FORMOSA
PHARMACEUTICALS, INC.

Formosa Pharmaceuticals, Inc.

2024 Sustainability Report

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Message from the Chairman

Formosa Pharmaceuticals was established in 2010. Since 2017, we have acquired from Japan the APNT® (Active Pharmaceutical Ingredient Nanoparticle Technology) platform, which offers a wide range of applications, and used this technology to develop early-stage new drug development projects, including APP13007. Through the tireless efforts and innovative spirit of our team, APP13007 successfully achieved positive clinical trial results in the United States and obtained marketing approval in the U.S. in 2024, establishing a foothold in the ophthalmic pharmaceutical field. In the same year, on August 13, 2024, we were officially listed on the Taiwan Stock Exchange, entering a new stage of development. The year 2024 also marks the first year of sustainability for Formosa Pharmaceuticals. We recognize that, beyond meeting ESG requirements set by domestic and international regulations, talent development and corporate sustainability are the essential foundations for Formosa Pharmaceuticals' long-term success. Our goal is to integrate sustainability into our daily operations by upholding our commitment to quality and innovation. A journey of a thousand miles begins with a single step. Along this path, we remain true to our original aspiration — starting from the role we play in the value chain and advancing steadily to promote more concrete actions toward sustainable development.

Beginning in 2024, Formosa Pharmaceuticals engaged external consultants and conducted ESG knowledge-sharing sessions and training to enable colleagues to understand the disclosure requirements of the ESG Report and the execution details of greenhouse gas inventories. Activity planning also began to incorporate a perspective of co-creating sustainability. We believe that corporate sustainability is an inevitable trend. Beyond legal and regulatory compliance, by contributing additional efforts and considering how we can demonstrate corporate social responsibility, we can lay a strong and enduring foundation for sustainable growth. On the environmental front, we will focus on developing environmentally friendly and energy-saving technologies, striving to reduce carbon emissions and waste generated in the production process throughout the supply chain. Regarding social responsibility, we emphasize product quality and are committed to developing better medicines to improve patients' quality of life. Internally, we value employee well-being, health, learning, and growth. Externally, Formosa Pharmaceuticals will actively participate in philanthropic initiatives to give back to society. In terms of governance, we adhere to principles of transparency and fairness, establishing a robust internal control mechanism to ensure that company operations are both compliant and efficient. We believe that a sound governance structure is the cornerstone of a company's long-term and stable development, as well as the key to strengthening investor confidence.

Looking ahead, we will continue to uphold ESG principles and take more solid steps on the path toward sustainable development. We look forward to working together with all of you to create a better tomorrow.

Chairman

Reporting Principles GRI 2-2, GRI 2-3, GRI 2-4, GRI 2-5

This report is the first ESG Report published by Formosa Pharmaceuticals, Inc. (hereinafter referred to as "Formosa Pharmaceuticals") and will be published on an annual basis going forward. This report has been prepared in accordance with the GRI Sustainability Reporting Standards (GRI Standards, 2021 version). A GRI Content Index is provided in the appendix. In the future, we will continue to issue this report annually to disclose information to stakeholders and communicate our vision for sustainable operations.

Reporting Scope

This report was published in August 2025, with the next report scheduled for publication in August 2026. The reporting period covers January 1, 2024 to December 31, 2024. The reporting boundary includes the headquarters of Formosa Pharmaceuticals (8F, No. 57, Fuxing N. Rd., Songshan Dist., Taipei City) and the Taoyuan Laboratory (No. 398, Section 2, Youguan Rd., Luzhu Dist., Taoyuan City).

Formosa Pharmaceuticals has referenced the sustainability topics listed in the GRI Standards and SASB Standards, and identified material topics in accordance with the five principles of AA1000. For each material topic, this report discloses our management approach, implementation status, and short-, medium-, and long-term objectives, serving as the basis for tracking Formosa Pharmaceuticals' sustainability goals and formulating strategies. This approach enables stakeholders and intended users of this report to obtain the information they need in a transparent and comprehensive manner.

Primary Responsible Unit and Quality Management Approach

I. Formosa Pharmaceuticals has established the "Sustainability Report Compilation and Operating Procedures" in accordance with the Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies. The report covers the following:

(I) Includes risk assessment related to Environmental, Social, and Governance (ESG) topics.

(II) Establishes performance indicators to manage identified material topics.

(III) Discloses a Content Index aligning report disclosures with the GRI Standards and SASB Standards.

II. Implementation Items and Responsible Units

Implementation Item	Description	Responsible Unit
Report Compilation	Provide sustainability-related information, set report structure, and compile report content	ESG Task Force
Internal Review	Senior management reviews the accuracy of report content and submits key points to the Board of Directors for confirmation	Relevant Departments and Their Senior Executives
Final Approval	Confirm key elements of the report, e.g., whether material topics and disclosures include any confidential business information	Sustainable Development Committee, Board of Directors

III. Contact Information

If you have any comments or suggestions regarding the content of Formosa Pharmaceuticals' 2024 Sustainability Report, please contact us at:

Address: 8F, No. 57, Fuxing N. Rd., Songshan Dist., Taipei City 105404

Official Website: https://www.formosapharma.com/

Contact Person: Mr. Nai-Hsien Tsao

Telephone: +886-2-2755-7659

Email: esg@formosapharma.com

Stakeholder Engagement and Material Topics

Formosa Pharmaceuticals identified key stakeholders by referencing the five principles of the AA1000 Stakeholder Engagement Standard (AA1000SES): Dependency, Responsibility, Influence, Tension, and Diverse Perspectives. We also considered the GRI Standards, peer company sustainability reports, and industry characteristics. Seven key stakeholder groups were identified: Employees/Workers, Investors/Shareholders, Business Partners, Customers, Government Agencies, Suppliers, and Industry Associations. In the course of daily operations, the Company communicates with these stakeholders through various channels to understand their concerns. During the preparation of this Sustainability Report, we further engaged with stakeholders via surveys to confirm their most relevant and recent areas of concern.

Item	Formosa Pharmaceuticals	Importance to the Company	Engagement Method / Frequency	Topics of Concern
1	Employees / Workers	Employees are Formosa Pharmaceuticals' most valuable asset; therefore, the Company places great importance on communication among colleagues across departments. The topics of concern for employees can directly reflect the direction of company policy, and consensus with employees is also an important driving force for the company's progress.	• Cross-department manager meetings / Monthly • Welfare Committee / Ad hoc • Internal announcements / Ad hoc • Other communication channels / Ad hoc	• Employee Recruitment, Development, and Retention • Human Rights • Intellectual Property Rights Management • Regulatory Compliance and Business Integrity • New Drug R&D and Innovation
2	Shareholders and Other Investors	Investors are key ESG stakeholders. As potential investors may come from different countries or regions, their areas of concern can serve as indicators of international ESG trends.	• Investor relations section on official website / Ad hoc • Material information announcements / Ad hoc • Annual reports, financial statements / Annually, quarterly Annual Shareholders' Meeting / Annually • Extraordinary meetings, investor conferences / Ad hoc	• Drug safety • Access to Medicines • Counterfeit Medicines • Clinical Trial Participant Safety • Ethical Marketing • Human Rights • Regulatory Compliance and Business Integrity • New Drug R&D and Innovation • Climate Change • Energy Management

Item	Formosa Pharmaceuticals	Importance to the Company	Engagement Method / Frequency	Topics of Concern
3	Business Partners	Formosa Pharmaceuticals adopts flexible collaboration models, committed to maximizing the potential and value of partnerships for both the Company and our partners. By providing a reliable value chain that fully covers drug development expertise, technology, as well as manufacturing and quality, the Company offers licensing partners services for new drug development and manufacturing, enabling mutual benefit.	• Telephone, email / Ad hoc	• Drug Safety • Access to Medicines • Counterfeit Medicines • Employee Recruitment, Development, and Retention • Clinical Trial Participant Safety • Intellectual Property Rights Management • Medicine Affordability and Pricing • Regulatory Compliance and Business Integrity • New Drug R&D and Innovation
4	Customers	Licensing partners are Formosa Pharmaceuticals' primary customers and collaborate with the Company in a distributor-like model.	• Customer visits / Ad hoc • Exhibitions / Ad hoc • Official website, telephone, email / Ad hoc	• Drug Safety • Access to Medicines • Counterfeit Medicines • Ethical Marketing • Human Rights • Supply Chain Management • Medicine Affordability and Pricing • New Drug R&D and Innovation
5	Government Agencies	Government authorities such as the Financial Supervisory Commission, Taiwan Stock Exchange, and Taiwan Food and Drug Administration under the Ministry of Health and Welfare set regulatory requirements for the Company. It is therefore necessary to understand government priorities and regulations to ensure proper compliance.	• Official documents, email, briefing sessions / Ad hoc • Regulatory authority policy announcements / Ad hoc	• Drug Safety • Access to Medicines • Counterfeit Medicines • Clinical Trial Participant Safety • Ethical Marketing • Human Rights • Energy Management • Waste Management • Climate Change • Toxic Chemical Substance Management

Item	Formosa Pharmaceuticals	Importance to the Company	Engagement Method / Frequency	Topics of Concern
6	Supplier	Suppliers collaborating with the Company, including product or technology providers, have concerns that are critical to maintaining the stability of our products or services.	• On-site visits / Ad hoc • Evaluation and certification audits / Annually	• Drug Safety • Access to Medicines • Counterfeit Medicines • Clinical Trial Participant Safety • Supply Chain Management • Medicine Affordability and Pricing • New Drug R&D and Innovation
7	Industry Associations	By consolidating industry knowledge, industry associations can provide important information and trend analyses, and their areas of concern also offer valuable reference.	• Official documents, telephone, email / Ad hoc	• Employee Recruitment, Development, and Retention • Ethical Marketing • Regulatory Compliance and Business Integrity • New Drug R&D and Innovation

Materiality Assessment Process

Sustainability Topic Collection	• Reference was made to internationally recognized standards such as GRI 2021 and SASB, as well as sustainability topics disclosed in peer companies' published sustainability reports, to conduct topic identification.
Stakeholder Identification	Stakeholder identification was conducted based on the following five principles: • Dependency: Stakeholders that directly or indirectly depend on the Company's activities, products, services, and related performance, or on whom the Company depends for its operations. • Responsibility: Stakeholders to whom the Company has current or future legal, commercial, operational, or ethical responsibilities. • Tension: Stakeholders raising financial, economic, social, or environmental issues that require the Company's immediate attention. • Influence: Stakeholders with the ability to influence the Company's strategy or operational decisions. • Diverse Perspectives: Stakeholders providing different perspectives and insights that help the Company gain new understanding of its current situation and identify opportunities.
Stakeholder Engagement	• Collect topics of concern from stakeholders through various communication channels.
Impact Assessment of 17 Topics of Concern	• Based on the GRI Standards, SASB Standards, and relevance to the Formosa Laboratories industry, 17 sustainability topics were identified. • Using the "Materiality Assessment Questionnaire for Sustainability Topics", the level of impact for each topic was analyzed. • Managers at department-head level and above were invited to conduct quantitative assessments of each topic, considering the severity (scale and scope) of positive and negative impacts, likelihood of occurrence, and risks of human rights infringement.
Identification and Prioritization of Material Topics	• Analyze the results collected from the "Materiality Assessment Questionnaire for Sustainability Topics".
Identification and Confirmation of Material Topics	• With reference to peer company topics and through meeting discussions, a total of nine material topics were identified for the year. The report discloses the corresponding policy commitments, performance indicators, objectives, and implementation status for each topic.

17 Sustainability Topics of Concern to Formosa Pharmaceuticals

Economic / Governance	Environmental	Social
1.Intellectual Property Rights Management 2.Medicine Affordability and Pricing 3.Supply Chain Management 4.Regulatory Compliance and Business Integrity 5.New Drug R&D and Innovation	1.Energy Management 2.Waste Management 3.Climate Change 4.Toxic Chemical Substance Management	1.Employee Recruitment, Development, and Retention 2.Drug Safety 3.Access to Medicines 4.Counterfeit Medicines 5.Clinical Trial Participant Safety 6.Ethical Marketing 7.Human Rights Topics 8.Medicine Affordability and Pricing

9 Material Topics Disclosed by Formosa Pharmaceuticals

Material Topic	Description of Importance	Impact Assessment	Value Chain Impact			Corresponding Section of Management Approach
			Up-stream	Mid-stream	Down-stream	
Economic / Governance						
Regulatory Compliance and Business Integrity	Business integrity are key to maintaining brand trust and long-term customer relationships. Violations or unethical behavior can damage corporate reputation, thereby affecting market position and revenue.	Regulatory compliance and ethical business practices are the foundation of sustainable business development. If a company fails to comply with relevant laws and regulations, it may face fines, lawsuits, or even business suspension.	●	●	●	2.4 Compliance with Laws and Regulations
Intellectual Property Rights Management	In the biotechnology industry, the management of intellectual property rights is a material topic. Major technological breakthroughs often represent new business opportunities and collaboration potential.	Intellectual property rights management involves the protection of innovative products, technologies, or brands. If not properly managed, the company may face infringement or misappropriation of its innovations, resulting in reduced market competitiveness and economic loss.		●		2.7 Intellectual Property Rights Management

9 Material Topics Disclosed by Formosa Pharmaceuticals

Material Topic	Description of Importance	Impact Assessment	Value Chain Impact			Corresponding Section of Management Approach
			Up-stream	Mid-stream	Down-stream	
Environment						
Energy Management	With rising energy costs and increasingly stringent environmental regulations, effective energy management is critical. Efficient energy use can reduce operating costs, lower the carbon footprint, and enhance the company's social responsibility image.	Energy management is an issue that companies must take seriously, especially in the context of growing energy demand and government policies supporting sustainable development. Improving energy efficiency also ensures compliance with environmental regulations, strengthens competitiveness, and aligns with government policies supporting sustainable development.	●	●		3.1 Energy Management
Climate Change	As taking action on climate change becomes an international consensus, companies are increasingly investing in green technologies and sustainable practices to address the challenges posed by climate change.	The impact of climate change on enterprises is growing. Extreme weather events, resource shortages, and regulatory changes increase the risks companies face, forcing adjustments in operations and supply chain management, and may even raise costs.	●	●	●	3.2 Climate Change
Social						
Employee Recruitment, Development, and Retention	Employees are a key asset of Formosa Pharmaceuticals. Establishing appropriate recruitment and retention systems is a critical topic for the Company's future sustainable development.	Talent is the key to corporate success. If a company is unable to attract, develop, and retain high-quality employees, it will face issues such as inefficiency and lack of innovation. In addition, high turnover rates increase recruitment and training costs.		●		4.1 Employee Recruitment, Development, and Retention
Human Rights	The GRI 2021 Universal Standards specifically include "Human Rights" as a material topic that companies should disclose.	If a company fails to respect human rights in the context of global operations, it may face social pressure, consumer boycotts, and legal liability. Protecting the fundamental human rights of employees, suppliers, and consumers is a cornerstone of corporate sustainability.	●	●	●	4.3 Human Rights Topics

9 Material Topics Disclosed by Formosa Pharmaceuticals

Material Topic	Description of Importance	Impact Assessment	Value Chain Impact			Corresponding Section of Management Approach
			Up-stream	Mid-stream	Down-stream	
Social						
Counterfeit Medicines	Counterfeit medicines include those fully manufactured by counterfeiters as well as genuine medicines whose expiry dates have been altered to extend shelf life. As a member of the biotechnology and pharmaceutical industry, it is imperative to ensure that medicines are effective and free from false or misleading claims.	Counterfeit medicines pose a serious impact on the pharmaceutical industry, not only endangering consumer health but also potentially causing reputational damage and legal litigation for companies.	●	●		4.4 Counterfeit Medicines
Access to Medicines	Pharmaceutical companies are expected to take action to ensure that patients can obtain the medicines they need in a reasonable, affordable, appropriate, and accessible manner, thereby strengthening the resilience of healthcare systems.	Issues related to access to medicines concern the scope and safety of medicine use. For the pharmaceutical industry, failure to properly manage medicine use and control may result in legal disputes, loss of customer trust, and damage to brand reputation. Proper medicine management and strict usage standards safeguard the interests of both the company and patients.		●	●	4.5 Access to Medicines
Clinical Trial Participant Safety	Clinical trials must be conducted before medicines are launched. Companies must comply with ethical standards, ensure trial transparency, and secure informed consent from participants to mitigate legal and financial risks and protect corporate reputation.	If clinical trial participant safety is not handled appropriately, it may pose legal risks and cause reputational damage to pharmaceutical companies.		●	●	4.6 Clinical Trial Participant Safety

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Chapter 1
About Formosa Pharmaceuticals

1.1 Company Overview

The name "Formosa Pharmaceuticals" reflects the Company's focus and commitment to pharmaceutical research and development, symbolizing excellence and innovation rooted in Taiwan. Headquartered in Taipei, Taiwan, Formosa Pharmaceuticals has actively pursued global market expansion since its establishment, enabling more patients worldwide to benefit from the Company's innovative outcomes. Formosa Pharmaceuticals, Inc. was founded by Formosa Laboratories, Inc. and is dedicated to developing new medicines in therapeutic areas such as ophthalmology and oncology, with the goal of improving global patient health and well-being while providing innovative pharmaceutical solutions. Since its inception, the Company has combined proprietary advanced technologies, rigorous scientific validation, and a strong commitment to quality to develop therapies that are effective, safe, and responsive to clinical needs. Through collaboration with global strategic partners, Formosa Pharmaceuticals advances clinically successful drug candidates to international markets and has built a diverse pipeline of new drug development programs. Each program presents distinct opportunities and potential clinical value. Formosa Pharmaceuticals actively invests resources and leverages its network to drive the development of high value-added projects while continuing to expand global partnerships to broaden its product portfolio and maximize the value of its platform technologies.

1. Company Basic Information

Item	Content	Operating Locations
Company Name	Formosa Pharmaceuticals, Inc.	Headquarters: 8F, No. 57, Fuxing N. Rd., Songshan Dist., Taipei City Taoyuan Laboratory: No. 398, Section 2, Youguan Rd., Luzhu Dist., Taoyuan City
Market	TWSE – Taiwan Stock Exchange	
Stock Code	6838	
Industry Category	Biotechnology & Medical Care	
Headquarters / Address	Formosa Pharmaceuticals, Inc./8F-6, No. 57, Fuxing N. Rd., Songshan Dist., Taipei City 105404 , Taiwan (R.O.C.)	

1. Company Basic Information

Item	Content
Chairman	Chen Yu Cheng
President	Erick Wang Co
Major Products	Clobetasol Propionate Ophthalmic Suspension (already launched and sold in the United States); multiple new drug development programs in oncology, ophthalmology, and antibiotics are also in progress.
Date of Establishment	2010/12/10
Listing Date	2024/08/13
Paid-in Capital	NT$1.51 billion
Number of Employees	19
Net Sales	2024 Net Sales: NT$143,356,449
Operating Location	Taipei City

2. Development History

2010	• Company established.
2011	• Certified by the MOEA as Biotech New Drug Company.
2017	• Acquired Activus Pharma Co., Ltd. (Japan). • Obtained the APNT® (Active Pharmaceutical Ingredient Nanoparticle Technology) platform and development rights for APP13007 and APP13002.
2018	• Acquired the TSY-0110 ADC biosimilar development technology from Formosa Laboratories, Inc.
2019	• R&D project APP13007 obtained United States FDA approval to conduct Phase II clinical trial.
2020	• R&D project APP13007 completed Phase II clinical trial in the United States.
2021	• R&D project APP13007 initiated two Phase III clinical trials in the United States.

2. Development History

2021

- Approved by Taipei Exchange (TPEx) as a public issuing company.
- Entered into an exclusive licensing agreement with Grand Pharmaceutical Group Limited for APP13007 in the territory of China.
- Acquired TSY-0210 development technology from Formosa Laboratories, Inc.
- Approved by TPEx for registration on the Emerging Stock Board.

2022

- R&D project APP13007 completed two Phase III clinical trials in the United States, with primary efficacy endpoints meeting clinical and statistical significance.
- Entered into a joint development agreement with EirGenix Inc. for TSY-0110 ADC biosimilar development.
- Received the Potential Benchmark Award at the 2022 Outstanding Biotechnology Industry Awards from Taiwan Bio Industry Organization.
- Received the Excellence Award in the Innovation Technology category at the 2022 Taipei Biotech Awards.

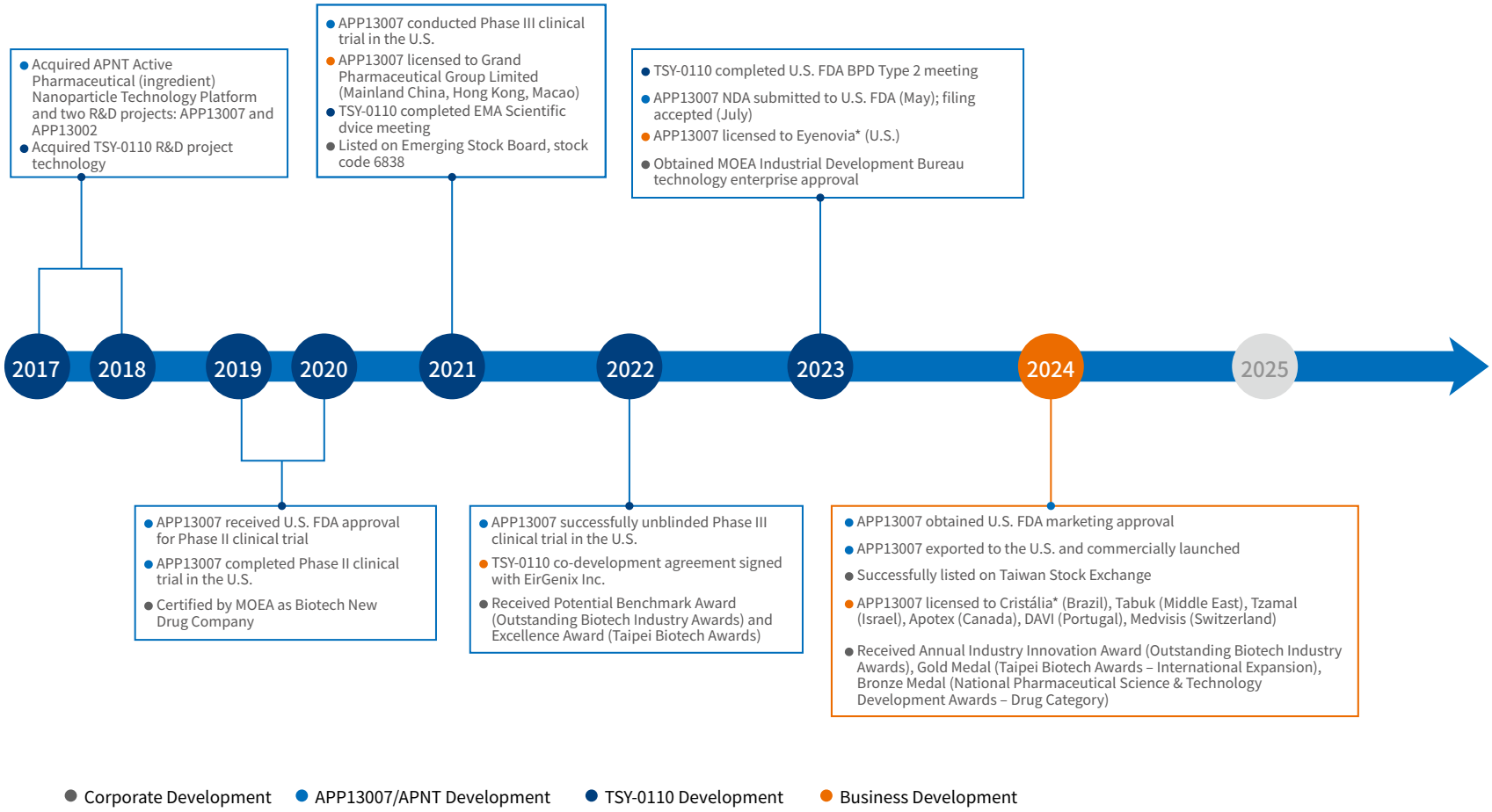
2023

- Presented Phase III clinical trial results of APP13007 at the ASCRS (American Society of Cataract and Refractive Surgery) Annual Meeting in the United States.
- Submitted New Drug Application (NDA) for APP13007 to the U.S. FDA in May; filing accepted in July of the same year.
- Entered into an exclusive licensing agreement with Eyenovia, Inc. for APP13007 in the United States in August.
- Obtained Technology Enterprise Approval Letter from the Industrial Development Bureau, Ministry of Economic Affairs, in December.

2024

- January – Entered into an exclusive licensing agreement with Cristália (Brazil) for APP13007 in Brazil.
- March – APP13007 obtained marketing approval from the U.S. Food and Drug Administration (FDA).
- April – Entered into an exclusive licensing agreement with Tabuk Pharmaceuticals (Saudi Arabia) for APP13007 in the Middle East and North Africa.
- July – Entered into an exclusive licensing agreement with Tzamal Biopharma (Israel) for APP13007 in Israel.
- July – Received the 2024 Annual Industry Innovation Award at the Outstanding Biotechnology Industry Awards from Taiwan Bio Industry Organization.
- August – Entered into an exclusive licensing agreement with Apotex (Canada) for APP13007 in Canada.
- August – Initiated co-development with Eyenovia on APP13007 for the treatment of acute dry eye in the United States.
- August – Transitioned from being listed on the emerging stock market to being listed on the Taiwan Stock Exchange
- September – Obtained TFDA export drug license for APP13007 and officially launched APP13007 in the United States in the same month.
- September – Received the Gold Medal for International Expansion at the 2024 Taipei Biotech Awards.
- October – Entered into an exclusive licensing agreement with Davi Pharmaceuticals (Portugal) for APP13007 in Portugal.
- November – Completed Phase III clinical trial (CPN-303) conducted in Mainland China, achieving primary endpoints and reconfirming the efficacy of APP13007 in treating inflammation and pain following cataract surgery.
- November – Received the Bronze Medal in the Drug Category at the 2024 National Pharmaceutical Science and Technology Development Awards.
- November – Entered into an exclusive licensing agreement with Medvisis (Switzerland) for APP13007 in Switzerland.

Formosa Pharmaceuticals – Key Development Milestones



1.2 Products and Services

The foundation of Formosa Pharmaceuticals is built upon the combined expertise of Dr. Chen Yu Cheng and Dr. Erick Wang Co, who together bring over 50 years of experience in drug discovery, development, and medicinal chemistry. Formosa Pharmaceuticals introduces and licenses promising drug candidates for further development. Following the acquisition of Activus Pharma Co., Ltd. in 2017, Formosa Pharmaceuticals obtained the APNT® (Active Pharmaceutical ingredient Nanoparticle Technology) platform technology for poorly water-soluble drug substances, as well as two 505(b)(2)-type ophthalmic nanoparticle drug candidates. In addition to being applied to internal projects, the APNT® technology platform has also created collaborative development opportunities with academic, research, and industry partners who are working on formulations of poorly water-soluble small-molecule drugs. The successful validation of lead drug candidate APP13007 demonstrates the druggability of the APNT® technology platform. The collaboration models with partners across the new drug development value chain are summarized as follows:

Value Chain Segment (from Downstream to Upstream)	Summary of Collaboration Content
Research and Innovation	Through the proprietary APNT® Active Pharmaceutical (ingredient) Nanoparticle Technology platform, focus is placed on the development of ophthalmic new drugs and the advancement of innovative research.
Production and Manufacturing	Operating under an NRDO model, Formosa Pharmaceuticals focuses on core technology development and project management, while collaborating with contract manufacturing organizations (CMOs) and entrusting production to high-quality pharmaceutical manufacturers in Taiwan to ensure supply capability and product quality.
Clinical Trials and Oversight	Under the NRDO model, the Company collaborates with contract research organizations (CROs), outsourcing clinical trial oversight and management to professional teams to ensure smooth execution. Internal resources are concentrated on strategic planning and communication with regulatory authorities to ensure that drug candidates successfully pass clinical trial requirements, registration, and marketing approval.
Collaboration and Licensing	Formosa Pharmaceuticals actively expands its global strategic partnerships, from co-development of early-stage projects to out-licensing of late-stage drug candidates, driving product commercialization and expanding opportunities for technology adoption, strengthening market presence, and enhancing the global visibility of Taiwan's biotechnology industry.

2. Patent Technology

(1) Formosa Pharmaceuticals focuses on the APNT® technology platform and related formulation technologies, filing patent applications in major global pharmaceutical and drug sales markets. Patent applications follow the pre-acquisition practice of filing under Activus Pharma as the patent holder, and patents have been successfully granted.In addition, after the successful completion of Phase III clinical trials of APP13007, Formosa Pharmaceuticals filed a use patent for APP13007 in 2023, demonstrating the team's concrete contribution to the innovation and market potential of APP13007. Within the APNT® nanoparticle formulation technology platform, methods are provided for manufacturing nanoparticles of various poorly water-soluble organic compounds (Patent Families 1, 2, and 3). These methods involve the use of different milling media, such as salts (Patent Family 1), carboxyvinyl polymers (Patent Family 2), and saccharides (Patent Family 3), to micronize the organic compounds under environmentally friendly conditions, producing nanonized organic compounds without environmental contamination.For formulation-specific applications of APNT®, Patent Families 4 and 5 have been filed to protect specific APNT® formulations. The APP13007 use patent filed in 2023 constitutes Patent Family 6.The total number of granted patents across the five major patent families has reached 140.
(2) APNT® / APP13007 Patent Technology – Features and Advantages

Benefits for Formulation	Features and Advantages of APNT® Formulation Technology
Stable Formulation	• Excellent stability and dispersibility. Maintains uniform dispersion and homogeneity even after long periods of standing. • The process does not generate heat from milling nor use irritating organic solvents or dispersants, preserving the crystal form and quality attributes of the drug substance.
Improved Bioavailability	• Reduces drug particle size from millimeter to nanometer scale, improving dissolution and increasing the total surface area for drug absorption or action. • Enables poorly soluble APIs to be better absorbed and penetrate target tissues, leading to improved pharmacokinetics (PK/PD) results for new drugs.
Enhanced Drug Safety	• Improved absorption enables the desired therapeutic effect to be achieved with lower drug doses, reducing dosage requirements. Manufacturing process carries no contamination risk.
Increased Value of New Drug Assets	• The APNT® platform has secured 140 granted patents across multiple countries and regions. Highly customized formulations support intellectual property strategies to extend protection periods and maximize commercial value.

Global Patent Portfolio for APNT® / APP13007

Patent Families	PCT Application Year	Number of Patents	Countries Granted
Patent Families		140	12 Countries + EU* Territories
Method for producing pulverized organic compound particle	2008	22	Canada, China, 14 EU countries, Israel, Japan, Korea, Taiwan, United States
Method for producing a composite organic compoud powder for medical use	2009	23	Canada, China, 14 EU countries, Japan, Israel, Korea, Mexico, Russia, Taiwan, United States
Organic compoud nano-powder,method for producing the same and suspension	2013	30	Australia, Brazil, Canada, China, 16 EU countries, India, Israel, Indonesia, Japan, Korea, Mexico, Russia, Taiwan, United States
Aqueous suspension preparation comprising nanoparticles of macrolide antibacterial agent	2014	28	Australia, Brazil, Canada, China, 14 EU countries, Indonesia, Israel, India, Japan, Korea, Russia, Taiwan, United States
Aqueous suspension agent containing glucocotricosteroid nanoparticles	2016	37	Australia, Brazil, Canada, China, 16 EU countries, Indonesia, Israel, India, Japan, Korea, Mexico, Russia, Taiwan, United States
Method of treating operative complications of cataract surgery	2023	Pending	25 Countries (including the United States) and the EU

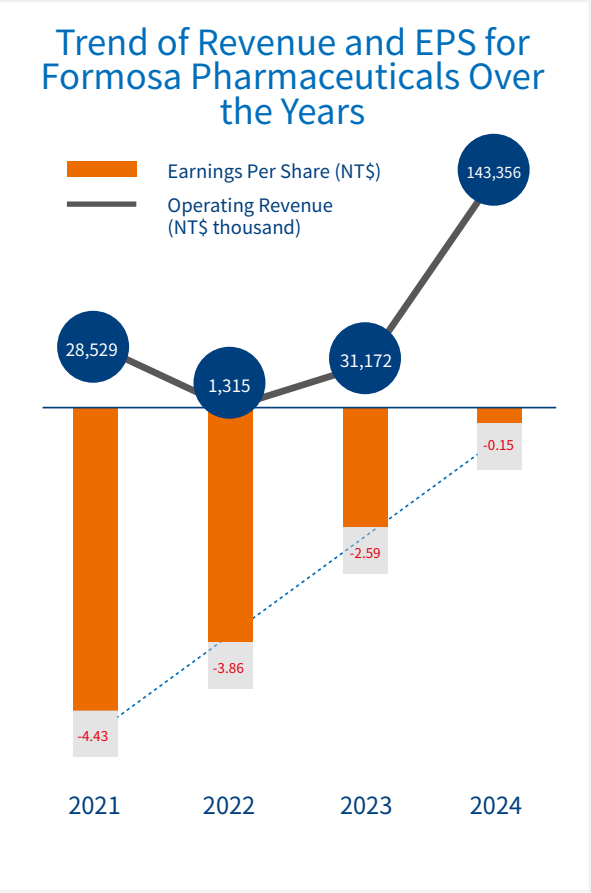
3. Co-Development of Medicines with Licensing Partners

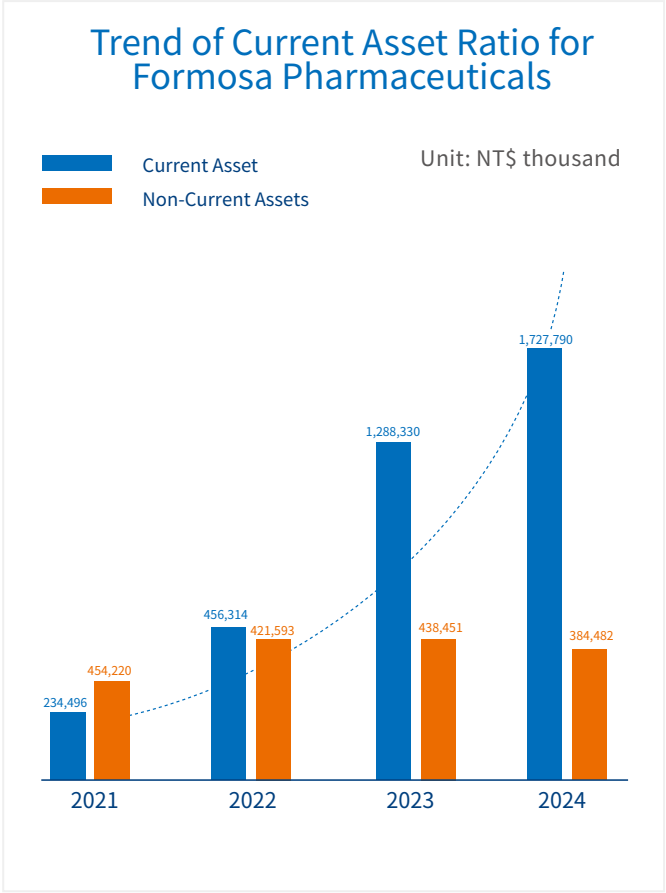
Through collaboration with global strategic partners, Formosa Pharmaceuticals advances clinically successful drug candidates to international markets and has built a diverse pipeline of new drug development programs. Each program presents distinct opportunities and potential clinical value. Formosa Pharmaceuticals actively invests resources and leverages its network to drive the development of high value-added projects while continuing to expand global partnerships to broaden its product portfolio and maximize the value of its platform technologies. Formosa Pharmaceuticals continues to seek high value-added partnerships to enrich its product pipeline and create opportunities for the application of its platform technologies.Formosa Pharmaceuticals adopts flexible collaboration models, committed to maximizing the potential and value of partnerships with collaborators. We achieve this through our passion for new drug development, clear vision and strategy, and pragmatic execution. Leveraging expertise and technology that covers all aspects of drug development, we build a reliable value chain through collaboration with high-quality manufacturing partners. Formosa Pharmaceuticals respects its partners' considerations of differences across therapeutic areas and markets, working flexibly with partners to bring clinically successful drug candidates step by step through regulatory approval and into the market. As of the end of 2024, Formosa Pharmaceuticals has completed out-licensing in the following regions:

Licensed Market	Licensing Partner
United States Market	Eyenovia , Inc. (NASDAQ: EYEN) (change to Harrow in 2025)
Mainland China, Hong Kong, and Macao Market	Grand Pharmaceutical Group Limited
Brazil Market	Cristalia Products Quimicos Farmaceuticos Ltda (change to Adalvo in 2025)
Middle East and North Africa Market	Tabuk Pharmaceuticals Manufacturing Company
Israel Market	Tzamal Biopharma Ltd.
Canada Market	Apotex Inc.
Portugal Market	DÁVI Farmacêutica
Switzerland Market	Medvisis Switzerland AG

1.3 Operational Performance

Formosa Pharmaceuticals' revenue and EPS have shown a steady growth trend over the years. With the completion of Phase III clinical trials for APP13007, obtaining U.S. FDA approval, and the execution of out-licensing agreements, revenue has increased significantly, EPS has improved, and working capital has gradually strengthened.



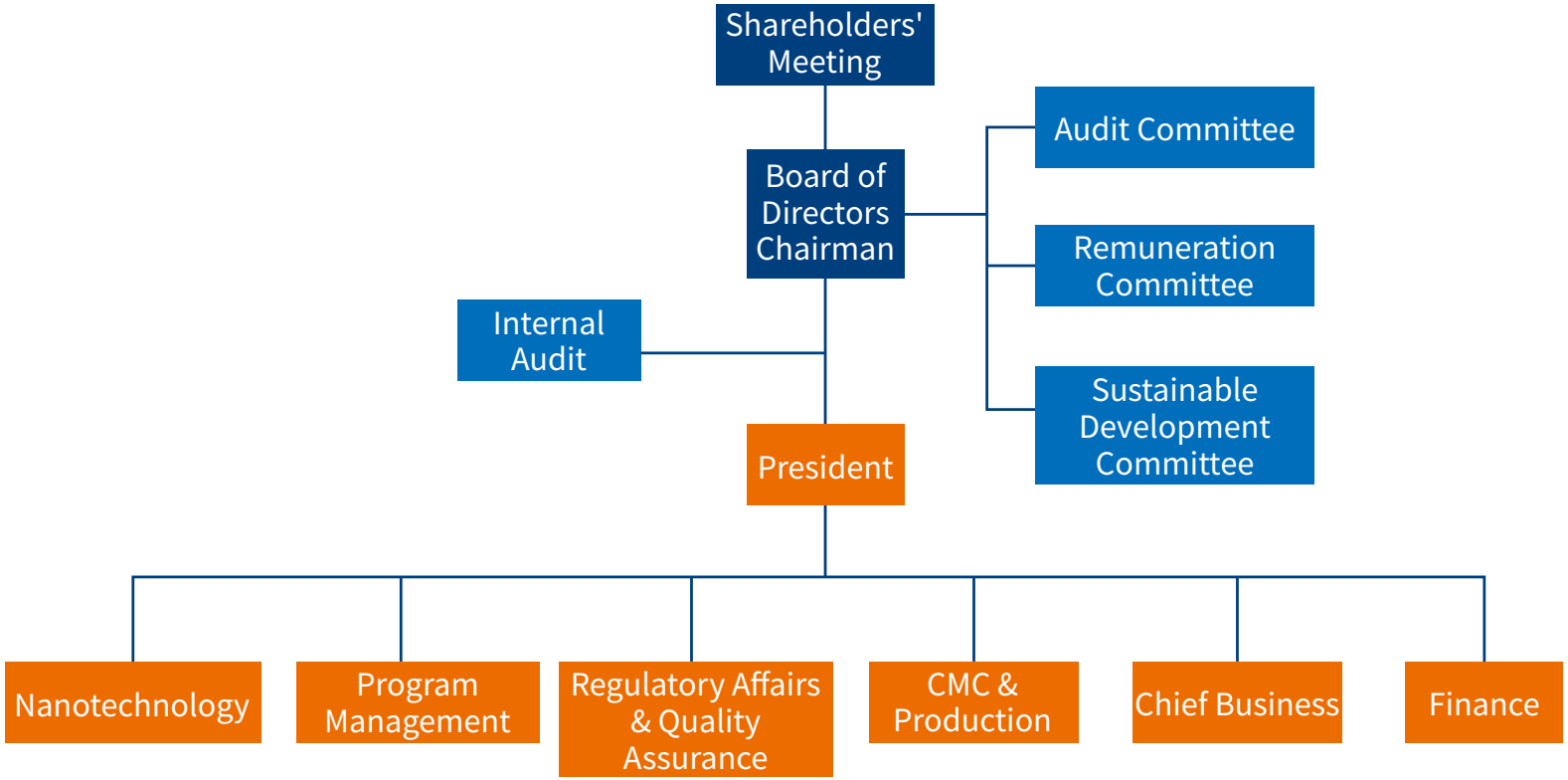


With the completion of Phase III clinical trials for APP13007, obtaining U.S. FDA approval, and the execution of out-licensing agreements, revenue has increased significantly, EPS has improved, and working capital has gradually strengthened.

Chapter 2
Corporate Governance

2.1 Policy Commitments

To fulfill its corporate social responsibility and achieve the goal of effective corporate governance, Formosa Pharmaceuticals has formulated the "Sustainability Best Practice Principles" with reference to the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies". Operations are carried out in accordance with the "Ethical Corporate Management Best Practice Principles", "Corporate Governance Best Practice Principles", and "Code of Ethical Conduct", thereby ensuring that the company fulfills its responsibilities for business ethics.



2.2 Governance Framework

1. Board Composition

The Company, by resolution of the shareholders' meeting, has established five to eleven directors. The Company's "Articles of Incorporation," "Director Election Procedures," and "Corporate Governance Best Practice Principles" clearly stipulate that the diversity guidelines for the composition of the Board of Directors are disclosed on the Market Observation Post System. Board members should be diverse, have different professional backgrounds, emphasize gender equality, and generally possess the knowledge, skills, and qualities necessary to perform their duties. It is also clearly stipulated that among the above-mentioned number of directors, the number of independent directors shall not be less than three.

Title	Name	Gender	Age	Major Experience (Education)
Chairman	Chen Yu Cheng	Male	71~80	1.Ph.D. in Medicinal Chemistry, University of California, San Francisco Medical Center 2.Postdoctoral Researcher in Chemistry, Massachusetts Institute of Technology (MIT) 3.Researcher at DuPont de Nemours, Inc. 4.Professor, School of Pharmacy, National Taiwan University 5.Chairman, Lian Qiao Biotechnology Co.,Ltd.
Director	Weng-Foung Huang	Male	71~80	1.Ph.D. in Social and Administrative Pharmacy, University of Minnesota, USA 2.Master of Pharmacy Administration Research, University of Minnesota, USA 3.Director-General, Bureau of Pharmaceutical Affairs, Ministry of Health and Welfare 4.Director-General, Taiwan Food and Drug Administration, Ministry of Health and Welfare 5.Director, Institute of Health and Welfare Policy, National Yang Ming Chiao Tung University
Director	Hai-Yi Ma	Female	71~80	1.Ph.D. in Physical Chemistry, Lehigh University, USA 2.Master's Degree in Inorganic Chemistry, University of Iowa, USA 3.Founder and President of ScinoPharm Taiwan Ltd. 4.Vice President, Syntex Pharmaceuticals

Title	Name	Gender	Age	Major Experience (Education)
Director	Hung-Jen Chang (Resigned as of June 30, 2025)	Male	61~70	1.Master of Health Administration, Harvard School of Public Health, USA 2.Master of Preventive Medicine, Institute of Public Health, National Taiwan University 3.Deputy Minister, Ministry of Health and Welfare, Executive Yuan 4.President of National Health Insurance Administration 5.Director-General of Centers for Disease Control, Ministry of Health and Welfare, Executive Yuan
Independent Director	Yu-Hui Su	Female	51~60	1.Ph.D., of Commerce, National Taiwan University 2.Master of Commerce, National Taiwan University 3.Bachelor of Accounting, National Taiwan University 4.Department Chair, Department of Accounting, Soochow University
Independent Director	Li-Chu Lo	Female	71~80	1.Ph.D., University of Massachusetts (U.Mass.) 2.President, Orient PHARMA Co., Ltd. 3.President, Medical and Pharmaceutical Industry Technology and Development Center 4.Director, Technology Transfer Office, National Health Research Institutes 5.Independent Director, Welldone Co., Ltd. 6.Adjunct Professor, Department of Food Science, National Taiwan Ocean University
Independent Director	Chao-Chou Kang	Male	61~70	1.Ph.D., Department of Chemistry, University of California, San Diego 2.Dean, College of Pharmaceutical Sciences, National Yang Ming Chiao Tung University 3.Vice President, National Yang-Ming University 4.Director, Food Safety Office, Executive Yuan 5.Director-General, Taiwan Food and Drug Administration 6.Director-General, Bureau of Pharmaceutical Affairs, Ministry of Health and Welfare 7.Director, Drug Research Center, National Taiwan University 8.Professor, Institute of Toxicology, National Taiwan University 9.Distinguished Professor, Institute of Food Safety and Health Risk Assessment, National Yang Ming Chiao Tung University

2. Conflict of Interest

The relevant regulations on conflict of interest are set forth in the Company's "Code of Ethical Conduct" and "Ethical Corporate Management Best Practice Principles". Both documents provide rules governing directors, supervisors, and managerial officers, as described below:

Code of Ethical Conduct	Principle of Business Integrity
Section 4 – Operating Procedures (2) Prevention of Conflicts of Interest 1. Directors, supervisors, and managerial officers of the Company shall handle official business objectively and efficiently, and avoid allowing themselves, their spouses, parents, children, or relatives within the second degree of kinship to obtain improper benefits as a result of their position in the Company, thereby creating a conflict of interest with the overall interests of the Company. 2. The Company shall pay particular attention to loans of funds, provision of guarantees, major asset transactions, and procurement or sales transactions with enterprises related to the aforementioned personnel. 3. The Company shall provide appropriate channels for directors, supervisors, or managerial officers to proactively declare whether they have potential conflicts of interest with the Company.	**Section 3 – Procedures (16) Conflict of Interest** 1. Directors, supervisors, managerial officers, and other stakeholders attending or present at Board meetings who have a personal interest or represent a legal person with an interest in the agenda items of the Board shall explain the important aspects of such interest at the current Board meeting. If there is a risk of harm to the interests of the Company, they shall not participate in discussion or voting, and shall recuse themselves during discussion and voting. They shall not act as proxy for other directors to exercise voting rights. 2. Directors shall exercise self-discipline and shall not engage in improper mutual support. Directors, supervisors, managerial officers, employees, appointees, and persons with substantial control over the Company shall not use their position or influence in the Company to obtain improper benefits for themselves, their spouses, parents, children, or any other person.

3. Board Training

Course Title	Hours
What Investors Are Thinking – Corporate Sustainability Transformation from the Perspective of ESG Investment and Financing	3 hours
Top-Down Corporate Sustainability Risk Management and Strategic Response	3 hours
Corporate Governance and Securities Regulations	3 hours
Geoeconomic Risks and Green Transition	3 hours
Data Center Evolution: Development Trends in Silicon Photonics and AI Servers	3 hours
Understanding Gender Equality Laws from the Perspective of Directors and Supervisors	3 hours
Directors' Responsibilities and Comprehensive Perspectives on Board Operations	3 hours
ChatGPT and Industry Transformation Trends	3 hours
Generative AI Industry Development Trends	3 hours
How Enterprises Innovate and Break Through Profitability in the Digital Economy Era	3 hours
Latest Developments and Practices in Anti-Money Laundering and Counter-Terrorism Financing	3 hours
Carbon Credit Trading Mechanisms and Carbon Management Applications	3 hours
2025 Global Economic Outlook	3 hours
New Thinking in Comprehensive Business Strategy (The New Nine Principles)	3 hours
AI and the Industrial Revolution: Generative AI Systems Based on the iFA Framework	3 hours
How Enterprises Innovate and Break Through Profitability in the Digital Economy Era	3 hours
Current Global Economic and Financial Conditions	3 hours
2024 Compliance Seminar on Insider Shareholding Transactions	3 hours
Kick-off Meeting and Training on ESG Reporting and Greenhouse Gas Inventory	4 hours

4. Board Performance Evaluation

To implement corporate governance and enhance the functions of the Board of Directors, performance objectives have been established to improve the efficiency of Board operations. Formosa Pharmaceuticals has formulated the "Board of Directors Performance Evaluation Regulations". The scope of the Company's Board evaluations may include performance assessments of the overall Board of Directors, individual Board members, and functional committees. Evaluation methods include internal self-evaluation of the Board, self-evaluation of Board members, peer evaluations, or other appropriate methods of performance assessment.

The Board performance evaluation procedures of the Company are as follows:
(1) Establish the units, period, and scope to be evaluated for the current year (e.g., overall Board of Directors, individual Board members, each functional committee).
(2) Establish the evaluation methods (e.g., internal self-evaluation of the Board, self-evaluation or peer evaluation of Board members, evaluations by external professional institutions or experts).
(3) Select appropriate evaluation executing units.
(4) Each executing unit collects information related to Board activities.

5. Sustainable Development Committee

Under the authorization of the Board of Directors, the Committee shall, with the care of a good administrator, faithfully perform the following duties and report to the Board of Directors:
(1) Formulate, promote, and strengthen the Company's sustainable development policies, annual plans, and strategies.
(2) Review, track, and revise the implementation status and results of sustainability initiatives.
(3) Supervise sustainability-related information disclosures and review the Sustainability Report.
(4) Supervise the implementation of the Company's "Sustainable Development Best Practice Principles" and other sustainability-related matters as resolved by the Board of Directors.
The Sustainability Task Force and Risk Management Task Force under the Committee assist in promoting various plans, cover the following group tasks, and report the status of sustainability implementation to the Committee:
(1) Sustainability Task Force: Responsible for implementing the resolutions or directives of the Committee and handling tasks related to the three major aspects of sustainability — Environmental (E), Social (S), and Governance (G). Compliance with corporate governance laws, establishing reasonable remuneration policies and employee performance review systems, education and training, and stakeholder engagement mechanisms to achieve the company's sustainable development goals.
(2) Risk Management Task Force: Responsible for promoting and coordinating risk assessment procedures to reduce the impact on the Company's operations when risk events occur. Environmental management systems, compliance with environmental regulations and international standards, evaluation of sustainable transition, enhancement of resource utilization efficiency, climate change response mechanisms, and establishment of dedicated environmental management units or personnel to achieve environmental sustainability goals.

2.3 Risk Management

The objective of the Company's risk management is to, through a comprehensive risk management framework, identify and manage various risks that may affect the achievement of corporate objectives, and to integrate risk management into operational activities and daily management processes in order to achieve the following goals:

(1) Achieve corporate objectives | **(2) Enhance management effectiveness** | **(3) Provide reliable information** | **(4) Allocate resources effectively**

Considering the Company's scale, business characteristics, nature of risks, and operational activities, a comprehensive risk governance and management framework has been established. Through the participation of the Board of Directors and senior management, risk management is linked with corporate strategies and objectives to determine major risk items, enhance the comprehensiveness, forward-looking nature, and integrity of risk identification results, and cascade communication throughout the organization to implement corresponding risk control and response measures. This approach reasonably ensures the achievement of the Company's strategic objectives.

1. The Company has formulated the "Risk Management Policy and Procedures", which provide for tiered risk management.

Board of Directors	The Board of Directors is the highest governance body for establishing effective risk management in the Company. Based on overall business strategy and operating environment, the Board approves the Company's overall risk management policies, supervises the mechanisms related to risk management operations, and assumes responsibility for risk management.
Audit Committee	The Company's risk management mechanisms and periodic reports shall be supervised by the Audit Committee. Such mechanisms shall follow the risk management policies and procedures approved by the Board of Directors to ensure the effectiveness of risk management.
Sustainable Development Committee	The Sustainable Development Committee is the highest-level organization responsible for promoting corporate sustainability, strengthening corporate governance, fulfilling environmental protection, and corporate social responsibility. The Committee also supervises the execution of risk management by the Risk Management Task Force under its purview, provides recommendations for improvement of environmental risk management policies and procedures, and periodically reports the status of risk management implementation to the Board of Directors.
Risk Management Task Force	Assists the Sustainable Development Committee in executing its risk management responsibilities, including preparing risk management reports, integrating and coordinating cross-departmental joint risk management issues, communicating and disseminating key risk management matters, and executing and following up on risk management resolutions assigned by the Board of Directors or the Sustainable Development Committee.
Audit Office	Prepares the annual audit plan based on risk management policies and risk assessment results, carries out various audit operations in accordance with the plan, and periodically reports audit results to the Audit Committee and the Board of Directors.
Business Units	Each business unit is the first line of defense for risk identification, assessment, and control. Business units shall assess the likelihood and impact of various risks according to their responsibilities, formulate management measures, implement them effectively, and properly manage risk factors.

2. The Company defines risk categories and risk items as shown in the table below. In light of the frequent occurrence of climate change events, natural disasters, statutory infectious diseases, and trade conflicts related to fiscal and tax policies in recent years, the aforementioned items have been specifically included in the risk management procedures, and preliminary response strategies have been formulated accordingly.

Risk Category	Definition	Type of Risk	Response Strategy
Operational Risk	Includes impacts on the Company's sustainable operations from changes in policies and regulations, market structure and demand, industry development and competition, human resources, and corporate governance risks.	Operational Risk	Engage external consultants and internal legal personnel to jointly identify regulatory and policy risks in advance and formulate countermeasures.
		Industry Competition	The Board of Directors and senior management formulate short-, medium-, and long-term business strategies to respond to potential domestic and international industry competition.
		Human Resource Shortages	The Human Resources Department plans relevant recruitment programs and, when necessary, conducts recruitment events and participates in recruitment initiatives through various channels.
		Corporate Governance Risk	In accordance with the "Regulations Governing the Establishment of Internal Control Systems by Public Companies," establish an effective internal control system based on the overall operating activities of the Company and its subsidiaries, and review such system regularly to respond to internal and external environmental changes to ensure the continuous effectiveness of its design and implementation.
Financial risks	Includes financing risk, investment risk, liquidity risk, exchange rate risk, and interest rate risk.	Investment and Financing Risk	Maintain adequate liquidity to ensure the ability to respond to unexpected investment risks during times of tight cash flow.
		Exchange Rate and Interest Rate Risk	Periodically review and adjust the Company's financial strategies, forecast possible changes in exchange rates and interest rates, and respond in advance.

Risk Category	Definition	Type of Risk	Response Strategy
Environmental Risk	Includes risks arising from climate change, natural disasters, statutory infectious diseases, and global geographic resources, as well as risks caused by government energy and related fiscal and tax policies.	Climate Change	Comply with global and local environmental regulations to avoid fines or sanctions resulting from regulatory changes.
		Natural Disasters	Establish a comprehensive disaster response plan, including disaster prevention, emergency response, and post-disaster recovery strategies, to ensure rapid business recovery after a disaster occurs.
		Trade Conflicts	Establish a task force to discuss tariffs and fiscal and tax policies, and communicate and coordinate with upstream and downstream partners in the domestic and international value chain.
Operational Process Risk	Includes regulatory compliance risk, information security risk, occupational health and safety management risk, and personnel integrity and fraud risk.	Regulatory Compliance Risk	Engage external consultants and internal legal personnel to jointly identify regulatory and policy risks in advance and formulate countermeasures.
		Information Security Risk	Establish internal information security management standards and implement them in daily operations through training and drills.

3. Description of the Company's Risk Identification Process

(1) Risk Identification	The Company conducts risk identification for operational, financial, environmental, and process-related aspects based on the principle of materiality.
(2) Risk Analysis	Primarily involves understanding the nature and characteristics of identified risk events and analyzing their likelihood and potential impact. Each business unit and functional unit shall assess the identified risk events by considering the completeness of existing control measures, past experiences, and peer cases, then analyze the likelihood and impact of occurrence to calculate a risk value.
(3) Risk Assessment	By comparing the results of risk analysis with the Company's risk appetite, priority risks are determined. Action plans are developed according to risk levels and serve as the basis for subsequent selection of risk response measures. The results of relevant risk analyses and assessments must be properly documented and retained.
(4) Risk Response	The Company shall consider its strategic objectives, internal and external stakeholder perspectives, risk appetite, and available resources to determine risk response plans and priorities. Risk response must strike a balance between achieving objectives and cost-effectiveness, ensure that relevant personnel fully understand and implement the measures, and continuously monitor the implementation status of related action plans.
(5) Supervision and Review Mechanism	The Risk Management Task Force shall review whether the risk management process and related risk control measures continue to function effectively. Review results shall be included in performance measurement and reporting to ensure effective oversight and enhancement of the implementation of risk management policies and procedures.
(6) Risk Records	The process and resolutions of risk management implementation shall be properly documented, reviewed, reported through appropriate mechanisms, and properly retained for reference.

2.4 Compliance with Laws and Regulations

The vision of Formosa Pharmaceuticals is to become a leading biopharmaceutical company focused on ophthalmology, oncology, and anti-infective therapeutic areas, dedicated to the innovative development of pre-clinical and clinical-stage drug candidates. Business integrity is the cornerstone of the Company's long-term and stable development. Failure to operate in compliance with laws and regulations may result in penalties from regulatory authorities, significantly damage the Company's reputation, and undermine the confidence of shareholders and investors. Formosa Pharmaceuticals upholds the concept of integrity management and is committed to building a transparent and compliant corporate culture. The Company has established and implemented the "Code of Ethical Conduct", "Ethical Corporate Management Best Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct", and "Insider Trading Prevention Guidelines". These internal policies cover the prohibition of unethical behavior, whistleblowing mechanisms, and penalties for violations, and are reviewed and updated regularly to continuously enhance corporate governance mechanisms, ensure that all business activities comply with relevant regulations, and effectively prevent any improper benefit-seeking behavior. Formosa Pharmaceuticals emphasizes the importance of integrity and transparency. Through the Board of Directors' professional decision-making, in accordance with laws, the Articles of Incorporation, and resolutions of the Shareholders' Meeting, the management team is guided to implement the Company's integrity management policies. This ensures comprehensive internal and external governance, protects the rights and interests of the Company, shareholders, and employees, and lays the foundation for sustainable development.

Material Topic	Compliance with Laws and Regulations
Corresponding GRI Disclosure	GRI2-27
Linked SDGs	SDG 16 Peace, Justice and Strong Institutions
Policy or Commitment	Formosa Pharmaceuticals has established the "Ethical Corporate Management Best Practice Principles" and "Code of Ethical Conduct" to regulate interactions between employees and healthcare professionals, implement the policy of ethical management, and actively prevent unethical behavior and any improper benefit-seeking activities. 1.Policy：Adhering to the principles of integrity, transparency, and accountability, the Company formulates integrity-based policies approved by the Board of Directors and establishes robust corporate governance and risk control mechanisms to create a sustainable operating environment. 2.Commitment：The Company and its affiliates and organizations shall explicitly state the policy of ethical management in internal regulations and external documents, and the Board of Directors and management shall actively implement the commitment to ethical management, ensuring execution in internal management and business activities.
Indicators and Targets	• Short-term：Enhance the depth of compliance training and reinforce a culture of integrity. • Mid-term：Establish and publish disciplinary and grievance mechanisms for violations of ethical management regulations, and promptly disclose on the Company's internal website the violator's title, name, date of violation, details of the violation, and handling status. • Long-term：Strengthen the effectiveness of the whistleblowing mailbox.

Tracking and Management Mechanism	1. The Company's responsible unit shall periodically conduct internal awareness campaigns to communicate the importance of integrity to directors, employees, and appointees. 2. The Company shall regularly organize training and education sessions for directors, supervisors, managerial officers, employees, appointees, and persons with substantial control to ensure they fully understand the Company's determination, policies, key preventive measures, and the consequences of unethical behavior. 3. The Company shall integrate its ethical management policy with employee performance evaluation and human resource policies, establishing clear and effective reward and disciplinary mechanisms. 4. The Company shall closely monitor developments in domestic and international ethical management regulations and encourage directors, supervisors, managerial officers, and employees to make suggestions for reviewing and improving the Company's policies and measures, thereby enhancing the effectiveness of ethical management implementation.
Annual Actions and Results	1. In 2024, Formosa Pharmaceuticals had no incidents of litigation or disputes related to pharmaceuticals, corruption, infringement of customer privacy, conflict of interest, or insider trading. Relevant policies and commitments were communicated through monthly management meetings, where related rights and obligations were reviewed to ensure proper implementation. 2. The Company's internal audit unit shall formulate relevant audit plans based on risk assessments of unethical conduct, including audit subjects, scope, items, and frequency, and conduct checks on compliance with preventive measures. Certified public accountants may be engaged to perform audits, and professionals may be consulted if necessary. 3. Audit results shall be reported to senior management and the unit responsible for ethical management, and audit reports shall be prepared. 4. To strengthen the management of ethical operations, the Company shall designate a dedicated unit responsible for the amendment, implementation, interpretation, consulting services, and registration/filing of reports under these Guidelines, as well as for supervising execution. The main responsibilities are as follows: (1) Assist in integrating ethics and moral values into the Company's business strategies and develop anti-fraud measures in compliance with relevant regulations. (2) Periodically analyze and assess the risks of unethical behavior within the business scope, establish prevention programs accordingly, and set standard operating procedures and codes of conduct for relevant business operations. (3) Plan internal organization, staffing, and responsibilities, and establish mechanisms for checks and balances for business activities with higher risk of unethical behavior. (4) Promote and coordinate training and communication of the Company's ethical management policies. (5) Design and implement whistleblowing mechanisms and ensure their effectiveness. (6) Assist the Board of Directors and management in auditing and evaluating the effectiveness of preventive measures for ethical management, and periodically assess compliance with related business processes and prepare reports.

2.5 Intellectual Property Rights Management

Material Topic	Intellectual Property Rights Management
Corresponding GRI Disclosure	GRI 201- 1 Direct Economic Value Generated and Distributed
Linked SDGs	SDG 9 Industry, Innovation and Infrastructure
Policy or Commitment	1.Policy：Clearly define intellectual property ownership by establishing clear internal agreements and contracts to clarify ownership of intellectual property among employees, partners, and external suppliers. 2.Commitment：Clearly identify and register ownership of R&D achievements, innovative technologies, and other results, and ensure their protection.
Indicators and Targets	• Short-term：Establish a licensing mechanism related to intellectual property monetization. • Mid-term：Formulate standard operating procedures (SOPs) for intellectual property rights management. • Long-term：Include intellectual property rights management as a key performance indicator for the Company.
Tracking and Management Mechanism	The Company has established the "Trade Secret Management Regulations" and "Patent Application Management Regulations" as the main basis for management. The primary management methods include: 1. Trade secret files must be managed by dedicated personnel, stored separately from non-trade secret files, and access to storage areas must be restricted. 2. Trade secret files must be labeled "Confidential." 3. The responsible manager must record the filing, archiving, use, updating, and declassification of trade secret files.
Annual Actions and Results	The Company signs contracts with customers to license its patented technologies. Because licenses are distinct, license revenue is recognized either over the license term or at the point when control of the rights is transferred to the customer, depending on the nature of the license. At the time of signing, customers pay a non-refundable upfront payment, and milestone payments are made upon achieving defined milestones. When the Company performs activities that significantly affect the patented technology and directly affect the licensee, and such activities do not result in the transfer of goods or services to the customer, the license is considered to grant the right to access intellectual property. Related royalties are recognized as revenue on a straight-line basis over the license period. If the license does not meet the above conditions and is considered to grant the right to use intellectual property, revenue is recognized at the point in time when the license is transferred.

2.6 Supply Chain Management

To select qualified suppliers that meet applicable requirements, periodic evaluations are conducted to effectively monitor supplier quality, pricing, delivery schedules, and cooperation levels, ensuring the smooth execution of procurement operations and manufacturing processes. The Procurement Department shall periodically evaluate the performance of raw material suppliers. For non-raw material suppliers, evaluations are conducted based on transaction amounts and frequency during the period. Evaluation results must be approved by the responsible authority. If a supplier's quality does not meet the Company's requirements, cooperation with that supplier will be discontinued.

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Chapter 3
Environment

3.1 Energy Management

Formosa Pharmaceuticals currently operates only office premises with a headcount of 19, and leases a laboratory from its parent company, Formosa Laboratories, Inc.. Energy consumption is similar to that of a general office setting. Therefore, a more comprehensive energy management model will be gradually implemented following the completion of the Company's Scope 2 carbon reduction strategy in the future.

Material Topic	Energy Management
Corresponding GRI Disclosure	GRI 302: Energy 2016 (302-1, 302-3, 302-4)
Linked SDGs	SDG 7 Affordable and Clean Energy
Policy or Commitment	Conduct annual electricity consumption statistics
Indicators and Targets	• Short-term：Through the implementation of ISO 14064-1:2018 greenhouse gas inventory, measure Scope 2 emissions related to electricity consumption. • Mid-term：Formulate a Scope 2 carbon reduction strategy, prioritizing the use of solar panels as the energy source for the laboratory leased from the parent company. • Long-term：Implement the Scope 2 carbon reduction strategy by switching to energy-efficient products.
Tracking and Management Mechanism	Regularly convene quality improvement management review meetings to review major quality issues and develop improvement plans in order to enhance quality, improve efficiency, and achieve energy conservation.
Annual Actions and Results	In 2024, engaged external consultants to conduct ISO 14064-1:2018 inventory and initiated analysis and management of electricity consumption.

3.2 Climate Change

Formosa Pharmaceuticals clearly recognizes that climate change is an important global issue. Opportunities for carbon reduction related to the Company may lie within the value chain, requiring engagement and collaboration with suppliers to achieve value chain decarbonization. Starting in 2024, the Company engaged external consultants to provide ESG knowledge-sharing sessions and training for employees, enabling them to understand the disclosure requirements of ESG reports and the details of greenhouse gas (GHG) inventory implementation.

Material Topic	Climate Change Response
Corresponding GRI Disclosure	GRI 201-2 Financial Implications and Other Risks and Opportunities Due to Climate Change GRI 305 Emissions
Linked SDGs	SDG 13 Climate Action
Policy or Commitment	Referencing industry peers and international trends, assess and set the timeline for carbon reduction
Indicators and Targets	• Short-term：Conduct GHG inventory and obtain ISO 14064-1:2018 verification. • Mid-term：Promote GHG inventory implementation for consolidated subsidiaries. • Long-term：Ensure consolidated subsidiaries complete GHG inventory verification or assurance.
Tracking and Management Mechanism	Follow the Financial Supervisory Commission's "Sustainable Development Roadmap for TWSE/TPEx Listed Companies" and implement the required GHG inventory and verification/assurance obligations in compliance with regulations.
Annual Actions and Results	Promoted GHG inventory and developed methodologies for Scope 3 data collection, including employee commuting, business travel, and purchased goods and services, while assessing the feasibility of data collection for various GHG emission sources.

3.3 TCFD

Formosa Pharmaceuticals has adopted the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and formulated action plans under the following four pillars to address potential climate-related risks in the future.

1. TCFD Four Core Elements

Item	Action Plan
Governance	Incorporate climate-related issues into the corporate governance framework, integrating climate risks into business strategies and financial decision-making, and ensuring management's understanding of and response to related risks.
Strategy	Regularly assess the risks of climate change on all aspects of business, including R&D, supply chain, production and operations, and product pricing. Determine how to adjust business models to respond to short-, medium-, and long-term impacts of climate change.
Risk Management	Strengthen collaboration with government agencies, industry associations, and non-governmental organizations to jointly address climate change risks and promote improvements in industry-level policies and standards.
Metrics and Targets	Upon completion of carbon inventory, establish carbon reduction targets and implement concrete carbon reduction actions.

2. Financial Impacts of Climate-Related Risks and Opportunities

Item	Climate Risk	Climate Opportunity
1	Development of low-carbon processes	Low-carbon processes
2	Response to carbon reduction related regulations	Obtain subsidies or market
3	Reputational damage	Resilience
4	Extreme weather events	—
5	Average temperature rise	—
6	Sea level rise	—

3. Financial Impacts and Response Measures of Climate-Related Risks and Opportunities

Type	Climate- related risk/opportunity	Impact period	Potential financial impact	Response measures
Transition risk	Development of low-carbon processes	Short-term	In response to regulations and customer requirements, funds are invested in planning low-carbon manufacturing processes, which may increase the company's operational costs in the short term.	The research and development (R&D) and manufacturing teams will leverage the co-development model with internal resources and suppliers or partners to share R&D expenses.
	Response to carbon reduction related regulations	Medium-term	Due to the requirements of climate change response legislation, there is a need to increase human resource costs and consulting fees for conducting greenhouse gas inventories.	Through educational training, employees can keep track of the progress of related policy implementation, which serves as a basis for formulating work items that should be met at each stage, achieving the goal of legal compliance.
	Reputational damage	Long-term	If the Company's actions in response to climate change lag behind industry peers, customers may impose stricter compliance requirements in line with sustainability trends, which could result in reputational loss.	Regularly disclose the Company's efforts and achievements in addressing climate change, and publish reports on carbon emissions and energy use to build trust.
Physical risks	Extreme weather events	Short-term	Extreme weather causing damage to operational sites or suppliers.	Diversify supply chain risks by selecting geographically dispersed suppliers to reduce the impact of climate disasters in a single region
	Average temperature rise	Medium-term	Increased energy consumption is required to cope with hotter weather.	Collaborate with government agencies to actively support the development of policies and industry standards, promoting policy direction for corporate emission reduction.
	Sea level rise	Long-term	If partner companies or customers are located in low-lying coastal areas, there may be risks of disaster.	Conduct risk assessments of Company facilities, select locations with lower exposure to sea level rise for new facility construction, and retrofit existing facilities with flood control and elevated waterproofing measures.
Opportunity	Low-carbon processes	Short-term	The commercialization of developed low-carbon processes can save energy and reduce environmental impact, and also serve as a sustainability performance metric for communication with customers and consumers.	Develop low-carbon processes in collaboration with partners, and use R&D results to obtain relevant patents or intellectual property rights protection, continuously promoting technological foresight and innovation.
	Obtain subsidies or market	Medium-term	After accumulating sustainability achievements, there are opportunities to apply for relevant government incentives and subsidies, and even compete for sustainability-related collaboration opportunities.	Closely monitor government subsidy policies for sustainable development and low-carbon technologies, actively apply for relevant funding to support the company's environmental protection projects and innovative research and development.
	Resilience	Long-term	Enhancing the Company's and supply chain's resilience to climate change can increase competitiveness and enable the Company to stand out in the market.	Integrate resilience building into the Company's long-term development strategy, and improve adaptive capacity to future challenges through internal cultural transformation and technological innovation to achieve sustainable growth.

3.4 Waste Management

1. Waste Collection and Management

(1) Employees shall understand the categories of waste and collect waste in accordance with the prescribed requirements.
(2) Each unit shall transport waste by category to designated storage locations.

2. Waste Storage Management

(1)The storage methods for general industrial waste shall comply with the following requirements:

1.Storage containers and facilities shall be kept clean and intact at all times. Waste shall not be allowed to scatter, escape, seep and pollute the ground, or emit foul odors.
2.Storage containers and facilities shall be compatible with the waste being stored. Incompatible waste shall be stored separately.
3.Waste names shall be clearly labeled at storage locations and on containers.

(2)The storage methods for hazardous industrial waste shall comply with the following requirements:

1.Hazardous industrial waste shall be properly contained in fixed packaging materials or containers, and labeled with the waste code or name, composition, and quantity.
2.Storage containers and facilities shall be compatible with hazardous waste. Liners or other protective measures shall be used when necessary to reduce corrosion or deterioration.
3.Storage containers or packaging materials shall be maintained in good condition. If severe rust, damage, or leakage is found, the storage unit shall immediately replace them.
4.Waste storage areas shall be equipped with containment facilities, fire extinguishers, and other safety equipment.

(3)Laboratory Waste

1.Waste liquids after experiments shall not be discharged directly into sinks. They shall be collected in designated waste liquid storage containers.
2.Expired chemicals shall be checked by the laboratory supervisor with the supplier for recyclability. If they cannot be recycled, they shall be labeled as industrial waste and handled as hazardous industrial waste.
3.Used glass or plastic containers, medicine bottles, test bottles, and broken laboratory glassware shall be cleaned, with the wash solution poured into designated waste liquid storage containers. Cleaned containers shall be collected separately by the supplier.

(4)Management of Outsourced Waste Removal and Treatment:

1.When stored waste reaches a certain quantity, the Company shall contact qualified waste removal agencies to remove the waste, transport it to certified treatment facilities, and carry out final disposal.
2.Waste removal shall be reported online in accordance with the Waste Disposal Act. The declaration form shall be handed over to the waste removal agency to conduct the removal and treatment process.

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Chapter 4
Social

4.1 Employee Recruitment, Development, and Retention

1. Employee Profile Statistics

As of the end of 2024, the total number of employees at Formosa Pharmaceuticals was 19, representing an increase of 3 employees compared with the previous year. Gender distribution: 9 male employees (47.37%) and 10 female employees (52.63%).

		Full-Time Employees				Part-Time Employees			
		2023		2024		2023		2024	
		Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Gender	Male	8	50.00%	9	47.37%	0	0.00%	0	0.00%
	Female	8	50.00%	10	52.63%	1	100.00%	1	100.00%
Location	Taipei	10	62.50%	12	63.16%	1	100.00%	1	100.00%
	Taoyuan	6	37.50%	7	36.84%	0	0.00%	0	0.00%

2. Recruitment

(1) To expand the Company's talent recruitment channels and encourage internal employees to recommend outstanding candidates, thereby fulfilling recruitment needs and enhancing team cohesion, the Company has established an incentive program. Under this program, if a referred candidate passes the interview, is successfully hired, and remains employed for six months, the referrer will receive a referral bonus.

(2) The Company has established recruitment-related regulations to promote diversity, equity, and inclusion (DEI) and sustainability. In the processes of recruitment, examination, hiring, assignment, placement, performance evaluation, or promotion, no job applicant or employee shall be discriminated against or treated differently on the basis of race, class, language, ideology, religion, political affiliation, nationality, place of birth, gender, sexual orientation, age, marital status, appearance, physical features, disability, zodiac sign, blood type, or current/former union membership.

3. Employee Benefits

Allowances for marriage, bereavement, and other special occasions	**Holiday gift allowances**	**Subsidy for annual year-end banquet**
Service recognition awards	**Birthday celebration subsidies**	**At least one subsidized team-building activity per year**
Employee health check-up subsidy	**Additional paid leave (e.g., birthday leave)**	**Access to the Group's Employee Assistance Program (EAP)**

To align with sustainable development and ESG trends, external consultants were engaged in 2024 to conduct knowledge sharing and training on greenhouse gas inventories and international ESG trends. This empowers employees to become internal sustainability ambassadors and prepares for subsequent greenhouse gas inventories, IFRS S1 S2, and further sustainability compliance.

4. Promotion of Worker Health

The Company attaches great importance to the physical and mental health of employees. In addition to providing subsidies for annual health check-ups (with general employees receiving an annual subsidy for a designated amount, and managers undergoing comprehensive health examinations at designated medical institutions once every two years), special health examinations are regularly conducted for employees working in laboratories and for those engaged in operations with exposure to dust, solvents, high-sensitivity agents, or specific hazardous chemicals. To ensure employees make effective use of annual leave for rest and relaxation, the Company encourages the use of annual leave and has extended the validity period by six months, for a total of one and a half years. Furthermore, employees may participate in the Group's Employee Assistance Program (EAP). Through dedicated care platforms or toll-free hotlines, employees can access psychological counseling, legal consultation, tax and financial advisory services, management consulting, and health consultation. All services are protected by strict privacy and confidentiality policies. In addition to employee-initiated consultation, the EAP also provides monthly articles to promote awareness and support employees' physical and mental well-being.

5. Fire Safety and Emergency Preparedness

The Company has established Occupational Safety and Health Guidelines to implement and maintain a sound safety and health management system, ensuring effective operations and continuous improvement in line with its safety and health policy objectives. In addition to regular fire safety inspections conducted at the Taipei office, fire safety inspections and emergency evacuation drills are also periodically carried out at the leased Taoyuan office and laboratory facilities.

6. Prevention of Workplace Misconduct

The Company strictly prohibits workplace sexual harassment and, in accordance with law, has established complaint channels for gender equality. Employees may file complaints by completing a Gender Equality Complaint Form or by contacting designated personnel through a dedicated hotline. Complaints may also be submitted through the EAP platform. In addition, employees can access the Group's online training platform to enhance their understanding of workplace misconduct issues, thereby strengthening prevention and raising awareness across the organization.

4.2 Community Engagement

1. For the upcoming year, the Company has set specific goals for social engagement. The Employee Welfare Committee has begun planning activities from the perspective of sustainable co-prosperity, with initiatives centered on social care, public welfare, and climate action as the core principles for team building.
2. In response to Commonwealth Magazine's initiative, the Company will join as a partner in the "Do One Thing for Tamsui River" campaign, helping all employees gain a renewed understanding of water resources, and calling on our suppliers to work together for the cleanliness of the Tamsui River.
3. Building on the valuable experience gained from the successful development of Clobetasol Propionate Ophthalmic Suspension (APP13007) utilizing the APNT® Active Pharmaceutical (ingredient) Nanoparticle Technology and obtaining U.S. FDA approval for commercialization, the Company actively engages in domestic and international pharmaceutical technology seminars and presentations. Furthermore, the Company welcomes collaboration with other innovative pharmaceutical enterprises to jointly address challenges in novel dosage form and formulation development.Pharmaceutical Technology Exchange and Presentations during the Reporting Period:

Month	Presentation Topic	Organizer / Format	Presentation Type	Presenter
2	Corporate Overview APNT Nanoparticle Formulation Technology	Berkeley Public Health, J.P. Morgan, and Stanford Engineering Taiwan Science & Technology Hub	Lecture	Dr. Erick Wang Co
5	Evaluation of APNT Nanoparticle Formulation in Ophthalmic Medications	Association for Research in Vision and Ophthalmology	Poster & Presentation	Director Ya-Chuun Tsan (Joint with Eyenovia, Inc.)
7	APP13007: A Novel Ophthalmic Suspension of Clobetasol Propionate derived from APNT® Nanoparticle Formulation Technology, USFDA-approved for the Treatment of Inflammation and Pain Following Ocular Surgery	Taiwan Bio Industry Organization	Lecture	Dr. Erick Wang Co
8	The discovery and development of clobetasol propionate ophthalmic suspension, 0.05% for the treatment of inflammation and pain following ocular surgery	Chinese Taipei Society for Biomaterials and Controlled Release	Lecture	Dr. Erick Wang Co
11	Utilizing the APNT® Drug Nanoparticle Platform to Advance Novel Dosage Forms and Formulation Technologies	Medical and Pharmaceutical Industry Technology and Development Center	Lecture	Dr. Yu-Chi Chen
	Improving Aerosol Delivery: Nanosuspension and mesh technology	OnDrug Delivery	Journal Publication	Dr. Yu-Chi Chen (Joint with HCmed Innovations Co., Ltd.)

4.3 Human Rights Topics

Material Topic	Human Rights
Corresponding GRI Disclosure	GRI 2-23
Linked SDGs	SDG 10 Reduced Inequalities
Policy or Commitment	Policy：The Company follows its Supplier Management Policy and requires supplier assessments prior to engagement. The Company declares its support for and compliance with international labor and human rights norms and globally recognized standards, including the United Nations Universal Declaration of Human Rights, the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, the International Labour Organization Declaration on Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises, and the Responsible Business Alliance (RBA) Code of Conduct. Commitment：In recruitment, selection, employment, assignment, placement, appraisal, or promotion of job applicants or employees, no discrimination shall be made on the basis of race, social class, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, appearance, physical features, disability, horoscope, blood type, or past/current labor union membership.
Indicators and Targets	• Short-term：Integrate diversity and inclusion into recruitment policies. • Mid-term：Incorporate human rights issues into the Supplier Management Guidelines to promote awareness of human rights due diligence among employees and suppliers. • Long-term：Conduct supplier human rights due diligence assessments based on the RBA framework.
Tracking and Management Mechanism	In compliance with relevant company regulations, the Company commits to respecting user privacy, personal freedom and security, working conditions, occupational health, freedom of expression and association, prohibition of child labor, non-discrimination and anti-harassment, prevention of forced labor, and the right to family life.
Annual Actions and Results	The Company has extended its corporate social responsibility principles across its supply chain to ensure compliance with environmental protection, occupational health and safety, and labor and human rights standards. Joint efforts have been made to safeguard the environment, enhance employee safety and health, and promote labor rights in the workplace. In addition, the Company selects reputable international pharmaceutical partners for product licensing and distribution, thereby strengthening corporate social responsibility through collective impact.

4.4 Counterfeit Medicines

When any potential or known counterfeit medicine risk is identified, the Company immediately informs its international partners through designated contact representatives via email. The Company coordinates with relevant stakeholders to launch investigations, conduct subsequent risk assessments, and establish immediate corrective actions as well as preventive measures to avoid counterfeit medicines infiltrating the supply chain. As of the reporting date, no such incidents have occurred.

Material Topic	Counterfeit Medicines
Corresponding GRI Disclosure	SASB
Linked SDGs	SDG 3 Good Health and Well-Being
Policy or Commitment	The Company implements the "Customer Management and Credit Operation Procedures" to ensure downstream customer qualification recognition, confirming that customers comply with legal requirements, hold pharmaceutical distribution licenses, and supply medicines legally for patient use, thereby safeguarding the quality of pharmaceuticals available to the public.
Indicators and Targets	• Short-term：Implement drug serialization procedures and execute downstream customer qualification recognition. • Mid-term：Ensure that contract manufacturers establish robust pharmaceutical labeling procedures. • Long-term：Develop and implement supply chain management strategies to ensure suppliers provide products of high quality.
Tracking and Management Mechanism	1. To prevent counterfeit drug risks, the Company has implemented serialization procedures for pharmaceutical products shipped to the U.S. Each primary and secondary package includes a unique product identifier, including National Drug Code (NDC), serial number, batch number, and expiration date. Shipment records and serialization data are properly maintained for batch traceability to prevent counterfeit infiltration into the pharmaceutical supply chain. 2. The Company conducts internal audits annually to ensure the quality and compliance of internal operations. A supplier qualification certification system is established, with regular quality audits conducted for suppliers, contract manufacturers, and commissioned laboratories to ensure the quality of raw materials, products, and services. 3. Annual evaluations are conducted on suppliers and contract manufacturers' services, with follow-ups on improvement plans where necessary.
Annual Actions and Results	The Company is a qualified pharmaceutical distributor, compliant with Good Distribution Practice (GDP) requirements, and has obtained GDP wholesale distribution authorization. The "Counterfeit and Prohibited Drugs Management Procedures" were established to ensure compliance: 1. PM and QA shall ensure the legality of the pharmaceutical supply chain, confirm outsourcing manufacturers' management capability, certify and regularly evaluate contractors to prevent counterfeit or prohibited drugs from entering the legitimate supply chain, and report to competent authorities where necessary. 2. Contract manufacturers or customers discovering suspected counterfeit or prohibited drugs infiltrating the Company's legitimate supply chain shall notify Formosa Pharmaceuticals immediately.

4.5 Access to Medicines

Material Topic	Access to Medicines
Corresponding GRI Disclosure	SASB
Linked SDGs	SDG 3 Good Health and Well-Being
Policy or Commitment	The Company commits to reducing pharmaceutical waste and promoting environmental protection by integrating medicine handling and disposal with environmental sustainability requirements.
Indicators and Targets	• Short-term：Strictly comply with the requirements of pharmaceutical regulatory authorities in each country to ensure the legality and compliance of medicines during distribution, particularly regarding the recall and disposal of expired medicines. • Mid-term：Share best practices in pharmaceutical management with healthcare institutions on a regular basis to help reduce medicine waste. • Long-term：Implement a pharmaceutical expiry tracking system to monitor the validity of all medicines and provide advance notifications to relevant departments for appropriate handling.
Tracking and Management Mechanism	The Company collaborates with healthcare institutions and patients through education and awareness programs to minimize pharmaceutical waste and promote the effective use of medicines.
Annual Actions and Results	1. Formosa Pharmaceuticals has consistently been dedicated to developing medicines that address unmet medical needs, with a mission to improve treatment outcomes and quality of life for patients worldwide. Through its proprietary APNT® Active Pharmaceutical (ingredient) Nanoparticle Technology, the Company successfully developed and launched in the United States the ophthalmic corticosteroid Clobetasol Propionate Ophthalmic Suspension (APP13007). Offering a more convenient dosing regimen and enhanced therapeutic efficacy compared to traditional standard treatments, APP13007 has attracted strong attention from ophthalmologists and pharmaceutical companies globally. It is the only new active ingredient ophthalmic corticosteroid introduced worldwide in nearly 15 years. Beyond the United States, Canada, Switzerland, and the European Union—where out-licensing agreements and product registrations have been completed or are actively underway—Formosa Pharmaceuticals has also established licensing partnerships with major local pharmaceutical companies in developing markets, including Mainland China, Brazil, the Middle East, India, and South Africa. In addition, multiple licensing evaluations are simultaneously in progress in Latin America (outside Brazil), Southeast Asia, and other ATMI-designated priority countries. 2. The Company is also developing a biosimilar, TSY-0110, referencing Kadcyla, an antibody-drug conjugate (ADC) indicated for early-stage and metastatic breast cancer. TSY-0110 aims to become the first Kadcyla biosimilar launched in the U.S., Europe, and other major global markets, providing healthcare systems and patients with an alternative solution equivalent in efficacy and safety to the originator. This not only expands patient access to advanced ADC therapies but also helps governments and insurers reduce healthcare expenditures, supporting affordability and accessibility in breast cancer treatment. 3. APP13002, an antibiotic nano-suspension developed using the APNT® technology, has demonstrated therapeutic potential for various ophthalmic and respiratory infections. Meanwhile, TSY-0210, a new chemical entity, targets infections caused by "superbugs" such as methicillin-resistant Staphylococcus aureus (MRSA). Subject to successful clinical development and regulatory approval, it will provide improved treatment options for diseases such as pneumonia and other antimicrobial resistance (AMR)-related infections, particularly those prioritized by ATMI in low- and middle-income economies.

4.6 Clinical Trial Participant Safety

Material Topic	Access to Medicines
Corresponding GRI Disclosure	SASB
Linked SDGs	SDG 3 Good Health and Well-Being
Policy or Commitment	The Company adheres strictly to the ICH Guideline for Good Clinical Practice (GCP).
Indicators and Targets	• Short-term：Define the research objectives, design, and methodology of clinical trials, and develop comprehensive trial protocols based on the characteristics of the drug, disease area requirements, and regulatory standards. • Mid-term：Conduct interim analyses during the trial process to assess efficacy, safety, and feasibility. Where necessary, adjust trial protocols, such as modifying dosage or participant inclusion criteria. • Long-term：Implement post-marketing surveillance to continuously collect data from real-world clinical use and ensure long-term safety of the drug.
Tracking and Management Mechanism	The Company follows ICH GCP guidelines, establishing checkpoints during trial execution, and conducts periodic audits and inspections to ensure trial quality. Any adverse events are reported within the required timeframe in accordance with local clinical trial regulations.
Annual Actions and Results	1. The Company has established a global safety database for investigational products under clinical trials, enabling real-time exchange of adverse event information across regions. 2. To date, there have been no violations of GCP or any serious adverse drug reactions leading to the termination of clinical trials.

4.7 Medicine Affordability and Pricing

Formosa Pharmaceuticals, for Clobetasol Propionate Ophthalmic Suspension (APP13007) entering commercialization or registration in different markets, adopts a licensing partnership model and acts as the supplier. On the one hand, the Company leverages partners' local expertise to obtain regulatory approvals through the fastest pathways; on the other hand, it draws on their market experience to ensure that drug pricing aligns with local socio-economic conditions and payer expectations, thereby maximizing the therapeutic benefits of this product for local post-operative ophthalmology patients. In addition, Formosa Pharmaceuticals secures larger production demand through efficient licensing, ensuring that the greatest number of patients globally can benefit from APP13007 by recovering from post-surgical inflammation and pain to return to normal daily life.

GRI Standards Content Index

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GRI2-2	Entities Included in the Organization's Sustainability Reporting	1.1 Company Overview	p.13
GRI2-3	Reporting Period, Frequency and Contact Point	1.1 Company Overview	p.4
GRI2-4	Restatements of Information	1.1 Company Overview	p.3
GRI2-5	External Assurance	No external assurance/verification was obtained for this reporting year.	N/A
GRI2-6	Activities, Value Chain and Other Business Relationships	1.2 Products and Services	p.17
GRI2-7	Employees	4.1 Employee Recruitment, Development, and Retention	p.43
GRI2-8	Workers Who are Not Employees	4.1 Employee Recruitment, Development, and Retention	N/A
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GRI2-21	Annual Total Compensation Ratio	2.2 Governance Framework	p.28
GRI2-22	Statement on Sustainable Development Strategy	2.1 Policy Commitments	p.23
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GRI2-27	Compliance with Laws and Regulations	2.4 Compliance with Laws and Regulations	p.32
GRI2-28	Membership Associations	None	N/A
GRI2-29	Approach to Stakeholder Engagement	Stakeholder Engagement and Material Topics	p.5
GRI2-30	Collective Bargaining Agreements	The Company has not yet established a labor union and has not signed any collective bargaining agreements.	N/A

Disclosures on Material Topics

GRI Code	GRI Disclosure	Chapter	Page
GRI 3: Material Topics 2021			
GRI3-1	Process to Determine Material topics	Materiality Assessment Process	p.8
GRI3-2	List of Material Topics	Materiality Assessment Process	p.9
GRI3-3	Management of Material Topics	Materiality Assessment Process	p.9

Climate-Related Disclosures for TWSE/TPEx Listed Companies

Item	TCFD Requirements	Response and Explanation
1	Describe the Board of Directors' and management's supervision and governance of climate-related risks and opportunities.	Climate change-related discussions and management are conducted and evaluated by the Sustainable Development Committee, with climate change-related resolutions approved by the Board of Directors. The Sustainable Development Committee has established a task force (Sustainable Development Group) to coordinate with various working groups to collect relevant data and surveys, jointly review the phenomena of climate change and global warming, evaluate the various risks that will affect the company, prioritize them according to their significance, formulate response strategies, management approaches, and implementation plans for these risks, and regularly review the results.
2	Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	Please refer to Report Section 3.3 TCFD.
3	Describe the financial impacts of extreme climate events and transition actions.	1. If extreme climate events occur frequently, affecting suppliers' ability to produce or deliver shipments normally, this will increase the possibility of operational disruptions where factories cannot produce smoothly, resulting in decreased company revenue. Therefore, the Sustainable Development Committee will promptly identify the financial impacts of extreme climate events and transition actions. 2. In response to climate change regulations, there is a need to hire consultants to conduct carbon inventories, TCFD, and IFRS S2 compliance, which will increase labor costs and consulting fees for implementing greenhouse gas inventories. 3. The expenses derived from purchasing renewable energy and installing renewable energy equipment are financial impacts caused by climate events.

Climate-Related Disclosures for TWSE/TPEx Listed Companies

Item	TCFD Requirements	Response and Explanation
4	Describe how the process of identifying, evaluating, and managing climate risks is integrated into the overall risk management system.	The Company integrates its existing risk management process with the future TCFD-aligned risk management process, with the following steps: Step 1 Members of the Sustainability Development Implementation Team collect climate and environmental background information and conduct assessments of climate-related risks and business scope. Step 2 Establish a climate-related risks and opportunities register and develop an internal survey questionnaire to assess operational impacts. Step 3 The Sustainability Development Implementation Team conducts analyses of climate risks, opportunities, and operational impacts, and determines material risk items. Step 4 Develop implementation strategies and set targets. Step 5 Conduct quarterly reviews of strategy implementation and target effectiveness through the Sustainable Development Committee meetings.
5	If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used should be explained.	Currently, scenario analysis has not been used to assess resilience to climate change risks.
6	If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	Currently, there is no transition plan for managing climate- related risks.
7	If internal carbon pricing is used as a planning tool, the basis for pricing should be explained.	Currently, no carbon pricing planning tools are being used.
8	If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	Currently, no climate-related targets have been set. No use of carbon credits or Renewable Energy Certificates (RECs) has yet been undertaken to achieve the related targets.
9	Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan.	Currently, this has not been implemented.

SASB Metrics and Targets

Code	Disclosure Indicator	Reference Sections and Description
Participant Safety in Clinical Trials		
HC-BP-210a.1	Explanation of management processes to ensure medical quality and patient safety across different regions worldwide.	To date, there have been no violations of GCP or any serious adverse drug reactions leading to the termination of clinical trials.
HC-BP-210a.2	With respect to FDA-approved items and the number of projects related to clinical trial management and proactive drug surveillance, the following measures may be adopted: (1) Voluntary Action Indicated(VAI); (2) Official Action Indicated (OAI).	No such cases.
HC-BP-210a.3	Total monetary losses due to legal proceedings associated with clinical drug trials in developing countries	No such cases.
Access to Medicines		
HC-BP-240a.1	Explanation of measures and initiatives to promote the availability of healthcare products for priority diseases and for countries with underdeveloped healthcare conditions (as defined by the Access to Medicine Index).	4.5 Access to Medicines
HC-BP-240a.2	Products listed in the World Health Organization Prequalification of Medicines Programme (PQP)	Formosa Pharmaceuticals has had no such cases.
Medicine Affordability and Pricing		
HC-BP-240b.1	Number of settlements of Abbreviated New Drug Application (ANDA) litigations involving fines and/or mandated delays in the sale of approved medicines	No such cases.
HC-BP-240b.2	Percentage change in average drug prices: (1) Average list price and (2) Average net price of U.S. Products.	HC-BP-240b.2: Product was first launched in the United States in September 2024; no pricing adjustment information is currently available.

SASB Metrics and Targets

Code	Disclosure Indicator	Reference Sections and Description
Drug Safety		
HC-BP-250a.1	Products listed in the FDA Med Watch Safety Alerts database	No company products have been listed in the FDA MedWatch Safety Alerts List.
HC-BP-250a.2	Number of deaths associated with products reported in the FDA Adverse Event Reporting System (FAERS)	0
HC-BP-250a.3	Number of product recalls	0
HC-BP-250a.4	Statistics on products returned, recycled, or disposed of	0
HC-BP-250a.5	Number of FDAenforcement actions for violations of current Good Manufacturing Practices (cGMP)	0
Counterfeit Medicines		
HC-BP-260a.1	Explanation of methods and technologies used to ensure product traceability and prevent counterfeiting across the supply chain	4.4 Counterfeit Medicines
HC-BP-260a.2	Explanation of processes to alert customers and business partners to potential or known counterfeit medicine risks	When any potential or known counterfeit medicine risk is identified, the Company immediately informs its international partners through designated contact representatives via email. The Company coordinates with relevant stakeholders to launch investigations, conduct subsequent risk assessments, and establish immediate corrective actions as well as preventive measures to avoid counterfeit medicines infiltrating the supply chain. As of the reporting date, no such incidents have occurred.
HC-BP-260a.3	Number of actions resulting in raids, seizures, arrests, or criminal charges related to counterfeit medicines	No such cases.
Ethical Marketing		
HC-BP-270a.1	Total monetary losses resulting from legal proceedings related to false marketing claims	No such cases.
HC-BP-270a.2	Explanation of ethical guidelines governing off-label product use	All Formosa Pharmaceuticals products are prescription medicines, and prescribing is strictly in compliance with the Pharmaceutical Affairs Act.

SASB Metrics and Targets

Code	Disclosure Indicator	Reference Sections and Description
Employee Recruitment, Development, and Retention		
HC-BP-330a.1	Explanation of policies for recruitment and retention of scientists and R&D talent	The Company maintains a sound recruitment policy, supported by comprehensive employee benefits and the parent company's group-level welfare programs, which increase motivation for onboarding and retention. Additionally, service awards and competitive compensation policies further enhance employee retention.
HC-BP-330a.2	(1) Voluntary and (2) Involuntary turnover rates: (a) Senior management, (b) Mid-level management, (c) Professionals, and (d) All other employees.	13.64%
HC-BP-430a.1	(1) Percentage of physical facilities and (2) Tier-1 supplier facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party supply chain and ingredient integrity audit programs.	0.00%
Business Ethics		
HC-BP-510a.1	Total monetary losses from legal proceedings related to corruption and bribery	The Company, in accordance with its ethical code governing interactions between employees and healthcare professionals, has established the "Ethical Corporate Management Best Practice Principles" and "Code of Ethical Conduct," thereby implementing policies of ethical business conduct and actively preventing dishonest behavior or any improper gain.
HC-BP-510a.2	Explanation of the Code of Ethics governing interactions with healthcare professionals	The Company, in accordance with its ethical code governing interactions between employees and healthcare professionals, has established the "Ethical Corporate Management Best Practice Principles" and "Code of Ethical Conduct," thereby implementing policies of ethical business conduct and actively preventing dishonest behavior or any improper gain.
Activity Metrics		
HC-BP-000.A	Number of patients treated	N/A
HC-BP-000.B	Number of medicines in the product portfolio Number of medicines in development (Phases 1-3)	1. A total of 5 prescription medicines 2. A total of 4 medicines in development (pre-clinical stage)


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