SLC PHARMA

松瑞製藥股份有限公司

2024

SUSTAINABILITY REPORT

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Contact Information (GRI 2-3)

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Note: ※ Material Topic

CEO's Statement

In 2024, SLC Group shifted its strategic focus from the highly competitive meropenem market to ertapenem. By year-end, our ertapenem products were sold in over 20 countries, including the United States, the United Kingdom, Spain, Portugal, Russia, Turkey, Egypt, Costa Rica, as well as markets in Latin America, Southeast Asia, and Taiwan.

To support global expansion, we increased capacity at the Southern Taiwan Science Park facility, optimized processes, and reinforced our fully integrated business model. Under the leadership of the Board and senior management, revenue reached NT$1.217 billion, and net profit after tax rose to NT$182 million. We achieved growth in gross margin, operating margin, and net profit margin, with earnings per share increasing to NT$0.57, reflecting the effectiveness of our business strategy.

1.Integrating Sustainability with Corporate Operations

By 2024, our third Sustainability Report, the Board and management had become more adept at aligning governance with sustainability. The Corporate Governance Officer and Internal Audit Department closely monitored project implementation to ensure performance supported sustainability objectives.

2. Reducing Environmental Impact in Production

During the expansion of the Southern Taiwan Science Park facility, SLC Group addressed a key sustainability issue in the pharmaceutical industry—reducing environmental impacts from production. The new production line incorporates water-, energy-, and carbon-reduction designs, increasing capacity while significantly reducing solvent use and toxic emissions. In addition, the wastewater treatment systems at both the Southern Taiwan and Tainan plants achieved 100% compliance, verified by third-party testing agencies, demonstrating the Company's commitment to environmental responsibility.

3.Social Commitment: Shared Growth and Prosperity

SLC Group continues to maintain open dialogue with employees through diverse channels, ensuring effective communication, fair compensation and benefits, training opportunities, and a workplace that respects human rights, diversity, and equity.

We also work with suppliers and contractors to promote sustainability and foster long-term partnerships aligned with sustainable development.

4. Sustainability Strategy and Long-Term Vision

Carbapenem antibiotics are considered the last line of defense against bacterial infections. SLC places the highest importance on product quality and safety while advancing innovative manufacturing technologies. Expanding access to medicines remains our core sustainability goal and vision. Through steady progress, SLC has become the largest supplier of injectable antibiotics in the U.S. market and ranks among the top three carbapenem suppliers nationwide. In Taiwan, we hold the leading market share in injectable ertapenem and are recognized as a preferred CDMO partner for new carbapenem drugs.

Looking ahead, we will continue embedding the sustainability goal of expanding access to medicines into our mid- to long-term strategy, fulfilling SLC Group's mission: "To manufacture high-quality products that meet the needs of patients worldwide, while creating value for our employees, shareholders, and Taiwan's pharmaceutical industry, and contributing to a healthier environment."

General Manger 陳志芳

2024 Sustainability Performance Highlights

Governance

- Access to Medicines: **Expanding market share in Taiwan, the United States, and Europe**
- **Regulatory Approvals:** In 2024, SLC Group's Ertapenem injectable product obtained the following licenses:
  - Drug approval in Thailand
  - Drug approval in Jordan
  - Import license in Portugal (via contract manufacturing)
  - **Obtained regulatory approvals and product launches in over 20 countries**
- In 2024, **inspections by the TFDA and overseas clients found no major GMP violations.**
- In 2024, SLC Group held training sessions on ethics, compliance, GMP, EHS, accounting, and internal controls, attended **3,299** times, totaling **5,844.3** hours.
- In 2024, 39 suppliers completed the ESG questionnaire, with no violations of ESG-related regulations identified.
- In 2024, local supplier spending accounted for **39.88%**, up from **20.38%** in 2023.

Environmental

- 2024 marked SLC Group's first adoption of the ISO 14064-1:2018 GHG inventory, covering all parent company facilities and preparing subsidiaries for implementation.
- SLC Group reported its parent company's Scope 1 and Scope 2 GHG emissions for the first time, amounting to 6,436.7907 $mtCO_2e$.
- Energy intensity declined from 75.729 in 2023 to **45.122** in 2024.
- In 2024, water use at the STSP plant was cut by **20%** from the prior year, and wastewater treatment achieved full compliance.
- Waste intensity at SLC fell **4%** in 2024 compared to 2022.
- In 2024, SLC recorded no compliance breaches related to environmental mismanagement.

Social

- In 2024, **female employees** accounted for 34.5% of the total workforce.
- In 2024, **36.4%** of senior management were local hires from Tainan.
- In 2024, all employees were required to complete at least 30 minutes of human rights training, with a **100% participation rate**.
- The Company invests about **NT$400,000** annually in training programs and sets aside nearly **NT$2,650,000**.
- SLC Group was honored with the **2024 Happy Enterprise Gold Award** by 1111 Job Bank.

ESG

Chapter.1

About SLC Group

1.1 SLC Group – Company Profile (GRI 2-1)

Name of the Company	Establishment Date	Over-the-counter listing date
Savior Lifetec Corporation	January 30, 2004	2015

Total Capital	Revenue in 2024	Operational Headquarters
Amount3.17 billion NTD	12.17 billion NTD	No. 1, Nanke 6th Rd., Xinshi Dist., Tainan City

Number of employees	Company ownership and legal form
A total of 293 people.	Savior Lifetec Corporate 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.

Operational Activities

SLC Group holds a leading position worldwide in the process development and manufacturing of sterile active pharmaceutical ingredients (APIs) and injectable products. Building on expertise in sterile crystallization and aseptic powder sterilization, we produce high-quality, life-saving medicines. Our R&D and manufacturing facilities are located in Taiwan, with products marketed globally.

Address and telephone number of each production base ：
The company has a total of 5 operating bases, please refer to the company's offi cial website：saviorlifetec.com.tw (GRI 2-2) (GRI 2-3)：

Taipei Office

Address： 20th Floor, No. 76, Section 2, Dunhua South Road, Da'an District, Taipei City
Tel：02-8979-6299

Nanke Plant

Production products: Mass-produced ertapenem (Ertapenem) with Meropenem
Address： No. 1, Nanke 6th Road, New Urban District, Tainan City
Tel：06-505-1200

Injection Factory

Production products: Mass production of fi nished dosage products
Address： 4F, No.12 & No.16, Chuangye Rd., Xinshi Dist., Tainan City
Tel：06-505-1200

Subsidiary: Savior Biotech

Production products: Niche preparations and drug products exploitation
Address： 20th Floor, No. 76, Section 2, Dunhua South Road, Da'an District, Taipei City
Tel：037-580-100

Chunan Plant

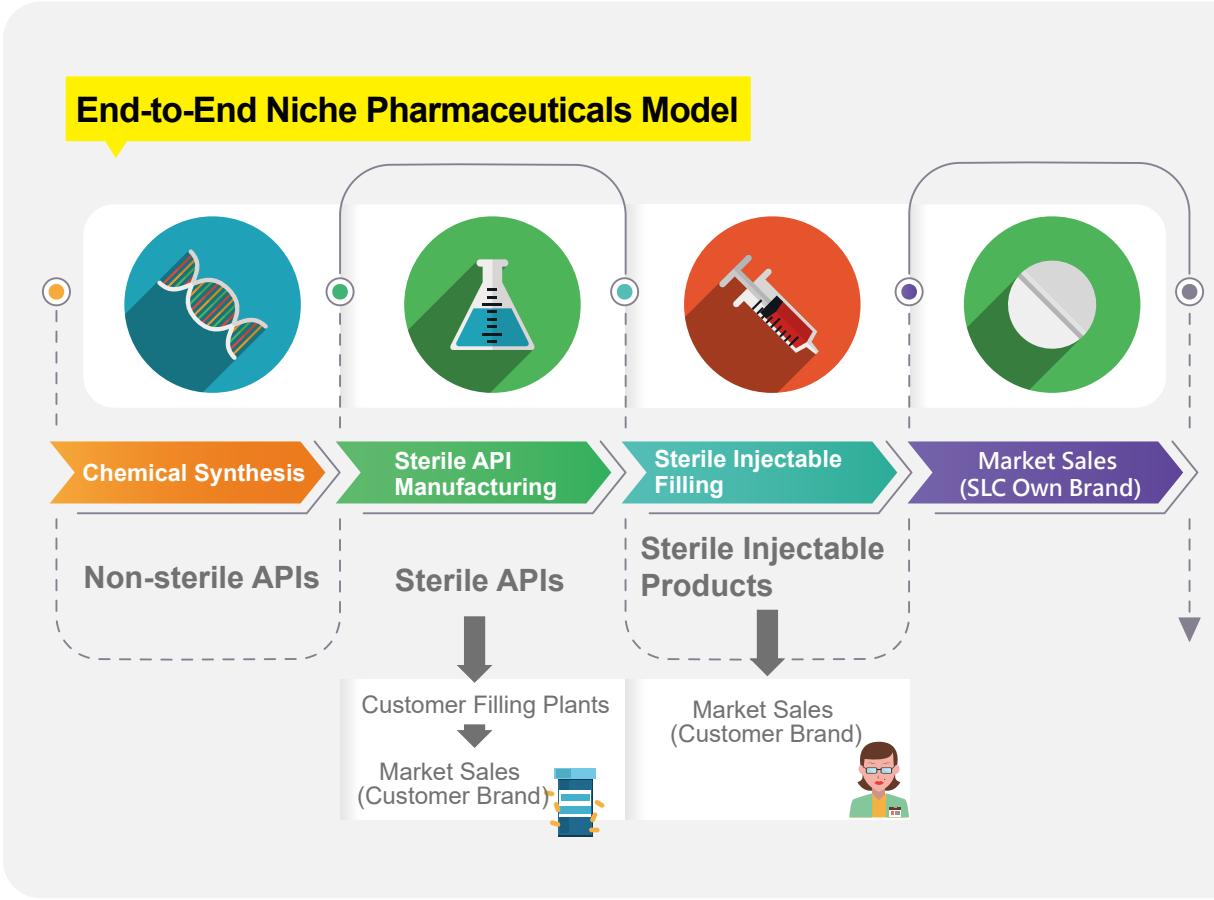
Production products: Meropenem in mass production scale (Meropenem)
Address： No. 29, Kezhong Road, Zhunan Town, Miaoli County
Tel： 037-580-100
Note: The Zhunan Plant ceased operations in June 2024, and all business activities have been relocated to the Nanke Plant

1.2 Core Philosophy, Mission & Purpose

SLC Group's business philosophy is to manufacture high-quality products that meet the needs of patients worldwide, while creating value for employees, shareholders, and Taiwan's pharmaceutical industry, and contributing to a healthier environment.The Company's vision is to build SLC into a global leading brand in carbapenem APIs, driven by professional talent, advanced technology, and a strong commitment to service excellence.

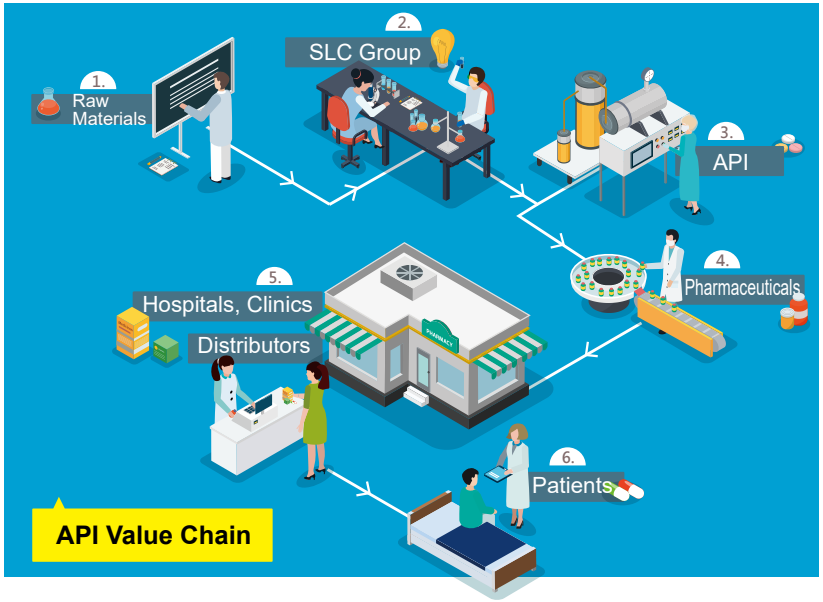
1.3 Primary products and economic performance (GRI 2-6)

SLC operates an advanced GLP-compliant R&D center dedicated to APIs and drug development. Our manufacturing facilities meet cGMP standards and have been inspected by regulatory authorities in Japan, Europe, and the United States. Through vertically integrated production—from sterile APIs to finished formulations—and expansion of our business model, we collaborate with international partners to strengthen our global market presence.



Value Chain

Upstream	Midstream (SLC Group Operations)	Downstream
Suppliers of Raw Materials	API Process Technology R&D - Organic Synthesis - Separation and Purification	Pharmaceutical Excipients (e.g., fillers, disintegrants, binders, lubricants, emulsifiers)



Overview of the Value Chain

	Upstream	Midstream (SLC Group Operations)	Downstream
Description	In the pharmaceutical industry, the upstream stage involves sourcing raw materials for medicines, including natural plant and animal substances, minerals, chemicals, and intermediates. APIs may also come from animal organs, microorganisms, or cultured cells. Recent advances in biotechnology—such as genetic engineering and tissue culture—have enabled new breakthroughs in upstream production.	Our R&D and manufacturing facilities are located in Taiwan, compliant with cGMP standards, and have been inspected by health authorities in Japan, Europe, and the United States. API production processes are highly complex, with synthesis being the most sophisticated. SLC's expertise in producing APIs and intermediates is critical to pharmaceutical manufacturing. As part of the organic chemical industry, pharmaceuticals are typically derived through biological or chemical synthesis.	Downstream activities involve formulation and pharmaceutical companies, which combine APIs with excipients—such as fillers, disintegrants, binders, lubricants, and emulsifiers—to produce user-friendly dosage forms. SLC integrates upstream, midstream, and downstream operations as a fully integrated pharmaceutical developer. Through its "API to ANDA" dual-A strategy, the Company ensures stable supply and strengthens market competitiveness.
SLC's Strategy	SLC Group holds a leading position worldwide in the process development and manufacturing of sterile APIs and injectable products. With expertise in sterile crystallization and aseptic powder sterilization, we are dedicated to producing high-quality, life-saving medicines.	[Reducing Environmental Impact]To minimize the negative environmental impacts of production, SLC avoids the use of highly toxic solvents, removes reaction by-products, improves hydrogenation efficiency, and reduces the amount of catalyst (palladium on carbon) used. In addition, distillation and rectification technologies are applied to recover solvents, achieving a recovery rate of 73–79%. Solvents that cannot be reused are decomposed on-site through wastewater treatment processes.	By the end of 2024, SLC Group's ertapenem products had been marketed in more than 20 countries, including the United States, the United Kingdom, Spain, Portugal, Russia, Turkey, Egypt, Costa Rica, various Latin American and Southeast Asian countries, as well as Taiwan. With the continued advancement of SLC Group's global expansion, the Company will further extend its presence to additional countries and markets.

1.4 Economic performance Material Topics (GRI 201-1)

SLC's main products are APIs and formulations of the broad-spectrum antibiotics Meropenem and Ertapenem. These include carbapenem generic drugs, injectable generics, controlled-release generics, new dosage forms, new drug development, as well as APIs, excipients, intermediates, and finished dosage products related to the above.

Among our key products, Meropenem is listed on the WHO Model List of Essential Medicines as a last line of defense against severe infections. Together with Ertapenem, it has played a critical role in saving lives during the pandemic.

Material Topics	Economic performance
Impact Assessment	Positive Impact (Actual) : The Company's continued growth in operating performance generates positive impacts on the economy, human rights, and the environment. Negative Impact (Potential) : A decline in the Company's operating performance due to various factors could lead to negative impacts on the economy, human rights, and the environment.
Policies and Commitments	Policy: External Regulations: Operate the business model in compliance with the Company Act and industry standards. Internal Policies: Follow the Company's management guidelines to ensure the continuous and effective operation of all management systems.
Responsible Unit	Supervisory Unit: Audit Implementing Units: Respective Departments
Management Actions, KPIs, and Targets	To ensure the effective operation of all management systems, with the achievement of corporate performance targets as the key indicator.

Indicator	2024 Performance	2024 Target	Achievement	2025 Target
Effective management system operations; achievement of performance targets.	Achieved: NT$1,217,327 thousand	Effective management systems Achieve corporate performance targets	V	Effective management systems Achieve corporate performance targets

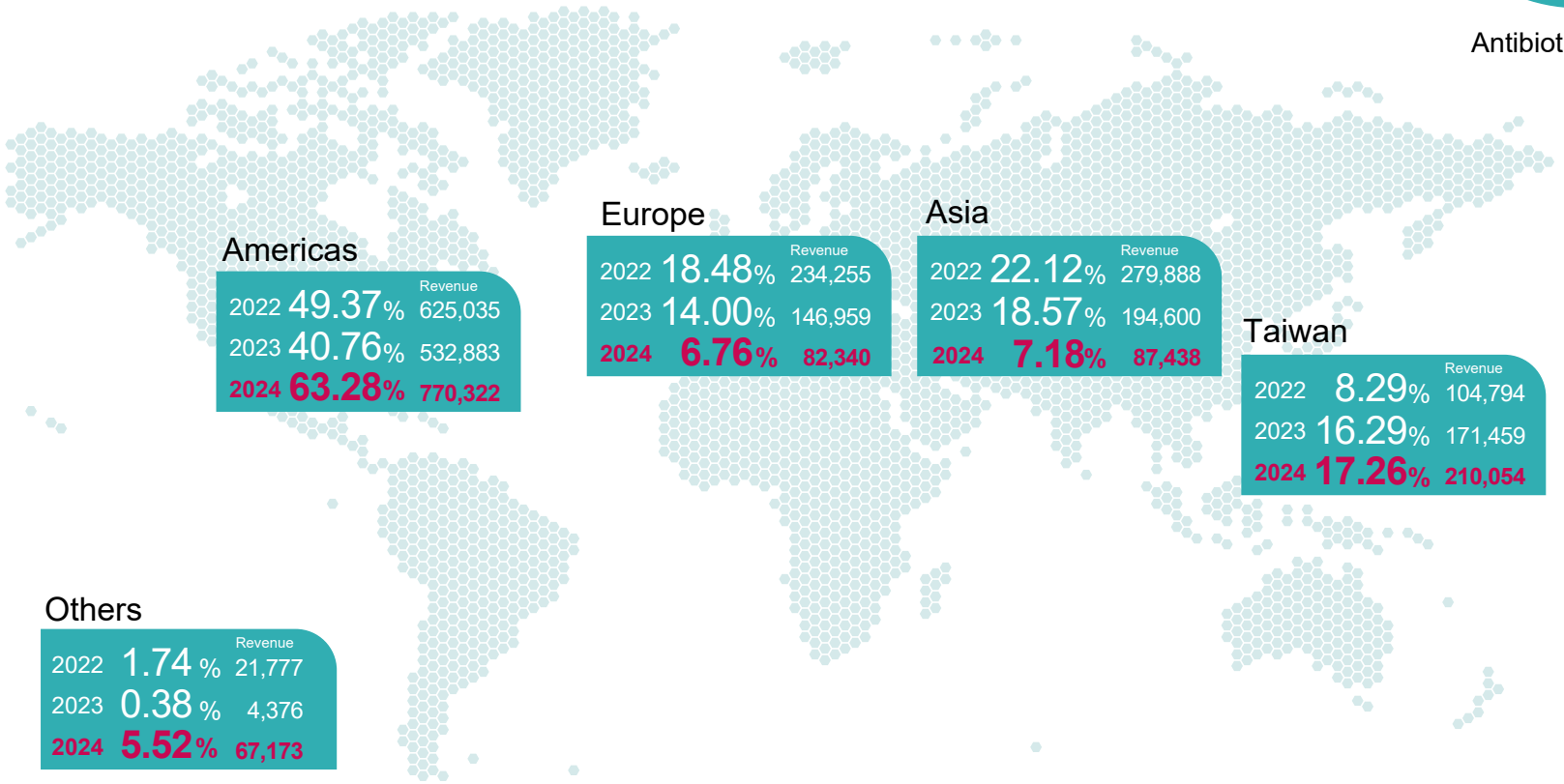
Effectiveness Evaluation	Management Through audits and internal controls, the Company ensures the effective operation of all management systems.
Stakeholder Engagement	Disclose operating performance proactively through the Company website, financial reports, and annual reports.

Revenue by Product Category

Unit: (thousand), %

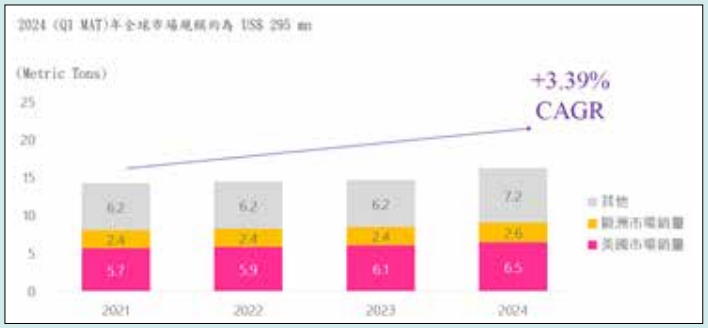
items	2022 Revenue	2022 Revenue Share	2023 Revenue	2023 Revenue Share	2024 Revenue	2024 Revenue Share
Antibiotics	972,345	76.82%	880,860	83.87%	1,136,666	93.37%
Others	293,404	23.18%	169,417	16.13%	80,661	6.63%
Total	**1,265,749**	**100%**	**1,050,277**	**100%**	**1,217,327**	**100%**

Revenue by Region



Future Plans: Strengthen competitiveness in the carbapenem market and increase market share

- Expanding capacity with new technologies and production lines to exceed 50% global market share, while reducing water, energy, and labor costs through economies of scale to lower environmental and production impacts.
- Our second-generation process technology leads the industry, offering cost advantages with larger batch sizes and shorter processing times, while reducing solvent use, eliminating toxic by-products, and lowering carbon emissions.



Healthcare Sector

In addition to new drug development, SLC launched health supplements in 2024. By entering the healthcare products market, the Company aims to diversify its revenue streams, reduce reliance on single products, and leverage its pharmaceutical expertise to develop competitive healthcare offerings.

Chapter.2

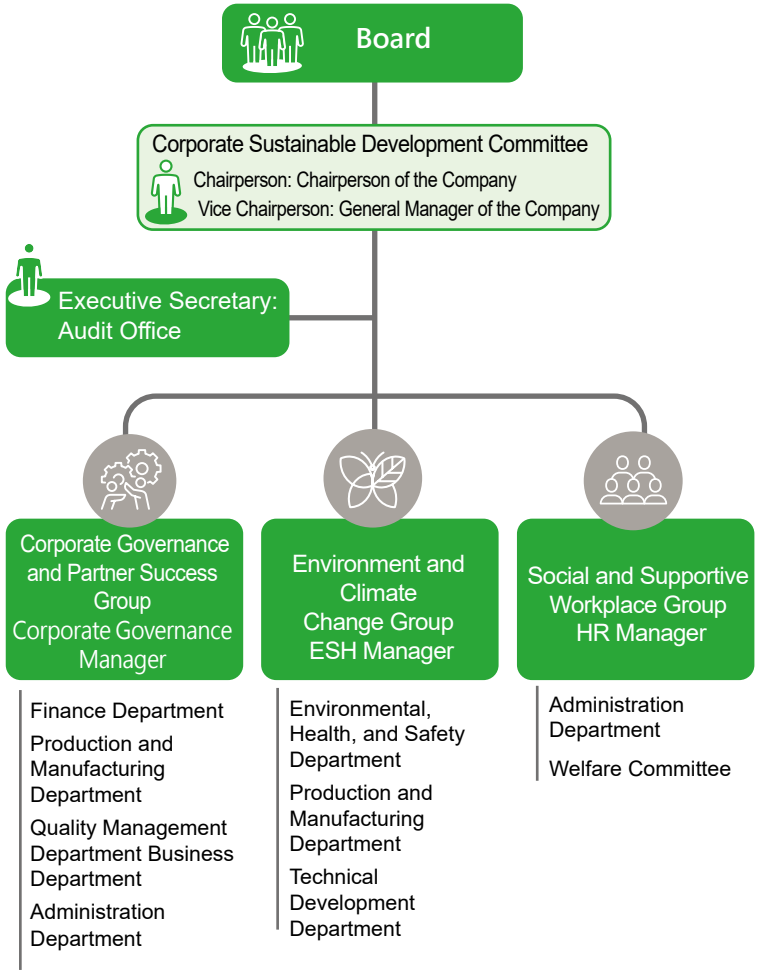
Sustainability and Material Topics

2.1 ESG Steering Organization (GRI 2-14)

The Board of Directors is SLC's highest governance body, responsible for formulating and overseeing business decisions. To address the Company's development needs, the Sustainability Promotion Task Force was established in 2022. This task force is responsible for collecting, analyzing, and reporting sustainability information, as well as coordinating the Company's sustainability strategies and targets.

The task force is convened by the General Manager and comprises three functional sub-groups, each led by departmental heads to drive related projects. Progress on ESG initiatives is reported regularly to the Board to ensure performance delivery. The Company's Sustainability Report is prepared according to the annual plan, approved by the Board, and then published.

The organization and responsibilities of the Sustainability Promotion Task Force are illustrated below.



2.2 Identification of Material Topics (GRI 3-1, 3-2, 3-3)

We referred to the GRI Universal Standards 2021 issued by the Global Sustainability Standards Board (GSSB) and the GRI 3: Material Topics 2021 identification process to assess the impacts of SLC Group's activities on environmental, economic, and human rights issues. Based on the actual and potential impacts, we conducted the identification of material topics and implemented impact management.

Process for Determining Material Topics (GRI 3-1, 3-2, 3-3)

SLC followed the GRI 3: Material Topics process in the following steps:

Step 1 Understanding the Organization's Context

Stakeholder Identification and Establishment of Sustainability Issue List

Step 2 Identifying Actual and Potential Impacts

Each issue's impacts on the economy, environment, and human rights are assessed by management.

Step 3 Assessing the Significance of Impacts

Setting Thresholds and Confirming Material Topics

Step 4 Determining Material Topics for Reporting

Determining Material Topics for Reporting, Along with Management Approaches and Indicators

Step2：Identifying Actual and Potential Impacts

We requested management to evaluate the impacts of the Company's operations on the economy, environment, and human rights. Based on this assessment, each topic was reviewed for positive and negative impacts, impact scope/involvement, and likelihood of occurrence. For negative impacts, follow-up monitoring was conducted to determine whether current management indicators and practices required adjustment or improvement. In total, 20 questionnaires were collected and analyzed.

Step3 ： Assessing the Significance of Impacts

Materiality Assessment

We referred to both stakeholder concerns and internal management evaluations of the significance of impacts from business activities on the economy, environment, and human rights to develop the materiality matrix. The Sustainability Promotion Task Force and senior management jointly considered these results to confirm material topics. The threshold was set above the average score of all topics, and selected material topics were required to align with the Company's strategic direction. In the end, eight material topics were identified:

1.Product Quality and Safety

2.Operational Performance

3.Regulatory Compliance

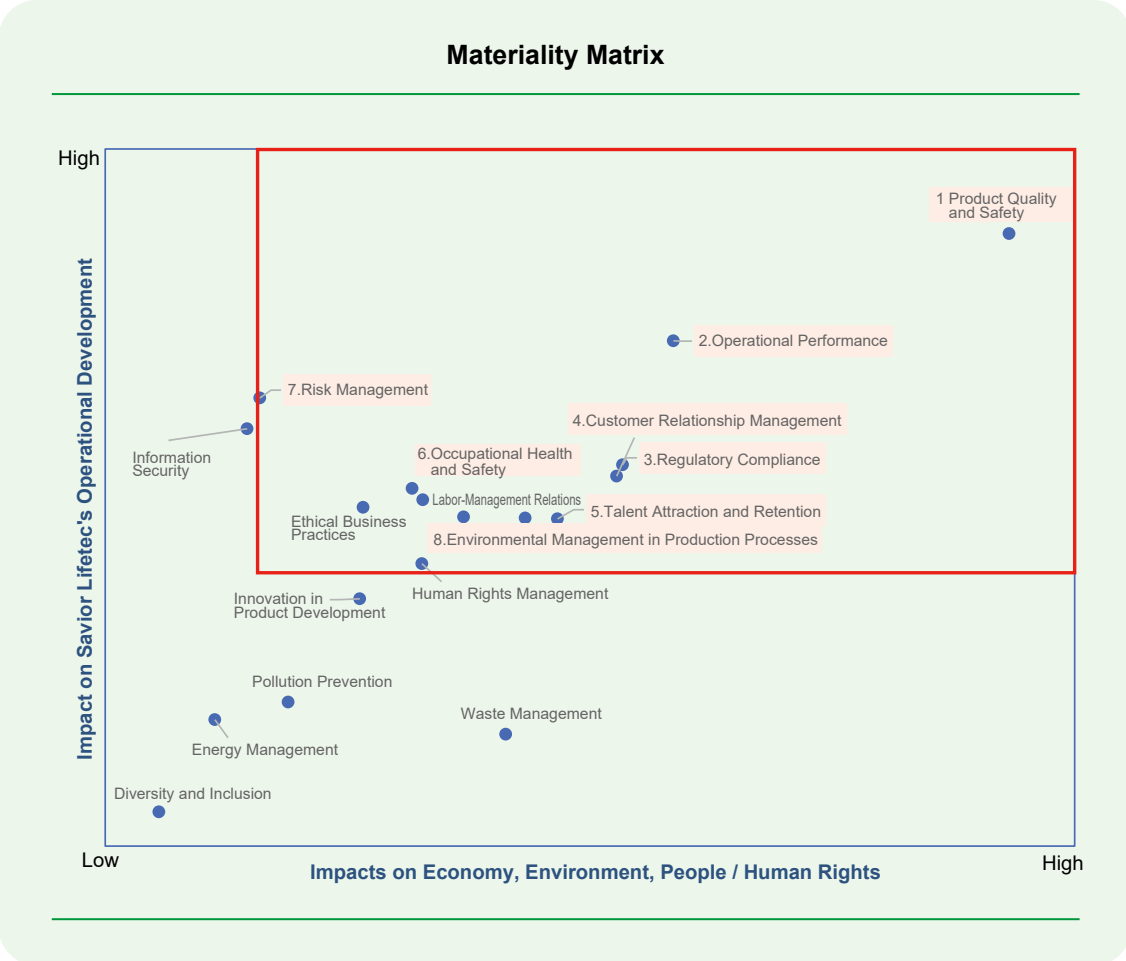
4.Customer Relationship Management

5.Talent Attraction and Retention

6.Occupational Health and Safety

7.Risk Management

8.Environmental Management in Production Processes



Step4：Determining Material Topics for Reporting

Disclosure of the eight material topics was conducted in accordance with the management approach defined under GRI 3-3. The 2024 targets, set in 2023, were reviewed against actual 2024 performance, followed by a gap analysis and corresponding measures. Material topics were further assessed for their impacts across the value chain.

● 2024 Material Topics and Management Indicators (GRI 3-3)

Material Topics	Responsible Unit	GRI	Management Indicators and Targets	2024 Performance	2025 Target	Impact on the Industry			Corresponding Section
						Unit	SLC	Downstream	
1.Pharmaceutical Quality and Safety	R&D, Quality Assurance, Production, and Materials Management	416 417	Ensure 100% compliance with internal SOPs for adverse drug reaction reporting.	Achieved	100% Achieved		●	●	Chapter 4 Products and Innovation
			Annual Training Completion Rate: 100%	Achieved	100% Achieved				
			Drug Marketing and Labeling: Zero Non-Compliance Incidents	Achieved	Zero Non-Compliance				
2.Operational Performance	Audit Office	201-1	Effective systems; performance targets achieved	Achieved 1,217,327 (NT$ thousand)	Effective systems; performance targets achieved	▲	●		Chapter 1 About SLC Group
3.Regulatory Compliance	Legal Affairs, EHS, and Human Resources	2-27	Zero Non-Compliance	No major non-compliance in 2024	Zero Non-Compliance	▲	●	▲	Chapter 3 Corporate Governance
4.Customer Relationship Management	Marketing and Sales Department	Custom Topic	Customer Data Breaches	0	0		●	●	Chapter 3 Corporate Governance
5.Talent Attraction and Retention	Human Resources	401	Employee Turnover Rate ≤ 10% Employee Hiring Rate ≥ 20%	Employee Turnover Rate 41.64% Employee Hiring Rate 31.1%	Employee Turnover Rate ≤ 10% Employee Hiring Rate ≥ 20%		●	▲	Chapter 6 Friendly Workplace
6.Occupational Health and Safety	EHS	403	1.2 Health Promotion Activities/year 2.Disabling Injury Frequency Rate (FR) < 3.13 3.80% Health Check Coverage	1.Health Promotion Activities 2.Disabling Injury Frequency Rate (FR): 6.66 3.Employee Annual Voluntary Health Check Coverage: 99.6%	Reduced from previous year; below industry average FR	▲	●		Chapter 6 Friendly Workplace
7.Risk Management	Audit Office	Custom Topic	100% Self-Assessments Based on Risk Assessment Results	100% Self-Assessments Based on Risk Assessment Results	100% Self-Assessments Based on Risk Assessment Results	▲	●	▲	Chapter 3 Corporate Governance
8.Environmental Management in Production Processes	ESH、Procurement Department	Custom Topic	Zero Environmental Pollution Violations	Zero Non-Compliance	Zero Non-Compliance	●	●	▲	Chapter 6 Friendly Workplace

● indicates direct impact ▲ indicates indirect impact

2.3 List of Material Topics (GRI 3-2)

Changes in the List of Material Topics Between 2023 and 2024 Among the eight material topics identified in 2024, four were retained from 2023. Two new topics—Operational Performance and Customer Relationship Management—were added. In addition, sub-topics were introduced under Talent Attraction and Retention and Occupational Health and Safety to enhance management focus.

No.	Material Topic in 2024	Description of Included Sub-topics	Changes Compared to 2023
1	Product Quality and Safety	Quality and safety management; compliance with FDA and GMP requirements in various countries	Continued
2	Operational Performance	Company revenue, profitability, and overall operational performance	New Material Topic
3	Regulatory Compliance	Compliance with relevant regulations through awareness campaigns and employee training to enhance legal consciousness	Continued
4	Customer Relationship Management	Customer relationship maintenance, satisfaction surveys, and response mechanisms to customer needs	New Material Topic
5	Talent Attraction and Retention	Provision of competitive salary and benefits, training and career development, smooth labor-management communication, and understanding employee needs	Continued and Expanded (including Labor Relations)
6	Occupational Health and Safety	Safe and healthy working environment, occupational risk management, health promotion, and proper chemical management	Continued and Expanded (including Chemical Management)
7	Risk Managemt	Risk identification, risk management policies, and preventive measures	Continued
8	Environmental Management in Production Processes	Management of environmental impacts from production processes (including air, water, and waste), covering supply chain environmental management	Continued

2.4 Stakeholder Engagement (GRI 2-29)

SLC Group engages with stakeholders through diverse communication channels to understand and respond to their expectations. We evaluate stakeholder feedback and use it to guide improvements, ensuring two-way interaction and mutual trust.

Stakeholders include shareholders, customers, employees, raw material suppliers, packaging/equipment/service suppliers and contractors, government agencies, financial and investment institutions, and authorities in areas where our facilities are located.

Category	Significance to SLC	Key Concerns	Corresponding Material Topics	Communication Channels & Frequency	2024 Communication Activities
Shareholders	Providers of capital for SLC's operations. We uphold transparency and provide shareholders and stakeholders with relevant information to maintain strong communication.	Operational Performance Pharmaceutical Quality and Safety Information Security Innovative Product Development Customer Relationship Management	Operational Performance Pharmaceutical Quality and Safety Customer Relationship Management	Annual Shareholders' Meeting (regular) Annual Report Disclosure (regular) Investor Conference (irregular) Information Disclosure via Market Observation Post System (regular)	One annual shareholders' meeting held and annual report disclosed One investor conference conducted 39 major announcements published on the Market Observation Post System (MOPS), including significant Board resolutions and management changes
Customers	Formulation manufacturers that purchase SLC's active pharmaceutical ingredients (APIs) and distribute them to healthcare institutions or distributors. We prioritize drug safety and efficacy and are committed to delivering the highest quality products.	Risk Management Pharmaceutical Quality and Safety Ethical Business Practices Customer Relationship Management Occupational Health and Safety	Pharmaceutical Quality and Safety Risk Management Customer Relationship Management Occupational Health and Safety	Client Visits and Communication Meetings (irregular) Product Exhibitions and Trade Shows (irregular)	Customer visits: 15 times Communication and discussion meetings: over 60 times Product exhibition: 1 time (CPhI China)
Employees	Employees are key stakeholders and the driving force behind operations. SLC values continuous communication and listening to employees' voices to create a better, happier workplace.	Employees are key stakeholders and the driving force behind operations. SLC values continuous communication and listening to employees' voices to create a better, happier workplace.	Pharmaceutical Quality and Safety Talent Attraction and Retention Occupational Health and Safety	Communication Meetings between Management and Employees (irregular) Employee Welfare Committee Meetings (regular)	Labor-management meetings held: 9 times Employee Welfare Committee meetings: 4 times Proactive HR care actions: 170 times
Raw Material Suppliers	Most raw materials are derived from organic synthesis. To ensure consistency, reliability, and safety, we prioritize quality compliance when sourcing raw materials.	Supplier Management Chemical Management Pharmaceutical Quality and Safety Customer Relationship Management Operational Performance	Environmental Management in Production Processes (including Supply Chain Management) Occupational Health and Safety (including Chemical Management) Pharmaceutical Product Quality and Safety Customer Relationship Management Operational Performance	Supplier Visits or On-site Audits (irregular) Contractor Safety Meetings (irregular) Emails / Phone Calls / Documents / Related Meetings (regular)	Supplier visits: 16 times Contractor safety meetings: 0 times
Packaging Suppliers	Stable and reliable packaging suppliers are critical to ensuring the safety and efficacy of pharmaceutical products.	Customer Relationship Management Supplier Management Ethical Business Practices Operational Performance Pharmaceutical Quality and Safety	Customer Relationship Management Environmental Management in Production Processes (including Supply Chain Management) Compliance (incl. Integrity) Operational Performance Pharmaceutical Quality and Safety		

Category	Significance to SLC	Key Concerns	Corresponding Material Topics	Communication Channels & Frequency	2024 Communication Activities
Government Agencies / Regulatory Authorities	SLC prioritizes quality, safety, and environmental management. We strictly comply with government laws and regulatory standards to ensure stable operations.	Regulatory Compliance Information Security Energy Management Pollution Prevention Occupational Health and Safety	Regulatory Compliance Environmental Management in Production Process (including Supply Chain Management) Occupational Safety and Health (including Chemical Management)	Official Documents and Regulatory Briefings (irregular)	Regular participation in regulatory briefings by competent authorities
Local Authorities (Factory Jurisdiction)	Includes Science Park Administration, Environmental Protection Bureau, Fire Department, and Local Governments.	Ethical Business Practices Operational Performance Regulatory Compliance Innovative Product Development Climate Action	Regulatory Compliance (including Ethical Business Practices) Operational Performance Environmental Management in Production Process (including Supply Chain Management)	Twice a year Local Government (irregular)	Regular participation in briefings held by relevant competent authorities on related topics irregular on-site inspections conducted at the plant
Institutional Investors / Banks	Financial institutions and investors that provide lending and financial support to the company.	Customer Relationship Management Ethical Business Practices Information Security Operational Performance Supplier Management	Customer Relationship Management Regulatory Compliance (including Ethical Business Practices) Operational Performance Environmental Management in Production Process (including Supply Chain Management)	Dedicated company email and contact number on official website (regularly) Website information updates (regularly)	Regular renewal of short-term credit lines with banks

2.5 Response to the United Nations Sustainable Development Goals (SDGs)

In 2015, the United Nations announced the “2030 Sustainable Development Goals” (SDGs), outlining 17 goals and 169 targets aimed at addressing the world’s most pressing economic, environmental, and social challenges. These goals also serve as a benchmark and vision for businesses to pursue sustainable operations.

Sunglory contributes to the SDGs primarily through SDG 3 – Good Health and Well-being – by providing life-saving medicines that serve as a last line of defense against severe infections in clinical settings. In addition, the company's efforts to integrate upstream and downstream value chains and ensure product quality also align with other relevant goals, including SDGs 8, 9, 12, 13, and 17.

SDGs	Corresponding Material Topic	SLC’s Response
 SDG 3 Good Health and Well-being	Pharmaceutical Quality and Safety	The pharmaceutical industry plays a vital role in advancing human health and well-being. SUNRAY Group specializes in the production of sterile carbapenem antibiotics, both Active Pharmaceutical Ingredients (APIs) and formulations. These medications serve as the last line of defense in clinical treatment of severe infections. Upholding the quality management philosophy of “Respect for Life, Complete and Effective,” SLC is committed to providing high-quality medicines to healthcare systems. Through rigorous process control, we ensure the safety and efficacy of our products—not only fulfilling customer expectations but also safeguarding patient health—ultimately realizing our mission of sharing the value of health with all humanity.
 SDG 8 Decent Work and Economic Growth	Talent Attraction Labor Relations Occupational Health and Safety	Creating a happy and fulfilling workplace is one of SLC Group’ s key visions. We are dedicated to employee well-being and workplace safety by ensuring fair and reasonable compensation in accordance with the principle of equal pay for equal work. At the same time, we actively invest in training programs to support continuous learning and personal development, enhancing both individual career growth and overall economic performance and competitiveness.
 SDG 9 Industry, Innovation and Infrastructure	Pharmaceutical Quality and Safety	SLC focuses on optimizing existing production lines and continuously allocating resources to improve manufacturing efficiency, aiming to become a benchmark in the industry. In addition, we actively promote new drug development to create greater value, inject innovation into the healthcare industry, and meet the growing and diverse needs of the market and patients.
 SDG 12 Responsible Consumption and Production	Pharmaceutical Quality and Safety Environmental Management in Production Process (including Supply Chain Management)	SLC is committed to process innovation and R&D, focusing on improving the efficiency of energy, water, and raw material usage. We strictly control the use of hazardous substances in our processes and promote quality management with a target of “zero non-compliance,” fully implementing responsible production and consumption practices.
 SDG 13 Climate Action	Environmental Management in Production Process (including Supply Chain Management) Risk Management	SLC recognizes the challenges that global risks pose to sustainable operations and actively addresses comprehensive risk management needs. We have adopted the TCFD governance framework to respond to both physical and transition risks brought by climate change, while also implementing adaptation measures and seizing related market opportunities. In terms of carbon reduction, we continuously optimize our processes to lower greenhouse gas emission intensity and fulfill our commitment to sustainable corporate development.
 SDG 17 Partnerships for the Goals	Environmental Management in Production Process (including Supply Chain Management)	SLC plays an intermediary role in the pharmaceutical industry value chain, bridging upstream and downstream partners. By integrating collaboration across the value chain, we strive to establish a global trade system that is regulatory-compliant, open, non-discriminatory, and fair.

Chapter. 3

Corporate Governance

3.1 SLC's Governance Structure (GRI 2-9, 2-11)

The Board of Directors, chaired by the Chairman, is the company's highest governance body. Under the Board are the Audit Committee, Remuneration Committee, and Sustainability Development Task Force. In line with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies," SLC has established its own principles to protect shareholder rights, strengthen Board functions, respect stakeholder interests, and enhance transparency.

A Corporate Governance Officer, currently the Deputy Head of Finance, is appointed by the Board to oversee governance matters. In 2021, SLC also formed the Sustainability Development Task Force to drive economic, environmental, and social management, implementing sustainability strategies from the top down.

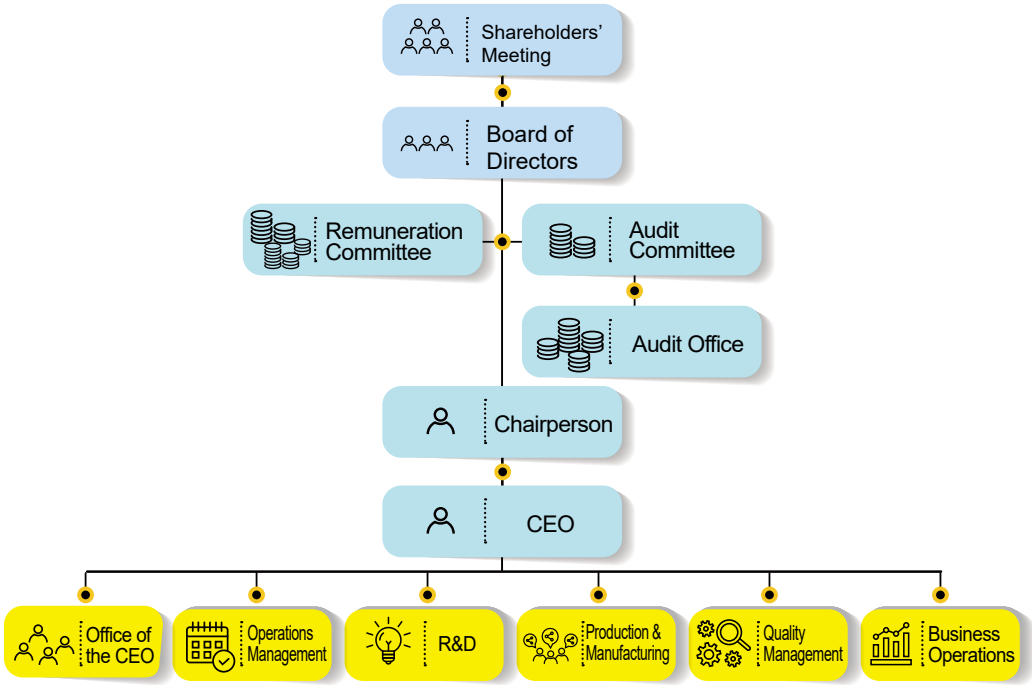
Board Composition and Diversity Governance

(GRI 2-10) (GRI 2-11) (GRI 405-1)

SLC values Board diversity and independence, believing that diversity enhances governance and overall performance. The Corporate Governance Best Practice Principles and Rules for Election of Directors stipulate diversity in Board composition, considering gender, age, nationality, industry experience, and professional expertise in areas such as finance, accounting, and pharmaceuticals, as well as leadership and crisis management.

The Board comprises nine directors, including three independent directors (33%) and two female directors (22%). Members possess expertise in management, leadership, industry knowledge, and finance, and continue professional development throughout their terms. To comply with governance requirements, only one director (11%) concurrently serves as a senior executive, below the one-third threshold.

Corporate Governance Structure



3.2 Ethical Business Practices and Integrity Management

SLC has established the Procedures for Ethical Management and Guidelines for Conduct in accordance with the “Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies.” These internal guidelines define appropriate conduct for personnel in business execution, covering the scope of application, definitions of unethical conduct, the prohibition of improper benefits, and procedures for handling violations.

To prevent unethical behavior and mitigate related risks, all Board members and senior management are required to sign a declaration committing to ethical conduct upon assuming their roles. Prior to establishing business relationships, SLC evaluates the legitimacy and integrity records of potential partners (e.g., agents, suppliers, and customers) based on the company’s ethical management policy. If an existing business partner is found to have engaged in unethical conduct, the relationship is immediately terminated and the entity is blacklisted. This practice demonstrates SLC’s firm commitment to integrity.

Evaluation Mechanism and Implementation Results

SLC provides grievance channels for both internal employees and external stakeholders (e.g., suppliers, contractors, and customers). When violations of integrity rules by employees occur, the responsible department will jointly assess and determine appropriate disciplinary measures. The outcomes are formally communicated through internal HR announcements. All incidents, corrective actions, and future prevention measures are reported by the designated integrity unit to the Board of Directors.

The whistleblowing process guarantees the protection of whistleblower identity and safeguards them against retaliation.

As of the end of 2024, SLC had no instances of anti-competitive behavior, antitrust violations, monopolistic practices, or corruption.

Insider Trading and Conflict of Interest Prevention (GRI 2-15)

SLC has clear protocols on avoiding conflicts of interest and preventing insider trading, as outlined in its Procedures for Ethical Management and Guidelines for Conduct and Insider Trading Prevention Policy.

With regard to conflicts of interest, directors are expected to uphold high standards of self-discipline. Any director with a conflict of interest in a Board proposal (including matters involving themselves or their represented entities) must abstain from discussion and voting. Similarly, employees must report potential conflicts to their immediate supervisor and the integrity unit.

SLC has also adopted a Code of Ethical Conduct for Directors and Officers, which covers topics such as conflict of interest, asset protection, confidentiality, and procedures for handling violations.

Furthermore, the Insider Trading Prevention Policy outlines applicable personnel, definitions of insider trading, and procedures for managing material information to ensure full compliance and prevent unintentional violations.

Although Chairperson Ms. Li Xiang-Yun concurrently holds directorships in other companies, SLC maintains a robust internal control system with clearly defined authority and procedures to ensure no conflict of interest arises with suppliers or other stakeholders.

Integrity Promotion and Employee Training

SLC provides at least one annual training session for directors, executives, and employees on insider trading prevention and related legal requirements. Awareness is also reinforced regularly via emails sent to Board members and staff.

Whistleblower and Grievance Mechanism (GRI 2-25)(GRI 2-26)

SLC has established dedicated email channels for both internal and external stakeholders (including suppliers, contractors, and customers) to report suspected misconduct:

Employee grievance email: hr2@saviorlifetec.com.tw

External complaints email: notice@saviorlifetec.com.tw

In 2024, no whistleblower reports were received.

3.3 Risk Management Material Topics

To strengthen corporate governance and implement a robust risk management mechanism that mitigates potential operational risks, SLC formally established its Risk Management Policy and Procedures in November 2022. This policy institutionalizes risk management practices to support the company's commitment to sustainable and stable operations.

In alignment with the company's operational strategy, SLC has developed a comprehensive risk management framework encompassing risk identification, assessment, monitoring, and control. The Sustainability Development Task Force is the primary unit responsible for executing this framework, in collaboration with the Internal Audit Department, Corporate Governance and Stakeholder Partnership Team, Environmental and Climate Change Response Team, and Social and Friendly Workplace Team.

The overall objective is to ensure that risks are maintained within acceptable levels, allowing for an appropriate balance between risk and return.

Material Topic	Risk Management
Impact Assessment	Positive (Potential) Impact: Within the acceptable risk threshold, achieving a reasonable balance between risk and return can reduce the likelihood of unexpected incidents, minimize asset losses, and contribute to the company's sustainable operations. Negative (Potential) Impact: Improper risk management may harm customer interests, result in major violations or operational losses, damage corporate reputation, or cause other immeasurable adverse consequences.
Policies and Commitments	Policy and Commitment： ● Internal Policy: Risk Management Policy Commitment： SLC has established a Risk Management Policy and Procedures covering four categories of risks—operational, financial, process, and environmental—with corresponding strategies. Each responsible unit evaluates, reports, and implements preventive or responsive measures in line with the procedures to reduce potential impacts.
Responsible Unit	● Supervisory Body: Board of Directors ● Executing Unit: Sustainability Development Promotion Task Force (Responsible for executing risk management responsibilities) ● Management Unit: Internal Audit Department
Management Actions, KPIs, and Targets	SLC designs and implements internal self-assessment procedures based on the results of risk evaluations, and uses these assessments as key performance indicators.

Indicator	2024 Performance	2024 Target	Achievement	2025 Target	2030 Target
Design and implement internal self-assessment activities in accordance with risk assessment outcomes	100%	100%	V	Ongoing self-assessments based on risk evaluations.	Ongoing self-assessments based on risk evaluations.

Effectiveness Evaluation	Prevention and Mitigation Measures ● Identified 11 high-risk issues under four categories—operational, financial, process, and environmental—and implemented mitigation measures. ● Reported risk status to the Board to ensure effective governance and control. Management Actions: ● Internal control systems designed by managers and approved by the Board; Audit Office formulates annual risk-based audit plans and provides timely improvement suggestions. ● Monthly executive strategy meetings review group personnel, products, and future development.
Stakeholder Engagement	Relevant stakeholders include investors/shareholders, customers/clients, employees, suppliers, communities, government agencies, financial institutions/banks, and the media. The company engages in regular and ad hoc communication with these stakeholders through various forms of interaction.

3.4 Customer Relationship Management Material Topics

We are committed to building long-term and stable partnerships through professional communication and transparent information sharing to gain a deep understanding of customer needs and deliver high-quality products. We also ensure that all products comply with regulatory and quality standards through rigorous quality and regulatory management processes.

Material Topic	Customer Relationship Management
Impact Assessment	Positive (Actual) Impact: Through deep collaboration with customers, we ensure a stable supply chain that consistently delivers high-quality antibiotics, enabling the continuous rescue of patients' lives and contributing to the well-being of humanity. Negative (Potential) Impact: Inadequate management or information security incidents may result in the leakage of customer data, causing adverse impacts.
Policies and Commitments	Policy: ● External Regulations: Compliance with GMP (Good Manufacturing Practice) and GDP (Good Distribution Practice) standards to ensure product quality meets regulatory requirements and remains unaffected during transportation. ● Internal Policies: Implementation of a Quality Manual and product serialization system. Commitment: SLC Group adheres to a customer-first principle and places high importance on customer privacy. The company promotes the use of a secure cloud storage platform provided by SLC for the transmission of sensitive information to clients—such as invoices—to prevent data breaches or potential cyberattacks. Additionally, all products delivered to clients undergo and comply with rigorous GMP and GDP reviews to ensure the safety and reliability of their use.
Responsible Unit	● Supervisory Units: Quality Assurance Department, Information Technology Department ● Implementing Unit: Sales Department
Management Actions, KPIs, and Targets	SLC uses customer data leakage incidents as a performance indicator.
Effectiveness Evaluation	Prevention or Mitigation Since the implementation of secure network drives and encrypted transmission solutions, the company has not experienced any major data breach incidents.
Stakeholder Engagement	We hold regular online meetings with clients and arrange face-to-face discussions during exhibitions. In addition, we proactively reach out to clients on an ad-hoc basis to understand their needs and stay informed about industry trends.

Indicator	2024 Performance	2024 Target	Achievement	2025 Target	2030Target
Customer Data Breach Incident	0	0	V	0	0

3.5 Sustainable Supply Chain Management

To ensure the delivery of safe, reliable, and high-quality products, Savior Lifetec collaborates closely with all partners across the raw material supply chain, sharing the responsibilities of sustainable development. Integrity serves as the foundation of these partnerships. Through regular supplier audits and questionnaire surveys, we supervise our suppliers in fulfilling their corporate social responsibility, complying with labor and human rights standards, and implementing environmental, health and safety practices. We also ensure the consistent provision of stable quality, on-time delivery, competitive pricing, and excellent service—creating a win–win outcome for all parties.

Savior Lifetec sources raw materials through its Taiwan headquarters. All raw materials purchased within Taiwan are categorized as local procurement. In 2024, the proportion of procurement spending on local suppliers was 39.88%, representing an increase compared to 20.38% in 2023. Non-local supplier spending accounted for 60.12% in 2024.

Proportion of Procurement Spending on Major Raw Material Suppliers – SLC (GRI 204-1)

Site	Source	2022	Share	2023	Share	2024	Share
Nanke Plant (API)	Local Procurement	33,473,754	12%	23,457,354.00	14.03%	218,813,845.7	36.31%
	Non-local Procurement	19,565,967	7%	76,916,636.00	46.00%	257,385,991.2	42.70%
Injection Factory	Local Procurement	7,789,120	3%	6,379,405.00	3.82%	13,129,444	2.18%
	Non-local Procurement	69,150,669	25%	561,234.00	0.34%	104,979,157.7	17.42%
Total	Local Procurement	63,727,565	23%	34,067,678.00	20.38%	240,344,420.8	39.88%
	Non-local Procurement	213,554,345	77%	133,128,787.00	79.62%	362,365,149	60.12%

Major and Key Suppliers

SLC Group's suppliers are primarily categorized into raw material suppliers and packaging material suppliers. All suppliers are required to comply with GMP standards, ensure that product quality meets the company's internal specifications, and sign the Supplier Code of Corporate Responsibility.

As of reporting, SLC had a total of 29 key raw material suppliers and 59 non-key raw material suppliers.

Supplier Risk Management

Before engaging with suppliers, SLC Group collects relevant information to conduct risk assessments and requires all suppliers to sign the Supplier Code of Corporate Responsibility. However, due to the current business environment, it is not yet feasible to explicitly include environmental, human rights, and occupational safety clauses in contracts. In cases where a supplier commits a material violation of corporate social responsibility, SLC will terminate cooperation and will not renew the contract.

Supplier Evaluation and Selection Mechanism (GRI 414-1) (GRI 308-1)

To proactively manage supplier risks, SLC conducts evaluations when selecting new suppliers and actively reviews their risk profiles. This includes assessing business licenses, tax certificates, company profiles, and certifications related to quality, environmental, health, and safety management. Additionally, all suppliers are required to sign the Supplier Code of Corporate Responsibility to ensure compliance with human rights standards.

Environmental Standards

1. Environmental Regulations and Certifications: Compliance with applicable environmental laws and acquisition of relevant certifications, permits, and registrations required for operations.
2. Waste Management and Emissions: Ensuring safe storage, transportation, treatment, and recycling/reuse of waste materials.

Social Standards

1. Labor Rights: Prohibition of child labor, respect for employee freedom, provision of an equal and fair working environment, lawful and reasonable compensation and benefits, and respect for employees' freedom of association and collective bargaining rights.
2. Health and Safety: Occupational safety training and education, workplace safety measures, employee protection, and emergency preparedness.

Supplier Evaluation and Management

Before engaging with suppliers, SLC Group collects relevant information (such as raw materials, supplies, engineering, and miscellaneous items) to conduct risk assessments, and requires all suppliers to sign the Supplier Code of Corporate Responsibility. However, under the current business environment, it is not yet feasible to explicitly include environmental, human rights, and occupational safety clauses in contracts. If a supplier commits a material violation of corporate social responsibility, SLC will terminate cooperation and will not renew the contract.

Supplier ESG Compliance Survey

In 2024, SLC conducted ESG questionnaires with a total of 39 suppliers. All 39 suppliers completed the survey, and no violations of relevant regulations were identified.

	Environmental Aspect	Social Aspect
Number of Suppliers Surveyed	39	39
Number of Responses	39	39
Regulatory Violations	None	None
Response Rate	100%	100%

3.6 Regulatory Compliance Material Topics (GRI 2-27)

SLC has long been committed to closely monitoring regulatory changes in the pharmaceutical industry both domestically and internationally, and to fostering a strong culture of compliance. The goal is to instill compliance awareness across the organization so that all employees proactively adhere to laws, regulations, and business standards.

The company has established a regulatory compliance framework in accordance with pharmaceutical industry internal control and audit requirements, as well as applicable laws and regulations. Through a comprehensive system of rules and concrete management mechanisms, SLC ensures full implementation of compliance practices.

Material Topic	Regulatory Compliance
Impact Assessment	Positive (Actual) Impact: Through a comprehensive system of regulations and concrete management mechanisms, SLC ensures full compliance with laws and regulations, generating positive impacts on the economy, environment, and people/human rights. Negative (Potential) Impact: A lack of compliance awareness may lead to negative impacts on the economy, environment, and people/human rights, while also damaging the company's reputation.
Policies and Commitments	Policy: ● External Regulations: Company Act, environmental protection regulations, Labor Standards Act, as well as international pharmaceutical guidelines such as those from the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH), and the Pharmaceutical Inspection Co-operation Scheme (PIC/S) including GMP and GDP standards (aligned with the Taiwan FDA's "Good Manufacturing Practice for Western Medicines"). ● Internal Policies: Processes and procedures established in response to regulatory requirements; the company has developed its compliance framework in accordance with the Regulations Governing the Establishment of Internal Control Systems by Service Enterprises in Securities and Futures Markets and other relevant laws, as well as its internal audit procedures.
Responsible Unit	● Supervisory Units: Internal Audit, Legal Affairs, EHS, Human Resources ● Executing Units: All Departments
Management Actions, KPIs, and Targets	SLC has long been committed to monitoring regulatory changes in the pharmaceutical industry both domestically and internationally, and implements compliance in accordance with internal policies. Indicator: No violations. In 2024, no major compliance violations occurred (Note). However, one fire safety violation was reported through a whistleblowing case and resulted in a fine of NT$40,000, which has since been properly addressed.
Material Topic	Control through internal audit procedures
Impact Assessment	Disclosure of compliance status via the company website, sustainability report, and annual report

Note: In accordance with the disclosure standards for material information of listed and OTC companies, any event involving an amount exceeding NT$1 million is considered a material event.

Chapter.4

Products and Innovation

Through vertically integrated upstream, midstream, and downstream production technologies, SLC Group delivers APIs and injectable products that meet the quality specifications of advanced international markets, ensuring consistent quality, stable supply, and a competitive market advantage.

4.1 Product Quality and Safety Material Topics (GRI 2-6)

Guided by the principle of "Respect for Life, Ensuring Integrity and Efficacy," SLC has established a comprehensive quality management system. All production and management processes follow international standards, including the guidelines of the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH), and the Pharmaceutical Inspection Co-operation Scheme (PIC/S) GMP and GDP standards (aligned with Taiwan FDA's Good Manufacturing Practice for Western Medicines Part I, Annex, Part II, and Part III: Distribution).

The company has also formulated a Quality Manual as its highest guiding policy for quality. Regular Quality Management Review meetings are held every three months to review quality incidents and track management effectiveness. In addition, annual Product Quality Reviews (PQRs) are conducted and reported to ensure continuous improvement.

Material Topic	Product Quality and Safety
Impact Assessment	Positive (Actual) Impact: SLC Pharmaceuticals enhances public health and creates jobs, while ensuring product safety and equitable access. Although sterile manufacturing generates wastewater, waste, and carbon emissions due to strict regulatory requirements, the company actively reduces these impacts to protect the environment. It also enforces strict oversight of operations and suppliers, requiring corrective actions when non-compliance occurs to mitigate risks to the environment and human rights. Negative (Potential) Impact: Quality issues that lead to product recalls or risks to patient safety could indirectly harm the company's reputation or result in regulatory penalties.
Policies and Commitments	Policy: ● External Policies: SLC Pharmaceuticals strictly complies with pharmaceutical regulations such as PIC/S GMP Parts I, II, III and their Annexes, EU GMP, ICH Q7–Q11, and US GMP 21 CFR Parts 11, 210, and 211. ● Internal Policies: Internally, the company follows standards including the Change Control Policy, Manufacturing Order Control Procedure, Quality Management Review Meetings, Corrective and Preventive Actions (CAPA), Defective Product Reporting, and Quality Risk Assessment and Management. These policies comprehensively govern production, manufacturing, and environmental controls to ensure product quality.
Responsible Unit	● Supervisory Unit: Quality Management Department ● Implementing Units: Various departments (e.g., Quality Assurance, Quality Control, Manufacturing)
Management Actions, KPIs, and Targets	SLC uses the number of product recalls, critical customer complaints, and key inspection deficiencies as indicators.

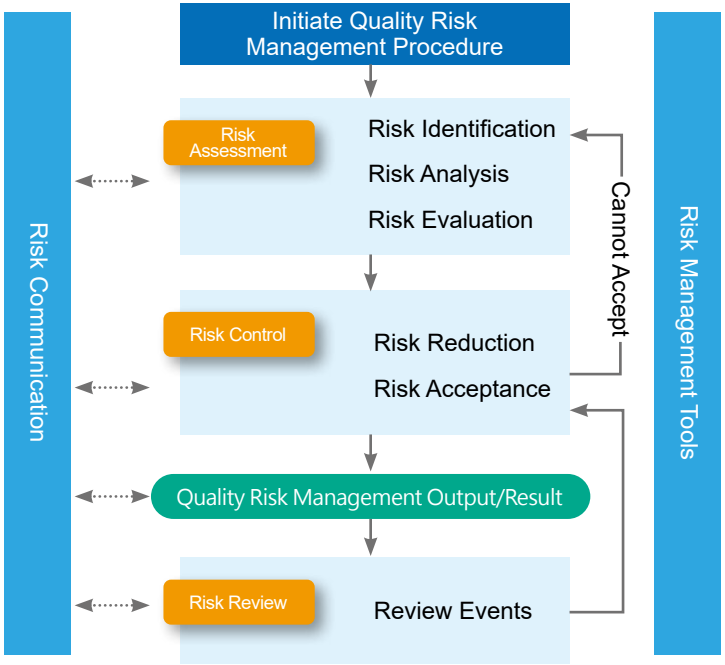
Indicator	2024 Performance	2024 Target	Achievement	2025 Target	2030 Target
Number of Product Recalls	100% achievement	Product Recalls: 0	V	Product Recalls: 0	Product Recalls: 0
Number of Critical Customer Complaints	100% achievement	Critical Complaints: 0	V	Critical Complaints: 0	Critical Complaints: 0
Number of Major Inspection Deficiencies	100% achievement	Inspection Deficiencies: 0	V	Inspection Deficiencies: 0	Inspection Deficiencies: 0

Material Topic	Product Quality and Safety
Effectiveness Evaluation	SLC provides APIs and injectable products that meet the quality standards of advanced international markets, while fully complying with regulatory requirements in regions such as Europe, the United States, Japan, Australia, and New Zealand. We have established sterile production procedures in accordance with cGMP standards to ensure product safety and efficacy, while pursuing sustainable business objectives to guarantee consistent quality and long-term stability. The company has developed a Quality Manual as the core guiding principle of its quality policy. To ensure effective implementation of quality management, quarterly Quality Management Review meetings are held to review quality incidents and monitor improvements, while annual Product Quality Reviews (PQRs) are conducted and reported. Prevention or Mitigation ● Quarterly Quality Management Review meetings to track improvements ● Annual Product Quality Reviews Management ● Regular inspections by US FDA, TFDA, EU GMP, and GDP authorities ● Regular internal departmental audits ● Customer complaint handling procedures
Stakeholder Engagement	Regular and ad hoc communications were conducted through various channels, including online meetings, public information, email correspondence, quality agreements, supply agreements, and site inspection requests.

Quality Risk Assessment

Based on the risk classification provided by each department regarding their potential impact on product quality, we have determined the frequency of internal audits. These audit plans are developed by the Quality Assurance (QA) department and are executed on schedule throughout the year.

To manage both anticipated and unanticipated events within the facility, we implement procedures such as deviation/incident investigations with corrective and preventive actions (CAPA), customer complaint handling, change control, and risk assessments. These measures are designed to evaluate and mitigate potential impacts on product quality and safety, thereby ensuring that our products consistently maintain high standards of quality and safety throughout the manufacturing process.



Quality Training: PIC/S GMP and GD

In addition to onboarding training for new employees and regulatory-mandated training for qualified personnel, SLC requires all staff to complete role-specific training programs. These programs aim to enhance professional knowledge and reduce the likelihood of errors and incidents. Key training topics include quality education on PIC/S Good Manufacturing Practice (GMP) and Good Distribution Practice (GDP).

In 2024, the total number of training hours reached 5,844.3 hours.

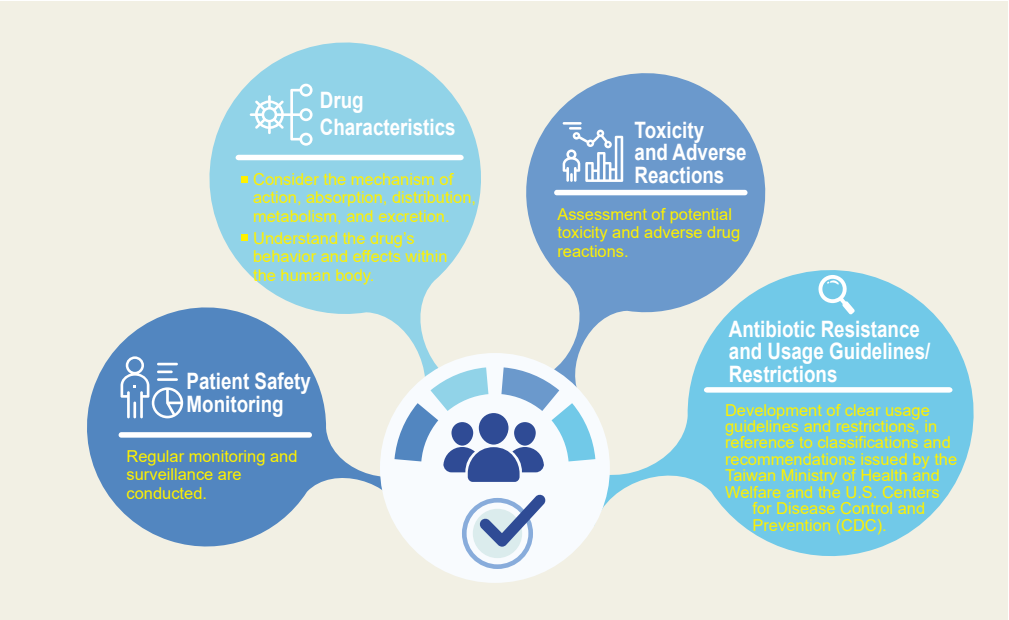
2024 Plant Certifications

	Nanke Plant I	Nanke Plant II	Injectable Plant
TFDA GMP 及 GDP	Approval Scope: Manufacturing of Active Pharmaceutical Ingredient (SMZ), repackaging/packaging operations, and distribution activities (storage and export). Valid Until: November 16, 2027 Approval Scope: Repackaging/packaging operations and distribution activities (storage and export) for non-sterile solid dosage forms (Carbapenem). Valid Until: April 7, 2025	Approval Scope: Manufacturing operations, repackaging/packaging operations, laboratory operations, and distribution activities. Valid Until: January 23, 2026	Approval Scope: Manufacturing operations, repackaging/packaging operations, and distribution activities (storage, supply, export). Valid Until: August 17, 2025
US FDA EIR	Audit Date: November 21–29, 2022 Result: Voluntary Action Indicated (VAI)	Audit Date: November 21–29, 2022 Result: Voluntary Action Indicated (VAI)	Audit Date: July 20–28, 2023 Result: Voluntary Action Indicated (VAI)
EU GMP (AEMPS)	Audit Date: June 11–13, 2024 Result: Certified	Audit Date: June 11–13, 2024 Result: Certified	Audit Date: June 3–7, 2024 Result: Certified

Drug Safety Management

The health and safety implications of Meropenem, Ertapenem, and Imipenem/Cilastatin require a comprehensive evaluation of multiple factors, including their pharmacological properties, toxicity profiles, antimicrobial resistance, usage guidelines, patient monitoring protocols, and environmental impact. These assessments are essential to ensure the safe and effective clinical application of these drugs.

Such evaluations should be conducted by relevant medical and professional institutions and continuously updated through ongoing clinical surveillance.



Process Safety Management

SLC Group's process safety management is structured into three key areas: solvent recovery and reuse, wastewater and waste solvent treatment, and toxic chemical management.

1 Solvent Recovery and Reuse

Solvent recovery involves purifying mother liquor after crystallization through unit operations such as filtration, distillation, rectification, and extraction. Once the purified solvent passes QC inspection, it is recirculated into the production process for reuse. In the Meropenem manufacturing process, multiple solvents are recovered and reused using this method. Certain catalysts used in specific processes are outsourced for recovery, and once they meet testing specifications, they are reintegrated into production.

2 Wastewater and Waste Solvent Treatment

Waste solvents generated during production are transferred to the Chemical Synthesis Department, where an "Inventory Receipt" is issued. Upon verification by the department supervisor and warehouse personnel, the waste is logged into inventory.During recovery operations, the Chemical Synthesis Department issues a batch production record (BPR) specific to the solvent, then proceeds with distillation. The finished product is sent for QC testing, and upon approval, personnel from each unit issue a "Material Request Form" to retrieve and reuse the solvent.Solvents that fail QC and cannot be reused are transferred to the "Outsourced Waste Solvent Treatment Area" for storage and disposal.

3 Toxic Chemical Management

Toxic chemicals purchased for research purposes are stored in laboratories, while those used in production are stored in the solvent warehouse. On the 10th of each month, the Environmental Safety Department reports the company's usage status of toxic and controlled chemicals to the Environmental Protection Bureau, in accordance with the "Regulations for the Management of Toxic and Concerned Chemical Substances Operations and Release Records."

Product Storage

Equipment qualification and monitoring systems are utilized to ensure that storage and transportation conditions remain within the required parameters throughout the entire process.

Storage Environment

Temperature records are maintained to meet warehouse temperature control requirements.

- Controlled temperature ranges include: –15 to –25 °C, 2 to 8 °C, and 15 to 25 °C.
- Continuous temperature monitoring systems and over-temperature alert notifications are in place. Regular inspections are conducted for pest control records and overall warehouse organization and maintenance.

Transportation Management

Temperature-controlled vehicles are used to deliver pharmaceutical products to clients. During transportation, temperature data is continuously recorded to ensure that conditions remain within the required range throughout the delivery process.

Drug Traceability and Recall

In accordance with the company's ISO NSLC-Q01-B-027 Quality Record Control Procedure, SLC regulates document recording, form completion, and record management processes to ensure that all relevant units have timely access to the most up-to-date and valid documents. This ensures the effective operation of the company's quality management system.

SLC is committed to ensuring that all manufactured products fully comply with Good Manufacturing Practice (GMP) standards, thereby guaranteeing quality throughout the pharmaceutical supply chain. Recognizing that product quality and safety are the highest priorities, the company has implemented corresponding measures to safeguard the integrity of its supply chain.

We have actively established a Good Distribution Practice (GDP) system and continue to revise related quality manual policies. In close collaboration with partner manufacturers, we participate in audits and monitor the production, storage, and transportation of pharmaceutical raw materials to ensure high quality throughout the entire supply chain. With an effective traceability and recall system in place, we are able to promptly recall products when necessary, preventing risks associated with defective medicines.

Furthermore, in line with the ISO NSLC-Q01-B-027 Quality Record Control Procedure, the company continues to regulate documentation, record-keeping, and reporting processes, ensuring that all departments have timely access to valid and updated records. This guarantees the effective functioning of the quality system. Through these measures, SLC is dedicated to safeguarding product quality from the point of release, ensuring patients receive safe and effective medicines.

Pharmacovigilance

SLC has entered into pharmacovigilance agreements with its clients to ensure continuous monitoring of adverse drug reactions. These agreements support the ongoing evaluation of product safety throughout the lifecycle of the pharmaceutical products.

Product Recall

SLC maintains strict control over product quality, and no product recall events occurred in 2023 or 2024.

In 2022, Ertapenem for Injection 1g was recalled due to a regulatory requirement following SLC's application to the Ministry of Health and Welfare for a "full prescription" update based on the first approved manufacturer. In accordance with the regulations, the product was recalled for label verification and subsequently returned to clients for sale after verification was completed.

This recall was not initiated due to any quality-related issues.

	FY 2021	FY 2022	FY 2023	FY 2024
Number of Cases	N/A	1 case (12,000 vials)	N/A	N/A
Value	N/A	N/A	N/A	N/A

Pharmaceutical Marketing Ethics

During all marketing activities, SLC requires prior review and approval by relevant department supervisors to ensure that the content and execution fully comply with internal policies and applicable regulations. The ethical standards include:

1. **Privacy and Confidentiality:** Ensure that personal and medical information is properly protected and shared only when necessary.
2. **Honesty and Transparency:** Provide accurate and clear information, maintain honesty in all communications, avoid withholding critical information, and explain treatment plans, risks, and benefits to enable informed decision-making.
3. **Fairness and Non-Discrimination:** Ensure fair and equal treatment regardless of race, religion, gender, sexual orientation, age, physical condition, or other characteristics, while preventing discrimination and bias.
4. **Commitment to Professional Development:** SLC continually pursues professional development to maintain up-to-date knowledge and skills. This includes participation in continuing education and training to provide the best possible healthcare services.
5. **Conflict and Issue Resolution:** Address problems with respect, communication, and negotiation, avoiding inappropriate criticism or personal attacks.
6. **Team Collaboration:** Within healthcare teams, professionals should promote effective collaboration and communication, respecting and valuing the contributions of other team members to deliver comprehensive and coordinated patient care.

Product Marketing and Labeling (GRI 417-1)

SLC ensures that raw materials used in its products are free from harmful substances from the source. Product labeling is conducted in compliance with the regulatory requirements of the country where the product is ultimately marketed. Labels include the product name, active ingredients and their concentrations, manufacturer name and address, storage conditions, indications, precautions, distributor name and address, license number, batch number, and expiration date.

In 2024, SLC did not record any incidents of non-compliance with regulations or voluntary codes concerning product and service information or labeling.

4.2 Product Responsibility and Innovative Technologies

The development of new drugs typically requires many years, sometimes even decades, and is characterized by a low success rate. As such, pharmaceutical innovation is a long-term, high-risk endeavor that demands substantial resources and specialized expertise.

Understanding market needs is critical throughout the drug development process. This includes conducting market research, gaining insights into target market demands and trends, and engaging with customers to collect feedback and understand their expectations for products and services. Establishing a culture of innovation within R&D teams is essential to driving continuous progress. By fostering an environment that encourages creativity, team members are empowered to propose new ideas and solutions. Training and resources are provided to support the development of innovative thinking and skills.

Cross-functional collaboration is another key factor in successful R&D. Promoting cooperation among different departments ensures comprehensive involvement during product development. Integrating R&D with business strategy is vital to aligning research projects with the organization's long-term goals. This includes setting shared indicators for both R&D and business objectives to facilitate strategic alignment.

Digital transformation also plays a crucial role in enhancing R&D efficiency. Leveraging digital technologies—such as online databases and computational modeling tools—can significantly accelerate innovation and improve productivity.

Environmental Aspects

- **Resource Efficiency:** Improving the utilization of raw materials and resources to reduce waste and emissions.
- **Green Innovation:** Setting R&D goals for green chemistry products and adopting environmentally friendly materials and processes.

Social Aspects

- **Accessibility and Equity:** Ensuring that products developed and manufactured are accessible globally, especially in developing countries, to promote equitable distribution.
- **Employee Development:** Providing training and development opportunities to support employees in acquiring expertise and skills related to sustainable development.

Governance Aspects

- **Ethical Compliance:** Ensuring that R&D processes and outcomes comply with pharmacopeial standards and regulatory requirements.

Chapter.5

Sustainable Environment

The company upholds its core values of social responsibility, accountability, sense of mission, continuous improvement, health care, and regulatory compliance. We are committed to conserving global resources, reducing carbon emissions, and actively promoting environmental protection and individual responsibility. Through training and education, we strengthen employees' sense of environmental responsibility and continuously improve environmental performance to ensure the company's sustainable operations. At the same time, we strictly comply with environmental regulations to implement concrete environmental actions, supporting the company's long-term development and corporate sustainability.

5.1 Environmental Management in the Production Process

Material Topics

SLC Group focuses on the development and manufacturing of antibiotic APIs, small molecules, and peptide drugs through a vertically integrated process—from sterile APIs to finished injectables—ensuring consistent production quality. Our facilities meet the highest standards, complying with cGMP as well as regulatory requirements in Japan, Europe, and the United States.

As pharmaceutical manufacturing requires the use of energy, water, and raw materials, we are committed to minimizing negative environmental impacts throughout the product life cycle and across our supply chain. To track our progress, we regularly monitor key indicators such as greenhouse gas emissions, water consumption, and waste management.

Material Topic	Environmental Management in the Production Process
Impact Assessment	Positive (Actual) Impact: Through effective production and manufacturing management, SLC controls the use of resources, thereby reducing negative environmental impacts. Negative (Potential/Actual) Impact: Pharmaceutical manufacturing requires energy, water, and raw materials; thus, it is necessary to minimize environmental impacts throughout the product life cycle and supply chain, including reducing greenhouse gas emissions, water consumption, and waste generation.
Policies and Commitments	Policy: Environmental, Health and Safety (EHS) Policy
Responsible Unit	EHS Department
Management Actions, KPIs, and Targets	No environmental violations reported
Effectiveness Evaluation	Prevention or Mitigation: We regularly collect data on air quality, water conservation, water pollution, waste treatment, and energy use, and continuously promote more efficient resource management through process improvements. Management: The EHS Department convenes an annual Environmental Management Review Meeting and submits a yearly report to the Board of Directors. Since 2023, the department has been integrated with the Sustainability Promotion Task Force to jointly report significant issues and management indicators to the Board.
Stakeholder Engagement	Regular reporting to government authorities as required; annual disclosure of environmental management performance in the Sustainability Report.

Environmental Management Procedures and Meetings

The Environmental, Health, and Safety (EHS) Committee convenes quarterly, specifically in January, April, July, and October each year. Meetings are chaired by the Committee Director, with the Executive Secretary responsible for coordinating committee operations, recording meeting minutes, and tracking follow-up actions. Committee members may propose additional agenda items based on current operational needs. Upon conclusion, meeting records are submitted to the EHS Department for archiving, with a retention period of three years

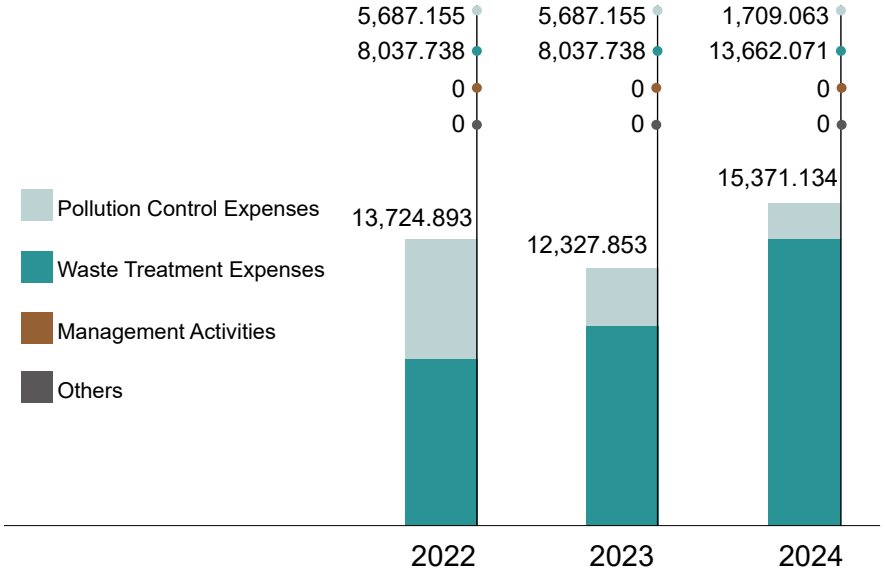
Meeting agenda typically includes

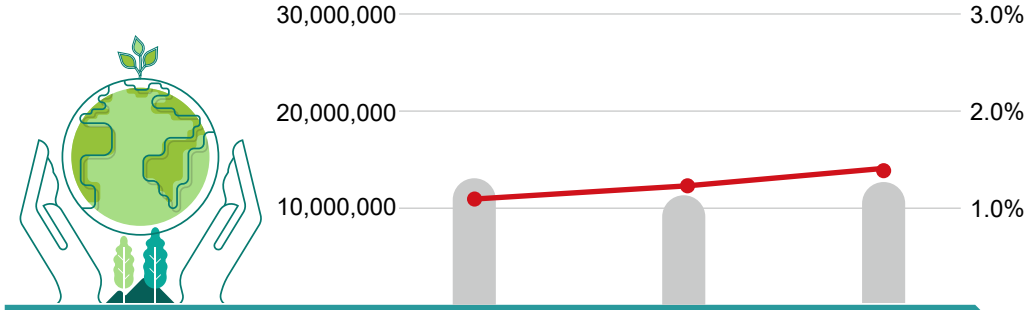
- Review of previous meeting resolutions and follow-up actions
- Occupational incident investigation reports
- EHS inspection and audit items
- EHS management performance
- Regulatory compliance checks
- Ad hoc motions

Environmental Cost Investment

In 2024, SLC invested NT$15.37 million in environmental expenditures. The majority of the investment was allocated to regulatory compliance costs for wastewater treatment, air pollution control, soil contamination prevention, and industrial waste management, ensuring that all company facilities meet legal requirements.

SLC Group Environmental Expenditures





Year	2022	2023	2024
Operating Revenue (NT$ thousands)	1,265,749	1,050,277	1,217,327
Environmental Costs as % of Total Revenue	1.08%	1.17%	1.26%

2024 Performance Outcomes

Since 2022, SLC Group has disclosed environmental performance across its sites and subsidiaries, setting revised goals for key indicators. In 2024, the Southern Taiwan Science Park facility reduced total water usage by 20%, with full compliance in wastewater treatment. While recycling rates for general and hazardous waste declined, electricity savings improved, and both greenhouse gas and energy intensity showed downward trends.

5.2 Pollution Prevention

SLC upholds its environmental responsibilities by actively implementing pollution control measures and ensuring all operations comply with relevant laws and standards. The company manages air and water pollution, as well as water resource risks, to ensure emissions and usage meet regulatory requirements while promoting efficient resource use and continuous improvement.

For air pollution control, SLC not only complies with regulations but also adopts practices that exceed legal standards. In water management, the company promotes water conservation within its facilities and regularly assesses water-related risks to support sustainable resource use.

Air Pollution Control

SLC Group complies with government regulations on air emissions and adopts practices that exceed legal requirements. Measures include the use of low-emission clean energy and process improvements. The company closely monitors domestic standards—such as the EPA's emission limits for hazardous air pollutants—as benchmarks for continuous improvement. No ozone-depleting substances are emitted during SLC's operations

Air Emissions – Historical Trend

Plant	Year (Unit: kg)	(1) Nitrogen Oxides (NOx)	(2) Sulfur Oxides (SOx)	(3) Persistent Organic Pollutants (POP)	(4) Volatile Organic Compounds (VOC)	(5) Hazardous Air Pollutants (HAP)	(6) Particulate Matter (PM)	(7) Total Suspended Particulates (TSP)	Total	Production Volume
Nanke Plant	2022	210.81	-	-	970.74	-	-	6.32	1,187.87	1,947
	2023	203.29	-	-	1,096.46	-	-	6.1	1,305.85	2,886
	2024	234.48	-	-	1,229.6			7.02	1471.1	3,777

Note: The Nanke Injectable Plant is not required to report air pollution emissions, as its operations are primarily filling and packaging (non-production line).

Water Resource Management and Pollution Control

Water is a shared resource. SLC monitors water usage across all sites and assesses locations with potential water stress. Based on the World Resources Institute's Aqueduct Water Risk Atlas, none of SLC's facilities are in high water-stress areas. Nevertheless, the company has proactively prepared for potential risks, with 380 tons of underground storage, a 20-ton water truck, and access to a science park water tower providing up to three days of backup supply.

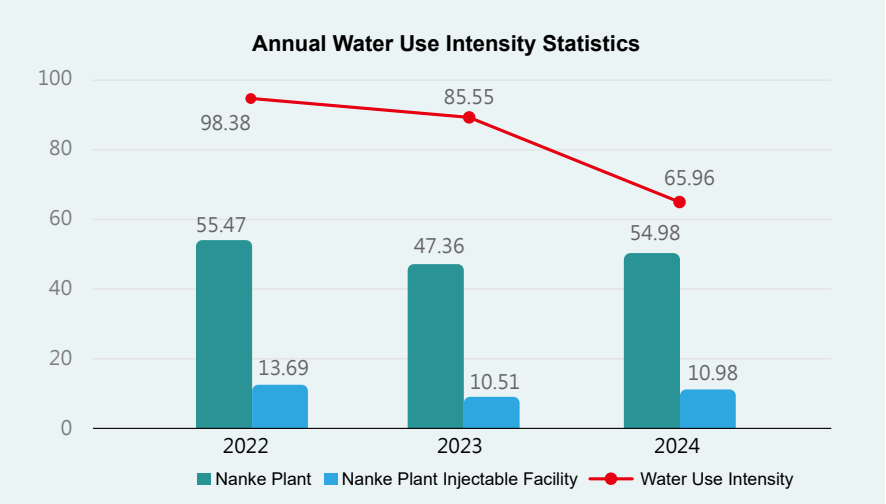
Water Withdrawal Management

All of SLC Group's water is sourced from the municipal water supply, primarily for domestic use and manufacturing processes. In 2024, as operations at the Zhunan Plant were relocated to the Nanke Plant, the Zhunan Plant ceased operations. This indirectly led to a 16.08% increase in water withdrawal at the Nanke Plant compared with 2023, while the Group's overall water withdrawal decreased by 22.90%.

Water Withdrawal Summary

Unit: million liters	Source of Withdrawal	2022	2023	2024
Nanke Plant	Municipal Water	55.47	47.36	54.98
Nanke Plant Injectable Facility	Municipal Water	13.69	10.51	10.98
Total	Group-wide	98.38	85.55	65.96

Note: The Zhunan Plant was officially closed in August, and no data was reported for 2024.



Wastewater Management

SLC designs and operates wastewater treatment systems based on the characteristics of process effluents, implementing source reduction, classification, and appropriate treatment technologies to effectively degrade pollutants. Water quality is regularly tested by third-party agencies or internally using official methods to ensure compliance with regulatory standards.

In 2024, all domestic and industrial wastewater from SLC facilities met the discharge requirements of local treatment plants and was directed into industrial park sewer systems or municipal wastewater networks.

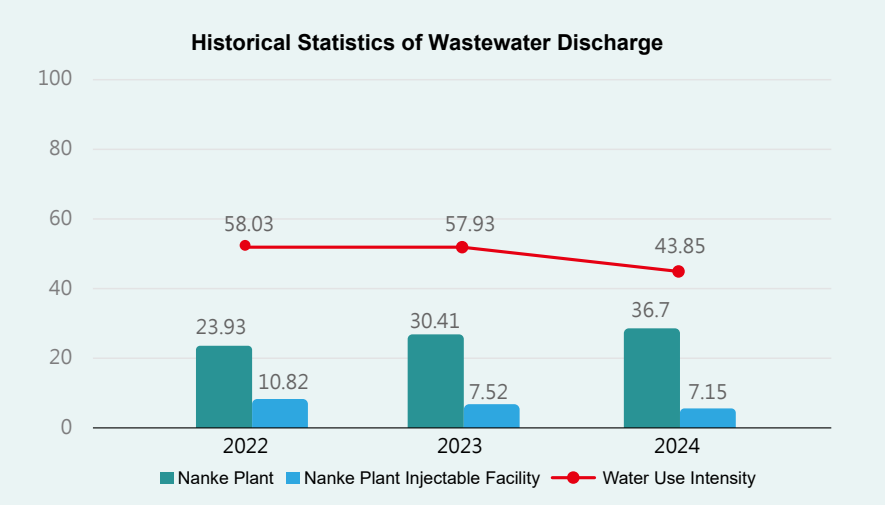
Wastewater Discharge Methods and Locations

Plant	Emission Treatment Method	Discharge Standard and Source of Standard (Environmental Indicators, Applicable Regulations)	Discharge Location
Nanke Plant	Organic Wastewater Treatment	Regulations on Industrial Park Wastewater Treatment and Sewerage System Management	Integrated into the Nanke Plant Industrial Park Sewerage System
Nanke Plant Injectable Facility	pH Adjustment	Regulations on Industrial Park Wastewater Treatment and Sewerage System Management	Integrated into the Nanke Plant Industrial Park Sewerage System

Note 1: Each production site establishes wastewater discharge quality standards in accordance with the requirements of the local competent authorities and the characteristics of the industry.
Note 2: The wastewater discharged from each production site has no significant impact on the surrounding water bodies or related habitats.

Historical Statistics of Wastewater Discharge

Year	2022	2023	2024
Nanke Plant	23.93	30.41	36.7
Nanke Plant Injectable Facility	10.82	7.52	7.15
Total	58.03	57.93	43.85



We focus on key substances in wastewater treatment, such as Chemical Oxygen Demand (COD) and Suspended Solids (SS), which are the primary indicators disclosed in reporting our wastewater treatment performance. SLC compares its results against the requirements of local competent authorities and transparently presents the treatment outcomes. Wastewater testing commonly involves parameters such as ammonia nitrogen and nitrate nitrogen; however, due to the characteristics of SLC's manufacturing processes, these substances are not required to be tested. As of 2024, the testing items at all plants comply with the applicable regulatory standards.

Operating Site	Wastewater Discharge Standard Applied	Testing Parameters
Nanke Plant	Regulations on Industrial Park Wastewater Treatment and Sewerage System Management	pH Value, Water Temperature (°C), Chemical Oxygen Demand (COD, mg/L), Suspended Solids (SS, mg/L), True Color (Color Units), Biochemical Oxygen Demand (BOD, mg/L), Total Toxic Organic Compounds, Free Available Residual Chlorine
Nanke Plant Injectable Facility	Regulations on Industrial Park Wastewater Treatment and Sewerage System Management	pH Value, Water Temperature (°C), Chemical Oxygen Demand (COD, mg/L), Suspended Solids (SS, mg/L), True Color (Color Units), Biochemical Oxygen Demand (BOD, mg/L), Free Available Residual Chlorine

5.3 Waste Management (GRI 306-1) (GRI 306-2) (GRI 306-3) (GRI 306-4) (GRI 306-5)

SLC manages industrial waste in compliance with government regulations and the Company's "Waste Management Procedure." The main treatment methods include outsourced recycling and reuse, incineration, and landfill. Certain hazardous waste (mainly solvents) is incinerated in-house to recover steam for internal use, and some is handled through reverse recycling with suppliers.

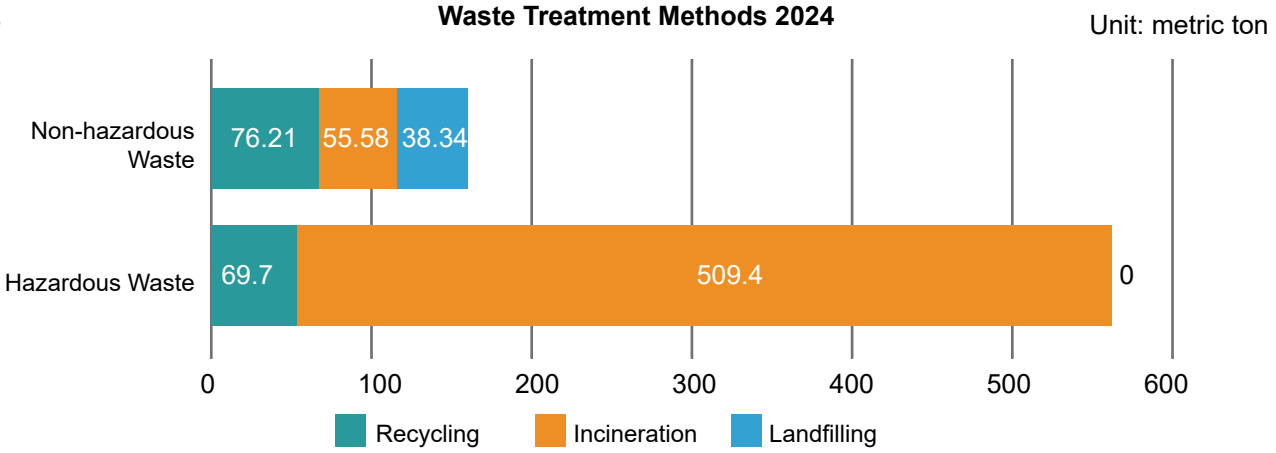
All waste treatment is carried out by nationally certified contractors, with no export, import, or transit activities. Management measures include on-site segregation and labeling, vendor evaluation and contracting, waste weighing and transport tracking, online manifest reporting, regular audits and random inspections, and emergency response procedures. These ensure proper handling and reduce environmental risks.

In 2024, the total waste generated by SLC amounted to 602.1294 metric tons. The waste intensity decreased by 4% compared to 2022. In addition, for each plant site, records of proper treatment of industrial waste were obtained for all reported and cleared volumes, ensuring that all entrusted industrial waste was properly managed.

Waste Treatment

Plant	Year	Category	Treatment Method (Unit: Metric Tons)						Total	%	Total Waste Generated
			Recycling and Reuse	%	Incineration	%	Landfill Disposal	%			
Nanke Plant	2022	HW	12.09	5.96%	62.32	30.72%	0	0.00%	74.41	36.68%	202.85
		NHW	104	51.27%	24.44	12.05%	0	0.00%	128.44	63.32%	
	2023	HW	25.07	4.73%	255.18	48.13%	0	0.00%	280.25	52.85%	530.23
		NHW	200.15	37.75%	49.83	9.40%	0	0.00%	249.98	47.15%	
	2024	HW	69.7	9.41	509.4	68.76	0	0	579.1	78.17	740.8
		NHW	76.21	10.29	55.58	7.5	29.91	4.04	161.7	21.83	
Nanke Plant Injectable Facility	2022	HW	0	0.00%	0	0.00%	0	0.00%	0	0.00%	11.45
		NHW	0	0.00%	11.45	100.00%	0	0.00%	11.45	100.00%	
	2023	HW	0	0.00%	0	0.00%	0	0.00%	0	0.00%	10.45
		NHW	0	0.00%	10.45	100.00%	0	0.00%	10.45	100.00%	
	2024	HW	0	0.00%	0	0.00%	0	0.00%	0	0.00%	12.51
		NHW	0	0.00%	12.51	100.00%	0	0.00%	12.51	100.00%	

Note 1: Waste Recycling Rate (%) = Total weight of waste recycled and reused in the year ÷ Total weight of waste generated in the year
Note 2: Hazardous Waste Recycling Ratio (%) = Total weight of hazardous waste recycled and reused in the year ÷ Total weight of waste generated in the year
Note 3: HW = Hazardous Waste; NHW = Non-hazardous Waste



5.4 Energy and Greenhouse Gas Emissions Management

With increasingly stringent environmental regulations and growing global attention to climate change, SLC recognizes the importance of energy and greenhouse gas (GHG) management in mitigating climate impacts. In response to regulatory trends and climate challenges, the Company is strengthening its management practices in these areas to minimize potential impacts on SLC. We are committed to reducing carbon emissions, improving energy efficiency, and taking concrete actions to address climate change.

Energy Management

In the second half of 2024, SLC relocated equipment to the Nanke Plant. The main production bases, including the Nanke Plant and the Injectable Facility, primarily use electricity as their main source of energy, supplemented by the purchase of natural gas. The total energy consumption in 2024 was 54,928.56 GJ.

Plant	Energy Consumption	2022	2023	2024
Taipei Office	Electricity	Not yet reported	Not yet reported	49.26
Nanke Plant (Phase I & II)	Electricity	28,437.840.	29,416.320	34,505.28
	Natural Gas	10,018.718	9,600.043	14,903.87
	Diesel	Not yet reported	Not yet reported	65.39
	Gasoline	Not yet reported	Not yet reported	128.03
	Total	**38,456.558**	**39,016.36**	**49,602.57**
Injectable Facility	Electricity	5,458.619	5,176.840	5,276.74
	Natural Gas	3,331.434	3,440.241	Boiler, company vehicles, and forklifts are all accounted for under the Nanke Plant
	Diesel	Not yet reported	Not yet reported	
	Gasoline	Not yet reported	Not yet reported	
	Total	**8,790.053**	**8,617.080**	**5,276.74**
SLC Group Headquarters Energy Consumption (GJ)	Electricity	33,896.46	34,593.16	39,831.28
	Natural Gas	13,350.15	13,040.28	14,903.87
	Diesel	Not yet reported	Not yet reported	65.39
	Gasoline	Not yet reported	Not yet reported	128.03
	Total	**47,246.61**	**47,633.44**	**54,928.56**

Note 1: The above unit is expressed in GJ.
Note 2: Calculations are based on the latest calorific values announced by the Bureau of Energy, e.g., Electricity: 860 kcal/kWh; Natural Gas: 8,000 kcal/m^3.
Note 3: Energy consumption conversion (GJ) = [Energy consumption (unit) × Calorific value (kcal/unit) × Conversion factor (4.1868×10^{-6} joule (J)/kcal)]. Raw Data:Electricity consumption: Nanke Plant 9,584.8 MWh = 34,505.28 GJ; Injectable Facility 1,465.76 MWh = 5,276.74 GJ; Taipei Office 13.68 MWh = 49.26 GJ. Diesel consumption: 1.8257 kiloliters = 65.39 GJ. Company vehicle gasoline consumption: 3.8218 kiloliters = 128.03 GJ. Boiler natural gas consumption: 392.207 m^3 = 1,491 GJ.

Historical Energy Intensity Statistics

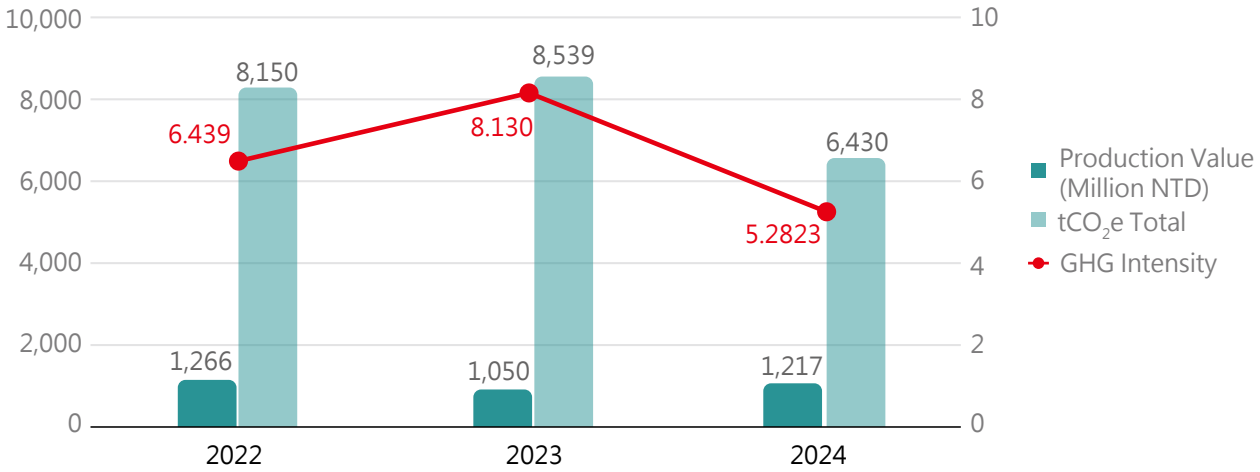
Year	2022	2023	2024
Total Energy Consumption (GJ)	47,246.61	47,633.44	54,928.56
Revenue (Million NTD)	1,265.749	1,050.277	1,217.327
Energy Intensity (GJ per Million NTD Revenue)	65.235	75.729	45.122

Note: The 2024 calculation covers the overall parent company, including the Nanke Plant, Injectable Facility, and Taipei Office. The 2022 and 2023 data include the Zhunan Plant; however, since the Zhunan Plant ceased operations in August 2024, it is no longer included in the statistics.

Greenhouse Gas Emissions Intensity Information

In 2024, SLC Group relocated all production lines to the STSP plant. Based on ISO 14064-1:2018, total Scope 1 and Scope 2 GHG emissions from the STSP and Injectable plants amounted to 6,430.3052 tCO_2e.

Year	Category	Nanke Plant	Injection Factory	Total GHG Emissions (tCO_2e) (1)	Revenue (Million NTD) (2)	GHG Emissions Intensity (tCO_2e per Million NTD Revenue) (1 ÷ 2)
2022	Scope 1 (A)	3.332	499.247	1,317.579	1,265.749	6.439
	Scope 2 (B)	522.845	3,497.950	6,832.795		
	小計 (A)+(B)	**526.177**	**3,997.197**	**8,150.374**		
2023	Scope 1 (A)	482.759	171.835	1,372.594	1,050.277	8.130
	Scope 2 (B)	4,044.744	711.815	7,166.559		
	小計 (A)+(B)	**4,527.503**	**883.650**	**8,539.153**		
2024	Scope 1 (A)	Consolidated Statistics from 2024 Onward		1192.3398	1,217.327	5.2823
	Scope 2 (B)	Consolidated Statistics from 2024 Onward		5237.9654		
	小計 (A)+(B)	**Consolidated Statistics from 2024 Onward**		**6430.3052**		



Note 1: The greenhouse gas (GHG) emission factors used for inventory are primarily based on the "GHG Emission Factor Management Table, Version 6.0.4" announced by the Environmental Protection Administration (EPA), Executive Yuan.

Note 2: Global Warming Potential (GWP) data adopted are sourced from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report.

Note 3: The Company applies the operational control approach, consolidating Scope 1 and Scope 2 GHG emissions from all production sites. The inventory covers carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF_6), and nitrogen trifluoride (NF_3).

Note 4: Scope 3 emissions are excluded from the inventory because they originate from sources not owned or controlled by the Company and are more difficult to consolidate and quantify.

Note 5: The 2022 production value data previously disclosed omitted the output value of the Nanke Injectable Facility; the updated value is included in this disclosure.

Note 6: The 2024 calculation covers only the Nanke Plant and the Injectable Facility, excluding the Zhunan Plant.

5.5 Climate-related Financial Disclosures (TCFD)

In response to global climate change trends, SLC refers to the recommendations of the Financial Stability Board (FSB) Task Force on Climate-related Financial Disclosures (TCFD) to assess climate-related risks and opportunities. Climate governance has been formally integrated into the Company's sustainability governance framework to analyze potential risks under different scenarios, evaluate financial impacts, and develop corresponding strategies.

1 Governance

The Board of Directors is SLC's highest governance body for climate issues, responsible for overseeing and reviewing climate adaptation and mitigation strategies, and authorizing senior management to implement related projects. These include identifying climate-related risks and opportunities, formulating strategies, and ensuring effective risk management while leveraging climate-related opportunities. Board members also receive regular training on climate issues to enhance climate knowledge, and climate impacts are considered in major decision-making processes.

Under the Board's authorization, SLC established the Sustainability Promotion Task Force in 2022, which also serves as the climate risk management unit. It integrates and manages potential risks that may affect operations and supervises the Company's overall risk management practices.

In 2023, SLC conducted its first assessment of climate-related risks and opportunities, analyzing the potential impacts of climate change on business operations and evaluating both the scale and likelihood of risks and opportunities.

2 Strategy

To evaluate the short-, medium-, and long-term impacts of climate-related risks and opportunities, SLC referred to the TCFD framework of 17 climate risks and 20 climate opportunities, adapting the analysis to the characteristics of the pharmaceutical industry. The timeframes were defined as short-term (1–3 years) and medium- to long-term (3–10 years).

The assessment identified policy risk as the most urgent short-term risk. Following the enactment of the Climate Change Response Act, the national 2050 net-zero target has been legislated, and the Ministry of Environment will begin collecting carbon fees in 2026. In addition, listed companies must complete GHG inventories and verification within specified timeframes according to their capital size.

In response, SLC has designated carbon management as its primary climate management issue and has initiated actions including GHG inventories and reduction measures. Preparation for GHG inventories began in 2024, with the 2024 inventory for the Nanke Plant and Injectable Facility to be completed in 2025. In line with the IFRS transition timeline, the Company will disclose 2025 standalone inventory results in the 2026 annual report and consolidated 2026 inventory results in the 2027 annual report. Financial planning and benefit evaluations will also be conducted to support this target.

3 Risk Management

The Sustainability Promotion Task Force conducts assessments of climate-related risks in accordance with the Company's risk management framework.

Results of Climate-related Risk Identification

We identified policy risk as the most significant short-term risk, including policies requiring listed companies to conduct GHG inventories and verification, as well as the forthcoming carbon fee scheme. SLC will need to take actions to address this category of risk. Other risks are classified as medium- to long-term monitoring items. In terms of raw materials, if raw material costs increase and subsequently drive up procurement and manufacturing costs, the Company will adopt a holistic operational management approach to consider pathways for carbon reduction.

Risk Category	Risk Description (per TCFD Guidance)	Impact Severity	Likelihood	Time Horizon	Actions Taken
Transition Risks：Policy and Regulatory Risks	Strengthened reporting obligations for GHG emissions; listed companies must complete GHG inventories within specified timelines	Low to Medium	Medium to High	Short term: within 1–3 years	onduct GHG inventory first, then gradually set carbon reduction targets and actions
	Mandatory/legislative disclosure of carbon emissions for existing products and services, particularly for listed companies	Low to Medium	Medium to High	Short term: within 1–3 years	
	Rising carbon prices leading to increased company costs	Low to Medium	Medium to High	Medium to long term: 3–10 years	
	Climate-related litigation risks	Unlikely	Unlikely	Unlikely	
Transition Risks：Market Risks	Changes in customer behavior (demanding decarbonization), resulting in reduced revenue and increased operating costs	Very Low	Low	Medium to long term: 3–10 years	Include in medium- to long-term risk monitoring
	Market uncertainty regarding climate-related signals				
	Rising raw material costs	Low to Medium	Medium to High		
Transition Risks：Technology Risks	Substitution of existing products and services by low-carbon alternatives	Unlikely	Unlikely	Unlikely	Include in medium- to long-term risk monitoring
	Unsuccessful investments in new (low-carbon) technologies	Low to Medium	Low	Medium to long term: 3–10 years	
	Rising costs associated with transitioning to low-carbon technologies	Low to Medium	Low to Medium		
Transition Risks：Reputation Risks	Shifts in consumer preferences toward low-carbon products	Unlikely	Unlikely	Unlikely	Not applicable to this industry
	Industry stigmatization	Unlikely	Unlikely	Unlikely	
	Increasing stakeholder scrutiny of low-carbon performance and negative feedback	Unlikely	Unlikely	Unlikely	
Physical Risks：Acute Risks	Increased severity of extreme weather events (e.g., hurricanes, floods), leading to higher operating costs	Low	Low	Medium to long term: 3–10 years	Include in medium- to long-term risk monitoring
Physical Risks: Chronic Risks	Changes in rainfall patterns and climate extremes, increasing operating costs	Low	Medium to High		
	Rising average temperatures, increasing operating costs	Low	Medium to High		
	Rising average temperatures, increasing operating costs	Low	Medium to High		

Note 1: Definition of Impact Severity
- Very High Impact: Causes significant financial loss or personnel injury/accidents, with operations disrupted for more than one day.
- High Impact: Causes considerable financial loss, with operations recoverable within one day.
- Moderate Impact: Causes partial financial loss without affecting operations.
- Low Impact: Causes financial loss at the reporting threshold level.
- Very Low Impact: Causes little to no financial loss or operational impact.

Note 2: Definition of Likelihood
- Very High Likelihood: Probability greater than 51%.
- High Likelihood: Probability between 31%–50%.
- Medium Likelihood: Probability between 16%–30%.
- Low Likelihood: Probability between 6%–15%.
- Very Low Likelihood: Probability less than 5%.

Results of Climate-related Opportunity Identification

SLC's production sites in the Nanke Science Park comply with regulatory requirements across markets. Climate-related opportunities are managed through energy conservation, carbon reduction, resource efficiency, and water saving. From a biopharmaceutical R&D perspective, the Company also evaluates whether disease areas affected by climate change align with its research priorities as part of medium- to long-term assessments.

Opportunity Category	Opportunity Description (per TCFD Guidance)	Impact Severity	Likelihood	Time Horizon	Actions Taken
Resource Efficiency	Adopt more efficient transportation methods	Low	Low to Medium	Considering pharmaceutical production processes and regulatory compliance, further assessment of feasibility and approaches is required	Include in medium- to long-term strategic assessment
	Improve efficiency in production and distribution processes	Low to Medium	Low to Medium		
	Enhance resource efficiency through recycling and reuse	Unlikely	Unlikely		
	Increase resource efficiency by adopting energy-efficient buildings	Low	Low		
	Enhance resource efficiency by reducing water use and consumption	Very Low	Low to Medium		
Energy Source	Use low-carbon energy	Low	Low to Medium	Medium to long term: 3–10 years	Include in medium- to long-term strategic assessment
	Leverage incentive policies for clean energy	Low	Low to Medium		
	Adopt new technologies	Low to Medium	Low to Medium		
	Participate in carbon trading markets	Low to Medium	Low to Medium		
	Transition to decentralized energy systems	Unlikely	Unlikely		
Products and Services	Develop and/or expand low-carbon products and services	Low	Very Low	Medium to long term: 3–10 years	Include in medium- to long-term strategic assessment
	R&D and innovation of new products and services	Low	Very Low		
	Develop climate adaptation and insurance risk solutions	Less Applicable	Less Applicable		
	R &D and innovation of new products and services	Less Applicable	Less Applicable		
	Diversify business activities	Less Applicable	Less Applicable		
	Respond to shifts in consumer preferences	Less Applicable	Less Applicable		
Markets	Enter new markets	Less Applicable	Less Applicable	Less Applicable	Less Applicable
	Leverage public sector incentive programs	Less Applicable	Less Applicable		
	Secure new insurable assets and regions	Less Applicable	Less Applicable		
Resilience	Engage in renewable energy projects and adopt energy-saving measures	Low	Very Low	Medium to long term: 3–10 years	Include in medium- to long-term strategic assessment
	Energy substitution and diversification	Low	Very Low		

Note 1: Definition of Impact Severity
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Scenario Analysis

Through scenario analysis, we assess the potential impacts of climate change on the Company's operations under different climate scenarios. Referring to the IPCC AR6 report and Taiwan's climate research findings, we adopted the following three scenarios:

- BAU (Business as Usual): No regulatory actions on GHG emissions; highest level of temperature rise.
- NDC (Nationally Determined Contribution): In line with Taiwan's National Development Council (NDC) target of reducing GHG emissions by 24% by 2030 compared with the 2005 baseline.
- 1.5°C Target (Most Ambitious Mitigation Efforts): In line with international initiatives, targeting a 50% reduction in GHG emissions by 2030 compared with the 2005 baseline.

Corresponding SSP Scenario	Projected Global Warming (2050)	Projected Temperature Rise in Taiwan (2041–2060)	Sea Level Rise (2050)	Rainfall Variation (Probability of Wet Season Rainfall)	Reduction in Effective Rainy Days	Potential Plant Risk: Flooding	Potential Plant Risk: Drought
1.5°C Target – SSP1-1.9	≤1.5°C	+1°C	+20–30 cm	+5–15%	−5% ~ +5%	Flood risk: Low	Drought risk: Low
NDC (Intermediate Emissions) – SSP2-4.5	~2–3°C	+1.2–1.4°C	+20–30 cm	+10–0%	-10% (Slight Decrease)	Flood risk: Moderate – Enhanced early warning and monitoring required	Drought risk: Moderate
BAU (High Emissions) – SSP5-8.5	>4°C	+1.6°C / 以上	+20–30 cm	-20~ -10%	0.5–1 month	Flood risk: High – Enhanced preventive measures required	Drought risk: High (requiring restrictions or water allocation management)

We also evaluated physical risks, including flooding and drought. Based on current data, the likelihood of flooding is relatively low and has been categorized as a medium- to long-term risk; therefore, the plant sites are included in the Company's medium- to long-term risk monitoring. As for drought risk, since the Nanke Plant is located in an industrial zone, and given the current levels of water consumption and supply, SLC has already developed corresponding water restriction response measures as follows:

Phases	Response Measures	Financial Impact
Phase 1: Reduced water pressure during off-peak and designated periods.	Supply from onsite water storage tanks.	No impact
Phase 2: For large water users (over 1,000 m³ per month): • Non-industrial users: 20% reduction in supply. • Industrial users: 5–20% reduction in supply. Exceptions apply to medical or other special-purpose users.	(a) Implement reduced-pressure water supply for domestic use within the plant. (b) Increase cooling tower concentration cycles to reduce discharge (from 1,500 to 2,000).	Only equipment maintenance costs required
Phase 3: Five-day water supply followed by two-day suspension (5-on, 2-off schedule).	(a) Reuse treated effluent from the wastewater plant for sludge dewatering. (b) Install additional water purification units for reclaimed wastewater, supplying cooling towers. (c) Reuse existing ROR wastewater and install additional recovery systems. (d) Activate backup onsite water storage tanks. (e) Deploy water trucks for water delivery.	Comprehensive assessment and response required

If international regulations and government policies require limiting global warming to 1.5°C, the Company will take a more proactive approach to carbon reduction, considering both Scope 1 and Scope 2 emissions, and strengthening the management of GHG reduction targets.

Planned Actions for 2025–2027

With the premise of avoiding increases in absolute carbon emissions while reducing carbon intensity, SLC will adopt proactive carbon reduction measures. After establishing 2024 as the GHG inventory baseline year, the Company will proceed with the full data collection for 2025. Future initiatives will also include considering the installation of solar power generation facilities and the adoption of LED lighting to reduce electricity consumption.

4 Metrics and Targets

In its climate strategy, SLC prioritizes addressing short-term high-impact risks. In alignment with the global net-zero transition and the Ministry of Environment's 2030 target of a 28% reduction, the Company has designated carbon management as a primary issue and plans to initiate its first GHG inventory in 2025 for the 2024 baseline year.

After completing the first GHG inventory, SLC will gradually establish reduction targets and disclose its carbon management measures and performance annually in the sustainability report.

Chapter.6

Friendly Workplace

The Company is committed to providing employees with growth opportunities and a supportive work environment. We maintain open communication channels, ensure sound labor conditions and benefits, and focus on employee health and safety to enable every employee to reach their potential in a safe and healthy workplace. We also place great importance on career development, offering various training and development programs to help employees enhance their professional skills. To support work-life balance, we provide flexible working arrangements. In addition, we are dedicated to offering competitive compensation and benefits to ensure employees' financial stability, while encouraging active employee participation in company decision-making to achieve shared growth between individuals and the Company.

6.1 Human Rights Policy and Assessment (GRI 406-1)(GRI 407-1) (GRI 408-1) (GRI 409-1)

Human Rights Policy (GRI 2-23)

SLC formulates its Human Rights and Employee Policy with reference to international standards such as the UN Global Compact, the Universal Declaration of Human Rights, and SA8000:2014. The policy covers equality, respect for human rights, freedom of association, diversity, and the prohibition of child labor, sexual harassment, and forced labor. SLC is committed to fair treatment of all employees, compliance with labor laws and international standards, and preventing any workplace human rights violations.

SLC Human Rights Practices

Human Rights Issues	2024 Implementation Status
Non-discrimination	No incidents of discrimination occurred
Prohibition of Forced Labor (GRI 409-1)	No incidents of forced labor occurred
Prohibition of Child Labor (GRI 408-1)	No child labor was employed
Freedom of Association (GRI 407-1)	No child labor was employed
Prevention of Workplace Misconduct and Sexual Harassment	No cases of workplace misconduct or sexual harassment occurred
Information Privacy and Security	No related violations were identified

Human Rights Assessment (GRI 407-1) (GRI 412-1) (GRI 412-3)

As of 2024, SLC has not encountered any human rights complaints or discrimination cases. Beginning in 2025, the Company will conduct regular self-assessments under the RBA framework and supplier surveys to monitor risks and strengthen compliance. SLC remains committed to fair compensation, employee development, and fostering a diverse, inclusive, and respectful workplace.

Grievance Mechanism (GRI 2-25)

Upon receiving a grievance, SLC assigns it to the responsible unit for investigation in line with legal requirements. Cases are handled with strict confidentiality to protect privacy, with access limited to relevant personnel. SLC ensures whistleblowers face no retaliation or unfair treatment. Appropriate actions are taken based on investigation results to safeguard employee rights. Employees may also file grievances via a dedicated email, providing a secure and convenient channel for raising concerns.

Responsible Department: Human Resources Division

E-mail：hr2@saviorlifetec.com.tw

6.2 Workforce Composition

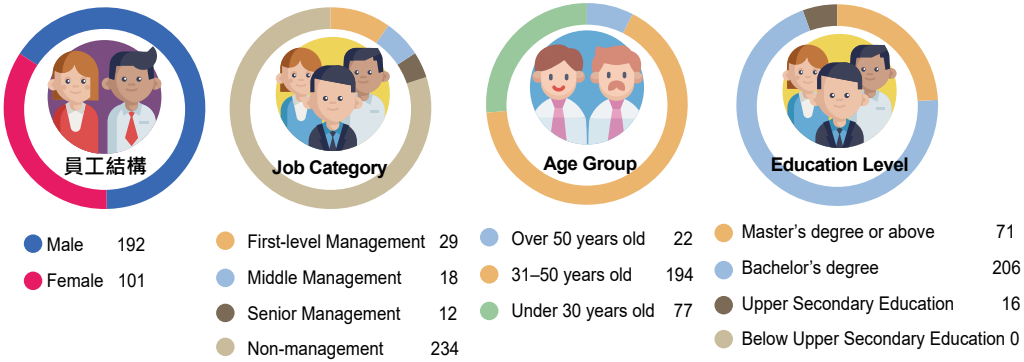
SLC values employee rights and formulates all management procedures and work regulations in line with the Labor Standards Act, to provide fair compensation and a safe working environment.

In compliance with legal requirements, the Company offers national health insurance, labor insurance, and pension contributions. In addition, SLC provides group insurance for all employees, annual health check-ups, an employee welfare committee, and allocated welfare funds to support a variety of benefits and activities. In 2024, SLC was honored with the “Happy Enterprise Gold Award” by 1111 Job Bank.

Workforce Composition (GRI 2-7, 2-8)

In 2024, SLC had 293 full-time employees, with Tainan residents making up 36.4% of senior management. Compared with 2023, headcount declined by 7% due to the relocation of headquarters.

Male employees accounted for 65.5% and female employees 34.5%, reflecting the labor-intensive nature of production roles versus the predominance of women in administrative functions. The workforce also included 8 non-employee workers (cleaning, contractors, security), 2 employees with disabilities, and 48 migrant workers.



Workforce Composition of All Employees in 2024

	Categories	Male	Female	Total
Job Category	First-level Management	24	5	29
	Middle Management	11	7	18
	Senior Management	11	1	12
	Non-management	146	88	234
	Total	192	101	293
Age Group	Under 30 years old	53	24	77
	31–50 years old	124	70	194
	Over 50 years old	15	7	22
	Total	192	101	293
Employment Type	Full-time Employees	192	101	293
	Part-time Employees	0	0	0
	Total	192	101	293
Education Level	Master’s degree or above	42	29	71
	Bachelor’s degree	139	67	206
	Upper Secondary Education (High School)	11	5	16
	Below Upper Secondary Education	0	0	0
	Total	192	101	293
Non-employee Workers	Contractors	4	0	4
	Security Personnel	0	0	0
	Others	1	3	4
	Total	5	3	8

Note: Senior management refers to Assistant Vice Presidents and above; middle management refers to managers; and first-level management refers to supervisors and section chiefs.

6.3 Talent Attraction and Retention Material Topics (GRI 401-1) (GRI 405-1)

Material Topic	Talent Attraction and Retention
Impact Assessment	Positive (Actual) Impact: Providing competitive compensation and benefits to retain key talent. Negative (Potential) Impact: Talent turnover leading to weaker business performance.
Policies and Commitments (GRI 2-23)(GRI 2-24)	Policy Formulated a Human Rights Policy and Employee Policy. Commitments • Talent Recruitment Build a strong employer brand to attract outstanding talent through diverse recruitment channels, while evaluating effectiveness and adjusting strategies as needed. • Continuous Learning and Development Provide training, courses, and study groups to enhance employee skills and knowledge, support career growth, and establish clear promotion and career development plans to encourage engagement. • Attractive Benefits Program Offer flexible working hours, group insurance, annual health check-ups, on-the-job training, and pension contributions to support employees' personal and professional needs. • Incentives and Rewards Implement bonus systems, project-based rewards, and promotion opportunities to encourage performance, innovation, and contributions.
Responsible Unit	Human Resources Division
Effectiveness Evaluation	SLC allocates an annual training budget based on designated themes, as well as welfare funds through the Company and the Employee Welfare Committee to support employee benefits. Performance evaluations are conducted in June and December each year, supplemented by ad hoc one-on-one interviews between managers and employees. The results of these evaluations and career development reviews serve as the basis for training and promotion decisions.
Stakeholder Engagement	To understand stakeholder concerns on corporate governance, human rights, labor practices, social impacts, product responsibility, and environmental issues, SLC gathers feedback through multiple channels, including the customer service email, shareholder meetings, the Employee Welfare Committee, and labor-management meetings. This feedback serves as a reference for developing future management policies. SLC also provides dedicated email channels for communication and information exchange: info@saviorlifetec.com.tw stock@saviorlifetec.com.tw hr2@saviorlifetec.com.tw

6.4 Talent Development and Training

To enhance employees' professional skills and strengthen R&D capabilities, SLC encourages participation in diverse training programs, including onboarding for new hires, on-the-job training, and various job-related courses, to cultivate highly skilled talent.

Employee Training (GRI 2-19)

To comply with GMP standards, SLC provides diverse learning opportunities and encourages employees to pursue professional development. In addition to internal training for knowledge and skill transfer, the Company offers general education courses, competency training, and GMP standard training to enhance employees' professional expertise.

Training Categories (GRI 404-2)

Training Categories	Employee Training Overview
General Competency Training	SLC provides comprehensive training for new employees to help them quickly understand the Company's profile, organizational strategy, policies, and operating procedures. The training includes both basic and professional modules. Basic training covers company history, organizational structure, policies, employee benefits, quality systems, and data integrity principles, with a focus on occupational safety and health regulations, work rules, and departmental responsibilities. This ensures that employees gain a thorough understanding of company operations and become familiar with business practices and policies.
Professional Competency Training	Professional training is provided for new employees or those assigned to new tasks, focusing on the knowledge and skills required for their future responsibilities. The program includes technical training, regulatory compliance courses, and management-related training, all aimed at enhancing employees' professional competencies.
EHS Training	Health and safety training is provided to ensure employees understand key topics, adopt safe behaviors and practices, and maintain regulatory compliance.
GMP Training	GMP training refers to courses designed around Good Manufacturing Practice (GMP) standards to ensure that pharmaceuticals, food, cosmetics, and medical device products meet safety, quality, and consistency requirements throughout the manufacturing process.

6.5 Occupational Health and Safety Material Topics (GRI 403-1~ 403-10)

Material Topic	Occupational Health and Safety
Impact Assessment	Positive (Actual) Impact: Through comprehensive occupational safety management measures, SLC effectively reduces operational hazards and risks. Together with occupational health initiatives, these efforts provide employees with a safe working environment and a healthy workplace, enhancing employees' sense of security and commitment to the Company. Negative (Actual/Potential) Impact: If the Company fails to establish, implement, and regularly review occupational health and safety measures and their effectiveness, related incidents or accidents may occur, leading to employee concerns about production safety and negatively affecting business operations.
Policies and Commitments	SLC establishes its internal Occupational Health and Safety (OHS) Policy in accordance with OHSAS 18001, TOSHMS (Taiwan Occupational Safety and Health Management System), and relevant regulations of the Ministry of Labor. **Occupational Health and Safety Policy** ● **Regulatory Compliance: Strictly comply with occupational safety and health regulations to enhance corporate reputation.** ● **Prevention First: Anticipate risks and prevent injuries and illnesses.** ● **Risk Management: Conduct thorough risk assessments to eliminate potential hazards.** ● **Communication and Awareness: Promote consultation and communication to strengthen personal responsibility.** ● **Continuous Improvement: Enhance OHS performance to ensure sustainable operations.** ● **Education and Training: Provide safety education to build a proactive safety culture.** ● **Health Care: Safeguard employee health and prevent workplace injuries.** ● **Environmental Care: Conserve global resources and reduce waste.**
Governance Structure	Supervisory Unit: Environment, Safety and Health Division (ESH Division) Executing Units: Occupational Safety and Health Division (OSH Division) and all departments
Management Actions	Pre-employment Training: Helps new employees become familiar with the work environment. On-the-job Training: Develops professional skills through regular training programs.
Resources Invested	Regular Training and Awareness Programs

Material Topic	Occupational Health and Safety

Metrics and Targets

- **2 Health Promotion Activities per Year**
- **Disabling Injury Frequency Rate (FR)**
- **Annual Employee Health Check-up Coverage Rate**

Indicator	2024 Performance	2024 Target	2025 Target	2030 Target
Health Promotion Activities	2 sessions per year	2 sessions per year	2 sessions per year	2 sessions per year
Disabling Injury Frequency Rate (FR)	6.66 In 2024, production capacity expansion and equipment relocation to the south resulted in the target not being achieved.	<3.13	Below the previous year and below the industry average FR.	Below the previous year and below the industry average FR.
Annual Employee Health Check-up Coverage Rate	99.6%	80%	Increase the annual employee health check-up coverage rate by 1% each year.	Increase the annual employee health check-up coverage rate by 1% each year.

Note: The self-initiated health check-up coverage rate = number of employees completing an annual self-initiated health check-up ÷ number of employees eligible for an annual health check-up. A self-initiated health check-up refers to an annual health examination that is not legally required (e.g., voluntary annual medical check-ups not mandated by law in Taiwan).

Evaluation Mechanism

- **Occupational Safety and Health Committee: 1 meeting per quarter**
- **Incident Investigation and Review Meetings: Held as needed each year**

1.Internal Audit Mechanism
An audit team composed of certified internal auditors conducts one audit annually in accordance with the internal audit plan.
2.External Audit
Government authorities conduct unscheduled audits each year.

Approaches to Ensure Effectiveness

Weekly internal awareness sessions are conducted to communicate with employees on environment, health, and safety (EHS) topics. Examples include measles transmission alerts, carbon monoxide poisoning prevention, heater-related accident prevention, winter health care, and nationwide factory fire incident statistics for safety awareness.

2024 Performance Results

- Conduct workplace environment monitoring every six months to safeguard employees' physical and mental health.
- mplement corrective actions for abnormal incidents and conduct 6S inspections to continuously improve workplace safety.
- Promote a smoke-free workplace to provide employees with a comfortable and healthy environment.
- Install fire protection systems, file annual inspection reports, and conduct regular equipment checks to maintain safety.
- Perform annual building inspections.
- Carry out public safety inspections.
- Conduct regular infrared thermographic inspections of electrical equipment.
- Establish an emergency response team and procure emergency equipment to address incidents.
- Provide personal protective equipment (PPE) to ensure worker safety.
- Install alarm detectors in hazardous areas to ensure plant and personnel safety.
- Install Automated External Defibrillators (AEDs).
- Conduct regular drinking water quality tests to protect employee health.

Stakeholder Engagement

Relevant stakeholders include employees, shareholders, customers, raw material suppliers, government authorities, regulatory agencies, local authorities at plant locations, suppliers (including contractors, raw material, equipment, and service providers), investors, and banks. Communication is conducted through both regular and ad hoc engagement activities in various forms.

Appendix

Appendix I. GRI Universal Standards Content Index

Statement of Use	SLC Group has reported in accordance with the GRI Standards for the period from January 1, 2024 to December 31, 2024.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	Disclosures are made on specific topics identified through the materiality assessment process, with reference to the SASB Biotechnology & Pharmaceuticals Standard.

GRI Standard / Other Source	Disclosure	Section	Page
GRI 2: General Disclosures 2021	2-1 Organizational details	Chapter 1 About SLC Group 1.1Company Profile	5
	2-2 Entities included in the organization's sustainability reporting	Chapter 1 About SLC Group 1.1Company Profile	5
	2-3 Reporting period, frequency and contact point	Reporting period: 1 January 2024 – 31 December 2024 Contact Information	5
	2-4 Restatements of information	The revenue figure for 2023 has been restated to align with the Annual Report.	NA
	2-5 External assurance	No external assurance was obtained for this Sustainability Report.	NA
	2-6 Activities, value chain and other business relationships	Chapter 1 About SLC Group 1.3 Business Model and Value Chain Chapter 4 Products and Innovation 4.1Product Quality and Safety	6 28
	2-7 Employees	Chapter 6 Friendly Workplace 6.2 Workforce Composition	52
	2-8 Workers who are not employees	Chapter 6 Friendly Workplace 6.2 Workforce Composition	52
	2-9 Chapter 3 Corporate Governance Governance Structure of SLC	Chapter 3 Corporate Governance 3.1 Governance Structure of SLC	20
	2-10 Nomination and selection of the highest governance body	Chapter 3 Corporate Governance 3.1 Governance Structure of SLC	20
	2-11 Chair of the highest governance body	Chapter 3 Corporate Governance 3.1 Governance Structure of SLC	20
	2-12 Role of the highest governance body in overseeing the management of impacts	Chapter 2 Sustainability and Material Topics 2.2 Materiality Assessment	12
	2-13 Delegation of responsibility for managing impacts	Chapter 2 Sustainability and Material Topics 2.2 Materiality Assessment	12
	2-14 Role of the highest governance body in sustainability reporting	Chapter 2 Sustainability and Material Topics 2.1 ESG Governance Structure	12

GRI Standard / Other Source	Disclosure	Section	Page
	2-15 Conflicts of interest	Chapter 3 Corporate Governance 3.2 Ethical Business Practices and Integrity	21
	2-16 Communication of critical concerns	Senior management reports to the Board on the Company's economic, environmental, and social impacts, including material events. In May 2024, management reported the relocation of the registered location from Hsinchu Science Park to Southern Taiwan Science Park, with completion expected in the second half of 2024. Material information is disclosed externally through the Market Observation Post System (MOPS) in accordance with regulations.	NA
	2-17 Collective knowledge of the highest governance body	To continuously strengthen the professional knowledge and competencies of the Board, SLC arranges regular training programs for directors each year. In 2024, the total training hours for directors and independent directors reached 54 hours, with 100% completion by all Board members.	NA
	2-18 Evaluation of the performance of the highest governance body	Each year in the first quarter, the Company conducts internal self-assessments of the overall Board, individual members, and functional committees, and reports the results to the Board of Directors. At least once every three years, depending on needs, the Company engages an external independent professional institution or external experts and scholars to conduct an external evaluation. In 2024, the Board's self-assessment resulted in a score of 4.75 out of 5.	NA
	2-19 Remuneration policies	Remuneration Committee composed of independent directors; meets at least twice annually to determine remuneration policies.	NA
	2-20 Remuneration policies	The Remuneration Committee, in an independent and objective capacity, evaluates the Company's remuneration policies and systems for directors and managers, and provides recommendations to the Board of Directors as a basis for decision-making. Its responsibilities include establishing and regularly reviewing the annual and long-term performance goals and remuneration policies for directors and managers, ensuring compliance with relevant laws and regulations, and maintaining a compensation framework sufficient to attract and retain qualified talent.	NA
	2-21 Annual total compensation ratio	The annual total compensation ratio is not disclosed due to confidentiality considerations.	NA
	2-22 Statement on sustainable development strategy	CEO's Statement	2

GRI Standard / Other Source	Disclosure	Section	Page
	2-23 Policy commitments	**Related to Material Topics:** Chapter 4 Products and Innovation 4.1Product Quality and Safety Chapter 1 About SLC Group 1.1Company Profile Chapter 3 Corporate Governance 3.6 Regulatory Compliance Chapter 3 Corporate Governance 3.4 Customer Relationship Management Chapter 6 Friendly Workplace 6.3Talent Attraction and Retention Chapter 6 Friendly Workplace 6.5 Occupational Health and Safety Chapter 3 Corporate Governance 3.3 Risk Management Chapter 5 Sustainable Environment 5.1 Environmental Management in the Production Process **Ethical Business Conduct Policy:** Chapter 3 Corporate Governance 3.2 Ethical Business Practices and Integrity Management **Human Right:** Chapter 6 Friendly Workplace 6.1Human Rights Policy and Assessment	 28 8 26 23 53 55 22 35 21 51
	2-24 Embedding policy commitments	**Related to Material Topics:** Chapter 4 Products and Innovation 4.1Product Quality and Safety Chapter 1 About SLC Group 1.1 Company Profile Chapter 3 Corporate Governance 1.6 Regulatory Compliance Chapter 3 Corporate Governance 3.4 Customer Relationship Management Chapter 6 Friendly Workplace 6.3Talent Attraction and Retention Chapter 6 Friendly Workplace 6.5 Occupational Health and Safety Chapter 3 Corporate Governance 3.3 Risk Management Chapter 5 Sustainable Environment 5.1 Environmental Management in the Production Process **Ethical Business Conduct Policy:** Chapter 3 Corporate Governance 3.2 Ethical Business Practices and Integrity Management **Human Right:** Chapter 6 Friendly Workplace 6.1 Human Rights Policy and Assessment	 28 8 26 23 53 55 22 35 21 51
	2-25 Processes to remediate negative impacts	Chapter 3 Corporate Governance 3.2 Ethical Business Practices and Integrity Management Chapter 6 Friendly Workplace 6.1Human Rights Policy and Assessment	 21 51
	2-26 Mechanisms for seeking advice and raising concerns	Chapter 3 Corporate Governance 3.2 Ethical Business Practices and Integrity Management Chapter 6 Friendly Workplace 6.1Human Rights Policy and Assessment	 21 51
	2-27 Compliance with laws and regulations	Chapter 3 Corporate Governance 3.6 Regulatory Compliance	26

GRI Standard / Other Source	Disclosure	Section	Page
	2-28 Membership associations	SLC is a member of the following associations and organizations: 1. Taiwan Science Park Industrial Association 2. Taiwan Pharmaceutical Manufacturers Association 3. Chinese Association of Sterile Pharmaceuticals 4. Taiwan Pharmaceutical Regulatory Science Society 5. Tainan Toxic Disaster Joint Defense Team	NA
	2-29 Approach to stakeholder engagement	Chapter 2 Sustainability and Material Topics 2.4 Stakeholder Engagement	16
	2-30 Collective bargaining agreements	The Company currently has no collective bargaining agreements.	NA

Appendix II. Climate-related Information of Listed Companies

Climate-related Risks and Opportunities and the Company's Response Measures

Item	Implementation Status
The Board of Directors and Management Oversight of Climate-related Risks and Opportunities	The Board of Directors serves as the highest governance body and authorizes the Sustainability Development Task Force as the responsible unit. The Task Force works alongside the Audit Office, the Corporate Governance and Partnership Group, the Environmental and Climate Change Group, and the Social and Friendly Workplace Group to achieve a balanced approach between risk and return within acceptable risk levels.Board members include individuals who have long focused on climate change, with a thorough understanding of its importance and impacts, and who have also undertaken ESG-related training programs.
Describe how the identified climate-related risks and opportunities impact the company's business, strategy, and financial planning in the short, medium, and long term.	SLC identifies climate-related opportunities and risks with reference to the TCFD framework, classifying risks as short term (1–3 years) or medium to long term (3–10 years) based on their likelihood and potential impact. Each functional unit is responsible for identifying and assessing risks within its scope, and risk management structures are established accordingly. Management plans are developed based on the prioritization of identified risks and opportunities. Following these assessments, SLC has identified carbon management as a primary focus. Preparatory work on greenhouse gas management began in 2024, with the Company planning to complete the 2024 GHG inventory in 2025. For further details, please refer to Section 5.5 Climate-related Financial Disclosures (TCFD) of this report.
Describe the financial impacts of extreme weather events and transition actions.	Conducting GHG inventories and setting carbon reduction targets in response to transition risks will increase the Company's financial costs. However, specific financial impacts can only be more accurately assessed after the completion of the 2024 and 2025 GHG inventories in 2026. With regard to physical risks from extreme climate events—such as changes in rainfall and weather patterns—the Company's production sites have long enhanced water storage and recycling capacity and strengthened resilience in key operations, thereby limiting financial impacts. However, sea level rise poses an additional risk to plant operations and could directly affect business performance. This is classified as a medium- to long-term risk and will be monitored regularly. For further details, please refer to Section 5.5 Climate-related Financial Disclosures (TCFD) of this report.
Explain how the processes for identifying, assessing, and managing climate-related risks are integrated into the overall risk management framework.	The Sustainability Development Task Force serves as the responsible unit, working with the Audit Office, the Corporate Governance and Partnership Group, the Environmental and Climate Change Group, and the Social and Friendly Workplace Group to achieve a balanced approach to risk and return within acceptable levels. Based on internal and external business environment changes, relevant units are required to report risk management issues related to operations for discussion and decision-making, followed by ongoing monitoring and tracking.
If scenario analysis is used to assess resilience to climate-related risks, disclose the scenarios, parameters, assumptions, analytical factors, and major financial impacts applied.	● BAU (Business as Usual): No carbon reduction measures; no control actions on GHG emissions, resulting in the highest temperature rise. ● NDC (Nationally Determined Contribution): In line with Taiwan's National Development Council target of a 24% reduction in GHG emissions by 2030 compared with the 2005 baseline. ● 1.5°C Target (Most Ambitious Mitigation Scenario): In line with international initiatives, targeting a 50% reduction in GHG emissions by 2030 compared with the 2005 baseline.

Item	Implementation Status
If transition plans are in place to manage climate-related risks, describe their content as well as the metrics and targets used to identify and manage physical and transition risks.	SLC began preparations for greenhouse gas (GHG) management in 2024 and plans to complete the 2024 GHG inventory in 2025.
If internal carbon pricing is applied as a planning tool, disclose the basis for determining the price.	Internal carbon pricing has not yet been established and will be further evaluated after the completion of the GHG inventory.
If climate-related targets are set, disclose the activities covered, GHG emission scopes, planning horizon, and annual progress. Where carbon offsets or Renewable Energy Certificates (RECs) are used to meet targets, disclose the sources and amounts of offsets and/or the number of RECs.	In 2025, SLC will conduct the 2024 GHG inventory for its main production sites (Nanke Plant and the Injectable Plant) in accordance with ISO 14064-1:2018. The Company also plans to complete the 2025 GHG inventory and conduct a two-year carbon emission analysis in 2026. Looking ahead, SLC will evaluate the installation of solar power systems and the adoption of LED lighting to further reduce electricity consumption and carbon emissions. At present, the Company has not yet considered the purchase of renewable energy certificates (RECs) or other carbon reduction instruments.
Greenhouse gas inventory and assurance status (see Section 1-1).	See the table below

1-1 Greenhouse Gas (GHG) Inventory and Assurance Instructions for Completion:

1.Companies may conduct their GHG inventory in accordance with the following standards:
(1) Greenhouse Gas Protocol (GHG Protocol).
(2) ISO 14064-1 issued by the International Organization for Standardization (ISO).
2. The assurance provider must comply with the requirements set by the Taiwan Stock Exchange (TWSE) and the Taipei Exchange (TPEx) regarding sustainability report assurance.
3. Subsidiaries may report individually, on a consolidated basis (e.g., by country or region), or on a group-wide consolidated basis.
4. GHG emissions intensity may be calculated per unit of product/service or revenue. However, data must at minimum disclose intensity based on revenue (in NT$ thousands).
5. The share of emissions from operational sites or subsidiaries excluded from the inventory may not exceed 5% of total emissions. Total emissions are defined as the emissions within the mandatory inventory scope described in Instruction 1.
6. Assurance disclosures must summarize the content of the assurance provider's report, and the assurance statement must be uploaded.

Basic Company Information	According to the Sustainability Development Roadmap for Listed Companies, the following must be disclosed at a minimum:
□ Companies with capital of NT$10 billion or above, in the steel or cement industries	■ Parent company standalone GHG inventory □ Consolidated GHG inventory of subsidiaries
□ Companies with capital of NT$5 billion to NT$10 billion	□ Parent company standalone assurance
■ Companies with capital below NT$5 billion	□ Consolidated assurance of subsidiaries

Scope 1	**Total Emissions (tCO_2e)**	**Emission Intensity (tCO_2e / NT$ million)**	**Assurance Provider**	**Assurance Statement Description**
SLC Parent Company (including Taipei Office, Nanke Plant, and Injectable Plant)	1192.3398	0.9794	None	Planned for 2026
Scope 2	**Total Emissions (tCO_2e)**	**Emission Intensity (tCO_2e / NT$ million)**	**Assurance Provider**	**Assurance Statement Description**
SLC Parent Company (including Taipei Office, Nanke Plant, and Injectable Plant)	5244.4509	4.3082	None	Planned for 2026
Total Scope 1 and Scope 2	**6,436.7907**	**5.2876**		

[Amendment Note]
1.This form is newly added.
2.To strengthen the disclosure of information on climate change and related issues, OTC-listed companies are required to disclose climate-related information.

Appendix III. Sustainability Accounting Standards Board (SASB) Standards: Biotechnology & Pharmaceuticals

Topic	Indicator Code	Indicator	Category	Description
Clinical Trial Participant Safety	HC-BP-210a.1	Discussion of management processes to ensure quality of clinical trials and patient safety across geographies.	Discussion & Analysis	Not Applicable. SLC primarily sells active pharmaceutical ingredients (APIs) to pharmaceutical companies and does not directly conduct clinical trials.
	HC-BP-210a.2	Number of FDA inspection findings related to clinical trial management and pharmacovigilance, classified as: (1) Voluntary Action Indicated (VAI), and (2) Official Action Indicated (OAI).	Quantitative Data	Not Applicable. SLC primarily sells active pharmaceutical ingredients (APIs) to pharmaceutical companies and does not directly conduct clinical trials.
	HC-BP-210a.3	*Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries.*	Quantitative Data	None
Access to Medicines	HC-BP-240a.1	Description of actions and initiatives to promote access to health care products for priority diseases and in countries with limited health care infrastructure, as defined by the Access to Medicine Index.	Discussion & Analysis	SLC Group is committed to providing high-quality medicines and reliable medical product support services to patients and communities in need worldwide. In alignment with the priority diseases and countries with limited health care infrastructure as defined by the Access to Medicine Index, Sunray Group undertakes corresponding measures and initiatives. These include adopting approaches tailored to different health care systems and local needs, and achieving this goal through offering locally appropriate pricing and ensuring a stable supply of products.
	HC-BP-240a.2	List of products included in the World Health Organization (WHO) Prequalification of Medicines Programme (PQP).	Discussion & Analysis	The Company does not have any products included in the World Health Organization (WHO) Prequalification of Medicines Programme (PQP).
Affordability & Pricing	HC-BP-240b.1	Number of settlements and ANDA (Abbreviated New Drug Application) litigation cases associated with paragraph IV disputes, including related delays to generic drug market entry.	Quantitative Data	No such incidents occurred within the reporting year for SLC Group.
	HC-BP-240b.2	Percentage change in: (1) Average list price and (2) Average net price, for U.S. product portfolio compared to prior year.	Quantitative Data	The pricing of generic drugs is primarily determined by the market and generally shows a downward trend: 1. 90–92% 2. 90–92%
	HC-BP-240b.3	Percentage change in: (1) List price and (2) Net price of the product with the highest increase compared to prior year.	Quantitative Data	Compared to the same period of the previous year, all list prices declined, with no products showing an increase.

Topic	Indicator Code	Indicator	Category	Description
Drug Safety	HC-BP-250a.1	List of products listed in the FDA MedWatch Safety Alerts for Human Medical Products database.	Discussion & Analysis	The Company does not have any products listed in the U.S. FDA MedWatch Safety Alerts for Human Medical Products database.
	HC-BP-250a.2	Number of fatalities associated with products listed in the FDA Adverse Event Reporting System (FAERS).	Quantitative Data	0 · SLC Group had no such incidents during the reporting year.
	HC-BP-250a.3	Number of recalls issued, total units recalled, as per FDA requirements.	Quantitative Data	0 · SLC Group had no such incidents during the reporting year。
	HC-BP-250a.4	Total amount of products accepted for take-back, reuse, or disposal.	Quantitative Data	0 · SLC Group had no such incidents during the reporting year
	HC-BP-250a.5	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type.	Quantitative Data	0 · SLC Group had no such incidents during the reporting year
Counterfeit Drugs	HC-BP-260a.1	Description of methods and technologies used to maintain traceability of products throughout the supply chain and to prevent counterfeiting.	Discussion & Analysis	Serialization in packaging
	HC-BP-260a.2	Discussion of processes to inform customers and business partners of potential or known risks associated with counterfeit drugs.	Discussion & Analysis	Use of serialization in packaging to trace product information.
	HC-BP-260a.3	Number of actions that resulted in seizures, arrests, and/or criminal prosecutions related to counterfeit products.	Quantitative Data	0 · SLC Group had no such incidents during the reporting year
Ethical Marketing	HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false or misleading product claims.	Quantitative Data	0 · SLC Group had no such incidents during the reporting year
	HC-BP-270a.2	Description of code of ethics governing promotion of off-label use of products.	Discussion & Analysis	All products comply with applicable regulations and Good Manufacturing Practices (GMP). The manufacturer is clearly indicated on the packaging; in addition, certain package inserts include a contact phone number, enabling patients or physicians to reach SLC in case of any adverse events or abnormalities.

<table>
<tr><th>Topic</th><th>Indicator Code</th><th>Indicator</th><th>Category</th><th>Description</th></tr>
<tr><td rowspan="2">Employee Recruitment, Development & Retention</td><td>HC-BP-330a.1</td><td>Discussion of talent recruitment and retention strategies for scientists and research & development (R&D) personnel.</td><td>Discussion & Analysis</td><td>SLC places great emphasis on human resource development by ensuring smooth internal communication, a safe working environment, and comprehensive training programs to support employees' career growth. In 2023, the Company held 9 labor-management meetings and convened the Employee Welfare Committee 4 times. The HR department proactively reached out with 170 instances of employee care. Regarding training, the total training hours amounted to 11,407.5, with an average of 21.9 hours per employee.</td></tr>
<tr><td>HC-BP-330a.2</td><td>(1) Voluntary and (2) Involuntary turnover rate for (a) Executives/Senior Managers, (b) Middle Managers, (c) Professionals, and (d) All others.</td><td>Quantitative Data</td><td>In 2024, due to the closure of the Zhunan plant and the relocation of headquarters to the south, some employees were unable to relocate with the Company because of geographical factors, resulting in a turnover rate of 41.64%. The turnover data for 2024 has not yet been categorized by employee level, but such statistics will be compiled in the future.
<table>
<tr><td>Year</td><td colspan="2">2024</td></tr>
<tr><td>Employee Category</td><td>Voluntary Turnover Rate</td><td>Involuntary Turnover Rate</td></tr>
<tr><td>All Employees</td><td>32.79%</td><td>67.21%</td></tr>
</table></td></tr>
<tr><td>Supply Chain Management</td><td>HC-BP-430a.1</td><td>Percentage of (1) Entity's facilities and (2) Tier I supplier facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party audit programs to ensure supply chain quality and integrity of drug ingredients.</td><td>Quantitative Data</td><td>SLC does not participate in the Rx-360 consortium. However, in line with Company policies, SLC conducts periodic supplier visits or on-site audits, as well as contractor safety meetings. Communication with suppliers is carried out through email, telephone, documentation, and relevant meetings. In addition, SLC requires all suppliers to comply with Good Manufacturing Practices (GMP) and meet in-house product quality specifications, and mandates the signing of the "Supplier Code of Conduct on Corporate Responsibility."</td></tr>
<tr><td rowspan="2">Business Ethics</td><td>HC-BP-510a.1</td><td>Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery.</td><td>Quantitative Data</td><td>0
No such incidents occurred for SLC.</td></tr>
<tr><td>HC-BP-510a.2</td><td>Description of code of ethics governing interactions with health care professionals.</td><td>Discussion & Analysis</td><td>SLC distributes its products through authorized distributors and requires that all sales activities comply with local laws and regulations, strictly prohibiting bribery or any improper sales practices.</td></tr>
<tr><td rowspan="2">Operational Metrics</td><td>HC-BP-000.A</td><td>Number of patients treated.</td><td>Quantitative Data</td><td>As of December 31, 2023:
• Meropenem: 255,131 (all dosage forms, worldwide)
• Ertapenem: 272,522 (worldwide)</td></tr>
<tr><td>HC-BP-000.B</td><td>(1) Number of drugs in portfolio, and (2) Number of drugs in R&D in Phases 1–3.</td><td>Quantitative Data</td><td>(1) 2(Ertapenem and Meropenem)
(2) 2 (including both active pharmaceutical ingredients (APIs) and finished dosage forms of the above medicines)</td></tr>
</table>