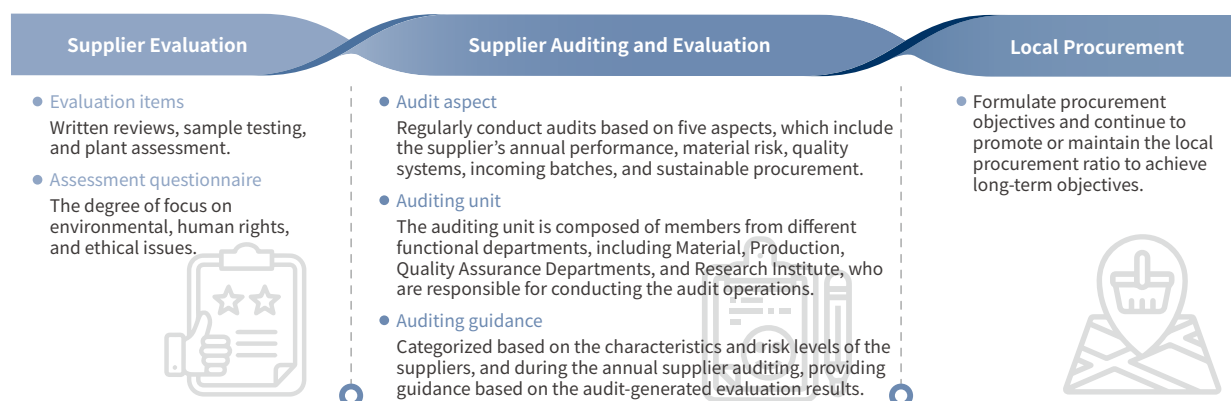
Supplier Management Mechanism

CCSB has made sustainability an integral part of its management philosophy and has conducted due diligence on the risks associated with its suppliers. The Company has actively promoted a friendly workplace environment that protects workers alongside its suppliers and has followed the CCSB “Supplier Code of Conduct.”

Through the three aspects of “supplier evaluation,” “supplier auditing and evaluation,” and “local procurement,” suppliers are managed according to the supplier management process: Upstream and downstream sustainable value chain is developed and improved through “supplier evaluation” and “supplier auditing and evaluation”; a highly efficient and competitive local supply chain is established through “local procurement” to shorten the transportation distance of raw materials and reduce GHG emissions.

CCSB conducts supplier evaluations on suppliers every year to ensure their long-term stability in providing raw materials that comply with laws and regulations, as well as safety, health, and quality. When signing contracts with major suppliers, the contract contents are based on CCSB’s “Sustainable Procurement Policy,” including sustainable procurement, labor rights, health and safety, environmental protection, business ethics, and management systems. We hope to share common values with our suppliers, collaborate to implement sustainable procurement policies, ensure the sustainable development of our supply chain, and jointly pursue the goal of mutual benefit for both the enterprise and society.

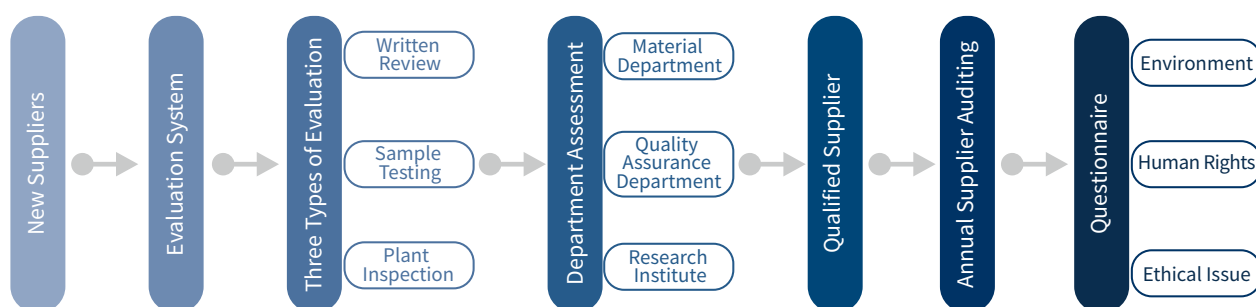
Supplier management process and related mechanisms



Supplier Evaluation

Based on the “Qualified Manufacturer Evaluation Criteria,” the Materials Department obtains raw material samples (in principle, from three different batches) and relevant information, collects manufacturer questionnaires, and submits change control forms. The raw materials are then submitted to the Quality Control Department for raw material sample analysis, followed by sample evaluation by the Research Institute. The Quality Assurance Department reviews the raw material manufacturer questionnaires, relevant information, and factory audit evaluations. Once the change is approved, the manufacturer is designated as an initial qualified raw material manufacturer, and after the Production Planning Section submits a change control form, on-site trial production may proceed. After the Research Institute conducts the on-site trial production assessment, the Quality Assurance Department consolidates the evaluation results. Upon confirming that all qualification criteria are met, the manufacturer is approved as a qualified manufacturer, the qualified manufacturer evaluation form is recorded, and the list of qualified raw material suppliers is updated. Once a tier-1 raw material manufacturer passes the assessment, the Quality Assurance Department initiates the formal signing of a quality contract with the manufacturer.

In addition, for auxiliary materials such as PE bags, aluminum foil bags, cartons, and paper drums, relevant units submit a change control form and require suppliers to provide relevant inspection data or certification documents for procurement acceptance. The Quality Assurance Department may list a supplier as a qualified supplier after verifying the existence of relevant inspection data or certification documents, successful acceptance of purchases, questionnaires, and relevant evaluation data.



Year	2022	2023	2024	2025
Number of New Suppliers	16	7	14	13

Supplier Auditing and evaluation

Supplier Auditing Rules

The Quality Assurance Department conducts an annual assessment of raw material manufacturers in the first quarter of each year. The risk level of the raw material manufacturers is determined based on the annual assessment results. The risk level results of raw material manufacturers are presented in the raw material qualified supplier assessment report, or may be recorded in the annual qualified manufacturer assessment (QA07-Form04). Evaluation items include annual performance, raw material risk, quality system, and number of purchase batches.

- ✚ For qualified manufacturers, the Quality Assurance Department plans plant inspection assessments and the frequency of plant inspections is based on the risk level in the annual assessment and other relevant information.
- ✚ Qualified manufacturers of direct packaging materials are only evaluated for the pass rate and the severity of deviation in the annual assessment. When necessary, an actual plant inspection will be arranged or another manufacturer will be considered.
- ✚ For manufacturers with a high-risk profile, such as in cases of repeated or serious customer complaints, the Quality Assurance Department may conduct an assessment and promptly arrange for physical plant inspections when necessary.

In 2023, the Materials Department formulated the “Supplier Code of Conduct,” requiring suppliers to fully understand and jointly comply with CCSB’s sustainable procurement policy. Simultaneously, a “Sustainable Procurement Questionnaire” was established. For qualified suppliers selected based on the Qualified Manufacturer Evaluation Criteria, the Materials Department distributes the “CCSB Supplier Code of Conduct” and the “Sustainable Procurement Self-Evaluation Questionnaire” every December. In addition to requiring qualified suppliers to thoroughly read and strictly comply with the Company’s Supplier Code of Conduct, the Materials Department evaluates the completed self-evaluation questionnaires based on the suppliers’ level of concern regarding environmental, human rights, and business ethics issues to identify “Excellent Suppliers,” “Medium-Risk Suppliers,” and “High-Risk Suppliers.” Follow up on the subsequent improvements of high-risk suppliers and suspend procurement from them before improvements are made, in order to maintain sound supply chain partnerships. We expect all suppliers to work with CCSB to protect the environment, care for society, and achieve sustainable growth.

Topics of “Sustainable Procurement Questionnaire”



Supplier Auditing Results

On a regular basis every year, we’d visit key suppliers. In 2025, we conducted surveys and visits to 5 suppliers.

Year	2022	2023	2024	2025
Number of Primary Suppliers ^{Note}	13	11	5	5

Note: Primary suppliers are defined as those with annual procurement amounts exceeding ten million a year.

CCSB rates suppliers based on five criteria: annual performance, raw material risks, quality systems, incoming batch assessments, and sustainable procurement over the past year. Suppliers are categorized into different levels based on their evaluation scores. For suppliers with lower scores, plant audits will be arranged or improvement plans provided.

Aspects	Evaluation Items	Evaluation Criteria
Economic governance	Annual performance	Qualified manufacturers are given an annual performance score (out of 100 points), with evaluation items including annual qualification rate and the severity of deviations.
	Raw material risks	The raw materials are classified into three levels based on their material grade: first-grade (primary material), second-grade, and third-grade materials.
	Quality systems	Quality systems are categorized based on whether the manufacturer has GMP/ISO 9001 certification or other quality system certifications.
	Number of incoming batches	Incoming batches are divided into two categories based on the quantity of purchased items for the current year: Numbers less than 10 and numbers greater than or equal to 10.
Environment/ Society	Sustainable Procurement	Scored based on the content provided in the questionnaire response.

Supplier Rating Levels and Handling

The overall supplier rating is divided into A to C: A is the lowest risk level; C is the highest risk level. If a supplier/outsourcer receives a C rating for two consecutive years, an assessment will be conducted to determine whether it is necessary to suspend, reduce, or terminate the supply. The annual assessment results also impact the frequency of on-site audits.

In 2025, evaluations were conducted for 297 suppliers, with the following evaluation results for raw material suppliers: grade A accounting for 100.0%, grade B for 0.0%, and grade C for 0.0%. For supplier validation procedures, internal review standards are followed, with each relevant department overseeing the process and implementing supplier auditing plans.

Supplier Overall Rating Results

Unit: number of suppliers

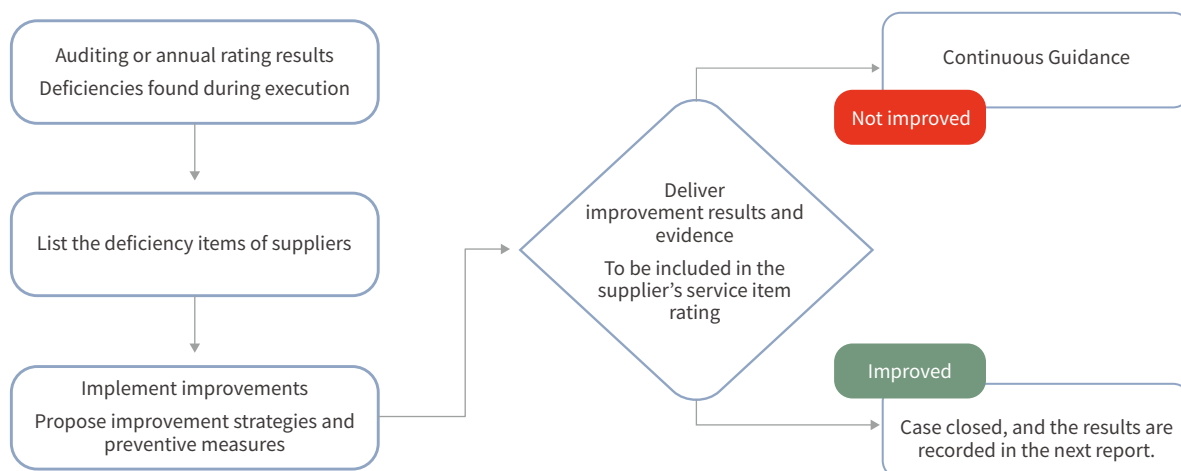
Level	2023	%	2024	%	2025	%
A	291	99.7%	297	99.3%	297	100.0%
B	1	0.3%	2	0.7%	0	0.0%
C	0	0.0%	0	0.0%	0	0.0%
Total	292	100.0%	299	100.0%	297	100.0%

The supplier sustainable procurement rating level is also divided into three categories: “Excellent Suppliers” demonstrate high concern for environmental, human rights, business ethics, and other issues, pose minimal environmental and social impacts, and may maintain long-term cooperation; “Medium-Risk Suppliers” have gradually begun to prioritize sustainable procurement issues but still have management gaps in specific sustainability indicators, requiring regular tracking and supervision to improve their sustainability performance; “High-Risk Suppliers” lack concern for sustainable procurement issues, and through the continuous sharing of the “CCSB Supplier Code of Conduct,” the importance of sustainable procurement is promoted and suppliers are encouraged to adopt sustainable development methods, guiding them to become sustainable procurement partners. Suppliers identified as high risk for two consecutive years may be considered for replacement.

According to the 2025 “CCSB Supplier Sustainable Procurement Survey Statistical Report,” among the suppliers and brands that have cooperated within the past two years, 119 responded to the sustainable procurement questionnaire, representing a response rate of 54%. Among them, there are 74 low-risk suppliers (62%), 44 medium-risk suppliers (37%), and 1 high-risk suppliers (1%).

Supplier Auditing Guidance

CCSB will communicate the auditing results to the supplier. In the case of deficiencies that need improvement, the supplier is requested to submit improvement and preventive measures, which will be included in the next supplier service evaluation.



In 2025, a total of 5 raw material supplier audits were conducted with no major observations, and the factory evaluation results were acceptable. A total of 1 high-risk supplier was identified in the sustainable procurement aspect, and supplier guidance was completed in 2025.

Moving forward, CCSB will continue to require suppliers to enhance quality and implement sustainable procurement while ensuring quality and ESG management, making CCSB's product quality more stable and enabling CCSB and its partners to align with international standards and advance toward sustainability.

Local Procurement

The raw material procurement strategy of CCSB is to “procure locally and supply locally.” Therefore, the Company prefers local enterprises and companies registered in Taiwan, and then extends to neighboring countries in Asia, such as China, Hong Kong, Japan, and South Korea. As the voyage for raw material transportation is shortened, it can reduce GHG emissions and reduce environmental impact. We will work hand in hand with suppliers on the path of environmental sustainability.

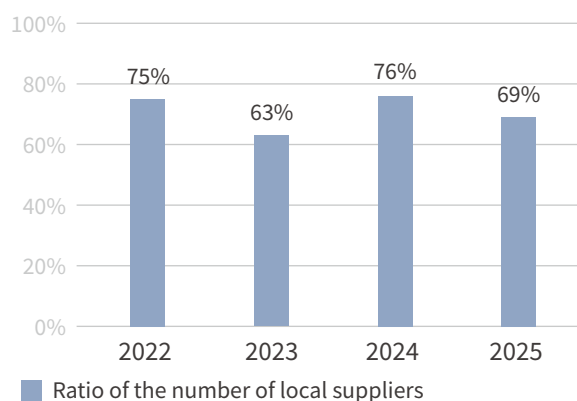
As a result of changes in product type and production volume, the proportion of CCSB’s local suppliers in 2023 decreased to 63%. In addition, due to the skyrocketing international prices of main raw materials for production in Taiwan, the percentage of local procurement in 2023 decreased to 34%, but the amount of purchases still grew by more than 25% compared to 2022. The percentage of local suppliers for procurement in 2024 was increased to 76%, and the percentage of local procurement amounted to 36%. In 2025, we continue to deepen our collaboration with the local supply chain. Although the number of local suppliers was adjusted to 69% compared to the previous year, the percentage of local procurement amount significantly increased to 50%.

Number and Amount of Local Suppliers

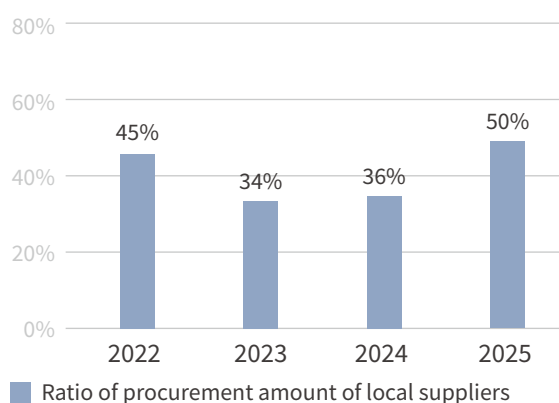
Year	Total Number of Local Suppliers	Total Number of Suppliers	Percentage	The Procurement Amount From Local Suppliers (in NTD thousand)	The Procurement Amount From Suppliers (in NTD thousand)	Percentage
2025	59	85	69%	88,094	176,469	50%
2024	60	79	76%	107,978	297,926	36%
2023	59	94	63%	398,304	1,176,566	34%
2022	76	101	75%	317,071	708,190	45%

Note: The total number of suppliers here refers to those suppliers who were involved in procurement for the current year and does not encompass all qualified suppliers.

Ratio of the number of local suppliers



Ratio of procurement amount of local suppliers



6.4 R&D Innovation

Material Topics	R&D Innovation
Materiality	CCSB believes that R&D and innovation capability is one of the keys to its sustainability. CCSB accumulates capital for sustainable operations through the continuous promotion and listing of new products and exploring new markets.
Policy and Commitment	- Comply with various international regulations and develop APIs with high quality standards. - Continue to increase R&D strength to develop new products with unique key technologies at high prices and high technology thresholds. - Continue to integrate microbial fermentation and chemical synthesis technologies to develop biotechnology, semi-synthetic, and fully synthetic products. - Continue to invest in R&D and innovation, plan patent applications with innovative technologies, and carry out patent deployment.
Goals	<u>Short-term goal</u> - Continue to improve biological fermentation and chemical synthesis technologies, plan patent applications, and conduct global market deployment. - Add multiple choices of new product development items to enhance competitiveness in the global market. - CDMO/CMO business development: Participate in the new drug R&D plans of domestic and foreign major pharmaceutical companies, enter into early R&D cooperation relationships, in anticipation to form a strategic alliance with major pharmaceutical plants for joint growth. - Develop solvent recycling technology in response to increasingly stringent environmental requirements. - Introduce the concept of waste reduction and emission reduction from the product process development/improvement stage to fulfill the social responsibility of being friendly to the environment. <u>Medium to long-term goal</u> - We shall continually boost our R&D momentum and adjust R&D strategies to further develop products at high prices, with high technical threshold, with few competitors but high profitability. Through such efforts, we could successfully enhance the productivity and operating benefits at the business premises.
Responsible Unit	R&D Center.
Invest in resources	- Continue to update the information on relevant laws and regulations and professional knowledge training courses required by R&D personnel. - Encourage and support R&D personnel to participate in various internal and external education courses to enhance their professional knowledge.
Complaint Mechanism	R&D Center.
Action Plan	- Regularly hold new product R&D meetings to report the progress and results of each R&D project. - Implement feasibility assessment, propose quotation, confirm deliverables and schedules, and report R&D results of CDMO-entrusted R&D projects.
Effectiveness evaluation	4 new patents were approved, and a total of 22 patents were valid. - One small molecule process development was completed. 5 API master files were submitted.

With a strong R&D team equipped with bio-fermentation and chemical synthesis technologies, we have ventured into the market of high-volume medical and low-volume R&D APIs.

In response to the needs of different fields, the R&D innovation process of CCSB includes:

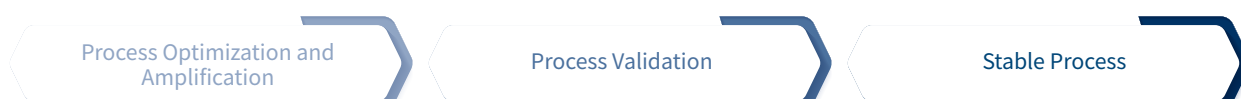
R&D Process for New Products of Fermentation, Small Molecules and Peptides



CDMO Process



Existing process optimization and amplification



R&D Resource Investment

CCSB is one of the few companies in Taiwan equipped with both synthesis and biological fermentation technologies.

To support the Company's continuous research and development of new products, CCSB has established a strong R&D team for synthetic and biological fermentation technologies:

- ✚ In 2025, the number of R&D personnel was 60.
- ✚ In 2025, R&D expenses reached NTD 168,348 thousand, accounting for 20.92% of operating revenue.
- ✚ Cumulative investment in R&D in the past three years has exceeded NTD 616,885 thousand.

R&D personnel and expenditure statistics for 2025

Unit: number of people

Year	2023	2024	2025
R&D manpower	72	68	60

Unit: NTD thousand

Year	2023	2024	2025
R&D funds	242,969	205,841	168,348
Annual operating revenues	2,086,441	1,347,375	804,878
R&D percentage	11.63%	15.28%	20.92%

R&D achievements in 2025

Synthesis Institute	Biotech Science Institute	Production Technology Department
- Completed the scale-up of new process for producing Plecanatide, a drug for the treatment of chronic idiopathic constipation. - Completed the manufacturing process enlargement for Selumetinib Sulfate, an API for treating neurofibromatosis, reaching a purity of over 99%. - Completed the process scale-up of Semaglutide, an API for treating diabetes and weight management, to 1 kg level, achieving a purity of over 99%. - Developed a process for Tenapanor, a pharmaceutical ingredient for treating hyperphosphatemia in chronic kidney disease dialysis patients and constipation-predominant irritable bowel syndrome.	- Completed the development of an experimental process to improve the quality of Dalbavancin raw material, a dermatological antibacterial drug, ensuring its nitrosamine impurity levels are below the regulatory standard (1 ppm). - Completed process validation for 3 batches of Semaglutide fermentation intermediate, a weight loss drug, and the yield and quality met specifications. - Completed scale-up laboratory process development for the Semaglutide side chain. The yield and quality met the standards. - Completed laboratory process development of the multiple sclerosis raw material Ozanimod Free Base, meeting the customer's requirements. - Complete the laboratory process scale-up and 6-month stability testing of the cancer drug Trilaciclib raw material. The quality met the specifications and applied for the US DMF.	- CAS process optimization and improvement. - EVE process amplification. - PNB process optimization. - The production process of EPAE, FK-506, Rapa and EVE is stable.

Future R&D plans

CCSB builds strong R&D capabilities, adjusts R&D strategies, and leverages our core strengths in chemical synthesis and microbial fermentation technologies to continuously develop new products that challenge patents, and pharmaceutical companies with pharmaceutical companies whose patents are about to expire or have expired, and the high quality required by the pharmaceutical manufacturers. These include new APIs, such as immune preparations, anticancer drugs, cardiovascular, rheumatoid arthritis, diabetes, and anti-infective drugs.

	Synthesis Institute	Biotech Science Institute
Name of research project	- Selumetinib Sulfate - Anidulafungin - Rezafungin - Tenapanor	- Dalbavancin - Echinocandin B - Echinocandin B Nucleus - Lerociclib
Projected R&D expenses in 2026	Excluding the commercialization programs, the Company estimates to additionally invest about NTD 25,500 thousand.	Excluding the commercialization programs, the Company estimates to additionally invest about NTD 25,000 thousand.



Chapter 7

Employee Care

- ✦ Employees are the Company's most valued and important asset
- ✦ Establish a work environment featuring equality, inclusiveness, diversity, innovation, and safety
- ✦ Provide a channel for employees' career development and self-realization
- ✦ Establishment of employee share ownership trust
- ✦ We respect human rights and protect employee safety, health, and fair treatment

7.1 Employment	63
7.2 Talent Cultivation and Development	73
7.3 Occupational Health and Hygiene	77

7.1 Employment

Management Policy for Material Topic – Employment GRI2-7, 2-8, 2-30, 401-1~3, 201-3, 402-1

Material Topics	Employment
Materiality	CCSB is committed to providing our employees with a high-quality, safe, and healthy working environment, and is dedicated to enabling all employees to maximize their potential and grow in sync with the Company.
Policy and Commitment	CCSB adheres to UN human rights policies, implements workplace diversity in employment, ensures equal opportunities, training, benefits, performance evaluations, and promotions. Through diverse and effective channels for negotiation, we strive to foster positive and constructive employment relationships.
Goals	<u>Short-term goal</u> Zero cases of recruitment violations, harassment, discrimination, or employee human rights-related complaints have been reported. <u>Mid- and Long-term goal</u> Zero cases of recruitment violations, harassment, discrimination, or employee human rights-related complaints have been reported.
Responsible Unit	Human Resources Department.
Invest in resources	Labor Conference: Providing a communication channel for employees. Employee complaints mailbox: Providing a channel for employee complaints. Employee Welfare Committee: Providing a friendly workplace and benefits for employees.
Complaint Mechanism	<u>Human Resources Department</u> Email: hr@ccsb.com.tw Hotline: 02-86845311#600
Action Plan	- Establishing and implementing human rights management guidelines that prohibit forced labor, child labor, discrimination, promote diversity in employment, respect privacy, prioritize employee health, safety and working balance. - The Company has an “Employee Complaint Mailbox” for dedicated units to publicize and handle employee complaints. Regular labor-management meetings are also held. Employees can raise any opinions to the labor representatives in the department and make proposals in labor-management meetings. - The Company conducts performance evaluations for all employees annually. New employees also undergo probationary and year-end performance assessments in accordance with the Company’s policies.
Effectiveness evaluation	- In 2025, there were no reported cases of recruitment violations, harassment, discrimination, or employee human rights-related complaints. - Labor conferences are held quarterly, with a total of four of these conferences conducted in 2025. - In 2025, a total of 3 new employees were hired. - The participation rate in 2025 performance evaluations was 100%. - There were six female supervisors in 2025.

Employees are the most important assets of the company.

CCSB employs fair, just, and transparent selection process to recruit suitable talent while also maintaining employee rights. Our employment policies do not discriminate based on gender, race, socioeconomic status, age, marital or family status, and we ensure equality and fairness in employment, working conditions, remunerations, benefits, training, performance evaluations, and promotion opportunities.

To ensure their job satisfaction, the Company not only offers competitive overall remuneration packages (including base salary, allowances, and employee cash bonuses and rewards) but also provides training mechanisms for employee growth and development. Additionally, the Company goes beyond legal standards to offer benefits tailored to meet the needs of our employees.

Human Rights Due Diligence

Human Rights Policy and Commitment

The Company has sought to safeguard the basic human rights of employees, shape human rights and fully protect the environment, and recognize and support the UN Universal Declaration of Human Rights, the Global Compact and the International Labor Convention. In response with international human rights conventions, the company requires cooperative manufacturers to operate without any violations of human rights, so that members of the company, both internal and external, can be treated fairly and with dignity.

Scope of the survey

All employees of the Company and tier 1 suppliers. The scope of the supply chain survey will be gradually expanded based on the results of the risk assessment.

The Company conducts surveys on health and safety and labor rights and interests based on human rights risk aspects. The steps for conducting human rights due diligence are as follows:



The Company identified the following human rights issues with reference to relevant human rights standards

With respect to the Company's employees, the Company identified the following five human rights issues in 2025:

Human Rights Issues	Issue Overview	Stakeholders Concerned	Risk Mitigation
Forced work	Prohibit all forms of forced labor, debt bondage, human trafficking, and other labor practices that violate an individual's will, while safeguarding employees' rights to free employment and resignation.	All employees	- Prohibition of the use of violence, threats, coercion, withholding of identification documents, or other illegal means to compel employees to work. - Ensure that overtime and work arrangements are voluntary and comply with relevant laws and regulations.
Ban on the use of child labor	Prohibit the employment of workers who have not reached the statutory working age.	All employees	- Verify identity certification documents during recruitment to ensure compliance with minimum employment age requirements. - Strictly comply with the Labor Standards Act and relevant laws and regulations, and do not employ child labor.
Diversity, Equity, and Non-Discrimination	Prevent employment discrimination and ensure equal job opportunities for gender-diverse groups and disadvantaged groups.	Recruitment of Job Applicants and All Employees	- Strictly comply with non-discrimination laws and regulations. - Establish Sexual Harassment Prevention and Management Measures. - Hire persons with disabilities to safeguard employment opportunities. - Provide relevant grievance channels.
Health and Safety	Prohibit workplace sexual harassment and workplace bullying, provide a safe and healthy working environment, regularly care for employees' physical and mental health, and assist employees in maintaining work-life balance and family care.	All employees	- Sexual harassment clauses have been incorporated into the work rules, and sexual harassment prevention and management measures have been established. - Implement education and training on sexual harassment, workplace bullying, and other topics. - Conduct or promote occupational safety and health training on an ad hoc basis. - Hire nurses and contracted physicians to provide health consultation and care services and promote health management programs. - Conduct employee health examinations.
Freedom of Association and Labor-Management Communication	Respect employees' freedom of association and the right to collective bargaining to minimize differences in understanding and poor communication between labor and management.	All employees	- Strictly comply with labor laws and regulations, as explicitly defined in the work rules and relevant internal policies. - Regularly hold labor-management meetings, management discussion meetings, production management meetings, quality re-education meetings, etc. - Establish grievance channels. - Announce relevant company regulations in the company public area folder, so that employees clearly understand matters related to their labor rights and interests.

Regarding tier 1 suppliers, the Company identified four human rights issues in 2025 as follows:

Human Rights Issues	Issue Overview	Stakeholders Concerned	Risk Mitigation
Forced work	Prohibit all forms of forced labor, debt bondage, human trafficking, and other labor practices that violate an individual's will, while safeguarding employees' rights to free employment and resignation.	Suppliers	Suppliers shall comply with the "Prohibition of Forced Labor" regulations and incorporate relevant audit items into supplier evaluations.
Ban on the use of child labor	Prohibit the employment of workers who have not reached the statutory working age.	Suppliers	Suppliers shall comply with the "Prohibition of Child Labor" regulations and include relevant audit items in supplier evaluations.
Diversity, Equity, and Non-Discrimination	Prevent employment discrimination and ensure equal job opportunities for gender-diverse groups and disadvantaged groups.	Suppliers	Suppliers shall strictly comply with laws and regulations regarding non-discrimination. Evaluations must incorporate the "diversity, equality, and non-discrimination" indicator to ensure legal compliance.
Health and Safety	Prohibit workplace sexual harassment and workplace bullying, provide a safe and healthy working environment, regularly care for employees' physical and mental health, and assist employees in maintaining work-life balance and family care.	Suppliers	Supplier evaluations should incorporate "health and safety" indicators to ensure compliance with relevant laws and regulations.

To track the implementation of due diligence, the Company annually assesses the effectiveness of its risk mitigation measures. The Company has established comprehensive grievance channels for employees, suppliers, and other stakeholders to report illegal acts or human rights violations.



Human resource

CCSB strictly complies with labor laws and regulations in the recruitment and appointment of employees, and mainly hires local employees.

Through an open selection process, we engage in recruitment regardless of race, religion, color, nationality, age, gender, sexual orientation, or disability, adhering to the principles of equal opportunity, right-of-place, merit-based recruitment, and the prohibition of child labor. The Company also protects minority groups such as foreign workers, female staff, vegetarians and the underprivileged, respecting their needs in daily activities and religions. These codes of conduct are clearly displayed in the Company's policies and regulations and the relationship between supervisors and subordinates.

As of the end of 2025, the total number of employees was 261, all of whom were full-time employees. Based on employment type, they were categorized as indefinite-term contracts and fixed-term contracts; fixed-term contracts mainly consisted of contract employees and foreign migrant workers. The company employs 230 local Taiwanese staff, 3 foreign professionals from India and Malaysia, and 28 foreign migrant workers from Indonesia. Due to industry characteristics and on-site chemical process operations requirements, the Company has a higher proportion of male employees among its on-site operational personnel: male employees accounted for 72.03% of the total headcount, while female employees accounted for 27.97%; all were full-time employees, and there were no employees without guaranteed hours. Compared to 2024, there were no significant fluctuations in the number of employees or the composition of the Company.

Distribution of Female Employees

CCSB ensures gender equality in terms of work rights, with an equal distribution of male and female employees in the workforce. The Company places particular emphasis on the advancement and development of female colleagues, especially when it comes to promotion opportunities. However, due to the nature of the pharmaceutical industry, there is a higher proportion of male employees in leadership and R&D positions within the Company.

CCSB aims to increase the willingness of female employees to take on leadership roles and gradually raise the proportion of women in the workforce. The Company has set a target of 21% female executives for 2023, with the objective of achieving 22% by 2025 and 23% by 2030. Due to personnel changes, a female supervisor was promoted on January 1, 2024, bringing the percentage of female supervisors to 22.2%. One male supervisor was promoted in 2025, and the percentage of female supervisors was 21.4%. Going forward, CCSB will continue to promote the cultivation of female talent and the supervisor succession plan, provide diverse development and promotion opportunities, and encourage female colleagues to take on management positions, with the aim of achieving the target of 23% female supervisors by 2030.

Employment Status of CCSB Employees in 2025

Category		Male	Female	Total
Labor Contract	Full-time	188	73	261
	Contractual	0	0	0
	Hourly or part-time employees without guaranteed hours	0	0	0
	Total	188	73	261
Labor Type	Full-time	188	73	261
	Part-time	0	0	0
	Total	188	73	261

Note1: The total number of people is calculated as of December 31, 2025.
Note2: The employee headcount data for CCSB is compiled from the AS400 system implemented within the Company.
Note3: CCSB does not employ contractual, hourly, or part-time employees.

The Composition of CCSB Employees in 2025

Category		Male		Female		Total	
		Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Age	Under 20 years old	0	0%	0	0%	0	0%
	20-30 years old	38	20.2%	4	5.5%	42	16.1%
	30-50 years old	115	61.2%	41	56.2%	156	59.8%
	Above 50 years old	35	18.6%	28	38.4%	63	24.1%
Job Title	Senior Manager	7	3.7%	1	1.4%	8	3.1%
	Mid-level Manager	15	8.0%	5	6.8%	20	7.7%
	Specialists	64	34.0%	55	75.3%	119	45.6%
	Technicians	74	39.4%	12	16.4%	86	33.0%
	Foreign migrant workers on fixed-term contracts	28	14.9%	0	0.0%	28	10.7%
Total		188		73		261	

Note1: The total number of people is calculated as of December 31, 2025.
Note2: The employee headcount data for CCSB is compiled from the AS400 system implemented within the Company.
Note3: Senior Managers – Managers at the level of Assistant Manager and above, Middle management level – Managers at the level of (Deputy) Managers, Specialists – Employees below the level of (Deputy) Managers, Technicians – Shift workers related to production and clerical staff, Foreign migrant workers on fixed-term contracts – Foreign migrant workers.

2025 New Hires and Departures of CCSB

Through performance management, CCSB uses the evaluation results as the basis for bonus distribution and salary adjustment; a fair promotion system provides employees with a channel for career development and self-fulfillment and enhances employees' willingness to stay. In 2025, 40 people left the Company. Deducting the 12 people who left the country after the expiry of their employment period, 28 people actually left the Company, with a turnover rate of 10.7%, and 71.4% were male and 28.6% female. A total of 3 new employees were hired in 2025, and 100% were male and 0% female.

New employees

Category		Male		Female		Total	
		Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Age	Under 20 years old	0	0.0%	0	0.0%	0	0.0%
	20-30 years old	2	5.3%	0	0.0%	2	4.8%
	30-50 years old	0	0.0%	0	0.0%	0	0.0%
	Above 50 years old	1	2.9%	0	0.0%	1	1.6%
Job Title	Senior Manager	1	14.3%	0	0.0%	1	12.5%
	Mid-level Manager	0	0.0%	0	0.0%	0	0.0%
	Specialists	2	3.1%	0	0.0%	2	1.7%
	Technicians	0	0.0%	0	0.0%	0	0.0%
	Foreign migrant workers on fixed-term contracts	0	0.0%	0	0.0%	0	0.0%
Total		3		0		3	

Note1: The total number of people is calculated as of December 31, 2025.

Note2: The employee headcount data for CCSB is compiled from the AS400 system implemented within the Company.

Note3: Senior Managers – Managers at the level of Assistant Manager and above, Middle management level – Managers at the level of (Deputy) Managers, Specialists – Employees below the level of (Deputy) Managers, Technicians – Shift workers related to production and clerical staff, Foreign migrant workers on fixed-term contracts – Foreign migrant workers.

Resigned employees

Category		Male		Female		Total	
		Number of People	Percentage	Number of People	Percentage	Number of People	Percentage
Age	Under 20 years old	0	0.0%	0	0.0%	0	0.0%
	20-30 years old	16	42.1%	2	50.0%	18	42.9%
	30-50 years old	12	10.4%	5	12.2%	17	10.9%
	Above 50 years old	4	11.4%	1	3.6%	5	7.9%
Job Title	Senior Manager	1	14.3%	0	0.0%	1	12.5%
	Mid-level Manager	0	0.0%	0	0.0%	0	0.0%
	Specialists	6	9.4%	8	14.5%	14	11.8%
	Technicians	13	17.6%	0	0.0%	13	15.1%
	Foreign migrant workers on fixed-term contracts	12	42.9%	0	0.0%	12	42.9%
Total		32		8		40	

Changes in Employee Turnover Rate over the Past Two Years

The Company's overall employee turnover rate was 14% in 2025, representing a slight decrease of 2% from 16% in 2024. The majority of departing employees were male (approximately 80–82%), with the turnover primarily concentrated in the 20–30 and 30–50 age brackets.

Annual Employee Turnover Rate	2024	2025
Item	Number of People	Number of People
Employees at the beginning of the year	347	299
Employees at the end of the year	299	261
Average number of employees	323	280
Annual departing employees	51	40
Annual turnover rate	16%	14%

Note: Annual turnover rate (%) = Annual departing employees / Average number of employees.

Reasons for Changes in the Employee Turnover Rate

Due to adjustments to production line capacity, and because process engineers and foreign migrant workers are predominantly male, the proportion of male employees among those leaving the Company was higher than that of female employees.

Distribution of Employee Turnover by Gender and Age in 2024

Range	Male		Female	
	Number of Employees	Percentage	Number of Employees	Percentage
Under 20 years old	0	0%	0	0%
20-30 years old	13	22%	4	50%
30-50 years old	21	17%	5	11%
Above 50 years old	8	22%	0	0%
Total	42	61%	9	61%
Turnover Rate by Gender	82%		18%	

Note1: Employee Turnover Rate (%) = Number of departing employees in each range / Total number of employees at year-end.

Note2: Gender Proportion of Departing Employees (%) = Number of departing employees by gender / Total number of departing employees.

2025 Voluntary and Involuntary Turnover Rates for All Employees

Job Title	Total number of employees in the job grade	Number of voluntary departures	Voluntary Turnover Rate	Number of involuntary departures	Non-voluntary departure rate
Senior Manager	8	1	12.5%	0	0.0%
Mid-level Manager	20	0	0.0%	0	0.0%
Specialists	119	13	10.9%	1	0.8%
Technicians	86	11	12.8%	2	2.3%
Foreign migrant workers on fixed-term contracts	28	12	42.9%	0	0.0%
Total	261	37	14.2%	3	1.1%

Note1: The total number of people is calculated as of December 31, 2025.

Note2: The employee headcount data for CCSB is compiled from the AS400 system implemented within the Company.

Note3: Senior Managers – Managers at the level of Assistant Manager and above, Middle management level – Managers at the level of (Deputy) Managers, Specialists – Employees below the level of (Deputy) Managers, Technicians – Shift workers related to production and clerical staff, Foreign migrant workers on fixed-term contracts – Foreign migrant workers.

Diverse support mechanism for new employees

CCSB offers assistance to new employees in terms of their job and skills, and through various means, helps them integrate and adapt to their new environment more quickly.

- ✦ Regularly engaging in conversations with new employees to understand their adaptation to the environment.
- ✦ Identifying issues with new employees, guiding their awareness, and assisting in communication and resolution.
- ✦ Organizing production plant tours to provide firsthand insights into pharmaceutical manufacturing processes and equipment, helping new employees establish a foundational understanding of product manufacturing.



Providing individual mentoring to assist new colleagues



Diverse support mechanism for new employees

Diversity in Hiring at CCSB in 2025

CCSB supports the employment of people with disabilities, respects their rights and interests at work, and abides by relevant laws and regulations.

In accordance with Article 38 of the “Person with Disabilities Rights Protection Act,” CCSB shall hire two persons with disabilities. In addition to evaluating the nature of job positions, CCSB provides employment opportunities for individuals with disabilities. The Company also regularly arranges for physicians to provide healthcare and actively cooperates with the Ministry of Labor’s Job Redesign Program. This includes adding barrier-free facilities to establish a disability-friendly workplace environment. As of the end of 2025, due to personnel changes, CCSB employed three employees with disabilities (Note 3), on par with relevant laws and regulations.

CCSB complies with government regulations in hiring foreign employees and creating a diverse and friendly workplace. At CCSB, we provide comfortable dormitories, organize education and training for newcomers, and assist them in adjusting to the new environment. Not only this, the Welfare Committee has also appointed full-time representatives to assist foreign employees in handling welfare-related matters, such as participating in corporate sports family days, employee trips, and other activities to enhance culture. By doing this, we promote cultural exchange as well as workplace harmony and employee interaction.

Category	Number of employees				
	2021 ^{Note 4}	2022	2023 ^{Note 4}	2024	2025
Individuals With Disabilities Number of People Required by Law ^{Note 3}	3	3	3	2	2
Individuals With Disabilities (regulatory requirement)	1 (2)	3 (4)	2 (2)	3 (3)	3 (3)
Foreign Employees	52	69	57	42	31
Total	53	72	59	45	34

Note1: The total number of people is calculated as of December 31, 2025.

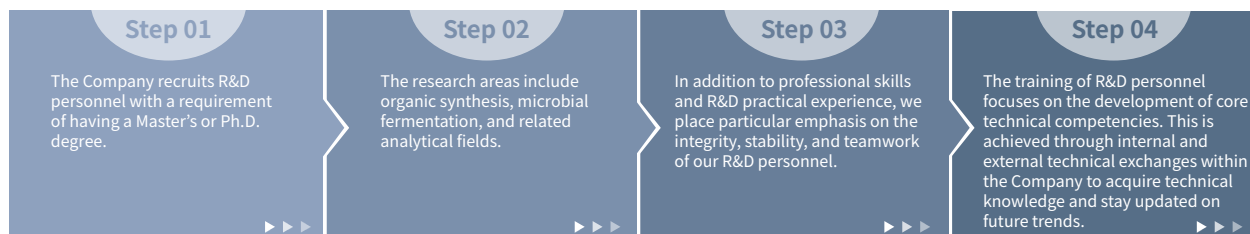
Note2: The employee headcount data for CCSB is compiled from the AS400 system implemented within the Company.

Note3: Based on Article 38-2 of the “People with Disabilities Rights Protection Act”: CCSB exceeded 300 employees at the beginning of 2024, and was required to hire three disabled persons. Starting in November 2024, the workforce reduced to under 300 employees, and the hiring quota for employees with disabilities was lowered to two.

Note4: continuously employed 1 colleague with disabilities (severe) from 2021 to 2022, which can be counted as equivalent to 2 statutory positions. In March 2023, due to a resignation, only two employees with disabilities were hired for the year, one less than the legally mandated quota of three. During the period, the Company continued to assist in recruitment through the city government’s employment guidance agencies for persons with disabilities. However, until the end of the year, the recruitment had not been successful. Therefore, the Company paid a monthly allowance for the shortfall in hiring people with disabilities. Since hiring one person with disabilities in September 2024, the Company has been compliant with regulations.

R&D Employee Recruitment Policy

R&D team consists of personnel of synthesis, biotechnology, analysis, and production technology departments. Our R&D personnel are the core of the R&D team. CCSB provides opportunities for continuous development and growth, as well as a good and balanced work environment, to ensure that R&D personnel can exert their expertise and effectively enhance the Company's R&D capacity.



Employee Salary and Benefits

Employee Salary

CCSB recruits outstanding talent and maintains its overall competitiveness by offering a compensation system that is far superior to the minimum wage stipulated by the Ministry of Labor and highly competitive (the ratio of the average salary of newly hired domestic employees in 2024 to the 2025 minimum wage under the Labor Standards Act was 1.5:1, ^{Note1}).

Note: There were no newly hired domestic general full-time employees in 2025.

CCSB adopts a remuneration structure of “high performance, high contribution, and high remuneration.” We do not determine the salaries and remuneration of employees based on their nationality, age, gender, race, religion, political stance, place of birth, place of origin, disability or marital status.

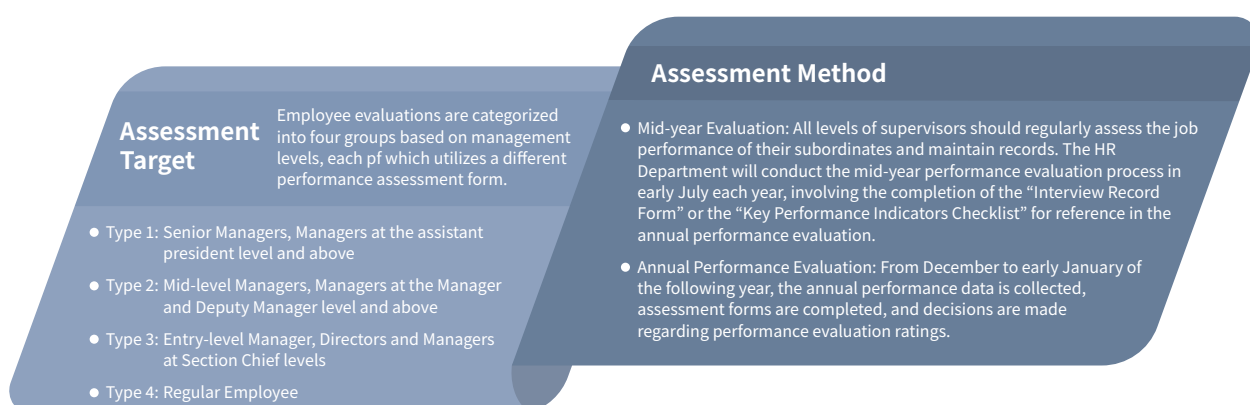
Salary and Promotion Linked to Performance

Employee salaries are determined based on

- ✚ Academic background, position, market conditions, and personal work performance.
- ✚ Salaries do not differ based on age, gender, race, religion, political stance, place of birth, place of origin, physical or mental disability, or marital status.
- ✚ The ratio of starting salaries for male and female newcomers with the same requirements is 1:1, and there will be no difference in starting salaries due to different genders.

In order to enhance employee job performance and understand the capabilities and adaptability of organizational members, the Company conducts employee performance assessments twice a year. Employee performance appraisal ranking is an important decision-making reference when applying for salary adjustments, promotions, and transfers.

Performance evaluation process



CCSB Annual Performance Evaluation Statistics of 2025

Category	Male			Female		
	Number of Participants Undergoing Performance Evaluation	Total	Percentage	Number of Participants Undergoing Performance Evaluation	Total	Percentage
Senior Manager	5	5	100%	0	0	0%
Mid-level Manager	15	15	100%	5	5	100%
Specialists	64	64	100%	55	55	100%
Technicians	74	74	100%	12	12	100%
Foreign migrant workers on fixed-term contracts	28	28	100%	0	0	0%
Total	186	186	100%	72	72	100%

Note1: The assessment targets regular employees who have completed their probationary period, excluding the Chairman and consultants.

Note2: Senior Managers – Managers at the level of Assistant Manager and above, Middle management level – Managers at the level of (Deputy) Managers, Specialists – Employees below the level of (Deputy) Managers, Technicians – Shift workers related to production and clerical staff, Foreign migrant workers on fixed-term contracts – Foreign migrant workers.

Average basic salary and average remuneration ratio of male and female employees by job level in 2025

Category	Average basic salary		Average remuneration	
	Male	Female	Male	Female
Senior Manager	0.69	1.00	0.56	1.00
Mid-level Manager	1.10	1.00	1.14	1.00
Specialists	1.05	1.00	1.06	1.00
Technicians	1.12	1.00	1.32	1.00
Foreign migrant workers on fixed-term contracts	Note 1	Note 1	Note 1	Note 1

Note1: There are no female employees among the foreign workers on fixed-term contracts, therefore, there is no relevant ratio data.

Note2: Senior Managers – Managers at the level of Assistant Manager and above, Middle management level – Managers at the level of (Deputy) Managers, Specialists – Employees below the level of (Deputy) Managers, Technicians – Shift workers related to production and clerical staff, Foreign migrant workers on fixed-term contracts – Foreign migrant workers.

The year-end bonus and remuneration adjustment of the same standards are annually determined for all the full-time employees based on the Company's overall operations. This helps encourage the entry-level employees to be continuously dedicated to their work and specialties and enhance the Company's business performance. The means and medians of the salary for full-time employees in non-managerial positions in the past three years are shown below:

	2023	2024	2025
Average number of full-time employees in non-managerial positions (person)	347	313	266
Mean of salary for full-time employees in non-managerial positions (thousand dollars)	861	699	691
Median of salary for full-time employees in non-managerial positions (thousand dollars)	758	648	631

Employee benefits

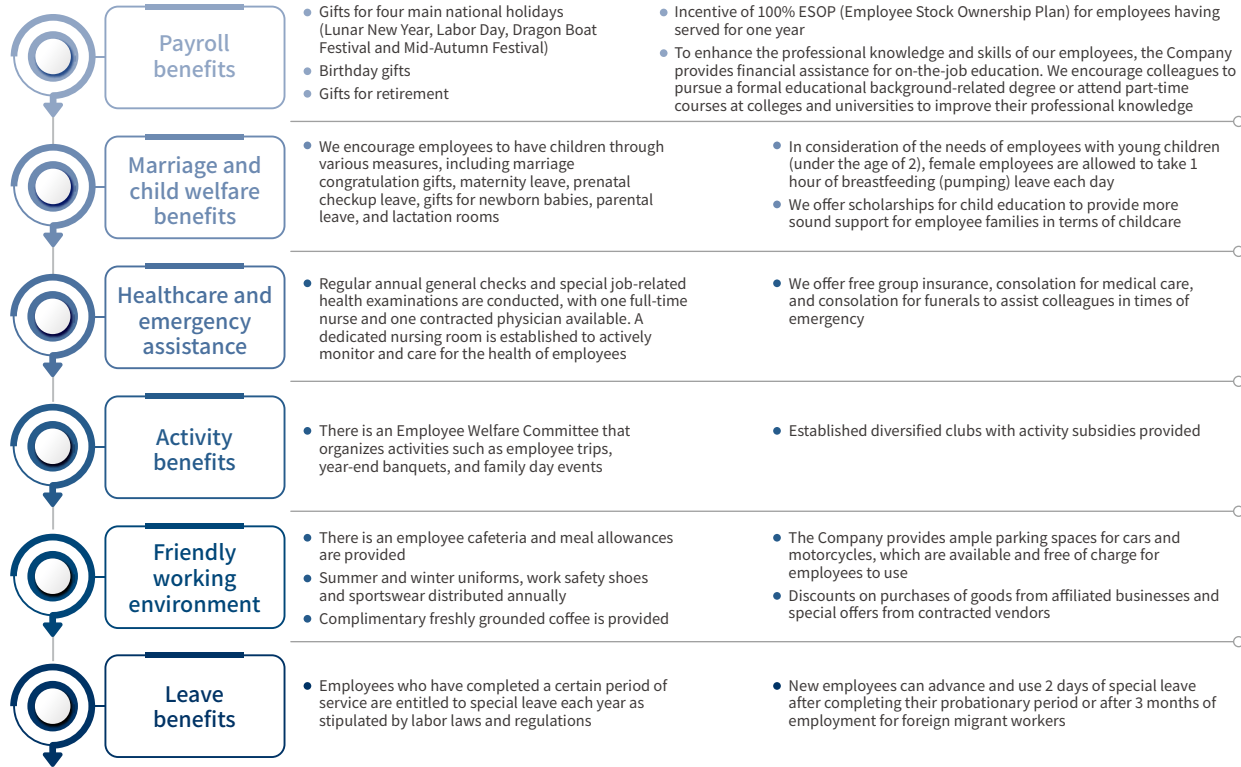
Being a great family with human-centered values, CCSB places high importance on the employees' work environment, treatment and benefits.

We have developed the employee dividend system and various incentive mechanisms to enhance the management and operation efficiency and further achieve the goal of profit sharing. To create a high-quality workplace, we have convenient facilities such as employee cafeterias, dormitories, and free parking bays. In terms of recreation and leisure activities, the Company has jointly held sports games and family days with affiliates since 2009. Aimed at the employees and their family members, these events facilitate the employees' rapport with their family members and promote their recognition as well as understanding of the Company.

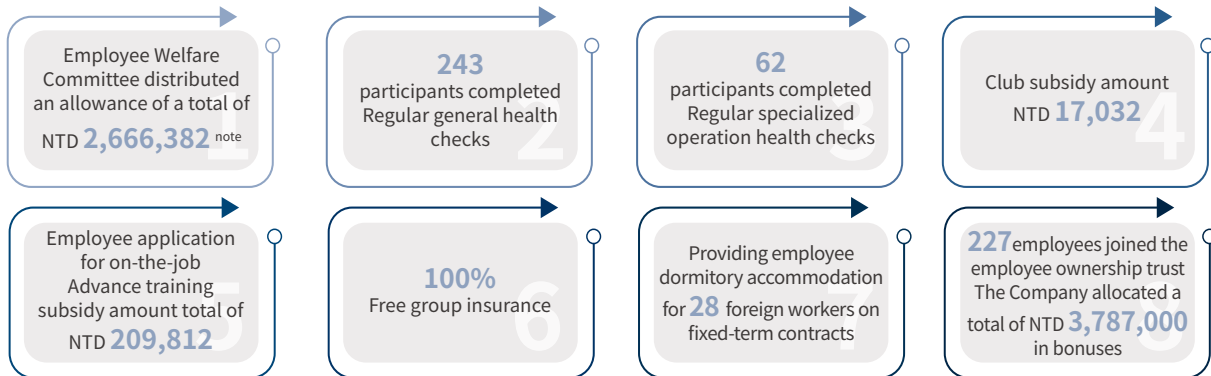


CCSB regularly organizes sports and family day activities

In addition to complying with the Labor Standards Act and other related laws and regulations, CCSB also arranges health examinations for employees, establishes an employee welfare committee, plans employee benefits throughout the year, and manages the income and expenditure of welfare funds. The Employee Welfare Committee is composed of enthusiastic employees elected by each unit to create value-added welfare measures for employees. Relevant welfare measures are listed as follows:



The implementation status of welfare benefits in 2025



Note: The Employee Welfare Committee allowance includes birthday vouchers, festival bonuses, scholarships, wedding and funeral compensations, retired employee support, employee trips and club subsidies.

Club Activities



CCSB's Steady and Deliberate Work club



CCSB's Yoga Club

Trips



Parental leave

CCSB welcomes and values the needs of employees at all critical life stages. The Company complies with the “Gender Equality in Employment Act” to protect the right of employees to parental leave without pay and to support employees in raising their children with peace of mind. In 2025, a total of 4 employees applied for unpaid parental leave, and a total of 3 employees were reinstated on the end of their contracts, with a reinstatement rate of 100%. CCSB will continue to pay attention to the adjustment of employees after reinstatement, in order to help employees achieve a balance between work and family.

Statistics for parental leave without pay in 2025

Item	Male	Female	Total
Total number of employees entitled to parental leave in 2025 (A)	4	2	6
Total number of employees who actually took parental leave in 2025 (B)	2	2	4
Total number of employees applying for reinstatement in 2025 (C)	2	1	3
Total number of employees who should be reinstated but applied for extension of leave in 2025 (D)	0	0	0
Total number of employees actually reinstated in 2025 (E)	2	1	3
Total number of employees reinstated from unpaid parental leave in 2024 (F)	0	1	1
Total number of employees reinstated from unpaid parental leave who continued working for one year in 2024 (G)	0	1	1
The parental leave without pay application rate (B/A)	0%	100%	67%
The reemployment rate (E/(C-D))	0%	100%	100%
Retention rate (G/F)	100%	100%	100%

Labor-Management Communication

CCSB values employees’ opinions and strives to maintain an open environment, good communication, and harmonious labor-management relationship. If there are any major business decisions, we immediately explain them to our employees through open channels. Although the Company has not established a labor union and has no collective bargaining agreement, it holds labor-management meetings each quarter and maintains transparent communication channels. The resolutions of these labor-management meetings apply to all employees.

CCSB established the Labor-Management Committee on September 8, 2004:

- ▶ The Committee consists of five representatives elected by the labor side and five representatives nominated by the employer.
- ▶ Representatives of labor and management hold regular labor-management meetings every three months.
- ▶ Encourage colleagues to communicate their opinions with relevant personnel in an open and transparent manner at any time.
- ▶ Items to be discussed include the review of the implementation of the resolutions of the previous meeting, labor dynamics, production plans, business overview, other reporting matters, and special motions.
- ▶ Request supervisors and relevant departments to respond quickly to achieve the purpose of two-way communication and protection of workers’ rights.

The labor-management communication platform set up by CCSB provides unfettered channels for labor-management communication and harmonious labor-management relations. In 2025, a total of four labor-management meetings were held, and no disputes or labor-management relations requiring coordination occurred.

Number of Labor Disputes

Item	2023	2024	2025
Number of employee complaints notified by the government letters and labor dispute mediation cases	0	0	0
Number of cases solved and closed	0	0	0

Note: The labor dispute mediation refers to the mechanism of intervention by an impartial third party whom the employee applies to the Labor Affairs Bureau for to deal with the matter through external mediation.

Smooth Complaint Channels

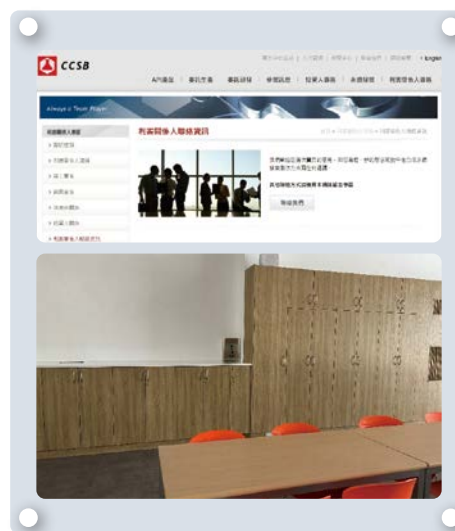
CCSB attaches great importance to the smooth communication channels:

Internal Communication Channels

- The “General Manager’s Mailbox” has been set up in the “canteen” of the employees’ public space. Employees are welcome to anonymously or in a named manner report any problems with the Company’s operations and current conditions or provide suggestions for improvement. The complaints are handled by the General Manager in person. This communication channel is meant to guide all employees, and is especially explained in the orientation of all newcomers.
- Hold various meetings to enhance communication among departments.
- Encourage employees to communicate various opinions and suggestions with their immediate supervisors or department heads.
- There were no internal complaints in 2025.

In terms of online communication channels

- A “CCSB Employee Discussion Forum” is established in the Company’s system which serves as a platform for announcements and for employees to voice their opinions and concerns.
- The employees can file complaints via “Stakeholders Section” of the Company’s website. The management will conduct an investigation and handle issues in accordance with the relevant regulations to protect the interests of the Company and employees.



Retirement benefits plan

CCSB allocates retirement benefits plan for all regular employees, with a participation rate of 100% in the retirement plan.

In accordance with the old “Labor Standards Act” and the new “Labor Pension Act,” CCSB provides employees who joined the Company on or before June 30, 2005, with retirement benefits based on the old pension system. The Company also deposits the required amounts as per the relevant regulations and commissions actuaries to conduct annual calculations at the end of each year. This practice ensures the protection of employees’ future retirement benefit rights and interests and guarantees sufficient allocations.

The implementation status of retirement benefit allocations in 2025

As of
December
31, 2025



Old system

The cumulative balance of the labor retirement reserve fund was NTD **145,211** thousand.



New system

Total retirement benefit allocation for labor totaled NTD **9,130** thousand for the entire fiscal year.

Labor-management relations assurance

CCSB strictly complies with the relevant provisions of the “Labor Standards Act.”

In the event of major operational changes that require redundancy of employees, to protect the rights of employees and minimize the impact of major operational changes, CCSB has adopted the minimum notice period for termination of labor contracts in accordance with the law. In addition, after receiving the aforementioned notice, employees who are seeking alternative employment may take leave during working hours, but the maximum leave hours per week shall not exceed two days of working time. Regular salary payments will still be made during the leave period. In 2025, there was no significant operational change to CCSB.

Employee tenure	Notice period
Continuing to work for more than three months but less than a year	Ten days’ advance notice
Continuing to work for more than a year but less than three years	Twenty days’ advance notice
Continuing to work over three years	Thirty days’ advance notice

7.2 Talent Cultivation and Development

Material Topic of Management Policy – Talent Cultivation and Development GRI404-1~3

Material Topics	Talent Cultivation and Development
Materiality	CCSB actively invests resources in talent cultivation and enhances employee management, professionalism, and core competencies.
Policy and Commitment	- Talent is one of the foundations for delivering excellent products and fostering innovation within the Company. CCSB actively nurtures employee knowledge and skills, strengthens core expertise, and develops advantages in innovative R&D to meet the needs of business growth and enhance the overall competitiveness of the Company. - To help new employees quickly understand the Company's culture, integrate into the team, grasp the Company's core values and work environment, unit supervisors will assign dedicated personnel to assist and mentor them.
Goals	<u>Short-term goal</u> Annual cGMP education and training, as well as safety and health education for new employees, achieved a 100% completion rate. <u>Mid- and Long-term goal</u> The annual training plan achieved a 90% completion rate, with an average of 30 hours of training per person.
Responsible Unit	Human Resources Department.
Invest in resources	Training expenditure amounted to NTD 209.8.
Complaint Mechanism	Email: hr@ccsb.com.tw and the Company's complaint mailbox.
Action Plan	- We provide educational training for new employees to help them integrate quickly into the team, understand the Company's core values and work environment, and unleash their full potential as soon as possible, thereby assisting the Company in managing related tasks. - We offer professional-related education and training opportunities, providing a diverse range of learning channels and development resources, including job-specific training, general skill development, cGMP and regulatory compliance education, and individualized work guidance. - We provide subsidies for on-the-job training and encourage colleagues to pursue formal educational background-related degrees or attend part-time courses at colleges and universities to improve their professional knowledge. - To enhance the managerial skills of our supervisors, the Company organizes professional management training courses for them.
Effectiveness evaluation	- Annual performance appraisal: 100% participation rate. - cGMP education and training: A total of 5,016 participants were trained, with a total teaching time of 3,381.5 hours. 53 people participated in training on professional competency, totaling 51 hours. 400 people participated in training on SOP, totaling 505 hours. 272 people participated in training on work safety, totaling 311 hours. 221 people participated in training on instruments, totaling 169.5 hours. - New employee education and training: A total of 2 participants were trained, with a total teaching time of 2 hours.

In order to enhance the professional and technical capabilities of employees, enhance work efficiency, and pay attention to and improve product quality, the Company proposes an annual education and training plan based on work needs. In addition to the implementation according to the annual education and training plan, the Company organizes internal management and professional training courses from time to time. As well as this, our employees are also sent to participate in courses and training organized by external organizations as needed to strengthen the professional capabilities of employees in various functional areas. In 2025, we spent a total of NTD 209.8 thousand on talent training and education training for new recruits and in-service employees, with an average training hours of 18.8 hours per person.

Providing dedicated assistance and guidance to new employees

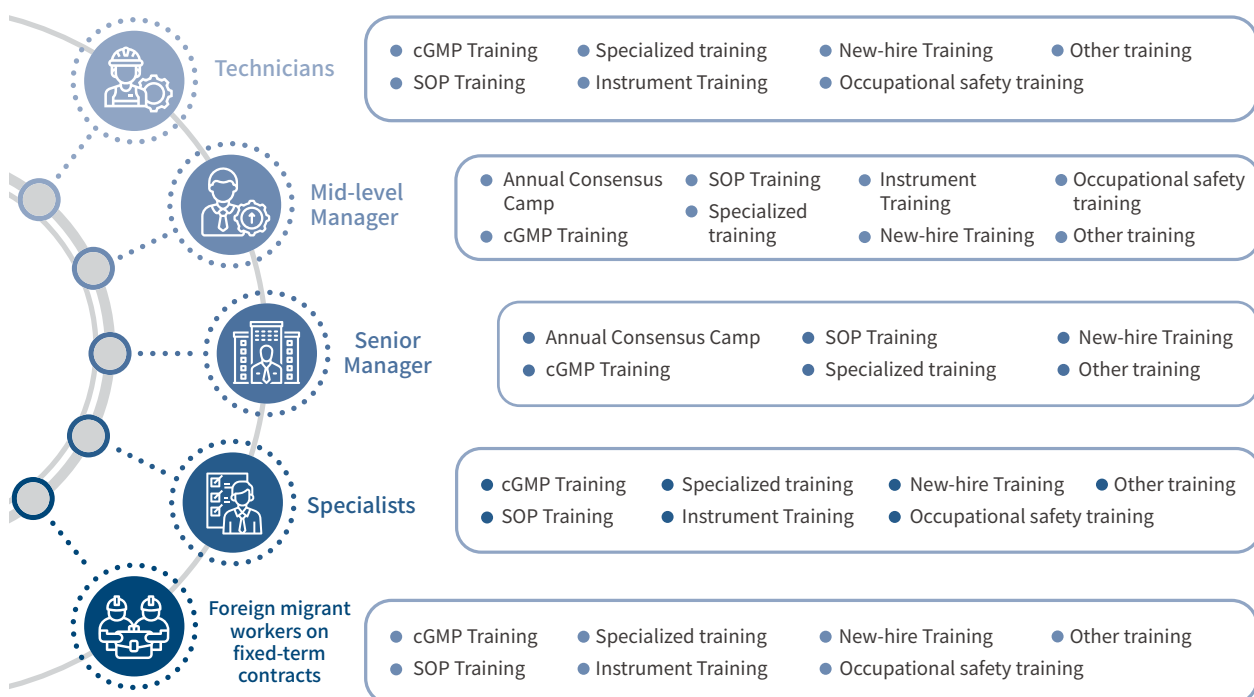
To help new employees quickly understand the Company's culture, integrate into the team, grasp the Company's core values and work environment, CCSB's unit supervisors will assign dedicated personnel to assist and mentor them, enabling new employees to quickly leverage their full potential and assist the Company in managing relevant tasks.

The assigned personnel must possess the following qualifications

- A substantial understanding of the Company's environment and job responsibilities.
- Possessing optimistic, enthusiastic, and positive personality traits.
- We recommend that the assigned personnel hold the same job grade as their new colleagues or one grade higher or lower.



CCSB Complete Training Program



Course	Course Content	Course Duration	Number of Male Participants	Number of Female Participants	Total Number of Participants Trained	Completion Rate
cGMP Training	Training required by cGMP-related regulations, including both new employee orientation and periodic cGMP concept training.	3,381.5	4,227	789	5,016	100%
SOP Training	Teaching employees the knowledge and skills related to various job processes within their job scope, nurturing them to perform their work clearly and correctly according to standard operating procedures.	505	297	103	400	100%
Specialized training	- Provide training based on the skill requirements of each department to enhance job-related knowledge and work quality. - Professional certification: Planned and implemented by respective responsible unit based on operational and regulatory requirements, and according to certification guidelines, self-plan for retraining or re-certification as necessary.	51	49	4	53	100%
Instrument Training	Various responsible units' courses on instrument operation, calibration, and management as needed for their respective roles.	169.5	175	46	221	100%
New-hire Training	To help new employees become familiar with the work environment quickly, introductory courses are conducted, including company orientation, explanation of HR management systems and benefits, cGMP training, and occupational health and safety training.	2	2	0	2	100%
Occupational safety training	The Occupational Safety and Health Department provides training courses based on the safety and health education needs of each department, conducts awareness programs on relevant laws and regulations, and offers training related to occupational safety, environmental safety, and fire drills.	311	203	69	272	100%
Others	- Cultivating employees to acquire the latest knowledge and skills from the industry, government, and academia to enhance their qualifications and productivity. - Conducting discussion and awareness education courses for handling deviations and abnormal issues in job execution.	716	1,009	76	1,085	100%

Average training hours per employee over the past three years

Gender	Item	2023	2024	2025
Male	Training hours (in hours)	8,150	5958.5	4,550
	Participants (person)	257	217	217
	Average training hours (in hours)	31.7	27.5	21.0
Female	Training hours (in hours)	1,880	1,126	1,009.5
	Participants (person)	90	82	79
	Average training hours (in hours)	20.9	13.7	12.8
Total	Training hours (in hours)	10,030	7,084.5	5,559.5
	Participants (person)	347	299	296
	Average training hours (in hours)	28.9	23.7	18.8

The number of trained participants by job level in 2025

Job Title	Male			Female		
	Total Number of Hours	Total	Average Number of Training Hours per Person	Total Number of Hours	Total	Average Number of Training Hours per Person
Senior Manager	84	7	12	0	0	-
Mid-level Manager	255.5	15	17.0	62.5	5	12.5
Specialists	1,114	69	16.1	849	61	13.9
Technicians	2,288	86	26.6	98	13	7.5
Foreign migrant workers on fixed-term contracts	808.5	40	20.2	0	0	-
Total	4,550	217	21.0	1,009.5	79	18.8

Talent Development Highlight Project

2025 cGMP Education and Training

Project Description

To ensure the manufacturing quality of APIs, the Quality Assurance unit regularly organizes comprehensive cGMP plant-wide education and training. All aimed at enhancing the overall awareness of quality management in the plant. These courses cover the latest cGMP regulations, discussions of inspection cases, etc.

Implementation Method

Physical course

Frequency of Implementation

Once per year

Participation Rate

100%

Project Benefits

Enhancing employee quality management awareness to produce high-quality APIs.



New Employee Training Program

We help new hires learn about the work environment, understand the Company's regulations and history, pay attention to work safety and know the work of every department, environmental management substances, professional capabilities and requirements, labor laws, safety and health training and cGMP training, so that they can understand and evaluate the environment and policies better.

Resources invested in new employee training

Item	2023	2024	2025
Training course budget	Note	Note	Note
Number of Hours of Training Courses	78	6	2

Note: New employee training courses are all conducted by internal instructors, with no related expenses incurred.



In-service Employee Training Program

CCSB provides training and re-education plans for employees to engage in their own jobs and secondary expertise every year, so that employees can meet the functional requirements at work. In addition to the annual cGMP education and training for all employees, CCSB has obtained professional safety and health licenses for: Organic Solvent Worker, Specific Chemical Worker, Anoxic Worker, Forklift Operator, Stationary Crane Operator, boiler operator, high-voltage specific equipment operator, fire protection manager, security supervisor, first responder, etc. A total of 34 people received refresher training in 2025, and 1 people received new training.

Contractor Operations Training Program



CCSB complies with the Occupational Health and Safety regulations and has established the "Contractor Operations Management Regulations" to define the responsibilities of the Company's responsible units and contractors and to outline the relevant environment, health, and safety considerations. In 2025, education and training was implemented for contractors entering the plant for operations, with a total of 17 individuals. Before commencing construction, contractors were required to sign a notice regarding environmental hazards and factors. This is necessary in order to prevent work-related hazards and maintain a safe working environment.

7.3 Occupational Health and Hygiene

Management Policy for Material Topic – Occupational Health and Hygiene GRI403-1~10

Material Topics	Occupational Health and Hygiene
Materiality	CCSB refers to the ISO 45001 Occupational Health and Safety Management System as the framework to • Improve workplace, machinery and equipment, and safe work approaches. • Develop good safety behaviors among employees. • Implement occupational injury prevention and management. • Ensure the safety and health of employees and stakeholders. • Zero disasters. These are our goals and we have also relevant standard operating specifications in place.
Policy and Commitment	• Implementing various management plans within the scope of the Occupational Health and Safety Management System to create a safe workplace. • Comply with environmental, safety, and health-related laws and regulations and truthfully convey relevant information to employees. • Coordinate with the formulation of relevant goals, implementation plans, and sustainable development strategies for continuous improvement. • Implement education and training to enrich employees' professional knowledge and skills, integrate them into the work system, and fulfill their personal responsibilities. • Enhance interaction with stakeholders and provide appropriate responses.
Goals	The management indicator was based on the “2025 Sum of Injury Index for Pharmaceuticals and Medical Chemicals Manufacturing Industry FSI 0.30” announced by the Occupational Safety and Health Administration, Ministry of Labor.
Responsible Unit	Occupational Safety and Health Department and Occupational Health and Safety Committee.
Invest in resources	• Assign personnel to take classes externally in accordance with the laws and regulations, and obtain the necessary certificates. • Actively improve the work environment.
Complaint Mechanism	<u>The channels for reporting workplace sexual harassment or unlawful workplace violations and seeking consultation on workplace violence are as follows.</u> • Complaint hotline: 02-86845311#600 • Complaint Email: hr@ccsb.com.tw • Complaint Mailbox: Set in the cafeteria <u>The complaint channels for Article 32 of the Labor Inspection Act are as follows.</u> • Complaint hotline: 02-22523299 • Fax: 02-22523770
Action Plan	• Enhance employees' awareness of work safety through education, training and promotion to achieve the goal of zero disasters. • Continue to implement occupational safety inspections to reduce unsafe and environmental hazards.
Effectiveness evaluation	Based on the “2025 Sum of Injury Index for Pharmaceuticals and Medical Chemicals Manufacturing Industry FSI 0.30” announced by the Occupational Safety and Health Administration, Ministry of Labor. • In 2025, the rate of excluding off-site traffic accidents was 0.24; including 0.92 of off-site accidents. • All off-site accidents were traffic accidents. Despite the fact that the accident was beyond the Company's control, the Company has promoted safe driving many times to enhance employees' awareness of safe driving.

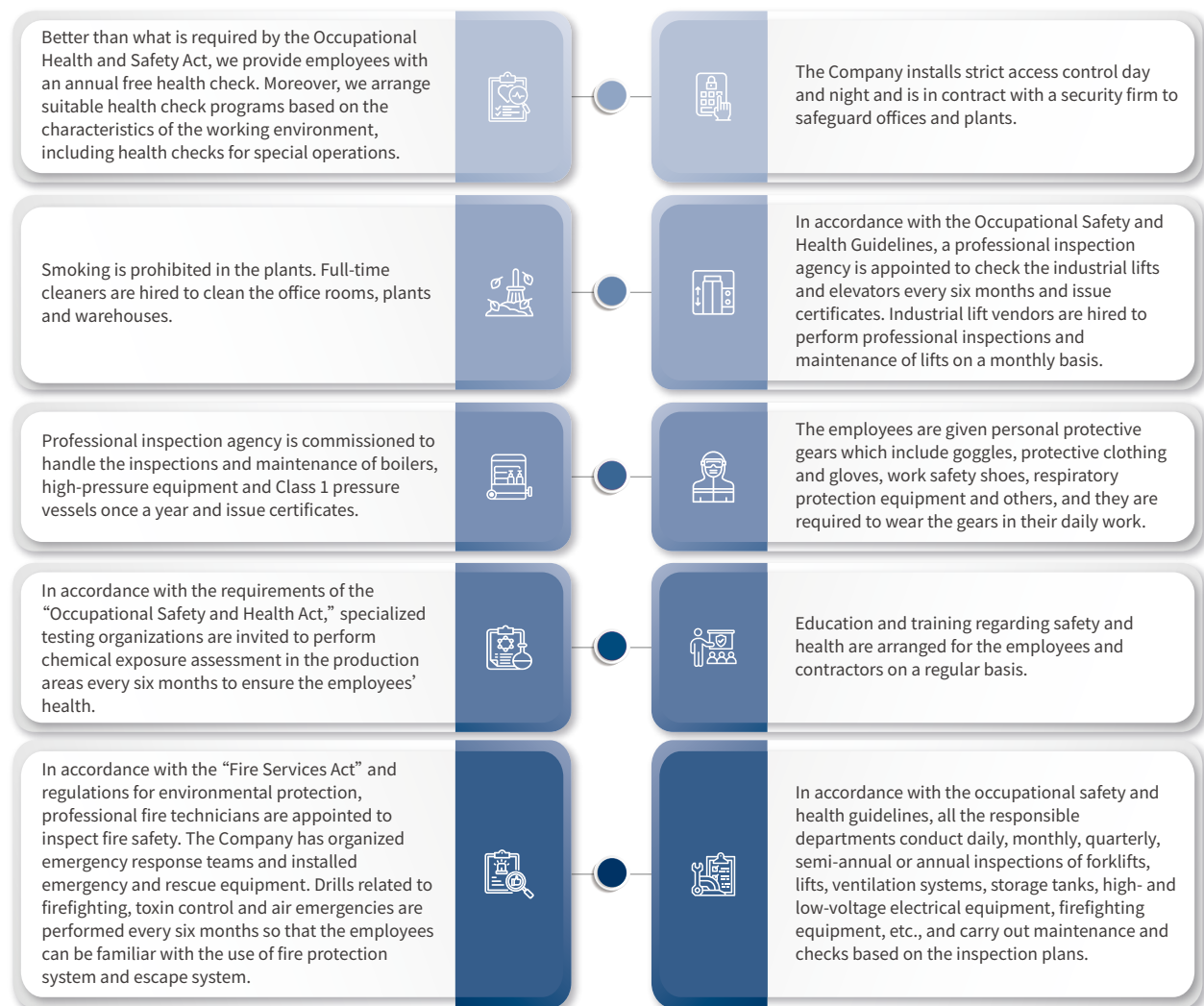


Occupational Health and Safety Committee

CCSB works in the biotechnology and pharmaceutical industry, and no employees in the Company are engaged in high-risk or high-risk of disease-related jobs. While striving to enhance corporate value, the Company also attaches great importance to the health management of employees and takes care of their physical and mental health to create a healthy and sustainable work environment.

CCSB formed the Occupational Health and Safety Committee according to Article 23 of the “Occupational Safety and Health Act.” Director serves as the chairperson. There are nine members in total, four of which are labor representatives (account for 44.4%). Meetings are held regularly each year to discuss issues associated with occupational safety.

Occupational Safety and Health Policy



Occupational health and safety management system

CCSB identifies any hazards due to working duties and environment that might result in physical and mental injuries. We take a variety of measures to assess, monitor, eliminate, avoid, and prevent potential risks to create a safe and healthy working environment.

In accordance with the structure of ISO 45001 Occupational Health and Safety Management System, CCSB has combined the regulations associated with Occupational Safety and Health Act and directions regulations announced by Occupational Safety and Health Administration with the internal management system. The structure is applicable to all workers’ activities. In 2025, the number of employees covered by the internal audit under the Occupational Health and Safety Management System is 261.

Occupational Safety and Injury Prevention

Occupational Injury Management

In 2025, the Company recorded a total of 5 occupational accident cases, which included traffic accidents during commuting (2 cases), falls (2 cases), and abrasions (1 case), resulting in injuries to 5 employees. Regarding commuting-related traffic accidents, the Company has enhanced traffic safety awareness campaigns to strengthen employees' daily safety awareness and emphasize the importance of driving safety. Additionally, in-factory operations must strictly adhere to SOPs to reduce the occupational accident rate. Moving forward, the Company will continue to promote injury prevention programs as it strives toward the goal of zero accidents.

2025		
Category	Employees	Other non-employee workers
Total Number of Hours Worked ^{Note 1}	514,558	-
Number of General Occupational Injuries ^{Note 2}	5	-
Number of Serious Occupational Injuries ^{Note 3}	-	-
Number of Fatalities	-	-
Total Number of Recordable Occupational Injuries (number of people)	5	-
Total Number of Lost Workdays ^{Note 4}	45	-
Disabling Frequency Rate From General Occupational Injuries ^{Note 5}	9.72	-
Disabling Frequency Rate From Severe Occupational Injuries	-	-
Disabling Frequency Rate of Fatalities	-	-
Disabling Injury Severity Rate ^{Note 6}	87.45	-
Frequency-severity Indicator ^{Note 7}	0.92	-

Note1: Total hours worked by all employees.

Note2: The number of workers who are unable to work due to injury, permanently or temporarily, and whose lost time is within 180 days.

Note3: The number of workers who have lost any body parts or their functions due to injuries, and whose lost time is more than 180 days.

Note4: The number of off-work days due to injury. The lost workdays do not include the day of accident and the day of return to work.

Note5: Disabling frequency rate = Number of injured people x 1,000,000 ÷ total number of hours worked.

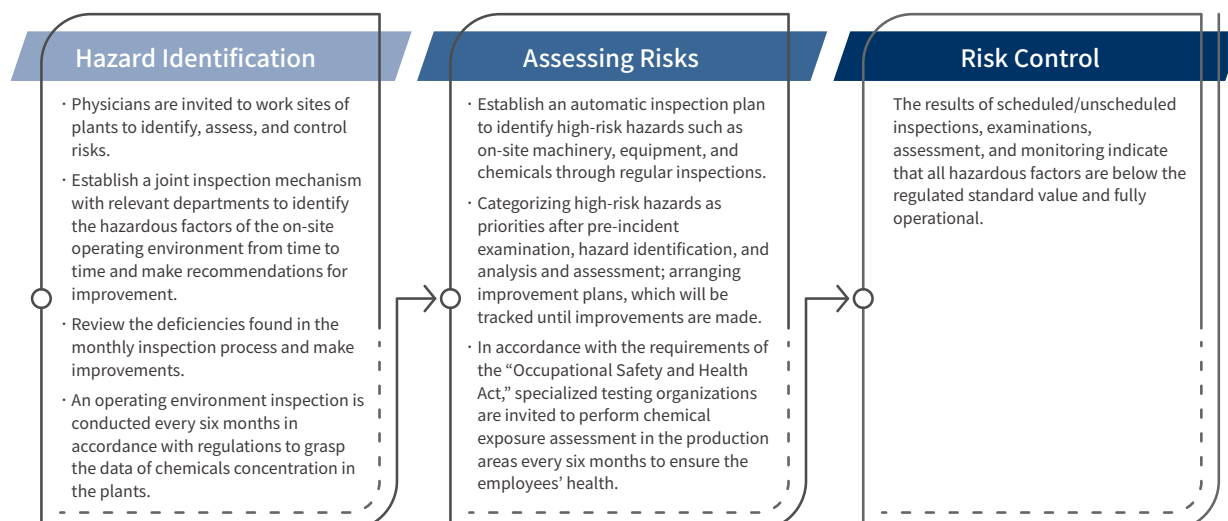
Note6: Disabling injury severity rate = Total lost workdays x 1,000,000 ÷ total number of hours worked.

Note7: Frequency-severity indicator = $\sqrt{(\text{disabling frequency rate} * \text{disabling injury severity rate}/1,000)}$.

Risk Assessment Process

CCSB has formulated the Occupational Accident Handling and Investigation Procedures, and regularly reviews work-related injuries and takes improvement and preventive measures. When an occupational injury occurs, the standard handling procedures shall be implemented immediately according to the management regulations and the supervisor will be notified; if a major accident occurs, the Labor Inspection Office and the Environmental Protection Bureau will be notified immediately.

CCSB assesses and identifies all hazard factors at the operation site, prepares contingency plans based on possible risks, and continue to improve and build a good working environment. Subsequently, systematic management and long-term tracking of improvement will be performed.



We identified general occupational risks, including fires, explosions, and contacts with harmful matters. Relevant management regulations have been formulated to control and handle the risks.

Description of Risks	Response measures	
Fire	• Fire extinguishing equipment • Pre-operation inspection • Education and Training	• Full monitoring of personnel • Safety operations regulations
Explosion	• Establish equipment and facilities conforming to safety and health standards • Regular maintenance for machinery and equipment • Pre-operation inspection for machinery and equipment	• Education and Training • Full monitoring of personnel • Safety operations regulations
Exposure to harmful substances	• Non-operators are banned from entering particular operating sites involving chemicals. • Pre-operation inspection	• Education and Training • Full monitoring of personnel • Safety operations regulations

In 2025, CCSB did not have any occupational hazards with the risk of serious occupational injury.

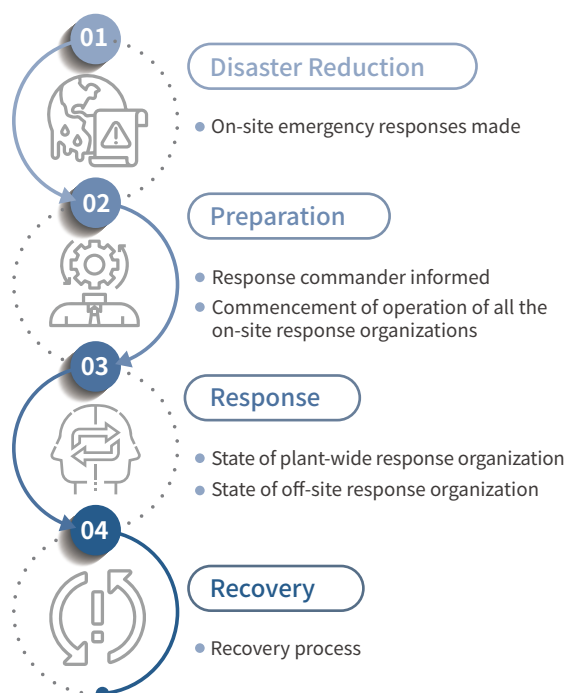
Accident Investigations and Subsequent Handling Process

- + CCSB has formulated an emergency response plan to classify internal accidents into Level 1, Level 2, and Level 3 categories and define the standards for each level. Occupational disasters are reported every month.
- + When an accident occurs, the responsible unit will notify the Company according to the accident level. After investigation, an accident investigation and recurrence prevention report will be submitted.
- + Regular occupational safety and health meetings are held by department heads, occupational healthcare, occupational safety personnel, and labor representatives to communicate and discuss the occupational safety and health management plan and on-site working environment improvements before making recommendations.

Emergency Response System

Emergency response is the last line of defense for safety and security. CCSB has established an emergency response plan, and the response mechanism covers the four stages of “disaster reduction, preparation, response, and recovery.”

In order to improve the employees’ emergency response capability to critical incidents, themed emergency response drills are held every year to strengthen the employees’ practical experience. Make the emergency response mechanism more complete and applicable by reviewing and correcting deficiencies: The mechanism will be able to handle the crisis in the plant in the shortest possible time and minimize the damage and impact caused by the crisis. The drills on fire protection, prevention of toxic chemical-induced disasters, and unexpected air emergencies were conducted, with a total of 57 participants on May 9 and November 28, 2025, respectively.



Disaster Prevention Drills

Training of Occupational Safety and Health

CCSB arranges education and training of occupational safety and health on a regular basis, including new employee orientation, ongoing education and training for on-the-job employees and courses on general knowledge of hazards. We regularly sign up our employees for external training courses to improve their adaptability and create a safe working environment. All employees will deepen their ability to identify dangers on job sites to reduce accidents.

In conjunction with the provisions in the Occupational Safety and Health Act, the “Contractor Operation Management Guidelines” have been established. Education and training and hazard notification are implemented when contractors enter the plant to prevent work hazards while maintaining a safe working environment.

Name of Training Courses	Description of Training Courses	Participating Units	Number of Sessions Held	Number of Participants
Autonomous disaster prevention drill (fires, toxic chemical disasters, air pollution disasters)	Instructions and simulations of emergency response measures during disasters	Plant-wide	2	57
Education and training (GMP included) for contractors	Pre-construction education and training for contractors	Contractors	4	17
General safety and health education and training for new employees	Pre-job training for relevant operators	New employees	3	3
Hazard Communication Training for New Employees	Pre-job training for relevant operators	New employees	2	2
Toxic Chemical Emergency Response Personnel Refresher Training	Retraining upon expiration	Personnel receiving retraining upon expiration	Retraining	3
Initial training for operators of forklifts	Education and training for related operators	Personnel arranged for external training	External training	1
Retraining for supervisors of organic solvents	Retraining upon expiration	Personnel receiving retraining upon expiration	Retraining	1
Retraining for operators of forklifts	Retraining upon expiration	Personnel receiving retraining upon expiration	Retraining	8
Retraining for supervisors of oxygen deficiency operations	Retraining upon expiration	Personnel receiving retraining upon expiration	Retraining	2
Retraining for boiler operators	Retraining upon expiration	Personnel receiving retraining upon expiration	Retraining	5
Retraining special equipment operators of high-pressure	Retraining upon expiration	Personnel receiving retraining upon expiration	Retraining	2
Retraining for type 1 pressure vessel operators	Retraining upon expiration	Personnel receiving retraining upon expiration	Retraining	5
Refresher Training for Stationary Crane Operators (3 Tons or More)	Retraining upon expiration	Personnel receiving retraining upon expiration	Retraining	3
Acetylene Welding Equipment or Gas Manifold System Metal Welding, Cutting, and Heating Operator Refresher Training	Retraining upon expiration	Personnel receiving retraining upon expiration	Retraining	1
Refresher Training for Occupational Safety and Health Management Supervisors	Retraining upon expiration	Personnel receiving retraining upon expiration	Retraining	1
Retraining for supervisors of specific chemicals operations	Retraining upon expiration	Personnel receiving retraining upon expiration	Retraining	3



Self-directed Drills (fires, toxic chemicals disasters, and air pollution disasters)



General safety and health education and training

Health Promotion and Employee Care

In order to strengthen workplace health services and enhance the quality of employee health, a nurse and a contract physician have been appointed to regularly provide six in-factory services per year, including health consultation, healthcare, occupational disease prevention, exceptional workload, human-induced hazard prevention, work resumption assessment, and other health management and health promotion work.

In-plant nursing room has been established. There are health measurement instruments such as a height and weight scale, forehead thermometer, and blood pressure monitor, and a first-aid kit for primary treatment when any slight accident takes place.

2025 Health Promotion Activities and Promotion

First-aid Course and Training: CPR + AED Teaching

Understanding CPR procedures and AED through the courses and become familiar with the complete first-aid procedures with simulated situations and practice training.

- + Number of times: Once a year
- + Participant: All employees
- + Number of participants: 28



First-Aid Procedure CPR+AED Publicity (Chinese & Indonesian Versions)

When the cardiorespiratory function stops, the brain begins to lack oxygen. The brain's tolerance to hypoxia is only 4–6 minutes. If the hypoxia is exceeded, irreversible brain damage will occur. It is very important to grasp the “golden life-saving time.” Through communication and promotion, personnel can buy precious time for the injured in the event of an emergency and before the professional ambulance personnel arrive.

- + Number of times: Once a year
- + Participant: All employees
- + Number of participants: 261



Awareness Literature of Myocardial Infarction (Chinese & Indonesian Versions)

Due to the Westernization of diet and lack of exercise, the incidence of myocardial infarction is increasing day by day. Therefore, we aim to understand the warning signs and prevention of myocardial infarction through related literature and promotion, and to draw colleagues' attention to this disease.

- + Number of times: Once a year
- + Participant: All employees
- + Number of participants: 261



Leisure Activities and Physical Education

CCSB aims to improve its employees' physical and mental health, such as corporate softball games, sports day/family day, and numerous clubs (Yoga Club, Slow Softball Club, Table Tennis Club, Golf Club, and Soft Fire Makes Sweet Malt Club).



Occupational Diseases

CCSB provides special health checks for operators engaging in tasks with special health hazards. The check items include dimethylformamide, and n-Hexane. In 2025, a total of 62 people underwent special health examinations. As a result, 9 people were classified as level 2 health management, and none of them were related to occupational diseases. Based on the similarities and differences of each case, we provide personal health guidance and promote the importance of using protective equipment.





Chapter 8

Social Welfare

- + “Take from society, give back to society”
- + “Embrace Life”
- + Investment in community development and public welfare activities

8.1 Social Welfare and Community Participation

85

8.1 Social Welfare and Community Participation

CCSB adheres to the concept of “what is gained from society should be given back to society” and continues to invest in social welfare issues such as medical care, social care, and cultural development. With the theme of “Embrace Life, Beyond Health” we focused on the elderly living alone, and disadvantaged groups in rural areas. We actively participated in social welfare activities, fulfilled our sustainable development responsibilities, and passed on CCSB’s dedication and care and the concept of giving back to society.

2025 Donations and Sponsorships

Social Issues	Group Name	Donation Item	Amount (NTD)
Local Operations	Forest Fire Brigade, 5th Brigade, New Taipei City Government Fire Department	Sponsored 96 sets of Green Body Wash	-
Local Operations	Natural ecology study camp for environmental volunteer workers and residents of Dongshanli in Shulin District, New Taipei City	Sponsorship Expenses	30,000
Charitable Events	New Taipei City Shulin Elementary School’s All-Age Friendly Children’s Charity Festival	Scholarship Sponsorships	36,000
Charitable Event	CCSB Hsinfeng Plant Yamazaki Children’s Learning Visit	Material sponsorship assistance	60,863
Charitable Event	CCSB Holdings Blood Donation Event	Assisted with activities and supplies	
Charitable Event	CCSB Hsinfeng Poyou Visit Event	Material sponsorship assistance	
Charitable Event	Care Activity at the Tainan Guantian Senior Citizen’s Home Activities	Material sponsorship assistance	
Charitable Event	Care Activity at the Tsz-Ai Intelligence in Taichung Catholic Develops Center	Material sponsorship assistance	
Charitable Event	House Of the Little Angels Kaohsiung	Material sponsorship assistance	
Charitable Event	CCSB Hsinfeng Blood Donation Event	Material sponsorship assistance	

Public welfare activities in 2025 (14 sessions in total)

Inclusive Funfair for All Ages Charitable Event

Host/Co-organizer

Co-organized

Participation Content

- The event was designed to bring children and seniors together for shared enjoyment.
- 830 items of supplies were donated.
- Volunteer participation hours: 255 hours.

Amount paid for activity (NTD)

32,793

85

12 sessions of delivering food to elderly living alone

Host/Co-organizer

Co-organized

Participation Content

- Participated in a monthly local meal delivery service for elderly living alone and conducted home visits to check on their well-being in 2025.
- Donated 2021 packs of healthy frozen meals.
- Volunteer participation hours: 82 hours.

Amount paid for activity (NTD)

86,241



Isolated Elderly Good Sleep Dream Fulfillment Public Welfare Activity

Host/Co-organizer

Co-organized

Participation Content

- The event was designed to provide warm quilts and care to the elderly living alone.
- 332 items of supplies were donated.
- Volunteer participation hours: 64 hours.

Amount paid for activity (NTD)

28,231



Appendix

Appendix I. GRI Standards Disclosure Index

Statement of Use	CCSB compiled an ESG report in accordance with the GRI Standards. The scope of data and information starts from January 1 to December 31, 2025.
Version of Use of GRI 1	GRI 1: Foundation 2021
Application of GRI Business Standards	GRI Standard 2021

GRI Standard	Disclosure	Page	Corresponding Chapters/Additional Information
GRI 2 : General Disclosures (2021)			
GRI 2: General Disclosures (2021)	2-1 Detailed information of the organization	15	2.1 About CCSB
	2-2 Entities included in the organization ESG report	5	1.1 Report Overview
	2-3 Reporting period, frequency, and contacts	5-6	1.1 Report Overview
	2-4 Restatements of information	-	In 2025, there were no consolidation, merger, reporting period, nature of the operation, and measurement
	2-5 External assurance	6	1.1 Report Overview
	2-6 Activities, value chain, and other business relations	55	6.3 Supply Chain Management
	2-7 Employees	65	7.1 Employment
	2-8 Non-employee workers	66	7.1 Employment
	2-9 Governance structure and formation	21	3.1 Corporate Governance
	2-10 Nominating and selecting the highest governance body	22	3.1 Corporate Governance
	2-11 Chair of the highest governance body	22	3.1 Corporate Governance
	2-12 Characters of highest governance unit in supervising impact management	11 21	1.3 Stakeholder engagement 3.1 Corporate Governance
	2-13 Person in charge of impact management	11 21	1.3 Stakeholder engagement 3.1 Corporate Governance
	2-14 Highest governance body's role in sustainability reporting	11 21	1.3 Stakeholder engagement 3.1 Corporate Governance
	2-15 Conflicts of interest	25	3.1 Corporate Governance
	2-16 Communication of key material events	25	3.1 Corporate Governance
	2-17 Collective knowledge of highest governance body	25	3.1 Corporate Governance
	2-18 Evaluating the highest governance body's performance	25	3.1 Corporate Governance
	2-19 Remuneration policies	25	3.1 Corporate Governance
	2-20 Process for determining remuneration	24	3.1 Corporate Governance
	2-21 Annual total compensation ratio	-	The highest annual total remuneration is classified information of the organization, and thus is not disclosed
	2-22 Declaration of sustainable development strategy	2	Message From the Chairman
	2-23 Policy and commitment	-	Management Policy for Material Topic
	2-24 Inclusion of policy and commitment	-	Management Policy for Material Topic
	2-25 Procedures for recovering from negative impact	-	Management Policy for Material Topic
	2-26 Mechanism for seeking suggestions and proposing doubts	26	3.2 Ethical Corporate Management
	2-27 Legal Compliance	29	3.3 Legal Compliance
	2-28 Membership of associations	16	2.1 About CCSB
	2-29 Stakeholder engagement policy	11	1.3 Stakeholder engagement
	2-30 Collective bargaining agreements	71	7.1 Employment

GRI Standard	Disclosure	Page	Corresponding Chapters/Additional Information
GRI 3: Material Issues (2021)			
GRI 3: Material Issues (2021)	3-1 Process of determining material topics	7-8	1.2 Analysis of Material Issues
	3-2 List of material topics	8	1.2 Analysis of Material Issues
Economic Performance			
3-3 Management of material topics		17	2.2 Economic Performance
GRI 201 (2016): Economic Performance	201-1 Direct economic value generated and distributed	18	2.2 Economic Performance
	201-3 Defined benefit plan obligations and other retirement plans	72	7.1 Employment
	201-4 Financial assistance received from government	18	2.2 Economic Performance
Corporate Governance			
3-3 Management of material topics		21	3.1 Corporate Governance
GRI 2 (2021): General Disclosures	2-9 Governance structure and formation	22	3.1 Corporate Governance
	2-10 Nominating and selecting the highest governance body	22	3.1 Corporate Governance
	2-11 Chair of the highest governance body	22	3.1 Corporate Governance
	2-12 Characters of highest governance unit in supervising impact management	11 21	1.3 Stakeholder engagement 3.1 Corporate Governance
	2-13 Person in charge of impact management	11 25	1.3 Stakeholder engagement 3.1 Corporate Governance
	2-14 Highest governance body's role in sustainability reporting	11 21	1.3 Stakeholder engagement 3.1 Corporate Governance
	2-15 Conflicts of interest	25	3.1 Corporate Governance
	2-16 Communication of key material events	11	1.3 Stakeholder engagement
	2-17 Collective knowledge of highest governance body	26	3.1 Corporate Governance
	2-18 Evaluating the highest governance body's performance	25	3.1 Corporate Governance
	2-19 Remuneration policies	25	3.1 Corporate Governance
	2-20 Process for determining remuneration	24	3.1 Corporate Governance
	2-21 Annual total compensation ratio	-	The highest annual total remuneration is classified information of the organization, and thus is not disclosed
Ethical Corporate Management			
3-3 Management of material topics		26	3.2 Ethical Corporate Management
GRI 205 (2016): Anti-corruption	205-1 Operations assessed for risks related to corruption	27	3.2 Ethical Corporate Management
	205-2 Communication and training about anti-corruption policies and procedures	27	3.2 Ethical Corporate Management
	205-3 Confirmed incidents of corruption and actions taken	27	3.2 Ethical Corporate Management
GRI 206 (2016): Anti-competitive Behavior	206-1 Legal actions for anti-competitive behaviors, anti-trust, and monopoly practices	-	In 2025, CCSB was not fined for any anti-competitive behaviors, anti-trust, and monopoly practices
Legal Compliance			
3-3 Management of material topics		29	3.3 Legal Compliance
GRI 2 (2021): General Disclosures	2-27 Legal Compliance	29	3.3 Legal Compliance
Information security protection			
3-3 Management of material topics		30	3.4 Information security protection
GRI 418 (2016): Customer Privacy	418-1 Substantiated complaints regarding concerning breaches of customer privacy and losses of customer data	33	3.4 Information security protection

GRI Standard	Disclosure	Page	Corresponding Chapters/Additional Information
GHG and Energy Management			
3-3 Management of material topics		40	5.2 GHG and Energy Management
GRI 302 (2016): Energy	302-1 Energy consumption within the organization	41	5.2 GHG and Energy Management
	302-3 Energy intensity	41	5.2 GHG and Energy Management
	302-4 Reduction of energy consumption	43	5.2 GHG and Energy Management
	302-5 Reductions in energy requirements of products and services	43	5.2 GHG and Energy Management
GRI 305 (2016): Emissions	305-1 Direct (Scope 1) GHG emissions	42	5.2 GHG and Energy Management
	305-2 Energy indirect (Scope 2) GHG emissions	42	5.2 GHG and Energy Management
	305-4 GHG emissions intensity	42	5.2 GHG and Energy Management
	305-5 Reduction of GHG emissions	43	5.2 GHG and Energy Management
Water Resource Management			
3-3 Management of material topics		44	5.3 Water Resource Management
GRI 303 (2018): Water and Effluents	303-1 Interactions with water as a shared resource	44	5.3 Water Resource Management
	303-2 Management of water discharge-related impacts	45	5.3 Water Resource Management
	303-3 Water withdrawal Disclosure	44	5.3 Water Resource Management
Customer Health and Safety			
3-3 Management of material topics		49	6.1 Customer Health and Safety
GRI 416 (2016): Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	50	6.1 Customer Health and Safety
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	51	6.1 Customer Health and Safety
Product quality and responsible manufacturing			
3-3 Management of material topics		51	6.2 Product Quality and Responsible Manufacturing
Not Applicable for Self-Established Topics	Product production and manufacturing process	52	6.2 Product Quality and Responsible Manufacturing
	Product Quality and Safety Management Organization and Operating Procedures	53	6.2 Product Quality and Responsible Manufacturing
	Product Quality and Safety Education and Training	53	6.2 Product Quality and Responsible Manufacturing
	Product Quality and Safety Monitoring and Improvement Tracking	53	6.2 Product Quality and Responsible Manufacturing
	Product Storage and Transportation	54	6.2 Product Quality and Responsible Manufacturing
	Product Traceability, Anti-Counterfeiting, and Storage Procedures	54	6.2 Product Quality and Responsible Manufacturing
Employment			
3-3 Management of material topics		54	7.1 Employment
GRI 2 (2021): General Disclosures	2-7 Employees	65	7.1 Employment
	2-8 Non-employee workers	66	7.1 Employment
	2-30 Collective bargaining agreements	71	7.1 Employment
GRI 401(2016): Employment Relations	401-1 New employee hires and employee turnover	66	7.1 Employment
	401-2 Benefits provided for all employees	69-71	7.1 Employment
	401-3 Parental leaves	71	7.1 Employment
GRI 201 (2016): Economic Performance	201-3 Defined benefit plan obligations and other retirement plans	72	7.1 Employment
Talent Cultivation and Development			
3-3 Management of material topics		73	7.2 Talent Cultivation and Development
GRI 404(2018): Talent Attraction and Retention	404-1 Average hours of training per employee each year	74	7.2 Talent Cultivation and Development
	404-2 Programs for upgrading employee skills and transition assistance programs	75-76	7.2 Talent Cultivation and Development
	404-3 Percentage of employees receiving regular performance and career development reviews	74	7.2 Talent Cultivation and Development

GRI Standard	Disclosure	Page	Corresponding Chapters/Additional Information
Occupational Health and Safety			
3-3 Management of material topics		77	7.3 Occupational Health and Hygiene
GRI 403(2018): Occupational Health and Safety	403-1 Occupational health and safety management system	78	7.3 Occupational Health and Hygiene
	403-2 Hazard identification, risk assessment, and incident investigation	79-80	7.3 Occupational Health and Hygiene
	403-3 Occupational health services	83	7.3 Occupational Health and Hygiene
	403-4 Worker participation, consultation, and communication on occupational health and safety	82	7.3 Occupational Health and Hygiene
	403-5 Worker training on occupational health and safety	81	7.3 Occupational Health and Hygiene
	403-6 Promotion of worker health	82	7.3 Occupational Health and Hygiene
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	79	7.3 Occupational Health and Hygiene
	403-8 Workers covered by an occupational health and safety management system	78	7.3 Occupational Health and Hygiene
	403-9 Work-related injuries	79	7.3 Occupational Health and Hygiene
	403-10 Work-related ill health	83	7.3 Occupational Health and Hygiene
Other Topics			
GRI 200: Economy			
GRI 2 (2021): General Disclosures	2-6 Activities, value chain, and other business relations	55	6.3 Supply Chain Management
GRI 204 (2016): Procurement Practices	204-1 Proportion of spending on local suppliers	59	6.3 Supply Chain Management
GRI 300: Environment			
GRI 201 (2016): Economic Performance	201-2 Financial implications and other risks and opportunities due to climate change	35	4.1 Climate-Related Risks
GRI 306 (2020): Waste	306-1 Causes of Waste and Waste-Related Evident Impact	46	5.4 Waste Management
	306-2 Management of Waste-Related Evident Impact	46	5.4 Waste Management
	306-3 Causes of Waste	46	5.4 Waste Management
	306-4 Treatment and Transferring of Waste	47	5.4 Waste Management
	306-5 Direct Treatment of Waste	47	5.4 Waste Management
Self-established Topics			
Not Applicable for Self-Established Topics	Environment Policies	39	5.1 Environment Policies
Not Applicable for Self-Established Topics	R&D Innovation	60	6.4 R&D Innovation
Not Applicable for Self-Established Topics	Social welfare	85	8.1 Social Welfare and Community Participation

Appendix II. Reference table of SASB Standards – Disclosure Standards of Biotechnology & Pharmaceuticals

Metric Code	Metric	Category	Disclosure Content/Description and Corresponding Chapters
Safety of Clinical Trial Participants			
HC-BP-210a.1	Discussing management processes for ensuring quality and patient safety in clinical trials by region	Discussion and Analysis	CCSB did not conduct clinical trials
HC-BP-210a.2	Number of inspections related to clinical trial management and pharmacovigilance that resulted in (1) voluntary remedial actions by the entity or (2) regulatory or administrative sanctions against the entity	Quantification	0 (No such incidents occurred in the reporting year)
HC-BP-210a.3	Total monetary losses as a result of legal proceedings associated with clinical trials in developing countries ^{Note1}	Quantification	0 (No such incidents occurred in the reporting year)
Access to Medicines			
HC-BP-240a.1	Description of activities and initiatives to promote the accessibility of healthcare products for priority diseases and in priority countries, as defined by the Access to Medicine Index	Discussion and Analysis	CCSB exports products to lower middle-income countries such as India, Bangladesh, and Jordan
HC-BP-240a.2	List of entity products on the WHO prequalified medicines list under the WHO Prequalification of Medicines Programme (PQP)	Discussion and Analysis	In the reporting year, CCSB did not manufacture any products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Program (PQP)
Affordability and Pricing			
HC-BP-240b.2	Percentage change in (1) weighted average list price and (2) weighted average net price of product portfolio compared to the previous reporting period	Quantification	0 (No such incidents occurred in the reporting year)
HC-BP-240b.3	Percentage change in (1) list price and (2) net price for the products with the largest increase compared to the previous reporting period	Quantification	0 (No such incidents occurred in the reporting year)
Drug Safety			
HC-BP-250a.1	Products listed in the public medical product safety or adverse event alert database	Discussion and Analysis	No CCSB products were listed in the public medical product safety or adverse event alert database.
HC-BP-250a.2	Product-related fatalities	Quantification	0 (No such incidents occurred in the reporting year)
HC-BP-250a.3	Number of recalls issued; total units recalled	Quantification	0 (No such incidents occurred in the reporting year)
HC-BP-250a.4	Total weight of products accepted for recovery, reuse, or disposal	Quantification	0 (No such incidents occurred in the reporting year)
HC-BP-250a.5	Number of enforcement actions taken in response to violations of Good Manufacturing Practice (GMP) or equivalent standards, by type ^{Note2}	Quantification	0 (No such incidents occurred in the reporting year)
Counterfeit Drugs			
HC-BP-260a.1	Description of methods and technologies used to maintain product traceability and prevent counterfeiting throughout the supply chain	Discussion and Analysis	Chapter 6.2 Product Quality and Responsible Manufacturing Product Traceability, Anti-Counterfeiting, and Storage Procedures . With an aim to prevent counterfeit drugs from entering CCSB supply chain and markets in any way, policies for tracing products and preventing counterfeiting are formulated in all plants. For detailed policy, please refer to the chapter
HC-BP-260a.2	Description of the process for alerting customers and business partners to potential or known risks associated with counterfeit products	Discussion and Analysis	Chapter 6.2 Product Quality and Responsible Manufacturing Product Traceability, Anti-Counterfeiting, and Storage Procedures . If a risk involving counterfeit drugs occurs, CCSB has formulated countermeasures to instantly grasp the track of counterfeit drugs and conduct subsequent processing. For detailed measures, please refer to the chapter

Metric Code	Metric	Category	Disclosure Content/Description and Corresponding Chapters
HC-BP-260a.3	Number of enforcement actions involving raids, seizures, arrests, or criminal prosecutions related to counterfeit products	Quantification	0 (No such incidents occurred in the reporting year)
Marketing Ethics			
HC-BP-270a.1	Total monetary losses resulting from legal proceedings related to false marketing claims, type, unit of measure, and code ^{Note3}	Quantification	0 (No such incidents occurred in the reporting year)
HC-BP-270a.2	Description of the ethical standards governing the management of off-label use in product promotion	Discussion and Analysis	Chapter 6.1 Customer Health and Safety CCSB sells its APIs to downstream pharmaceutical manufacturers after production and never directly to users. All drugs on the market have been licensed with drug permit licenses in compliance with the “Pharmaceutical Affairs Act.” Moreover, CCSB makes sure the health and safety of its drugs do not violate relevant regulations or standards in compliance with Taiwan Food and Drug Administration (TFDA), international PIC/S GMP standard, and Good Distribution Practice (GDP)
Employee recruitment, cultivation, and retention			
HC-BP-330a.1	Discussion of efforts to recruit and retain scientists and research and development personnel	Discussion and Analysis	Chapter 7.1 Employment Relations R&D Employee Recruitment Policy CCSB R&D team consists of personnel of synthesis, biotechnology, analysis, and production technology departments. Our R&D personnel are the core of the R&D team. By providing consistent opportunities for development and growth, and positive working environment, CCSB ensures that R&D personnel are able to reach their potential to enhance the Company’s R&D capability for new products
HC-BP-330a.2	(1) Voluntary and (2) involuntary turnover rates for (a) senior executives/ senior managers, (b) middle managers, (c) professional staff, and (d) all other employees	Quantification	Chapter 7.1 Employment Relations 2025 New Hires and Departures of CCSB In 2025, the overall voluntary and involuntary turnover rates were 14.2% and 1.1%, respectively; please refer to the relevant section for data broken down by job level
Supplier Management			
HC-BP-430a.1	Percentage of (1) entity facilities and (2) tier 1 suppliers participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party audit programs for supply chain and ingredient integrity	Quantification	Chapter 6.3 Supply Chain Management (1) 0%; (2) 0% CCSB has not yet participated in the Rx-360 International Pharmaceutical Supply Chain Consortium Audit Program. Currently, with respect to supplier management, we conduct written audits or on-site inspections on all suppliers on a regular basis in accordance with the in-plant SOP
Business Ethics			
HC-BP-510a.1	Total monetary losses as a result of legal proceedings associated with bribery or corruption ^{Note4}	Quantification	0 (No such incidents occurred in the reporting year)
HC-BP-510a.2	Description of ethical codes of conduct governing interactions with healthcare professionals	Discussion and Analysis	Chapter 3.2 Ethical Corporate Management Conducted based on CCSB ethical corporate operation procedures and guidance for conduct. Please refer to the chapter
Activity Index			
HC-BP-000.A	Number of patients in treatment	Quantification	CCSB sells its APIs to downstream pharmaceutical manufacturers after production and never directly to users, and thus the number of patients cannot be estimated
HC-BP-000.B	Number of pharmaceutical products in (1) portfolio and (2) research and development (Phases 1 to 3)	Quantification	As of the end of 2025, CCSB has 33 API products in the product portfolio, including 3 antifungal drugs, 6 immunosuppressive drugs, 3 anticancer drugs, 2 cardiovascular drugs, 7 peptide drugs, 3 immunomodulators, and 9 others Chapter 6.4 R&D Innovation For details of drugs under R&D, please refer to the chapter

Note1: Note to HC-BP-210a.3 – The entity should briefly describe the nature and background of monetary losses and any corrective actions taken.

Note2: Note to HC-BP-250a.5 – The entity should briefly describe the nature and background of enforcement actions and any corrective actions taken as a result.

Note3: Note to HC-BP-270a.1 – The entity should briefly describe the nature and background of monetary losses and any corrective actions taken.

Note4: Note to HC-BP-510a.1 – The entity should briefly describe the nature and background of monetary losses and any corrective actions taken.

Appendix III. Index Table of Climate-related Information

Task Force on Climate-related Financial Disclosures (TCFD) Reference Table

Item	Page	Corresponding Chapters/Additional Information
Governance-Disclose the organization's governance around climate-related issues and opportunities.		
Describe the board's oversight of climate-related risks and opportunities.	35	4.1 Climate-Related Risks
Describe the role of management in assessing and managing climate-related risks and opportunities.	35	4.1 Climate-Related Risks
Strategy-Disclose the potential and actual impacts of climate-related risks and opportunities on the organization's business, strategy and financial planning where such information is material.		
Describe the short-, medium-, and long-term climate-related risks and opportunities identified by the organization.	36-37	4.1 Climate-Related Risks
Describe the impact of climate-related risks and opportunities in the organization's business, strategic, and financial planning.	36-37	4.1 Climate-Related Risks
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	36	4.1 Climate-Related Risks
Risk Management-Disclose how the organization identifies, assesses, and manages climate-related risks.		
Describe the organization's process for identifying and assessing climate-related risks.	35	4.1 Climate-Related Risks
Describe the organization's processes for managing climate-related risks.	35	4.1 Climate-Related Risks
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	36	4.1 Climate-Related Risks
Indicator and Goal-For material information, indicators and targets used to assess and manage climate-related risks and opportunities are disclosed.		
Disclose the indicators used by the organization to assess climate-related risks and opportunities in accordance with its strategy and risk management process.	37	4.1 Climate-Related Risks
Disclosure of Scope 1, Scope 2, and Scope 3 (if applicable) GHG emissions and related risks.	37 42	4.1 Climate-Related Risks 5.2 GHG and Energy Management
Describe the objectives used by the organization to manage climate-related risks and opportunities, and the performance of the objectives.	37	4.1 Climate-Related Risks

Climate-related information for listed companies

Disclose climate-related information according to Attached Table 2 of Article 4-1 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies."

Risks and opportunities caused by climate change and the related countermeasures taken by the Company

Item	Disclosure content	Page	Corresponding Chapters/Additional Information
1	The Board of Directors and Management's supervision and governance of risks and opportunities regarding climate.	35	4.1 Climate-Related Risks
2	Identify how climate-related risks and opportunities affect the Company's business, strategy, and finance (short term, mid term, and long term).	36	4.1 Climate-Related Risks
3	The impact of extreme climate incidents and transition operations on finance.	37	4.1 Climate-Related Risks
4	How the identification, assessment, and management process integrate into the overall risk management system.	36-37	4.1 Climate-Related Risks
5	When scenario planning is used to conduct and assess climate risks, please state the used scenarios, parameters, hypotheses, factors, and main financial impacts.	-	Scenario planning has not been used
6	For any transition plans that cope with climate-related risks, please state the content and the indicators and goals used to identify and manage physical risks and transition risks.	37	4.1 Climate-Related Risks
7	For any internal carbon pricing used as a planning tool, please state the basis of price establishment.	-	No carbon pricing tools are used
8	For any set goals associated with climate, please state information such as covered activities, scopes of GHG emissions, arranged schedules, and yearly progress. For carbon offset or Renewable Energy Certificates (RECs) used to achieve relevant goals, please state the source and number of reduced carbon credit that were offset, and the number of RECs.	37	4.1 Climate-Related Risks
9	Greenhouse gas inventory and assurance status, as well as reduction targets, strategies and concrete action plans (indicated in 1-1 and 1-2 separately).	42	5.2 GHG and Energy Management/ In 2025, the GHG inventory of CCSB and its subsidiaries in the consolidated financial statements was completed in accordance with the ISO 14064-1 standard. The GHG inventory was verified by a third party, and certification was obtained

Appendix IV. GHG Verification Opinion



OPINION

Greenhouse Gases Verification Opinion
ISO 14064-1 : 2018

Given to:

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD
Office Address:
**1, TUNG-HSING ST., SHU-LIN DIST.,
NEW TAIPEI CITY 23850, TAIWAN**

The quantity of Greenhouse Gas of the above organization and found to be in accordance with ISO 14064-1:2018.
(detailed information please refer to next page)

Report Year	: 2025
Greenhouse Gases	
Direct Emissions	: 2,920.5571 CO2-e Tonnes/ year
Energy Indirect Emissions(Category2)	: 7,033.5284 CO2-e Tonnes/ year
Other Indirect Emissions (Category3-6)	: 6,578.8835 CO2-e Tonnes/ year
Sum	: 16,532.969 CO2-e Tonnes/ year
Materiality	: 5%
Reasonable Assurance	: Direct and Energy Indirect Emissions
Limited Assurance	: Category3-6

Opinion No.: GHG-263519437
Version: V1.1
Verify Date: 2026-05-07

Issue Date: 2026-05-22

Verification Body
at TUV NORD Taiwan Co., Ltd.

Further clarifications regarding the scope of this opinion and the applicability of the standard may be obtained by consulting the organization
TUV NORD Taiwan Co., Ltd. Room A1, 9F, No. 333, Sec. 2, Tun Hua S. Rd., Taipei, Taiwan www.tuv-nord.com/taiwan

TUV NORD Taiwan Co., Ltd.
Room A1, 9F, No. 333, Sec. 2,
Tun Hua S. Rd.
Taipei 10669 Taiwan, R.O.C.

Page 1 of 3



OPINION

Appendix to Opinion No. GHG-263519437
ISO 14064-1 : 2018

TUV NORD Taiwan Co., Ltd (hereinafter referred to as "TUV NORD") has been contracted with CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD (hereinafter referred to as "CHUNGHWA"), 1, TUNG-HSING ST., SHU-LIN DIST., NEW TAIPEI CITY 23850, TAIWAN for the verification of direct and indirect greenhouse gas emissions in accordance with ISO 14064-1:2018. In the GHG Opinion in the form of GHG report covering GHG emissions of the period 2025-01-01 to 2025-12-31.

Roles and responsibilities
The management of CHUNGHWA is responsible for the organization's GHG information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation and determination of GHG emissions information and the reported GHG emissions.

TUV NORD conducted a third party verification to express an independent GHG verification opinion on the GHG emissions as provided in the GHG Opinion for the period year 2025.

Level of Assurance
The level of assurance agreed are that of reasonable assurance for category 1 and 2, Limited level assurance from category 3 to 6.

Scope
Verification of GHG emissions within the organization's boundary and is based on ISO 14064-1:2018.
Location/Boundary of the activities:

Company	Address
CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD	1, TUNG-HSING ST., SHU-LIN DIST., NEW TAIPEI CITY 23850, TAIWAN
Pharmaports LLC	3, TUNG-HSING ST., SHU-LIN DIST., NEW TAIPEI CITY 23850, TAIWAN One East Uwhlan Ave., Suite 116 Exton, PA19341, USA

- Types of GHGs included: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃
- The IPCC 2021 AR6 GWP values are applied in the inventory.
- GHG information for the following period was verified on 2026-04-16 to 2026-05-07.

Page 2 of 3



The GHG emissions are described as below:

GHG emissions categorization	Description	GHG emission (tonnes of CO ₂ e per year)
Direct Emissions/ Category 1	Occur from GHG sources inside organizational boundaries and that are owned or controlled by the organization.	2,920.5571
Energy Indirect Emissions	Category 2 Indirect GHG emissions from imported energy	7,033.5284
	Category 3 Indirect GHG emissions from transportation	216.4832
	Category 4 Indirect GHG emissions from products used by an organization	6362.4003
	Category 5 Indirect GHG emissions associated with the use of products from the organization	Undisclosed
	Category 6 Other sources	Undisclosed
Direct Emissions and Indirect Emissions		16,532.969

The GHG emissions categorization are based on Annex B of ISO14064-1:2018.
Intended User of Verification Opinion: Organizations use for their own reference.

Confidentiality
The reports and appendix are not allowed to be edited, duplicated, or published without the clients' agreement.

Avoidance of Conflict of Interest
The reports was verified with fairness and honesty.

Verifiers Group
According as the above opinion were judgement by TUV NORD.

Verification Body
at TUV NORD Taiwan Co., Ltd.

Further clarifications regarding the scope of this opinion and the applicability of the standard may be obtained by consulting the organization
TUV NORD Taiwan Co., Ltd. Room A1, 9F, No. 333, Sec. 2, Tun Hua S. Rd., Taipei, Taiwan www.tuv-nord.com/taiwan

TUV NORD Taiwan Co., Ltd.
Room A1, 9F, No. 333, Sec. 2,
Tun Hua S. Rd.
Taipei 10669 Taiwan, R.O.C.

Page 3 of 3

Appendix V. Summary Table of Assurance Items

Chunghwa Chemical Synthesis & Biotech Co., Ltd. Summary of Assurance Items for the 2025 ESG Report

Number	Assurance Target	Key Performance Indicator	Applicable Standards
1	2025 Operation of the Board of Directors and Functional Committees.	In 2025, the Board of Directors held a total of ten meetings, with an attendance rate of 92.86%; the Audit Committee held a total of four meetings, with an attendance rate of 83.33%; and the Remuneration Committee held a total of three meetings, with an attendance rate of 88.89%.	The attendance register, meeting minutes, and attendance statistics for the Board of Directors and functional committee meetings in 2025 are as indicated by the Company.
2	The ratio of female middle-/high-level supervisors in 2025	In 2025, the female middle/high level supervisors account for 21.4%.	Based on the Company's ratio of female middle and senior managers to all middle and senior managers as of December 31, 2025. Note: Mid-level and senior managers are at the (deputy) manager level and above.
3	2025 disabling frequency rate of employees.	There were 5 occupational accidents in 2025, with the employee disabling frequency rate of 9.72.	According to the 2025 employee occupational injury statistics provided by the Company - recordable occupational injuries * 1,000,000/hours worked, recordable occupational disease rate = recordable occupational diseases/hours worked * 1,000,000.
4	Number of public welfare activities participated in 2025.	In 2025, a total of 14 public welfare activities were held.	Statistics on the number of public welfare activities held by the Company in 2025.
5	Total amount of reported waste in 2025.	In 2025, the total amount of waste was 1,311.48 tons, non-hazardous waste was 344.51 tons, and hazardous waste was 966.97 tons.	The total amount of processed industrial waste in 2025, uploaded onto the Industrial Waste Reporting and Management System (IWR&MS) in accordance with the Waste Disposal Act and the reporting regulations prescribed by the competent authority, is indicated by the Company.

Appendix VI. CPA Limited Assurance Report



PwC Taiwan

CPA Limited Assurance Report

Zi-Kuai-Zong-Zi No. 25014252

To Chunghwa Chemical Synthesis & Biotech Co., Ltd.,

We have been appointed by CCSB (hereafter referred to as “the Company”) to conduct assurance procedures for the key performance indicators (hereafter referred to as “selected KPIs”) selected by the Company, which are reported in the 2025 ESG Report. We have completed the assurance and issued a limited assurance report

Target Information and Applicable Standards

The target information of this assurance case is the aforementioned selected KPIs. The selected KPIs and the applicable standards are listed in the “Summary Table of Assurance Item” of the 2025 ESG Report. The reporting scope of the selected KPIs stated in the preceding paragraph is stated in “Reporting Scope and Boundary” of the ESG Report.

The above-mentioned applicable criteria are based on the latest version of the GRI Standards published by the Global Reporting Initiative (GRI), industry supplement guidelines, and the key performance indicators selected by the Company according to industry characteristics or other criteria designed by the Company.

Management’s Responsibility

Management is responsible for compiling the key performance indicators selected for the ESG report in accordance with the applicable standards and for designing, implementing, and maintaining internal controls related to the selected key performance indicators to ensure that they are not materially misstated due to fraud or error.

Inherent Limitations

Numerous assurance items in this case involved non-financial information, which is subject to more inherent limitations compared to assurance of financial information. The qualitative interpretation of the relevance, materiality and correctness of information is subject to individual assumptions and judgments.

CPAs’ Independence and Quality Management

We, as well as the accounting firm, have conformed to regulations in the Code of Ethics for Professional Accountants regarding independence and other codes of ethics, where the basic principles are integrity, impartiality, objectivity, professional competence and due professional care, confidentiality and professional conduct.

www.pwc.tw

PricewaterhouseCoopers, Taiwan
27F, No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei 110208, Taiwan
T: +886 (2) 2729 6666, F: +886 (2) 2729 668



PwC Taiwan

The “Quality Management for Accounting Firms” of Standards on Quality Management No. 1 of the Republic of China stipulates that accounting firms shall design, implement, and maintain a quality management system, including policies and procedures related to compliance with professional ethics, professional standards, and applicable laws and regulations.

CPAs’ Responsibility

Our responsibility is to plan and execute limited assurance engagements in accordance with Assurance Standard No. 3000. “Assurance Engagements for Audits or Reviews of Non-historical Financial Information.” We also obtain limited assurance based on the procedures performed and the evidence obtained regarding whether the key performance indicators selected by the Company, as described in the first paragraph, are materially misstated, and we express a limited assurance conclusion.

According to the provisions of Assurance Standard No. 3000, the limited assurance engagement includes evaluating the appropriateness of the key performance indicators selected for preparing the ESG report based on the applicable criteria adopted by the Company, assessing the risk of material misstatement due to fraud or error in the selected key performance indicators, responding appropriately to the assessed risks as necessary, and evaluating the overall presentation of the selected key performance indicators. The scope of risk assessment procedures (including understanding internal controls) and procedures to address the assessed risks is significantly narrower in scope than that of a reasonable assurance engagement.

The procedures performed by us on the key performance indicators selected by the Company, as described in the first paragraph, are based on professional judgment. These procedures include inquiries, observation of the process, assessment of document appropriateness, and verification or reconciliation of relevant records.

Based on the circumstances of this case, our accountant has performed the above procedures:

- The individuals who engaged in compiling the selected KPIs were interviewed to understand the process of compiling the above information and relevant internal control so as to identify fields with material misstatements.
- Based on the understanding of the above matters and identified fields, we searched, observed, and inspected the samples of selected KPIs to obtain evidence of limited assurance.

Compared to reasonable assurance engagements, the nature and timing of procedures performed in limited assurance engagements differ, and their scope is narrower. Consequently, the level of assurance obtained in limited assurance engagements is significantly lower than that obtained in reasonable assurance engagements. Therefore, we do not express an opinion on the reasonable assurance of the key performance indicators selected by the Company, in all material respects, in accordance with applicable standards.



PwC Taiwan

This report does not provide any assurance of the effectiveness of the design or implementation of the 2025 ESG Report as a whole and its related internal controls.

Conclusion of Limited Assurance

Based on the procedures performed and evidence obtained, we did not find any instances where the key performance indicators selected by the Company, as described in the first paragraph, were not prepared in accordance with applicable standards in all material respects.

Other Matters

The Company's website maintenance is Management's responsibility. As to any changes in the assurance report regarding selected KPIs or applicable standards after its announcement on the Company's website, we will not bear the responsibility for re-performing assurance on such information.

PwC Taiwan

CPA: Hsieh, Wei-Li

August 6, 2026

www.pwc.tw



資誠

會計師有限確信報告

資會綜字第 25014252 號

中化成生技股份有限公司 公鑒：

本會計師受中化成生技股份有限公司（以下簡稱「貴公司」）之委任，對 貴公司選定民國 114 年度永續報告書所報導之關鍵績效指標（以下簡稱「所選定之關鍵績效指標」）執行確信程序。本會計師業已確信竣事，並依據結果出具有限確信報告。

標的資訊與適用基準

本確信案件之標的資訊係 貴公司上開所選定之關鍵績效指標，有關所選定之關鍵績效指標及其適用基準詳列於 貴公司民國 114 年度永續報告書之「確信項目彙總表」。前述所選定之關鍵績效指標之報導範圍業於永續報告書之「報告書範疇與邊界」段落述明。

上開適用基準全球永續性報告協會(Global Reporting Initiatives, GRI)發布之最新版 GRI 準則(GRI Standards)與行業補充指南，以及 貴公司依行業特性與其所選定之關鍵績效指標參採或自行設計其他基準。

管理階層之責任

貴公司管理階層之責任係依照適用基準編製永續報告書所選定之關鍵績效指標，且設計、付諸實行及維持與所選定之關鍵績效指標編製有關之內部控制，以確保所選定之關鍵績效指標未存有導因於舞弊或錯誤之重大不實表達。

先天限制

本案諸多確信項目涉及非財務資訊，相較於財務資訊之確信受有更多先天性之限制。對於資料之相關性、重大性及正確性等之質性解釋，則更取決於個別之假設與判斷。

會計師之獨立性及品質管理

本會計師及本事務所已遵循會計師職業道德規範有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及專業上應有之注意、保密及專業行為。

本事務所適用品質管理準則 1 號「會計師事務所之品質管理」，該品質管理準則規定會計師事務所設計、付諸實行及執行品質管理制度，包含與遵循職業道德規範、專業準則及所適用法令有關之政策或程序。

資誠聯合會計師事務所 PricewaterhouseCoopers, Taiwan
110208 臺北市信義區基隆路一段 333 號 27 樓
27F, No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei 110208, Taiwan
T: +886 (2) 2729 6666, F: +886 (2) 2729 6686



資誠

會計師之責任

本會計師之責任係依照確信準則 3000 號「非屬歷史性財務資訊查核或核閱之確信案件」規劃及執行有限確信案件，基於所執行之程序及所獲取之證據，對第一段所述 貴公司所選定之關鍵績效指標是否未存有重大不實表達取得有限確信，並作成有限確信之結論。

依確信準則 3000 號之規定，本有限確信案件工作包括評估 貴公司採用適用基準編製永續報告書所選定之關鍵績效指標之妥適性、評估所選定之關鍵績效指標導因於舞弊或錯誤之重大不實表達風險、依情況對所評估風險作出必要之因應，以及評估所選定之關鍵績效指標之整體表達。有關風險評估程序（包括對內部控制之瞭解）及因應所評估風險之程序，有限確信案件之範圍明顯小於合理確信案件。

本會計師對第一段所述 貴公司所選定之關鍵績效指標所執行之程序係基於專業判斷，該等程序包括查詢、對流程之觀察、文件之檢查是否適當之評估，以及與相關紀錄之核對或調節。

基於本案件情況，本會計師於執行上述程序時：

- 已對參與編製所選定之關鍵績效指標之相關人員進行訪談，以瞭解編製前述資訊之流程，以及攸關之內部控制，以辨認重大不實表達之領域。
- 基於對上述事項之瞭解及所辨認之領域，已對所選定之關鍵績效指標選取樣本進行查詢、觀察、檢查測試，以取得有限確信之證據。

相較於合理確信案件，有限確信案件所執行程序之性質及時間不同，其範圍亦較小，故於有限確信案件所取得之確信程度亦明顯低於合理確信案件中取得者。因此，本會計師不對 貴公司所選定之關鍵績效指標在所有重大方面，是否依照適用基準編製，表示合理確信之意見。

此報告不對民國 114 年度永續報告書整體及其相關內部控制設計或執行之有效性提供任何確信。



資誠

有限確信之結論

依據所執行之程序與所獲取之證據，本會計師並未發現第一段所述 貴公司所選定之關鍵績效指標在所有重大方面有未依照適用基準編製之情事。

其它事項

貴公司網站之維護係 貴公司管理階層之責任，對於確信報告於 貴公司網站公告後任何所選定之關鍵績效指標或適用基準之變更，本會計師將不負就該等資訊重新執行確信工作之責任。

資 誠 聯 合 會 計 師 事 務 所

會計師 謝 瑋 莉



中 華 民 國 1 1 5 年 8 月 6 日

CENRA+
API Solutions