

SLC
PHARMA

Savior Lifetec Corporation

2022

SUSTAINABILITY REPORT



Chairperson's Ambitions

Savior Lifetec Corporation Sustainable Development Goals and Ambitions



Dear stakeholders,

The brand spirit of Savior Lifetec Corporation (SLC) is faithfully reflected in its name in Chinese characters Song and Rui, which respectively symbolize “strength and endurance” and “shared fortune with the community.” Since its establishment, SLC has been committed to focusing its ingenuity to provide life-saving quality injectables for patients in need. We will always devote the same spirit to carefully developing sterling products, contributing to the wellbeing of the community and fulfilling expectations for a wonderful life.


SLC’s pursuit of excellence also bolsters the Company’s value creation, especially in its business model and services. With our global presence being instrumental in acquiring critical technologies, the Company supplies active pharmaceutical ingredients and preparations of the carbapenems globally. SLC has successfully transformed and become the leading brand in the injectable pharmaceutical market in Taiwan. The Company also plays an important role in the global supply chain of the carbapenems!

Over the past two decades, Savior Lifetec Corporation has continued to flourish in drug research and development (R&D) and drug registration. In the future, we will endeavor to operate more sustainably by optimizing our manufacturing processes and seeking integration from upstream to downstream of the industry chain. The Company’s aspiration is wellbeing for all and to establish a lasting legacy, which will accompany us in further expanding into the health supplement area, making more positive impacts for the world. In 2022 Savior Lifetec Corporation released its first sustainability report, unveiling the Company’s philosophy and long-term commitment to environmental protection and corporate social responsibility. To deepen our internal colleagues’ understanding of these ideas, the Company conducted education and training activities regarding ESG sustainability management. This further demonstrated the Company’s dedication and actions in respect to the environment, society and corporate governance.

The pandemic in the past few years brought global risks that affected all of us significantly. Therefore, climate governance and risk management were incorporated into our strategy and consideration to inform our sustainable operation. To this end, we adopted the framework formulated by the Task Force on Climate-related Financial Disclosures (TCFD). This helped the Company address possible issues by developing risk management measures while seizing potential opportunities arising from the integration of the industry chain. We also made efforts to save energy use and reduce carbon footprint by improving energy efficiency, reducing waste and minimizing our negative impacts on the environment. Looking forward, Savior Lifetec Corporation will continue to strive for innovative R&D and excellence. In the pharmaceutical and health supplement areas promoting human wellbeing, we will seek to enter new markets and broaden our business to drive steady growth of Savior Lifetec Corporation.

Message from the General Manager

Savior Lifetec Corporation Operation and Performance




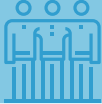


Dear Stakeholders,

It is our great pleasure to release the first official sustainability report that publicly unveils non-financial information of Savior Lifetec Corporation. As the Company operates in an industry that life matters, top quality and safety have always been of our greatest concerns in developing our life-saving solutions.

Year 2022 has been a critical year to SLC. In order to operate more sustainably, we sought to integrate from upstream to downstream of the industry chain and diversify our business partnership: we not only continued to work more closely with suppliers, but also collaborated with a range of partners to jointly expand global positions and presence. In order to enhance pharmaceutical research and development (R&D) quality and competitiveness, we reorganized the original R&D unit to become our wholly-owned subsidiary SLC BioPharm, which specializes in developing manufacturing processes for specialty upstream and downstream ingredients and preparations. Our expectation is to diversify SLC’s products. Simultaneously we completed the manufacturing process optimization of the plants located in Taiwan Science Park, not only bringing the advantage of economies of scale, but also achieving our environmental targets measured by the sustainability indicators, where our performance in resource use efficiency and carbon intensity reduction immediately improved. In addition, SLC passed the regular inspection by FDA with a satisfactory result of zero failure. This illustrated our relentless commitment to excellence.

SLC believes that sustainable operations and production can only be achieved with quality products, strong corporate governance and reliable cooperation within the industry chain. In the future, we will expand our markets around the globe by continuously unlocking our advantages in R&D, manufacturing process optimization and economies of scale!

2022 Achievements

<p>Environment</p> 	<p>Corporate Governance</p> 	<p>Social</p> 
<ul style="list-style-type: none"> ● The plant in Southern Taiwan Science Park (STSP) completed its manufacturing process optimization, significantly reducing energy consumption, water consumption and energy intensity. ● The plant in Chunan and Taiwan Science Park complied with all regulations in preventing pollution from emitted air, wastewater, waste and toxic chemical substances. ● regulations in preventing pollution from emitted air, wastewater, waste and toxic chemical substances. Compared with 2021, waste solvents incinerated by third parties reduced by 49.4%. ● In 2022 adopted the framework formulated by the Task Force on Climate-related Financial Disclosures (TCFD), identifying impacts from climate change on operations while also proposing mitigation and adaption strategies. 	<ul style="list-style-type: none"> ● Quality management: passed inspections by the U.S. Food and Drug Administration (FDA). ● The Company approved “Risk Management Policy and Operational Procedures,” officially establishing a risk management approach. 	<ul style="list-style-type: none"> ● Granted the Silver Medal of the Happiest Employees Award by 1111 Job Bank ● Revised the “Procedure for Supplier Management,” requiring suppliers to endorse the “Supplier’ s Commitment of Social Responsibility;” where the following issues throughout the supply chain are compulsorily factored in during supplier evaluation: labor rights, environment protection, occupational safety and health, business integrity and corruption prevention. In 2021, 32 suppliers endorsed the commitment; in 2022, the examination of suppliers was formally launched. The Company and suppliers will jointly create a Force on Climate-related Financial Disclosures (TCFD), identifying impacts from climate change on operations while also proposing mitigation and adaption strategies.

► Introduction to Savior Lifetec Group

We take pride in providing life-saving medications!

Savior Lifetec Group is a leading specialist in carbapenem products and injectable pharmaceuticals. Its headquarters, Savior Lifetec Co., Ltd., is located in Zhunan, Taiwan. The company boasts state-of-the-art and vertically integrated production facilities, covering the entire process from sterile raw materials to finished dosage forms. The high-standard facilities not only meet cGMP standards but have also successfully passed inspections by health authorities in Japan, Europe, and the United States. Additionally, the company has a cutting-edge research and development center that adheres to GLP standards, specifically dedicated to API and drug development.



About Savior Lifetec Corporation

Name of the Company	Savior Lifetec Corporation
Establishment Date	January 30, 2004
Total Capital Amount	31.7 billion New Taiwan Dollars.
Over-the-counter listing date	September 8, 2015
Revenue in 2022	1,265,749 thousand New Taiwan Dollars.
Operational Headquarters	350, No. 29 Kezhong Road, Zhunan Township, Miaoli County
Number of employees	A total of 311 people.
Company ownership and legal form	Sungreen Pharmaceuticals was approved for listing on the over-the-counter market in 2015. Its legal form is a "Limited Company," and the ownership of the company belongs to all shareholders.



► Primary products and economic performance

Specializing in sterile active pharmaceutical ingredients (API), the component of a medication that produces its health effects, and the injectables that contain these APIs, Savior Lifetec Corporation leads the world in developing relevant manufacturing processes and producing end products. SLC's expertise and established techniques in sterile crystallization and sterile powder manufacturing serve as the foundation for innovation. Taking pride in manufacturing drugs that save lives, the Company is determined to produce quality products to address the needs of patients worldwide, while adding value to its employees, shareholders, and the Taiwan pharmaceutical industry in the creation of a healthier environment.

The Company runs five major businesses involving generic carbapenem antibiotics, generic injectables, generic controlled-release drugs, new dosage form development and new drug development, including their APIs, excipients, intermediates and dosage forms. One of our primary products, meropenem, included in the WHO Model Lists of Essential Medicines, serves as the last line of defense in treating clinical severe infections. Meropenem, along with ertapenem, played an essential role in saving lives during the COVID-19 pandemic.

SLC's research, development and manufacturing activities are based in Taiwan, while the products are distributed globally. In 2022, our ertapenem products were marketed in over 20 countries, including the United States, the United Kingdom, Spain, Russia, Turkey, Egypt, Latin American countries, Southeast Asian countries and Taiwan.

Based on our plan for global expansion, Savior Lifetec Corporation expects its ertapenem to reach even more countries and markets in the next one to three years (2023-2025), benefiting patients in over 60 countries.

Primary products

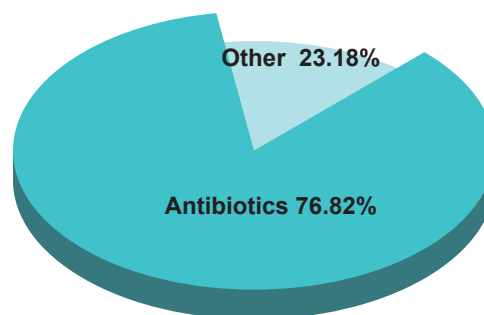
Our primary products currently are carbapenem antibiotics, i.e. generic meropenem and ertapenem products.

The carbapenems, new broad spectrum beta-lactam antibiotics with carbapenem, act against the widest range of bacteria with the strongest antibacterial activity, serving as the last line of defense in treating clinical severe infections.

Application of primary products

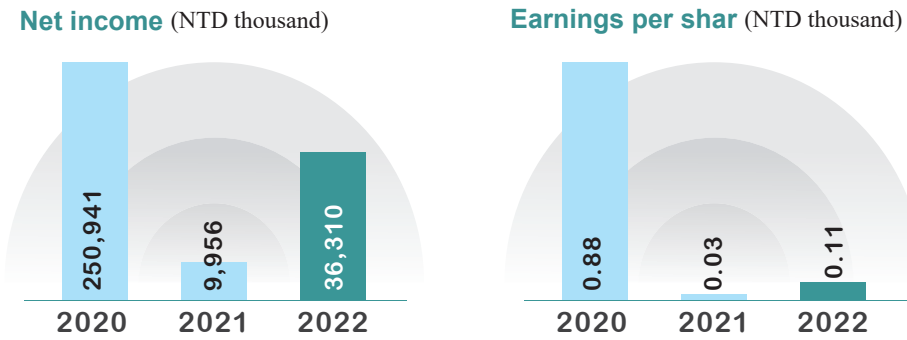
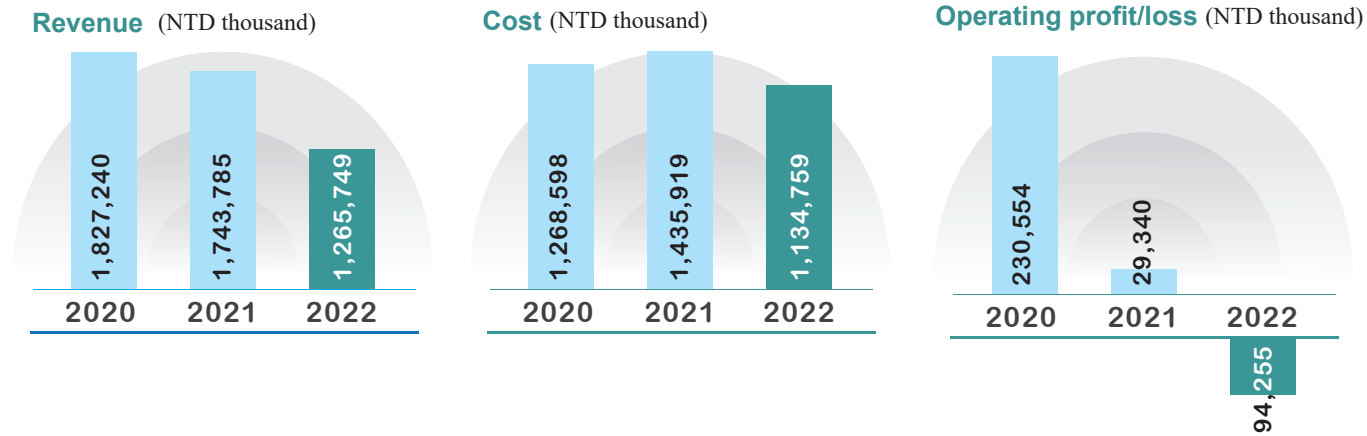
Primary products	Application (For its implications, please refer to the announcements from the Ministry of Health and Welfare)
Meropenem	Pneumonia, skin infections, urinary tract infections, gynaecological infections, sepsis, meningitis, etc.
Ertapenem	Complicated intra-abdominal infections, complicated skin and soft tissue infections, diabetic foot infections without osteomyelitis, infectious pneumonia, complicated urinary tract infections including pyelonephritis, acute pelvic inflammatory diseases including postpartum endometritis, septic abortion and postoperative gynaecological infections, surgical site infections from colectomy in prevention of colon and rectal cancer, etc.

The proportion of antibiotic products in the total revenue in 2022.



Unit: (thousand), %.

Item	Proportion of operating revenue in 2021	Revenue in 2021	Proportion of operating revenue in 2022	Revenue in 2022
Antibiotics	69.69	1,215,262	76.82	972,345
Others	30.31	528,523	23.18	293,404
Total	100	1,743,785	100	1,265,749

Revenue and earnings per share for 2020-2022


Item	2020	2021	2022
Revenue (NTD thousand)	1,827,240	1,743,785	1,265,749
Cost (NTD thousand)	1,268,598	1,435,919	1,134,759
Operating profit/loss (NTD thousand)	230,554	29,340	-94,255
Net income (NTD thousand)	250,941	9,956	36,310
Earnings per share (NTD)	0.88	0.03	0.11

Savior Lifetec Group's
Sustainability Values

Savior Lifetec Corporation addresses our operations' impacts on all stakeholders, society and the environment with consideration to their actual needs to create competitive advantages with our unique, core capabilities. The Company incorporates sustainability strategies into its business plan, where medium and long-term sustainable goals are defined to provide guidance for decision making. In the meantime, the Company builds communication channels for stakeholders in different areas, inviting all parties to contribute to a sustainable future shared among businesses and society.

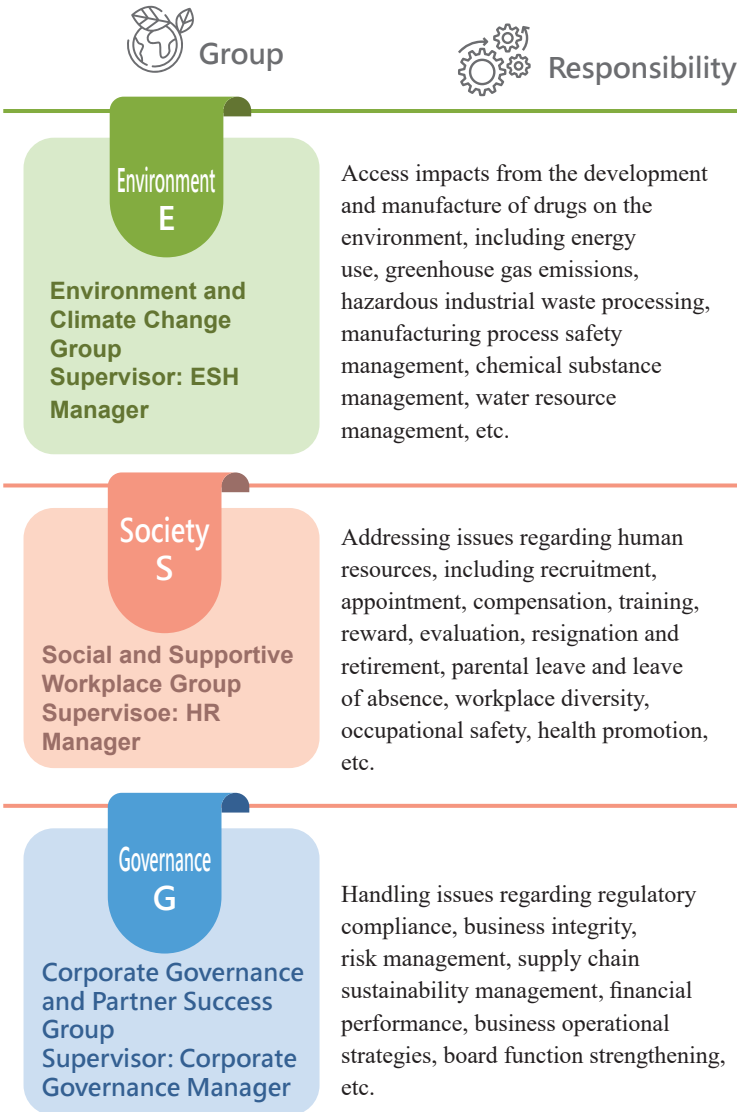


▶ ESG Steering Organization

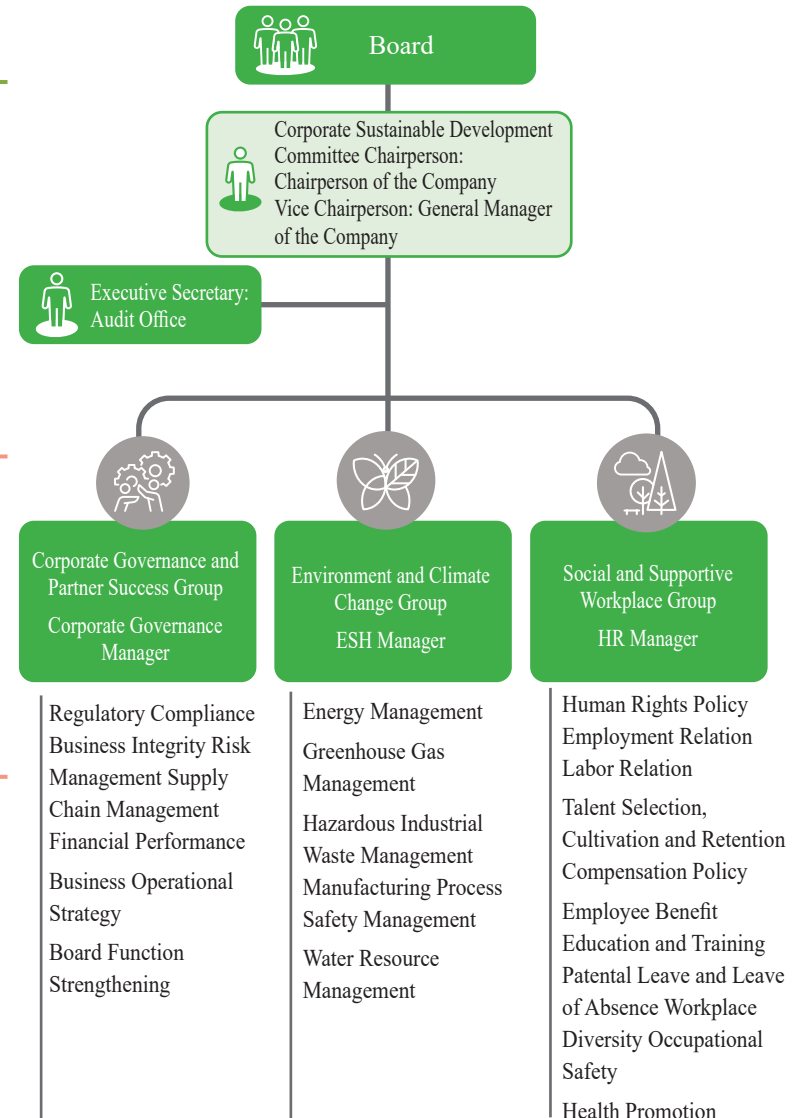
Taking pride in manufacturing drugs that save lives, Savior Lifetec Corporation recognizes the importance of sustainable development in accomplishing our mission. Therefore, year 2022 marked the beginning of the Company's efforts in promoting sustainable development and witnessed the establishment of the "Corporate Sustainable Development Committee" (hereafter "ESG Committee"), which is responsible for the overall direction and potential goals of the Company's efforts in this regard. The Chairperson and the General Manager of the Company assumed the roles of the Chairperson and the Vice Chairperson of the committee. The managers of all departments served as the supervisors of various groups within the committee, working together to promote corporate sustainable governance.

The ESG Committee is set up under the Board of Directors with three major functional groups responsible for planning and promoting sustainable development policies, goals, strategies and action plans across departments which follow and execute the plans. The ESG Committee regularly reports to the Board of Directors so that sustainability performance is tracked and managed in a timely manner.

The functions of each group under the ESG Committee are as follows:



The structure and functions of the ESG Committee are as follows:



► Stakeholders and Material Topics

Material topic identification

Savior Lifetec Corporation aspires to comprehensively assess the material topics that affect the Company's sustainability performance. To this end, we assessed how much the Company's operations impacted the environment, economy, human/human rights by following the material topic identification process specified in the GRI Standards updated in 2021. An additional action was to manage the actual and potential impacts.

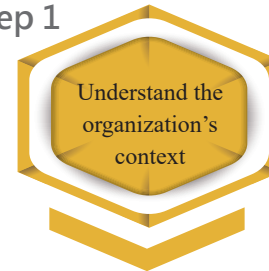
Impact management mechanism

When managing material topics, the Board, being the highest governance body, bears the supervisory and decision-making responsibilities. The Company also established an independent Corporate Sustainable Development Committee in charge of prevention and improvement measures in response to potential and actual risks. After compiling all possible issues, the ESG Committee works with the manager of each department to assess and prioritize the impacts arising from those issues through questionnaire surveys and interviews.

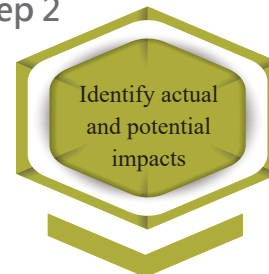


Savior Lifetec Corporation undertakes the following steps to determine the material topics of the Company:

Step 1



Step 2



Step 3



Step 4



1. Understand the organization's context: Identify stakeholders; list sustainability topics

(1) Identify stakeholders

Savior Lifetec Corporation aspires to comprehensively assess the material topics that will affect the Company's sustainability performance. To this end, we interviewed the manager of each department and carried out assessments based on five principles, i.e. Dependency, Responsibility, Tension, Influence and Diverse Perspectives, in accordance with the GRI Standards 2021 and the AA1000 Stakeholder Engagement Standards (SES). We then identified seven types of stakeholders that are closely related to our operations, while comprehensively recording their issues of concern in a timely manner. The Company created various channels for communication and engagement to fulfill stakeholders' expectations for the Company. We identified seven types of stakeholders, including shareholders, clients, employees, ingredient suppliers, packaging suppliers, government agencies and investment banks.

(2) Create the list of material topics

Based on the GRI Standards, SASB's Standards for relevant industries, key trends in the pharmaceutical industry and SLC's strategies for future development, we identified 25 potentially material topics, which covered the aspects of corporate governance, sustainable environment, supportive workplace, product innovation, community engagement and supplier management. The 25 topics include: 1. Business operational strategies; 2. Financial performance; 3. Risk management; 4. Business integrity and corruption prevention; 5. Regulatory compliance; 6. Information security; 7. Customer relationship management; 8. Digital transformation; 9. Energy management; 10. Climate action; 11. Waste management; 12. Circular economy; 13. Air pollution control; 14. Water resource management; 15. Biodiversity; 16. Net zero policy and commitment; 17. Talent recruitment, retention and development; 18. Occupational safety and health; 19. Diversity and inclusivity; 20. Human rights

policy; 21. Community engagement; 22. ESG initiative; 23. Product stewardship and technological innovation; 24. Supply chain sustainability management; 25. Proportion of local suppliers.

(3) Conduct a survey into stakeholders' level of concern

During September to October, 2022, we conducted the survey and eventually received 237 valid responses from 184 employees, 14 shareholders,

4 client representatives, 6 packaging suppliers, 7 ingredient suppliers, 10 investment institutions/banks and 2 government agencies/competent authorities. The remaining 10 surveys were completed by other parties including independent directors and media firms.

2. Identify actual and potential impacts: Assess the impacts arising from material topics by management

(4) Assess the magnitude of the impacts of SLC's operational activities on economy, environment and human/human rights

We carried out interviews with each department head concerning all sustainability issues. We also examined the positive and negative impacts brought by the material topics, where these impacts occur, and the organization's involvement with them. Subsequently we assessed each topic for their magnitude and likelihood of positive and negative impacts.

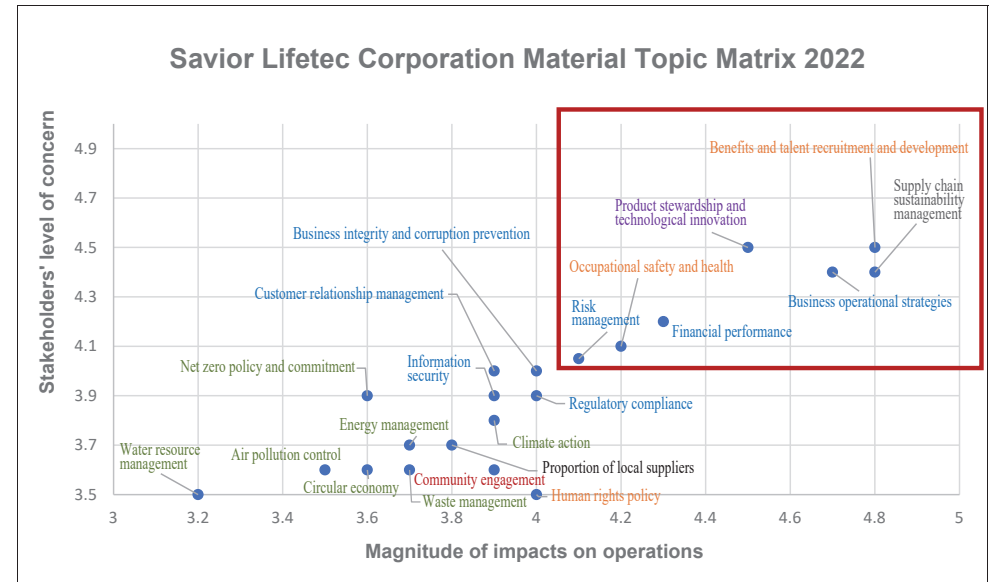
(5) Assess the magnitude of the impacts arising from each topic on SLC's operations

In addition to assessing the magnitude of the impacts of SLC's operations on economy, environment and human/human rights, we also assessed how much these topics impacted our operations. An additional action was to investigate how actual and potential impacts have influenced SLC's operations.

3. Assess the significance of impacts: Determine seven material topics and indicators in accordance with the SDG

(6) Determine the material topics

Based on stakeholders' level of concern and the magnitude of the impacts arising from each topic on SLC's operations, we generated a material topic matrix, followed by the assessments of the magnitude of the actual/potential impacts in 2022 and their likelihood. Accordingly we determined seven material topics to be managed and disclosed, including: talent recruitment, retention and development; supply chain sustainability management; business operational strategies; product stewardship and technological innovation; occupational safety and health; financial performance; risk management.

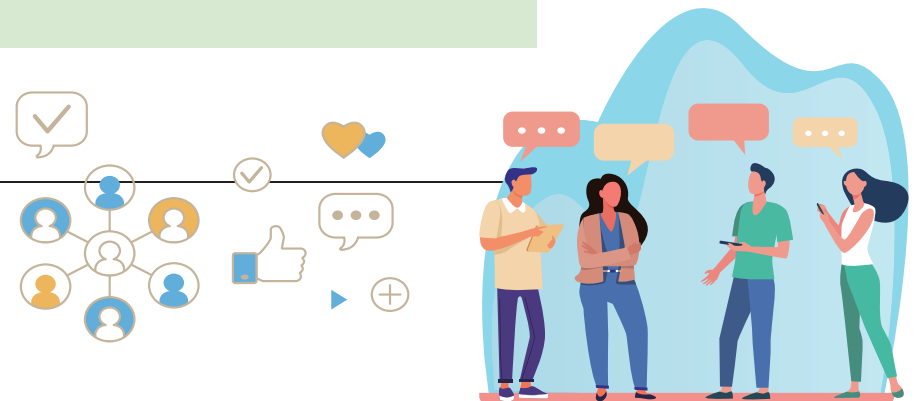






Note: The material topics in red represent the indicator for community engagement; orange represents the indicator for the social aspect demonstrated by internal employees; green represents the indicator for environment; blue represents the indicator for corporate governance; black represents the indicator for the supply chain; purple represents the indicator for products.

● Assessment of positive and negative impacts arising from material topics

In accordance with the requirements specified in the GRI Standards 2021, we included the assessments of positive and negative impacts arising from all potential material topics. Based on the definition provided in the GRI Standards, positive impacts refer to the favorable influence brought by the Company on economy, environment and society (human/human rights). Some of the productive outcomes include boosting economic growth, generating employment opportunities, developing new products and entering new markets. Accordingly we have assessed 25 potential material topics. Refer to the table below for the result:

Types	Potential material topics	Highlights of positive (+) and negative (-) impacts and assessment results	Material topic confirmation
Corporate governance 	1. Business operational strategies 2. Financial performance 3. Risk management 4. Business integrity and corruption prevention 5. Regulatory compliance 6. Information security 7. Customer relationship management 8. Digital transformation	<p>Operating within the biopharmaceutical industry, Savior Lifetec Corporation must seek optimal quality and abide by regulations. The Company also insists on innovation and higher standards in the manufacturing processes. The Company is producing beta-lactam antibiotics and vigorously expanding its market share globally with our business model and partnership.</p> <p>With the approval of “Risk Management Policy and Operational Procedures” in 2022, the Company official established a risk management approach in support of sustainable and stable operations. Furthermore, pursuant to the additional “Risk Management Procedures” in the “Risk Management Best Practice Principles for TWSE/TPEX Listed Companies,” the Company assessed five types of risks, including risks of strategies, regulatory compliance, finance, operations and others.</p> <p>(+) In 2022, the Company has passed the U.S. FDA inspection, once more demonstrating that our quality compliance system was established, operated and maintained to align with the stringent standards of Europe, the U.S and Japan. The Company also produced its first sustainability report, disclosing non-financial information. There was no violation nor penalty throughout the year.</p> <p>(-) In 2022, there were false alarms in the IT security. The Company reacted promptly without creating negative impacts. In the meantime, the Company strengthened its IT security system to avoid possible future risks.</p>	<ul style="list-style-type: none"> ● Business operational strategies ● Financial performance ● Risk management
Sustainable environment 	9. Energy management 10. Climate action 11. Waste management 12. Circular economy 13. Air pollution control 14. Water resource management 15. Biodiversity 16. Net zero policy and commitment	<p>The manufacturing processes adopted by Savior Lifetec Corporation do not consume large amount of water nor cause air pollution. The environmental management indicator pointed to two possible aspects: waste generation and energy consumption.</p> <p>(+) With regard to energy management, the Company enhanced energy efficiency and reduced greenhouse gas emissions by improving its manufacturing processes.</p> <p>(-) There was no violation nor penalty recorded.</p>	<p>None was prioritized as a material topic. Nonetheless, energy management and climate action were still considered to be material topics and managed accordingly.</p>



Types	Potential material topics	Highlights of positive (+) and negative (-) impacts and assessment results	Material topic confirmation
Supportive workplace 	17. Talent recruitment and development and employees' benefits 18. Occupational safety and health 19. Diversity and inclusivity 20. Human rights policy	<p>Savior Lifetec Corporation specializes in pharmaceuticals manufacture and sale, small molecules and peptides R&D and manufacture. The Company is a fully vertically integrated manufacturer, capable of producing products from sterile active pharmaceutical ingredients to preparations for finished dosage form of injectables. In accordance with the United Nations Global Compact, international human rights development and local Labor Standards Act's requirements, the Company has established human rights policy and commitment, constituting our respect and protection for employees' rights and interests. The Company also prohibits forced labor and use of child labor. Furthermore, the Company has formulated procedures to prevent discrimination and sexual harassment.</p> <p>(+) The employee satisfaction survey in 2022 showed that our colleagues placed more emphasis on talent selection, cultivation and retention. Consequently, SLC reviewed and improved its scheme for employee education and training, while introducing an ESG perspective in talent development as a reference for the management.</p> <p>(+) The Company protected human rights of our employees in compliance with related laws.</p> <p>(-) Due to the pandemic, global demand for the beta-lactam products in 2022 grew, which led to work overtime.</p> <p>(-) In the first half of 2022, there was a seasonal wave of resignation while generally the technology industry vigorously sought talent, creating a lack of workforce. The employee satisfaction survey also indicated heavier workload. The situation stabilized in the second half of 2022.</p>	<ul style="list-style-type: none"> ● Talent recruitment and development and employees' benefits ● Occupational safety and health ● Nonetheless, human rights policy and diversity and inclusivity were still considered to be material topics and managed accordingly though they were not prioritized as material topics.
Community engagement 	21. Community engagement 22. ESG initiative	<p>(+) Savior Lifetec Corporation's major clients are in the European and US markets. Our involvement in ESG management meets the requirements from the global clients and markets.</p> <p>(-) There was no violation nor penalty recorded throughout 2022.</p>	None was prioritized as a material topic.
Product innovation 	23. Product stewardship and technological innovation	<p>evote considerable efforts to develop technologically critical platforms with the aim of gaining advantages while contributing positively to economy, society and environment.</p> <p>(+) We enhanced our manufacturing processes through innovative technologies. We also demanded higher quality to meet clients' expectations, achieving high customer satisfaction.</p> <p>(-) There was no violation nor product recall recorded.</p>	<ul style="list-style-type: none"> ● Product stewardship and technological innovation
Supply chain management 	24. Supply chain sustainability management 25. Proportion of local suppliers	<p>(+) Savior Lifetec Corporation maintains a long-term relationship with upstream ingredient suppliers. In 2022, there was no shortage in supply of ingredients. No suppliers created violation nor penalty.</p> <p>(-) Most suppliers of Savior Lifetec Corporation are small and medium enterprises located in Chinese Mainland. Since 2022, in addition to requesting the existing indicators from quality audits, we began examining the environmental and social performance indicators of the suppliers as part of our management. Our first examination indicated that most of the suppliers had not started conducting environmental (greenhouse gases) management. We will continue to communicate with them, together formulating feasible measures to reduce carbon emissions.</p>	<ul style="list-style-type: none"> ● Supply chain sustainability management

Most suppliers of Savior Lifetec Corporation are small and medium enterprises located in Chinese Mainland. Since 2022, in addition to requesting the existing indicators from quality audits, we began examining the environmental and social performance indicators of the suppliers as part of our management. Our first examination indicated that most of the suppliers had not started conducting environmental (greenhouse gases) management. We will continue to communicate with them, together formulating feasible measures to reduce carbon emissions. °

4. Prioritize the most significant impacts for reporting: Confirm the material topics and indicators for reporting

Topic	Material Topic	Implication for Savior Lifetec Corporation	Impact on the Value Chain			Positive/Negative Impact Positive Actual Potential Negative Actual Potential	Likelihood	Indicator	Corresponding Chapter
			Upstream	Operation	Downstream				
Corporate governance 	Business operational strategies	Sustainability is contingent on the business operational strategies of SLC.	■	■	■	Passed FDA inspections Adopted sustainability report/non-financial information disclosure	Materialized	Revenue and its growth rate	Chapter 4 Corporate governance
	Financial performance	Financial performance reflects effectiveness of the operational strategies.		■	■	Net profit after tax has increased compared to the same period last year.	Materialized		
	Risk management	Strengthening risk management helps achieve business continuity and sustainability.		■	■	False alarms in the IT security; strengthen overall risk management system. There was no violation nor penalty recorded throughout the year.	Likely		
Social: Supportive Workplace 	Talent recruitment and development and employees' benefits	Human rights policy and commitment; the Company's emphasis on its employees and their benefits is conducive to enhancing our competitiveness and retaining crucial talent.		■		The Company protected human rights of our employees in compliance with related laws.	Materialized	Turnover rate and retention rate	Chapter 6 Supportive Workplace
						The employee satisfaction survey in 2022 showed that our colleagues placed more emphasis on talent selection, cultivation and retention.	Materialized		
						Understaffing led to work overtime. The situation stabilized in the second half of the year.	Materialized		
Supply Chain Management 	Supply chain sustainability management	Favorable relationship with suppliers and partners contributes positively to operational performance and the industry chain.	■	■	■	Maintained a long-term relationship with suppliers to ensure material supply stability and product quality.	Materialized	Level of compliance of the environmental and social indicators of suppliers	Chapter 4 Corporate Governance: Supply Chain Management
						Engaged upstream and downstream suppliers in registration and R&D strategies to ensure market advantages and expand market share globally.	Materialized		
						No suppliers created violation nor penalty.	Likely		
Product Innovation 	Product stewardship and technological innovation	Product innovation is the key to sustainable operations and the maintenance of competitive advantages.	■	■	■	Through manufacturing process optimization and new product R&D, Savior Lifetec Corporation maintained its advantages in quality and scale of operations.	Materialized	Proportion of innovative products; product recall rate	Chapter 3 Savior Lifetec Corporation's Products and Value Chain
						There was no violation nor product recall recorded.	Less likely		
Social: Supportive Workplace 	Occupational safety and health	Lawful management of employees' health and safety helps establish a stable and ideal production environment.		■	■	Savior Lifetec Corporation rigorously abided by cGMP and standards in the Japanese, European and American markets to ensure employees' health and safety. °	Materialized	Zero violation in occupational safety management	Chapter 6 Supportive Workplace
						There was no occupational accident.	Less likely		

● Stakeholder Communication

Type of Stakeholders	Implication for Savior Lifetec Corporation	Material Topic of Concern	Communication Means and Frequency	2022 Communication Results
Shareholders 	Shareholders bring capital for the sake of SLC's operations. We provide information to shareholders and other stakeholders to maintain transparency and smooth communication.	Business operational strategies Financial performance Risk management	Liaison: Spokesperson: General Manager Chih-Fang Chen; Acting spokesperson: Deputy General Manager Yen-Lan Lin TEL: (037)580100#1850 Email: stock@saviorlifetec.com.tw ● Holding the annual general meeting of shareholders and publishing the annual report ● Holding ad-hoc institutional investor conferences ● Publishing important or announceable information in real time at Market Observation Post System	Holding one general meeting of shareholders and publishing the annual report Holding one institutional investor conference Publishing 38 pieces of important information at Market Observation Post System, covering the Board's key decisions, changes in the management, etc
Clients 	Clients are preparation manufacturing companies who purchase active pharmaceutical ingredients from us. Their end products are distributed to medical institutions and agents. We, committed to providing products with the best quality, prioritize safety and efficacy of drugs.	Product stewardship and technological innovation	Liaison: Miss Liu Email: info@saviorlifetec.com.tw Conducting ad-hoc client visits and meetings for communication and discussion Presenting our products at pharma exhibitions on occasion	Conducting 20 client visits and more than 100 meetings for communication and discussion (Due to the pandemic, client visits were limited to domestic clients) Presenting our products at one pharma exhibition; the exhibition attended: CPhI Worldwide
Employees 	Employees, also a type of important stakeholders, carry out tasks for the Company's operations. The Company communicates with them constantly to understand their opinions and to create a positive work environment, leading to a supportive workplace.	Talent recruitment and development and employees' benefits Occupational safety and health	Liaison: Miss Hu Email: hr2@saviorlifetec.com.tw Holding ad-hoc meetings for communication between the management and employees Holding employee welfare committee meetings regularly	Holding four meetings for communication and one orientation meeting concerning the change in the working conditions for shift workers Holding five employee welfare committee meetings 408 incidences where the HR expressed care and solicitude
Ingredient suppliers 	SLC's ingredients are produced with organic synthesis. To ensure consistent quality, reliability and safety, the Company's primary concern when procuring ingredients is that the quality meets our requirements.	Supply chain sustainability management	Liaison: Miss Kao Email: pd@saviorlifetec.com.tw Conducting various supplier visits and on-site audits Holding ad-hoc safety meeting with contractors Email / Phone call / Documentation / Relevant meeting	Conducting eight supplier visits Holding 17 safety meetings with contractors
Packaging suppliers 	Packaging suppliers are responsible for providing packages for the Company. Reliable and trustworthy packaging suppliers play an essential role in drug safety and efficacy.			

► Response to SDGs

In 2015, the United Nations announced the "2030 Sustainable Development Goals" (SDGs), comprising 17 goals and 169 targets, addressing urgent global economic, environmental, and social issues such as poverty eradication, promoting equality, and addressing climate change, providing guidance and vision for sustainable business practices.

Savior Lifetec Corporation (SLC) is a company engaged in the production of Carbapenem antibiotics, a critical line of defense in combating severe infections in clinical settings. Therefore, our contributions primarily focus on SDG 3, which aims to promote human health and well-being. Additionally, while ensuring product quality, we further integrate the value chain and examine other SDGs, incorporating them into our management and operational plans, and devising corresponding strategies to expand the company's sustainable business benefits. This not only has a positive impact on our employees, customers, and partners but also brings about positive changes on a global scale.

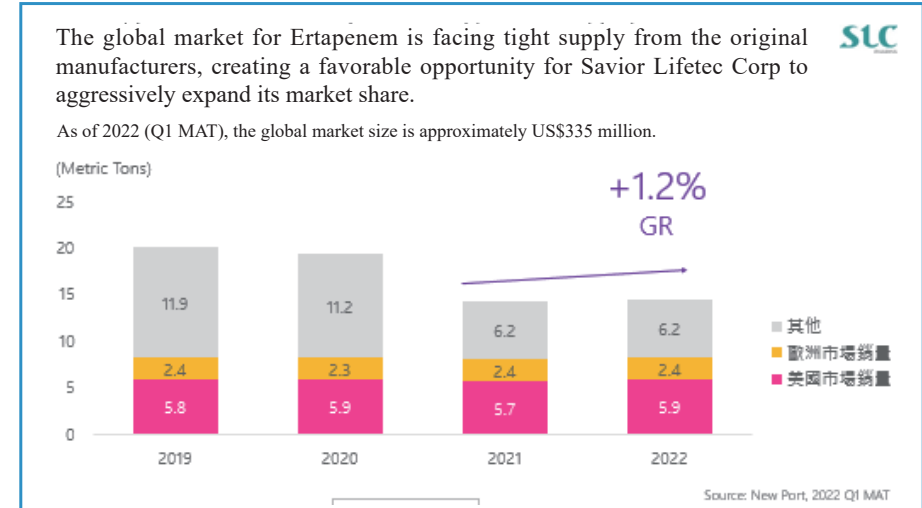
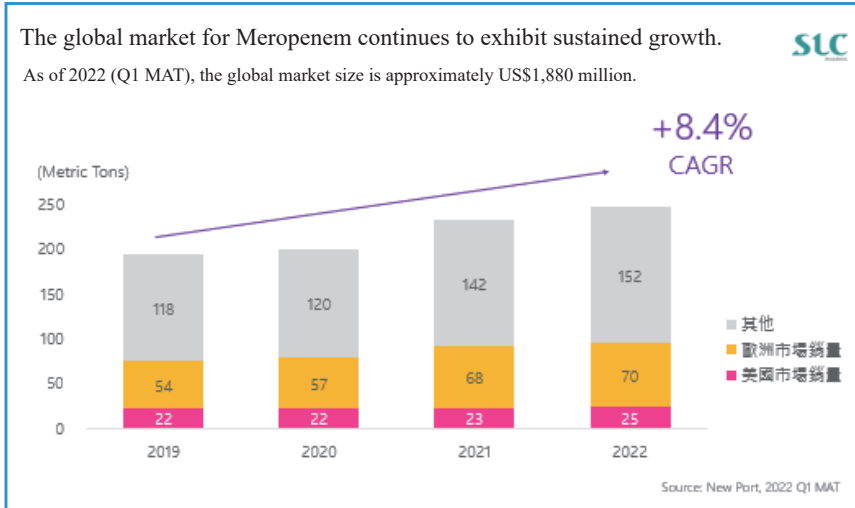


SDGs	Corresponding Material Topic	Savior Lifetec's Response
 SDG 3 Good Health and Well-Being	<ul style="list-style-type: none"> ● Company Operation Strategy ● Product Responsibility and Technological Innovation 	The pharmaceutical industry plays a crucial role in promoting human health and well-being. Savior Lifetec Group's main products are sterile carbapenem antibiotics API and formulations, serving as the last line of defense against severe infections in clinical settings. We uphold the highest guiding principle of "Respect for Life, Completeness, and Efficacy" in quality management, providing high-quality medications to the medical system. Through rigorous process control, we ensure the quality of our products, contributing value to our customers and patients, and sharing benefits with all of humanity.
 SDG 8 Decent Work and Economic Growth	<ul style="list-style-type: none"> ● Financial Performance ● Talent Recruitment and Benefits ● Employee Benefits ● Occupational health and safety 	Creating a happy workplace is one of the goals at Savior Lifetec. We value employee welfare and safety, ensuring fair and equitable remuneration for all employees. Additionally, we provide educational training opportunities to promote career development and economic growth among our colleagues.
 SDG 9 Industry, Innovation and Infrastructure	<ul style="list-style-type: none"> ● Company Operation Strategy ● Product Responsibility and Technological Innovation 	We allocate resources to optimize existing production lines, enhancing their efficiency and setting industry benchmarks. Moreover, Savior Lifetec Group invests in the research and development of new drugs, creating added value for the industry.
 SDG 12 Responsible Consumption and Production	<ul style="list-style-type: none"> ● Product Responsibility and Technological Innovation ● Sustainable Supply Chain Management 	Savior Lifetec Group is committed to process innovation and research and development, aiming to enhance the efficiency of energy, water, and raw material utilization. We also strictly control the use of hazardous substances during the production process, implementing quality management with zero defects, and striving to achieve responsible production and consumption goals.
 SDG 13 Climate Action	<ul style="list-style-type: none"> ● Company Operation Strategy ● Sustainable Supply Chain Management ● Risk management 	After the outbreak of the Covid-19 pandemic, Savior Lifetec Group deeply felt the challenges posed by global risks to the company's sustainable operations. We began proactively addressing comprehensive risks, incorporating the governance framework of the Task Force on Climate-related Financial Disclosures (TCFD) to respond to physical and transitional risks arising from climate change. Simultaneously, we started implementing adaptation measures and seizing market opportunities. In terms of emission reduction, we have been continuously optimizing our processes to lower the intensity of greenhouse gas emissions.
 SDG 17 Partnerships for the Goals	<ul style="list-style-type: none"> ● Company Operation Strategy ● Sustainable Supply Chain Management 	In the pharmaceutical industry value chain, Savior Lifetec plays a bridging role between upstream and downstream. Through the integration of upstream and downstream collaborations, we aim to establish a global, regulatory-compliant, open, non-discriminatory, and fair trade system.

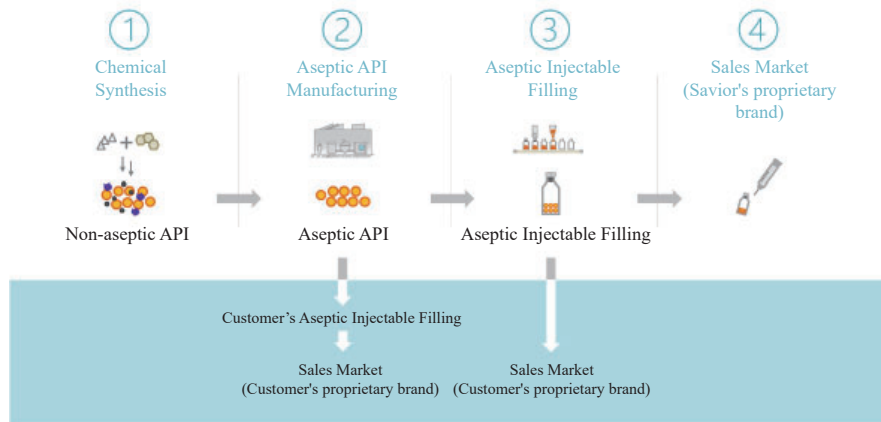
▶ Market Trends of Main Products

Savior Lifetec Corp's primary products are broad-spectrum antibiotics, Meropenem, and Ertapenem, along with their APIs and formulations. According to IQVIA (formerly known as IMS) global statistical data, the estimated compound annual growth rate of the global market for Meropenem from 2019 to 2022 is approximately 8.4%. Similarly, the estimated compound annual growth rate of the global market for Ertapenem from 2019 to 2022 is around 1.2%.

“The global market for Meropenem has experienced a compound annual growth rate of approximately 8.4% from 2019 to 2022. As for Ertapenem, based on sales estimates, the compound annual growth rate for the global market from 2019 to 2022 is approximately 1.2%.”



One-stop-shop manufacturing model for highly specialized pharmaceuticals industry



“ In the pharmaceutical industry, the upstream raw materials primarily consist of general chemicals, while the midstream is dominated by the active pharmaceutical ingredient (API) and intermediate industries. The downstream involves the formulation of APIs with excipients to create the final dosage forms for end-use. Savior Lifetec Corporation has successfully integrated the upstream, midstream, and downstream sectors, ensuring a stable supply and quality control. ”

Upstream	Midstream	Downstream
----------	-----------	------------

The raw materials used in pharmaceutical preparation, including natural products from animals and plants, as well as general chemicals, are mainly sourced from chemically synthesized compounds or other intermediates. Other active pharmaceutical ingredients can also be derived from minerals, animal organs, microbial strains, and related tissues or cells.



In recent years, advances in biotechnology have led to significant breakthroughs in upstream production techniques by utilizing gene transfection methods, tissue culture technology, or direct cultivation of plants and animals to produce pharmaceuticals.

Pharmaceutical manufacturing is an organic chemistry industry, typically involving synthesis through biological or chemical methods.

- Raw materials obtained from natural sources undergo various preparation processes, such as fermentation, extraction, hydrogenation, fermentation, esterification, saponification, alkylation, and purification methods like distillation, extraction, and crystallization.
- General chemicals are used for complex organic synthesis and purification.
- For materials prepared through genetic engineering, processes include purification and recovery of the formulated product, among others.



The production process of active pharmaceutical ingredients (APIs) is highly complex, with synthetic technology being the most sophisticated. Savior Lifetec Corp's expertise in the production technology of APIs and intermediates is crucial in the midstream of pharmaceuticals.

Medical dosage industry and pharmaceutical manufacturers combine active pharmaceutical ingredients (APIs) with excipients, such as binders, disintegrants, adhesives, lubricants, emulsifiers, etc., to process them into convenient dosage forms for ease of use.



Strategies of Savior Lifetec Corp

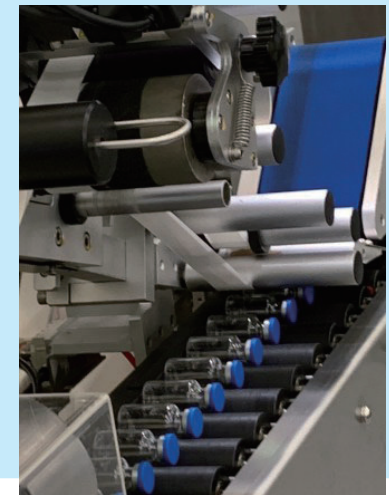
Savior Lifetec Corp primarily sources its raw materials from organic synthesis, and during the procurement of these raw materials, the top priority is given to ensuring that their quality meets the company's requirements. This approach ensures the stability, reliability, and safety of the raw material's quality.

- To mitigate the negative environmental impact of the Ertapenem manufacturing process, Savior Lifetec Corp has implemented various measures. These include enhancing reactivity to improve yield (resulting in a 15-20% increase in overall yield), avoiding the use of high-toxicity solvents like Acetonitrile and Dichloromethane, introducing phosphate extraction to remove reaction by-products, improving subsequent hydrogenation efficiency, and reducing the usage of catalysts (palladium carbon).
- In organic chemistry synthesis used in pharmaceutical manufacturing, a significant amount of solvents is required. To address this, Savior Lifetec Corp utilizes distillation and rectification technologies for solvent recovery, achieving a high solvent recovery rate of 73% to 79%. Additionally, for solvents that cannot be reused, the company employs wastewater treatment techniques for proper decomposition and disposal.

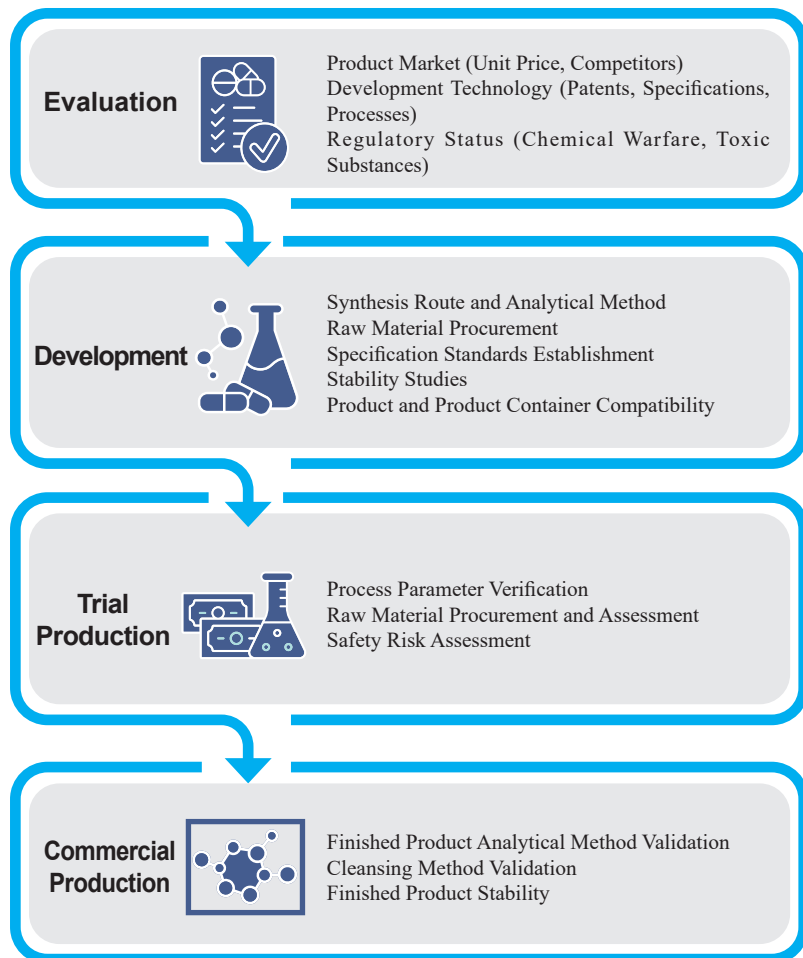
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In 2022, the amount of waste solvents outsourced for incineration decreased significantly by 49.4% compared to the amount in 2021.

Savior Lifetec Corporation's main products consist of active pharmaceutical ingredients (APIs) and injectables. Among them, the APIs need to be repackaged by customers before being supplied to medical institutions, pharmacies, and distributors.



● **Research and Development (R&D) Process**



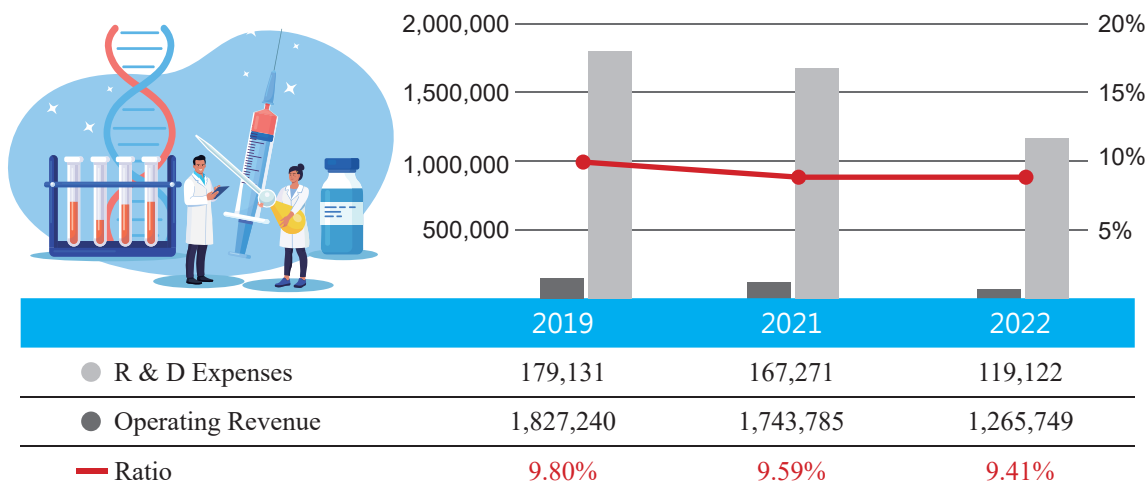
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As of 2022, Savior Lifetec Corp owns a total of 13 patents.
”

▶ **Core Technologies and Platforms**

Savior Lifetec Corp's product processes involve full organic synthesis and are highly complex. All technologies, including synthesis route development, process technology development, column purification technology development, RO concentration technology development, crystal polymorph studies, crystal purification technology development, lyophilization technology development, solid-phase peptide synthesis, bioproduction through fermentation, nanoparticle formulation, sustained-release formulations, process scale-up parameter research, aseptic manufacturing technology development, solvent recovery process development, cGMP pilot and commercial production, are independently developed by the company's research and development team. The R&D expenditure exceeds three billion yuan, and the development period spans over five years. Savior Lifetec Corporation has mastered the following six core technologies:

- The six core technologies are as follows:**
1. Aseptic Manufacturing
 2. Aseptic Operations
 3. Process Scale-Up
 4. Low-Temperature Dehydration
 5. Synthesis Method
 6. Patent Affairs

● **Research & Development (R & D) Expenditure**



► Quality Management

● Quality Management System

The company strives for the highest quality as a guiding principle and spirit. The Quality Policy, which represents the highest guiding direction, is formulated by the company's management and discussed and approved by all management executives.

Savior Lifetec Corporation's quality management system is formulated by the company's management and discussed and approved by all management executives. Our SOP Quality Manual strictly follows the current pharmaceutical production quality management standards (GMP) and regulations, including:

- Current EU GMP (PIC/S GMP) Part I (for finished products), Part II (for APIs), and Annex 1 (for finished products and APIs).
- Current US GMP regulations: 21 CFR Part 11, 210, 211, and 820.
- Current Taiwan GMP regulations: PIC/S GMP guidelines.

In 2022, the Chunan plant passed audits by the Taiwan Food and Drug Administration (TFDA) and the US FDA. For audit results from previous years, please refer to Savior Lifetec Corporation's official website.



► Future Strategies

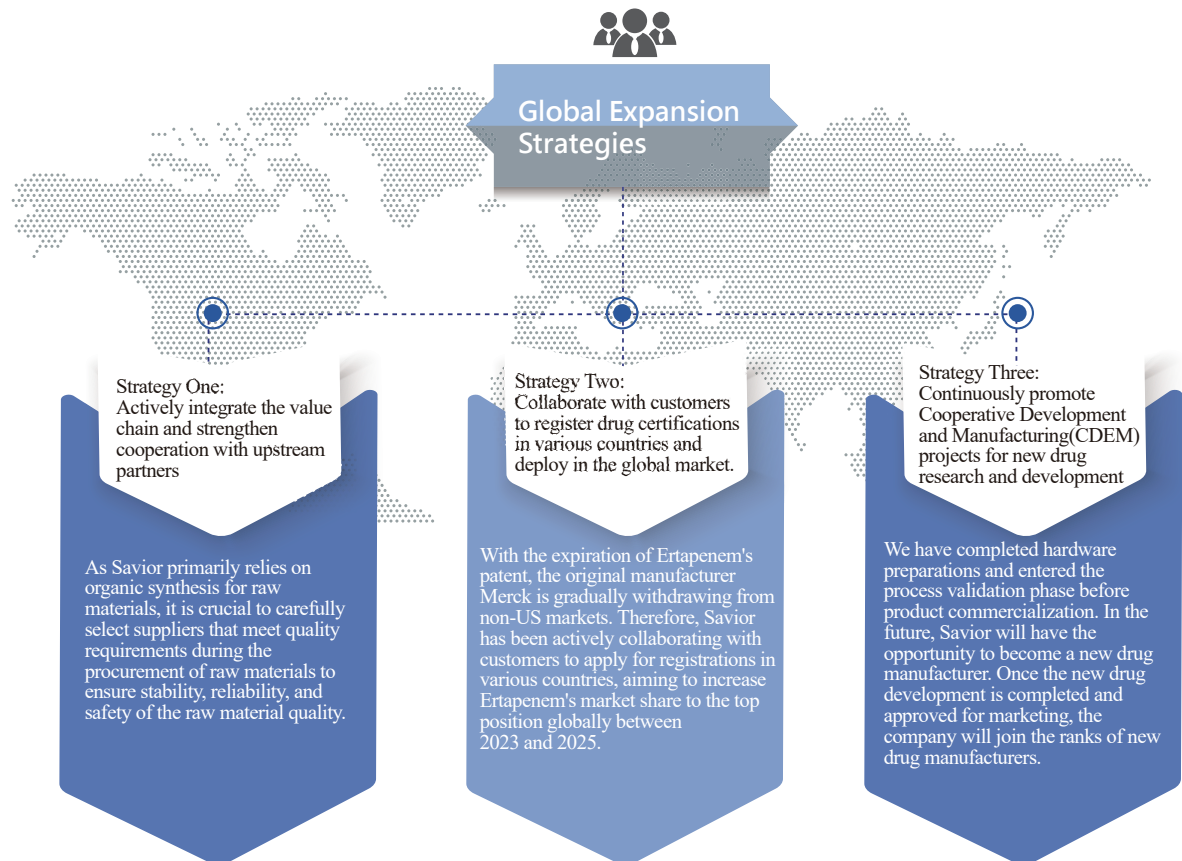
● Market Trends for Main Products

Savior Lifetec Corp's future strategy revolves around maintaining and enhancing its position in the market. As the primary products are broad-spectrum antibiotics, Meropenem, and Ertapenem APIs, the company aims to expand its global presence. Currently, domestic sales account for approximately 5%, while international sales comprise about 95% of the total revenue. The company focuses on securing strong partnerships within the upstream supply chain and actively registering drug certifications in various countries to accelerate its global expansion and maintain a competitive advantage.

In recent years, the US FDA has adopted stricter regulations for new drug approvals, leading to a stagnation in the number of new drug developments globally. This has resulted in a significant increase in research and development costs for international pharmaceutical companies. Additionally, aging populations worldwide have prompted various countries to undertake healthcare reforms to reduce healthcare spending. As part of these reforms, there is a growing trend of encouraging the use of generic drugs to lower medical expenses. Therefore, obtaining drug certifications in developed countries such as Europe, the United States, Japan, New Zealand, and Australia is crucial for generic drug manufacturers.



Two Major Strategic Directions to Accelerate Global Expansion



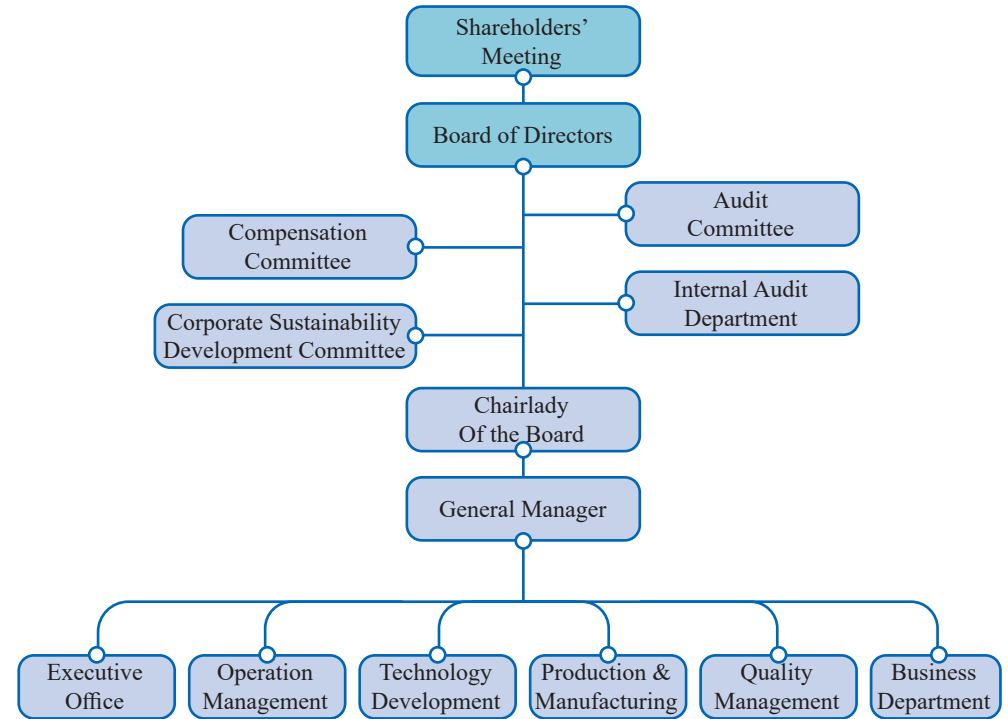
Corporate Governance

► Savior's Corporate Governance Structure

Savior's highest governing body is the Board of Directors, which is supported by the Audit Committee and the Compensation Committee. The company follows the Taiwan Stock Exchange's "Corporate Governance Best-Practice Principles for Listed and Over-the-Counter Companies" and has established the "Corporate Governance Best-Practice Principles" to safeguard shareholder rights, strengthen the functions of the Board of Directors, empower the Audit Committee, respect the interests of stakeholders, and enhance information transparency. These principles serve as the foundation for the establishment of a robust corporate governance system.

In compliance with legal requirements, the company has appointed a corporate governance officer, currently held by the Deputy General Manager of the Finance Department, to oversee corporate governance-related matters as approved by the Board of Directors. Additionally, the company established the Corporate Sustainability Development Committee in 2021 to promote management practices related to economic, environmental, and social impacts and decision-making, ensuring the implementation of sustainability management from the top down.

● Corporate Governance Organizational Structure



Functional Committees (GRI 2-9) (GRI 2-10) (GRI 2-20)

The Board of Directors has established two functional committees, namely the Audit Committee and the Compensation Committee, to assist in fulfilling its supervisory responsibilities. Each committee's charter has been approved by the Board of Directors.

“ Total hours of professional training for the Corporate Governance Officer during the current year
12 hours ”

Audit Committee

The Audit Committee of our company is composed of all independent directors and convenes meetings at least once every quarter. The primary oversight responsibilities of the Audit Committee include ensuring the appropriateness of the company's financial statements, selecting (appointing) and evaluating the independence and performance of the auditors, effective implementation of internal controls, compliance with relevant regulations, and risk management of the company's existing or potential risks. For detailed duties and responsibilities of the Audit Committee, please refer to the explanation and regulations in the Corporate Governance section of Savior's website.

List of Functional Committee Members

- Chairman JANG,R-YAN
- Committee Member LIN,JR-MING
- Committee Member CHENG,CHIN-HUA



Compensation Committee (GRI 2-20)

The Compensation Committee of the company is composed of all independent directors and holds meetings at least twice a year. The primary function of the committee is to assess the company's executive compensation policies and systems objectively and professionally, and to provide recommendations to the Board of Directors for decision-making. Its responsibilities include formulating and regularly evaluating annual and long-term performance goals and compensation policies for directors and executives, ensuring compliance with relevant laws, and attracting outstanding talents through an effective compensation system. For detailed responsibilities of the Compensation Committee, please refer to the information and regulations available in the Corporate Governance section of the Savior Lifetec Corp website.

List of Functional Committee Members

- Chairman JANG,R-YAN
- Committee Member LIN,JR-MING
- Committee Member CHENG,CHIN-HUA



► Business Integrity and Anti-Corruption

Savior Lifetec Corporation has established the "Code of Integrity in Business Operations and Behavioral Guidelines" based on the "Code of Conduct for Listed and OTC Companies," which provides specific guidelines for employees in executing their duties and defines the scope of application, unethical behaviors, prohibited offering or acceptance of improper benefits, and the procedures for handling such behaviors.

To mitigate the risks associated with unethical conduct, all members of the Board of Directors and senior management are required to sign a commitment statement affirming their compliance with the principles of integrity upon assuming their positions. Additionally, before establishing any business relationships, the company conducts thorough assessments based on the aforementioned policy's specific review criteria to evaluate the legality and any records of unethical behaviors of potential counterparts, such as agents, suppliers, and customers. If any existing or prospective business counterpart is found to have engaged in unethical conduct, the company immediately terminates or refuses to engage in any further business dealings with them, thus demonstrating our commitment to integrity in business operations.

Goals and Management Actions

1. Establishing the Integrity Operating Procedures, clearly defining the scope of application, dishonest behaviors, and improper benefits.
2. Defining the disciplinary system for violations and the procedures for handling dishonest behaviors.
3. Conducting integrity assessments before establishing business relationships.
4. Conducting advocacy and educational training on integrity management.
5. Establishing regulations to prevent insider trading and conflicts of interest.

Evaluation Mechanism and Implementation Result

Savior Lifetec Corporation provides both internal employees and external stakeholders (suppliers, contractors, and customers) with a complaint channel. In cases where an employee violates the Integrity Management regulations, the responsible department managers within the company will jointly review disciplinary actions, and the relevant details of rewards and penalties will be communicated to the concerned staff through a personnel directive. The Integrity Management unit will also report any dishonest behavior, its handling process, and subsequent review and improvement measures to the board of directors. Furthermore, the complaint handling process ensures absolute protection of the complainant, preventing any improper treatment due to reporting.

As of end of 2022, the company has not issued any violations against the Integrity Management Policy.



Prevention Against Insider Trading and Conflict of Interest

The company's "Code of Conduct and Guidelines for Ethical Operations" and "Management Procedures for Preventing Insider Trading" provide clear guidelines for avoiding conflicts of interest and preventing insider trading for directors and company personnel.

Regarding conflict of interest prevention, the "Code of Conduct and Guidelines for Ethical Operations" specifies that board members should exercise high self-discipline and abstain from discussing or voting on board matters that have a direct interest with themselves or their affiliated corporations. The policy also requires company personnel to report any instances of potential conflicts of interest to their immediate supervisors and the dedicated unit responsible for ethical operations. The company has also established the "Code of Ethical Behavior for Directors and Executives," which outlines specific procedures for addressing conflicts of interest, asset protection and confidentiality, and handling violations of the code of conduct. Additionally, the company has implemented the "Management Procedures for Preventing Insider Trading," which defines the scope of insider trading, the handling of significant information, and procedures to prevent company personnel from inadvertently violating insider trading regulations.



Operational Integrity Advocacy and Training

Savior conducts annual refresher training on insider trading prevention, operational procedures, and relevant regulations for directors, executives, and employees at least once every year. This training is delivered through email communication to emphasize the importance of ethical operation. In 2022, the company has already conducted one session of educational training for this purpose.



Anti-corruption, anti-competition, anti-trust, and anti-monopoly practices

As of the end of 2022, Savior Lifetec Corporation has not been involved in any legal disputes related to anti-competition, anti-trust, or monopoly regulations, nor has it been involved in any corruption-related cases.



Whistleblowing Mechanism (GRI 2-25)(GRI 2-26)

Savior Lifetec Corporation utilizes email as the designated channel for internal employees and external business associates (suppliers, contractors, customers, etc.) to file complaints.
 Employee Complaint Email: hr2@saviorlifetec.com.tw
 External Complaint Email: notice@saviorlifetec.com.tw

“
 No whistleblower cases were received in 2022.
 ”

Regulatory Compliance and Adherenc

Items		Incidents in 2022 resulting in Regulatory Fine	Non-Monetary Sanctions Incidents
Corporate Governance	Integrity and Corruption Issues	None	None
	Competition (Cartels) and Antitrust Issues	None	None
Environmental	Air Pollution Emissions	None	None
	Water Pollution Emissions	None	None
	Waste Management	\$79,000 [Note 1 ∙ 2]	None
	Others	None	None
Society	Labor Standards Act Issues	\$80,000 [Note 3 ∙ 4]	None
	Occupational Health and Safety Issues	None	None
	Others	None	None
Others	Explanation Notes	None	None

Notes

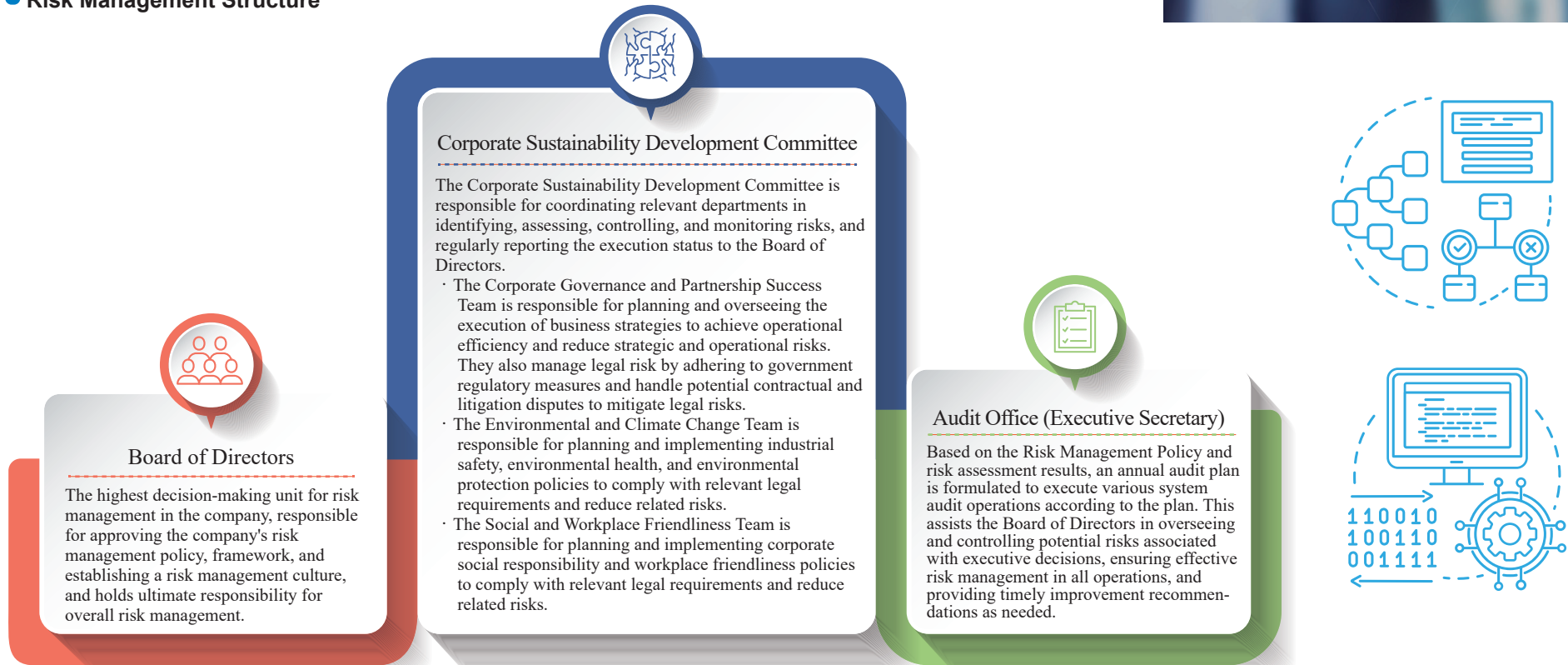
- In April 2022, under permit number 1110019812, the designated waste manager at the Chunan Plant was also assigned as a designated person for regulations other than environmental regulations, in violation of Article 3, Paragraph 1 of the Management Measures for Professional and Technical Personnel Engaged in Waste Cleanup. A fine of NTD 9,000 was imposed. The position has been reassigned to another colleague, and the deficiency has been rectified.
- In April 2022, under permit number 1110021867, the Zhunan Plant operated the toxic chemical "Dichloromethane," with a total quantity of 10.41427 metric tons on May 10, 2022, without reporting the release amount before January 31, 111. This contravened Article 9, Paragraph 2 of the Toxic and Concerned Chemical Substance Management Act, and Article 6, Paragraph 1 of the Regulations for the Management of Operation and Release Amount Records of Toxic and Concerned Chemical Substances. A fine of NTD 60,000 was imposed. The non-reporting issue was rectified on November 21, 2022.
- In August 2022, under permit number 1110086003, the proxy for wastewater treatment at the South Science Park Branch resigned in June 2022. The resignation was not reported to the competent authority within 15 days after the incident, in violation of Article 21, Paragraph 2 of the Water Pollution Control Act, and Article 9, Paragraph 4 of the Regulations on the Establishment of Special Units or Personnel for Waste Water Treatment. A deferred fine of NTD 10,000 was imposed. The deficiency was rectified on July 27, the same year.
- In June 2022, the Zhunan Plant violated Article 22-2 of the Labor Standards Act and was fined NTD 20,000 by the Hsinchu Science Park Bureau. In July, it violated Article 38-4 of the Labor Standards Act and was fined NTD 20,000 by the Hsinchu Science Park Bureau.
- In April 2022, the South Science Park Plant violated Article 38, Paragraph 4 of the Labor Standards Act and was fined NTD 20,000 by the South Science Park Bureau. In May, it violated Article 43 of the Labor Standards Act and was fined NTD 20,000 by the South Science Park Bureau.

► Risk Management

To strengthen corporate governance and effectively implement a robust risk management mechanism, our company approved the "Risk Management Policy and Procedures" in November 2022, formalizing the risk management process to achieve sustainable and stable operations. In line with our company's operational policies, we have established a risk management framework for identification, measurement, monitoring, and control of risks. The responsibility for this lies with the Corporate Sustainability Development Committee, in collaboration with the Audit Department, Corporate Governance and Partnership Enrichment Division, Environmental Change and Climate Change Division, and Social and Friendly Workplace Division. Within the scope of manageable risks, we aim to achieve a balance between risk and reward.



● Risk Management Structure



● Risk Management Process

Step 1 Risk Identification 

Risk identification is the process of identifying risk factors that require management, taking into consideration the company's business characteristics, internal and external environments, and other factors. The potential risks that Savior Lifetec Group may face include:

- 1.Operational Risk: This includes risks related to corporate governance, reputation, strategy, operations, human resources, and the impact of significant domestic and international policy and legal changes on the company's sustainable operations.
- 2.Financial Risk: This refers to the possibility that the company's financial results may deviate from expected targets due to various unforeseeable and uncontrollable factors in various financial activities, leading to economic losses or potentially larger gains. This includes financing risk, investment risk, liquidity risk, foreign exchange and interest rate risk, credit risk from lending to others, endorsement and guarantee risk, risk from trading in derivative products, and the impact of financial decision-making on the company's finances.
- 3.Operational Risk: This includes the risk of losses arising from inappropriate or erroneous internal operations, personnel, systems, or other external operations and related events. It encompasses risks related to legal compliance, information security, occupational health and safety management, and fraud.
- 4.Environmental Risk: This includes risks related to climate change, environmental pollution liabilities, natural disasters, and significant external hazards.

Step 2 Risk Assessment 

After identifying the potential risk items that the company may face, an analysis is conducted on the nature, scale, and the company's risk tolerance level for each business and operational activity. Appropriate risk measurement criteria are then established. For quantifiable risks, rigorous statistical analysis and technical methods are employed for analysis and management. For risks that are more difficult to quantify, their impact is described through textual narratives. The risk analysis results, including the assessed risk levels, are compared with the company's established risk measurement criteria. Based on this comparison, risk prioritization is determined, serving as the basis for risk management decisions.

Step 3 Risk Mitigation 

Appropriate responses to the identified risks should be taken as follows:

- 1.Risk Elimination: Conduct internal meetings to discuss necessary and feasible measures to eliminate the identified risks.
- 2.Risk Reduction: Set goals and implement related measures to reduce operational risks associated with significant issues.
- 3.Risk Diversification: The top management should convene relevant departments to explore various measures for diversifying risks.
- 4.Risk Transfer: Transfer the risk of losses or legal liabilities to others through contractual arrangements.

Step 4 Risk Monitoring 

Each department head should continuously monitor and control the risk management execution of their respective responsibilities and management processes. They should take necessary actions as and when required to ensure effective risk management.

Step 5 Risk Reporting & Disclosure 

To ensure a comprehensive record of the risk management process and its execution, the company should regularly report the risk status to the Board of Directors for reference. This helps ensure that the management structure and risk control functions operate effectively. Furthermore, the company should disclose relevant information about risk management on its website and in its annual report.

► Supply Chain Management

In 2022, Savior Lifetec Group conducted its raw material procurement through its Taiwan headquarters. Raw materials procured from local suppliers in Taiwan accounted for 23% of the total procurement expenses, while materials from non-local suppliers accounted for 77%. The proportion of local procurement expenses increased compared to the 9% reported in 2021.

Primary and Key Suppliers

Savior Lifetec Group requires all suppliers to comply with Good Manufacturing Practice (GMP) requirements. The products supplied by the vendors must meet the internal specifications and quality standards. Additionally, suppliers are required to sign the "Supplier Code of Conduct" to demonstrate their commitment to responsible business practices.

Supplier Environmental, Occupational Health and Safety, and Labor Rights

Savior Lifetec Group conducts risk assessments by collecting relevant information before engaging with suppliers. All suppliers are required to sign the "Supplier Code of Conduct." However, in the current business environment, it may not be possible to explicitly include environmental, human rights, and occupational safety clauses in the contracts. In case a supplier is found to have a significant violation of corporate social responsibility, the company will terminate its cooperation and will not renew the contract with that supplier.

Proportions of Procurement Amounts from Main Suppliers for Raw Materials at Savior Lifetec Corp Taiwan HQ from 2019 to 2021

Factory	Source	Percentage	2021	Percentage	2022	Percentage
Chunan	Local Procurement	6%	42,086,187	4%	22,464,691	8%
	Non-local Procurement	56%	661,696,539	57%	124,837,709	45%
STSP Plant 2 (API)	Local Procurement	5%	52,440,831	5%	33,473,754	12%
	Non-local Procurement	23%	384,324,170	33%	19,565,967	7%
Injection	Local Procurement	2%	10,777,072	1%	7,789,120	3%
	Non-local Procurement	7%	9,879,303	1%	69,150,669	25%
Total	Local Procurement	14%	105,304,090	9%	63,727,565	23%
	Non-local Procurement	86%	1,055,900,013	91%	213,554,345	77%

Changes in the Supply Chain in 2022

In 2022, the procurement market was affected by the COVID-19 pandemic and the Russo-Ukrainian war, as well as lockdown measures in several Chinese provinces for epidemic prevention. These factors led to abnormal fluctuations in raw material prices and supply chain disruptions, along with uncertain demand signals.

In response to this situation, Savior Lifetec Group conducted investigations on issues such as "material shortages or capacity utilization due to expansion" and "impact of the Russo-Ukrainian war and Chinese lockdown measures" with our suppliers. We aimed to have an up-to-date understanding of the industry's current situation. Through internal production and sales coordination, we took measures to avoid any potential raw material supply disruptions. This included increasing the procurement of various raw materials and components, both from local and non-local suppliers, to ensure that our production needs were met.

Supply Chain Management

In order to provide safe, reliable, and high-quality products, Savior Lifetec Corp collaborates with all partners in the raw material supply chain to jointly shoulder the responsibilities of sustainable development. We uphold the principles of integrity as the cornerstone of our partnership. Through regular supplier audits and questionnaires, we supervise our suppliers to fulfill their corporate social responsibilities, adhere to labor and human rights standards, and ensure safety, environmental protection, stable quality, on-time delivery, competitive pricing, and excellent service in the supply of raw materials, aiming for mutual success.

Supply Chain Management Performance

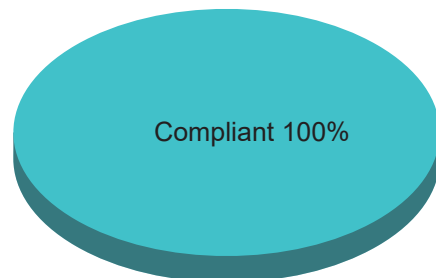
Starting from 2022, we have issued "Supplier Evaluation Forms" to assess the performance of 21 suppliers based on two key indicators:

- a) Whether the supplier has implemented ESG/CSR policies and guidelines.
- b) Whether the supplier complies with local environmental and labor regulations.

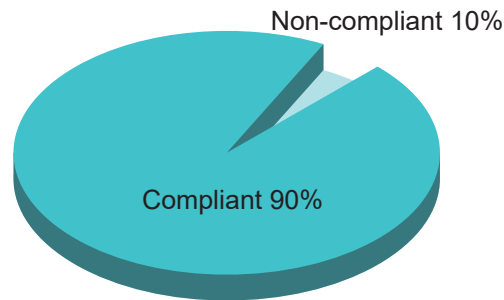
We collected data from these 21 critical suppliers to inquire about their adherence to these indicators during the year 2021. Specifically, we assessed whether their operations were in compliance with local environmental regulations and whether their employment practices adhered to local labor and human rights regulations.

Investigation results are as follows

(a) Investigation of whether the suppliers of Savior Lifetec Group complied with water,

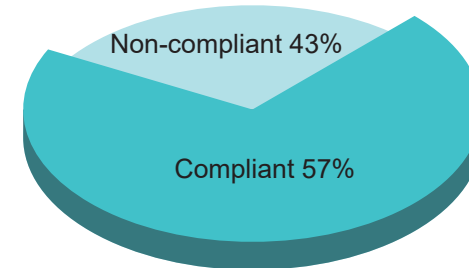


(b) Investigation of whether the suppliers of Savior Lifetec Group complied with labor and human rights regulations in 2021.



Main Suppliers:

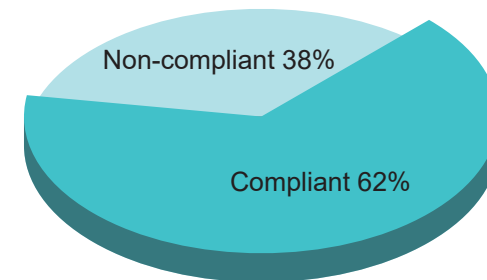
In 2022, we conducted an ESG/CSR policy and guideline survey for our key suppliers. The results of the survey showed that 57% of the suppliers have already issued or established their ESG/CSR policies and guidelines. This indicates that a significant portion of our main suppliers are actively incorporating sustainability and corporate social responsibility principles into their operations.



In 2021, the proportion of suppliers within the Savior Lifetec Corp that had already implemented or established ESG/CSR policies and guidelines was not mentioned in the previous information. However, we are committed to continually monitoring and promoting ESG awareness among our suppliers.

In addition, we have also been actively encouraging our suppliers to adopt ISO14001 to promote green supply chains. As of 2022, 62% of the surveyed suppliers have obtained ISO 14001 certification, indicating a positive progress towards environmentally sustainable practices in our supply chain.

Suppliers with ISO 14001 Implementation



► Environmental Policies and Performance

SLC develops and produces antibiotic raw materials, small-molecule drugs, and peptide drugs, vertically integrating the supply of sterile raw materials with the production of injectable medications. SLC's high-grade facilities comply with cGMP and regulatory standards in Japan, Europe, and the US.

We at SLC see and set as our goals to respect lives, care for public wellbeing, conserve energy, reduce carbon emissions, promote environmental harmony, and create a safe and healthy workplace. It takes the active participation of all employees to maintain the safety and health of workplaces, prevent employees from injuries, illness, and financial losses, and minimize environmental impact. We are committed to continuously promoting an eco-friendly workplace, conserving resources, and reducing carbon emissions as we navigate towards a more sustainable future by implementing the following strategies:



Responsible department

Each year, environmental safety and health committee calls the environmental management meeting and reports to the board of directors. Starting in 2023, the committee and sustainable development committee will jointly present major topics and management indicators to the board of directors.

Actions

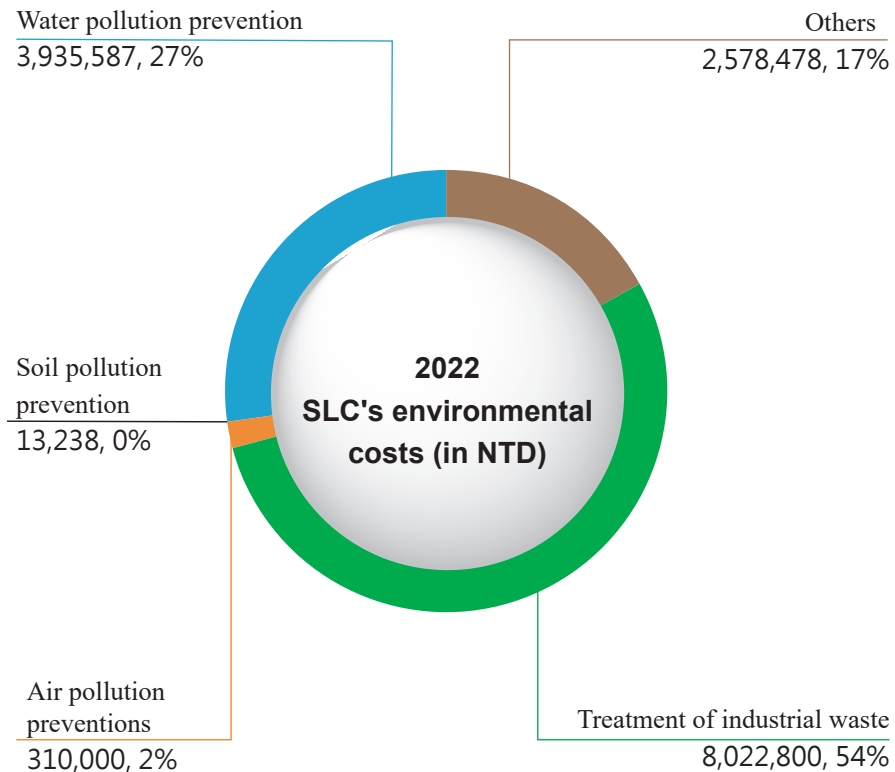
SLC keeps regular track of indicators associated with air quality, water conservation, water pollution, waste and resource management. Through process optimization, we continuously enhance resource management practices.



► **Environmental Investment & Firm Performance**

● **Environmental Investment**

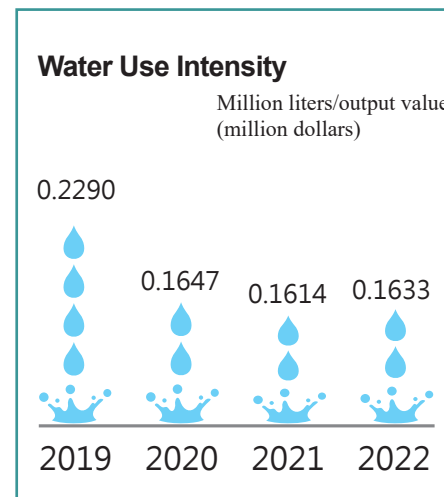
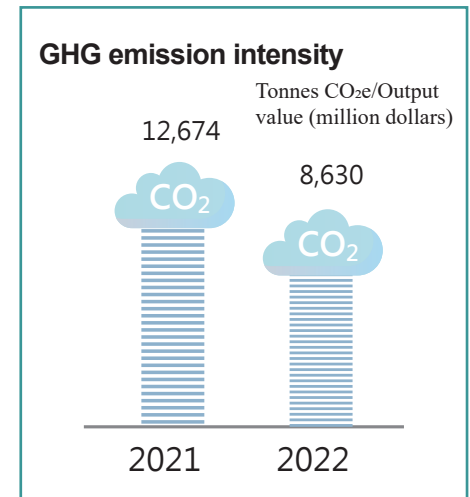
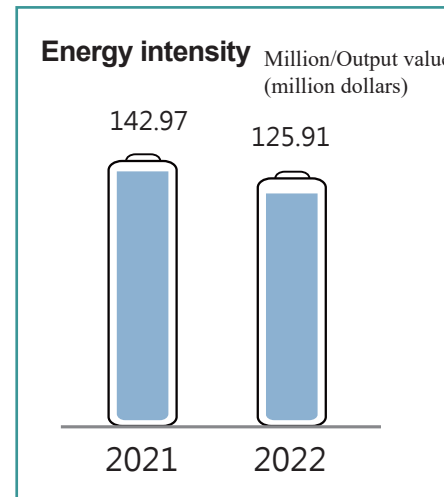
In 2022, SLC invested NTD14,860,000 in environmental controls, most of which went to wastewater treatment, air pollution prevention and control, soil pollution prevention, and industrial waste treatment to ensure all of its plants met regulatory requirements.



“ **Significant improvements have been made in 2022 in various intensities, compared with 2021.** ”

● **Environmental Performance Indicators :**

In 2022, SLC began to disclose environmental indicators across its sites, including energy intensity, GHG emission intensity, water use intensity, and waste intensity. Thanks to continuous process optimization, in 2022, SLC's Chunan and Tainan locations experienced significant improvements in various intensity indicators, compared with 2021.



► Water Management, Pollution Prevention & Control

● Water Use Management

SLC's water source is 100% tap water. In 2022, the total water withdrawal at the Chunan and Tainan plants combined was 76.92 million liters, down 16.22% from 2021. This significant reduction is largely due to process optimization at the Tainan facility.

In the sterile processing at the Chunan plant, tanks were originally cleaned after each batch production was completed. Following repeated tests to assure quality would not be compromised, now tank cleaning is performed after every three bath productions are completed. In 2022, a total of 146 batches were produced, saving up to 339,500 liters of tap water.

Withdrawal at Chunan and Tainan plants reduced by 16.22% in 2022.

● Emission Management Indicator: Wastewater Compliance Rate

We have identified COD and SS as the key disclosure points for priority attention in emission treatment. We will then compare them with local regulatory requirements to present and evaluate the results of wastewater treatment. The detection of common wastewater parameters such as ammonia nitrogen and nitrate nitrogen is not required due to the nature of the processes within the Savior Lifetec Corp.

2022 Key Emission Indicators Disclosure

Areas of Focus	Factory	Average Emission Concentration 2021	Average Emission Concentration 2022	Inspection Date	Compliance Standards
COD (mg/L)	Chunan Plant 1	145.25	61	2022. 9. 20	500
	STSP Plant 2	67.84	45.6	2022. 9. 20	450
SS (mg/L)	Chunan Plant 1	13.7	12.3	2022. 12. 8	300
	STSP Plant 2	3.26	1.65	2022. 12. 8	250

Note 1: The process characteristics and emission management standards vary for each plant, resulting in differences in the treatment and standards comparison for water quality parameters across the plants.

Note 2: The average value of emissions concentration is calculated by averaging the reported test data and rounded to the nearest integer for presentation

● Water Discharge Management

SLC has planned and built appropriate wastewater treatment facilities based on the characteristics of the industrial wastewater discharged from its production sites. Measures are taken to reduce and classify wastewater from the source. Appropriate treatment facilities and technologies have been used to effectively reduce pollutants. The company regularly commissions external organizations to conduct water testing or conducts standard testing procedures set by regulatory authorities to ensure the quality of industrial effluent.

Chunan and Tainan Plant Wastewater Disposal and Locations in 2022

Plant	Effluent treatment	Discharge location
Chunan plant	treatment of organic wastewater	No. 29, Kezhong Rd., Zhunan Township, Miaoli County
Tainan plant	treatment of organic wastewater	No. 1, Nanke 6th Rd., Xinshi Dist., Tainan City (D01 outlet)

Note 1: All manufacturing sites comply with industry practices and effluent standards set by local authorities.

Note 2: Effluents discharged from our manufacturing sites have no significant impact on local water bodies and habitats.

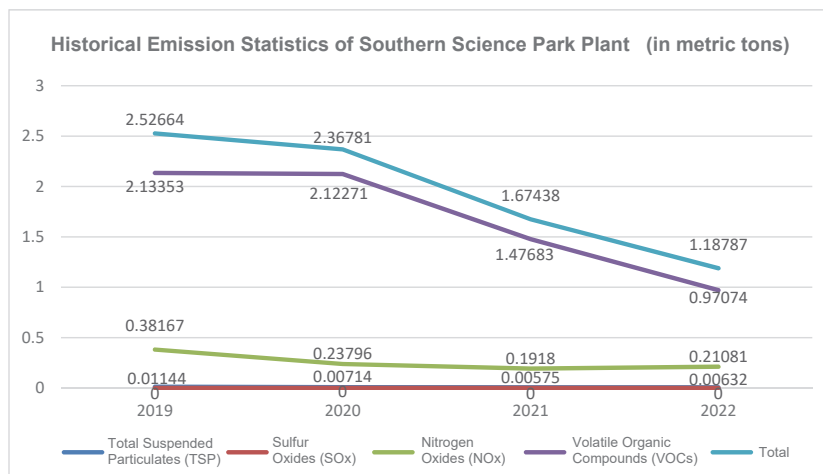
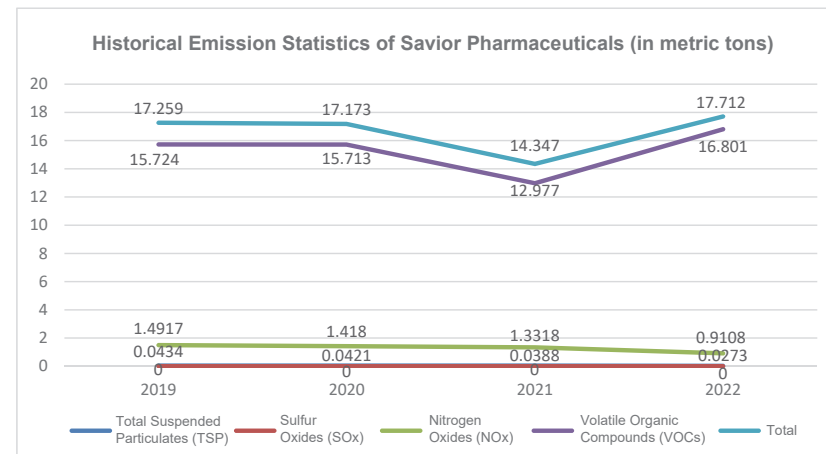
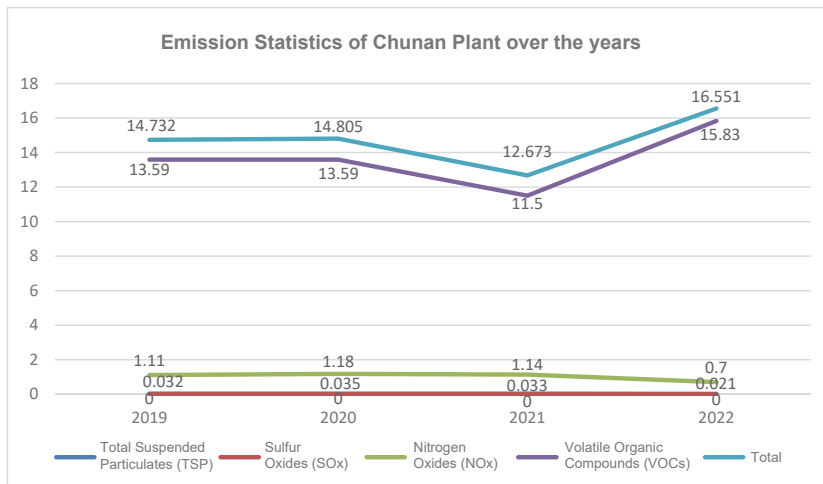
Domestic and industrial wastewater generated at the company's manufacturing locations are discharged to the industrial parks' sewerage system or the municipal sewer network. The quality of the effluents complies with the standards of local wastewater treatment facilities.

Compliance Rate of Wastewater Discharge at Savior Pharmaceuticals has consistently reached 100% over the years.

Air Pollution Control

Savior Lifetec Corp. implements an air pollution control management mechanism that surpasses regulatory requirements. We align with the government-issued regulations on air pollution emissions and extensively utilize "low-pollution clean energy" and process improvements to reduce SOx and NOx emissions. We closely monitor domestic regulatory emission requirements as additional benchmarks for improving air pollution emissions, such as the Environmental Protection Administration's standards for hazardous air pollutants from stationary sources.

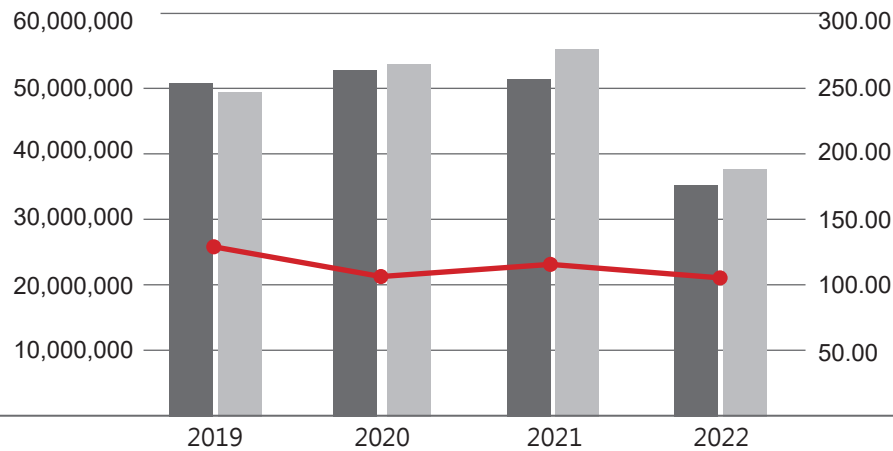
Based on the company's air pollution emission data records, it has been observed that particulate matter and nitrogen oxides have decreased from 2019 to 2022. However, the trends in volatile organic compound emissions have been inconsistent. In the future, Savior Pharmaceuticals Group will continue to adhere to regulations for managing air pollution emissions.



► Energy Use and Greenhouse Gas Management

Energy Used

In 2022, the total energy consumption of Savior Lifetec Corp was approximately $73,780,481 \times 10^3$ GJ, which decreased by 32.19% compared to 2021 when it was $108,802,528 \times 10^3$ GJ. The reduction in energy consumption was primarily attributed to lower usage of electricity, natural gas, steam, and diesel. In terms of energy intensity, the figure for 2022 was 261,597.2 GJ per million in revenue, a decrease of 8.6% from 2021 when it was 286,195.8 GJ per million in revenue.



Factory	Year	Electricity	Natural Gas	Total
● Chunan Plant	2019	25,995,600	25,298,430	51,294,030
	2020	26,054,712	27,237,036	53,291,748
	2021	25,343,280	27,208,079	52,551,359
	2022	18,995,040	16,328,884	35,323,924
● STSP Plant	2019	36,685,440	12,668,342	49,353,782
	2020	43,518,240	11,270,033	54,788,273
	2021	44,056,800	12,194,369	56,251,169
	2022	28,437,840	10,018,717	38,456,557

Note 1: The above unit is 103GJ.

Note 2: The calculations are based on the latest announced energy values by the Bureau of Energy, such as electricity heat value: 860 kcal/kWh, natural gas heat value: 8,000 kcal/m³, etc.

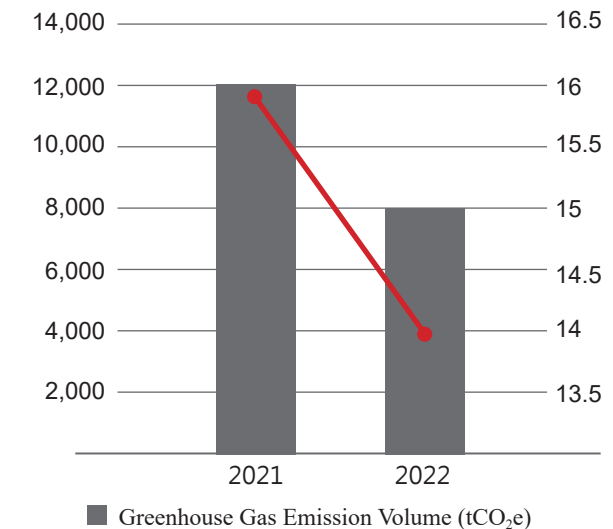
Note 3: Energy consumption conversion (GJ) = [Energy usage (unit) x Energy heat value (kcal/unit) x Heat value coefficient (4.187 x 10³ J/kcal)] / 10⁹.

Greenhouse Gas

Our company has developed two key performance indicators (KPIs) for greenhouse gas inventory and energy usage management, namely "Energy Intensity (GJ per million in revenue)" and "Greenhouse Gas Emission Intensity (tonnes CO₂e per million in revenue)."

Regarding the greenhouse gas inventory, scope one and two emissions are readily compiled as they pertain to "direct or controllable sources." However, scope three emissions are more challenging to aggregate due to their association with non-controlled sources. Based on Savior Lifetec Group's 2022 greenhouse gas emissions data, the estimated scope one emissions are 1317.5788 tonnes of carbon dioxide equivalent (CO₂e) and scope two emissions are 6832.7946 tonnes of CO₂e, resulting in a total of 8150.374 tonnes of CO₂e. This represents a decrease of 32.6% compared to the emissions in 2021. Additionally, the carbon intensity has reduced by 36.5%.

Volume and Intensity of Greenhouse Gas Emission



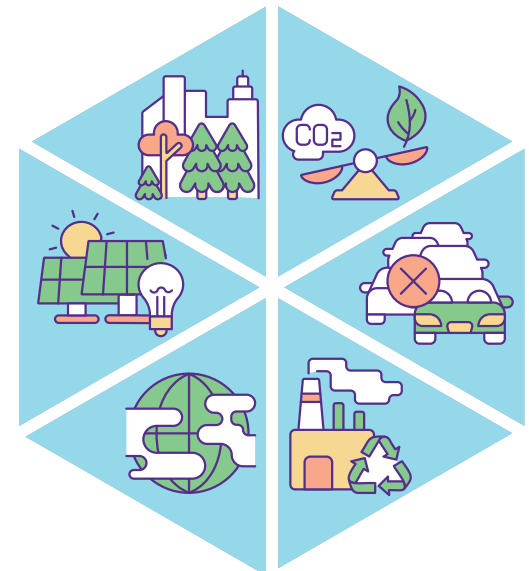
“ Compared to 2021, there is a decrease of 32.6% in greenhouse gas emissions while carbon intensity has also reduced by 36.5%. ”

► Climate-related Financial disclosure (TCFD)

In response to the global climate change trend, Savior Lifetec Corporation has taken reference from the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) established by the Financial Stability Board (FSB). We have conducted a climate change risk and opportunity assessment, formally integrating climate governance into our corporate sustainability framework. We analyze climate-related risks faced in various scenarios, perform financial evaluations, and propose proactive measures accordingly.



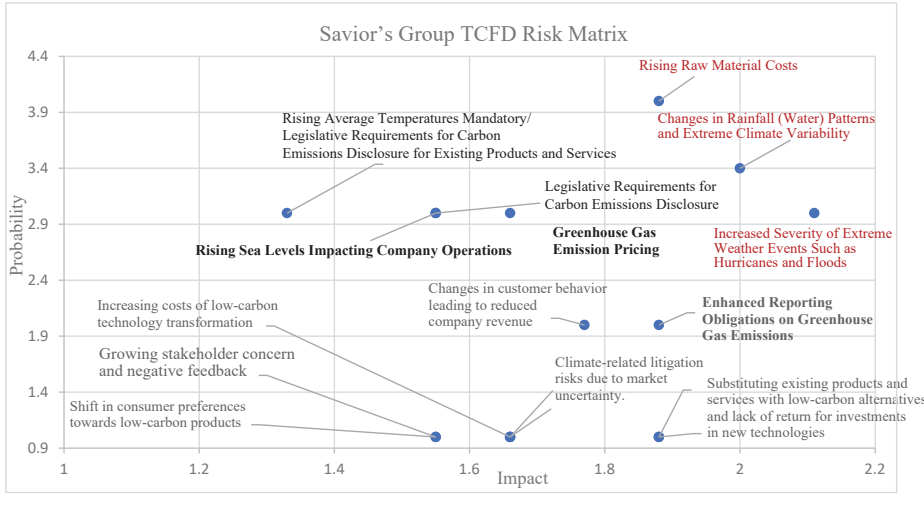
● Risk Management Process



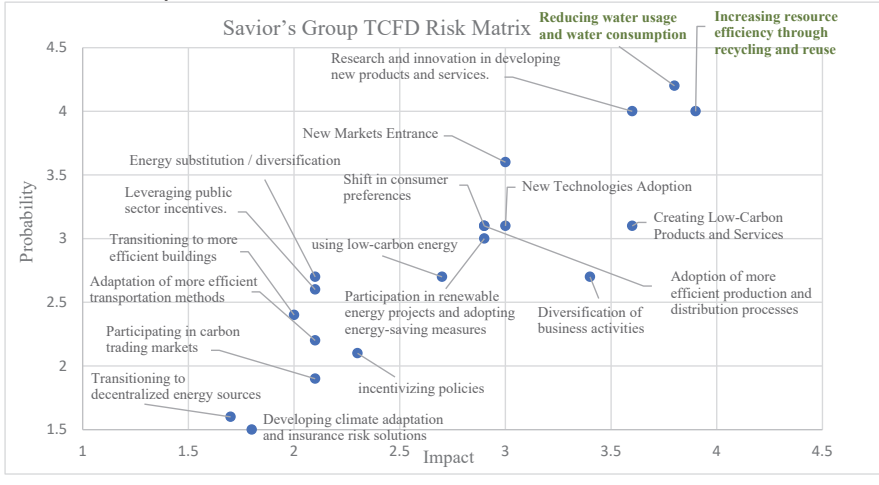
Climate Risks and Opportunities

To further assess the potential financial impacts of climate change risks, Savior Lifetec Corp utilized a risk and opportunity matrix to identify significant climate-related risk issues. Subsequently, relevant financial evaluations and response strategies were conducted. The results are as follows:

Savior Lifetec Corp's Climate Risk Matrix



Savior Lifetec Corp's Climate Risk Matrix



	Risk resulted from Climate Change	Potential financial impacts
Physical Risk	<p>Short Term : Increased operational costs due to changes in precipitation and extreme climate patterns</p> <p>Mid-Long Term : Rising sea levels leading to adverse impacts on company operations, resulting in decreased revenue and increased operational costs.</p>	<p>Short Term : In response to water scarcity issues in the region where our subsidiary, g Rui Pharmaceuticals Co., Ltd., is located, specifically in the Tainan Plant area, we have devised strategies and assessed potential financial implications for different stages of water conservation measures:</p> <p>(1)First Stage: Off-peak and specific time period water pressure reduction. ✓ Impact: Temporary supply from on-site water storage reservoirs mitigates any adverse effects, thus remaining unaffected.</p> <p>(2)Phase 2: For non-industrial water consumers exceeding a monthly usage of one thousand cubic meters, a reduction of 20% is imposed. Industrial consumers experience a reduction ranging from 5% to 20%, except for medical or specially designated cases exempted from this limitation. ✓ Mitigation Measures: a. Initiate reduced-pressure water supply for non-industrial domestic use within the plant. b. Enhance cooling tower concentration cycles to decrease discharge volume (from 1500 to 2000). ✓ Financial Impact: Incurs only equipment maintenance costs.</p> <p>(3)Phase 3: 5 days of water supply followed by 2 days of water suspension. ✓ Mitigation Measures: a. Recycle discharged wastewater for use in sludge dewatering machines at the wastewater treatment plant. b. Install additional water treatment equipment for discharged wastewater to supply cooling towers. c. Enhance existing ROR (Reverse Osmosis Recovery) wastewater recycling and add RORR (Reverse Osmosis Recovery and Reuse) system. d. Activate on-site backup water reservoir. e. Implement water transport through water tankers. ✓ Financial Impact: a. Approximately 150,000 USD investment required for sludge dewatering machine wastewater recycling. b. Around 350,000 USD investment needed for adding water treatment equipment for discharged water to supply cooling towers. c. Approximately 1.2 million USD investment required for adding RORR wastewater recycling system. d. No additional investment required for activating on-site backup water reservoir. e. Daily cost of water transport by tankers is 350,000 USD.</p> <p>Mid-Long Term : Rising sea levels pose an increased risk to the facility, potentially directly impacting company operations.</p>
Transformation Risks	<p>Short Term : Increase in cost of raw materia</p> <p>Mid Short Term : High greenhouse gas emission prices leading to increased costs for the company</p> <p>Rising average temperatures leading to increased costs.</p>	<p>Short Term : Climate change-induced disruptions in the supply of raw materials could lead to shortages and an imbalance in supply and demand, resulting in increased procurement costs. This, in turn, could elevate manufacturing costs.</p> <p>Mid Short Term : When facing domestic regulatory revisions or increased international greenhouse gas emission costs, as 95% of products from Savior Lifetec Corp are exported resulting in higher operational costs</p> <p>When average temperatures increases, operational costs might increase due to higher expenses associated with air conditioning, process temperature control, and other related factors in the company's facilities.</p>

	Risk Category	Potential Financial Impact
Opportunities as a result of Climate-Change	Short Term : Increasing resource efficiency through recycling and reuse	Short Term : Utilizing recycling can lead to cost reduction and enhance company reputation.
	Enhancing resource efficiency by reducing water consumption and usage	Enhancing resource efficiency through the adoption of more efficient production and distribution processes.

Scenario Simulation Strategy

To further assess organizational resilience, we have considered three scenarios to evaluate potential decarbonization strategies:

- Business as Usual (BAU): Represents the worst-case scenario with no changes made.
- 2°C Scenario: Simulates the global warming scenario within 2 degrees Celsius, developed by the International Energy Agency (IEA).
- 1.5°C Scenario: Simulates the global warming scenario within 1.5 degrees Celsius, developed by the International Energy Agency

In these different scenarios, we assessed the potential impacts of the risks and opportunities described by the TCFD guidelines. Overall, as climate action intensifies, the Matsumura Group will need to invest more in the transition to low-carbon technologies and offer more low-carbon products and services. While short-term costs may increase, there will be long-term benefits.

● Risk and Opportunity Assessment Results for Savior Lifetec Corp under 2°C and 1.5°C Scenarios

Risks / Opportunities	Risk Categories	Assessment of Risks and Opportunities in Different Scenarios		
		2oC	1.5oC	Significance to Savior Lifetec Corp
Physical Risks	Changes in precipitation and extreme changes in climate patterns can lead to rising operational costs for the company (short term)	Cost Increase : ++	Cost Increase : ++	Variations in cost increase might not be significant across different scenarios
	Rising sea levels can negatively impact the company's operations, leading to decreased revenue and increased operational costs (Long Term)	Cost Increase : ++	Cost Increase : ++	Variations in cost increase might not be significant across different scenarios
	Increase in average temperature can lead to rising costs for the company (mid-term)	Cost Increase : ++	Cost Increase : ++	Variations in cost increase might not be significant across different scenarios
Transition Risks	Impact of rising raw material costs can result in increased expenses for the company (short term)	Cost Increase : ++	Cost Increase : ++	Variations in cost increase might not be significant across different scenarios
	Increase in greenhouse gas emission costs for the company (mid-term)	Cost Increase : ++	Cost Increase : ++	Variations in cost increase might not be significant across different scenarios
Opportunities from Climate Change	Enhancing resource efficiency through recycling and reuse (short term)	Cost Increase : ++	Cost Increase : ++	When there is greater momentum in climate change, costs may increase, but in the long term, it will lead to greater benefits.
	Reducing water consumption and usage to enhance resource efficiency (short term)	Cost Increase : ++	Cost Increase : ++	When there is greater momentum in climate change, costs may increase, but in the long term, it will lead to greater benefits.

* Explanation of Impact Magnitude: +++ High Impact · ++ Medium Impact ; + Minimum Impact

● Indicators and Goals

Using the 1.5°C scenario, our company will proactively seek carbon reduction measures, taking into account both Scope 1 and Scope 2 emissions. We have established the following greenhouse gas management policy:

Planned Approach for 2023-2025

Taking proactive steps to reduce carbon emissions while maintaining carbon neutrality is our fundamental approach.

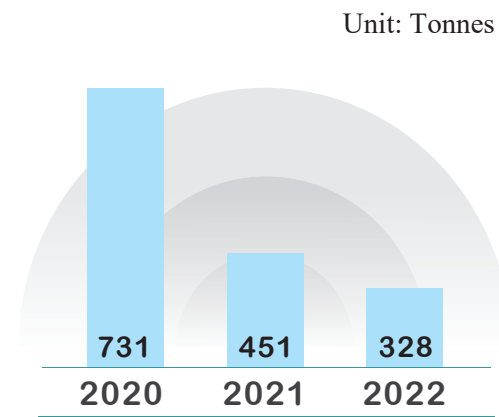
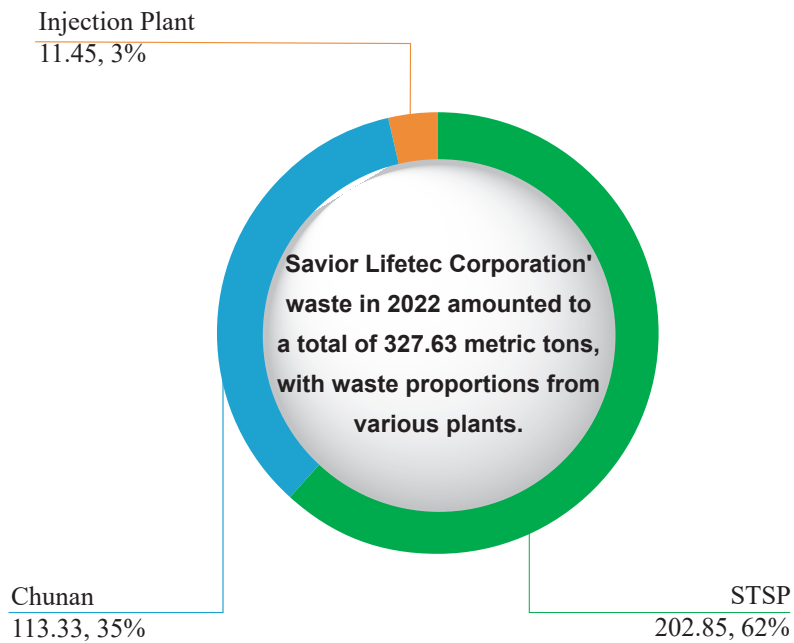
From 2023 to 2025

Progressive annual reduction in carbon emissions and implementing greenhouse gas inventories with established metrics, aligning with international trends, to work towards achieving carbon neutrality and net-zero emissions by 2050.

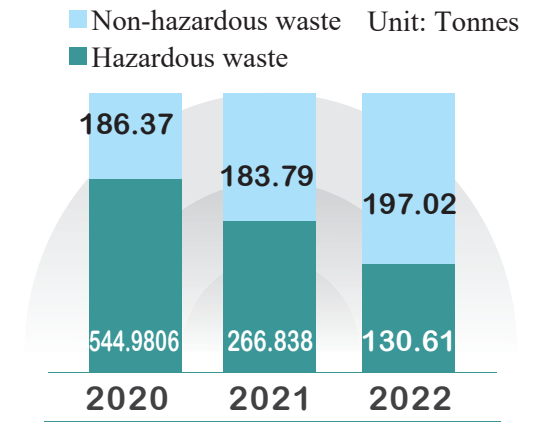
► Waste Generation and Management

Waste Management

In accordance with relevant government regulations on waste management, Savior Lifetec Corp has established a "Waste Management Procedure" to address generated industrial waste. The treatment methods encompass recycling and reuse.



Changes in Total Waste handled at Savior Pharmaceuticals in Recent Years



Waste Composition Proportion at Savior Pharmaceuticals in Recent Years

“The hazardous industrial waste generated by our company mainly composed of waste solvents. The disposal method involves self-incineration, with steam generated for internal use and also through reverse recovery with suppliers. All these disposal methods are exclusively entrusted to nationally certified professional clearance organizations (without any import or transit clearance activities), and we diligently adhere to the waste management procedures.”

This encompasses activities such as on-site classification, storage, and labeling of waste, evaluation and contracting of cleanup vendors, weighing and management of waste transportation vehicle routes, online reporting and confirmation through cleanup declaration forms, routine assessment and spot-checks of cleanup vendors (alongside periodic tracking to ensure proper handling of various waste types), as well as emergency response procedures. These measures are implemented to prevent additional environmental burdens and pollution risks posed by waste.

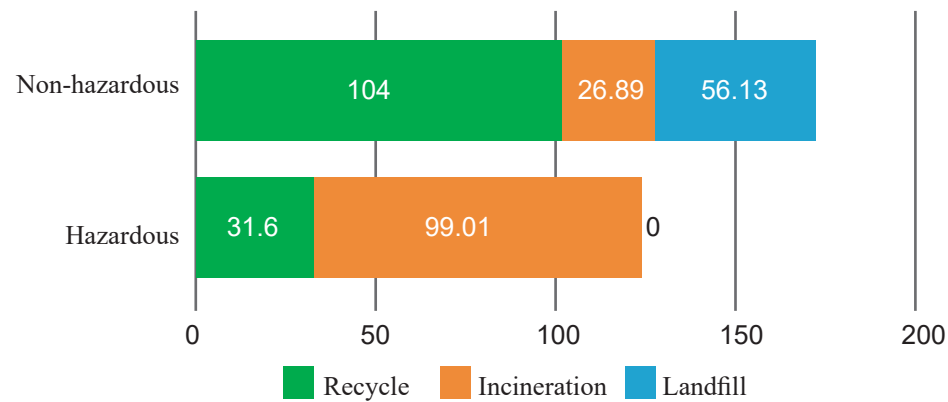
In the context of organic chemical synthesis in pharmaceutical production, substantial amounts of solvents are used. To address this, Savior Lifetec Corporation employs distillation and rectification techniques for solvent recovery, achieving recycling rates of 73% to 79% in solvent consumption. Furthermore, for solvents that cannot be reused, wastewater treatment technology is utilized to facilitate self-decomposition and disposal.

All declarations and cleanup quantities for waste across our facilities are supported by records verifying proper waste management, ensuring that entrusted industrial waste is duly handled.

Amount of outsourced incineration of waste solvents in 2022 decreased significantly by **49.4%** compared to 2021



Waste Disposal Methods Adopted at Savior Lifetec Corporation in 2022



► Human Rights Policies

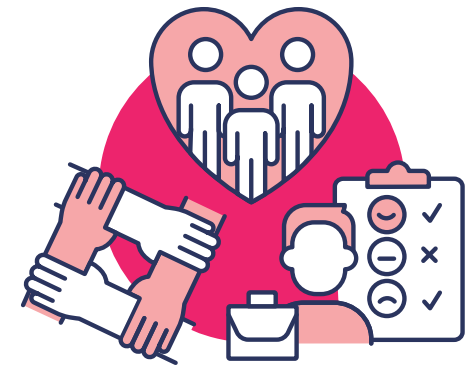
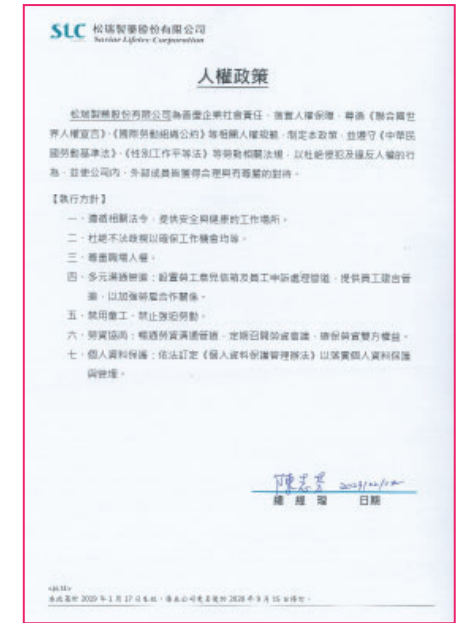
● Human Rights Policies

Savior Lifetec Corporation upholds the management principle of respecting human dignity, places great importance on human rights-related issues, and continually revises its work regulations to comply with domestic and international laws and regulations. In response to the latest revisions of the labor laws by the government, the company has restructured the rules concerning working hours, wages, and leaves in the work regulations, ensuring that every employee can work with peace of mind and enjoy protection and security while working. This approach is aimed at cultivating a friendly and high-quality workplace.

The company convenes labor-management meetings every three months in accordance with the law, where representatives from both sides communicate their opinions openly and sincerely. This approach fosters healthy labor-management relations and effectively addresses employee suggestions, promoting cooperation between labor and management. This creates an environment where employees fully understand the company's significant policies and developments, enabling them to express their opinions in a timely manner and establishing an open communication channel. Through practical actions, the company practices the core principle of "Respect for Employees" in the Savior Pharmaceutical Group's business operations.

Adhering to international trends and corporate governance practices, the company has aligned its actions with the International Labour Organization's (ILO) four core workplace principles and rights. Based on the core values of the Savior Lifetec Corp's corporate culture, guiding philosophy, and the foundation of becoming a happy enterprise, the company also respects local regulations in its global operating locations. After multiple discussions at decision-making

1. Compliance with Applicable Laws: Provide a safe and healthy working environment in accordance with relevant laws and regulations.
2. Elimination of Unlawful Discrimination: Ensure equal job opportunities and eradicate unlawful discrimination to promote equal rights for all.
3. Respect for Workplace Rights: Uphold workplace rights and treat all employees with respect and dignity.
4. Diverse Communication Channels: Establish channels such as suggestion boxes and employee complaint handling mechanisms to facilitate diverse communication. Provide employees with avenues to express their opinions and strengthen labor-employer cooperation.
5. Prohibition of Child Labor and Forced Labor: Prohibit the use of child labor and the practice of forced labor in any form.
6. Labor-Management Consultation: Foster open communication between labor and management through regular labor-management meetings. Ensure the protection of the rights and interests of both parties.
7. Protection of Personal Data: Develop and implement the "Personal Data Protection Management Act" to safeguard and manage personal data in compliance with the law.



● Human Rights Evaluation

In accordance with the Human Rights Policy, Savior Lifetec Corporation adheres to the principles of relevant human rights standards such as the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the International Bill of Human Rights, the International Labor Organization Conventions, the ILO Declaration on Fundamental Principles and Rights at Work, the California Transparency in Supply Chains Act, and other related regulations. Additionally, the company complies with labor-related regulations such as the Labor Standards Act of the Republic of China and the Gender Equality in Employment Act, aiming to prevent any violation or infringement of human rights. This commitment extends to ensuring that all internal and external stakeholders are treated with respect and dignity.

Starting in 2022, we initiated supplier assessments to investigate whether suppliers complied with local social and environmental regulations during their operations in 2021. The results of these assessments are presented in Section "4-5 Supply Chain Management" of this report.

We also require suppliers to sign the "Supplier Code of Conduct" to ensure that they adhere to the following human rights standards

- ✓ Prohibition of child labor and protection of underage workers from engaging in hazardous activities.
- ✓ Respect for employees' freedom and prohibition of any form of forced labor or illegal overtime work.
- ✓ Provision of safe and healthy working and living conditions.
- ✓ Provision of an equal and fair working environment, prohibiting any gender or racial discrimination and harassment.
- ✓ Provision of lawful and reasonable wages and benefits.
- ✓ Respect for employees' freedom of association and collective bargaining rights.

● Human Rights Training (GRI 412-2)

Savior Lifetec Corporation complies with Taiwan's labor regulations and has already integrated human rights principles into the company's management practices. Therefore, there has not been a specific plan for human rights training for employees in the past. However, to enhance our colleagues' understanding of relevant issues, we will incorporate human rights training into our educational programs in the future.

● Prevention of Sexual Harassment (GRI 2-25)

To prevent and address incidents of sexual harassment, Savior Lifetec Corporation has established effective corrective and remedial measures and provides necessary protection. We have formulated the "Employee Feedback and Complaint Box Management Regulations" and the "Workplace Sexual Harassment Complaint and Disciplinary Regulations." The latter includes defining the scope of sexual harassment, establishing a Sexual Harassment Complaint Handling Committee, outlining the complaint and remedial mechanism, delineating the review procedure, ensuring confidentiality, and offering counseling and medical referral services.

For complaints related to sexual harassment incidents, an electronic mailbox has been set up, and relevant information is prominently displayed in the workplace. Employees with complaints can reach out to designated committee members in their respective areas. Additionally, regular education and training on sexual harassment are conducted to cultivate the right preventive mindset among employees and eliminate instances of sexual harassment.

“ Sexual Harassment Complaint Mechanism
Responsible Department: Human Resources
E-mail: hr2@saviorlifetec.com.tw
Savior Lifetec Corporation did not receive any reports of sexual harassment in 2022. ”

▶ Labor-Employer Relationship

Savior Lifetec Corporation upholds the principle of integrity and, while safeguarding the rights of employees, formulates various management procedures and work rules in accordance with the principles of the Labor Standards Act. This ensures that employees receive fair compensation and enjoy a safe working environment.

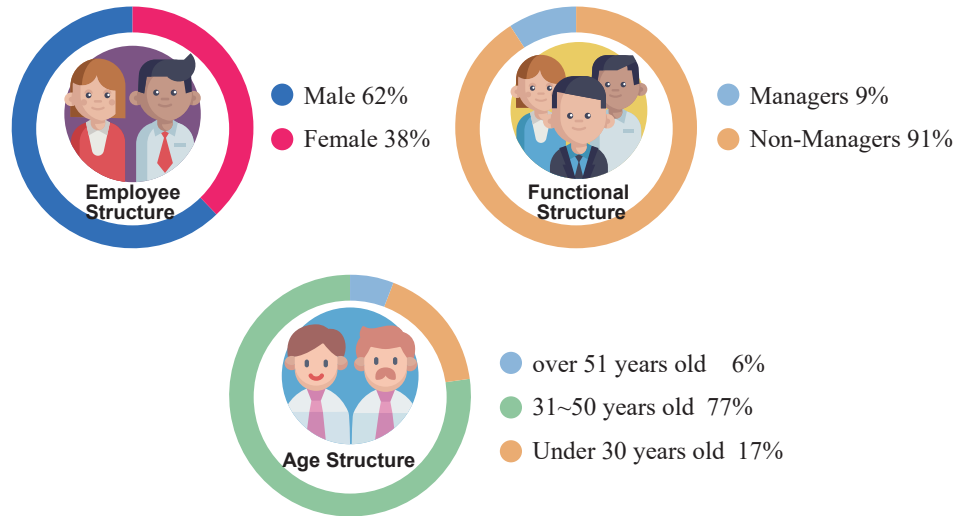
The company adheres to legal requirements and regulations. In addition to providing national health insurance and labor insurance, we also offer group insurance coverage for all employees and conduct regular annual health check-ups. A Welfare Committee has been established to manage employee welfare initiatives and allocate relevant welfare funds. This includes allocating resources to diversify various welfare measures and activities, thus enhancing the well-being of our employees.

“ In 2022, Savior Lifetec Corporation was honored to receive the 1111 Job Bank Happy Workplace Silver Award. ”



● Company's Employee Composition Structure

In 2022, Savior Lifetec Corporation had a total of 311 full-time employees, with a higher proportion of male employees compared to female employees. This is because the production sites primarily involve physically demanding and heavy work, which requires physical strength, leading to a higher representation of male employees in the production units. Conversely, administrative and clerical roles, which are less physically demanding, were predominantly occupied by female employees.



2022 Employee Workforce Composition of the Company (GRI 2-7)(GRI 2-8)

	Item	male	%	female	%	total
Rank	Managers	21	70.4%	8	29.6%	29
	Non-Managers	171	60.2%	111	39.8%	282
age	Under 30 years old	32	54.6%	20	45.4%	52
	31~50 years old	149	62%	92	38%	241
	over 51 years old	11	73.1%	7	26.9%	18
Employment type	direct	73	87.9%	14	12.1%	87
	indirect	119	51.6%	105	48.4%	224
	total	192	61.7%	119	38.3%	311

● Commitment to Recruiting Diverse Employees and Setting Targets for Female Workforce Representation

Savior Lifetec Corporation recognizes that diversity can increase business resilience and contribute to overall corporate performance. As a result, we remain committed to creating a diverse and inclusive workplace environment, striving towards becoming a happy company. While female employees currently constitute 38.3% of our workforce, a lower percentage compared to male employees, we are dedicated to fostering diversity and continuously working towards establishing a gender-friendly workplace.

Historical Ratio of Female Employees, Managers, and Directors

Number of People/Year	2020	2021	2022
Number and Share of Female Employees	137 27.0%	139 37.9%	119 38.3%
Number and Share of Female Managers	13 31.6%	13 35.4%	8 29.6%
Number of Female Directors	1	1	3

Percentage of Male and Female Managers (%)

Percentage/Year	2020	2021	2022
Percentage of Male (%)	70.6%	65.7%	65.9%
Percentage of Female (%)	29.4%	34.3%	34.1%

► Diversity Recruitment

In recruitment and hiring, Savior Lifetec Corporation adheres to principles of honesty and integrity, without limiting nationality, gender, ethnicity, or religious beliefs. We cultivate a diverse workforce and ensure equal pay for equal work between men and women, striving to foster a culture of diversity.

In 2022, the company hired a total of 69 new employees and saw 130 formal employees leave. The majority of new and departing employees were in the age range of 31 to 50 years old. To enhance employee well-being, the company initiated an employee satisfaction survey in 2022, aiming to identify areas for improvement.

The age distribution of new hires and departures in 2022 (including STSP Plant, Injection Plant, subsidiaries, and Zhunan Plant)

Category	Group	Number of Male People	Percentage of Male New People	Number of Female People	Percentage of Female New People	Total (Male + Female)
Age of new employees	Under 30 years old	20	55.6%	12	36.4%	32
	31~50 years old	14	38.9%	21	63.6%	35
	over 51 years old	2	5.5%	0	0%	2
	Subtotal	36	100%	33	100%	69
Age of departing employees	Under 30 years old	21	25%	10	21.7%	31
	31~50 years old	61	72.6%	31	67.4%	92
	over 51 years old	2	2.4	5	10.9%	7
	Subtotal	84	100%	46	100%	130

● Voluntary and Involuntary Departures

Savior Lifetec Corporation values human resource development, and in 2022, the company faced a wave of voluntary turnover along with intense competition for talent in the technology industry. This led to an increase in the voluntary turnover rate compared to 2021. The voluntary turnover rates for general employees and professionals rose from approximately 10% in 2021 to 14.59% and 18.51%, respectively. However, it is important to note that this phenomenon was more prevalent in the first half of the year, and the turnover rate eased in the second half of the year.

Item	2020 年	2021 年	2022 年
Employee Turnover Rate	14%	21.5%	40.6%
Involuntary Turnover Rate	4.1%	13.3%	4.2%

	Employee Turnover Rate(%)		Involuntary Turnover Rate(%)	
	2021	2022	2021	2022
Senior executive	0.22%	0.28%	0.22%	0.00%
middle manager	0.88%	2.81%	1.10%	0.84%
professionals	10.98%	18.51%	7.28%	3.37%
General staff	10.10%	14.59%	9.05%	8.13%



► Salary Policy

Savior Lifetec Corporation believes that our reward mechanism goes beyond providing a livelihood for employees; it serves as a vital tool to ensure external competitiveness and internal balance. In addition to regular salaries, we offer variable compensation, such as bonuses, based on individual performance and the achievement of organizational goals or profitability. Our approach is gender-neutral, as we aim to reward employees for their outstanding performance and share the success of our business with all team members.

● Employee Salaries

According to the regulations stated in the "Instructions for Reporting Salary Information of Non-Managerial Full-Time Employees" issued by the Taiwan Stock Exchange, the weighted average number of non-managerial full-time employees in 2022, after examination and calculation by accountants, was 275. The average salary of non-managerial full-time employees was NT\$649,000, and the median salary was NT\$601,000.

► Training and Education

In order to enhance employees' professional skills and foster research and development capabilities, we encourage our staff to participate in diverse educational and training programs. These programs include orientation for new employees, on-the-job training, and various job-specific training courses, all aimed at cultivating highly skilled talent.

- In 2022, Savior Lifetec Corporation conducted both internal and external education and training programs on integrity, covering areas such as compliance with relevant regulations, GMP, EHS, accounting systems, and internal controls. A total of 2,328 participants attended these courses, amounting to 3,590 hours of training.
- The average number of training hours per employee per year

Item	Male Managers	Male Non-Managers	Female Managers	Female Non-Managers
Number of people	24	271	14	149
Total hours	1812	34865.5	466	13098.5
Average hours per person	122.3	206.34	96.9	142.6

Management and Full-time Employee Salaries

project	2020	2021	2022
Number of full-time employees who are not in supervisory positions (person)	481	445	275
Average salary of full-time employees who are not in supervisory positions (thousand NTD / person)	611	650	649
Median salary of non-supervisory full-time employees (thousand NTD / person)	564	601	601

Note: "Full-time employees excluding non-managerial positions" refers to the total number of employees (or regular employees) of the company excluding those who hold managerial positions (executives), overseas branch employees, part-time employees, and personnel who meet the criteria for exclusion or exemption from statistics (including both Taiwanese and foreign employees).

In 2022, the Gender Pay Ratio

Salary Range	Average Basic Salary		Gender Pay Ratio	
	male	female	male	female
Management	116,224	80,954	70%	30%
Non-management staff	52,065	41,036	61%	39%

Over the past three years, the statistics for education and training hours and expenses

		2020	2021	2022
Number of employees	Male	439	384	256
	Female	180	189	162
	Total	619	573	418
Training hours (hours)	Male (Managers)	1,972	1,812	643
	Male (Non-managers)	33,851	34,866	12,809
	Female (Managers)	579	466	210
	Female (Non-managers)	13,320	13,099	5,615
	Total	49,721	50,242	19,277
Average training hours per person (hours)	Male (Managers)	137	116	55
	Male (Non-managers)	178	206	154
	Female (Managers)	98	98	46
	Female (Non-managers)	137	143	115
	Total	550	563	370
Training expenses (NTD)	Male (Managers)	67,000	39,540	76,681
	Male (Non-managers)	398,910	103,310	159,920
	Female (Managers)	44,420	15,100	38,700
	Female (Non-managers)	79,160	93,320	98,318
	Total	589,490	251,270	363,619

● New Employee Training

For new employees, Matsumura provides new employee training to help them quickly understand the company's background, organizational policies, regulations, and operational procedures. The training includes both foundational and specialized programs.

Foundational training includes:

- Company history, organizational structure, policies, and benefits introduction.
- Overview of the quality system.
- Fundamental principles of data integrity.
- Occupational safety and health awareness.

Specialized training: Tailored for new employees or those newly assigned to specific job functions, this training focuses on the future tasks and technical skills required for their respective roles.

“ In 2022, all 69 new employees have completed 100% of the new employee training and necessary specialized training. ”

● Performance Evaluation

The SLC Group has established the "Employee Performance Evaluation Management Regulations" as a reference for training and developing employees, providing guidance to employees, facilitating communication between managers and employees, and serving as the basis for salary adjustments, promotions, year-end bonuses, employee stock options, and stock allocations. The evaluation is conducted twice a year, with final approval by the General Manager for all employees across the company. The HR department is responsible for the implementation, maintenance, and revision of the regulations, while supervisors at all levels conduct performance evaluation interviews and assessments with their respective employees. As of the end of 2022, all regular employees have completed their performance evaluation assessments, reaching 100% completion.

▶ Labor-Management Communication and Employee Care

● Labor-Management Communication

Savior Lifetec Corporation values employee rights and regards labor-management communication as a means to encourage the establishment of friendships among employees, improve individual well-being, and ultimately contribute to the company's profitability. It also aims to enhance workplace relationships, and facilitate the integration of resources and skills between labor and management.

We hold labor-management meetings and employee welfare committee meetings every quarter in compliance with the law. We have also implemented the "Employee Opinion and Complaint Box Management Regulations" and the "Measures for Prevention of Sexual Harassment and Complaints and Disciplinary Actions" to promote positive communication with our employees.

► Occupational Health and Safety

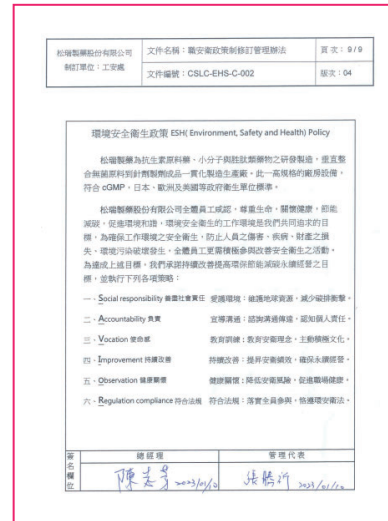
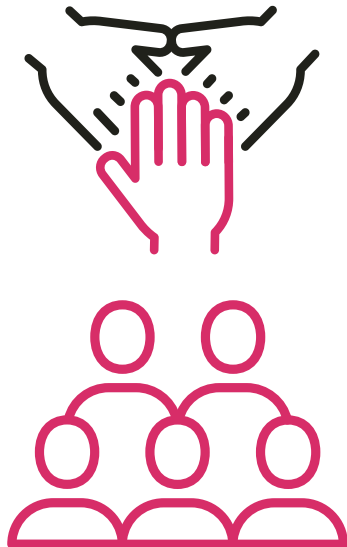
We have developed occupational safety and health policies in accordance with relevant regulations such as OHSAS 18001 Occupational Health and Safety Management System, TOSHMS Taiwan Occupational Safety and Health Management System, Occupational Safety and Health Act, and its implementing regulations. Additionally, we have established procedures for the formulation and revision of occupational safety and health policies.

● Occupational Health and Safety Policy

Savior Lifetec Corporation specializes in the manufacturing and sale of medical pharmaceuticals, as well as the research and production of small molecules and peptide drugs. We operate vertically integrated aseptic production facilities, from sterile raw materials to final dosage forms, following the highest standards such as cGMP, as set by government health authorities in Japan, Europe, the United States, and other regions.

All employees at Matex Pharmaceuticals recognize the value of respecting life, caring for health, enhancing well-being, fostering labor-management harmony, and improving the quality of work and life. Our shared goal is to create a work environment that ensures occupational safety and health, prevents injuries, diseases, property loss, fires, and occupational hazards. To achieve this, every employee is encouraged to actively participate in activities that promote safety and health.

In order to fulfill these objectives, we commit to continuously improve our occupational safety and health management and performance to achieve sustainable operations. We will implement the following strategies to meet our goals:



Occupational Safety and Health Responsibilities

The Occupational Safety and Health Department is managed by colleagues who possess professional qualifications in occupational safety and health.

Measures for Safeguarding Employee Work Environment and Personal Safety

Our company has developed specific occupational safety and health management measures based on standards such as OHSAS 18001:2007, TOSHMS CNS15506:2011, Occupational Safety and Health Act, and its implementing regulations.

Work Environment

- Establishing a Safety Committee chaired by the highest management of the company, convening regular meetings to review and discuss safety and health management matters.
- Conducting semi-annual assessments of the operational environment within the premises to safeguard the physical and mental well-being of employees.
- Implementing improvements in response to abnormal incidents and conducting 6S inspections and audits to continuously enhance the safety of the work environment.
- Promoting a smoke-free workplace, creating a comfortable and healthy environment for employees to work in.
- Installing fire protection systems, conducting annual fire system inspections and reporting, regularly inspecting fire facilities, and maintaining environmental safety.
- Conducting annual inspections of buildings and public safety.
- Performing regular thermographic inspections of electrical equipment.
- Establishing an emergency response team, procuring emergency response equipment to address abnormal incidents.
- Providing protective equipment to operational personnel to ensure work safety.
- Installing alarm detectors in hazardous areas to ensure premises and personnel safety.
- Deploying Automated External Defibrillators (AEDs).
- Conducting regular drinking water tests to safeguard employee health.

Machinery and Equipment

- In compliance with regulatory requirements, safety and hygiene work guidelines have been established, along with safety operating standards for various machinery and equipment, for employees to adhere to during operations.
- A plan for the automatic inspection of hazardous equipment has been formulated, with regular checks conducted to ensure the safe operation of machinery and equipment.
- Lifting equipment undergoes regular maintenance to ensure safe operation of the machinery and equipment.
- Security personnel are stationed across the premises, and access control card systems are implemented in office areas.

Educational Training

- New employees are provided with educational training in accordance with regulations to enhance their safety awareness.
- Supervisors responsible for machinery operation and hazardous operations undergo educational training as per regulatory requirements and obtain relevant qualifying certifications.
- Continuous EHS education, training, and awareness programs are conducted to enhance employee awareness and knowledge.
- Control measures for hazardous operations are implemented to reduce the occurrence of accidents due to unsafe behaviors.
- Regular drills for natural disasters or emergencies caused by human error, such as fire and earthquake drills, are held to ensure that employees can follow emergency response plans, minimizing their impact.
- Fire safety training is conducted for employees every six months to reinforce fire safety awareness among colleagues.

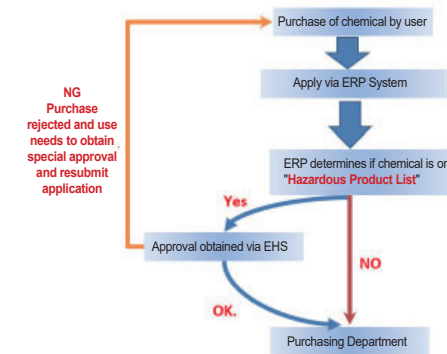
Health Check-up

- Newly hired employees undergo physical examinations before starting their job, and all employees undergo annual health check-ups to understand their health conditions.
- Specialized job personnel undergo special health check-ups annually to assess their health conditions in relation to their specific tasks.
- Health check-up promotion activities, such as health lectures and physician consultations, are conducted to encourage employee participation in maintaining their health.

Procurement of Toxic Substances

Toxic substances used in processes and laboratories are declared based on their toxicity and managed according to the Chemical Management Procedure. An internal process for the procurement of toxic substances has been established, requiring approval from the Environmental Health and Safety department before any purchases can be made.

Toxic Substances Procurement Process



● Workplace Safety and Occupational Health Training

In the year 2022, the completion rate for new employee education and training in Savior Lifetec Corporation was 100%. The completion rate for hazard awareness training was 100%, fire safety training was 100%, hazardous incident response training was 100%, emergency response training was 100%, and contractor education training was 100%.

Savior's Group Occupational Health and Safety Training Statistics for the Year 2022

Chunan

Category	Audience	Regulatory License Training		On-the-job Training	Emergency Drills (Disaster)	Contractor Training
New Employee Orientation and Training	New Employee	Beginners' Certification Training	Refreshers' Certification Training	Designated or General Personnel	Designated or General Personnel	Vendors / Contractors
Total headcount	45	7	20	0	287	23
Total hours	270	146	94	0	451.5	23

STSP

Category	Audience	Regulatory License Training		On-the-job Training	Emergency Drills (Disaster)	Contractor Training
New Employee Orientation and Training	New Employee	Beginners' Certification Training	Refreshers' Certification Training	Designated or General Personnel	Designated or General Personnel	Vendors / Contractors
Total headcount	132	3	28	633	175	45
Total hours	792	54	118	949.5	262.5	45

● Implementing health services and promotional activities to reduce health risks

In accordance with the regulations of the Labor Health Protection Act, our company collaborates with the on-site employee clinic and local hospitals, engaging family medicine practitioners and nursing staff to provide on-site medical services. This is aimed at reviewing the health status of new hires based on their medical examination reports and conducting annual health check-up assessments for employees, as required by regulations.

Savior Lifetec Corp Health Promotion Statistics Table for the Year 2022

Category	Audience	Frequency	Category	Chunan (No. of employees / NO. of Occurrences)	STSP (No. employees / NO. of Occurrences)
General health checks	New hires and all employees.	Health checks before new employees report for duty and annually for all employees.	In accordance with the provisions of the "Regulations on Labor Health Protection," as required by the specified items.	1.Health checks for new employees: 30 employees 2.General health checks: 99 employees	1.Health checks for new employees: 48 employees 2.General health checks 230 employees
Specialize health checks	Newly hired or transferred employees engaged in hazardous health-related operations.	Health checks before new employees report for duty and annually for all employees.	In accordance with the provisions of the "Regulations on Labor Health Protection," as required by the specified items.	Specialize health checks: 33 employees	Specialize health checks: 9 employees
Health check promotion activities (health seminars and physician consultations)	All employees	As required	1.Health Seminars: a."My Healthy Plate" b.PM2.5 and Cancer c.Traditional Chinese Medicine for Respiratory Health e.Fatty Liver and Metabolic Syndrome 2.On-site Services by Physicians and Nurses	1.147 employees / 294 hours 2.46 employees / 80 hours	1.303 employees / 454.5 hours 2.102 employees / 96 hours

Recent Occupational Accident Statistics and Occupational Health and Safety Management Statistics

Chunan

Key Performance Indicators (KPIs)	2021	2022
Lost Time Injury Frequency	3.11	0
Disabling Injury Frequency	3.11	0
Disabling Injury Severity Rate	18.67	0
Occupational Disease Rate	0	0
Occupational Fatality Rate	0	0
Severe Occupational Injury Rate	0	0
On-Record Occupational Injury Rate	0	0
Total Number of Fatal Accidents	0	0

STSP

Key Performance Indicators (KPIs)	2021	2022
Lost Time Injury Frequency	2.19	6.05
Disabling Injury Frequency	2.19	6.05
Disabling Injury Severity Rate	2.19	15.13
Occupational Disease Rate	0	0
Occupational Fatality Rate	0	0
Severe Occupational Injury Rate	0	0
On-Record Occupational Injury Rate	0	0
Total Number of Fatal Accidents	0	0

The calculation methods are based on the indicators announced by the Occupational Safety and Health Administration, Ministry of Labor, Taiwan, and GRI 403: Occupational Health and Safety:

Lost Workday Injury Frequency Rate = (Number of Occupational Injuries / Total Working Hours) × 10⁶

Disabling Injury Frequency Rate = (Total Number of Disabling Injuries / Total Working Hours) × 10⁶

Disabling Injury Severity Rate = (Total Days Lost Due to Disabling Injuries / Total Working Hours) × 10⁶

Occupational Disease Rate = (Number of Recognized Occupational Diseases in the Year / Total Working Hours) × 10⁶

Fatality Rate Due to Occupational Injuries = (Number of Fatalities Due to Occupational Injuries / Total Working Hours) × 10⁶

Severe Occupational Injury Rate = (Number of Severe Occupational Injuries Excluding Fatalities / Total Working Hours) × 10⁶

Recordable Occupational Injury Rate = (Number of Recordable Occupational Injuries / Total Working Hours) × 10⁶

