

# 2024 Sustainability Report



YungShin Global Holding Corporation

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# About the Report

This report is the 2024 Sustainability Report published by YungShin Global Holding Corporation and its subsidiaries (YungShin Group). YungShin Global Holding Corporation (YSH or the Company) is responsible for leading the global market and the development of the pharmaceutical industry chain. YungShin Group has been deeply involved in the medicine and health related industry for many years, actively expanding into various business domains. YungShin Group pays close attention to major issues, with becoming the world leader of the health industry as its development goal.

In response to the stakeholders' key focus sustainability topics, this report discloses information on the strategy, action and actual measures taken by YungShin Group in response to the sustainability issues.

## Compilation Principles

This report follows the main framework provided by the Global Reporting Initiative (GRI) Standards released in 2021. Additionally, it adheres to the operating procedures for preparing and disclosing sustainability reports for listed companies, Climate-Related Information of Listed Companies, Sustainability Accounting Standards Board (SASB) sustainability indicators, and the Task Force on Climate-related Financial Disclosures (TCFD) for climate-related financial disclosures.

All information and statistical data included in this report was obtained from the YungShin Group's own statistics and survey results. The source of financial data is based on consolidated financial statements certified by CPAs and expressed in thousands of New Taiwan Dollars as a unit of measurement. Moreover, the collection, measurement and calculation of data is in line with regulatory requirements. If not specifically mandated by law, the Corporation follows international standards. If there are no applicable international standards, the Company follows industry standards or conventions.

## Reporting Scope and Period GRI 2-2, 2-3

The information entailed in this report focuses on concluded and promoted policies, activities and its performance concerning aspects such as economic situation, environmental sustainability and social development. Except for financial information concerning YSH and all its subsidiaries, the remaining sustainability performance entities vary based on the completeness of materials. For more information concerning Material Topics entailed in this report and the explanation of entity differences included in the Corporation's 2024 consolidated financial report, please refer to Appendix V- Scope of Information Disclosure.

The disclosure period for this report is January 1, 2024 to December 31, 2024, with a portion of performance data tracing back to pre-2023 data or the newest data from 2025. A portion of the contents involve YungShin Group related companies and the organizations under their control, as explained in said paragraphs.

## External Assurance GRI 2-5

Certain sustainability indicators used in this report have been entrusted to the PwC Taiwan to perform limited assurance in accordance with TWSAE3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information". The relevant results were fully communicated with the governance unit upon completion of the assurance work. For more information regarding the Assurance Target and Limited Assurance Report please refer to Appendix VI Summary of Subject Matter Assured and Independent Limited Assurance Report.

## Report Management Methods

The company will publish the sustainability report annually, which will be available to browse and download on the YSH website. The unit responsible for writing and compilation of this report is the Sustainable Development Group. Heads of departments and managers are tasked with exploring the content of each chapter to ensure information accuracy. Following the approval of the resolution, the Sustainable Development Committee and Board of Directors publish the report.

Current release: August 2025

## Contact Information GRI 2-3

In case of any suggestions or questions regarding the contents of this Report, please feel free to contact us.

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## ***"At YungShin, every medicine is made with love for our family and yours"***

In today's global business environment, companies are facing unprecedented challenges, including international conflicts, regional wars, and the negative impacts of climate change. In addition, issues related to international trade tariffs are influencing corporate strategies, as geopolitical tensions and changes in trade policies may lead to supply chain disruptions and market instability. Against this backdrop, businesses need to rethink how to act as responsible citizens of the planet and society, creating a better living environment for future generations. Companies must uphold a responsible attitude, continuously care for the well-being and development of their employees, and, beyond promoting economic growth, seek effective ways to make positive contributions to social culture and human health.

For many years, YungShin Group has been deeply involved in the medicine and health related industries, starting as a local western medicine pharmacy, gradually expanding into an international biotechnology and pharmaceutical group. Enhancing people's health remains YungShin Group's unwavering mission. We deeply understand the unique, crucial sustainability related issues which YungShin Group faces, including environmental protection, human rights as well as climate change. Through full pre-impact preparation and continuous improvement, we aim to ensure our ability to effectively respond to various challenges.

In 2024, YungShin Group expanded the scope of disclosure in its sustainability report, aiming to provide stakeholders with more comprehensive and transparent information. At the same time, we engaged an independent third party to perform assurance on key performance indicators. Looking ahead, YungShin Group remains committed to continuously enhancing the quality of its sustainability reporting. Through annual sustainability reports, we strive to foster meaningful dialogue with stakeholders, not only fulfilling our corporate social responsibility, but also driving continuous progress in our sustainable business practices through consistent reporting mechanisms.

In the area of Corporate Governance, YungShin Group successfully completed its triennial Board of Directors election. We remain committed to the fundamental principles of ethical business conduct and legal compliance. In addition, we have established a Sustainable Development Committee with independent Directors taking half of the seats, and formed a Sustainable Development Group, responsible for managing and executing YungShin Group's sustainable development. Through sound governance and institutional frameworks, we aim to effectively address the challenges posed by various sustainability issues.

Regarding Environment Management, YungShin Group expanded the boundary of its greenhouse gas inventory this year and implemented Greenhouse Gas Inventory ahead of the regulatory deadline. We continue to track and manage environmental resource consumption, and have actively spared no effort devising and pushing for multiple energy conservation projects, water conservation projects, and waste reduction projects. Doing our best for the environment and energy conservation.

At the employee level, YungShin Group continues to invest in human resource development, employee training and education, occupational safety and health, as well as compensation and benefits. At the societal level, we remain committed to promoting human health through diverse initiatives, including free medical consultations and home visits, elderly care and social welfare programs, scholarships and academic sponsorships, and even the adoption of a dog-friendly sports park.

We bear the responsibility of living up to our stakeholders' expectations. We work with steadiness and pragmatism to fulfill our mission: protecting health, creating beauty and spreading happiness.



YungShin Global Holding Corporation  
Chairman

# ESG Highlights

# 2024

## S

Employee

The 2023 greenhouse gas emissions of YSH and YSP's Dingdian Factory, Youth Factory, Youth Factory II and Youth Factory III have obtained **ISO 14064-1** verification.

The quality of drainage wastewater from primary production sites corresponded fully with local regulations and was far from reaching the limit.

The injection factory recycled water reuse reached **11,500 tons** (kiloliter).

Commissioned for waste collection and disposal Contractors was **100%** qualified and compliant.

No significant violations of the Waste Disposal Act or other environmental regulations have been recorded.

**76%** of hazardous waste was properly treated and subsequently recycled or reused.

Local procurement ratio reaches **75%** at major production sites.

**100%** of YSP's suppliers signed the Supplier Integrity Commitment Letter.

## E

Environment

**Zero** confirmed cases of workplace abuse or sexual harassment.

The employees identifying as Indigenous and those with disabilities represented 1.95% of the workforce in Taiwan, with the proportion showing steady growth over the past three years.

YSP was honored with the "Merit Award" in the 2024 Labor Proposal Golden Award by the Central Taiwan Branch of the Workforce Development Agency, Ministry of Labor.

YSP received a "Four Star Award" in the 2024 Taichung City Happy Workplace Award Program.

Parental leave worker return rate reached **91%** and retention rate reached **88%**.

All of the primary production sites have implemented occupational health and safety management system that cover **100%** of all workers, activities and workplaces.

The Occupational Health and Safety (OHS) Committee of all the primary production sites have convened 4 meetings in total.

OHS Committees of all primary production sites are composed of representatives from labor and management, with the former occupying more than 30% of the seats.

The number of relevant Occupational Safety training attendees reached **1,226 people**.

The total training hours reached **4,824 hours**.

## P

Products

Intellectual property coverage encompasses Taiwan, China, Japan, South Korea, the EU, the Americas, and Southeast Asia.

Product safety **100%** compliant with regulations.

**Zero** significant instances of product recalls.

5 factories in Taiwan underwent a total of 8 external inspections and successfully passed all inspections.

**Zero** significant violations of health and safety regulations related to products and services.

**Zero** complaints were received from regulatory authorities regarding product safety.

No incidents involving breaches of customer privacy were reported.

No recorded instances of breach of client's privacy or complaints caused by loss of customer information.

## S

Society

**17 people** have been chosen as the TienTe Lee Biomedical Awards recipients.

Home Service cases record an average of **208 registered cases** each month.

Home Bath Service reached **2,417 registered cases**, including 1 case from remote area and 44 cases from disadvantaged, severely bedridden individuals.

Community care services provided a total of **1,364** instances of home visits and telephone check-ins.

The 2024 Domestic Elderly Welfare Agencies Sports Competition brought together **25** elderly welfare institutions and **248** elderly participants.

Held the 51st YungShin Cup Volleyball Championships, with the number of participants reaching **354 teams**.

Hosted 2 industry-expert campus lectures, with total number of students reaching **47 people**.

No significant events of dishonesty or violation of ethics.

**100%** of new employees have signed the Employee Code of Conduct Approval Form.

Locations implementing the Supplier Integrity Commitment Letter signing system, **100%** of suppliers signing Supplier Integrity Commitment Letter.

No significant events of law violation.

**100%** of the required personnel have completed relevant Ethical Corporate Management training.

**Zero** confirmed cases of corruption.

## G

Corporate Governance

# 01

## The Mission of YungShin

- 1.1 Sustainability Management Blueprint
- 1.2 Material Topics

# 1.1 Sustainability Management Blueprint

## 1.1.1 YungShin Group Overview GRI 2-1, 2-6

### YungShin Global Holding Corporation (Stock Code. 3705)

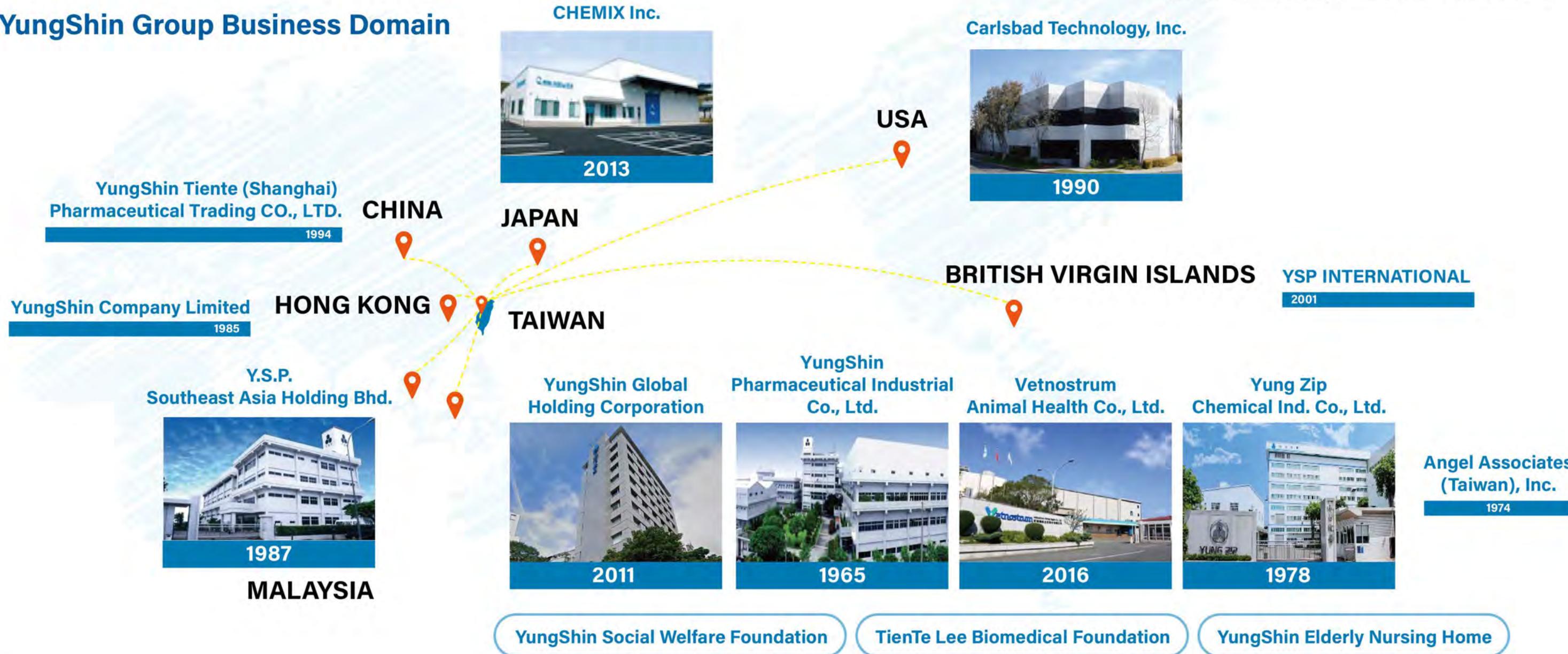
Incorporation Date	January 3, 2011	Headquarters	11F, No. 181, Section 3, Minchuan East Road, Songshan Dist., Taipei City	Contributed Capital	NT\$ 2,664,230 thousand
Consolidated Total Assets	NT\$ 13,798,142 thousand	Consolidated Total Equity	NT\$ 9,976,372 thousand	Operating Locations	Taiwan, Southeast Asia, Japan, United States and China
Key Products	Human pharmaceuticals, Health supplements, Veterinary pharmaceuticals, Feed additives, Active pharmaceutical ingredients (APIs)	Primary Market	Taiwan, United States, China, Japan, Malaysia	Industry Category	Biotechnology and Healthcare

Note:

1. For the period ended 31 December, 2024.

2. Consolidated total assets, total equity are audited by Certified Public Accountants (CPAs).

### YungShin Group Business Domain





# GROUP HISTORY

## 1952

The founder, Mr. Tien-Te Lee established "YungShin Pharmacy" in Dajia District, Taichung.



行藥西信永

## 1965

The founder, Mr. Tien-Te Lee established "YungShin Pharm. Ind. Co. Ltd." (YSP).



## 1966

The health authority office rated the enterprise as "Class A comprehensive pharmaceutical factory".



## 1974

With the help of the Rotarians of Dajia District and Taiwan Provincial Education Association, the YungShin Cup Volleyball Championships were created. Investment and establishment of "Angel Associates (Taiwan), Inc." (AAT) engaged in import and export trading.

## 1975

Construction of Tie-Jhen Mountain Recreation and Activity Center for the employees, providing employees with a space dedicated to leisure and recreational activities.

## 1978

Investment and establishment of "Yung Zip Chemical Ind. Co, Ltd." (YZC) engaged in manufacturing of western medicine and active pharmaceutical ingredients.

Establishment of YungShin Social Welfare Foundation focusing on charity and welfare programs that contribute to the society. The foundation also worked on emergency relief programs and hosted youth activities, such as "YungShin Cup Volleyball Championships".

## 1984

Establishment of "YungShin Daycare Center" responsible for child-care services.

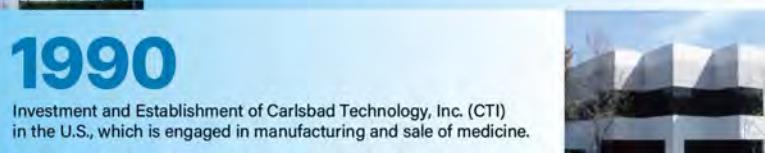


## 1987

Investment and Establishment of Y.S.P. Southeast Asia Holding (YSP SAH), which is engaged in biological products technology R&D and technology.

## 1990

Investment and Establishment of Carlsbad Technology, Inc. (CTI) in the U.S., which is engaged in manufacturing and sale of medicine.



## 1993

YSP enters the Taiwan Stock Exchange market (stock code: 1716).

## 1994

### YSP

- Received the second edition Excellence Award for Outstanding Development in Industrial Technology.
- The Corporation's cosmetics entered the market. Medicine products passed the Japan's Ministry of Health and Welfare inspection and has been approved to enter the Japanese market.
- Investment and Establishment of "YungShin Pharmaceutical Ind. (Kunshan) Co, Ltd." In China, which is engaged in production and marketing of western medicine, patent drugs, active pharmaceutical ingredients, chemical intermediates and other products.
- The former "Shanghai Yung Zip Pharmaceutical Trading Co, Ltd." was renamed as "Yungshin Tiente (Shanghai) Pharmaceutical Trading Co, Ltd." (Yungshin Tiente) in August 2023. It engages in international trade, inter-enterprise duty-free zone trade and serves as a regional trade agent.

### YZC

- Became the first API manufacturer in the country to implement GMP.

## 1998

### YSP

- Received the Golden Quality Award in the category of Pharmaceutical Factory from the National Pharmaceutical Quality Award.
- Keto has obtained a Golden Quality Award in the category of Single Drug.

### YZC

- Received the Finalist Award in the Category of Pharmaceutical Factory from the National Pharmaceutical Quality Award.

## 1999

### YSP

- Received the Excellence Award in Industrial Technology 7th edition from the Ministry of Economic Affairs.
- Received the Benchmark Award in the Category of Industrial Reputation from the Common Wealth Magazine.

## 2000

YSP received another Benchmark Award in the Category of Industrial Reputation from the Common Wealth Magazine.

## 2004

YSP received four certifications from the U.S. FDA (Cephalexin, Cephalclor, Pancrelipase, and Meloxicam).

Y.S.P. Southeast Asia Holding (Y.S.P. SAH) listed on the market (stock code: 7178).

Establishment of TienTe Lee Biomedical Foundation, upholding the goal of "promoting education and research of medical relevant disciplines", advocate for improving Taiwan's standards of medical research and establish roots in the industry.

## 2007

## 2008

### YSP

- Obtained the Foreign Manufacturer Certificate from the Japan Ministry of Health and Welfare Approved Aseptic Preparations.
- Received the "Industrial Sustainable Excellence Award" and the "National Sustainable Development Award".

### YZC

- Obtained the Kosher certification.

## 2010

### YSP

- Once again passed the U.S. FDA facility inspection with zero Form 483 deficiencies.
- EYES laboratory has been established.
- Received the 18th Outstanding Enterprise Innovation Award from Ministry of Economic Affairs.

## 2013

Acquired 100% of shares of "Chemix Inc" (Chemix) in Japan, which engages in the sale of medicine. YSP received the 1st Taiwan Mittelstand Award.



## 2016

The subsidiary YSP forayed into animal health sector and invested in 100% of the shares of "Zoetis Biotech Manufacturing Limited" and renamed it as "Vetnostrum Animal Health Co, Ltd." (Vetnostrum)

YSP biotech food factory obtained the ISO 9001:2015 certification and continued to comply with the FSSC 22000 & HACCP certification.



## 2017

## 2019

### YSP

- HAC Smooth Probiotics Powder received the Monde Selection Gold Award.
- Passed the U.S. FDA Dosage Form (Stazyme F.C. Tab) PAI inspection.
- YSP received the "Sports Enterprise Certificate" and the "Sports Promoter Award" from the Sports Administration, Ministry of Education.
- Received the D&B TOP 1000 Elite SME Award.

## 2001

Establishment of "YSP International Company Limited" (YSP INC) in the British Virgin Islands, which is engaged in investment in other relevant businesses.

YungShin Elderly Nursing Home officially completed and fully operational. YSP received the CSR Award from the Ministry of Economic Affairs. Pacitaxel, a new anti-cancer drug was officially listed in the National Health Insurance, commercially produced and launched in the market.

YZP entered the Taipei Exchange (TPEX) (stock code: 4102)

## 2009

### YSP

- Became Taiwan's first drug manufacturer that passed PIC/S GMP certification proving its pharmaceuticals are in line with international standards.
- The Youth Factory and Youth Factory III passed the one-site inspection of Japanese PMDA.

### YZC

- Obtained the UK MHRA GMP certification.

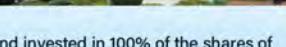
## 2011

### YSP

- Awarded the "First Brand in Taiwan" in the pharmaceutical industry in 2011.

After a share swap, YSH was formed and listed on Taiwan Stock Exchange (stock code: 3705).

YSP became a YSH subsidiary with 100% investment and remains publicly listed.



## 2016

The subsidiary YSP forayed into animal health sector and invested in 100% of the shares of "Zoetis Biotech Manufacturing Limited" and renamed it as "Vetnostrum Animal Health Co, Ltd." (Vetnostrum)

YSP biotech food factory obtained the ISO 9001:2015 certification and continued to comply with the FSSC 22000 & HACCP certification.

## 2019

### YSP

- HAC Smooth Probiotics Powder received the Monde Selection Gold Award.
- Passed the U.S. FDA Dosage Form (Stazyme F.C. Tab) PAI inspection.
- YSP received the "Sports Enterprise Certificate" and the "Sports Promoter Award" from the Sports Administration, Ministry of Education.
- Received the D&B TOP 1000 Elite SME Award.

## 2020

The Youth Factory II was Taiwan's first animal enzyme factory to obtain the new FAMI-QS 6.0 certification.

HAC LiqLutein II Capsules received the Monde Selection Gold Award and Japan SILVER PAVONE AWARD - Premium Quality.

HAC Champion (Sesame Flavor) received the Monde Selection Silver Award.

HAC Smooth Probiotics Powder received the Japan BRONZE PAVONE AWARD - Premium Quality.

Received the "2020 Taiwan BIO Award", and was the only domestic pharmaceutical manufacturer to receive the "Industry Gold Award".

Once again received the "Sports Promoter Award" from the Sports Administration, Ministry of Education.

### Vetnostrum

CRIF Business Performance TOP 500 / 21st place in the Pharmaceutical Industry (1st place in the animal pharmaceutical industry).

Received the "D&B TOP 1000 Elite SME Award".

Obtained the Badge of Accredited Healthy Workplace from the Health Promotion Administration, Ministry of Health and Welfare.

Received the 29th National Award of Outstanding SMEs.

### Vetnostrum

CRIF Business Performance TOP 500 / 21st place in the Pharmaceutical Industry (1st place in the animal pharmaceutical industry).

Received the "D&B TOP 1000 Elite SME Award".

Obtained the "Agribusiness Science & Technology Innovation Award" hosted by the Ministry of Agriculture.

Received the "D&B TOP 1000 Elite SME Award".

### YZC

Obtained GMP certification through evaluation by Taiwan's TFDA.

## 2022

YSH restructured its organizational framework, integrated the Group's resources to maximize the benefits and disposed of its shares in "YungShin Pharm. Ind. (Kunshan) Co, Ltd".

### YSP

HAC received The "National Brand Yushan Award" in the Best Popular Brand category.

HAC Ubiquinol Softgels received the 2022 Monde Selection Gold Award.

HAC LiqLutein II Capsules (upgraded recipe) received the "National Brand Yushan Award" in the Best Product category.

Once again received the "Sports Enterprise Certificate".

### Vetnostrum

Completed Initial Public Offering (IPO) on November 30, 2022.

## 2023

"Shanghai Yung Zip Pharm. Trading Co, Ltd." was renamed as "YungShin Tiente (Shanghai) Pharmaceutical Trading CO, LTD". (YungShin Tiente).

### YSP

Acer Medical follows YSP in VeriSee DR AI medical materials promotion expansion.

### Vetnostrum

Recognized by the "Golden Merchant Award".

Became Taiwan's first WHO GMP certified animal medicine manufacturer.

Green feed additives continue to receive certifications in Southeast Asia.

Listed on the Emerging Stock Board on March 24, 2023, it became the first animal medicine manufacturer to be publicly listed.

### YZC

Received GMP quality system inspection approval for Active Pharmaceutical Ingredients (API) from the U.S. FDA.

Obtained GMP/GDP certification following a follow-up inspection by Taiwan's FDA.

## 2024

### YSP

Awarded the Four-Star Award in the 2024 Taichung City Happy Workplace Award Program.

Received the Merit Award in the 2024 2nd Labor Proposal Golden Award in the Labor Development and Utilization Category.

### Vetnostrum

Passed the Pet Food Factory Inspection.

### YZC

Obtained ISO 45001 certification by AFNOR Group.

Verified for ISO 14064-1 Greenhouse Gas Inventor certification by AFNOR Group.



## Membership Associations GRI 2-28

YungShin Group actively takes part in relevant industry associations and responds to external initiatives. To establish relations of mutual cooperation, the Group takes part in exchanges with peers from the industry and learns from them as a co-member.

Entity	Participating Association	Participation Status
YSH	Taiwan Industrial Holding Association	Member
YSP	Taichung City First Pharmaceutical Commercial Association	Member
YSP	Greater Taichung Pharmacists Association	Member
YSP	Taiwan Pharmaceutical Manufacturer's Association	Member
YSP	Taiwan Parenteral Drug Association (TPDA)	Member
YSP	Taiwan Pharmaceutical Manufacture and Development Association (TPMDA)	Member
YSP	Interlibrary Cooperation Association	Member
YSP	Taichung City Cosmetics Industry Association	Member
YSP	Taiwan Medical and Biotech Industry Association	Member
YSP	Taiwan Generic Pharmaceutical Association	Member
YSP	Taiwan Pharmaceutical Marketing & Management Association	Member
YSP	TienTe Lee Biomedical Awards Laureate Club	Member
YSP	Taiwan Bio Industry Organization	Member
YSP	GS1 Taiwan	Member
YSP	Small Molecule Drug Development Industry Alliance (Industrial Technology Research Institute)	Member
YSP	Institute for Biotechnology and Medicine Industry	Member
YSP	The Pharmaceutical Society of Taiwan	Member
YSP	Taiwan Functional Food Industry Association	Member
YSP	Taiwan Food Industry Development Association	Member

Entity	Participating Association	Participation Status
YSP	Taiwan Society of Regulatory Affairs for Medical Products (TSRAP)	Member
YSP	Taiwan Association of Dysphagia (TAD)	Member
YSP	Taiwan Self-Care Industry Association (TSCIA)	Member
YSP	Chinese Taipei Volleyball Association	Member
YSP	Association of Taiwan Bio-based and Sustainable Material Industry	Member
YSP	Taiwan BioTech Association	Member
YSP	The General Incorporated Association of International Foods and Nutrition - Japan	Member
YSP	Japan Health and Nutrition Food Association	Member
YSP	Taiwan Health Care Association	Member
YSP	Chinese HACCP Development Association	Member
YSP	Importers and Exporters Association of Taipei	Member
YSP	Taichung Dajia Tourist Shopping District Management Committee	Member
YSP	Taichung Distinguished Stores Association	Member
YSP	Medical and Pharmaceutical Industry Technology and Development Center	Member
YSP	Taichung Commercial Association of Feeds and Animal Health Products	Member
Vetnostrum	Taiwan Feed Industry Association	Member
Vetnostrum	Taiwan Animal Pharmaceuticals and Health Industry Association	Member
Vetnostrum	Taipei Commercial Association of Feeds and Animal Health Products	Member
Chemix	Kansai Pharmaceutical Industries Association	Member
Chemix	The Yokohama Chamber of Commerce and Industry	Member

## 1.1.2 Sustainable Governance Framework

GRI 2-12, 2-13, 2-14

### Sustainability Development Management Strategy

YungShin Group places "Respect for Life" at the core of its sustainability strategy, establishing 4 Strategic Cores:

1. Navigating toward a sustainable future through innovation
2. Creating trustworthy choices with genuine care
3. Upholding integrity as core value to exemplify accountability
4. Practicing social compassion with a loving heart

These principles emphasize that during business operations, we must always remember that humanity and all forms of life are part of the Earth's ecosystem, not its rulers. Therefore, YungShin Group actively seeks a balance between corporate growth, social sustainability, and environmental protection, aiming for the harmonious and enduring coexistence of all life.

Based on these 4 Strategic Cores, and with reference to the United Nations Sustainable Development Goals (SDGs) and the results of the Group's material topics assessment, YungShin Group has developed a strategic blueprint for sustainability through internal discussions. This blueprint serves as the framework of the Group's long-term sustainability efforts.

### Navigating Toward a Sustainable Future through Innovation

Environmentally Responsible Operations x  
Promotion of Circular Economy



Digitalization/Automated/Intelligent Management |  
Energy Efficiency Improvement |  
Supply Chain Management |  
Application of Green Innovation Technologies |  
Sustainable Product Innovation

GHG Emissions Management

Waste Management Water Stewardship

Energy Management



### Respect for Life

Striving for a perfect balance between corporate development, social sustainability, and environmental protection to achieve harmonious coexistence for all living beings.

### Creating Trustworthy Choices with Genuine Care

Ensuring Product Safety and Quality x  
Full Protection of Customer Rights



Strict Quality Control |  
Safeguarding Customer Health

Customer Health and Safety

Customer Privacy

### Upholding Integrity as Core Value to Exemplify Accountability

Open and Transparent Governance  
x Compliance with Legal Regulations



Ethical Business Practices and Legal Compliance |  
Transparency of Public Information

Integrity in Operations Economic Performance

Climate Change and Regulatory Risk Management

Marketing and Labeling

### Strategic Core

### Pillars

### Directions

### Material Topics

### Practicing Social Compassion with a Loving Heart

Safe and Fulfilling Workplace x  
Social Caring Initiatives



Reasonable Employee Benefits |  
Comprehensive Talent Development |  
Broad Career Development Opportunities |  
Community Involvement and Social Welfare

Occupational Health and Safety

Labor and Employment Relations Corporate Image

### Navigating toward a sustainable future through innovation

Sustainable Development Strategy	(SDGs)	Material Topics	Management of Material Topics
Through innovation, we integrate sustainability into our business operations to achieve a balanced approach between corporate growth and environmental responsibility. This reflects our commitment to respecting all forms of life and fostering a future of shared, sustainable existence.	SDG 12 Responsible Consumption and Production SDG 13 Climate Action SDG 11 Sustainable Cities and Communities SDG 6 Clean Water and Sanitation SDG 7 Affordable and Clean Energy	Waste Management Energy Management Greenhouse Gas (GHG) Management Water Stewardship	4.3 Waste Management 4.1 Energy and Greenhouse Gas Management 4.1 Energy and Greenhouse Gas Management 4.2 Water Stewardship

### Creating trustworthy choices with genuine care

Sustainable Development Strategy	(SDGs)	Material Topics	Management of Material Topics
With genuine and wholehearted love, we are committed to supplying safe, reliable, and high-quality products to our customers, striving to be a trusted and dependable presence in their lives.	SDG 3 Good Health and Well-Being	Customer Privacy Customer Health and Safety	3.3 Customer Rights Protection 3.2 Product Safety Responsibility

### Upholding integrity as core value to exemplify accountability

Sustainable Development Strategy	(SDGs)	Material Topics	Management of Material Topics
Upholding the Group's core value of 'Integrity Forever,' we adhere to principles of honesty throughout our operations. We foster mutual trust and respect with all stakeholders, working together to achieve shared success.	SDG 16 Peace, Justice and Strong Institutions SDG 8 Decent Work and Economic Growth	Integrity in Operations Economic Performance Climate Change and Regulatory Risk Management Marketing and Labeling	2.2 Integrity in Operations 2.3 Operational Performance 2.4 Risk Management 2.4 Risk Management

### Practicing social compassion with a loving heart

Sustainable Development Strategy	(SDGs)	Material Topics	Management of Material Topics
With a heart of compassion, we embed care and love for people and society into our operations. Internally, we take responsibility for the well-being of our employees; externally, we leverage our influence to benefit the broader society.	SDG 3 Good Health and Well-Being SDG 8 Decent Work and Economic Growth	Occupational Health and Safety Labor and Employment Relations Corporate Image	5.3 Workplace Safety 5.1 Human Resources 6.1 Social Participation Concept

## Sustainable Development Committee

To carry out and manage our sustainable system, YSH established the Sustainable Development Committee on November 9, 2022. This entity, a functional committee of the Board of Directors, is primarily established to assist the board in planning and supervising the Corporation's sustainable development strategies. The committee is composed of five directors, among which are three independent directors and Mr. Fang-Hsin Lee, who serves as the Chairman. Its functions include: (1) Formulation of the annual sustainability development plan and strategic direction. (2) Formulation of sustainability-related projects and activity plans. (3) Tracking and reviewing the effective implementation of the annual sustainability plan, strategic direction, projects, and activity plans. (4) Decision-making on other sustainability-related matters.

Sustainable Development Task Force has been established under the Sustainable Development Committee, which is further divided into five subgroups based on sustainability dimensions: Corporate Governance, Social Involvement, Human Resources, Products and Services and Environmental Sustainability. The task force is primarily responsible for assisting in the establishment of a sustainable operational mechanism, formulating plans, and promoting related initiatives. Its duties include identifying sustainability issues relevant to the company's operations and of concern to stakeholders, developing corresponding strategies and working guidelines, planning and executing annual programs, and tracking implementation effectiveness to ensure the full realization of the company's sustainability strategies.

The Sustainability Development Committee reports annually to the Board of Directors on the implementation outcomes of sustainability initiatives and outlines the plans for future actions. In 2024, the Sustainability Development Committee convened one meeting to review the 2023 Sustainability Report and the progress of ESG initiatives across the YungShin Group. The agenda included: (1) The execution process and progress of the sustainable development blueprint, (2) The progress of refining the execution process of sustainability reports, and (3) The progress of greenhouse gas inventory execution process, (4) Briefing on recent sustainability-related laws and regulations. Each year, the Board of Directors reviews the progress report, examines the progress of strategy implementation and urges the Sustainable Development Task Force to implement necessary revisions when required.



## 1.2 Material Topics

YungShin Group uses the "Sustainable Development Reporting Standards Traditional Chinese Translation, October 2021" provided by the Global Reporting Initiative (GRI) as reference for the sustainable industry trend. The group also adheres to the SASB, TCFD and other significant domestic and international regulations for development. The Group complies with crucial principles, using systematization to identify crucial stakeholders and sustainability related issues. The following long term crucial management directions and goals serve as a basic framework of the Sustainable Development Report. In 2024, the Sustainability Development Task Force conducted a reassessment of material topics and expanded the scope of the impact survey. As a result, 13 material topics were identified.

### YungShin Group Identification Process of Material Topics

<b>Step 1</b> <b>Identify Stakeholders</b> 8 categories of stakeholders	According to dependencies, responsibilities, influences, diverse perspectives, tension, a stakeholder identification internal meeting has been convened. The process and scope of influence the stakeholders hold over YungShin Group has been examined, after which 8 categories of stakeholders were defined, including investors, employees, clients/product users, government agencies, neighborhood communities, suppliers/contractors/distributors, the media and non-profit organizations.
<b>Step 2</b> <b>Sustainability Topic Selection</b> 22 Sustainability related issues	To practice sustainability and respond to the global development trends, in accordance with Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by Taiwan Stock Exchange (TWSE) Listed Companies, the group adopts GRI standards as crucial subjects for consideration. In consideration of SDGs, SASB, TCFD, relevant industry issues and stakeholder discussion process, the Group has selected, collected and organized 22 related sustainability topics.
<b>Step 3</b> <b>Assess the Significance of the Impacts</b>	The issue of Impact Assessment Survey was presented to the Group's management and Sustainable Development Task Force members, which comprises a further investigation into actual and potential positive and negative level of impact the 22 topics would have on three aspects: the environment, economy and people (including human rights). Based on the survey results, each of the sustainability topics impact level was given a score.
<b>Step 4</b> <b>Prioritize the most Significant Impacts for Reporting</b> 13 Material Topics	Based on the results of the previous assessment and the impact intensity ranking from Step 3, the Sustainability Development Task Force initially selected the top 12 sustainability topics. Taking into account stakeholder concerns particularly regarding labor practices, waste management, and water stewardship, the list was expanded to 15 topics. After consolidating certain topics, a final list of 13 material sustainability topics was confirmed. These include: Waste Management, Energy Management, Greenhouse Gas Management, Water Stewardship, Occupational Health and Safety, Labor and Employment Relations, Corporate Image, Integrity in Operations, Climate Change and Regulatory Compliance Risk Management, Economic Performance, Marketing and Labeling, Customer Privacy, and Customer Health and Safety.

The YungShin Group has integrated the material sustainability topics into its sustainability strategy framework and formulated the corresponding management approaches. In alignment with reporting requirements, this report discloses the relevant information, covering the management approaches and the 16 corresponding GRI Topic Standards.

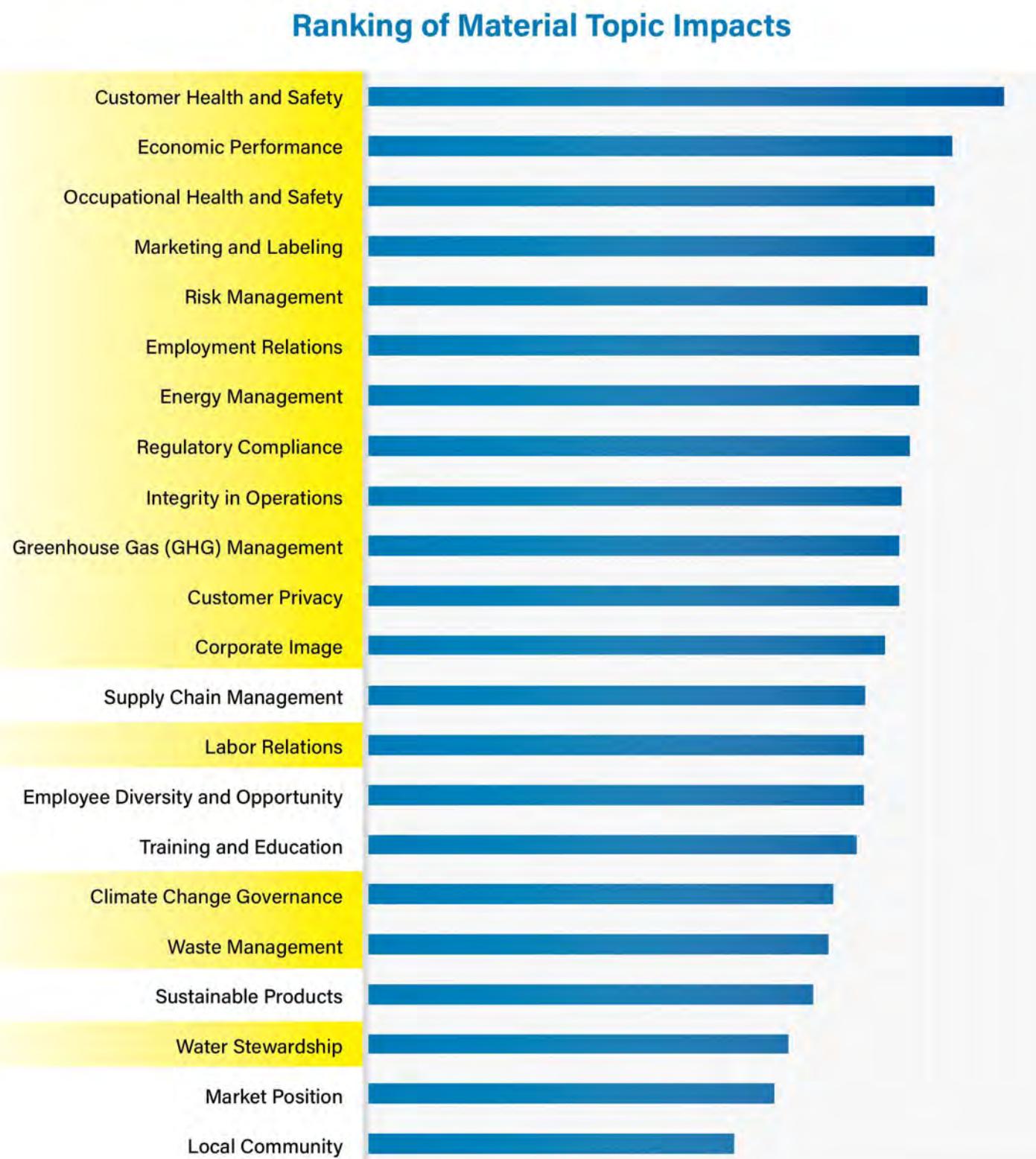
## 1.2.1 Stakeholder Identification GRI 2-29

YungShin Group evaluates the relevance and influence of stakeholders based on five dimensions: dependency, responsibility, influence, diverse perspectives, and tension. Through this assessment, the Group has identified 8 key stakeholder categories. Each stakeholder group holds unique importance to YungShin Group and is concerned with specific sustainability issues. In addition to establishing communication and dialogue channels and actively listening to stakeholder feedback, YungShin Group also incorporates stakeholder perspectives into the identification of material topics and the formulation of management strategies, ensuring appropriate and proactive responses to their concerns.

Stakeholders	Importance to the YungShin Group	Focus Sustainability Topics	Communication Channels and Frequency	Communication Performance in 2024
Investors	Investors are people of authority and funding providers of the corporation. The corporation is obligated to be responsible for shareholders and to protect their rights and interests.	Economic Performance, Integrity in Operations, Climate Change and Regulatory Risk Management, Corporate Image	<ul style="list-style-type: none"> <li>General Meeting (Annually)</li> <li>Investor Conferences (Annually)</li> <li>Announce Information on the Market Observation Post System or the Official Website (Non-Periodically)</li> <li>Specially designed email and telephone</li> </ul>	<ul style="list-style-type: none"> <li>Convened 1 Annual General Meeting</li> <li>Attended 2 Investor Conferences</li> <li>53 Important Announcements Published on the Market Observation Post System, monthly revenue announcement and quarterly financial information announcement</li> <li>Non-periodic shareholder Q&amp;A tel</li> </ul>
Supplier/Contractor/Distributor	Suppliers are an important cooperation partner in terms of value chain as well as on the road towards implementation of sustainability policies	Integrity in Operations, Economic Performance, Customer Privacy, Climate Change and Regulatory Risk Management	<ul style="list-style-type: none"> <li>Telephone, email (Non-Periodically)</li> <li>Scheduled Supplier Evaluation (Annually)</li> <li>Supplier Visit</li> </ul>	<ul style="list-style-type: none"> <li>Conducted Supplier Evaluation</li> </ul>
Client/Product User	Medicine users represent the primary source of revenue for the Group. The Group consciously provides high-quality products and maintains good relationship with the customers.	Integrity in Operations, Customer Privacy, Customer Health and Safety, Marketing and Labeling, Climate Change and Regulatory Risk Management	<ul style="list-style-type: none"> <li>Email</li> <li>Telephone</li> <li>Customer Visit</li> </ul>	<ul style="list-style-type: none"> <li>Email : 2024 YungShin Website consultation and email received 630 emails, including 440 that response via mail and 190 that were responded to through a phone call</li> <li>Telephone : An estimated number of 127,896 incoming calls concerning product consultation. The number of the redirected calls by the company central system was approximately 10,760 calls</li> </ul>
Employees	Employees are the driving force of corporation's operation and growth. The Group pays attention to employee rights, interests and obligations, enhancing employee happiness, coming together to build the future of sustainable development.	Labor and Employment Relations, Occupational Health and Safety, Corporate Image, Economic Performance	<ul style="list-style-type: none"> <li>Education and Training</li> <li>Establish Employee Complaint Mechanism</li> <li>Hold Labor and Capital Communication Meetings to improve communication (Quarterly)</li> </ul>	<ul style="list-style-type: none"> <li>Average training hours per employee reached 18.59 hours</li> <li>Hold Labor and Capital Communication Meeting</li> </ul>
Governmental Agencies	Medicine management system and scope makers as well as supervisors, The Corporation must pay attention to and abide by government policies of each operation and production location.	Climate Change and Regulatory Risk Management, Economic Performance, Integrity in Operations, Marketing and Labeling, Customer Privacy, Customer Health and Safety	<ul style="list-style-type: none"> <li>Attend symposiums, forums and public hearings</li> <li>Official Correspondence.</li> <li>Email or telephone (Non-Periodically)</li> </ul>	<ul style="list-style-type: none"> <li>Attend 3 promotional seminars organized by TWSE, and 2 by the Taipei Exchange (TPEx).</li> </ul>
Neighborhood Community	The region of location has a deep connection with the Corporation. The Corporation must be careful whether the operational activities have a negative impact on production and potential clients.	Corporate Image, Integrity in Operations, Climate Change and Regulatory Risk Management, Waste Management, Energy Management, Greenhouse Gas Management, Water Stewardship	<ul style="list-style-type: none"> <li>Hold charity activities</li> <li>Designated personnels conduct periodic visits to community leaders (Non-Periodically)</li> </ul>	<ul style="list-style-type: none"> <li>Visit to community leaders (Non-Periodically)</li> <li>Mazu Incense Offering Tour</li> <li>Attending school anniversary events and graduation ceremonies</li> </ul>
Media	The media serves as a significant force in shaping societal knowledge. It plays an important role in influencing the corporation image, therefore the Group should pay attention to its image and reputation.	Integrity in Operations, Corporate Image, Climate Change and Regulatory Risk Management, Economic Performance	<ul style="list-style-type: none"> <li>Press release (Non-Periodically)</li> <li>Investor Conferences (Annually)</li> <li>Telephone, email (Non-Periodically)</li> </ul>	<ul style="list-style-type: none"> <li>Attended 2 Investor Conferences</li> </ul>
Non-profit Organization	Enhance the Group's involvement with social welfare channels through non-profit organizations. This way, the Group can fulfill its social responsibility.	Integrity in Operations, Corporate Image	<ul style="list-style-type: none"> <li>Involvement in Social Welfare Events</li> <li>Industry and Academic Events</li> </ul>	<ul style="list-style-type: none"> <li>To encourage outstanding pharmaceutical technology R&amp;D scholars, The Group has been hosting the YungShin TienTe Lee Biomedical Awards for 20 consecutive years.</li> <li>Hosted TienTe Lee Award Laureate Club Academic Activities.</li> <li>Hosted Biomedical Camp activities and lectures.</li> <li>Hosted Domestic Elderly Welfare Agencies Sports Competitions with the number of participating units reaching 25 organizations.</li> <li>Provide summer and long-term internship opportunities.</li> <li>Hold professional lectures.</li> </ul>

## 1.2.2 Identification of Material Topics GRI 3-1, 3-2

The Sustainability Development Task Force evaluated 22 material topics based on their actual or potential impacts—both positive and negative—on the economy, environment, and people (including human rights) across the value chain. Each topic was assessed for the degree and likelihood of impact and ranked accordingly. The evaluation results are illustrated in the chart below:



Based on the materiality impact ranking, taking into consideration stakeholder concerns and consolidating certain topics, a final list of 13 material topics was established for 2024. The differences compared with the 2023 material topics are presented below.

No.	2024 Material Topic	Aspect	Comparison with 2023
1	Customer Health and Safety	Product	✓
2	Economic Performance	Governance	✓
3	Occupational Health and Safety	Society	✓
4	Marketing and Labeling	Governance	✓
5	Climate Change and Regulatory Risk Management <sup>1</sup>	Governance	New
6	Employment Relations	Society	✓
7	Labor Relations <sup>2</sup>	Society	Retained
8	Energy Management	Environment	✓
9	Integrity in Operations	Governance	✓
10	Greenhouse Gas Management	Environment	✓
11	Customer Privacy	Product	✓
12	Corporate Image	Society	✓
13	Waste Management <sup>2</sup>	Environment	Retained
14	Water Stewardship <sup>2</sup>	Environment	Retained

Note:

1. This topic is a consolidated topic derived from the top 12 sustainability topics identified in 2024, specifically legal compliance and risk management. Considering the increasing stakeholder concern regarding climate change response, it has also become a key issue within risk management. Therefore, these three topics have been consolidated into a single issue for more effective management.

2. Although labor relations, waste management, and water stewardship are not ranked among the top 12 impact topics for 2024, they are still included in the list of material topics in consideration of stakeholder concerns and will be subject to further management.

## 1.2.3 Analysis of Material Topics and Value Chain Impacts GRI 2-6, 3-2

During its operations, YungShin Group may generate both positive and negative impacts on stakeholders across the upstream and downstream segments of its value chain. Therefore, the Group further analyzed the potential affected parties for each material topic, which serves as a key consideration in formulating management strategies and compiling the sustainability report.

In 2024, there are no significant changes in YungShin Group's activities, value chain, and business relationships compared to the previous year.

Theme	Aspects	Material Topics	GRI Topic Standards	Value Chain								Referring Chapter	
				Upstream	YungShin Group	Downstream	Stakeholders						
							Supplier/ Contractor/ Distributor	Client/ Product User	Investors	Employees	Government Agencies	Non-profit Organization	
Navigating toward a sustainable future through innovation	Environment (E)	Waste Management	GRI 306: Waste	✓	✓	✓	✓	✓	✓	✓	✓	✓	Chapter 4 Environmentally Responsible Operations
		Energy Management	GRI 302: Energy	✓	✓	✓	✓	✓	✓	✓	✓	✓	
		Greenhouse Gas Management	GRI 305: Emissions	✓	✓	✓	✓	✓	✓	✓	✓	✓	
		Water Stewardship	GRI 303: Water and Effluents	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Creating trustworthy choices with genuine care	Products (P)	Customer Privacy	GRI 418: Customer Privacy	✓	✓	✓	✓	✓	✓	✓	✓	✓	Chapter 3 Product and Service Responsibility
		Customer Health and Safety	GRI 416: Customer Health and Safety	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Upholding integrity as core value to exemplify accountability	Governance (G)	Integrity in Operations	GRI 205: Anti-Corruption	✓	✓	✓	✓	✓	✓	✓	✓	✓	Chapter 2 Open and Transparent Governance
			GRI 206: Anti-Competitive Behavior	✓	✓	✓	✓	✓	✓	✓	✓	✓	
		Climate Change and Regulatory Risk Management	GRI 201: Economic Performance	✓	✓	✓	✓	✓	✓	✓	✓	✓	
		Economic Performance	GRI 201: Economic Performance	✓	✓	✓	✓	✓	✓	✓	✓	✓	
		Marketing and Labeling	GRI 417: Marketing and Labeling	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Practicing social compassion with a loving heart	Society (S)	Occupational Health and Safety	GRI 403: Occupational Health and Safety	✓	✓	✓	✓	✓	✓	✓	✓	✓	Chapter 5 Safe and Fulfilling Workplace
			GRI 201: Economic Performance	✓	✓	✓	✓	✓	✓	✓	✓	✓	
		Labor and Employment Relations	GRI 401: Employment	✓	✓	✓	✓	✓	✓	✓	✓	✓	
			GRI 402: Labor/ Management Relations	✓	✓	✓	✓	✓	✓	✓	✓	✓	
		Corporate Image	GRI 413: Local Communities	✓	✓	✓	✓	✓	✓	✓	✓	✓	Chapter 6 Social Caring Initiatives

# 02

## Open and Transparent Governance

- 2.1 Corporate Governance
- 2.2 Integrity in Operations
- 2.3 Operational Performance
- 2.4 Risk Management

- No significant events of dishonesty or violation of ethics.
- 100% of new employees have signed the Employee Code of Conduct Approval Form.
- Locations implementing the Supplier Integrity Commitment Letter signing system, 100% of suppliers signing Supplier Integrity Commitment Letter.
- No significant events of law violation.
- 100% of the required personnel have completed relevant Ethical Corporate Management training.
- Zero confirmed cases of corruption.



## 2.1 Corporate Governance

Corporate governance is the foundation of the enterprises' operation, the focus of capital market and all of the stakeholders. Favorable corporate governance should involve a sound Board of Directors, transparency in finances, culture of integrity and effective internal auditing. Once favorable environment for governance is established, it will reduce enterprises' risks of operation as well as improve its competitiveness, creating its long-term value. To establish a favorable system of corporate governance, the Company has adopted the "Corporate Governance Best Practice Principles" as a reliable foundation for Corporate Governance. Continuous enhancements are pursued across five key dimensions: safeguarding shareholder rights and interests, strengthen the role of the Board of Directors, enhancing the capabilities of the Audit Committee, uphold stakeholders' rights and interests, and increase the informational transparency.

## 2.1.1 Corporate Governance Structure GRI 2-9



Note: The above figure illustrates the governance structure of YSH as of December 31, 2021.

Governance Names	Management and Composition	Operation Status in 2024
Board of Directors	<ul style="list-style-type: none"> <li>Responsible for the operation of strategic decisions related to policies and supervision of business execution.</li> <li>The articles of association of the Corporation adopt a candidate nomination system, consisting of 7 to 11 directors. Among those, the number of independent directors shall not be less than 3 and not less than one fifth of the total number of directors. The term is 3 years, after which directors must be re-elected. The board of directors currently consists of 9 members, including 3 independent directors.</li> <li>The Board of Directors meets quarterly and whenever the situation requires it.</li> </ul>	8 meetings have been convened The average in-person attendance rate: 97%
Audit Committee	<ul style="list-style-type: none"> <li>Improves the system of corporate governance and strengthens the role of the Board of Directors. Supervises the situation of internal control through the division of labor and independent stance. To enhance the standard of corporate governance, the Committee reviews financial statements.</li> <li>Consists of 3 independent directors.</li> <li>The committee meets at least quarterly and in other special circumstances.</li> </ul>	5 meetings have been convened The average in-person attendance rate: 93%
Remuneration Committee	<ul style="list-style-type: none"> <li>Responsible for ensuring the fairness of remuneration policies, formulating and regularly reviewing performance evaluation and remuneration policies, systems, standards and structures for directors and managerial officers, as well as assessing their performance.</li> <li>Consists of 3 independent directors.</li> <li>The committee meets at least twice every year and in other special circumstances.</li> </ul>	5 meetings have been convened The average in-person attendance rate: 93%
Technology Committee	<ul style="list-style-type: none"> <li>Responsible for scientific and technological development as well as recommendations for policy evaluation.</li> <li>Consists of external experts and an expert committee appointed depending on the projects.</li> <li>The department meets any time needed.</li> </ul>	Due to no necessity, no meetings convened in 2024
Strategy Committee	<ul style="list-style-type: none"> <li>Integration of the Group's company resources, development of long term goals leading to competitive advantage. Policy and investment development plans, effective application of the specialty of the Corporation's within the Group. The committee's crucial subjects of discussion are ways to enhance the core competitiveness of the Corporation.</li> <li>Consists of 6 directors.</li> <li>The department meets any time needed.</li> </ul>	Due to no necessity, no meetings convened in 2024
Sustainable Development Committee	<ul style="list-style-type: none"> <li>Formulates, promotes and strengthens the Corporation's policies of sustainable development, annual planning and strategy.</li> <li>Supervises the YungShin Group in the area of implementation and effects of projects related to corporate social responsibility and sustainable development goals.</li> <li>Consists of 5 directors, 3 of whom are independent directors.</li> <li>The Committee meets at least once a year and whenever the situation requires it.</li> </ul>	1 meeting has been convened The in-person attendance rate: 100%

## 2.1.2 Board of Directors Composition and Operations

GRI 2-9, 2-10, 2-11, 2-15

### Composition of Board of Directors

The Board of Directors of YSH serves as the highest governance body. The board adopts a candidate selection system to strengthen corporate governance and enhance the structure of the board. The Corporation promotes diversity among the board members. The selection of board members shall follow not only the Article 20 of Corporate Governance Best Practice Principles, stipulating its capabilities, but also be based on the two following principles:

Basic requirements and values

Gender, nationality, age, etc.

Professional knowledge and skills

**Professional experience**  
(such as experience in banking, insurance, securities, asset management, etc.), professional skills and industry experience (such as experience in accounting, law, information technology, risk management, etc.).

The 6th term Board of Directors consists of 9 members, with the term being 3 years. On May 28, 2025 the original members of the board were re-elected. Among those are 3 independent directors, with diverse professional backgrounds: an CPA, lawyer and a doctor, allowing the board to supervise the corporate governance situation from multi-dimensional perspectives. Moreover, in the current term, one seat of the board belongs to a woman. In response to the gender equality movement, the Company is committed to achieving a minimum of one-third representation of either gender on the Board within the next three years. What's more, each director conforms to the legal rule of independence. As of the end of 2024, there was no director who also served as an employee, and only four directors had spouses or second-degree relatives connected to the company, which did not exceed half of the board members.

Please refer to the table below for detailed information on the diverse body of the Board of Directors.

Title	Name	Gender Age	Educational Background	Job Postings Position in YungShin Group (Note 1, 2)	Industry Experience			Professional Skills			Term (years)	
					Medicine and Pharmaceutical	Finance and Accounting	Business Management	Legal Practices	Medicine	Law	Accounting	
Chairman	The legal representative of Yen Hsu Co. Ltd.: Fang-Hsin Lee	Male Aged 61 and above	Doctor of Business Administration, University of Western Pacific	Sustainable Development Committee Strategy Committee	✓	✓			✓			2025/5/28   2028/5/27
Vice Chairman	Ling-Chin Lee	Female Aged 61 and above	Shih Chien University	Strategy Committee	✓	✓			✓			2025/5/28   2028/5/27
Director	The legal representative of Bio-X Alliance Holding Co. Ltd.: Fang-Yu Lee	Male Aged 61 and above	PhD, College of Pharmacy, China Medical University	Strategy Committee	✓	✓	✓					2025/5/28   2028/5/27
Director	The legal representative of Fuentes Investment Corporation: Fang-Chen Lee	Male Aged 61 and above	Ph. D., Institute of Medicinal Chemistry, University of Minnesota Ph. D., Intellectual Property Law Institute, China University of Political Science and Law	Strategy Committee	✓	✓	✓	✓				2025/5/28   2028/5/27
Director	Meng-Be Lin	Male Aged 61 and above	Department of Accounting, Tunghai University	Strategy Committee	✓	✓			✓			2025/5/28   2028/5/27
Director	Chi-Li Lee	Male 51-60 years old	Master of Business Administration, Oxford Brookes University (United Kingdom)	Sustainable Development Committee Strategy Committee	✓	✓	✓		✓			2025/5/28   2028/5/27

Title	Name	Gender Age	Educational Background	Job Postings Position in YungShin Group (Note 1, 2)	Industry Experience			Professional Skills			Term (years)	
					Medicine and Pharmaceutical	Finance and Accounting	Business Management	Legal Practices	Medicine	Law	Accounting	
Independent directors	Shih-Kuang Tsai	Male 51-60 years old	Masters in accounting, Taiwan University	Legal Representative of Independent Director of Yung Shin Pharmaceutical Remuneration Committee Audit Committee Sustainable Development Committee	✓	✓						2025/5/28   2028/5/27
Independent directors	Kun-Xian Lin	Male Aged 61 and above	Master, Graduate Institute of Financial and Economic Law, Feng Chia University	Remuneration Committee Audit Committee Sustainable Development Committee		✓	✓					2025/5/28   2028/5/27
Independent directors	Hung-I Chen	Male Aged 61 and above	Bachelor, School of Medicine, National Defense Medical Center Doctor of Pharmacology, University of Oxford, UK Master of Medical Administration, Tulane University, USA Master, College of Management, National Taiwan University	Legal Representative of Independent Director of Yung Shin Pharmaceutical Remuneration Committee Audit Committee Sustainable Development Committee	✓	✓	✓					2025/5/28   2028/5/27

Note 1: For the detailed information on the directors' concurrent positions in other companies, please refer to page 9 of 2024 annual report/ I. Information on Directors, President, Vice Presidents, Assistant Vice Presidents, and Heads of Departments and Branches/ Note 4.

Note 2: The 2024 interest recusal situation has been disclosed in the annual report. Please refer to page 20 of 2024 annual report/ III. Corporate Governance Operations/ (1) Information on Board of Directors' Operations/ 2. Other matters to be recorded/ (2).

From August 2023, the Corporation has entrusted an expert managerial officer to take over the position of the President. To avoid a conflict of interests, the Corporation adopts "Ethical Corporate Management Best Practice Principles" and "Board Meeting Rules". When one of the stakeholders such as director, manager or other member of the board of directors, have an interest themselves or the person they represent has an interest in the following bills presented by the board of directors, they must actively explain to the board of directors of the current term the important details about the interest gained. If it harms the company, the person cannot join the bill discussion and voting and should recuse, and cannot act as an agent to any other director to exercise their right to vote. The directors should perform self-discipline between themselves, and provide mutual support.

### Communication of Crucial Concerns GRI 2-16

Ensuring the crucial events can be discussed in a timely manner, the members of the Board of Directors and high-level management have to maintain a communication channel, except for the quarterly financial reports and the Auditing Department quarterly drafting out an internal audit report, if there is any key matter taking place, the members of the Board of Directors and high-level management have to communicate about it whenever necessary, evaluate it and take appropriate action. Independent directors also regularly communicate with the head of internal audit and the accountants. If there's any crucial matter happening, the important information about it has to be published on the Market Observation Post System. In 2024, the YSH has convened a total of 8 board of Directors meetings centered on communication of crucial matters. Important board resolutions can be accessed on the YSH website/Corporate Governance/Board of Directors.

### Continuing Education/ Training of Directors GRI 2-17

To maintain and enhance the role of the Board of Directors, the YungShin Group organizes continuing education courses for Directors every year at a set date. The training covers aspects such as corporate governance, environmental sustainability, internal control, and legislation compliance. In 2024, every director received an average of 14.11 hours of training, in line with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies" requirement.

## 2.1.3 Executive Compensation GRI 2-19, 2-20

To ensure the remuneration of the directors and senior executives remains reasonable, the system of remuneration structure, the actual given pay and the performance assessment shall all go through and be reviewed by the Remuneration Committee. The remuneration system must be reviewed according to the actual operational/business situation and relevant decrees.

Directors' remuneration includes base compensation, Director's compensation, and business execution expenses, and retirement/severance payments. Moreover, according to Article 31 of the "Articles of Incorporation", no more than 3% of the profits from the year shall be distributed as remuneration to Directors. When deciding on the Directors' Remuneration, the Group's operational profits must be taken into account, as well as the degree of the contribution of the profits on the performance. Only the Independent Directors' Renumeration System is set as a fixed monthly compensation with no change to bonus items. The purpose of this system is to strengthen the independence of Independent Directors, and avoid a situation when a change of compensation would impact the judgment of appropriateness of decision making and governance of the Corporation.

The remuneration of senior executives, the system of remuneration for the President is mainly established based on the level of remuneration for such positions in the industry, the scope of the position and their contribution to the Corporation's operational objectives. In addition to referencing the Corporation's overall performance, future business risks of the industry, and development trends, the Corporation also considers personal performance achievement rates and the level of contribution to the Corporation's performance to maintain a balance between sustainable operation and risk management.

## 2.1.4 Evaluation of the Performance of the Board of Directors GRI 2-18

On March 27, 2020, the Company approved the "Board Performance Evaluation Policy," officially establishing a performance evaluation system for the Board of Directors. This system aims to encourage self-discipline among board members and enhance the overall effectiveness of board operations. Internal evaluations are conducted annually, with regular assessments of the board, individual directors, and functional committees scheduled every December. The results of these evaluations must be completed by the end of the first quarter of the following year. External evaluations are conducted at least once every three years by independent professional institutions or teams of external experts and scholars.

### Performance Evaluation Results of the Board of Directors and Functional Committees in 2024

Internal Evaluation (Once a year)	External Evaluation (Once every three years)
Board of Directors self-assessment score: 97.24	
Members of Board of Directors self-assessment score: 99.35	No external assessment in 2024, the latest one conducted in 2022.
Remuneration Committee self-assessment score: 99.50	
Audit Committee self-assessment score: 99.60	

Note: The details of the evaluation, suggestions and countermeasures are publicly available on the Corporation's Web-page. Please refer to the YSH Website/Corporate Governance/Board Performance Evaluation.

## 2.2 Integrity in Operations Management Policies GRI 3-3

Material Topics	Integrity in Operations	Corresponded GRI
Impact of the Topic	Integrity in operations is the foundation of establishing an enterprise. It is the basis that allows an enterprise to coexist with human society. Integrity in operations can reduce the number of unethical incidents, protect the rights and interests of stakeholders. Unintegrity in operations, on the contrary, can have a negative impact towards not only the enterprise itself, but also all of the stakeholders, the whole human society and natural environment. In 2024, YungShin Group has not recorded any significant negative impacts concerning integrity in operations.	GRI 205, GRI 206
Commitments/ Policies	YungShin Group keeps moving forward with its will to follow the principles of "Integrity Forever". The group upholds the standards set forth in the Ethical Corporate Management Practice Principles, Code of Ethical Conduct as well as Management Procedures for Prevention of Inside Trading. With the Group's reliable, truthful and ethical operational management, we commit wholeheartedly to the prevention of corruption and other dishonest acts. Compliance with external legislation is the Group's basic requirement, constantly pushing us to abide by the law and standards set forth by the human society.	
Goals	<ul style="list-style-type: none"> <li>- Maintain the 100% of the required personnel completing relevant integrity training.</li> <li>- Maintain the 100% of new employees signing the Employee Code of Conduct Approval Form.</li> <li>- In accordance with the Company's established anti-corruption commitment policy, maintain the 100% of new suppliers signing Supplier Integrity Commitment Letter.</li> <li>- Maintain the level of zero confirmed cases of corruption.</li> <li>- Maintain the level of zero significant events of dishonesty or violation of ethics.</li> <li>- 100% employee acceptance rate for relevant Code of Conduct training.</li> </ul>	
Medium to Long-Term	<ul style="list-style-type: none"> <li>- Maintain the 100% of the required personnel completing relevant Ethical Corporate Management training.</li> <li>- Maintain the 100% of new employees signing the Employee Code of Conduct Approval Form.</li> <li>- In accordance with the Company's established anti-corruption commitment policy, maintain the 100% of new suppliers signing Supplier Integrity Commitment Letter.</li> <li>- Maintain the level of zero confirmed cases of corruption.</li> <li>- Maintain the level of zero significant events of dishonesty or violation of ethics.</li> <li>- 100% employee acceptance rate for relevant Code of Conduct training.</li> </ul>	
Action	<ul style="list-style-type: none"> <li>- The establishment of Ethical Corporate Management Best Practice Principles, Code of Ethical Conduct as well as Management Procedures for Prevention of Inside Trading as guidelines for Directors, managerial officers, and employees to carry out their fiduciary duties with the attention and loyalty of a prudent administrator.</li> <li>- Require all employees to sign the Employee Code of Conduct Approval Form upon joining the Corporation.</li> <li>- When signing a contract with business dealing partners, the Corporation requires Suppliers to sign the Supplier Integrity Commitment Letter.</li> <li>- Organize relevant training related to Ethical Corporate Management.</li> </ul>	
Evaluation Method	The number of events of dishonesty, law violation, status of completed training as well as the situation of the people who signed the Employee Code of Conduct Approval Form and Supplier Integrity Commitment Letter will be a standard of evaluation of their effectiveness. The Corporate governance group under the Sustainable Development Task Force is designated as the responsible unit for ethical corporate conduct and for evaluating the effectiveness of the management policies.	
Effective Evaluation		
Achievements in 2024	<ul style="list-style-type: none"> <li>- No significant events of dishonesty or violation of ethics.</li> <li>- 100% of new employees have signed the Employee Code of Conduct Approval Form.</li> <li>- Locations implementing the Supplier Integrity Commitment Letter signing system, 100% of suppliers signing Supplier Integrity Commitment Letter.</li> <li>- Senior executives communicate the principles of integrity management: integrity, pragmatism, and performance.</li> <li>- 100% of the required personnel have completed relevant Ethical Corporate Management training.</li> <li>- Zero confirmed cases of corruption.</li> </ul>	
Dialogue Channels	Tel: +886-25450185 E-mail: ysh@yungshingroup.com	

## 2.2.1 YungShin Policy and Culture GRI 205-1

The culture of Ethical Corporate Management is the foundation of the Corporations sustainable operation. Our motto "Always be honest, always keep your word." is the origin of YungShin's name, which can be translated into "Eternal Trust", which is the YungShin Group's business philosophy. To create a Corporate culture of soundness, development and integrity, we established the Ethical Corporate Management Best Practice Principles, Code of Ethical Conduct as well as Management Procedures for Prevention of Inside Trading as guidelines for YungShin Group's Directors, managerial officers, and employees to carry out their fiduciary duties with the attention and loyalty of a prudent administrator. We run our business with a cautious and self-disciplined approach, with our business activity embodying the highest ethical standards. Internally, all employees are required to sign the Employee Code of Conduct Approval Form upon joining the Corporation. The sign rate reaching 100% will enable any dishonest behaviors to be strictly prohibited. Externally, YSP and Vetostrum belonging to the Group sign a contract with business partner, both must require Suppliers to sign the "Supplier Integrity Commitment Letter". Through the commitment to prevention of dishonest acts, the sign rate shall reach 100%.

Furthermore, the Sustainable Development Task Force is established under the Sustainable Development Committee, grouped by function, with Corporate Governance Group as the Ethical Corporate Management dedicated unit. The unit is responsible for promoting Ethical Corporate Management, anti-corruption, anti-bribery, and compliance with laws and regulations, promote its business philosophy "Integrity Forever" through various conferences. It is also responsible for organizing relevant training related to integrity in operations, every year at a set date reporting the situation to the Board of Directors, supervising and preventing acts of dishonesty, to ensure the implementation of Integrity in operations policies. In 2024, we completed a 100% anti-corruption risk assessment.

Code of Ethical Conduct



Ethical Corporate Management Practice Principles



Management Procedures for Prevention of Inside Trading



## 2.2.2 Ethical Corporate Management Training GRI 205-2

In order to deepen the ideal of Ethical Corporate Management among the staff members, all newly hired employees are required to undergo educational training. The training content includes the promotion of integrity and confidentiality responsibilities. New employees are also required to sign a letter of consent to the Code of Conduct for Employees, ensuring that they follow the policies of Ethical Corporate Management. Furthermore, regarding the relevant training and promotion seminars concerning Ethical Corporate Management, which are organized by governance unit, the content including subjects such as: "Integrity in Business Operations and Anti-Bribery Management System Practices", "Promotion of Prevention of Insider Trading", "Information Security Governance in Practice", "Corporate Tax Governance and Risk Prevention". In 2024, 100% of the required personnel has completed relevant Ethical Corporate Management training.

### Ethical Corporate Management Relevant Training Situation in 2024

Training Recipients	The Number of Individuals to be Trained	Total Training Hours	Training Completion Rate
Board of Directors			
YSH	9	27	100%
YSP	9	112	100%
Managers	8	105.1	100%
New Employees	65	65	100%
Current Employees	6	18	100%
<b>Total</b>	<b>97</b>	<b>327.1</b>	

Note:

1. Data on Directors and managerial officers only comprises of YSH and YSP.
2. Training completion rate = training participant number/number of people to be trained.
3. Currently, YSP provides integrity-related training only to newly hired employees.

## 2.2.3 Report Mechanism GRI 205-3, 206-1

To fully implement the of all YungShin Group employees conforming to the ethical behavior and the principle of Ethical Corporate Management, we encourage you to report any practices which are illegal, are a violation of ethics or the Ethical Corporate Management Best Practice Principles. To do so we formulated the Corporate Measures of Handling the Reporting of Illegal, Unethical and Dishonest Practices. Through this, we established a reporting system, providing all stakeholders with an appropriate communication channel as well as ensuring the rights and interests of the informer/ whistle-blower and their counterpart. In 2024, no confirmed cases of corruption, and also no violations related to anti-competitive, antitrust, or monopolistic practices were identified.

### Report Channel

Address: 11F, No. 181, Section 3, Minchuan East Road,  
Songshan Dist., Taipei City  
e-mail: ysh@yungshingroup.com

### Reporting Method





## 2.3 Operational Performance Management Policies GRI 3-3

Material Topics	Economic Performance	Corresponded GRI	GRI 201	
Impact of the Topic	The variability of the enterprises' economic performance is dependent on the stable operations of the corporation as well as its long-lasting high degree of connectivity, which can in turn have a positive or negative impact on stakeholders such as clients, suppliers, employees and their families.			
Commitments/ Policies	YungShin Group continues to play an active role in the health industry. The Group's overall business scope covers the upstream development of active pharmaceutical ingredients (APIs), midstream production of pharmaceutical agents and health supplements, and downstream product sales. Internally, we continue to improve the efficiency of resource utilization across the Group; externally, we actively expand our reach and seek strategic partnerships. The Group strives to enhance its competitiveness and increase market share. Our goal is to become a global leader in the health industry.			
Goals	Short-Term	<ul style="list-style-type: none"> <li>- Robust financial structure.</li> <li>- Stable and continuously growing profitability performance</li> </ul>		
	Medium to Long-Term	<ul style="list-style-type: none"> <li>- Becoming the world leader of the health industry.</li> </ul>		
Action		<ul style="list-style-type: none"> <li>- Activate and utilize the Group's tangible and intangible assets to continuously optimize resource allocation efficiency.</li> <li>- Actively expand production capacity and promote vertical integration.</li> <li>- Continuously evaluate and plan for emerging markets in sales.</li> <li>- Implement diversified operations and continue to expand in the health-related business sector.</li> </ul>		
Effective Evaluation	Evaluation Method	Conduct performance evaluation through the employment of financial reports and other relevant financial indicators.		
	Achievements in 2024	<ul style="list-style-type: none"> <li>- Consolidated operating income reached NT\$8.032 billion.</li> <li>- Consolidated gross profit reached NT\$3.518 billion, with gross margin of 43.81%.</li> <li>- Consolidated net profit after tax reached NT\$1,269 million.</li> <li>- Earnings per share were NT\$4.39</li> </ul>		
Dialogue Channels	Tel: +886-25450185 E-mail: ysh@yungshingroup.com			

### 2.3.1 Financial Performance

In 2024, the consolidated operating revenue reached NT\$8.032 billion, consolidated net profit after tax reached NT\$1,269 billion, basic earnings per share after tax were NT\$4.39. The overall profitability has shown steady growth.

	Item	2022	2023	2024
Management Capabilities	Total Assets	11,852,712	11,512,434	13,798,142
	Total Liabilities	4,149,561	3,597,471	3,821,770
	Total Equity	7,703,151	7,914,963	9,976,372
	Consolidated Operating revenue	7,311,769	7,027,937	8,031,903
	Consolidated Gross Profit	3,141,336	2,977,313	3,518,945
Profitability	Consolidated Net Profit after Tax	852,093	871,171	1,269,444
	Gross Margin (%)	42.96	42.36	43.81
	ROA (%)	7.36	7.70	10.21
	ROE (%)	11.76	11.16	14.19
	Net Profit Margin (%)	11.65	12.40	15.81
Allocation of Dividends	Basic EPS after Tax (NTD)	3.15	3.11	4.39
	Cash Dividends Per Share (NTD)	2.30	2.30	3.00

Note:

1. The main source of data is the consolidated financial statements audited by CPAs.
2. ROA=Net profit before interest and after tax/ Average total assets.

### 2.3.2 Economical Value GRI 201-1

Concerning the economic value distributed by the Stakeholders, the main distribution items include operating costs, which amounted to approximately 56% of the distributed economical value. For more information about how this affected the employee salary and benefits as well as investor receivables, please refer to the following table.

	Item	2022	2023	2024
	Direct Economic Value Generated (A)	7,580,599	7,273,189	8,392,897
	Direct Economic Value Distributed (B)	6,015,984	6,071,649	6,953,968
	Operating Costs	3,482,810	3,332,244	3,907,574
	Employee Salary and Benefits	1,801,627	1,809,658	2,082,091
	Payment to Investors	524,747	684,642	700,568
	Payment to Government	199,000	226,201	248,310
	Community Investments	7,800	18,904	15,425
	Remaining Economic Value (A-B)	1,564,615	1,201,540	1,438,929

Note:

1. The main source of data is the consolidated financial statements audited by CPAs.
2. "Direct economic value produced" includes each year's consolidated operating revenue, interest earned, income from dividends, income from rent, other income, other interest as well as income from investment.
3. "Payment to investor" includes each year's cash dividends, interest expenses, capital reduction and refund of share capital.

## 2.3.3 Assistance Received from Government GRI 201-4

Between 2022 and 2024, the tax credit and assistance received from government present as follows:

Item	2022	2023	2024
Tax Credit	507,450	1,626,062	2,018,904
Assistance Received from Government	176,400	136,369	151,353
<b>Total</b>	<b>683,850</b>	<b>1,762,431</b>	<b>2,153,917</b>

Note:  
1. The scope of data includes YSH, YSP, Vetrostrüm, Chemix, CTI and YungShin Tiente.  
2. Tax credit is mainly in line with the available tax credit laid out in Article 10 of "Statute for Industrial Innovation".  
3. The variation in the 2022 figures was due to the final assessment of corporate income tax. In 2023, the figures were revised to reflect the actual tax credits declared in the corporate income tax filings.

## 2.4 Risk Management Management Policies GRI 3-3

Material Topics	Climate Change and Regulatory Risk Management	Corresponded GRI	GRI 201
Impact of the Topic	<p>The increasing frequency of extreme climate events worldwide has elevated natural disaster risks. Climate change is an urgent global issue, and limiting global temperature rise is a shared goal. In the pharmaceutical industry, strict regulatory compliance is a baseline requirement.</p> <p>Proactively addressing climate and compliance risks helps protect the environment, enhance corporate competitiveness, and strengthen reputation. Failure to meet regulations or stakeholder expectations may result in operational and financial impacts.</p>		
Commitments/ Policies	In alignment with Taiwan's 2050 net-zero policy, YungShin Group has formulated carbon reduction targets and action plans.		
Short-Term	<ul style="list-style-type: none"> <li>- Disclose climate change management information in the Company's annual and sustainability reports.</li> <li>- Promote energy-saving and carbon-reduction awareness internally and implement related measures.</li> <li>- Complete greenhouse gas inventories and verification in phases.</li> <li>- No significant violations of regulations.</li> </ul>		
Goals	<p>Medium to Long-Term</p> <ul style="list-style-type: none"> <li>- In accordance with the TCFD framework, assess corporate scenarios and financial impact risks related to major climate issues, and establish climate risk management mechanisms and response strategies.</li> <li>- Complete greenhouse gas inventories and assurance within the scope of consolidated financial reporting.</li> <li>- Reduce energy consumption, improve energy efficiency, and increase the use of renewable energy.</li> <li>- No significant violations of regulations.</li> </ul>		
Action	<ul style="list-style-type: none"> <li>- Promote the completion of ISO 14064-1 greenhouse gas inventories across all subsidiaries.</li> <li>- Establish reduction targets and continuously monitor performance progress.</li> <li>- Implement various energy-saving and carbon-reduction initiatives.</li> <li>- Regularly update regulatory information and ensure relevant personnel are informed to prevent non-compliance.</li> </ul>		
Effective Evaluation	<p>Evaluation Method</p> <p>Develop greenhouse gas reduction action plans and compile implementation results.</p>		
Achievements in 2024	<ul style="list-style-type: none"> <li>- Conducted greenhouse gas inventories for consolidated entities.</li> <li>- Completed third-party verification for YSH and YSP.</li> </ul>		
Dialogue Channels	<p>Tel: +886-25450185  E-mail: ysh@yungshingroup.com  Company Website: Leave a message via the "Contact Us" page.</p>		



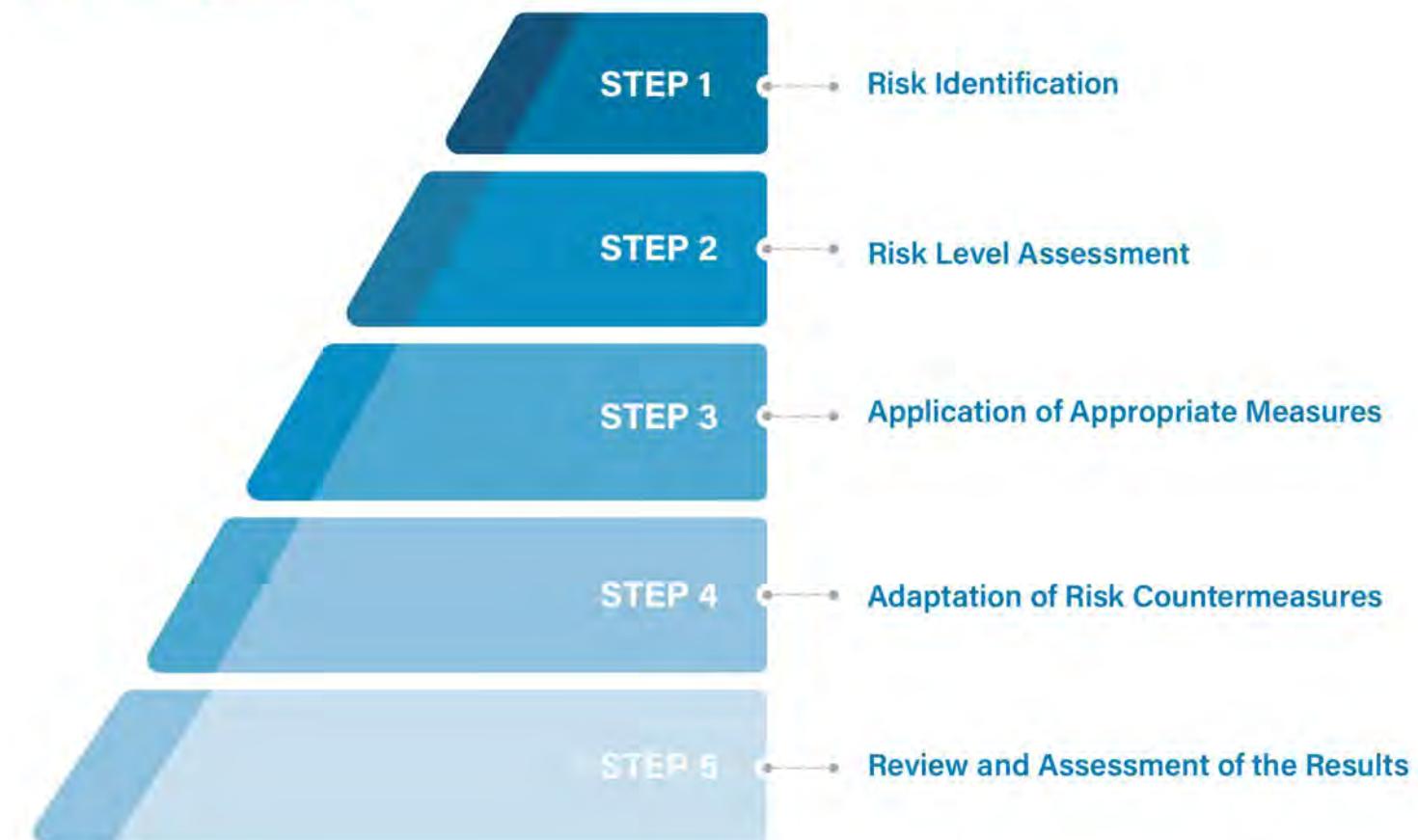
## Management Policies GRI 3-3

Material Topics	Marketing and Labeling	Corresponded GRI	GRI 417
<b>Impact of the Topic</b>			
The transparency of product and service information disclosure may affect customer and consumer health and safety, public expectations, and the Company's brand image and operational performance. In 2024, YungShin Group did not identify any significant negative impacts related to marketing and labeling.			
Commitments/ Policies	YungShin Group is committed to upholding the principles of honesty, integrity, and transparency in all marketing, labeling, and advertising activities for its products and services. We do not engage in exaggerated claims or any practices that may mislead stakeholders or cause misunderstandings.		
Goals	Short-Term	YungShin Group maintained zero significant violations of laws and regulations related to marketing and labeling.	
	Medium to Long-Term	YungShin Group maintained zero major violations of laws and regulations related to marketing and labeling.	
Action	<ul style="list-style-type: none"> <li>Strictly comply with marketing and labeling regulations in all sales regions.</li> <li>Accurately describes product ingredients, efficacy, and intended use, with clear instructions for proper usage.</li> </ul>		
Effective Evaluation	Evaluation Method	The adherence to marketing and labeling regulations is used as a key performance indicator, and the Group's compliance is regularly reviewed.	
	Achievements in 2024	No significant violations of marketing and labeling regulations were reported.	
Dialogue Channels	<p>Customers and consumers may submit suggestions or inquiries through the following toll-free numbers or email addresses:</p> <ul style="list-style-type: none"> <li>YSP Contact Email: <a href="mailto:ysp@yungshingroup.com">ysp@yungshingroup.com</a></li> <li>Pharmaceutical Consultation Hotline: 0800-012679</li> <li>HAC Brand Service Hotline: 0800-012678</li> <li>HAC Brand Contact Email: <a href="mailto:hac@yungshingroup.com">hac@yungshingroup.com</a></li> <li>J'Fancy Health Service Hotline: 0800-012689</li> <li>Vetnostrum Contact Email: <a href="mailto:service@vetnostrum.com">service@vetnostrum.com</a></li> <li>Koopal Animal Health Service Hotline: +886-27186200 #60101</li> </ul>		

## 2.4.1 Risk Management Process

Board of Directors is YungShin Group's highest body responsible for risk management. Risk management is carried out in accordance with legal requirements and internal management needs. It establishes various rules for compliance by relevant units. The management is decentralized among various units, with regular audits being conducted. Moreover, the risks of implementing major resolutions regarding business policies, investments, banking facilities, endorsements, guarantees, and loans are reviewed and analyzed by the responsible units in accordance with the relevant regulations of the Corporation. They are then submitted to the Board of Directors and the Audit Committee for resolution.

**Risk Management Process presents as follows:**





## 2.4.2 Main Risks and Countermeasures

Main Risks	Risk Description	Countermeasures
The Risk of Change to Policies and Regulations	<ul style="list-style-type: none"> <li>Lower budgetary support for healthcare in various countries has the potential to hurt the profitability of generic drug makers.</li> <li>Individual countries have been continuously enhancing the rigor of their regulatory supervision, inspection requirements for raw materials and specifications of finished products. This has resulted in an increase in the cost of pharmaceutical research, development, and production. It also has increased product marketing and entry barriers.</li> <li>Countries across the world have imposed stricter regulations on drug inspections, registration, and patents. This has the potential to delay the launch of new products, increasing investment and sales risks for products.</li> <li>National Health Insurance Bureau of the National Health Insurance Administration has reduced the measures of drug price verification, which could have a negative impact on the sales of domestic insured drugs.</li> </ul>	<ul style="list-style-type: none"> <li>Continued deepening our pursuit for high-quality, conforming to the PICs GMP standard during the manufacturing process of products by pharmaceutical factories. Set up a strict system of quality control. To strictly control the quality of the products, and maintain product competitiveness, employ precise testing equipment/devices.</li> <li>The base of generic drug manufacturing is the profound experience, going towards vertical integration to enhance the quality of the Groups products and gain control over costs.</li> <li>With high-quality pharmaceutical factories and experience as the foundation, YungShin Group move outwards for expansion of our business level, when it comes to products we diversify our business operation, we have entered the markets of cosmetics, skincare, health supplement foods, animal drugs, health supplements, etc. Moreover, YungShin Group provides OEM, cooperation for business development and CDMO (Contract Development and Manufacturing Organization) service.</li> </ul>
Market and Sales Risks	<ul style="list-style-type: none"> <li>The high repeatability of Chinese generic drug products could cause pharmaceutical factories to compete through price reductions and reduce profits.</li> <li>Over The Counter (OTC) medicines are determined by the public themselves, so brand trust and brand awareness have become key factors in the performance of product sales. However, compared with the brands of multinational pharmaceutical factories, domestic OTC medicine brands have lower brand trust and awareness, and their marketing resources are inferior to international pharmaceutical factories.</li> <li>With state support or because of their own financial strength, large biotech companies has been increase in both the frequency and scale of mergers or acquisitions by multinational pharmaceutical companies or key products, thereby making it difficult for us to plan market strategies.</li> </ul>	<ul style="list-style-type: none"> <li>Firmly maintain product quality to strengthen product competitiveness and build our own product to enhance visibility and build reputation.</li> <li>We actively expand our business scope, not only generic drugs, but go into active pharmaceutical ingredients, beauty products, healthy foods, animal drugs and many other fields. We continue to work notoriously on the domestic non-medical market. We also actively expand our locations. Since 1985 we strive towards the expansion into the international market, including locations such as China, United States, Malaysia, Hong Kong, Singapore, Thailand, India, Cambodia. In recent years, we also put more emphasis on markets such as Japan, Africa, New Zealand and Australia. We keep on evaluating and planning out various possibilities for our international expansion.</li> </ul>
Supply Chain and Purchasing Risks	<ul style="list-style-type: none"> <li>The major pharmaceutical raw materials in Taiwan are sourced through imports, due to the difficulty of domestic manufacturers to produce cost-competitive raw materials. Moreover, with the market standards increasingly stricter is making the quantity of raw materials that meet the standard low. The above-mentioned reasons give the Group's low autonomy on the raw material procurement, facing a lot of uncertainties. With the current global situation, the price and quantity of raw materials show great fluctuations.</li> <li>In recent years, the economy is facing inflation. On the international stage, a lot of regions face outbreaks of conflict. These factors may lead to instability in global supply chains, resulting in significant fluctuations in the availability or cost of raw materials, which could in turn impact product supply and profitability.</li> </ul>	<ul style="list-style-type: none"> <li>Flexible procurement strategies are adopted based on the characteristics of different raw materials. In terms of acceptable quality, before the suitable price we must develop suppliers. In terms of cooperation, we lean towards development of long-term cooperation. In terms of orders, we use purchasing methods such as pre-orders, medium-to long-term contracts. When necessary, raw materials are received in advance to ensure the stability of the product supply.</li> <li>If the price fluctuations remain on a high level, actively perform secondary source assessment/evaluation, and follow the pricing status. Put your utmost effort into preventing scenarios arising from the impact of uncertainties, such as lack of material, disruption in normal production, influence on normal supply.</li> <li>To respond to possible immediate impacts, we sustain appropriate inventory level. The Corporation closely monitors market conditions and the current global situation. We put all our efforts into early insight into market fluctuations and apply countermeasures in a timely manner.</li> </ul>
Talent Risk	<ul style="list-style-type: none"> <li>Countries around the world actively compete for biotech talents, while both Taiwan and the Corporation have failed to attract biotech talent or competitive advantages have been inadequate.</li> <li>The loss or lack of talent has a negative impact on the Corporation's future growth and can even affect current normal operations.</li> </ul>	<ul style="list-style-type: none"> <li>YungShin Group has established production and operation locations in multiple countries, and actively publishes job postings to recruit and take in excellent and talented personnel from all over the world.</li> <li>To retain talents and obtain external excellent personnel, timely evaluation and adjustment of employee welfare, remuneration package, talent cultivation, etc., must be performed.</li> </ul>
Climate Risk	<ul style="list-style-type: none"> <li>Under the threat of climate change, the Group's normal operation may face challenges and potential losses due to sudden outburst of extreme weather events.</li> <li>As awareness of climate change intensifies and the introduction of related policies and regulations by governments worldwide, the transition of low-carbon economy can have an impact on the operation and profits for business.</li> </ul>	<ul style="list-style-type: none"> <li>YungShin Group has established the Sustainable Development Task Force to serve as a specialized unit of climate governance. The unit is responsible for work related to promotion of Greenhouse Gas Inventory, climate risk identification, scenario analysis as well countermeasure formulation and assessment and responds to the Sustainable Development Committee.</li> <li>YungShin Group has completed and scheduled the execution of its Greenhouse Gas Inventory. In 2024, YungShin Group completed a consolidated greenhouse gas inventory. The Group plans to obtain third-party verification in accordance with ISO 14064-1 in the future.</li> </ul>

## 2.4.3 Compliance Management GRI 2-27, 417-1, 417-2, 417-3

Due to the specifics of the biotech industry, research, development and product sale require strict testing and legislation compliance. Manufacturing, sales and advertising are all subject to law standards. Therefore, YungShin Group is dedicated to abiding by all laws related to business operations, including continuously monitoring the development of legislation and decrees affecting the Group both domestically and internationally. Moreover, the Group actively enhances internal personnel's awareness of compliance through ongoing education and training, including in-person sessions and communications via meetings or emails.

YungShin Group exercises particular caution in all aspects of marketing, labeling, and advertising, striving to avoid exaggerated descriptions or misleading information, and strictly complies with marketing and labeling regulations in all sales regions. For health-related products, the Group discloses information in accordance with the "Act Governing Food Safety and Sanitation" and relevant packaging regulations; for pharmaceuticals, all labeling and advertising comply with the requirements of pharmaceutical industry regulations.

In 2024, The total length of the YungShin Group law compliance educational training in the Taiwan region amounted to 26,637 hours, and the total number of trainees reached 923 people. Moreover, the workers stationed in the United States, Japan, and China have received relevant educational training abiding by the local standards of those countries, such as import and export customs regulations.

### The Status of the Law Compliance Relevant Training in Taiwan Region

Total Training Participants	Total Training Hours	Main Training Legislation Content
923	26,637	PIC/S Good Manufacturing Practice (GMP)
		The Regulations on Good Hygiene Practice for Food (GHP)
		Medical Equipment Good Manufacturing Practice
		FAMI-QS (Feed Additive and Premixtures Quality System) regulations in Europe
		Regulations Governing Public Companies' Internal Control Systems
		Securities trading regulations

Note: The data for the Taiwan region includes YSH and YSP.

### Compliance with Laws and Regulations

YungShin Group defines a major violation as a single incident resulting in a fine of NT\$100,000 or more. In 2024, there were two cases of penalties imposed on the Group; however, the amounts did not reach the threshold for major violations. The causes of these regulatory violations have been clarified, and corresponding corrective measures have been implemented. In addition, there were no significant violations related to marketing and labeling regulations in 2024.

## 2.4.4 Response to Climate Change GRI 201-2

In recent years, the Corporation's international offices face hazards from natural disasters arising from physical risks. Moreover, extreme weather hazards cause enterprises from all over to raise their awareness on sustainability and set out to formulate a strategy responding to climate change. YungShin Group is deeply aware of the issue of the importance of climate change in the Corporation's sustainable operation. Therefore, in 2022 we introduced TCFD disclosure framework promulgated by the international Financial Stability Board. In accordance with the suggestions YungShin Group's status quo assessment has the potential, with actual climate related risks and opportunities, to respond to government's goal of reaching net zero emissions by 2050 and move towards sustainable development.

To effectively manage the risks and opportunities arising from climate change, YSH's Board of Directors has established the Sustainable Development Committee. The committee has further established the Sustainable Development Group, responsible for assessment and monitoring of the relevant risks and opportunities YungShin Group is facing. The group also holds annual meetings to discuss and report to the Sustainable Development Committee and the Board of Directors.

YungShin Group follows the TCFD framework to manage the issue of climate change. The corporation conducts thorough climate change related risk and opportunity identification by collecting climate data in advance and engaging in cross-departmental discussions. Moreover, the corporation assesses the short-term, middle term and long-term influence of those relevant risks and opportunities. The Group targets the recognized risks and opportunities to investigate and plan for the adjustment policies and response measures for the corporation operational methods and strategies. YungShin Group has identified a total of 5 climate-related risks and 3 climate-related opportunities. The Group has also assessed the impact duration, financial impacts, and response measures of the potential climate risks and opportunities impact on Group's operations.

### Climate Change Risks and Opportunities

Risk Category	Climate Risk Topic	Climate Risk Description	Financial Impact	Impact Duration	Management Measures
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#### Transition Risks

Policy and Regulation Risks	Increased carbon pricing	Due to government emissions regulations or pressure from NGOs, companies are required to purchase carbon credit through carbon market transactions to offset emissions. The price per ton of carbon emissions may increase annually, causing cost pressures on organizations.	Increased production costs Increased capital expenditure	Short-Term	<ol style="list-style-type: none"> <li>Establish a management system and strengthen data monitoring and collection.</li> <li>Enhance the energy efficiency of production and operation equipment, including the usage of energy-saving equipment, introduction of induction apparatus and ensure the highest level of control during the equipment operation.</li> <li>Implement Greenhouse Gas Inventory and plan to gradually expand the scope of the inventory, obtain relevant certification.</li> <li>Promote practices of energy conservation and carbon reduction measures among employees.</li> <li>To reduce energy consumption, all public areas must install motion-sensor lighting and successively replace all light bulbs with LEDs.</li> </ol>
Policy and Regulation Risks	Strengthening obligations for emission reporting	Failure to comply with stakeholder expectations (e.g., government, investors, customers) regarding emission reporting (e.g., GHG inventory) or disclosure of climate change information (e.g., annual reports, TCFD) may result in increased expenditures on fines or litigation.	Increased production costs Decreased operating income	Medium-Term	<ol style="list-style-type: none"> <li>Conduct Greenhouse Gas Inventory complying with ISO 14064-1 Greenhouse Gas Inventory standards and plan for the future to outperform the stipulated time limit laid out in the Sustainable Development Roadmap by Financial Supervisory Commission R.O.C (Taiwan). Broaden the scope of the inventory in advance, obtain relevant certification.</li> <li>Comply with regulators' policies and standards, schedule to register at the chosen platform/ uncover the relevant information on response to climate change.</li> <li>Compile and publish a Sustainability Report and comply with TCFD framework to disclose the relevant information on response to climate change.</li> </ol>

Opportunity Category	Climate Opportunities Topic	Climate Opportunities Description	Financial Impact	Impact Duration	Management Measures
Products and Services	Development or expansion of low-carbon products and services	Developing new low-carbon solutions through low-carbon technology research and introducing low-carbon products to meet customer demand can increase orders and improve performance.	Increased R&D cost Increased operating income	Long-Term	<ol style="list-style-type: none"> <li>Introduce eco-friendly product packaging, reduce plastic and lower carbon emissions of the production process.</li> <li>To reduce paper usage, product promotional material as well as training materials will be gradually digitalized and replace their traditional paper counterparts.</li> </ol>
Resource Utilization Efficiency	Utilization of life cycle analysis to manage the supply chain	Application of new technologies (such as IoT, big data analytics, automation, and intelligence) to improve yield, reduce material usage and waste generation, shorten lead times, and enhance employee health and safety can reduce operating costs and increase productivity.	Decreased production costs Decreased operating costs	Long-Term	<ol style="list-style-type: none"> <li>While creating or upgrading new equipment, we shall reduce material consumption and waste creation.</li> <li>To reduce material usage, any recyclable container packaging material shall be recycled and reused.</li> <li>Product along with its shipping packaging shall be made with a certain proportion of recyclable paper and materials. We shall conduct packaging material "slimming" and use recycled packaging material.</li> </ol>
Resource Utilization Efficiency	Using more efficient transportation methods	Application of new technologies (such as IoT, big data analytics, automation, and intelligence) with low-carbon energy sources can reduce the number of logistics trips, shorten lead times, reduce operating costs and increase productivity.	Decreased operating costs	Medium-Term	<ol style="list-style-type: none"> <li>To reduce individual orders caused by urgent need, adopt raw material safety stock management.</li> <li>To reduce the number of shipments, adjust supply method and shipment frequency.</li> </ol>

Risk Category	Climate Risk Topic	Climate Risk Description	Financial Impact	Impact Duration	Management Measures
<b>Physical Risks</b>					
Immediate Risks	Increased severity of extreme weather events	Extreme weather events (such as typhoons, floods, heavy rainfall, etc.) lead to changes in upstream and downstream supply demands. Interruptions in the supply of raw materials may result in production halts, while road closures may cause delays in shipments, leading to increased transportation costs and consequently higher production costs. Additionally, extreme weather events can damage factory equipment, lead to power shortages, or prevent employees from attending work, thus affecting production capacity.	Increased production costs Increased capital expenditure	Long-Term	<ol style="list-style-type: none"> <li>Set up support system (including power generators, water storage equipment, etc.) continue to maintain a 20% reserve capacity requirement.</li> <li>Strengthening disaster prevention measures, which will lower the impact level of natural disasters.</li> <li>Strengthening inspection and cleaning of the drainage system to ensure its normal operation.</li> <li>Perform disaster patrol and attend to any cases of abnormalities promptly to prevent subsequent disasters.</li> <li>To mitigate the disaster-related damage, purchase Natural Disaster Insurance.</li> </ol>
Long-Term Risks	Extreme changes in rainfall patterns	Due to uneven rainfall distribution (wetter wet seasons, drier dry seasons), increased frequency of floods or droughts, and other extreme weather factors, the number of working days decreases, leading to unstable supply of electricity and water resources, interruptions in the supply of raw materials, and thus affecting operations and production capacity.	Increased operating costs	Medium-Term	<ol style="list-style-type: none"> <li>Setting up water storage equipment.</li> <li>Each day, our dedicated staff documents the level of water consumption and performs inspection of water supply equipment and pipeline inspection.</li> <li>Strengthening inspection and cleaning of the drainage system to ensure its normal operation.</li> <li>To ensure a stable power supply for the factory area in cases of power outage, set up emergency power generators to respond in timely manner.</li> <li>Maintenance inspections for power generating equipment will be conducted monthly to ensure its normal operation.</li> </ol>
Long-Term Risks	Rising average temperatures	The increase in average temperatures may lead to an increased demand for electricity or cooling equipment, resulting in higher operating costs.	Increased operating costs	Medium-Term	<ol style="list-style-type: none"> <li>Scheduled maintenance, inspections and replacements of air condition (AC) equipment to increase operation efficiency and lower failure rate.</li> <li>Continue to execute and introduce various energy conservation management measures.</li> <li>AC system allocation control, the office temperature must be set at 25°C or above, or adjust the indoors temperature according to the external window opening mechanism.</li> </ol>

In January 2025, the World Economic Forum published The Global Risks Report 2025, which focused on the risk estimation for the next decade and summarized out 10 main risks, among those was "extreme weather events," "critical change to Earth systems," "pollution," "biodiversity loss and ecosystem collapse," and "natural resource shortages" and 5 other risks which cannot be overlooked in the next decade. In the future, YungShin Group will continue to focus on the global climate issue and policies, formulate relevant countermeasures and implement them, to reduce the risks that the YungShin Group may be facing. The Group shall also seize the development opportunities brought by climate change and continue to strive towards achieving net zero.



## Analysis of Climate Scenarios

Sustainable Development Task Force of YungShin Group is scheduled to focus on specific climate risks to analyze the future with differing greenhouse gases emission management, and what financial impact would that have. The results of these analyses serve as key references in formulating the Group's climate change response strategies.

When conducting scenario analysis, YungShin Group selects multiple public scenarios to comprehensively understand differing circumstances that could have an impact on the group's production. The Group, in accordance with the recommendations of the TCFD guidelines, employs a 2°C or more stringent analytical scenario, using Taiwan's established carbon pricing policy scenario (CPOT) and the carbon pricing scenario assessed by scholars such as Kaufman (NT2NZ) for analysis. Following these guidelines, we consider key years set by international initiatives and national policies, as well as YungShin Group's capital and investment plans, to analyze the impacts projected for 2030.

### Description of the selected climate scenarios

Scenario Code	Scenario Description	Responding to Warming at the Turn of the Century
CPOT	All countries comply with all the national contributions laid out in the Paris Agreement, including existing and developing national policies and measures. In this circumstance, there shall be no significant difference between the current and future greenhouse gas emissions.	~ 2.5°C
NT2NZ	The whole world's mission is to make the average temperature at the turn of the century not cross pre-industrial levels of 1.5°C. The world is also dedicated to accomplishing net zero CO <sub>2</sub> emissions in 2050. In this circumstance, in every country the organizations will be driven to change their business practices through the extensive application of clean energy technology and enhancement of energy usage efficiency.	~ 1.5°C

### Scenario Analysis:

#### Transition Risks - Potential Financial Impacts of Carbon Pricing Systems

Due to the worldwide operations of YungShin Group and considering the net zero emissions trends of local governments, the Group's operations may be impacted by various carbon pricing systems (such as greenhouse gas cap-and-trade, carbon taxes, and carbon fees). To clearly understand the potential future financial impact of the Group's greenhouse gas emissions and to ensure that its carbon reduction strategies align with the policies and standards of each country where it operates, YungShin Group bases its analysis on the current regulations and planned carbon pricing systems of each location. The Group then evaluates the possible financial impacts it may face in 2030 under the two scenarios described above. For this analysis, only YSP was assessed; the financial impact on other locations will be included in future evaluations as greenhouse gas inventory progress and regulatory developments permit.

According to the results of the Group's most recent scenario analysis, assuming there is no exemption quota in 2030 under the NT2NZ scenario, the financial impact of carbon fees imposed on YSP's Taiwan operations could reach up to 5.42% of operating income in 2030. This impact is significantly higher than the 0.69% estimated under the CPOT scenario, where an exemption quota is still assumed.

### Potential Financial Impact of Carbon Pricing in 2030

Unit: Proportion of Financial Impact to Operating Revenue			
Scenario	CPOT Scenario Carbon fee	NT2NZ Scenario Carbon fee	
2030 Exemption Threshold	10,000 t CO <sub>2</sub> e	0.69%	1.51%
	None	2.48%	5.42%

Note:

1. Financial Impact only assesses policy related to carbon pricing and does not include YungShin Group's expected cost on reducing greenhouse emissions.
2. The scope of the financial impact assessment only includes YSP. The assessment of financial impact of other locations shall be added into the scope in the future, depending on greenhouse gas inventory schedule and the development of relevant regulations.
3. The carbon price under the Taiwan Current Policy Scenario (CPOT) is estimated based on the conclusions of the fifth Carbon Fee Rate Review Committee of the Ministry of Environment and the three related sub-laws on carbon fees. According to current regulations, the general carbon fee rate is set at NT\$300 per t CO<sub>2</sub>e, with the exemption threshold is 25,000 t CO<sub>2</sub>e for entities not at high risk of carbon leakage. The committee has recommended that, after 2030, the carbon fee rate may be set within the range of NT\$1,200 to NT\$1,800 per t CO<sub>2</sub>e. The Ministry of Environment has indicated that the exemption threshold for carbon fee is expected to be lowered to 10,000 t CO<sub>2</sub>e before 2030.
4. Under the NT2NZ scenario, the carbon fee rate is estimated based on Kaufman et al. (2020), "A near-term to net zero alternative to the social cost of carbon for setting carbon prices." To achieve net zero emissions by 2050, the appropriate carbon price in 2030 is estimated to be USD \$77-124 per t CO<sub>2</sub>e. In this aggressive decarbonization scenario, it is assumed that by 2030, there will be no exemption threshold and no preferential rates. The carbon price is converted using the Bank of Taiwan's spot exchange rate at the end of 2024.

Under both the CPOT and NT2NZ carbon price scenarios, the Ministry of Environment estimates that the exemption threshold for carbon fee will be lowered to 10,000 t CO<sub>2</sub>e before 2030. This exemption threshold is used as the starting point for calculating financial impacts, and the effects under two different exemption threshold assumptions are considered: (1) a exemption threshold of 10,000 tCO<sub>2</sub>e based on current policy, and (2) a more stringent scenario with no exemption threshold. Preferential rates are not considered in these calculations.

# 03

## Product Liability

3.1 Products and Services

3.2 Product Safety Liability

3.3 Customer Rights Protection

- Intellectual property coverage encompasses Taiwan, China, Japan, South Korea, the EU, the Americas, and Southeast Asia.
- Product safety 100% compliant with regulations.
- Zero significant instances of product recalls.
- 5 factories in Taiwan underwent a total of 8 external inspections and successfully passed all inspections.
- Zero significant violations of health and safety regulations related to products and services.
- Zero complaints were received from regulatory authorities regarding product safety.
- No incidents involving breaches of customer privacy were reported.
- No recorded instances of breach of client's privacy or complaints caused by loss of customer information.





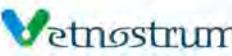
YungShin Group has over 50 years of professional experience in pharmaceutical technology. The Group upholds the principle of "Providing the best medicine to enhance people's health". We have become a comprehensive multinational pharmaceutical and healthcare technology group. Among the Group, YSP is the earliest domestic pharmaceutical manufacturer to obtain the Good Manufacturing Practice (GMP) certification. YungShin Group firmly believes that only through ensuring excellent quality of a product can become competitive on the market. For many years, we have been improving and developing new drugs as well as taking care of customers' unmet medical needs. Nowadays, we have secured drug export licenses in many foreign countries and an international trademark. The Group has successively entered international markets such as the U.S, Japan and Southeast Asia. YungShin Group fully demonstrates its roots in Taiwan while openly embracing the principles and ambition of internationalization.

## 3.1 Products and Services

YungShin Group's core business lies in the manufacturing and trading of pharmaceutical products, starting from our core business. Building upon its core competencies, the Group continues to explore and advance within the health industry, gradually expanding its business scope to achieve vertical integration across upstream, midstream, and downstream operations, as well as diversification of its product portfolio. Currently, the scope of Group's product covers human pharmaceuticals, beauty and personal care products, dietary supplements, veterinary drugs, animal feed additives, and active pharmaceutical ingredients (APIs). Our business operations cover import, export, agency and distribution of pharmaceuticals, pharmaceutical testing equipment and pharmaceutical instruments. In addition, the Group provides professional services such as testing of food and cosmetic products, contract manufacturing (OEM) of pharmaceuticals and health supplements, and contract manufacturing of API.

The main pharmaceutical manufacturing subsidiaries of YungShin Group are the YSP, Venostrum and CTI. All of our equipment conforms to the PIC/S GMP international pharmaceutical standards and complies with applicable pharmaceutical quality and manufacturing regulations. Furthermore, dietary supplements, beauty and personal care products, and veterinary drugs and supplements are marketed under a dedicated brand. These brands serve to position our pharmaceutical products meet the diverse needs of various consumer groups, while also accumulating YungShin Group's reputation and visibility among consumers.

### The Main Pharmaceutical Manufacturing Subsidiaries of YungShin Group and Their Key Products

Region	Company	Key Products
Taiwan	 YUNG SHIN PHARM. IND. CO., LTD.	<ul style="list-style-type: none"> <li>- Human pharmaceuticals</li> <li>- Beauty and personal care products</li> <li>- Dietary supplements</li> <li>- Active pharmaceutical ingredients (API)</li> <li>- Specialty chemicals</li> </ul>
Taiwan	 Venostrum Animal Health Co., Ltd.	<b>Economic animals</b> <ul style="list-style-type: none"> <li>- Therapeutic animal medications</li> <li>- Medicated feed additives</li> <li>- Non-medicated feed additives, etc.</li> </ul> <b>Pets</b> <ul style="list-style-type: none"> <li>- Therapeutic pet medications</li> <li>- Pet supplements</li> </ul>
USA	 CARLSBAD TECHNOLOGY, INC.	<ul style="list-style-type: none"> <li>- Human pharmaceuticals</li> </ul>

### 3.1.1 Summary of Key Products and Services

#### Human Pharmaceuticals, Dietary Supplements and Beauty and Personal Care Products

##### Prescription Drugs

Include nervous system drugs, circulatory system drugs, respiratory system drugs, digestive system drugs, metabolic drugs, cancer drugs, genitourinary system drugs, antimicrobial drugs, external skin drugs, and so on. The continued research and development of these medicine allows us to meet customers' medical needs.



Convenient House-use Medicine



Fountain Health Food Series



J'Fancy



J'fancy Beaut'e



HAC  
Health Assurance Care

YungShin Pharmaceutical has released a series of convenient house-use medicines, giving consumers easy access to medicine in their daily life. The products follow the principle of "Convenient Use". We design and develop products using self-explanatory and simple visual communication on the packaging, enabling customers to easily identify the medication for home use.

Our reasonably priced, convenient house-use medications address the four major health issues commonly faced by an average citizen, such as series of cold medicine, gastrointestinal medicine, painkillers and travel medicine. All of these products are designed to prioritize convenience, allowing the consumers to easily address their health issues when purchasing necessary medication.

YungShin Pharmaceutical's advanced pharmaceutical technology has repeatedly received recognition from various quality certifications, both domestically and internationally, which ensures consumer health and provides a safe and reliable experience.

Fountain is a health food series created by YungShin Pharmaceutical combining professional research and development, strict selection of materials, and preventive health. The full range of products was jointly developed by pharmacists and nutritionists, and manufactured in strict accordance with pharmaceutical-grade specifications.

The live spring series products are subject to strict quality control by the company's quality inspection unit from raw material screening and production all the way to the finished products. All series of products have passed inspections, such as total bacteria count detection, heavy metal detection, E. coli detection, six major plasticizer detection, that meet the highest quality standards.

J'Fancy is a medical care and beauty product brand under the YungShin Group. It upholds the strict pharmaceutical spirit as well as professional medical background and focuses on people's beauty and makeup needs. J'Fancy is developed by the Corporation's Pharmaceutical R&D team, which includes PhDs in Biotechnology and Medicine, dermatologists, and medical specialists, while also investing in R&D efforts alongside production, regulatory, academic, and research organizations. It makes an effort to deliver a series of natural and irritating-free skincare and beauty products.

Beauty and skincare products balance health, ease of use and beauty as its core. No added formaldehyde-type preservatives, flavoring, alcohol, SLS highly irritating surfactants and other irritating components that "the skin does not need". Our products provide the skin with healthy and safe nutrients, with the entirety of product manufacturing process strictly controlled by YungShin quality system and the use of SGS testing.

In the last 10 years, our skincare products have obtained endorsement from professional doctors and the adoration of a broad range of consumers. In the future, YungShin will integrate Japan's skincare and healthcare technology with its resources to continue to boost people's beauty and balance the consumers health with the ease our product brings.

It is its own health brand under the YungShin Group, upholding the traditional spirit of "only taking the medicine when necessary" to provide safe and relieving supplements and beauty products.

All products have been developed and designed by nationally certified nutritionists and pharmacist groups as well as the preventive medicine team of Carlsbad Technology Inc. USA (CTI) and produced via software and hardware certified by cGMP and FDA of the US, in accordance with the strict HAQS (Health Assurance Quality Standard). In addition, HAC holds several export licenses and international trademarks, allowing for the distribution of products to other countries.

Online purchase available at <https://www.hacsquare.com/>



## Animal Drugs and Supplements

### Therapeutic Drugs

Include various antibiotic preparation, anti-parasitic drugs, anti-bacterial drugs, respiratory system drugs, anti-inflammatory drugs, endocrine preparations, disinfectants, etc. Dosage forms include powders, granule, water-soluble powders, liquids, and injections.

Main products include Amoxicillin series, exclusive products such as Eurofac®STP, Grantlife® sterile suspension and Tulamax.

### Non-Medicated Feed Additives

Main ingredients of non-medicated feed additives include feed-grade enzymes, probiotics, phylogenics, acidulants, etc. The benefits include improved feed efficiency, enhanced animal health, increased disease resistance, and reduced excrement odor, among others.

The main products include Yungstrong®, Verszyme®, etc.

### Medicated Feed Additives

Medicated Feed Additives are drugs administered through incorporation into daily feed. Mainly includes antibiotics and anti-parasitic drugs.

Main products include Vetostrum, Tulamax, etc.



Koolpal

Koolpal is a brand under Vetostrum Animal Health Co., Ltd., which supply a series of veterinary medications and pet supplements. Upholding the belief in "providing quality products and safeguarding animal health", we ensure that all products, whether self-produced or authorized, will meet the highest standard and deliver the most reliable nutritional needs for pets.

Please visit our official website for more details: <https://www.koolpal.com.tw/tw>

## Inspection & Analysis Services



EYES Laboratories

In recent years, domestic and international food safety problems have increasingly garnered attention. In response to that phenomenon, Yung Shin Pharmaceutical has established EYES testing laboratories in 2010 to enhance the inspection services and help ensure food safety. EYES management system and process were established according to ISO / IEC 17025:2005 International Laboratory Accreditation standards. In 2011, it became the first laboratory in the pharmaceutical industry that obtained food, drugs and cosmetics certifications by TFDA. The laboratory does not only provide microbiological and chemical examination of food, cosmetics and medicine, but also participates in competency tests domestically and abroad every year to ensure that its testing technology meets international standards; In addition, EYES develops testing methods for drugs, cosmetics, food, etc.

Food testing involves 5 items, including total viable count, E. coli, Coliform group, mold and yeast, and Cronobacter sakazakii. Cosmetics testing includes 6 items, including total plate count, Staphylococcus aureus, Pseudomonas aeruginosa, mold and yeast, Enterobacteriaceae and Escherichia coli.

## Domestic and Foreign Distribution and Cooperation

### Cooperation with Agents and Distributors

For many years, YungShin Group has established robust sales network across medical professionals and consumer channels, such as hospitals, clinics, pharmacies, drug stores, and e-commerce platforms.

Yung Shin Pharmaceutical has over 300 groups dedicated to marketing and business. It was also selected as the first pharmaceutical "Selling Power" by Breakazine.

The Japanese subsidiary Chemix Inc. is a trading company engaging in sales of pharmaceuticals, pharmaceutical and health food raw materials. It also serves as the agent for numerous foreign pharmaceutical raw material manufacturers, offering raw materials and health product ingredients that comply with Japanese GMP standards. In the sale of generic drugs, Chemix Inc. does not only cooperate with major Japanese pharmaceutical factories but also has a dedicated professional sales team and sales channels. Product sales cover the entirety of Japan's medical institutions and over a hundred local distributors.

### Global Pharmaceutical OEM

Chemix Inc has a lineup of strong R&D groups, best quality manufacturing process control, precise high-tech testing and high level packaging equipment, as well as automated warehouse facilities. Production capabilities include medicine for human and animal consumption, APIs, health food, cosmetics, specialty chemicals, etc.

## 3.1.2 R&D Investment

YungShin Group actively engages in the development of various high-quality products. In the recent years, average annual investments into R&D expenditure reached 4~5% of the consolidated operating revenue. The Group has obtained patents, trademark rights and marketing authorizations in multiple countries worldwide, aiming to achieve the brand goals of "Health Guardians, Beauty Creators and Happiness Deliverers". YungShin Group's intellectual property portfolio spans across Taiwan, China, Japan, South Korea, the European Union, the Americas, and Southeast Asia. As of 2024, the Group's key locations have obtained patents, trademark rights, and marketing authorizations as follows:

### The Group's R&D Investment

Item	2022	2023	2024
Consolidated R&D Expenditure (NTD thousand)	347,032	329,818	387,454
Percentage of Consolidated Operating revenue (%)	4.75%	4.69%	4.82%

Note: The main source of data is the consolidated financial statements audited by CPAs.

## 2024 Status of Patents, Trademark Rights, and Marketing Authorizations

Area	Category	Patents		Trademark Rights		Marketing Authorizations	
		Granted	Pending	Granted	Pending	Granted	Pending
Taiwan		7	1	1,283	21	757	9
China (incl. HK & Macau)		1	-	234	-	72	5
Japan & Korea		6	-	15	-	13	-
EU		7	1	-	-	-	-
Americas		7	1	21	-	24	2
Southeast Asia		2	-	98	3	97	2
Other Regions		-	-	11	-	16	-
Total		30	3	1,662	24	979	18

Note: The main entities responsible for obtaining patents, trademark rights, and marketing authorizations include YSP, Vetostrum and CTI.

## 3.2 Product Safety Liability Management Policies GRI 3-3

Material Topics	Customer Health and Safety	Corresponded GRI	GRI 416
Impact of the Topic	<p>As a bio-tech and health industry professional, the safety and health of our customers have a deep and direct connection with the products and services provided by the Group. The issue of whether the principles of product safety and customer health protection are really implemented by the Group affect the Group's reputation and corporate image and can have a positive or negative impact on all external stakeholders.</p> <p>In 2024, YungShin Group has not recorded any significant negative impacts concerning Customer Safety and Health.</p>		
Commitments/ Policies	<p>For the YungShin Group, strict control of product quality and ensuring user safety and health are non-negotiable priorities. The Group commits to continuing to provide high quality, safe products and services. While pursuing profit, the enterprise shoulders responsibilities towards society and each consumer.</p>		
Goals	<p><b>Short - Term</b></p> <ul style="list-style-type: none"> <li>- Product safety 100% compliant with regulations.</li> <li>- Follow-up factory inspections have achieved a 100% pass rate.</li> <li>- Product recall quantity within 1 piece.</li> </ul> <p><b>Medium to Long-Term</b></p> <ul style="list-style-type: none"> <li>- Maintain 100% compliance with Product Safety laws and regulations</li> <li>- Maintaining a 100% pass rate in follow-up factory inspections.</li> <li>- Product recall quantity within 1 piece.</li> <li>- Implemented digitalization of quality management system, combining quality with management process.</li> </ul>		
Action	<ul style="list-style-type: none"> <li>- Strict screening of suppliers and choice of raw materials.</li> <li>- In R&amp;D, we assemble a dedicated team of professionals and strive for balance between product safety and effectiveness.</li> <li>- In terms of manufacturing, we closely abide by quality related standards and have obtained certifications such as GMP, FSSC22000, FAMI-QS and ISO 9001.</li> <li>- In terms of quality control, we make use of precise high technology testing instruments to monitor product quality.</li> <li>- We implement high technology into packaging and warehousing. We preserve and ship our products in a scientific way, ensuring product safety and effectiveness.</li> <li>- We actively promote the importance of product control within the Corporation and encourage our employees to take part in the continued improvement and innovation of quality system.</li> </ul>		
Evaluation Method	<ul style="list-style-type: none"> <li>- The product quality compliance, product recall incident number and follow-up factory inspection pass rate are important indicators in performance measurement.</li> <li>- Convene monthly quality meetings to increase effectiveness of review management policy. Convene annual management review meetings to review compliance status.</li> </ul>		
Achievements in 2024	<ul style="list-style-type: none"> <li>- Product safety 100% compliant with regulations.</li> <li>- Zero significant instances of product recalls.</li> <li>- 5 factories in Taiwan underwent a total of 8 external inspections and successfully passed all inspections.</li> <li>- Zero significant violations of health and safety regulations related to products and services.</li> <li>- Zero complaints were received from regulatory authorities regarding product safety.</li> </ul>		
Dialogue Channels	<p>Client and consumer can use the following free hotlines or email addresses to share their suggestions, questions or complaints related to medicine adverse reaction.</p> <p>YSP contact email: <a href="mailto:ysp@yungshingroup.com">ysp@yungshingroup.com</a></p> <p>Vetnostrum contact email: <a href="mailto:service@vetnostrum.com">service@vetnostrum.com</a></p>		

Products from YungShin Group are related to the health and beauty of humans and animals alike. Therefore, our bottom line is to secure the quality and safety of our products. This is our way of taking responsibility for every one of our customers.

### 3.2.1 Safety and Quality Certifications

To ensure stringent quality control over our products, YungShin Group has established corresponding internal regulations and practices at every stage of manufacturing. This includes rigorous scrutiny of raw materials, assembling a team of professionals for research and development, adhering to standards during manufacturing, ensuring proper packaging, utilizing high technology, precision high-tech testing instruments for quality control, and implementing a three-dimensional automated storage system in warehousing. Each location has obtained various domestic and international certifications, including ISO 9001, FSSC 22000, HACCP:2012, SNQ, Health food certificate, FAMI-QS, FDA, PMDA, as well as Taiwan's PIC/S GMP certification and cGMP three-phase verification certification. Over the past three years, these sites have undergone multiple regular and irregular external audits. In 2024, a total of 8 external inspections were conducted and successfully passed across 5 manufacturing factories in Taiwan.

#### Key Certifications Obtained as of the End of 2024



GMP - Vetnostrum

PIC/S GMP -  
Youth Factory

PIC/S GMP -  
Youth Factory II

PIC/S GMP -  
Youth Factory III

Certificate of the  
Symbol of  
National Quality

## Certifications of Major Manufacturing Factories



国家药品监督管理局

National Medical Products Administration

**CARLSBAD**  
TECHNOLOGY INC.  
Bridging Taiwan and Southeast Asia with America



### 3.2.2 Key Points of Quality Control



#### Obtaining of Raw Material

##### Strict Screening

- All suppliers have passed rigorous qualification audits.
- To ensure safety, suppliers are required to thoroughly inspect each batch of raw materials prior to production.
- In terms of quality control, we make use of precise high technology testing instruments to monitor product quality.



#### Research and Development

##### Professional Research and Development

A team comprising of experts in medical pharmacy, chemistry, chemical engineering, biotechnology, clinical fields, and nutritionists follow the "Quality by Design" principle to control the rationality of product development, analytical method development, and process parameter design.



#### Manufacturing

##### International Standards Creation

- This ensures compliance with PIC/S GMP, cGMP, U.S. FDA certified hardware and software manufacturing, along with a comprehensive process control system.
- Each type of product has its own dedicated production line, environmental air conditioning system, duct collection and exhaust filtration facilities to prevent cross-contamination.
- The production lines are equipped with various processing equipment to optimize production for different products.
- In terms of quality control, to monitor product quality, we make use of precise high technology testing instruments.
- Stability tests are conducted, and products are batch-sampled for inspection.



#### Packaging

##### Safe Design

- Complete sealing and clear labeling of usage dates are enforced.
- Packaging material airtightness tests and other assessments are also carried out.



#### Warehousing

##### Automated Warehouse

We employ three-dimensional automated storage systems to ensure appropriate and efficient warehouse management. The entire process, from material intake, distribution, to packaging, warehousing, and shipping, are all conducted under strict control.

### 3.2.3 Product Complaint Handling Mechanism GRI 416-2

To uphold accountability to customers, YungShin Group maintains strict quality control over its products and has established communication channels and handling mechanisms for customers to express suggestions, file complaints, and report adverse reactions. This system allows for the prompt addressing of customer feedback.

#### Customer Suggestions and Complaint Channels

**Yung Shin Pharmaceutical contact email :** [ysp@yungshingroup.com](mailto:ysp@yungshingroup.com)

**Pharmacology consultation hotline:** 0800-012679

**HAC contact hotline and email:** 0800-012678 [hac@yungshingroup.com](mailto:hac@yungshingroup.com)

**J'Fancy hotline :** 0800-012689

**Vetnostrum contact email :** [service@vetnostrum.com](mailto:service@vetnostrum.com)

**Koolpal contact hotline :** +886-2-27186200 #60101

All customer communication channels are toll-free. Upon receiving a customer complaint, each case is assigned a unique identification number for tracking purposes. A systematic process form is utilized to initiate the customer complaint case. Depending on the nature of the complaint and its frequency, appropriate correctives are selected. The progress and product quality complaint rates are regularly monitored during the monthly quality risk meetings.

#### Notification Mechanism of Adverse Drug Reaction in Taiwan

##### Healthcare Professionals (Medical Institutions, Pharmacies) and the Public:

Complete the "Manager Account Application Procedures and Responsibility Declaration" along with the required application information. After formal submission to the National Adverse Drug Reactions Reporting System (hereinafter referred to as the Reporting Center) or the Ministry of Health and Welfare's Food and Drug Administration, you may report online via the system or through email at [adr@tdrf.org.tw](mailto:adr@tdrf.org.tw).

##### Pharmaceutical Manufacturer:

Complete the "Account Application Procedures and Management Responsibility Declaration for Drug License Holders or Their Authorized Organizations." After submitting your application to the Reporting Center, you may report online via the system.

In 2024, YungShin Group did not experience any significant violations related to health and safety regulations concerning products and services, and there were no complaints received from regulatory authorities regarding product safety.

### 3.3 Customer Rights Protection

#### Management Policies GRI 3-3

Material Topics	Customer Privacy	Corresponded GRI	GRI 418
Impact of the Topic	Maintaining customer privacy is closely related to upholding the Group's reputation and protection of customer and consumer's rights. This can have a positive or negative impact on the company's profits and sustainable development. In 2024, YungShin Group has not recorded any significant negative impacts concerning Customer Privacy.		
Commitments/ Policies	One of the YungShin Group's main commitments to all clients and consumers is maintaining customer privacy. The Group shall implement internal data protection policies and management procedures to safeguard customer privacy. It will make an effort to prevent any leakage of customer information, consumer data breaches or infringements on consumer rights.		
Goals	<p><b>Short - Term</b></p> <ul style="list-style-type: none"> <li>- Maintain no instances of violation of customer privacy.</li> <li>- Maintain no instances of customer information loss.</li> <li>- 100% of employees have undergone relevant Information Security training.</li> </ul> <p><b>Medium to Long-Term</b></p> <ul style="list-style-type: none"> <li>- Maintain no instances of violation of customer privacy.</li> <li>- Maintain no instances of customer information loss.</li> <li>- 100% of employees have undergone relevant Information Security training.</li> </ul>		
Action	<ul style="list-style-type: none"> <li>- YungShin Group has established an internal regulation system and management procedures related to data protection. The Group has planned and implemented information security operations and is committed to continued promotion of its information security policies.</li> <li>- The Group utilizes various security technologies and programs to protect customer's personal information from unauthorized access, use or disclosure.</li> <li>- Every year, the Group commissions vendors to conduct information safety vulnerability scans and bug fixes.</li> <li>- YungShin Group actively enhances employee awareness of information security. In addition to strengthening relevant education for new employees, the Group conducts periodic relevant information security campaigns and training for all employees.</li> <li>- All office computers are equipped with antivirus software, and regular updates to both the system and virus definitions are performed to reduce the risk of hacking and ransomware attacks.</li> <li>- External file transfer channels are strictly controlled, including portable devices (e.g., USB drives), cloud storage, file transfer protocols (FTP), and email transmission mechanisms.</li> </ul>		
Evaluation Method	The number of complaints and confirmed incidents related to customer privacy violation will serve as main indicator for performance evaluation. The Auditing Department shall conduct regular audits of information security management status.		
Effective Evaluation	<p><b>Achievements in 2024</b></p> <ul style="list-style-type: none"> <li>- No recorded instances of breach of client's privacy.</li> <li>- No complaints caused by loss of customer information.</li> <li>- Budget has been allocated to strengthen proactive defense and monitoring capabilities against external cyberattacks.</li> <li>- Participated in 2 external cybersecurity training sessions or seminars to enhance staff competencies in information security.</li> <li>- Conducted one disaster recovery test for ERP, email, and network systems.</li> </ul>		
Dialogue Channels	Customers or consumers can reach out through their sales representatives or use the customer service hotline available on the website (+886-4-26875100) or the email address ( <a href="mailto:ysp@yungshingroup.com">ysp@yungshingroup.com</a> ) and other communication channels to provide feedback, including sending a message through the Contact Us page on the Corporation's official website.		

### 3.3.1 Information Security Management GRI 418-1

To maintain good relationships, YungShin Group actively protects customer information, rights and interests as well as the privacy of website users. When using the YungShin Group website, users do not have to provide any private information to browse through the majority of the web pages. Members registered on the website can download Privacy Protection Declaration Principles stated in the User Rights and Interests Terms. The terms explain that except in instances related to law compliance or special proceeding, the Group will fulfill all confidentiality obligations. Each member's data, purchase information and related privacy data will be properly stored, managed and protected.

To protect website users' personal information, YungShin Group ensures that user's personal information will not be shared with third parties without obtaining consent. YungShin Group utilizes various security technologies and programs to ensure personal information is not stored and retrieved, used or leaked. Each security technology and program include installation of proper anti-virus software, setting up a firewall, device access control and scheduled worker log-in computer password change. When it comes to online Safety, each year a delegated manufacturer performs information safety weak-spots scan and fixes the flaws of the system. The unit responsible for information security is the Information Security Department, which is in charge of formulating internal information security policies, planning and executing security operations, and promoting and implementing security policies. The Information Security Department regularly reports the status of information security governance to the Chairman and President. The Audit Department serves as the supervisory unit for information security. It is headed by an Audit Manager who is responsible for auditing the implementation of internal information security measures. If deficiencies are identified, the audited unit is required to propose relevant improvement plans and specific actions. The Audit Department also conducts regular follow-ups to ensure the effectiveness of improvements and to reduce internal information security risks. For detailed information on the Corporation's information security management mechanisms, please refer to YSH's 2024 Annual Report / Chapter 4 Operational Highlights / VI. Information and Communication Security Management.

In 2024, there were no reported incidents involving breaches of customer privacy, nor were there any complaints resulting from lost customer data.

### 3.3.2 Personal Data Complaint Channel

To ensure the security of customers' personal information, YungShin Group has established a dedicated communication channel and handling mechanism for customers to file complaints or report issues related to personal data.

#### Customer Personal Data Complaint and Reporting Channel

**YSP Contact Email:** [ysp@yungshingroup.com](mailto:ysp@yungshingroup.com)

**Vetnostrum Contact Email:** [service@vetnostrum.com](mailto:service@vetnostrum.com)

Upon receiving a customer complaint or report regarding personal data, each case is assigned a unique identification number for tracking and reference. The case is initiated through a system workflow form. Based on the nature and frequency of the complaint, appropriate corrective actions are applied, and progress is monitored regularly along with complaint rate analysis.

### Information and Communication Security Management Measures

Measures	Current Implementation Status
Personnel Security Management and Education Training	<ul style="list-style-type: none"> <li>Information security articles are irregularly published on the employee website.</li> <li>Information security announcements are sent via email on an irregular basis.</li> </ul>
Computer System Security Management	<ul style="list-style-type: none"> <li>Employees are required to regularly change their computer login passwords.</li> <li>All computers and servers are equipped with licensed enterprise antivirus software, with virus definitions updated daily.</li> <li>All employee computers and system hosts use legally licensed software, and operating systems are regularly patched with Microsoft's security updates.</li> <li>All employee computers are equipped with the x-fort system to record usage logs and strictly control the writing/burning of internal company data to portable storage media such as USB and CD. Laptop usage outside the office is also strictly regulated.</li> <li>Internet access is routed through behavior management devices to filter malicious or inappropriate content, enhance work efficiency, and prevent sensitive corporate data from being uploaded to external cloud platforms.</li> <li>An email auditing system is used to strengthen control over sensitive data in outgoing emails and attachments.</li> <li>Important documents are encrypted and stored in the document management system, with access permission granted based on confidentiality level and business needs.</li> </ul>
Network Security Management	<ul style="list-style-type: none"> <li>Physical control is implemented to prevent unauthorized external devices from accessing the internal corporate network.</li> <li>Guest network access is physically separated from the internal corporate network to ensure information and system security.</li> <li>Internet access is routed through behavior management devices to block malicious and inappropriate content, improving work efficiency.</li> <li>Firewalls are deployed to separate internal and external networks, complemented by intrusion detection systems to block cyberattacks and unauthorized access, ensuring internal network security.</li> <li>A Web Application Firewall (WAF) is installed in front of corporate websites providing external services to enhance protection against OWASP common vulnerabilities and hacker attacks.</li> <li>Annual vulnerability scans are conducted by external vendors on network services, and major vulnerabilities are promptly patched.</li> </ul>
System Access Management	<ul style="list-style-type: none"> <li>Employees accessing internal data from external locations must use VPN or Citrix systems. Access rights are granted based on business needs and require formal application.</li> <li>A database auditing system is implemented to retain detailed activity logs and behavioral traces for critical databases.</li> </ul>
Server Security Management	<ul style="list-style-type: none"> <li>Daily backups are performed for critical information systems and file servers. Disaster recovery drills for ERP, email, and network systems are conducted at scheduled intervals.</li> <li>Servers and core routers are equipped with hardware fault tolerance mechanisms to prevent system disruptions due to hardware failures.</li> <li>The data center is equipped with UPS and environmental monitoring systems to closely monitor power, temperature, humidity, and fire safety. In case of anomalies, alerts are sent via SMS and email to data center administrators for timely resolution.</li> </ul>

# 04

## Environmentally Responsible Operations

### 4.1 Energy and Greenhouse Gas Management

### 4.2 Water Stewardship

### 4.3 Waste Management

### 4.4 Sustainable Supply Chain Management

- The 2023 greenhouse gas emissions of YSH and YSP's Dingdian Factory, Youth Factory, Youth Factory II and Youth Factory III have obtained ISO 14064-1 verification.
- The quality of drainage wastewater from primary production sites corresponded fully with local regulations and was far from reaching the limit.
- The injection factory recycled water reuse reached 11,500 tons (kiloliter).
- Commissioned for waste collection and disposal Contractors was 100% qualified and compliant.
- No significant violations of the Waste Disposal Act or other environmental regulations have been recorded.
- 76% of hazardous waste was properly treated and subsequently recycled or reused.
- Local procurement ratio reaches 75% at major production sites.
- 100% of YSP's suppliers signed the Supplier Integrity Commitment Letter.





Worldwide enterprises share the obligation and responsibility of environmental protection. For many years, YungShin Group has adhered to the principle of "Caring for the planet and putting the environment first". The Group complies with environmental regulations at all locations and takes concrete actions to protect the environment. To ensure that caring for the Earth is more than just an ideal, YungShin Group has established more environmental goals and implemented a stricter environmental management system. In 2008, YSP's Youth Factory received the Top 10 Green Beautification Performance Award in the National Industrial Park Green Beautification Competition. Through a clean and tidy work environment, various environmentally friendly concepts such as quality, innovation, cost and environmental protection are ingrained in the minds of each employee, which shall manifest in their daily work.



## 4.1 Energy and Greenhouse Gas Management

### Management Policies GRI 3-3

Material Topics	Energy Management and Greenhouse Gas (GHG) Emissions Management		Corresponded GRI	GRI 302, 305
Impact of the Topic	<p>Climate change is threatening the basic survival of the Earth's living organisms and has gained significant attention from stakeholders across all sectors. In the current trend, the Group's management performance in terms of energy and greenhouse gas emissions may affect the corporate image and normal operation of the Corporation. It could also impact the environment on which humans and various lifeforms depend for survival.</p> <p>In 2024, YungShin Group has not identified any significant negative impacts in terms of Energy management and GHG Emissions.</p>			
Commitments/ Policies	<p>YungShin Group is committed to implementing initiatives related to energy and greenhouse gas emissions management, as well as establishing relevant management systems. This shall allow the Group to address the potential impacts of climate change and protect the environment that all living beings on Earth rely on for survival.</p>			
Goals	Short-Term	<ul style="list-style-type: none"> <li>Continue to implement various programs to improve energy efficiency.</li> <li>Continue to establish energy management systems.</li> <li>Continue to replace devices with high-efficiency, energy-saving equipment.</li> <li>Obtained ISO 14064-1 certification.</li> <li>The scope of the greenhouse gas inventory has been expanded to cover the consolidated financial reporting boundary.</li> </ul>		
	Medium to Long-Term	<ul style="list-style-type: none"> <li>All lighting equipment used in production sites shall be replaced with energy-efficient lamps.</li> <li>Gradually replace business vehicles with electric ones.</li> <li>Increase the proportion of localized raw material procurement.</li> <li>Increase the proportion of electric vehicles used by logistics partners.</li> <li>The new factory area adopts green building materials and low-carbon equipment, aiming to protect the environment and reduce energy consumption.</li> </ul>		
Action	<ul style="list-style-type: none"> <li>Establish a management system and strengthen data monitoring and collection.</li> <li>Enhance the energy efficiency of production and operation equipment, including the usage of energy-saving equipment, introduction of induction apparatus and ensure the highest level of control during the equipment operation.</li> <li>Conducted greenhouse gas inventory and planned to expand the scope of the inventory, aiming to obtain relevant certifications.</li> <li>Promote practices of energy saving and carbon reduction among employees.</li> <li>The new factory will be equipped with solar power generation facilities, adopt low-carbon emission equipment, and actively promote water and waste recycling, aiming to protect the environment and reduce energy consumption.</li> </ul>			
Effective Evaluation	Evaluation Method	<p>The data on energy consumption and greenhouse gas emissions shall serve as the primary performance evaluation indicators for the effectiveness of management policies. The Environmental Sustainability Group operating within the Sustainable Development Task Force shall assess the implementation of management policies, performance results and goal achievement status.</p>		
	Achievements in 2024	<ul style="list-style-type: none"> <li>Initiated the 2024 greenhouse gas inventory for consolidated subsidiaries.</li> <li>The 2023 greenhouse gas emissions of YSH and YSP's Dingdian Factory, Youth Factory, Youth Factory II and Youth Factory III have obtained ISO 14064-1 verification.</li> </ul>		
Dialogue Channels	<p>Tel: +886-4-2687-5100 Email: ysp@yungshingroup.com</p>			

## 4.1.1 Management Policies

Energy-saving and carbon reduction are the most crucial sustainability issues of all worldwide enterprises. The environmental impact caused by global warming cannot be overlooked. YungShin Group actively responds to the global trend of reducing carbon emissions through the development and promotion of various energy-saving and carbon reduction initiatives. The group is committed to improving the efficiency of resource usage and fulfilling its environmental protection responsibilities, hoping to be well-prepared to respond to challenges posed by climate change.

Key Strategic Directions	Focus Point
Regulatory Framework	<ul style="list-style-type: none"> <li>Establish environmental management policies for each factory.</li> <li>Formulate and develop a sustainable environmental management plan consistent with the characteristics of the Corporation.</li> <li>Promote factory environmental audit to strengthen factory environmental management.</li> </ul>
Workplace	<ul style="list-style-type: none"> <li>Plan and design an environmental protection factory, promote environmental afforestation and beautification, as well as planting a variety of flowers, grasses and trees.</li> <li>Encourage employees to use environmentally friendly utensils, conserve light and water.</li> <li>Promote energy-saving initiatives through meetings and management campaigns to strengthen employee energy conservation and carbon reduction awareness.</li> </ul>
Production Operations	<ul style="list-style-type: none"> <li>Implement energy and water-saving measures at the factories.</li> <li>Switch to energy-efficient lighting equipment, use sensor-activated devices.</li> <li>Evaluate the reduction control or shutdown of electrical equipment, AC chilled water systems, dust collection and exhaust equipment in non-critical areas and time periods.</li> <li>Routine performance checks.</li> </ul>
Product Design	<ul style="list-style-type: none"> <li>Use bubble wrap (recyclable and environmentally friendly materials) as the cushioning material of the shipping boxes.</li> </ul>
Incorporate Sustainability Concepts	

Data collection and analysis serve as the foundation for enterprises to plan out reduction initiatives, assess program performance, establish directions for improvement and set goals for the future. YungShin Group is actively establishing a management system and progressively enhancing mechanisms for the data monitoring and collection. The Group plans to outperform the deadlines set forth in the Sustainable Development Roadmap issued by the Financial Supervisory Commission R.O.C (Taiwan), through the advanced expansion of the scope of audits.

The 2023 greenhouse gas emissions of YSH, YSP's Dingdian Factory, Youth Factory, Youth Factory II, Youth Factory III, and Vetrostrum's Hsinchu Factory have been verified by a third party. For the 2024 greenhouse gas inventory, YungShin Group has initiated inventory work for its overseas locations in China, Japan, and the U.S., and plans to conduct third-party verification for the GHG emissions of YSH and YSP.

## 4.1.2 Energy and Greenhouse Gas Emissions Performance

### GRI 302-1, 302-3, 305-1, 305-2, 305-3, 305-4

In 2024, the total energy consumption within the YungShin Group was 334,209.30 GJ. In terms of energy structure, purchased electricity (52.14%) and natural gas/ liquefied natural gas (46.19%) are the main sources of energy in YungShin Group. Electricity is primarily used for general daily operations. We currently do not use renewable energy sources. Natural gas is mainly utilized to power boilers and other equipment. In addition, we also use gasoline, diesel fuel and liquefied petroleum gas. Gasoline is primarily used for business vehicles and equipment such as lawnmowers, while diesel fuel is used to power generators and forklifts. Liquefied petroleum gas is mainly used for gas stoves and water heaters. In terms of greenhouse gas emissions structure, the emissions generated by YungShin Group are primarily in Scope 2 (68%), accounting for 100% of emissions originating from purchased electricity, and Scope 1 (32%), which are the emissions generated from the use of liquefied natural gas. Within Scope 3, the primary source of carbon emissions identified in the 2024 inventory was associated with fuel- and energy-related activities.

The increase in energy consumption and energy intensity in 2024 compared to 2023 was primarily due to the expanded scope of data collection. The increase in combined Scope 1 and Scope 2 greenhouse gas emissions in 2024 compared to 2023 was mainly attributed to higher production output.

### Energy Consumption and Intensity Over the Past 3 Years

(unit: GJ)

Type	Energy Type	2022	2023	2024
Direct Energy	Gasoline	715.63	829.42	4,893.05
	Diesel fuel	290.39	591.02	695.00
	Natural Gas / Liquefied Natural Gas	64,861.48	128,030.24	154,366.51
	Liquefied Petroleum Gas	-	7.07	7.07
Indirect Energy	Subtotal	65,867.50	129,457.75	159,961.63
	Purchased Electricity	52,560.79	146,705.76	174,247.67
	Total	118,428.29	276,163.51	334,209.30

### Energy Intensity (unit: GJ/NTS million)

Energy Consumption per Unit of Revenue	16.20	39.29	41.61
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#### Note:

1. The data boundary for 2022 includes YSP (Youth Factory and Dingdian Factory), Vetrostrum's Hsinchu Factory, Chemix and CTI.

2. The data boundary for 2023 includes YSH, YSP (all locations), Chemix, CTI and YungShin Tiente.

3. The data boundary for 2024 includes YSH, YSP (all locations), Chemix, CTI, YungShin Tiente and Vetrostrum (all locations).

4. The heat values for gasoline and diesel in 2024 are based on the official announcement by the Ministry of Environment. Other conversion coefficients are sourced from the Energy Content Table for Energy Products (for statistical purposes only), published by the Energy Administration, Ministry of Economic Affairs.

5. The denominator for energy intensity is the consolidated revenue.

## Greenhouse Gas Emissions and Emission Intensity

Greenhouse Gas Emission Statistics (unit: tCO <sub>2</sub> e)			
Greenhouse Gas Emissions Type	2022	2023	2024
Scope 1	3,840.7981	9,752.9982	10,013.7529
Scope 2	6,148.0566	21,480.3790	21,696.4905
Total (Scope 1 + Scope 2)	9,988.8547	31,233.3772	31,710.2434
Scope 3	837.4435	8,225.0493	8,470.4295

Greenhouse Gas Emission density (unit: tCO <sub>2</sub> e/NTD million)			
Greenhouse Gas Emissions per Unit of Revenue	2022	2023	2024
1.37	4.44	3.95	

Note:

1. The data boundary for Scope 1 and Scope 2 in 2022 cover YSP (Youth Factory and Dingdian Factory) and Vetrostrum's Hsinchu Factory. Among these, the data for YSP's Youth Factory and Dingdian Factory is obtained through self-inventory and calculation, while the data for Vetrostrum's Hsinchu Factory has been verified by a third party.
2. The data boundary for Scope 1 and Scope 2 in 2023 includes YSH, YSP (all locations), and Vetrostrum (all locations). The data for YSH, YSP (Youth Factory, Youth Factory II, Youth Factory III, and Dingdian Factory) and Vetrostrum (all locations) have been verified by a third party. Therefore, this report has been updated with verified data, which differs from the disclosures made in the previous year.
3. The data boundary for 2024 includes YSH, YSP (all locations) and Vetrostrum (all locations). The data for Vetrostrum (all locations) have been verified by a third party, while the data for YSH and YSP (Youth Factory, Youth Factory II, Youth Factory III, and Dingdian Factory) are pending third-party verification. The data for other YSP locations were obtained through internal inventory and calculation.
4. The data boundary for Scope 3 in 2022 includes Vetrostrum's Hsinchu Factory, with data verified by a third party. The categories of emissions inventoried include upstream and downstream transportation and distribution, waste disposal, carbon footprint of purchased products and services, fuel- and energy-related activities, and emissions from consulting, cleaning, and maintenance services.
5. The data boundary for Scope 3 in 2023 and 2024 includes YSH, YSP (all locations) and Vetrostrum (all locations). In 2023, the data for YSH, YSP (Youth Factory, Youth Factory II, Youth Factory III, and Dingdian Factory) and Vetrostrum (all locations) were verified by a third party, and this report has been updated accordingly. In 2024, the data for Vetrostrum have been verified by a third party, while the data for YSH and YSP are still pending verification.
6. In 2023 and 2024, the Scope 3 emissions inventoried for YSH and YSP include emissions from employee business travel, fuel- and energy-related activities, and waste disposal. For Vetrostrum, the inventoried categories include upstream and downstream transportation and distribution, waste disposal, carbon footprint of purchased products and services, fuel- and energy-related activities, employee business travel, and emissions from consulting, cleaning, and maintenance services.
7. The significant increase in greenhouse gas emissions in 2023 and 2024 compared to 2022 was primarily due to the expanded scope of data collection.
8. The denominator for emission intensity is the consolidated revenue, the numerator is the sum of Scope 1 and Scope 2.
9. The Global Warming Potential (GWP) is based on the IPCC Sixth Assessment Report (AR6). The greenhouse gas emission factors are referenced from the Ministry of Environment's GHG Emission Factor Management Table Version 6.0.4.
10. The electricity carbon emission factor is based on the latest announced value from the Energy Administration.

## 4.1.3 Energy Conservation and Carbon Reduction Measures

YungShin Group puts great importance on the potential environmental impacts of its operations. Therefore, it has been successively planning and implementing energy saving and carbon reduction measures, including regular inspections and replacement of old equipment for a new one, such as lighting. Moreover, the Group also promotes energy saving awareness among office staff. YungShin Group is aware of its responsibility for environmental protection and shall continue to plan out energy saving and carbon reduction actions for each factory. The major energy conservation and carbon reduction plan in recent years are presented as follows:

Entity	Energy Conservation Plan	Description
YSP	Ice storage air conditioning system was upgraded to a direct air conditioning system	In 2020, the ice storage air conditioning system in Area A of the Youth Factory was upgraded to a direct air conditioning system, eliminating the need for cleaning the ice storage tanks and reducing energy consumption from excessive pump operations across various areas.
	Enhanced monitoring system of the direct air conditioning system	Enhanced monitoring system allows for savings in manpower for operations and enables remote monitoring in real-time. Among these is the second air conditioning system which has been configured independently and produced by the unit. It is now online and can be operated remotely, resulting in a decrease in labor needs.
	The water supplying boilers has been replaced with RO water	Starting in 2020, Area A of the Youth Factory began using RO water for boiler supply, which has reduced scaling in the boiler tank and pipelines, improved thermal efficiency, and contributed to energy conservation. Furthermore, it has decreased concentrate emissions, resulting in saving on gas, liquid medicine and water resources. Additionally, the stable quality of the water supply reduces the risk of over time boiler hardware damage caused by improper handling of softened water by the personnel.
	Began usage of a 600RT absorption refrigerating machine evaporator	This saves on boiler water cleaning agents, deoxidizers and other chemicals, while reducing the use of softened ion exchange resins. The water temperature reaches 50-60°C after evaporation, which reduces fuel consumption in the boiler, leading to water conservation and decrease in energy consumption. The air conditioning system employs a heat recovery ventilator to exchange latent and sensible heat with the low-temperature air being expelled when the fresh air enters the room, thereby achieving energy savings.
	Replacement of traditional lighting fixtures	Each factory is conducting a comprehensive review of its lighting equipment based on usage frequency and electricity consumption to develop a replacement plan and implement energy saving lighting initiatives. Power consuming lamps will be gradually replaced with energy saving lamps in accordance with the planned schedule. The installations will adhere to the recommended lumen levels for each area to avoid excessive installation of lamps and achieve energy savings and safe illuminations.
	Replacement of Cooling Tower for Chiller System	The cooling tower of the chiller system with poor heat exchange efficiency was replaced, resulting in reduced electricity consumption.
Vetrostrum	Cleaning of Chiller Evaporator	Due to accumulated dirt, the evaporator had poor heat exchange performance. After cleaning, the approach temperature dropped from 5°C to below 3°C. This measure saves approximately 44,291 kWh of electricity annually, equivalent to 159.45 GJ of energy savings and an estimated reduction of 20.99 tCO <sub>2</sub> e.

Note:

1. Based on annual energy conservation (kWh), converted to GJ.

2. The electricity carbon emission factor is based on the latest announced value from the Energy Administration.

## 4.2 Water Stewardship

### Management Policies GRI 3-3

Material Topics	Water Stewardship	Corresponded GRI	GRI 303
Impact of the Topic	<p>Clean water resources are essential for ensuring that the products of YungShin Group meet the highest quality standards. They also become a valuable asset for the residents in the regions of the Group's operation. Improper water extraction and discharge do not only affect the water rights and interests of local communities but may also cause ecological disasters for aquatic organisms and plants, which could severely impact the environment.</p> <p>In 2024, YungShin Group has not identified any significant negative impacts in terms of Water Stewardship.</p>		
Commitments/ Policies	<p>To do utmost in minimizing the impact that operational processes may have on the external environment or the stakeholders, YungShin Group commits to promote water resources management measures.</p>		
Goals	<p><b>Short-Term</b></p> <ul style="list-style-type: none"> <li>- Continue to evaluate and install water saving components in devices such as faucets, toilets and flush valves.</li> <li>- Enhance water conservation awareness among employees.</li> <li>- Ensure that the quality of drainage wastewater corresponds fully to local regulations.</li> </ul> <p><b>Medium to Long-Term</b></p> <ul style="list-style-type: none"> <li>- Continue to implement water recycling and reuse initiative, which will expand the use of recycled water in fire protection reservoirs, landscaping, daily water use, boilers. This will reduce water extraction demand.</li> <li>- Optimize all machinery and equipment to improve the efficiency of resource utilization.</li> <li>- Continuing to promote water conservation awareness among employees, establish a water metering and review system.</li> <li>- Ensure that the quality of drainage wastewater corresponds fully to local regulations.</li> </ul>		
Action	<ul style="list-style-type: none"> <li>- In order to achieve water conservation goals, implement various measures to improve water resource utilization. Those include conducting leak repairs, installing flow controllers and adding water saving faucets.</li> <li>- Improve processes to reduce water consumption and minimize the use of solvent-based products.</li> <li>- Introduce new technologies and provide relevant training for employees.</li> <li>- Implement water recycling and reuse initiatives, such as in water-sealed vacuum pumps, washing syringe containers and the recovery and reuse of domestic sewage.</li> <li>- Plan a comprehensive sewage treatment policy, that includes, but is not limited to the appointment of Class B industrial wastewater treatment technicians, which will enhance the functionality of the wastewater treatment system, regular testing and monitoring of water quality and installing wastewater treatment equipment that complies with regulatory standards.</li> </ul>		
Effective Evaluation	<p><b>Evaluation Method</b></p> <p>Use received complaints or reports as well as information on water resource extraction, discharge, recycling and reuse as evaluation indicators for the effectiveness of management policies.</p> <p><b>Achievements in 2024</b></p> <ul style="list-style-type: none"> <li>- In 2024, the injection factory recycled water reuse reached 11,500 tons (kiloliter).</li> <li>- The quality of drainage wastewater from primary production sites corresponded fully with local regulations and was far from reaching the limit.</li> </ul>		
Dialogue Channels	<p>Tel: +886-2-25450185 Email: ysh@yungshingroup.com</p>		

### 4.2.1 Water Risk Management GRI 303-1, 303-3

In 2024, YungShin Group utilized the Aqueduct Water Risk Atlas developed by the World Resources Institute (WRI) to assess water stress levels at its major locations in Taiwan, Japan, and the United States. The results indicated that: Two sites in Japan are located in medium-high water stress areas (20-40%). One site in the U.S. is located in an extremely high water stress area (>80%). Major sites in Taiwan are located in low to medium water stress areas (10-20%). According to the definition, areas with water stress levels classified as high or extremely high are considered water-stressed regions. Therefore, only the U.S. site is categorized as being in a water-stressed area.

#### Water Stress Levels by Site

Country	Region	Site Type	Water Stress Level
Taiwan	Songshan District, Taipei City	YSH	Office
		YSP	Office
		Vetnostrum	Office
	Nangang District, Taipei City	YSP	R&D Center
		Xinfeng Township, Hsinchu County	Vetnostrum
		Dingdian Factory	Hsinchu Factory
		Youth Factory	Low to Medium (10-20%)
		YSP	Low to Medium (10-20%)
		Youth Factory II	Low to Medium (10-20%)
		Youth Factory III	Low to Medium (10-20%)
	Xitun District, Taichung City	EYES Testing Laboratory	Low to Medium (10-20%)
		YSP	Office
		Vetnostrum	Office
Japan	Niaosong District, Kaohsiung City	YSP	Office
		Kanagawa Prefecture	Chemix
	Yamanashi Prefecture	Chemix	QC & Logistics Center
USA	California	CTI	Factory

Source of Water Stress Data: WRI Aqueduct Water Risk Atlas

In 2024, YungShin Group's total water withdrawal amounted to 261.08 megaliters, of which 7.13 megaliters (accounting for 2.70% of the total) were withdrawn from water-stressed areas, specifically tap water used at the U.S. region.

### Volume and Intensity of Water Withdrawal by Source

Volume of Water Withdrawal (unit: megaliters)		2022	2023	2024
Water Source	Groundwater	148.97	152.02	157.80
	Tap Water	110.29	97.58	103.28
	Total	259.26	249.60	261.08

#### Intensity of Water Withdrawal (unit: megaliters/NT\$ million)

Volume of Water Withdrawal per Unit of Revenue	0.03546	0.03552	0.03250
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#### Note:

The data boundary includes YSP (Youth Factory (including Youth Factory II and Youth Factory III) and Dingdian Factory), Venostrum's Hsinchu Factory, Chemix and CTI.

## 4.2.2 Wastewater control GRI 303-2

Without the proper treatment of the sewage generated from the factory processes, the local community's water supply could be contaminated. It would negatively impact their living conditions and health. To reduce the potential negative impact of YungShin Group's sewage generated during the production process on local communities and the surrounding environment, all major production sites of the Group have established comprehensive wastewater treatment policies. The key initiatives implemented at the Group's main production sites in Taiwan are as follows:

### YSP

- The appointment of Class B industrial wastewater treatment technicians.
- Adoption of the Upflow Anaerobic Sludge Blanket (UASB) tank to strengthen the functions of the wastewater treatment system. The corporation uses COD testing instruments to regularly control, inspect, and monitor the water quality of wastewater discharged by each unit and the effectiveness of treatment systems of each unit.
- For wastewater treatment, facilities with daily processing capabilities of 200 and 400 metric tons(kiloliters) have been installed at the YSP's Youth Factory and Youth Factory II. These facilities fully comply with the Industrial Park Sewer Management Regulations and discharge standards. The wastewater treated on-site meets the requirements of the Sewage Treatment Plant of Dajia Youth Industrial Park. The discharged wastewater is managed and processed by the Sewage Treatment Plant of the Industrial Park and the treatment fee is paid according to the discharge volume and wastewater quality.
- Regularly conduct water quality inspections and implement water quality management.

### Venostrum

- Adopt the Upflow Anaerobic Sludge Blanket (UASB) tank to strengthen the functions of the wastewater treatment system to conduct wastewater pretreatment. It has passed the functionality testing and obtained an emission permit issued by the competent authority. The wastewater generated by Venostrum is treated and then discharged. The post-treatment water quality meets the discharge standards set by the competent authority.
- Every six months, raw water and effluent wastewater testing is conducted and reported in accordance with regulations. The test results are used for the semiannual declaration of water pollution control fees and the fee payment. Additionally, there are periodical inspections of the wastewater system units, with external parties commissioned to randomly sample and test the quality of the discharged wastewater. Wastewater Management is enforced based on the test results.

In the last 3 years, the quality of drainage wastewater from the YungShin Group's primary production sites complies with the standards and is below the legal limit. The testing results for the main production sites in Taiwan are presented in the following table.

### Discharge Water Quality Monitoring Results

Locations	Key Monitoring Items	Unit	Average Annual Emissions			Local Regulatory Standards
			2022	2023	2024	
YSP Dingdian Factory	Chemical Oxygen Demand (COD)	mg/L	40	54	44	100
YSP Youth Factory	Chemical Oxygen Demand (COD)	mg/L	121	101	99	640
YSP Youth Factory	Suspended Solids (SS)	mg/L	25	41	45	480
YSP Youth Factory II	Chemical Oxygen Demand (COD)	mg/L	137	120	119	640
YSP Youth Factory II	Suspended Solids (SS)	mg/L	26	29	30	480
YSP Youth Factory III	Chemical Oxygen Demand (COD)	mg/L	137	120	119	640
YSP Youth Factory III	Suspended Solids (SS)	mg/L	26	29	30	480
YSP Youth Factory III	Chemical Oxygen Demand (COD)	mg/L	41	6	24	100
Venostrum Hsinchu Factory	Biochemical Oxygen Demand (BOD)	mg/L	2	3	5	30
Venostrum Hsinchu Factory	True color (ADMI value)	No unit	<25	<25	<25	400
Venostrum Hsinchu Factory	pH	No unit	8	8	8	7-9
Venostrum Hsinchu Factory	Suspended Solids (SS)	mg/L	5	2	4	30

## 4.2.3 Water Conservation Measures

YungShin Group is progressively implementing measures to optimize water resource management at its various locations. Currently, some of the most notable water-saving initiatives include:

- All water from water-sealed vacuum pumps and water used for washing syringe containers (such as glass bottles) shall be recycled and reused.
- Manage manufacturing process cleaning water usage by installing flow controllers at the end of each cleaning water pipe.
- Reuse the domestic wastewater after treatment for the irrigation of surrounding flowers and trees.
- In 2022, new spray-type water saving faucets were installed.
- Usage of a 600RT absorption refrigerating machine evaporator. All wastewater discharged from this equipment shall be fully recovered and stored for use in the boiler. For specific equipment related water-saving methods, please refer to Section 4.1.3 of Energy Conservation and Carbon Reduction Measures.
- RO purified water discharge and bottle washing water are recycled for reuse, being utilized for replenishing cooling tower evaporation. In 2024, the injection factory recycled water reuse reached 11,500 tons.
- YSP Dingdian Factory enhanced its water usage efficiency by conducting internal pipeline leak repairs and installing rain sensors on irrigation systems. As a result, the factory's water consumption in 2024 decreased by 27% compared to 2023.

Looking ahead, YungShin Group will continue to explore relevant measures across all sites to improve water resource utilization efficiency.

## 4.3 Water Management

### Management Policies GRI 3-3

Material Topics	Waste Management	Corresponded GRI	GRI 306
Impact of the Topic	<p>The waste generated during the Group's operation may impact the environment that all living beings on Earth rely on for survival and potentially affect the Group's Corporate Image and disrupt normal business operations. In 2024, YungShin Group has not identified any significant negative impacts in terms of Waste Management.</p>		
Commitments/ Policies	<p>To do utmost in minimizing the impact that operational processes may have on the external environment or the stakeholders, YungShin Group has established a waste management system and is committed to the proper management of waste.</p>		
Goals	<p><b>Short-Term</b></p> <ul style="list-style-type: none"> <li>- Ensure that the companies commissioned for clearing and disposal are 100% qualified and compliant.</li> <li>- Ensure no usage of illegal waste clean-up method or other incidents related to climate regulations.</li> </ul> <p><b>Medium to Long-Term</b></p> <ul style="list-style-type: none"> <li>- Ensure that the companies commissioned for clearing and disposal are 100% qualified and compliant.</li> <li>- Ensure no usage of illegal waste clean-up method or other incidents related to climate regulations.</li> <li>- Gradually reduce the volume of waste generated each year.</li> <li>- During the selection of packaging materials, the Group's goal is to gradually increase the proportion of biodegradable, recyclable or reusable materials.</li> <li>- Gradually implement initiatives to simplify product packaging and reduce plastic usage.</li> </ul>		
Action	<ul style="list-style-type: none"> <li>- Establish waste management system which includes various waste disposal processes for recyclable and non-recyclable materials.</li> <li>- Continued optimization of waste management operations through waste classification, process-based waste reduction, and recycling initiatives to minimize environmental impact.</li> <li>- All contracted waste transportation and final treatment companies are certified and compliant waste removal/disposal operators.</li> <li>- Taiwan sites operate in accordance with government regulations, utilizing a tripartite documentation system and reporting waste information via the official website of the Ministry of Environment.</li> </ul>		
Effective Evaluation	<p><b>Evaluation Method</b></p> <p>The data on waste generation and treatment amount, compliance with relevant regulations as well as the qualifications and compliance of contracted companies (whether they are qualified and have signed valid waste collection and treatment contracts) shall all serve as the primary indicators for effectiveness evaluation.</p> <p><b>Achievements in 2024</b></p> <ul style="list-style-type: none"> <li>- 76% of hazardous waste was properly treated and subsequently recycled or reused.</li> <li>- No significant violations of the Waste Disposal Act or other environmental regulations have been recorded.</li> <li>- Commissioned for waste collection and disposal Contractors was 100% qualified and compliant.</li> </ul>		
Dialogue Channels	<p>Tel: +886-4-26875100 Email: ysp@yungshingroup.com</p>		

### 4.3.1 Waste Management Measures GRI 306-1, 306-2

YungShin Group upholds the principles of a circular economy. We have established a comprehensive and strict waste management system, which includes separate waste disposal processes for recyclable and non-recyclable waste.

#### Recyclable Waste

Entrust the recycling of waste materials to resource recycling companies. This ensures that recyclable waste is reintegrated into the recycling and reuse cycle. Taking cardboard as an example, YungShin Group has established a long-term recycling partnership with its cardboard suppliers. When the suppliers deliver new goods, they also take back used cardboard for reuse and utilize recycled paper as cushioning material for shipping boxes. Waste materials with resource recovery value, such as paper (and metal) barrels, are collected and entrusted to recycling companies for recycling and reuse.

The waste residues generated from the fermentation process are converted into fertilizers to support the planting of flowers and plants within the facility. This way, the Corporation achieves waste reduction goals while enhancing the beautification of the environment. In addition, the Corporation sells waste to composting firms as raw material for compost production, which not only reduces waste but also generates additional revenue, resulting in an annual waste reduction of approximately 120 tons.

#### Non-Recyclable Waste

The Corporation contracts qualified environmental companies for the collection and disposal of waste. We monitor the handling of waste through GPS tracking of the waste management company's activities.

Previously, some of our products had to be made with organic solutions, causing concerns about the environment and workers' health. The site personnel and R&D units then worked together to replace the solution with water-based products, saving us considerable resources, ensuring workers' health, and reducing environmental impact. The tablet-making processes changed to water-based procedures include BBT4, CET, and GFT. The Enteric-coating processes changed to water-based procedures include BGT, GBT, and CSTs.

Distillation recovery equipment and technologies are also utilized to reclaim and reuse waste organic solvents generated during production. This approach helps reduce waste, mitigate environmental hazards, lower raw material costs, and decrease overall production expenses—ultimately achieving waste reduction goals.

### 4.3.2 Waste Generation and Disposal GRI 306-3, 306-4, 306-5

In 2024, the generated by YungShin Group generated 421.31 metric tons of non-hazardous waste and 17.55 metric tons of hazardous waste, accounting for 96% and 4% of the total waste generated, respectively. In 2024, the total amount of waste generated increased significantly compared to 2023, primarily due to higher production volumes. Given the safety and hygiene requirements of the biopharmaceutical industry, 61% of the Group's waste was disinfected or cleaned before being incinerated by certified waste disposal contractors.

In 2024, the majority of non-hazardous waste generated by YungShin Group consisted of sludge and non-hazardous solvents, accounting for 62% of the total non-hazardous waste volume. As for hazardous waste, the dominant category was "other mixtures of previously mentioned chemical substances or waste containers," which made up 96% of the total hazardous waste generated. For hazardous waste treatment, YungShin Group primarily engaged certified contractors in 2024. Among the hazardous waste processed, 76% was effectively treated and subsequently recycled or reused.



## Waste Generation and Treatment Over the Past 3 Years

(unit: metric tons)

Waste Category	2022		2023		2024	
	Production Volume	Throughput	Production Volume	Throughput	Production Volume	Throughput
Non-Hazardous Waste	211.86	208.08	252.54	252.54	421.31	417.01
Hazardous Waste	37.93	37.92	7.39	7.39	17.55	17.55
Total	249.79	246.00	259.93	259.93	438.86	434.56

## Note:

1. The data boundary for 2022 includes YSP's Youth Factory, Vetrostrum's Hsinchu Factory and Chemix, CTI.

2. The data boundary for 2023 includes YSP's Youth Factory (Including Youth Factory II and III) and Dingdian Factory and Vetrostrum Hsinchu Factory.

3. The data boundary for 2024 includes YSP's Youth Factory (Including Youth Factory II and III) and Dingdian Factory and Vetrostrum's Hsinchu Factory.

4. The discrepancy between waste generation and treatment volumes is primarily due to a small portion of waste being processed across different fiscal years.

## Detailed Waste Treatment Methods in 2024

(unit: metric tons)

Waste Category	Treatment Method	Treatment Volume
Non-hazardous Waste	Incineration	263.04
	Recycled or Reused	1.27
	Others	152.70
	Subtotal	417.01
Hazardous Waste	Incineration	4.18
	Recycled or Reused	13.37
	Others	-
	Subtotal	17.55
Total		434.56

## Note:

1. The data boundary includes YSP's Youth Factory (Including Youth Factory II and III) and Dingdian Factory and Vetrostrum's Hsinchu Factory.

2. All waste was treated off-site. Other treatment methods include thermal treatment, physical treatment, and solidification.

## 4.4 Sustainable Supply Chain Management

## 4.4.1 Supply Chain Management System GRI 308-1, 414-1

In the pharmaceutical manufacturing industry, upstream activities primarily involve the supply of active pharmaceutical ingredients (APIs) and intermediates, midstream activities focus on drug production and manufacturing, while downstream activities are centered on product sales. YungShin Group is mainly engaged in production and manufacturing, and has gradually expanded its business scope both upstream and downstream.

YungShin Group firmly believes that long-term partnerships with suppliers are built on shared values. Such alignment ensures consistent product quality and stable cooperation. To this end, the Group has established a Supplier Management Procedure that includes procedures for supplier selection, evaluation, approval, and maintenance, ensuring that qualified suppliers meet Group's procurement and quality standards.

YSP has begun integrating sustainability principles into its supplier management system. In addition to requiring suppliers to sign an Integrity Commitment Letter, environmental and social criteria have been incorporated into the selection standards for raw material suppliers. In 2024, 100% of YSP's suppliers have signed the Supplier Integrity Commitment Letter, and 29% of new suppliers were evaluated based on environmental and social criteria. Furthermore, YSP has developed a Supplier Commitment Code, which outlines expectations for ethical behavior, labor rights, workplace environment and environmental protection. According to the Code, suppliers are required to adhere to and commit to the following rules:

Ethical Conduct	<ul style="list-style-type: none"> <li>Follow the principle of ethical corporate management, strictly prohibiting bribery, gifts and kickbacks.</li> <li>Fulfill confidentiality obligations with the duty of care expected of a prudent administrator.</li> <li>Comply with intellectual property rights and relevant legal regulations.</li> </ul>
Labor Rights	<ul style="list-style-type: none"> <li>Must not force or coerce employees to engage in labor and are strictly prohibited from employing child labor.</li> </ul>
Workplace Environment	<ul style="list-style-type: none"> <li>To prevent occupational accidents, reduce risks and potential hazards in the work environment.</li> <li>Provide work and service environment free from sexual harassment for employees and applicants. Implement appropriate measures of prevention, correction, discipline and handling.</li> </ul>
Environment Protection	<ul style="list-style-type: none"> <li>Suppliers shall minimize unnecessary consumption of resources and the generation of waste through the conservation of natural resources and the recycling and reuse of materials.</li> </ul>

## 4.4.2 Local Procurement GRI 204-1

Except for raw materials and equipment not produced locally, YungShin Group prioritizes sourcing from local suppliers to enhance flexibility, reduce lead time risks, and minimize carbon emissions generated throughout the supply chain. This approach also contributes positively to local economic development and social impact.

In 2024, the proportion of local procurement spending at major production sites reached 75%.

## Local Procurement Ratio in 2024

Major Production Sites	Product-related Procurement (Raw materials, semi-finished products, finished goods)	Non-product-related Procurement	Overall Procurement
Taiwan YSP	80%	42%	79%
Taiwan Vetrostrum	38%	95%	41%
U.S. CTI	19%	100%	46%
Total	76%	49%	75%

Note: Local procurement ratio = Local procurement amount / Total procurement amount

# 05

## Safe and Fulfilling Workplace

### 5.1 Human Resources

### 5.2 Remuneration and Welfare

### 5.3 Workplace Safety

### 5.4 Talent Cultivation

- Zero confirmed cases of workplace abuse or sexual harassment.
- The employees identifying as Indigenous and those with disabilities represented 1.95% of the workforce in Taiwan, with the proportion showing steady growth over the past three years.
- YSP was honored with the "Merit Award" in the 2024 Labor Proposal "Golden Award" by the Central Taiwan Branch of the Workforce Development Agency, Ministry of Labor.
- YSP received a "Four Star Award" in the 2024 Taichung City Happy Workplace Award Program.
- Parental leave worker return rate reached 91% and retention rate reached 88%.
- All of the primary production sites have implemented occupational health and safety management system that cover 100% of all workers, activities and workplaces.
- The Occupational Health and Safety (OHS) Committee of all the primary production sites have convened 4 meetings in total.
- OHS Committees of all primary production sites are composed of representatives from labor and management, with the former occupying more than 30% of the seats.
- The number of relevant Occupational Safety training attendees reached 1,226 people. The total training hours reached 4,824 hours.



## 5.1 Human Resources

### Management Policies GRI 3-3

Material Topics	Employment, Labor Management Relations	Corresponded GRI	GRI 201, 401, 402
Impact of the Topic	<p>The relationship between the Group and its employees could internally affect the employees' team spirit and their work enthusiasm. Externally, it could influence employees' private lives and the public's perception of the Group, which in turn could have an impact on the recruitment progress, normal operation and maintaining the Group's image.</p> <p>In 2024, YungShin Group has not recorded any significant negative impacts concerning employment or labor management relations.</p>		
Commitments/ Policies	<p>YungShin Group is committed to establishing a harmonious relationship with its employees. We uphold the approach of fairness and justice, ensuring compliance with relevant regulations in the areas of talent recruitment, employee retention as well as remuneration and welfare. In order to foster positive employer-employee and labor relations, we have established clean and open two-way communication channels, striving to provide all employees with sufficient respect and care.</p>		
Goals	<p><b>Short-Term</b></p> <ul style="list-style-type: none"> <li>- Continue to implement regular and non-scheduled two-way communication efforts between labor and management.</li> <li>- Continue to promote various employee welfare and friendliness initiatives.</li> <li>- Increase the proportion of female employees in managerial positions.</li> </ul> <p><b>Medium to Long-Term</b></p> <ul style="list-style-type: none"> <li>- Continue to implement regular and non-scheduled two-way communication efforts between labor and management.</li> <li>- Continue to promote various employee welfare and friendliness initiatives.</li> <li>- Achieve diversity and gender equality in managerial positions.</li> <li>- Create a "Triple Zero" happy workplace, with zero labor inspections, zero complaints, and zero occupational injuries.</li> </ul>		
Action	<ul style="list-style-type: none"> <li>- We actively recruit various talents to build a high-quality team with diverse perspectives and professionalism. In the process of selection, appointment, and performance evaluation of all personnel, we uphold the approach of fairness and justice.</li> <li>- Externally, we strictly comply with all local government regulations. Internally, to ensure the creation of a safe and friendly workplace environment, we established a regulatory framework and review it regularly.</li> <li>- We actively promote labor safety, workplace etiquette, professional integrity, and the prevention of workplace violence and sexual harassment.</li> <li>- We regularly hold labor-management meetings, Pension Oversight Committee, and Employee Welfare Committee. Representatives from both labor and management shall attend to facilitate two-way communication and exchange.</li> <li>- We have established an Employee Complaint Handling Measures and Measures for Sexual Harassment Prevention, Complaints, and Disciplinary Actions. Additionally, we set up a dedicated employee hotline and mailbox serving as a channel for reporting or submitting complaints. We have also created an Employee Complaint Handling Committee, a Sexual Harassment Complaint Handling Committee, and a Workplace Violence Prevention and Response Team. Those committees meet to discuss handling of specific incidents whenever they arise.</li> <li>- We strengthen leadership and management training for employees in managerial positions to reduce management conflicts and foster team harmony.</li> <li>- We offer a diverse range of employee welfare, including bonus incentives, subsidies, and physical and mental health services. Additionally, we periodically organize various employee activities.</li> </ul>		
Evaluation Method	<p>Compliance with laws and regulations, the occurrence of reporting and complaint incidents, and employee feedback are key indicators for effective evaluation. Furthermore, the effectiveness of the Group's actions related to labor and management as well as labor relations can be evaluated through regularly scheduled labor-management meetings.</p>		
Achievements in 2024	<ul style="list-style-type: none"> <li>- Zero confirmed cases of workplace abuse or sexual harassment.</li> <li>- The employees identifying as Indigenous and those with disabilities represented 1.95% of the workforce in Taiwan, with the proportion showing steady growth over the past three years.</li> <li>- YSP was honored with the "Merit Award" in the 2024 Labor Proposal "Golden Award" by the Central Taiwan Branch of the Workforce Development Agency, Ministry of Labor.</li> <li>- YSP received a "Four Star Award" in the 2024 Taichung City Happy Workplace Award Program.</li> <li>- Parental leave worker return rate reached 91% and retention rate reached 88%.</li> </ul>		
Dialogue Channels	<ul style="list-style-type: none"> <li>- The Group's various locations have formed committees or groups composed of both labor and management, each based on their respective regulatory framework. They hold regular or irregular meetings to facilitate communication between both parties, such as labor-management meetings, Employee Welfare Committee, Employee Complaint Handling Committee, Sexual Harassment Complaint Handling Committee, and Workplace Violence Prevention and Response Team.</li> <li>- An employee complaint hotline and dedicated email address are established as grievance submission channels.</li> </ul>		

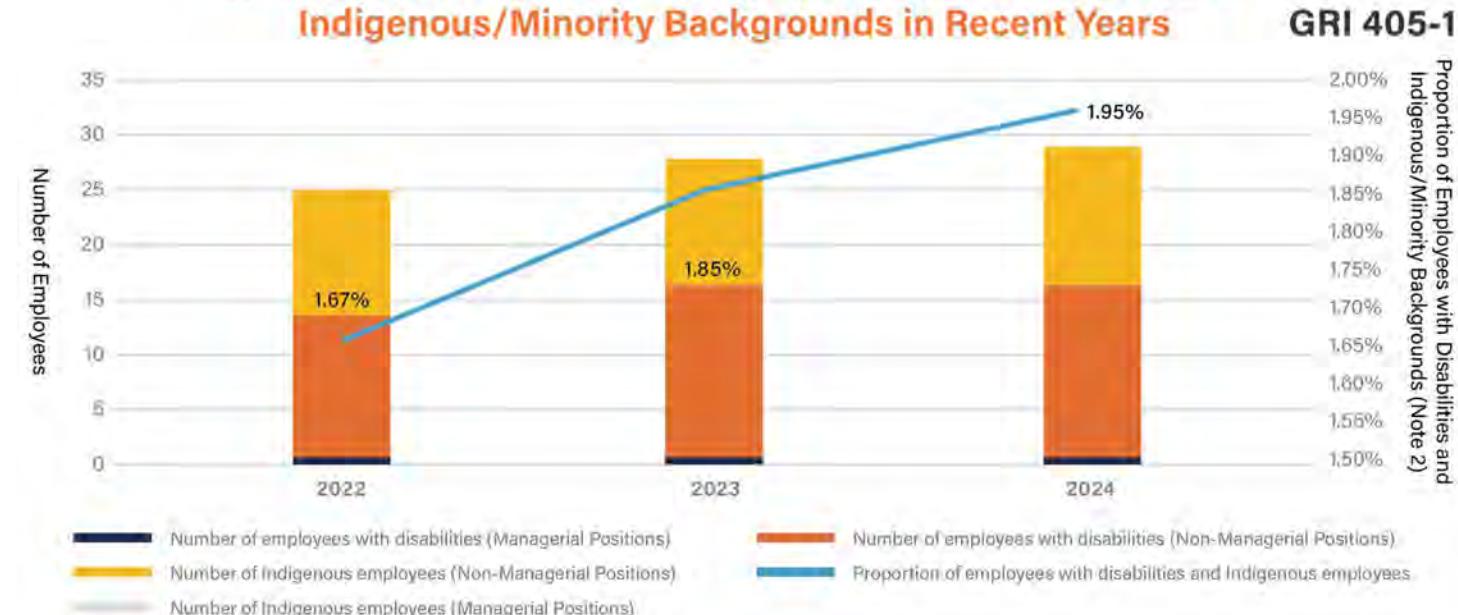
### 5.1.1 Workforce Structure GRI 2-7, 2-8, 405-1

As of the end of 2024, YungShin Group had a total of 1,658 employees across its major operating sites in Taiwan, Japan, the United States, and China. The distribution of the Group's workforce was as follows: 1,490 employees in Taiwan, 70 in Japan, 82 in the U.S., and 16 in China. Additionally, to meet normal operational needs, there are some contract workers who are not employees in Taiwan locations. Those are primarily personnel responsible for product packaging, shipping, transporting and shelving. Given that the nature of the work is mainly physical, there are relatively more male workers. The number of employees in 2024 showed no significant fluctuation compared to the previous two years, while changes in the number of non-employee workers were influenced by variations in production volume and shipping demand.

YungShin Group actively recruits various talents to build a high-quality team with diverse perspectives and professionalism. The recruitment, retention and promotion system does not allow for any discrimination on the basis of factors such as race, social class, language, ideology, religion, political affiliation, registered birthplace, gender, marital status, appearance, facial features. Instead, internal regulatory framework and external regulations are the basic principles followed in talent management. Moreover, in the process of selection, appointment, and performance evaluation of all personnel, we uphold the approach of fairness and justice.

As of the end of 2024, the educational background distribution of employees in YungShin Group is as follows: approximately 17% of employees held master's or doctoral degrees and 48% had bachelor's degrees. In terms of age distribution, about 66% of employees were between 30 and 50 years old, with 22% over 50 years old. As for the distribution of Indigenous peoples and persons with disabilities among employees, there were 13 employees identified as Indigenous and 16 employees with disabilities, including one in a managerial position. Total employees identifying as Indigenous and those with disabilities represented 1.95% of the workforce in Taiwan, with the proportion showing steady growth over the past three years. This reflects our ongoing commitment to diversity and inclusion, and demonstrates the company's dedication to providing employment opportunities for disadvantaged groups. We strive to create a fair, friendly, and accessible workplace environment where every employee can develop with confidence and fully realize their potential and value.

#### Number and Proportion of Employees with Disabilities and Indigenous/Minority Backgrounds in Recent Years



Note:

1. The scope of data for the Taiwan region includes YSH, YSP and Vetrostrum. There were no employees with disabilities or Indigenous/minority backgrounds hired in the Japan, U.S., and China regions.
2. The proportion of employees with disabilities and indigenous employees = Total number of employees with disabilities and indigenous employees / Total number of employees in Taiwan.
3. In YSH and YSP, managerial positions refer to internal positions of team leader or higher. In Vetrostrum, it refers to positions at the level of director or above.



## Information on employees and workers who are not employees in recent years

Category	Year	Employee Information										Information on Workers Who are not Employee					
		Male				Female				Total	Male	Female	Total				
		Permanent Employees		Temporary Employees		Subtotal	Permanent Employees		Temporary Employees								
		Full-time	Part-time	Full-time	Part-time		Full-time	Part-time	Full-time	Part-time							
<b>Taiwan Region</b>																	
2024	726	17	4	-	747	704	30	8	1	743	1,490	2,184	3	2,187			
2023	739	21	8	1	769	714	26	8	-	748	1,517	2,310	3	2,313			
2022	735	21	9	-	765	691	29	12	-	732	1,497	2,695	2	2,697			
<b>Japan Region</b>																	
2024	26	-	9	1	36	22	-	7	5	34	70	-	-	-			
2023	27	-	8	1	36	25	-	5	6	36	72	-	-	-			
2022	23	-	9	-	32	24	-	4	7	35	67	-	-	-			
<b>U.S. Region</b>																	
2024	40	1	-	-	41	41	-	-	-	41	82	-	-	-			
2023	40	1	-	-	41	39	-	-	-	39	80	-	-	-			
2022	41	-	-	-	41	39	-	-	-	39	80	-	-	-			
<b>China Region</b>																	
2024	6	-	-	-	6	10	-	-	-	10	16	1	1	2			
2023	6	-	-	-	6	10	-	-	-	10	16	-	-	-			
2022	6	-	-	-	6	8	-	-	-	8	14	-	-	-			
<b>Total (Taiwan+Japan+U.S.+China Region)</b>																	
2024	798	18	13	1	830	777	30	15	6	828	1,658	2,185	4	2,189			
2023	812	22	16	2	852	788	26	13	6	833	1,685	2,310	3	2,313			
2022	805	21	18	-	844	762	29	16	7	814	1,658	2,695	2	2,697			

## Note:

- This table presents statistical data on active employees of YungShin Group. The scope of data for the Taiwan region includes YSH, YSP, and Vetrostrum. The Japan region includes Chemix, the U.S. region includes CTI, and the China region includes YungShin Tiente and YHK.
- Classified according to labor contracts as fixed-term contract and indefinite contract. Those with a specified contract duration are classified as "temporary employees," while those without a specified duration are classified as "permanent employees." The contract type can be classified as "full-time employee" and "part-time employee," based on whether the weekly working hours meet the legal requirements. Part-time employees primarily include short-term part-time workers employed during summer and winter breaks, as well as interns from the industry-academia collaboration initiatives.
- Workers who are not employees are primarily dispatched personnel responsible for product packaging, shipping, transporting and shelving. A small portion of them is involved in factory security and environmental cleanliness and organization tasks. Due to the fact that the nature of the work mostly involves heavy lifting, there is a significant gender difference. Statistical data is calculated based on the total number of workdays per year.

## 2024 Employee Diversity Information

GRI 405-1

### Employee Gender Distribution (%)

Region	Category	Male	Female
Taiwan	Managerial Position	63%	37%
	Non-Managerial Position	49%	51%
Japan	Managerial Position	100%	0%
	Non-Managerial Position	35%	65%
U.S.	Managerial Position	64%	36%
	Non-Managerial Position	48%	52%
China	Managerial Position	50%	50%
	Non-Managerial Position	30%	70%

### Employee Age Distribution (%)

Region	Category	<30 years old (excluding 30 years old)	30-50 years old	>50 years old (excluding 50 years old)
Taiwan	Managerial Position	0%	69%	31%
	Non-Managerial Position	13%	69%	18%
Japan	Managerial Position	0%	33%	67%
	Non-Managerial Position	8%	44%	48%
U.S.	Managerial Position	0%	45%	55%
	Non-Managerial Position	25%	21%	54%
China	Managerial Position	17%	67%	16%
	Non-Managerial Position	20%	60%	20%

### Employee Education Distribution (%)

Region	Category	PhD	Master	Bachelor	Associate degree	High School and Below
Taiwan	Managerial Position	2%	36%	40%	7%	15%
	Non-Managerial Position	1%	14%	50%	11%	24%
Japan	Managerial Position	11%	22%	61%	6%	0%
	Non-Managerial Position	2%	27%	50%	10%	11%
U.S.	Managerial Position	0%	36%	45%	0%	19%
	Non-Managerial Position	0%	3%	37%	7%	53%
China	Managerial Position	0%	17%	50%	33%	0%
	Non-Managerial Position	0%	0%	10%	90%	0%

## Note:

- This table presents statistical data on active employees of YungShin Group as of December 31, 2024. The scope of data for the Taiwan region includes YSH, YSP, and Vetrostrum. The Japan region includes Chemix, the U.S. region includes CTI, and the China region includes YungShin Tiente and YHK.
- In YSH and YSP, managerial positions refer to internal positions of team leader or higher. In Vetrostrum, it refers to positions at the level of director or above. In Chemix, they refer to roles at or above the level of section manager. In CTI they refer to positions at or above the level of supervisor. In YungShin Tiente, they refer to roles at or above the level of C1. In YHK, they refer to positions such as product manager, director, or section manager.
- The distribution ratio in each region refers to the proportion of employees covered by the respective diversity indicator within that category to the total number of employees in that category. For Taiwan, the educational background statistics of YSP only include full-time employees.



**YSP was honored with the "Merit Award" in the 2024 Labor Proposal Golden Award by the Central Taiwan Branch of the Workforce Development Agency, Ministry of Labor**

To encourage employers to demonstrate innovation and creativity in workforce development, utilization, and enhancement, the Central Taiwan Branch of the Workforce Development Agency, Ministry of Labor, organized the "2024 Labor Proposal Golden Award." Through the selection of outstanding proposals, the initiative aims to promote knowledge sharing and raise public awareness of labor-related issues. This year, YSP participated in the selection for the first time and received an Merit Award in the "Workforce Development and Utilization" category for its proposal titled "Advancing Diverse Workforce Toward Sustainable Operations with Confidence." The proposal focused on optimizing the deployment of existing internal manpower, ensuring the right talent is placed in the right roles, strengthening external recruitment channels, and enhancing incentives to attract talent. The company also reached out to universities to share trends in the biotechnology industry, helping students better understand the field and inspiring interest in pharmaceutical careers, thereby contributing to the sustainable development of local human resources.



**YSP received a "Four Star Award" in the 2024 Taichung City Happy Workplace Award Program**

To foster a friendly work environment, strengthen labor systems, and promote harmonious labor relations, the Labor Affairs Bureau of Taichung City Government organized the Happy Workplace Award Program. The evaluation criteria for this program include compliance with labor laws, harmonious labor-management relations, a healthy workplace environment, friendly labor policies, inclusive and accessible workplaces, and sustainable career development. YSP has participated in the program since 2022 and has been honored for three consecutive years. In 2024, the company received the Four-Star Award.

YSP has implemented diverse and real-time communication channels, arranged health checkups and on-site physician consultations, established a reward system for innovative improvement proposals, hired middle-aged and senior employees, exceeded the required number of employees with disabilities, and launched the Yung-Shin Group leadership training program. Starting in the second half of 2024, the company further enhanced its offerings by introducing paid parental leave, marriage leave for employees' children, birthday leave, expanded professional certification bonuses, upgraded flight class for overseas business trips based on flight duration, and distributing health supplements to pregnant employees and senior staff. These initiatives aim to help employees achieve work-life balance, continuously create positive impact, and build a sustainable and harmonious workplace together.



**YSP was awarded the 2024 Silver Award for Happy Enterprise by 1111 Job Bank**



1111 Job Bank organizes an annual Happy Enterprise voting campaign to recognize companies that provide outstanding workplace environments. YSP has been honored with the Silver Award for two consecutive years, reflecting its continued commitment to employee well-being and workplace happiness.

**5.1.2 Workforce Mobility Overview GRI 401-1**

According to the statistical data as of December 31, 2024, YungShin Group welcomed a total of 224 new employees in Taiwan, Japan, the United States, and China locations, representing a new hire rate of 13.51%. Additionally, there were 251 departing employees, leading to a turnover rate of 15.14%. The number of employee departures and the number of new hires did not demonstrate a significant disparity and the gender difference in the workforce was also minimal. This reflects the stability of the workforce at the YungShin Group, which will be a crucial support for its continued development in the future.

**New Hires and Employee Turnover in 2024**

GRI 401-1

New Hires Category	Region				Total		
	Taiwan	Japan	U.S.	China	Number of New Hires	New Hires Rate by Category	
Gender	Male	114	3	7	-	124	7.48%
	Female	93	1	5	1	100	6.03%
Age	Below 30 years old	120	-	8	1	129	7.78%
	30-50 years old	79	1	4	-	84	5.07%
	Above 50 years old	8	3	-	-	11	0.66%
	New Hires by Region	207	4	12	1	224	
New Hire Rate by Region		13.89%	5.71%	14.63%	16.67%	13.51%	

Employee Turnover Category	Region				Total		
	Taiwan	Japan	U.S.	China	Number of Employee Turnover	Employee Turnover Rate by Category	
Gender	Male	134	3	7	-	144	8.69%
	Female	100	3	3	1	107	6.45%
Age	Below 30 years old	99	-	7	1	107	6.45%
	30-50 years old	108	3	3	-	114	6.88%
	Above 50 years old	27	3	-	-	30	1.81%
	Number of Employee Turnover by Region	234	6	10	1	251	
Employee Turnover Rates by Region		15.70%	8.57%	12.20%	16.67%	15.14%	

Note:

1. The scope of data for the Taiwan region includes YSH, YSP and Vetrostrum. The Japan region includes Chemix, the U.S. region includes CTI, and the China region includes YungShin Tiente and YHK.

2. New Hire Rate =Number of new employees in each group / Total number of employees by group at the end of the year

3. Employee Departure Rate =Number of departing employees in each group / Total number of employees by group at the end of the year



## 5.2 Remuneration and Welfare

In light of the negative impact of inflation in recent years on employees' living conditions, YSP conducts annual assessments of external salary competitiveness and price indices to formulate salary adjustment policies. At CTI, employee salaries are adjusted annually with the approval of the Board of Directors. These measures aim to maintain the quality of life for employees and their families, enabling them to grow together with YungShin Group, achieve mutual success, and move toward a better future.

### 5.2.1 Diversity and Equity Policies GRI 2-23

YungShin Group values labor rights and adheres to human rights standards in all actions. It complies with relevant international human rights norms, including The UN Global Compact, the Universal Declaration of Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work. To foster a diverse and inclusive work environment that treats all individuals with dignity and respect, the Corporation prohibits discrimination, forced labor, and sexual harassment. It continues to develop a healthy and safe workplace, and emphasizes the importance of employees' families. For more detailed information on our human rights policies, please visit our official website.



Human Rights Policies

### 5.2.2 Equitable Remuneration System GRI 2-19, GRI 405-2

The salary payment standards comply with government regulations and are determined based on employee skills and market conditions. The starting salary and rewards of the employees are primarily determined by job position, abilities, education, work experience, and expertise. There is no discrimination based on gender, religion, political affiliation or marital status. The salary differences in the main locations in Taiwan in 2024 were primarily due to discrepancies in employee seniority and performance and not based on gender. Salary information for full-time employees not holding managerial positions in 2024 is available on the Market Observation Post System (MOPS) – ESG Digital Platform – Human Resources Development indicators.

#### Female/Male Basic Salary and Remuneration Ratio in 2024

Operating Sites	Employee	Managerial Position	R&D Personnel	Production Personnel	Sales Personnel	Administrative Personnel
YSH		1.35 : 1				No male employees
YSP	0.90 : 1	0.90 : 1	1.01 : 1	0.82 : 1	0.91 : 1	

Note:

1. In YSH and YSP, managerial positions refer to internal positions of team leader or higher.

2. Female to male base salary and compensation ratio is calculated as the ratio of female base salary and compensation to male base salary and compensation (female divided by male), using male base salary and compensation as the base value.

### 5.2.3 Diverse Welfare System GRI 201-3, 401-2, 401-3

YungShin Group provides a diverse range of employee welfare, including bonus incentives, subsidies, and physical and mental health services. The Employee Welfare Committee organizes various activities periodically, including but not limited to family days, New Year's Day hikes, and group trips. These initiatives strive to give back to employees and foster a sense of unity among colleagues. It also aims to enhance the employee's sense of belonging to the Group and fulfillment in life, moving together towards a happy and bright future.

#### Welfare Items GRI 401-2

Employee Welfare Category	Item
Bonus	Dividends, year-end party bonus, year-end bonus, Lunar New Year red envelope, holiday bonus, birthday gifts/vouchers, certification bonuses, and reward fund for innovative improvement proposals, etc.
Subsidies	Marriage and funeral subsidies, free meals, scholarships for employees' children, continuing education scholarships, injury and illness support fund, home care allowances for serious illnesses, emergency relief funds, maternity congratulations payment, and lodging discounts for employees and their families at the Yung Shin Elderly Nursing Home, free meals during lunch and evening overtime hours, etc.
Physical and Mental Health	Health check-ups, designated hospitals, on-site doctors, on-site physician consultation, employee travel/group trips, club activities, New Year's Day hikes, family days, and parent-child activities, Volleyball Cup viewing, movie screenings, and complimentary movie tickets, etc.
Insurance	Term life insurance, personal accident insurance, occupational accident insurance, injury medical insurance coverage limit, daily medical insurance for injuries (hospitalization allowance), group cancer prevention health insurance, critical illness insurance, etc.
Other	Flexible working hours, parental leave system, retirement fund system, special store discounts, HAC health products employee discounts etc.



## Parental Leave GRI 401-3

In response to the global trend of declining birth rates, governments around the world have introduced various incentive-based policies, such as parental leave. YungShin Group is actively addressing this issue by offering employees a high degree of flexibility. Each employee may request parental leave based on their individual circumstances and needs. In 2024, a total of 27 employees took parental leave, resulting in a utilization rate of 16%, including both male and female employees. Additionally, the overall return rate reached 91%, while the retention rate was 88%.

### Parental Leave Policy

Taiwan	In accordance with Article 16 of the Act of Gender Equality in Employment, employees who have worked for at least six months may apply for unpaid parental leave before their child reaches the age of three. The maximum duration is two years. For employees raising more than one child, the total leave period is calculated in aggregate and limited to two years for the youngest child.
Japan	Under the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members, employees may apply for childcare leave until the child reaches one year of age. Depending on specific conditions, the leave may be extended to 1 year and 2 months, 1 year and 6 months, or up to 2 years.
U.S.	According to the California Family Rights Act (CFRA), eligible employees may take up to 12 weeks of unpaid, job-protected leave within a 12-month period to bond with a newborn, adopted, or foster child. Additionally, under the Paid Family Leave (PFL) program, employees may receive partial wage replacement for up to 8 weeks.
China	Based on the Special Provisions on Labor Protection of Female Employees and the Population and Family Planning Law of the People's Republic of China, female employees are entitled to 98 days of statutory maternity leave, including 15 days before childbirth. In Shanghai, an additional 60 days of maternity leave is granted. Furthermore, each parent is entitled to 5 days of parental leave annually until the child reaches age three.

### Overview of Parental Leave Application in 2024

Region	Taiwan			Japan			U.S.			China			Group Total		
Gender	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total number of employees that were entitled to parental leave in 2024 (A)	78	91	169	-	1	1	1	1	-	1	-	1	79	93	172
Total number of employees taking parental leave in 2024 (B)	10	14	24	-	1	1	1	1	-	1	-	1	11	16	27
Total number of employees who were expected to return to work after parental leave ended in 2024 (C)	8	11	19	-	1	1	1	1	-	1	-	1	9	13	22
Total number of employees who actually returned to work after parental leave ended in 2024 (D)	7	10	17	-	1	1	1	1	-	1	-	1	8	12	20
Total number of employees who actually returned to work after parental leave ended in 2023 (E)	6	16	22	-	1	1	2	1	3	-	-	-	8	18	26
Total number of employees who returned to work after parental leave ended in 2023 and remained employed 12 months after returning to work (F)	5	15	20	-	1	1	1	1	2	-	-	-	6	17	23
Application rate (B/A)	13%	15%	14%	NA	100%	100%	100%	NA	100%	NA	100%	100%	14%	17%	16%
Return rate (D/C)	88%	91%	89%	NA	100%	100%	100%	NA	100%	NA	100%	100%	89%	92%	91%
Retention rate (F/E)	83%	94%	91%	NA	100%	100%	50%	100%	67%	NA	NA	NA	75%	94%	88%

Note: The scope of data for Taiwan region includes YSH, YSP and Venostrum; The Japan region includes Chemix; the U.S. region includes CTI; and the China region includes YungShin Tiente.

## Retirement System GRI 201-3

The retirement system is categorized into two types: Defined Benefit Plans and Defined Contribution Plans. For employees in Taiwan who are subject to the Labor Standards Act pension system, a defined benefit plan is applied. Under this plan, employees contribute 5% of their total monthly salary to the retirement fund, while appointed managers contribute 1%. These contributions are deposited into a dedicated account at the Bank of Taiwan under the name of the Labor Retirement Reserve Supervisory Committee. The account is managed and disbursed by the Bureau of Labor Funds under the Ministry of Labor. At the end of each fiscal year, the Group estimates whether the retirement funds required for employees eligible to retire in the following year are sufficient, in order to proactively prepare for future labor retirement needs. An actuary is also commissioned to assess and calculate the labor retirement reserve fund and to issue an actuarial valuation report. As of December 31, 2024, the Group has recognized a defined benefit liability for employees amounting to NT\$4,838 thousand. In addition, the Group has recognized other employee benefit liabilities for appointed managers amounting to NT\$39,119 thousand.

The Group has established retirement benefit plans in accordance with local regulations. For employees in Taiwan subject to the Labor Pension Act, the Group contributes 6% of monthly salaries to individual pension accounts managed by the Bureau of Labor Insurance. Overseas subsidiaries follow the respective local government regulations regarding retirement benefit plans. In Japan, contributions are made under the Small and Medium Enterprise Retirement Allowance Mutual Aid System. In the United States, the Group contributes 2% of monthly salaries to eligible employees' retirement accounts under the 401(k) plan. In China, contributions are made based on the pension insurance rates stipulated under the "Five Insurances and One Housing Fund" policy by the Shanghai Human Resources and Social Security Bureau. As of December 31, 2024, the Group's total retirement benefit contributions amounted to NT\$52,821 thousand.

## 5.2.4 Facilitating Transparent and Effective Labor-Management Communication GRI 402-1

To maintain good labor management relations, YungShin Group's various locations have formed committees or groups composed of both labor and management, each based on their respective regulatory framework. They hold regular or irregular meetings to facilitate communication and engagement between both parties, such as labor-management meetings, Employee Welfare Committee, Employee Complaint Handling Committee, Sexual Harassment Complaint Handling Committee, and Workplace Violence Prevention and Response Team.

## The Minimum Notice Period for Operational Changes GRI 404-2

In the event of a significant operational change at YungShin Group that results in the compromise of employees' employment rights and adjustments to labor conditions, each region shall provide advance notice to employees in accordance with the requirements of local labor laws. For example, the Taiwan region sites shall comply with Article 16 of the Labor Standards Act and the Act for Worker Protection of Mass Redundancy. The minimum notice periods in each region are as follows: in Taiwan region, based on years of service, a minimum of 10 days' notice is required; in Japan a 4-week notice is mandated; in the U.S., a 2-week notice is standard; and in the China, employees must be notified at least 30 days in advance.

## Labor Dispute Cases

In 2024, the Group reported four labor dispute cases, two of which were resolved. Three cases from previous years remain under mediation or are expected to proceed through civil litigation. These disputes primarily involved issues related to average wages upon resignation, severance pay, and pension claims.

## 5.3 Safe Workplace

### Management Policies GRI 3-3

Material Topics	Occupational Health and Safety	Corresponded GRI	GRI 403		
Impact of the Topic	<p>The workplace safety and health management within the group does not only impact on the daily lives of employees and their families but may also affect the Group's community relations and its external image. All of this could influence the Corporation's talent acquisition and long-term operation.</p> <p>In 2024, YungShin Group has not recorded any significant negative impacts concerning Occupational Health and Safety.</p>				
Commitments/ Policies	<p>YungShin Group is committed to establishing a comprehensive occupational health and safety management system to create a safe and hygienic working environment. We take responsibility for ensuring health and safety of all our employees and stakeholders.</p>				
Goals	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p><b>Short-Term</b></p> <ul style="list-style-type: none"> <li>- Continue to reduce the number of occupational accidents.</li> <li>- Reach a threshold of no occupational injuries for 100 days.</li> <li>- Maintain the standard of zero occurrences of major occupational injuries or diseases.</li> </ul> </div> <div style="text-align: center;"> <p><b>Medium to Long-Term</b></p> <ul style="list-style-type: none"> <li>- Workplace of no occupational hazard.</li> </ul> </div> </div>				
Action	<ul style="list-style-type: none"> <li>- Each production site complies with local occupational health and safety regulations and has drafted its own internal rules and management mechanisms to successfully implement occupational health and safety management.</li> <li>- Each production site has an occupational health and safety management unit and an Occupational Health and Safety (OHS) Committee. The former is mainly responsible for formulation, planning, supervision, and promotion of safety and health management practices, with the latter primarily responsible for reviewing, coordinating, and advising on safety and health-related issues.</li> <li>- Each production site has established hazards and risks identification and assessment processes based on their internal systems, and carry out tiered control measures based on risk levels.</li> <li>- Each production site has established relevant response, investigation, and handling procedures for incidents, along with an occupational accident data collection and analysis mechanism.</li> <li>- We actively organize various occupational safety and health-related training courses and emergency response drills. The content covers topics such as general safety and health training, proper operation training for special tasks, fire safety and emergency drills training as well as safety awareness training for management personnel.</li> <li>- We have established relevant educational training program for contractors and require all collaborating contractors to sign the "Letter of Contractor's Commitment to Environment, Safety and Health" to strictly abide by the labor safety and health-related regulations.</li> <li>- We provide employees with various occupational health services, covering areas such as on-site medical care, health check-ups, prevention of diseases caused by abnormal workloads, prevention of ergonomics-related illnesses, protection against unlawful harm during the performance of duties, and maternal health protection.</li> <li>- We provide various health promotion services, including hosting seminars on health education and promoting concepts of healthy lifestyle.</li> </ul>				
Evaluation Method	<p>Use relevant data on occupational injuries and illnesses, along with feedback from workers, as the primary indicators for effective evaluation. Performance assessment and review of management policies shall be conducted through regular meetings of the OHS Committee.</p>				
Effective Evaluation	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p><b>Achievements in 2024</b></p> <ul style="list-style-type: none"> <li>- All of the primary production sites have implemented occupational health and safety management system that cover 100% of all workers, activities and workplaces.</li> <li>- The OHS Committee of all the primary production sites have convened 4 meetings in total.</li> <li>- OHS Committees of all primary production sites are composed of representatives from labor and management, with the former occupying more than 30% of the seats.</li> <li>- The number of relevant occupational safety training attendees reached 1,226 people. The total training hours reached 4,824 hours.</li> </ul> </div> </div>				
Dialogue Channels	<p>Representatives from both labor and management convene quarterly meetings of the OHS Committee.</p>				

### 5.3.1 Occupational Health and Safety Management System

#### GRI 403-1, 403-2, 403-4, 403-7, 403-8

The most fundamental commitment that YungShin Group makes to its employees is maintaining workplace safety and health. To safeguard the health and safety of all employees and workers serving at YungShin Group, we strictly adhere to the local occupational safety and health regulations at each production site. The Group has specifically established an Occupational Safety and Health Management Plan in accordance with the Occupational Safety and Health Act. Additionally, We integrate the core concept of the PDCA cycle for continuous improvement into our occupational safety and health management, aiming to create a workplace that balances safety, hygiene, and health.



Main production sites of the YungShin Group include YSP's Youth Factory, Youth Factory II and Youth Factory III, Dingdian Factory as well as Venostrum's Hsinchu Factory and CTI. The occupational safety and health management system introduced at all the aforementioned factories covers 100% of all workers, activities and workplaces. Venostrum's Hsinchu Factory obtained the ISO 45001 and TOSHMS third party independent verification agency certifications in 2024. In the future, YungShin Group shall adhere to the concept of "compliance with regulations, preventative measures, full employee engagement, health protection and continuous improvement." We shall continue to improve our commitment to workplace safety and health and move towards an accident-free workplace.

#### Occupational Health and Safety Dedicated Unit GRI 403-4

Each major production site of YungShin Group has an occupational safety and health management unit and an Occupational and Health and Safety (OHS) Committee. The former is mainly responsible for formulation, planning, supervision, and promotion of safety and health management practices and guiding relevant departments in their implementation. The latter is primarily responsible for providing suggestions on the formulated safety and health policies as well as reviewing, coordinating, and advising on safety and health-related issues.

Meetings are convened quarterly, covering the following topics:

1. Giving out suggestions on the formulated occupational safety and health policies.
2. Coordinating and recommending self-managed safety and health plans.
3. Discussing the safety and health educational training implementation plans.
4. Deliberating on the workplace monitoring plan, monitoring results, and the measures taken.
5. Deliberating on health management, occupational disease prevention, and health promotion issues.
6. Discussing various safety and health related proposals.
7. Discussing the automatic inspection, safety and health audit matters of businesses.
8. Discussing preventive measures for hazards related to machinery, equipment, or raw materials.
9. Discussing reports on occupational hazards investigation.
10. Reviewing the on-site safety and health management performance.
11. Discussing safety and health management practices in contracted services.
12. Other relevant occupational safety and health management matters.

OHS Committees of all primary production sites are composed of representatives from labor and management, with the former occupying more than 30% of the seats. In 2024, the OHS Committee of all the primary production sites have convened 4 meetings in total.

In addition to holding regular meetings, the Group has also set up occupational safety and health suggestion boxes to provide employees with an additional channel for submitting feedback and suggestions.

Locations	Dedicated Unit	Management Representatives Number of Individuals and Ratio	Employee Representatives Number of Individuals and Ratio	2024 Operation Status
YSP	OHS Committee	2 (29%)	5 (71%)	4 convened meetings
Vetnostrum	OHS Committee	7 (54%)	6 (46%)	4 convened meetings
CTI	Safety Committee	7 (70%)	3 (30%)	4 convened meetings

## Hazard and Risk Classification Management and Response **GRI 403-2**

In occupational safety management, prevention of occupational accidents is one of YungShin Group's top priorities. To implement hazard and risk identification, assessment, and tiered control, the Group's major production sites have established internal regulations and processes. Potential operational hazards and risks encountered in each operation stage are categorized, after which corresponding response measures are formulated, supplemented by regular supervision, review, and optimization actions. This aims to maximize the prevention of occupational accidents.

Outside the system, if any worker estimates that performing their duties might put them in immediate danger, they may halt operations and retreat to a safe location without jeopardizing the safety of other workers. They must immediately report the situation to their direct supervisor, who should address the issue as soon as they become aware of it. If the situation cannot be improved, operations must be stopped immediately, and all personnel should be evacuated, with a report made to higher management. In the aforementioned situation, YungShin Group shall not impose any unfavorable penalties on the worker.

## Important Risk Classification and Countermeasures

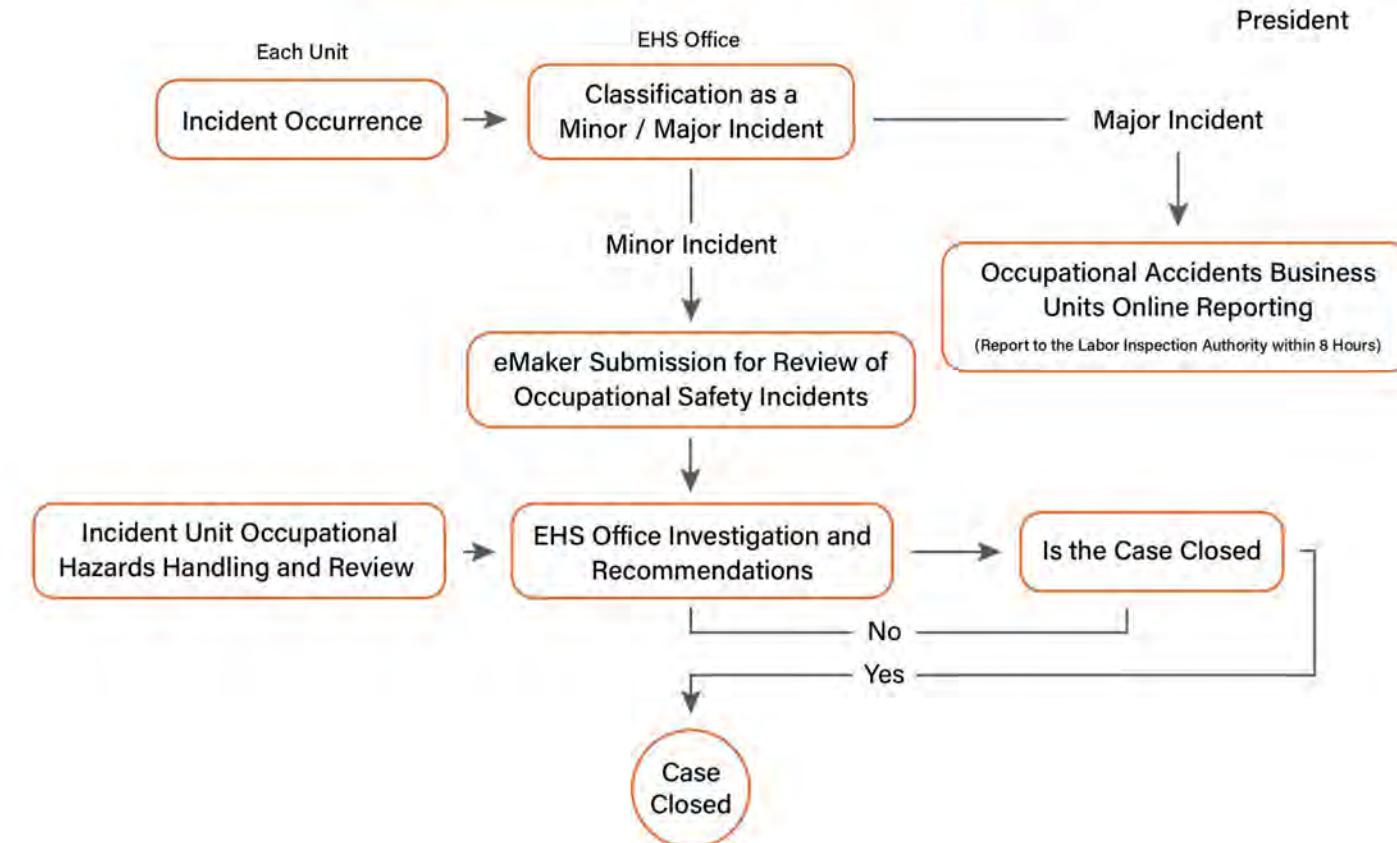
Equipment Hazard Risks (Only Partial listing)	Countermeasures
1. Natural gas system	- To serve as machinery operator, personnel must obtain a professional skill certification from the Council of Labor Affairs.
2. Gas boiler equipment	- Each day, The operator conducts self-inspection before operating machinery and equipment.
3. High-pressure gas specific equipment	- Each month, The operator conducts scheduled self-inspection and uploads the inspection results to the system.
4. Type I pressure vessel equipment	- Each quarter, the Industrial Safety Office Executive of each factory conducts spot checks to ensure that the operation of the machinery and equipment complies with regulations.
5. Crown block	- Each year, the Environmental Health and Safety (EHS) Office of the Ministry of Labor is entrusted to perform regular inspections. Operation is permitted only after passing the inspection.
6. Companion ladder	

Equipment Hazard Risks (Only Partial listing)	Countermeasures
1. Electric welding machine 2. Grinder 3. Forklift 4. Bottle washing machine 5. Fermenter 6. Laboratory chemicals 7. Wastewater treatment facilities	<ul style="list-style-type: none"> <li>- Machinery and equipment operators are required to verify all safety measures before operation.</li> <li>- During operations, standard procedures must be followed, and appropriate protective equipment must be worn.</li> <li>- Each quarter, the EHS office Executive of each factory conducts spot checks to ensure that the operation of the machinery and equipment complies with regulations.</li> </ul>
1. Oven 2. Freezer 3. Production Process Machinery 4. Fire-fighting equipment	<ul style="list-style-type: none"> <li>- Before operations, all safety protection facilities must be inspected and protective equipment must be worn.</li> <li>- Every six months, the EHS Office Executive of each factory conducts spot checks to ensure that the operation of the machinery and equipment complies with regulations.</li> </ul>

## Incident Handling and Investigation

Although YungShin Group adopts proactive measures to manage occupation accident prevention, it recognizes that incidents can occur unexpectedly under any circumstances. Therefore, the Group has established post-accident response, investigation, and handling procedures. This aims to ensure that the most appropriate measures are taken as quickly as possible to minimize the negative impact of the incident on employees and their families, as well as on the Corporation and other stakeholders.

### The Incident Response Process Diagram



## Emergency Medical Supplies Installation and Usage Promotion

An emergency can occur at any time, and effectively utilizing the critical rescue window is crucial for saving lives. Vetrostrum actively equips the workplace with emergency response supplies, which include not only basic first aid kits and emergency shower units but also specialized chelating agents such as Diphoterine, Hexafluorine, and calcium gluconate specifically for areas handling corrosive chemicals. Additionally, an AED (Automated External Defibrillator) is available at the security office of the Hsinchu Factory. Each year, EMT instructors are invited to conduct AED and CPR training for representatives from various units. By the end of 2024, a total of 18 employees had participated in this training.



## 5.3.2 Occupational Safety Training GRI 403-5, 403-7

Personnel training and emergency response drills play a crucial role in the prevention of occupational accidents and in reducing incident hazards. YungShin Group deeply understands this and actively organizes various training courses and emergency response drills.

### Total Number of Participants and Hours of Occupational Health and Safety Training in 2024

Total Training Participants	Total Training Hours
1,226	4,824

Note: Scope of data includes YSP, Vetrostrum and CTI.

The Group arranges a 3-hour general safety and health education program for new hires. For current employees, the Group also provides regular or irregular general safety and health training or promotional campaigns. Those training courses cover topics such as laboratory safety, workplace harassment, and traffic safety. Additionally, We offer specific courses on proper operations and safety awareness for personnel involved in specialized tasks. Furthermore, the Group provides training on safety and health knowledge dissemination and safety promotion for the management, which enables them to better understand the safety and health matters they need to pay attention to during their managerial tasks. Regarding each training course, the Group employs post-training examination or skill evaluations as a measurement method to ensure that all trainees are familiar with the course content and possess the relevant knowledge. Only those who pass the tests or evaluations will be considered to have completed the training.

In recent years, the news on fires and emergency incidents occurring in enterprises have become commonplace. YungShin Group understands the magnitude of hazards and impacts associated with these emergencies and has integrated fire prevention and emergency response drills into its training programs. Through this initiative, the Group strives to strengthen the internal safety and health management mechanisms regarding emergency situations while enhancing the safety awareness and response capabilities of all employees and workers. In terms of daily fire prevention, the Group's training covers topics such as fire equipment usage, fire management personnel training, and self-defense, fire evacuation and basic firefighting training. For emergency response drills, the Group holds both regular and irregular exercises each year. These include simulations of accidents and unannounced evacuation drills. Each factory organizes its own self-defense fire-fighting teams, which practice handling simulated accidents and emergency

situations. This ensures that personnel are equipped with the necessary knowledge and skills. In this way, the potential negative impacts can be minimized as the personnel is able to take swift and effective action in case of an emergency. The Group shall continue to enhance its disaster prevention and response capabilities in the future. To improve our overall disaster prevention and response capability, We will integrate disaster prevention resources and actively cooperate with relevant authorities in various relevant initiatives.

In addition to employee training, YungShin Group ensures that all personnel (exclude employee) are guaranteed safety during their work in our site. To achieve that, we have established relevant educational training program for contractors and require all collaborating contractors to sign the "Letter of Contractor's Commitment to Environment, Safety and Health" and strictly abide by the labor safety and health-related regulations.

### Occupational Health and Safety Training in 2024

Category	Main Courses
General Courses	General Occupational Health and Safety Training for New Employees
	Occupational Health and Safety On-the-Job Training
	General Health and Safety Training
	Traffic Safety
	Laboratory Health and Safety
	Hearing Conservation Program Training
	Respiratory Protection Program Training
	Health Education and Check-ups for Specialized Operations
	Confined Space Training and Drills
	Forklift Operation Training
Relevant Courses for Specialized Operations	Type I Pressure Vessel Equipment Operation Training
	Gas Boiler Equipment Operation Training
	Safety and Health Educational Training for the Manufacturing, Handling, and Use of Hazardous Chemicals
	Occupational Safety and Health Executive Training
Training for Managers	Organic Specialized Operations Supervisor Training
	OHS Committee Member Education and Training
	Fire-Fighting Equipment Training
Fire Safety and Emergency Training Courses	First Aid Training
	Fire Management Personnel Training
	Self-Defense, Fire Evacuation and Basic Firefighting Training
	Wastewater Treatment Plant Sulfuric Acid Leak Drill
	Laboratory Bio-safety Response Drill



## 5.3.3 Occupational Health Care

GRI 403-3, 403-6

In accordance with the Occupational Safety and Health Act, the Group has established four major employee health protection programs to effectively prevent workplace hazards:

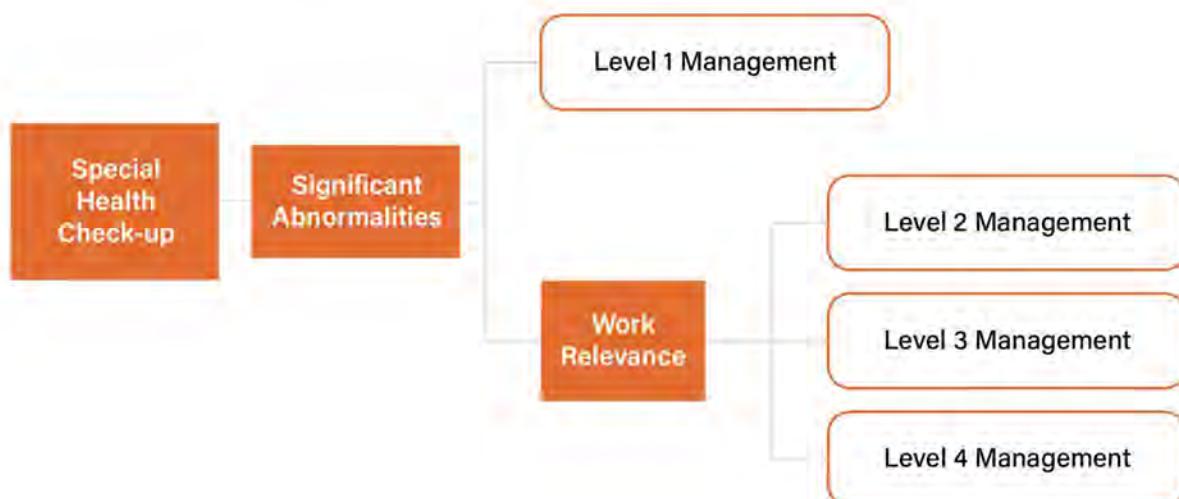
### Plan 1. Prevention of Ergonomic Hazards

#### Regular Health Examinations

YungShin Group requires employees to undergo regular health examinations. At YSP, employees are eligible for a health examination every two to three years, while Venostrum provides annual health examinations for all employees, selecting qualified and professional medical institutions to perform the examinations. Additionally, the Group's on-site nursing staff and occupational physicians provide health education and follow-up consultations. The health examination items are designed to meet practical needs and exceed current legal requirements. These include company-sponsored tests such as cancer screenings, ultrasound examinations, and gastrointestinal assessments for employees who frequently dine out. Employees may also share their test results with on-site medical personnel to support ongoing health management and take appropriate actions based on their individual health conditions. Employees engaged in specialized operations are subject to regular special health examinations. The scope of the examination is expanded based on the nature of the specific work, and tiered health management is implemented according to the results of the examinations.

In accordance with the confidentiality requirements of the Personal Data Protection Act, employee health examination results are securely managed by the EHS Office. Only on-site physicians and resident nursing staff may request access to these records for work-related purposes. To ensure the security and confidentiality of personal information, no other individuals are permitted to obtain or view health data without prior authorization.

#### Special Health Examination Tiered Management Diagram



#### On-site Medical Care and Health Management

At the Taiwan sites, the Group provides on-site medical care services with the following measures:

- Monthly announcements of the service schedule and available items provided by medical personnel.
- Any deficiencies identified during medical inspections are included in the monthly report to the General Manager for follow-up and improvement.
- Health protection programs are managed by medical personnel through in-person or virtual health consultations and education.
- Employees with abnormal health checkup results are managed by medical personnel through in-person or virtual health consultations and education.

#### Sports Activities and Health Seminars

- The Group organizes various sports activities to promote the concept that exercise benefits physical and mental health. These include company-sponsored clubs, YungShin Pharmaceutical's New Year hiking event, Family Day, and the YungShin Cup volleyball tournament. In 2024, Venostrum held a "Healthy Walk Together" event.
- Each year, Venostrum collaborates with on-site medical personnel to determine seminar topics based on the previous year's health checkup results or major public health issues such as the top ten cancers in Taiwan. Employees are actively encouraged to participate. As of the end of 2024, a total of 231 employees had attended the seminars. Topics covered in 2024 included chronic and infectious diseases, and "Eating Right to Build an Immune Shield."

#### Enhance Ergonomic Hazard Prevention Measures at Venostrum in 2024

To prevent employees from developing musculoskeletal disorders triggered by repetitive tasks due to ergonomic hazards and to enhance occupational safety, Venostrum has recently implemented the following specific measures:

- Installed pneumatic suction assist devices at locations in the warehouse area where packaging machines require lifting operations.
- Replaced manual stacking operations at packaging machines in the production area with automated robotic arms to reduce potential risks to employees' muscles and bones during the work process.
- Conducted surveys among employees with potential soreness. After interviews with medical personnel, the company provided back support belts for employees to apply for. As of 2024, a total of 12 employees had applied for and received the support belts.

### Plan 2. Prevention of Diseases Caused by Abnormal Workload

- The Group implements an Employee Assistance Program (EAP), offering diverse and flexible professional counseling services to provide employees with a robust support system. Topics available for consultation include marriage, family, parenting, and financial planning.
- At the YungShin Pharmaceutical Museum, the "Body Fat vs. Muscle" comparison activity uses a body composition analyzer to help employees understand their health status. This is complemented by monthly on-site physician consultations to assist employees in developing personalized health prevention plans.
- Stress relief spaces and services—such as relaxation rooms and massage therapy—are also provided to help employees manage physical and mental stress.

### Plan 3. Prevention of Unlawful Acts During Duty

To prevent unlawful acts in the workplace and uphold a zero-tolerance policy against workplace bullying, the Group has implemented the following measures:

- Provides employees with consultation and grievance channels for workplace violence.
- Periodically conducts awareness campaigns and seminars on the prevention of workplace violence and sexual harassment, including lectures on "Prevention of Unlawful Acts in the Workplace."

### Plan 4. Maternal Health Protection

For employees that are pregnant or in pre- or post-pregnancy stages, YungShin Group provides a variety of maternal health protection measures as follows:

- Conducts hazard identification and risk assessments in the workplace. If any risks to maternal health are identified, appropriate protective measures are implemented.
- Make sure that employees are assigned suitable tasks during pregnancy and postpartum.
- Each factory has designated lactation rooms equipped with amenities such as high-back chairs, hand-washing station, water dispenser, emergency rescue facilities, refrigerators for breast milk storage, and access control. The rooms are cleaned daily to ensure a comfortable environment for female employees to express breast milk.
- Female employees can apply for nutritional supplements during pregnancy, including folic acid and calcium citrate. As of 2024, 11 female employees had applied. They are also entitled to benefits such as designated parking spaces and subsidies for office assistive equipment (lumbar support cushions, etc.)
- Occupational physicians provide health consultations for 2 maternal health protection cases each year.



### 5.3.4 Occupational Injuries and Diseases GRI 403-9, 403-10

According to the 2024 statistics from the main production sites, there were no recorded cases of occupational disease, fatalities or severe occupational injury. Nonetheless, 14 recordable occupational injuries took place, the majority comprising traffic accidents occurring during commute to and from work. Other types of injuries included bruising caused by collisions and cuts, lacerations, or abrasions sustained during work. In response to traffic accidents, YungShin Group actively conducts traffic safety promotion initiatives. Regarding incidents involving cuts, lacerations, abrasions, and collisions, the following measures have been implemented:

1. Conducting glass recycling safety precautions training.
2. Purchasing puncture-resistant gloves.
3. Conducting proper work posture training.
4. Implementing training on safety awareness enhancement and reporting procedures.

In the future, YungShin Group will continue to refine the data collection and statistical information mechanisms for occupational injuries and diseases. We shall utilize this data to review and develop related response strategies, progressively optimizing our occupational safety and health management policies. This can help the Group advance towards the goal of a zero-incident workplace.

#### Statistics on Occupational Injuries and Diseases in the Past 3 Years

Item	2022	2023	2024
Total Hours Worked	3,115,216	3,213,524	3,078,217
Number of Fatalities from Occupational Injury	-	-	-
Rate of Fatalities from Occupational Injuries	-	-	-
Number of Severe Occupational Injuries	-	-	-
Rate of Severe Occupational Injuries	-	-	-
Number of Recordable Occupational Injuries	10	20	14
Rate of Recordable Occupational Injuries	3.21	6.22	4.54
Main Types of Occupational Injuries	Exposure to Extreme Temperatures and Traffic Accidents	Cuts/ Lacerations/ Abrasions, Impact Injuries, and Traffic Accidents	Cuts/ Lacerations/ Abrasions, Allergic Reactions, and Traffic Accidents
Number of Recordable Occupational Diseases	-	-	-

Note:

1. The scope of data for 2022 and 2023 includes YSH, YSP, Vethostrum and CTI.
2. The scope of data for 2024 includes YSH, YSP, Vethostrum, Chemix, CTI and YungShin Tiente.
3. The number of fatalities from occupational injury refers to the statistics on the number of cases involving disaster fatalities.
4. Rate of fatalities from Occupational Injuries = Number of fatalities from occupational injury / Total hours worked \* 1,000,000
5. Number of Severe Occupational Injuries refers to the statistics on the number of cases where affected individuals are unable or find it difficult to return to pre-injury health within six months (excluding fatalities).
6. Rate of Severe Occupational Injuries = Number of severe occupational injuries (excluding fatalities) / Total hours worked \* 1,000,000
7. Number of Recordable Occupational Injuries and Occupational Diseases refer to the statistical count of reported occupational injuries and diseases resulting in the following consequences: death, leaving the workplace, work restrictions or job reassignment, medical treatment beyond first aid or loss of consciousness, or diagnosis of significant injury or illness by a physician or licensed healthcare professional.
8. Rate of Recordable Occupational Injuries = Number of recordable occupational injuries / Total hours worked \* 1,000,000



## 5.4 Talent Cultivation

### 5.4.1 Talent Development GRI 404-1, 404-2

To maintain and enhance employee capabilities, YungShin has established the Education and Training Management Regulations. The Human Resources Office allocates an annual training budget for training purposes and sets annual training objectives that align with the Corporation's operational strategy. We are able to cultivate versatile professionals through guidance from external consultants, internal lecturers, or participation in external seminars. In 2024, the Group's Talent Development Blueprint is structured around three key dimensions: Key Talent Cultivation, Managerial Competency Development, and Common Competency Building, with the goal of nurturing well-rounded professionals. The employee training total hours in 2024 amounted to 30,826 hours, with the average training hours per employee reaching 18.59 hours.

#### Main Aspects and Content of Educational Training

Pre-Employment Core Competencies	Includes corporate culture, corporation overview, HR policies and regulations, workplace etiquette, workplace violence and sexual harassment prevention, information management and information security advocacy, labor safety and health, product quality policy, and plant tours.
On-the-Job Professional Training	<p>Quality Production Training: Includes annual GMP training, drug specifications and impurity management, corrective measures practices, and laboratory accreditation standards.</p> <p>R&amp;D Management Training includes R&amp;D clinical trials and global trends, applications of various formulation strategies, regulations for the market entry of pharmaceuticals, food products, and medical devices, inspection and registration regulations and common deficiencies as well as the design of processes for new injections.</p> <p>Sales and Marketing Training includes business representative training, product training, pharmacology training, and marketing opportunities.</p> <p>AI Technology Application Training: Workplace Applications of ChatGPT.</p>
Executives Management Skills Training	Includes YungShin Group's culture and spiritual heritage, finance and human resource management, employee relations and grievance system, workplace violence and sexual harassment prevention, labor disputes, recruitment, selection and interviews, subordinate performance guidance and interview feedback, as well as training on the operation of OA system forms Cross-Department Communication Training, Financial Statements and Cost Concepts, Lean Management Courses, Trade Secrets and Corporate Integrity with Experience Sharing, Strategic Analysis Framework and Applications.
Continuing Education	To improve work efficiency of employees, encourage them to continue to enhance their professional skills and knowledge by providing sponsored continuing education opportunities.
Cadre Training Courses	To achieve sustainable development and establish professional leadership, the board of directors has resolved to implement the YungShin Group Cadre Training Program. The program will allow the Group to conduct the process of succession and transitions in a systematic and disciplined manner.

### 2024 Learning Blueprint



#### Average Employee Training Hours in 2024

Gender or Category	Year	2022	2023	2024
Gender	Male	20.25	16.63	19.40
	Female	18.39	16.82	17.78
Category	Managerial Position	20.74	20.07	29.46
	Non-Managerial Position	19.19	16.36	17.38
Total (per capita in each year)		16.96	19.34	18.59

Note:

1. Scope of data for 2022 and 2023 includes YSH, YSP, Chemix, CTI and YungShin Tiente.

2. Scope of data for 2024 includes YSH, YSP, Vetrostrum, Chemix, CTI and YungShin Tiente, YHK.

3. In YSH and YSP, managerial positions refer to internal positions of team leader or higher. In Vetrostrum, they refer to positions at the level of director or above, in Chemix, they refer to roles at or above the level of section manager, in CTI, they refer to positions at or above the level of supervisor, and in YungShin Tiente they refer to roles at or above the level of CTI. In YHK they refer to roles at or above the level of Product Manager, Director, and Section Manager.

4. The values in the table represent the average training hours for employees in that category.

5. Average Training Hours=Employee Training Total Hours in Each Group / Total Number of Employees on Duty in Each Group as of December 31, 2024.

### 5.4.2 Performance Appraisal GRI 404-3

Each location of the YungShin Group has developed its own system of employee performance evaluation and incentives. The assessment and incentive policies are implemented according to regulatory frameworks. In 2024, all employees subject to performance appraisal underwent full assessment. The eligibility criteria, evaluation methods, and performance indicators of the appraisal were all implemented in compliance with regulations. No instances of discrimination or unfair treatment were reported.

# 06

## Social Caring Initiatives

### 6.1 Social Participation Concept

### 6.2 Social Welfare

### 6.3 Academic Funding

- 17 people have been chosen as the TienTe Lee Biomedical Award recipients.
- Home Service cases record an average of 208 registered cases each month.
- Home Bath Service reached 2,417 registered cases, including 1 case from remote area and 44 cases from disadvantaged, severely bedridden individuals.
- Community care services provided a total of 1,364 instances of home visits and telephone check-ins.
- The 2024 Domestic Elderly Welfare Agencies Sports Competition brought together 25 elderly welfare institutions and 248 elderly participants.
- Held the 51st YungShin Cup Volleyball Championships, with the number of participants reaching 354 teams.
- Hosted 2 industry-expert campus lectures, with total number of students reaching 47 people.





## 6.1 Social Participation Concept

### Management Policies GRI 3-3

Material Topics	Corporate Image	Corresponded GRI	GRI 413
Impact of the Topic	The Group's image may have an impact on talent recruitment, customer and consumer choices, supplier and partner decision making, as well as government and financial institution decisions, which in turn would affect the Corporation's normal operations. In 2024, YungShin Group has not recorded any significant negative impacts concerning Corporate Image.		
Commitments/ Policies	YungShin Group is committed to maintaining a positive corporate image. To achieve that, the Corporation does not only focus on product quality and its impact on stakeholders and the external environment during normal business operations, but also on giving back and contributing to human society.		
Goals	<div style="display: flex; justify-content: space-between;"> <div style="width: 40%;"> <p><b>Short - Term</b></p> <ul style="list-style-type: none"> <li>- Continue to carry out various academic exchanges and activities related to health education.</li> <li>- Continue to promote community care for the elderly and initiatives related to social contribution.</li> <li>- Continue to provide internship opportunities for students.</li> <li>- Continue to hold the TienTe Lee Biomedical Award, the National Elderly Welfare Institutions Sports Championship, and the YungShin Cup Volleyball Championship.</li> <li>- Organize a medication safety and health education seminar for the community twice a year: in the first and second half of the year.</li> </ul> </div> <div style="width: 40%;"> <p><b>Medium to Long-Term</b></p> <ul style="list-style-type: none"> <li>- Expand the award categories of the TienTe Lee Biomedical Award.</li> <li>- Continue to carry out various academic exchanges and activities related to health education.</li> <li>- Continue the thorough development in the field of long-term care and promote community care for the elderly and initiatives related to social contribution.</li> <li>- Transform the YungShin Cup Volleyball Championship into an internationally recognized tournament.</li> <li>- Continue to provide internship opportunities for students.</li> </ul> </div> </div>		
Action	<ul style="list-style-type: none"> <li>- We have established the TienTe Lee Biomedical Foundation, created the TienTe Lee Biomedical Award, and continued to actively organize various academic exchanges and activities related to health education, including TienTe Lee Award Laureate Club, Biomedical Camp, different types of health seminars, and experience activities. Additionally, to enhance public understanding of the pharmaceutical industry and spread knowledge related to medication safety, we have set up the YungShin Museum of Medicine and Health.</li> <li>- We have established the YungShin Social Welfare Foundation dedicated to the thorough development in the field of long-term care. We provide various types of care services, such as residential care for the elderly, home care, and community-based care. We also carry out efforts related to community care and social contribution, such as hosting the National Senior Welfare Institution Sports Competition and care visits for the elderly living alone.</li> <li>- We have established the YungShin Elderly Nursing Home dedicated to providing dignified long-term care services for the elderly. It has been recognized as the nation's second-best elderly welfare institution by the Common Health Magazine and has also received the Taichung City Golden Care Award.</li> <li>- We have set up the YungShin Xin Jia Community Elderly Care Agency, pioneering a continuous care model for patients with dementia. Those include a day-based care center suitable for individuals with mild dementia, small-scale multifunction services for patients with mild to moderate dementia, and group homes for people with moderate to severe dementia.</li> <li>- In response to the need for home-based and community-based care, we provide a range of home-based services, including bath service, home environment cleaning, meal preparation, medical accompaniment, and simple exercises to improve joint mobility. Those services have been awarded excellence in the evaluation by the Taichung City Government and have also obtained a quality home care institution certification from the first session of the Taiwan Home Service Strategic Alliance.</li> <li>- We support the employment of individuals with disabilities through tangible actions and actively procure products from sheltered workshops.</li> <li>- We have built the YungShin Sports Park in the Tie-Jhen Mountain Scenic Area in Dajia District, open free of charge for the public to enjoy. The park is also where the YungShin Cup Volleyball Championship is regularly hosted through which We actively promote volleyball as a sport.</li> <li>- The Corporation provides internship opportunities for students. We also hold irregular lectures or classes on campuses to disseminate biotech and pharmaceutical industry related knowledge and help students gain insights into the field.</li> </ul>		

Effective Evaluation	Evaluation Method
	Use the activity data from various initiatives and stakeholder feedback as the primary evaluation indicators for the effectiveness of management policies.
	<ul style="list-style-type: none"> <li>- 17 people have been chosen as the TienTe Lee Biomedical Award recipients.</li> <li>- Home Service cases record an average of 208 registered cases each month.</li> <li>- Home Bath Services cases reached 2,417 registered cases, including 1 case from remote area and 44 cases from disadvantaged, severely bedridden individuals.</li> <li>- Community care services provided a total of 1,364 instances of home visits and telephone check-ins.</li> <li>- The 2024 Domestic Elderly Welfare Agencies Sports Competition brought together 25 elderly welfare institutions and 248 elderly participants.</li> <li>- Held the 51st YungShin Cup Volleyball Championships, with the number of participants reaching 354 teams.</li> <li>- Hosted 2 industry-expert campus lectures, with total number of student reaching 47 people.</li> </ul>
Dialogue Channels	Email: investor@yungshingroup.com

As one of the leading generic drug manufacturers in Taiwan, YungShin Group has upheld its corporate values of service, integrity, and innovation for many years, with its focus on the pharmaceutical business. Today, YungShin Group has become a comprehensive multinational pharmaceutical and healthcare technology group. In addition to continuously manufacturing high-quality pharmaceutical products, health care products, and animal drugs, We are also dedicated to research and development of cost-effective, high-quality pharmaceuticals while supporting and rewarding incentives for pharmaceutical research. Furthermore, YungShin Group actively participates in initiatives related to global health issues, such as elderly care, healthy recreation, health protection, and cosmetic medicine to achieve the Corporation's vision of "Securing health, enhancing beauty and creating happiness."

Driven by the concept of "Only taking the medicine, when necessary," YungShin Group embraces its corporate responsibility of "What is gained from society must be returned to society." In addition to deeply understanding the developmental trends and needs of human society, the Corporation also integrates internal and external resources to establish the TienTe Lee Biomedical Foundation and YungShin Social Welfare Foundation. In order to exert social influence and contribute to the physical, mental, and spiritual health of all humanity, the Group continues to carry out various activities related to biotechnological development, social contribution, and environmental preservation.



## 6.2 Social Welfare

### 6.2.1 永信李天德醫藥基金會 TIEN TE LEE BIOMEDICAL FOUNDATION

The development of the biomedical industry correlates closely with human health and is closely associated with the quality of people's lives. TienTe Lee Biomedical Foundation aims to promote medical education and research. The foundation is dedicated to raising the standards in the biotechnology and healthcare sectors and contributing to the health industry. To date, it has been a host for numerous activities, such as academic exchanges and seminars, created awards related to academic research, and has been actively popularizing the knowledge of medication and medication safety among the public.

#### Encouraging Scholars and Graduates



Scholars and outstanding graduates are encouraged to conduct their biomedical study, so as to promote biomedical development.

TienTe Lee Biomedical Award and Y.S.P.SAH Excellent Scientific Paper Award have been designed since 2005 and 2013 respectively.

- TienTe Lee Biomedical Award

#### Charitable Activities



TienTe Lee Biomedical Foundation organizes or sponsors social educational and charitable activities, such as Biomedical Camp and little pharmacist camps, for students to improve their knowledge of drugs through speeches, interactive guides, and visits to drug manufacturers.

- Hosted Biomedical Camp activities and lectures.

- Sponsored other organizations for their related biomedical activities.

#### Holding Health Seminars



Organizes or sponsors health activities and seminars to encourage the public to exercise and cultivate healthy living habits.

- Hosted Health Promotion Activities

#### Holding Seminars



TienTe Lee Biomedical Foundation organizes or sponsors relevant biomedical events such as academic conferences, lectures, seminars, and site visits. In 2008, TienTe Lee Award Laureate Club was established to invite biomedical experts from the industry, the government, and the academia to share their experience, creating an interdisciplinary interactive exchange platform.

- Award Laureate Club Academic Activities

#### Teaching Knowledge of Medicine



Establish non-profit educational and research institutions, along with a medical museum that align with the association's objectives, to serve and educate the public on pharmaceutical knowledge. Offer guided tours and DIY experiential courses to interactively teach the public about medication safety knowledge.

- YungShin Museum of Medicine and Health

#### TienTe Lee Biomedical Award

In order to encourage citizens and outstanding scholars to engage in pharmaceutical technology R&D and raise its domestic standards and international standing, the Corporation has been hosting the TienTe Lee Biomedical Award for 20 consecutive years. To encourage the citizens from Association of Southeast Asian Nations (ASEAN) countries to engage in medical and pharmaceutical technology research and development, we have established a Y.S.P.SAH Excellent Scientific Paper Award in 2013. This initiative aims to enhance the pharmaceutical technology R&D standards in Southeast Asian countries.



- For the 20th of the TienTe Lee Biomedical Award held in 2024, a total of 17 recipients were selected. The award ceremony itself serves as a gathering hub for professionals in the biomedical industry. In 2024, a total of 200 participants attended the ceremony to exchange their knowledge and experiences.

#### Award Laureate Club Academic Activities

In 2008, TienTe Lee Biomedical Foundation established the Award Laureate Club which brought together past winners of the TienTe Lee Biomedical Awards. The association also invites academic researchers who have made significant contributions or exerted substantial influence in the field of pharmaceutical technology to serve as honorary members and advisors. Each year, the association organizes a two-day academic symposium to foster exchange among biomedical researchers in Taiwan, serving as an important platform for scholarly interaction and collaboration.

- A total of 80 past winners have participated in the 2024 TienTe Lee Biomedical Award Laureate networking seminar.

The club provided them with interaction and industry collaboration opportunities, stimulating the prosperous development of innovative thinking.



## Hosted Biomedical Camp Activities and Lectures

Organizing a drug technology camp allows high school students to acquire medicine-related knowledge through activities such as lectures and interactive learning. Additionally, we carry out medication safety promotion activities in elementary schools, spreading relevant knowledge with the use of interactive materials.



- In 2024, 67 people participated in the Biomedical Camp and Lectures.
- In 2024, the medication safety promotion activities were held in 15 schools in total, with the number of participants reaching 765.

## Sponsored Other Organizations for Their Related Biomedical Activities

To encourage and promote domestic biomedical activities and enhance opportunities for interaction and exchange, the Corporation provides sponsorship for seminars and camps and holds Poster Paper Awards. In 2024, the foundation sponsored and supported the following initiatives:



- Free clinic and home visits
- Medical experience camps
- Biomedical workshops camp
- Health education social evening
- Poster presentation competition at the Joint Biomedical Academic Annual Conference



Using the medical museum as a base, enhance public understanding of the pharmaceutical industry and disseminate knowledge related to medication safety through various display methods and event planning, such as anthropomorphic educational exhibits, simulated scenarios of medication safety, introductions to pharmaceutical manufacturing processes, and displays of the evolution of pharmaceutical equipment. The YungShin Museum of Medicine and Health offers guided tours and DIY experiential courses. In 2024, the museum was open for a total of 159 days, with a total of 16,643 visits.



- YungShin Museum of Medicine and Health provides free guided services and DIY experience courses and helps the public to get knowledge about drug safety in an interactive way.
- In 2024, the total number of DIY experience courses participants reached 587 attendances.

- Subsidized teacher-student museum visits and DIY experience courses for junior high and elementary schools in remote areas of Changhua and Miaoli.
- In 2024, a total of 270 teachers and students from 11 remote junior high and elementary schools visited the museum.

- The museum is equipped with a body composition analyzer, allowing visitors to better understand the signals conveyed by their bodies.
- In 2024, the body composition analyzer has been used 3,875 times.

## Host Health Promotion Activities

Pharmaceutical knowledge does not only advance technological development but also assists the public in cultivating healthy habits. The foundation's mission is to "Build a healthy mind, body and soul of the people". To achieve this, medical professionals are invited every year to share their scientific and clinical insights and suggestions. Through insight-based lectures and activity leadership, the foundation aims to popularize health-related knowledge and promote healthy lifestyle for the public.



- In 2024, the total number of health seminars and experience activities participants reached 63 attendances.

6.2.2



永信社會福利基金會  
YungShin Social Welfare Foundation

As a pioneer in long-term elderly care in Taiwan, the YungShin Social Welfare Foundation has been dedicated to the development of the sector since 2001, focusing on the coastline of Taichung City. The foundation's services extend from residential care to community and home-based care, with a goal to establish a diverse, continuous, comprehensive, and detailed care system.

To ensure that seniors live a "happy, safe, and dignified," life, YungShin Social Welfare Foundation has been promoting an unrestricted, diaper-free, and not bed-bound care model across all Taiwan since 2016. Additionally, during the promotion of this model, it was observed that seniors with disabilities and dementia have difficulties in eating through their mouth. As a result, in 2022, the foundation launched the "Flavorful Life" initiative, with a goal to help seniors break away from their dependence on nasogastric tubes, allowing them to eat orally again and regain their dignity. YungShin Social Welfare Foundation plants the seeds of dignified care, nurturing them as they gradually turn into seedlings. The foundation envisions a future in which, through collaborative efforts with society, the philosophy of dignified care can be spread into the entirety of Taiwan's long-term care system and accelerate the cycle of kindness.

### Residential Care



YungShin Elderly Nursing Home provides 24-hour care services, primarily for seniors with disabilities, serving up to 126 individuals. Xin Jia Group Home specializes in dementia care, serving up to 18 seniors.

### Home Care



To enhance the accessibility of our services, caregivers are dispatched to provide them at home, offering support based on seniors' individual needs, including bath service, meal preparation, home environment cleaning, and medical accompaniment.

### Community Care



Along the coastline of Taichung City, 6-day care and small-scale multifunction service agencies have been established, allowing seniors to receive services during the day and return home in the evening to spend quality time with their families.

### Community Support



We recruit senior volunteers to set up community care sites and the Evergreen Happy School, offering communities a variety of services for healthy and sub-healthy seniors, including health promotion, care visits, and telephone greetings.

## Our Good Neighbor: Comprehensive Community Care Services

The YungShin Social Welfare Foundation is committed to community care, providing diverse elderly care services and building strong connections with the community. We have established five community elderly care agencies: YungShin Elderly Nursing Home, YungShin Yong Xing, YungShin Xin Jia, YungShin Wu Ling, and YungShin Xu Ling. Through this initiatives we hope to cater to the elderly care needs of residents of districts such as Dajia District, Daan District, Waipu District, Qingshui District, Wuqi District, and Shalu District of Taichung City. These facilities provide services including day care, dementia care, and home-based care to enhance the quality of life for the elderly. In 2007, the foundation expanded its services from residential long-term care to community-based care, establishing the first community care and support center in Dajia District, Taichung City. The institutions focus on health promotion, suboptimal health management, providing care for the disadvantaged, and visits to elderly living alone. Caring for the physical and mental well-being of the elderly, the institutions provide them with love and support.

In the future, the YungShin Social Welfare Foundation will set up modular long-term elderly care services, continue to enhance its effectiveness and cooperation with the community to keep on optimizing the overall service quality.

Community Elderly Care Agency	Description	Project Outcomes	Future
YungShin Elderly Nursing Home	<p>In response to the need for home and community-based care, We have rented and transformed an idle kindergarten into the first day care service center in Dajia District in 2011. This allows seniors to receive services during the day and return home in the evening to spend quality time with their families. Through this initiative, we can achieve the goal of delaying disabilities. In 2024, the service capacity was expanded and relocated to the Mengchun Activity Center in Dajia District.</p>	<ol style="list-style-type: none"> <li>1. An average daily service capacity reached 25 elderly individuals.</li> <li>2. Organized the "YungShin Creative Aging Era - Blooming Brilliance" Decoupage Art Exhibition at Dajia Library.</li> <li>3. Actively promoted community mutual support and inclusion activities, with a total of 580 participants.</li> <li>4. Collaborated with convenience stores to host three "One-Day Store Manager" events.</li> </ol>	Continue the initiatives of intergenerational learning which enhance the vitality of older adults.
YungShin Xin Jia Community Elderly Care Agency	<p>In 2016, We collaborated with the Taichung City Government Social Affairs Bureau to revitalize Taichung's coastal community care service centers, creating Taiwan's most distinctive, continuous care model for dementia. Among those is the 24-hour dementia group home responsible for providing care to seniors with dementia, primarily focusing on daytime care. It is also supported by small-scale multifunction services for temporary accommodation. Additionally, we offer Day Care Service and other various care models that include mixed services for seniors with disabilities and dementia.</p> <ul style="list-style-type: none"> <li>- Received the 1st and 4th Taichung City Government Golden Care Award.</li> <li>- Awarded Third Place in the Excellence Category Group B in the 4th Taichung City Golden Care Awards in 2021.</li> </ul>	<ol style="list-style-type: none"> <li>1. An average daily service capacity reached 16 elderly individuals for dementia group home.</li> <li>2. An average daily service capacity reached 16 elderly individuals for the small-scale multifunctional services.</li> <li>3. An average daily service capacity reached 28 elderly individuals for day care services.</li> <li>4. Held 2 family health education sessions.</li> <li>5. Held 2 outdoor excursions for the elderly.</li> <li>6. A total of 1,576 participants engaged in herbal horticultural therapy activities.</li> <li>7. Received an "Excellent" rating in the Taichung City government evaluation.</li> <li>8. Collaborated with the Institute for Information Industry to optimize smart mattresses, earning recognition as one of the Global Top 100 Technology Innovations.</li> </ol>	Implement a continuous care model for patients with dementia and create a friendly work environment for younger caregivers.
YungShin Yong Xing Community Elderly Care Agency	<p>In 2018, we partnered with the Waipu District Office to rent the third floor of the Liufen Community Activity Center, where we established the first day care service in the Waipu District. The agreement to jointly operate the facility has made the Yong Xing Day Care Center become an important landmark in the Liufen.</p> <ul style="list-style-type: none"> <li>- Received a nomination in the Excellence Category Group B in the 7th Taichung City Golden Care Awards in 2024.</li> </ul>	<ol style="list-style-type: none"> <li>1. An average daily service capacity reached 25 elderly individuals.</li> <li>2. Organized the "YungShin Creative Aging Era - The Art of Life" Decoupage Art Exhibition at Waipu Library, along with two hands-on craft sessions.</li> <li>3. Actively promoted community mutual support and inclusion activities, with a total of 968 participants.</li> <li>4. Collaborated with convenience stores to host two "One-Day Store Manager" events.</li> </ol>	Continue the initiatives of intergenerational learning which enhance the vitality of seniors.
YungShin Wu Ling Community Elderly Care Agency	<p>In 2021, we collaborated with the Dajia District Office to rent the Rinan Community and Long-Term Care Center (the first forward-looking health and welfare initiative in Dajia District). In response to the future requirements of Taiwan's long-term care policies, we established the first small-scale multifunction service in Dajia District which is conveniently located near the Dajia Youth Industrial Park. We believe that by providing these services, the turnover rates of caregivers within the industrial park can be reduced.</p>	<ol style="list-style-type: none"> <li>1. An average daily service capacity reached 24 elderly individuals.</li> <li>2. Hosted a hand-drip coffee activity in the community, with a total of 840 participants.</li> <li>3. Organized a steam oven activity, with a total of 2,188 participants.</li> </ol>	Continuing to strengthen community connections, enhancing our overall service capacity.
YungShin Xu Ling Community Elderly Care Agency	<p>In 2023, we partnered with the Taichung City Government Housing Development Department to rent the Wuqi Sanmin Hao Residence and provide small-scale multifunction services. The collaboration with social housing residents and welfare units does not only focus on elderly care but also extends to the community and families, enhancing the caregiving capacity within social housing.</p>	<ol style="list-style-type: none"> <li>1. An average daily service capacity reached 10 elderly individuals.</li> <li>2. A total of 383 participants engaged in herbal horticultural therapy activities.</li> <li>3. A total of 94 participants took part in community inclusion activities.</li> </ol>	Strengthening connections with social housing to promote aging in place for the elderly within the community.





## Leading Dignified Care: YungShin Elderly Nursing Home

To provide seniors with a comfortable, safe, and dignified residential environment, YungShin Group upholds the philosophy of "Care centers are for the seniors to live in." YungShin Elderly Nursing Home officially opened in 2001, providing 24-hour residential care services atop Tie-Jhen Mountain in Dajia District. Ever since its establishment, YungShin Elderly Nursing Home has effectively utilized social resources such as the ones from the YungShin Group, regional medical facilities, and academic institutions to continuously improve the quality of long-term care services. High-quality care services are provided by trained professionals who actively adhere to government policies, accepting supervision from various authorities.

This does not only realize the original purpose of establishing the YungShin Elderly Nursing Home but also allows us to shoulder the social responsibility of cultivating long-term care professionals.



## Adopted a therapy dog to provide emotional comfort services.

Research has shown that long-term interaction with animals can help reduce stress and anxiety, benefiting both physical and mental well-being.

In 2024, one therapy dog was adopted to provide emotional support services. The dog served 1,060 individuals within the institution and an additional 144 individuals through community outreach activities.



- The first elderly care agency to receive the Spreading Good Award.
- The first elderly care agency obtained the Central Kitchen HACCP certification.
- Recognized as the nation's second-best elderly welfare agency by the Common Health Magazine.
- Obtained Friendly Care Institution certification from the Health Promotion Administration, Ministry of Health and Welfare.
- Received the 104 Job Bank Independent Care Certification.
- Received Taichung City Golden Care Award.
- The agency average serves 133 individuals per month.
- Provided internship opportunities for 7 university students in caregiving and social work.
- Offered cooperative education placements for 4 vocational high school students from Wuyu Senior High School in Nantou.

## Promoting Oral Function Rehabilitation ~ Helping Seniors Rediscover the Joy of Eating

As people's chewing and swallowing abilities weaken with age or sickness, the basic activity of eating may become a serious challenge. Some people might even be forced to depend on nasogastric tubes for nutrition. In response to the high rate of nasogastric tube use in Taiwan, the foundation began promoting the concept of independent living support in 2015. Japanese dental expert Dr. Kyoko Kuroiwa was invited to Taiwan to provide training aimed at increasing the rate of nasogastric tube removal and helping seniors enjoy the pleasure of eating by mouth again.



- A total of 27 institutions nationwide adopted the program, including hospitals and residential long-term care facilities.
- A total of 275 cases were enrolled, with 17 elderly individuals successfully removing their nasogastric tubes.
- 295 participants completed the oral function rehabilitation workshops.
- An exhibition was held at the National Taichung Theater.
- Three elderly care institutions in Taichung City participated in a group trip to Sun Moon Lake.

## Taichung City's First Community Holistic Care Service Unit - A-Level Care Management Unit

In 2016, the Long-Term Care Plan 2.0 has been officially launched in Taiwan. The most significant transformation was the A-Level unit of the community's integrated care service model. This unit serves as the hub for long-term care services, linking appropriate services according to individual needs. Among all service units in Taichung, the YungShin Social Welfare Foundation has established a deep presence in the city's coastline area for many years, with its service receiving high recognition from the Taichung City Government. It also became the first organization in the city to implement the community's integrated service model as an A-level unit. Currently, services primarily cover six coastal districts in Taichung City—Dajia, Daan, Waipu, Qingshui, Wuqi, and Shalu. Through YungShin's care network, individuals in need of long-term care can promptly access appropriate services, thereby improving their quality of life.

- An average of more than 723 cases were registered each month in 2024.
- Held 4 community coordination meetings.
- Organized 8 interdisciplinary case conferences.

## Community-Based Care Service Points

Using the community as a base, YungShin Social Welfare Foundation provides various care services. Professional social workers conduct home visits and in-depth interviews with elderly individuals, assess risks, and categorize cases accordingly. They then connect formal and informal resources to offer telephone check-ins and in-person visits to vulnerable seniors living alone, helping monitor their physical and mental well-being and ensuring they feel cared for and supported.

Since 2017, the foundation has launched the "Good Times Meal Project," collecting donations during festive seasons to support disadvantaged families. Over the past seven years, the initiative has helped 886 households. In 2024, 35 care packages were distributed to families in need.



- In 2024, a total of 1,364 instances of home visits and telephone check-ins were conducted.
- In 2024, the health promotion services reached 2,409 participants.
- One volunteer appreciation event was held.

## Great Places for Seniors with Disabilities and Dementia: Day Care Service and Small-Scale Multifunction Services

To ensure the quality of our services, in addition to the Xin Jia Senior Day Care Center and small-scale multifunction service facility (Qing Shui), YungShin Social Welfare Foundation has set up a comprehensive range of day care and small-scale multifunction service agencies along the coastal line of Taichung City (Dajia District, Waipu District, Wuqi District), with a total of four sites. To enhance accessibility, availability, affordability, and acceptability of the services, the agencies offer transportation services with home pick-up and drop-off options, community bath and respite care services, with operational hours extending until 5:30 PM. Additionally, based on the characteristics of each service location, we introduce diverse care models that promote intergenerational learning, life empowerment, community integration, and independent living.

- Day Care Center and small-scale multifunction average daily maximum service capacity reached 94 individuals in 2024.

## Enhanced Day Care Services: Overnight Stay and Temporary Respite

The small-scale multifunctional care model is designed to resemble a warm and welcoming home. By maintaining a consistent team of caregivers, the model ensures that staff members develop a deep understanding of the needs of each elderly individual with physical or cognitive impairments. Based on the preferences and conditions of both the elderly and their families, personalized care plans are provided. During the day, seniors can visit the day care center to socialize and participate in activities. When they prefer to stay at home, caregivers offer in-home services. Additionally, short-term accommodation is available to meet temporary care needs. This flexible and comprehensive approach helps reduce the burden on family caregivers while maintaining high-quality care for the elderly.

## The First Line of Defense for Community-Dwelling Seniors: Day Care Services

In 2017, with support from the Taichung City Government, YungShin Social Welfare Foundation began offering day care services targeting pre-frail and sub-healthy elderly individuals. The program focuses on delaying physical decline and promoting health, while also enhancing social interaction to prevent isolation and rapid deterioration caused by staying at home for extended periods.



- An average of 30 elderly individuals were served daily through day care services.
- A total of 549 participations were recorded for the "Healthy Aging Baking Workshop".
- A total of 32 participations were recorded for "Craftsmen Experience Activities".
- A total of 143 participations were recorded for arts and cultural lectures.

## Grand Opening of the YungShin Active Aging Wellness Center

In response to the challenges of a super-aged society, the YungShin Active Aging Wellness Center was officially launched in 2024, adjacent to the Rinan Civic Service Office in Dajia District. The center offers comprehensive day care services tailored to the needs of local elderly residents. Through community integration and intergenerational learning, the center aims to build bridges across generations. YungShin Active Aging Wellness Center hold weekly programs, including physical fitness activities, DIY crafts and other engaging courses, are designed to promote the spirit of "lifelong learning and active aging."



## Receive Professional Care at Home: Home Services

In response to the need for home-based and community-based care, YungShin Social Welfare Foundation has been providing home-based services since 2010 in the coastline area of Taichung City (Dajia District, Daan District, and Waipu District). Those services include bath service, home environment cleaning, meal preparation, medical accompaniment and simple exercises to improve joint mobility, allowing seniors to receive professional care in the comfort of their own homes. Elderly Care Agencies affiliated with the YungShin Social Welfare Foundation have been awarded excellence in the evaluation by the Taichung City Government and obtained quality home care institution certification from the first session of the Taiwan Home Service Strategic Alliance.

- In 2024, home service cases recorded an average of 208 registered each month.
- In 2024, 2 large-scale promotional events were held, and service information was posted on 16 community bulletin boards to raise public awareness of home-based care services.
- A total of 6 age-friendly businesses were engaged to support and promote long-term care services within the community.



## Fulfilling The Bathing Dreams of Bedridden Seniors: Home Bath Service

In 2016, YungShin Social Welfare Foundation became the first organization in Taichung City to offer home bath services. These services are provided by a professional team of three, using a "home bathing vehicle" which originates from Japan. The vehicle is equipped with modular bathtubs, water tanks and water heaters. As long as there is a space of 1.5 ping (approximately 4.97 square meters) in the home, severely bedridden individuals, people with disabilities and other vulnerable patients can enjoy full-body bathing and soaking services in the comfort of their own bedrooms or living rooms. This service removes the limitations of space or manpower and allows for more than just a sponge bath, significantly improving the quality of life for seniors and family relationships. With increased service capacity and donations from kind-hearted individuals, the mobile bathing fleet has expanded to 3 vehicles. In collaboration with the Fuyu Charity Foundation, the service is also extended to underserved communities in Taichung's Heping District, offering free bathing services to disadvantaged residents.



- In 2024, registered number of Home Bath Service cases reached 2,417 people, with 1 case from remote areas and 44 cases from disadvantaged, severely bedridden individuals.

## Creating Lifestyles of Health and Sustainability for Seniors: Domestic Elderly Welfare Agencies Sports Competitions

Recognizing that seniors gradually lose their passion for life due to long-term institutionalization; YungShin Social Welfare Foundation has come forward to the Ministry of Health and Welfare with a proposal to hold an annual sports competition in 2014. Since its establishment, it has gradually become a major annual event. The value of this sports competition is not just in the activities themselves but also in sparking the flame of passion for life among the elderly people. These small sparks may grow into a radiant flame, lighting up the hearts of all seniors. The event also collaborated with the Department of Senior Welfare at National Taichung University of Science and Technology and the Department of Physical Education at National Taichung University of Education, whose faculty and students served as event guides and referees, promoting intergenerational inclusion between youth and seniors. Each year, the event symbolizes the unwavering spirit of each athlete representing themselves or their peers from various institutions. Since its establishment, a total of 2,425 elderly individuals have participated.



- In 2024, a total of 25 elderly welfare institutions participated in the event, with 248 elderly participants from across the nation gathering at the Taichung International Exhibition Center to showcase their abilities.



## 6.2.3 Other Social Care Initiatives

### Creating a Mindful and Eco-Friendly Park

To fulfill the founder's lifelong dream of "pharmaceuticals benefiting humanity," the founder, Mr. Tien-Te Lee, established the YungShin Sports Park in the Tie-Jhen Mountain Scenic Area in Dajia District, aiming to create a wall-free garden that everyone can freely enjoy and enter free of charge.

The YungShin Sports Park was planned and built in 1975. It covers an area of approximately 8 hectares. In addition to a bronze statue of the white Guanyin that protects the people and purifies their hearts, the park has areas and facilities such as a playground, YungShin Museum of Medicine and Health, hiking trails as well as volleyball and basketball courts. The entire park features a lively natural landscape made up of flowers, plants, trees, and various species.

The park is the most precious gem of our founder's, Tien-Te Lee's life, and it is a diamond that can never be taken away, as he has dedicated the entire park to society for public enjoyment. We hope that visitors can discover pleasant surprises with every step they take while exploring and enjoying the scenery and experiencing the founder's vision of an unbounded garden.



### Eco-Friendly Park

Located at the area at the highest sea level in Dajia District, YungShin Sports Park is surrounded by acacia trees, eucalyptus trees, and camphor trees. Migratory birds pass through here when returning to the north. Airflow converges here, resulting in abundant rainfall and diverse ecological species. Migratory, grey-faced buzzards, purple crow butterflies and other birds and insects pass through this area every year.

The park's geographical location and environmental conditions contribute to the park being not only an unbounded garden for the public to enjoy but also a place safeguarding the habitats essential for the survival of various species, contributing to species conservation and the maintenance of biodiversity.

### Sustainable Forestry

Since 2017, YungShin Social Welfare Foundation has adopted a Protection Forest in collaboration with the Dongshih Forest District Office of the Forestry and Nature Conservation Agency (Tie-Jhen Mountain) to enhance the public welfare effectiveness of state-owned protection forests and preserve the ecological integrity and public facilities of the forest area. The adopted area is located within the Soil and Water Conservation Forest no. 1410 managed by the Dongshih Forest District Office of Dajia District in Taichung City, covering an area of 2.62 hectares. Regular patrols are conducted at least once a week, and weed removal work is completed every month.

## Xiang Yie Zhuang

Xiang Yie Zhuang on the Tie-Jhen Mountain provides a place for park visitors to rest. It allows them to enjoy delicious food while embracing the abundance of nature under the sunlight. Guests can admire the beautiful sunset, gaze at the streets and urban scenery of Dajia District, watch the Port of Taichung, where boats of all sizes move through the horizon, and enjoy the lights of thousands homes that shine like stars under the night sky.

## Adoption of Dog-Friendly Park - Meiti Riverside Park, Taipei

Vetnostrum adheres to the core values of "precision medication and sustainable animal care," producing high-quality veterinary pharmaceuticals with a strong emphasis on environmental responsibility. In 2024, Vetnostrum responded to the Taipei City Government's initiative by adopting the Meiti Dog Off-Leash Area in Zhongshan District. During the adoption period, Vetnostrum additionally donated 500,000 pcs biodegradable dog waste bags annually, contributing to animal welfare and environmental protection.



- A total of 500,000 pcs fully biodegradable dog waste bags were donated.



- Sponsored facilities at Dog Off-Leash Area, including Alishan-style tents, metal signage plates, and partial repainting.

## New Year's Day Mountain Clean-up Hiking Event

YungShin Group hosts an annual New Year's Day mountain clean-up hiking event, with a goal to raise employees' awareness of environmental protection and enhance their knowledge of ecological and environmental conservation.



## YungShin Cup Volleyball Championship

The founder of the YungShin Group, Mr. Tien-Te Lee has been passionate for volleyball ever since his youth, enjoying the teamwork and collaboration of the sport, along with the willpower for victory. This led to the establishment of the first YungShin Cup Volleyball Championships in November 1974. The first volleyball court on Tie-Jhen Mountain was constructed the following year to serve as a long-term venue for the tournament. The number of participating teams has increased from 23 participating teams in the 1st edition to 354 participating teams in the 51st edition. In addition, the event has grown from 2 courts to its current 19 courts. Starting as a friendly match organized by a private enterprise, it has developed into the largest, most historically significant volleyball tournament in Taiwan, known as the "Taiwan's Volleyball Oscars" among players.

In 2024, the 51st YungShin Cup marked a bold new chapter beyond its 50th milestone. Under the theme "Dare to Move Forward! Brand New Start", volleyball enthusiasts were invited to compete at Tie-Jhen Mountain. Despite the event being relocated to indoor venues due to rain, the athletes' enthusiasm remained undiminished. Every inspiring and heartwarming moment of the tournament became a cherished memory for all participants.

Going forward, YungShin Group aims to transform the YungShin Cup into an internationally recognized tournament. Our goal is to continue to promote volleyball to enhance the sport's standards and international status of our players, transforming it into an actual national sport.

### 2024 YungShin Cup Volleyball Championship - Dare to Move Forward! Brand New Start

- 354 teams registered to participate in the 14 competition categories, with matches taking place in the span of 4 days.
- The tournament introduced two new categories: Men's Corporate League (Group A) and Women's Corporate League (Group A), exclusively open to teams from the national corporate volleyball league.

Note:  
Due to rain, all matches were relocated to nearby indoor venues. Only the opening ceremony was held at YungShin Sports Park as originally planned.





## 6.3 Academic Funding

### YungShin Summer Internship Program

As per tradition, the YungShin Group organizes the annual YungShin Summer Internship Program to recruit interns in the fields of R&D, marketing, production, and product quality. In addition to providing students in relevant fields with practical experience in the pharmaceutical industry and allowing them to explore career opportunities, this initiative also cultivates professional talent for the domestic biomedical sectors.

In 2024, the YungShin Summer Internship Program officially selected 13 students to participate. What is more, 3 exceptional interns were awarded scholarships. To contribute to the cultivation of domestic professional talent, the YungShin Group will continue the tradition of offering internship opportunities to diligent students. This, in turn, will strengthen the connection between industry and academia.



### Long-Term Corporate Internships Program

YungShin Group actively collaborates with universities to offer long-term internship opportunities, providing students with opportunities to familiarize themselves with the work within the industry. This initiative allows students to gain in-depth practical experience in various professional units and learn about the operation models of pharmaceutical companies from a practical standpoint. At the end of 2024, YSP signed a Memorandum of Understanding (MOU) with Tunghai University to jointly promote industry-academia collaboration, exploring new possibilities for fulfilling corporate social responsibility.

In 2024, YSP has selected 1 student for a long-term internship, and 2 students have been selected and will begin their internships in 2025, with each of them lasting approximately 4-6 months. Going forward, YungShin Group will continue to provide long-term internship opportunities to nurture the next generation of professional talents.



### National Chung Hsing University Enterprise Mentorship Program

Since 2016, YSP has been collaborating with National Chung Hsing University to conduct an annual enterprise mentorship program. During this program, corporate supervisors serve as mentors, share their expertise and provide career advice through lectures. Topics include plant tours, company introductions, R&D, quality, health, intellectual property as well as skills related to resume writing and job interviews. Those aim to assist students in integrating their learning with practical knowledge and industry experience.

In 2024, YSP partnered with National Chung Hsing University to hold a two-day 14-hour course which was attended by 30 students. In the future, the YungShin Group shall continue to collaborate with National Chung Hsing University to hold lectures, disseminate knowledge related to biomedical industry and share practical industry experiences with more students.



### Campus Lectures and Instruction

In 2024, YSP hosted 2 campus lectures, serving as guest speakers for the TOP Career Program at the College of Biomedical Science and Engineering, National Central University. The lectures covered topics such as the current state of the pharmaceutical industry, corporate culture, and career development, helping students gain a deeper understanding of the biotech and pharmaceutical sectors. A total of 47 students participated in these sessions.



### Corporate Site Visit

In June 2024, the National Science and Technology Council led 16 biomedical teams to attend the Biotechnology Innovation Organization (BIO) International Convention in San Diego, recognized as the world's largest biotechnology business exhibition. In addition to attending the convention, the teams also visited YungShin Group's U.S. subsidiary, CTI, for knowledge exchange and discussions on the latest developments in biotechnology.

# Appendix

## Appendix 1 Global Reporting Initiative (GRI) Standards Index

Statement of Use	YungShin Group has reported the content for the period from January 1 to December 31, 2024, in accordance with the GRI Standards.
GRI 1 Used	GRI 1 : Foundation 2021
Applicable GRI Sector Standard	Not applicable

### General Disclosures

GRI Standards	Disclosure Items	Chapter	Page No.	Remarks/ Purpose of Omission
GRI 2 General Disclosure 2021	2-1 Organizational Details	1.1.1 YungShin Group Overview	10-11	
	2-2 Entities included in the organization's sustainability reporting	About This Report Appendix 5 Scope of Information Disclosure	02 138-139	
	2-3 Reporting period, frequency and contact point	About This Report	02-03	
	2-4 Restatements of information	4.1.2 Energy and Greenhouse Gas Emissions Performance	68	Historical greenhouse gas emissions have been restated due to external verification.
	2-5 External assurance	About This Report Appendix 6 Assurance Target Summary Table and Independent Auditors' Limited Assurance Report	03 140-143	
	2-6 Activities, value chain and other business relationships	1.1.1 YungShin Group Overview 1.2.3 Analysis of Material Topics and Value Chain Impacts	11 24-25	
	2-7 Employees	3.1 Products and Services 5.1.1 Workforce Structure	50-53 81-82	
	2-8 Workers who are not employees	5.1.1 Workforce Structure	81-82	
	2-9 Governance structure and composition	2.1.1 Corporate Governance Structure 2.1.2 Board of Directors Composition and Operations	28-29 30-31	
	2-10 Nomination and selection of the highest governance body	2.1.2 Board of Directors Composition and Operations	30	
	2-11 Chair of the highest governance body	2.1.2 Board of Directors Composition and Operations	30-31	
	2-12 Role of the highest governance body in overseeing the management of impacts	1.1.2 Sustainable Governance Framework	18	
	2-13 Delegation of responsibility for managing impacts	1.1.2 Sustainable Governance Framework	18	
	2-14 Role of the highest governance body in sustainability reporting	1.1.2 Sustainable Governance Framework About the Report	18 03	

### General Disclosures

GRI Standards	Disclosure Items	Chapter	Page No.	Remarks/ Purpose of Omission
GRI 2 General Disclosure 2021	2-15 Conflicts of interest	2.1.2 Board of Directors Composition and Operations	31	
	2-16 Communication of critical concerns	2.1.2 Board of Directors Composition and Operations	31	
	2-17 Collective knowledge of the highest governance body	2.1.2 Board of Directors Composition and Operations	30-31	
	2-18 Evaluation of the performance of the highest governance body	2.1.4 Evaluation of the Performance of the Board of Directors	32	
	2-19 Remuneration policies	2.1.3 Executive Compensation	32	
	2-20 Process to determine remuneration	2.1.3 Executive Compensation	32	
	2-21 Annual total compensation ratio	-	-	On the basis of the Corporations internal regulations,confidential information shall not be disclosed.
	2-22 Statement on sustainable development strategy	Message from the Chairman	04-05	
	2-23 Policy commitments	1.1.2 Sustainable Governance Framework 2.2.1 YungShin Policy and Culture 4.4.1 Supply Chain Management System 5.2.1 Diversity and Equity Policies	16-17 34 77 86	
		Management Policies of Each Material Topic	33, 36, 39, 40, 54, 59, 65, 70, 74, 80, 90, 104-105	
	2-24 Embedding policy commitments	1.1.2 Sustainable Governance Framework 2.2.1 YungShin Policy and Culture 4.4.1 Supply Chain Management System 5.2.1 Diversity and Equity Policies	16-17 34 77 86	
		Management Policies of Each Material Topic	33, 36, 39, 40, 54, 59, 65, 70, 74, 80, 90, 104-105	
	2-25 Processes to remediate negative impacts	Management Policies of Each Material Topic	33, 36, 39, 40, 54, 59, 65, 70, 74, 80, 90, 104-105	

## General Disclosures

GRI Standards	Disclosure Items	Chapter	Page No.	Remarks/ Purpose of Omission
GRI 2 General Disclosure 2021	2-26 Mechanisms for seeking advice and raising concerns	1.2.1 Stakeholder Identification	20-21	
		2.2.3 Report Mechanism	35	
		Management Policies of Each Material Topic	33, 36, 39, 40, 54, 59, 65, 70, 74, 80, 90, 104-105	
	2-27 Compliance with laws and regulations	2.4.3 Compliance Management	43	
	2-28 Membership associations	1.1.1 YungShin Group Overview	14-15	
	2-29 Approach to stakeholder engagement	1.2.1 Stakeholder Identification	20-21	
	2-30 Collective bargaining agreements	-	-	Not applicable, No such cases.

## Material Topics

GRI Standards	Disclosure Items	Chapter	Page No.	Remarks/ Purpose of Omission
GRI 3 Material Topic Disclosure 2021	3-1 Process to determine material topics	1.2 Material Topics	19	
		1.2.2 Identification of Material Topics	22-23	
		1.2.2 Identification of Material Topics	23	
	3-2 List of material topics	1.2.3 Analysis of Material Topics and Value Chain Impacts	24-25	
	<b>Material Topics: Integrity in Operations</b>			
GRI 3 Material Topic Disclosure 2021	3-3 Management of material topics	2.2 Integrity in Operations	33	
	205-1 Operations assessed for risks related to corruption	2.2.1 YungShin Policy and Culture	34	
	205-2 Communication and training about anti-corruption policies and procedures	2.2.2 Ethical Corporate Management Training	35	
	205-3 Confirmed incidents of corruption and actions taken	2.2.3 Report Mechanism	35	
GRI 205 Anti- Corruption 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2.2.3 Report Mechanism	35	

## Material Topics

GRI Standards	Disclosure Items	Chapter	Page No.	Remarks/ Purpose of Omission
<b>Material Topics: Economic Performance</b>				
GRI 3 Material Topic Disclosure 2021	3-3 Management of material topics	2.3 Operational Performance	36	
GRI 201 Economic Performance 2016	201-1 Direct economic value generated and distributed	2.3.2 Economical Value	37	
	201-4 Financial assistance received from government	2.3.3 Assistance Received from Government	38	
<b>Material Topics: Climate Change and Regulatory Risk Management</b>				
GRI 3 Material Topic Disclosure 2021	3-3 Management of material topics	2.4 Risk Management	39	
GRI 201 Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	2.4.4 Response to Climate Change	44-45	
<b>Material Topics: Marketing and Labeling</b>				
GRI 3 Material Topic Disclosure 2021	3-3 Management of material topics	2.4 Risk Management	40	
GRI 417 Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	2.4 Risk Management 2.4.3 Compliance Management	40 43	
	417-2 Incidents of non-compliance concerning product and service information and labeling	2.4.3 Compliance Management	43	
	417-3 Incidents of non-compliance concerning marketing communications	2.4.3 Compliance Management	43	
<b>Material Topics: Customer Health and Safety</b>				
GRI 3 Material Topic Disclosure 2021	3-3 Management of material topics	3.2 Product Safety Liability	54	
GRI 416 Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	3.2 Product Safety Liability	54	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	3.2.3 Product Complaint Handling Mechanism	58	

**Material Topics**

GRI Standards	Disclosure Items	Chapter	Page No.	Remarks/ Purpose of Omission
<b>Material Topics: Customer Privacy</b>				
GRI 3 Material Topic 2021	3-3 Management of material topics	3.3 Customer Rights Protection	59	
GRI 418 Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.3.1 Information Security Management	60	
<b>Material Topics: Energy Management and Greenhouse Gas Management</b>				
GRI 3 Material Topic 2021	3-3 Management of material topics	4.1 Energy and Greenhouse Gas Management	65	
GRI 302 Energy 2016	302-1 Energy consumption within the organization	4.1.2 Energy and Greenhouse Gas Emissions Performance	67	
	302-3 Energy intensity	4.1.2 Energy and Greenhouse Gas Emissions Performance	67	
GRI 305 Emissions 2016	305-1 Direct (Scope 1) GHG emissions	4.1.2 Energy and Greenhouse Gas Emissions Performance	68	
	305-2 Energy indirect (Scope 2) GHG emissions	4.1.2 Energy and Greenhouse Gas Emissions Performance	68	
	305-3 Other indirect (Scope 3) GHG emissions	4.1.2 Energy and Greenhouse Gas Emissions Performance	68	
	305-4 GHG emissions intensity	4.1.2 Energy and Greenhouse Gas Emissions Performance	68	
<b>Material Topics: Water Stewardship</b>				
GRI 3 Material Topic 2021	3-3 Management of material topics	4.2 Water Stewardship	70	
GRI 303 Water and Effluents 2018	303-1 Interactions with water as a shared resource	4.2 Water Stewardship 4.2.1 Water Risk Management	70 71	
	303-2 Management of water discharge-related impacts	4.2.2 Wastewater control	72-73	
	303-3 Water withdrawal	4.2.1 Water Risk Management	71-72	

**Material Topics**

GRI Standards	Disclosure Items	Chapter	Page No.	Remarks/ Purpose of Omission
<b>Material Topics: Waste Management</b>				
GRI 3 Material Topic 2021	3-3 Management of material topics	4.2 Waste Management	74	
GRI 306 Waste 2020	306-1 Waste generation and significant waste-related impacts	4.3 Waste Management	74	
	306-2 Management of significant waste related impacts	4.3 Waste Management	74	
	306-3 Waste generated	4.3.1 Waste Management Measures	75	
	306-4 Waste diverted from disposal	4.3.2 Waste Generation and Disposal	76	
	306-5 Waste directed to disposal	4.3.2 Waste Generation and Disposal	76	
<b>Material Topics: Labor and Employment Relations</b>				
GRI 3 Material Topic 2021	3-3 Management of material topics	5.1 Human Resources	80	
GRI 201 Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	5.2.3 Diverse Welfare System	89	
	401-1 New employee hires and employee turnover	5.1.2 Workforce Mobility Overview	85	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.2.3 Diverse Welfare System	87-89	
GRI 402 Labor/ Management Relations 2016	401-3 Parental leave	5.2.3 Diverse Welfare System	88	
	402-1 Minimum notice periods regarding operational changes	5.2.4 Facilitating Transparent and Effective Labor-Management Communication	89	

**Material Topics**

GRI Standards	Disclosure Items	Chapter	Page No.	Remarks/ Purpose of Omission
<b>Material Topics: Occupational Health and Safety</b>				
<b>GRI 3 Material Topic 2021</b>  <b>GRI 403 Occupational Health and Safety 2018</b>	3-3 Management of material topics	5.3 Workplace Safety	90	
	403-1 Occupational health and safety management system	5.3.1 Occupational Health and Safety Management System	91	
	403-2 Hazard identification, risk assessment, and incident investigation	5.3.1 Occupational Health and Safety Management System	92-93	
	403-3 Occupational health services	5.3.3 Occupational Health Care	96-98	
	403-4 Hazard identification, risk assessment, and incident investigation	5.3.1 Occupational Health and Safety Management System	91-92	
	403-5 Worker training on occupational health and safety	5.3.2 Occupational Safety Training	94-95	
	403-6 Promotion of worker health	5.3.3 Occupational Health Care	96-98	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.4.1 Supply Chain Management System	77	
	403-8 Workers covered by an occupational health and safety management system	5.3.2 Occupational Safety Training	94-95	
	403-9 Work-related injuries	5.3.1 Occupational Health and Safety Management System	91	
	403-10 Work-related ill health	5.3.4 Occupational Injuries and Diseases	99	
<b>Material Topics: Corporate Image</b>				
<b>GRI 3 Material Topic 2021</b>	3-3 Management of material topics	6.1 Social Participation Concept	104-105	
<b>GRI 413 Local Communities 2016</b>	413-2 Operations with significant actual and potential negative impacts on local communities	6.1 Social Participation Concept	104	

**Other Non-Material Topics**

GRI Standards	Disclosure Items	Chapter	Page No.	Remarks/ Purpose of Omission
<b>GRI 200: Economic</b>				
<b>GRI 204 Procurement Practices 2016</b>	204-1 Proportion of spending on local suppliers	4.4.2 Local Procurement	77	
<b>GRI 300: Environmental</b>				
<b>GRI 308 Supplier Environmental Assessment 2016</b>	308-1 New suppliers that were screened using environmental criteria	4.4.1 Supply Chain Management System	77	
<b>GRI 400: Social</b>				
	404-1 Average hours of training per year per employee	5.4.1 Talent Development	101	
<b>GRI 404 Training and Education 2016</b>	404-2 Programs for upgrading employee skills and transition assistance programs	5.2.4 Facilitating Transparent and Effective Labor-Management Communication	89	
		5.4.1 Talent Development	100-101	
	404-3 Percentage of employees receiving regular performance and career development reviews	5.4.2 Performance Appraisal	101	
<b>GRI 405 Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	2.1.2 Board of DirectorsComposition and Operations	30-31	
	405-2 Ratio of basic salary and remuneration of women to men	5.1.1 Workforce Structure	82-83	
<b>GRI 414 Supplier Social Assessment 2016</b>	414-1 New suppliers that were screened using social criteria	5.2.2 Equitable Remuneration System	86	
		4.4.1 Supply Chain Management System	77	

## Appendix 2

### Sustainability Accounting Standards Board (SASB) Standards Index - Biotechnology and Pharmaceuticals

Industry Specific Index			
Topic	Code	Metric	Response from YungShin Group
Access to Medicines	HC-BP-240a.1	Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index	<p>In 2017, YSP created and started the supply of frontline influenza medication Oseltamivir (Eraflu®). Furthermore, the company has participated in the CDC public bidding, actively supplying Taiwan with essential epidemic prevention drugs since 2018. Moreover, in response to the growing issue of fungal infections, YSP continues the R&amp;D and production of medication for severe fungal infections, such as Liposome Amphotericin B (AmBil®), Voriconazole (Vaway®), and Micafungin (Myfugin®). For the benefit of the general public, we provide a comprehensive selection of medication covering various severe fungal infections.</p>
	HC-BP-240a.2	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	No such cases in 2024.
Affordability & Pricing	HC-BP-240b.2	Percentage change in: (1) weighted average list price and (2) weighted average net price across product portfolio compared to previous reporting period	<p>Most pharmaceutical products sold in Taiwan are influenced by the National Health Insurance (NHI) policy. In 2023, the average NHI reimbursement price was reduced by 2.8%, and in 2024, it was further reduced by 2.4%. The decrease in reimbursement prices also affected the net prices, resulting in a decline in the average net price. For export products in 2024, prices were increased by 3% to 37%, reflecting rising electricity rates, labor costs, and raw material expenses.</p>
	HC-BP-240b.3	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous reporting period	<p>In 2024, the products with the most significant price increases were primarily antibiotics products, with adjustments ranging from approximately 8% to 37%. Most products sold by YSP in Taiwan are regulated by National Health Insurance (NHI) policies. Among those covered by NHI, most experienced price reductions compared to the same period last year. However, the product with the highest NHI price increase was Daptomycin injection, which saw its reimbursement price adjusted from NT\$136 to NT\$178 due to rising production costs, reflecting a 30.8% increase.</p>

Industry Specific Index			
Topic	Code	Metric	Response from YungShin Group
Drug Safety	HC-BP-250a.1	Products listed in any public medical product safety or adverse event alert database	<p>In 2024, a total of 10 cases of adverse reactions/adverse events were reported. A summary is as follows:</p> <p><b>Taiwan</b></p> <ol style="list-style-type: none"> <li>TY12 (MOHW Drug Permit No. 045704) 1 official notification case: Anaphylactic shock (serious and expected). YSP became aware of the case on 2024/08/21, and reported it on 2024/09/02. (Follow-up report updated with subsequent outcome of the adverse reaction) (Case No. TW-TFDA-TDS-1130007758).</li> <li>MVT5 (MOHW Drug Permit No. 060150) 1 customer complaint case: Chills and fever, difficulty breathing (serious and expected). YSP became aware of the case on 2024/12/17, and reported it on 2024/12/27. (Case No. TW-TFDA-TDS-1130012402).</li> </ol> <p><b>United States</b></p> <p>CLON (ANDA: A202297) 3 literature cases:</p> <ol style="list-style-type: none"> <li>Gastrointestinal necrosis / Overdose (serious and unexpected). Awareness date: 2024/02/20, report date: 2024/03/05 (FDA ICSR ID# 2154038)</li> <li>Altered mental status (mental status changes) / Drug abuse / Off-label use / Overdose (serious; mental status changes expected, other symptoms unexpected). Awareness date: 2024/02/27, report date: 2024/03/12 (FDA ICSR ID# 2154297)</li> <li>Distributive shock / Cardiogenic shock / Intentional overdose (serious and unexpected). Awareness date: 2024/10/08, report date: 2024/10/23 (FDA ICSR ID# 2163643)</li> </ol> <p>CEPH (ANDA: A065336) 3 literature cases:</p> <ol style="list-style-type: none"> <li>Renal tubular necrosis (serious and unexpected). Awareness date: 2024/03/26, report date: 2024/04/10 (FDA ICSR ID# 2155411)</li> <li>Drug reaction with eosinophilia and systemic symptoms (serious and unexpected). Awareness date: 2024/11/12, report date: 2024/11/26 (FDA ICSR ID# 2165972)</li> <li>Acute localised exanthematous pustulosis (serious and unexpected). Awareness date: 2024/11/12, report date: 2024/11/26 (FDA ICSR ID# 2165974)</li> </ol> <p><b>FRTy (ANDA: A204800) 1 customer complaint case:</b> Eye irritation and blurriness / Mouth irritation / Headache (non-serious; headache expected, other symptoms unexpected). Awareness date: 2024/09/25, report date: 2024/10/24 (FDA ICSR ID# 2163727)</p> <p><b>KRCy / KRC5y (ANDA: A065146) 1 customer complaint case:</b> Allergy (non-serious and expected). Awareness date: 2024/11/05, report date: 2024/11/20 (FDA ICSR ID# 2165483)</p> <p>All the aforementioned reported cases do not involve any changes to product safety related information. Additionally, the reports have been conducted in accordance with the regulations of health authorities in each country.</p>

Industry Specific Index			
Topic	Code	Metric	Response from YungShin Group
Drug Safety	HC-BP-250a.2	Number of fatalities associated with products	<p>1 case: INI (MOHW Drug Permit No. 049890) 1 official notification case.</p> <p>Adverse reactions included shortness of breath, diarrhea, and neutropenia (serious and expected).</p> <p>The original report indicated that the patient had died. Upon evaluation, the patient was diagnosed with transverse colon cancer accompanied by extensive liver metastasis. Since other anticancer drugs that may cause similar adverse reactions were also used during the chemotherapy process, it is not possible to rule out the possibility that those drugs may have contributed to the outcome.</p>
	HC-BP-250a.3	(1) Number of recalls issued, (2) total units recalled	No recalls in 2024.
	HC-BP-250a.4	Total amount of product accepted for take-back, reuse, or disposal	0
	HC-BP-250a.5	Number of enforcement actions taken in response to violations of good manufacturing practices (GMP) or equivalent standards, by type	No such cases in 2024.
Counterfeit Drugs	HC-BP-260a.1	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	<ol style="list-style-type: none"> <li>To ensure the traceability of pharmaceuticals, YSP has established procedures for the selection, evaluation, approval, and maintenance of raw material suppliers, ensuring that qualified suppliers conform to the YSP's procurement procedures and quality requirements.</li> <li>To ensure that products released for sale meet the requirements of market authorization and do not pose a threat to public health attributable to insufficient safety, quality, or efficacy. YSP carries out batch releases for SOP EQS1044 products within the plants. This serves as a verification that the manufacturing and inspections of each batch comply with established release procedures, and that the final products meet GMP and market authorization criteria.</li> <li>YSP signs contracts with logistics providers that comply with Western Pharmaceuticals Good Distribution Practice Regulations (GDP), and document the complete distribution process. Delivery vehicles are equipped with GPS tracking systems or temperature control devices to deliver pharmaceuticals to designated locations as instructed.</li> </ol>
	HC-BP-260a.2	Discussion of process for alerting customers and business partners to potential or known risks associated with counterfeit products	To ensure the authenticity of the product, the product packaging features a track and trace anti-counterfeit barcode, allowing for its identification and tracking.
	HC-BP-260a.3	Number of actions that led to raids, seizure, arrests, or filing of criminal charges related to counterfeit products	No recalls in 2024.

Industry Specific Index			
Topic	Code	Metric	Response from YungShin Group
Safety of Clinical Trial Participants	HC-BP-210a.1	Discussion, by region, of management process for ensuring quality and patient safety during clinical trials	<ol style="list-style-type: none"> <li>Currently, new drug clinical trials are commissioned to Contract Research Organizations (CROs), which are managed according to internally established standard operating procedures and requirements arising from study protocols for selecting CROs. All clinical trials are conducted in accordance with the Regulations for Good Clinical Practice (GCP) guidelines and other relevant domestic regulations. Currently, there have been no incidents of violations of the GCP guidelines for pharmaceuticals.</li> <li>Before the beginning of the trial, the study protocol and the informed consent form for participants must be reviewed and approved by the health authority and the Institutional Review Board (IRB). In accordance with the Declaration of Helsinki, it is necessary for the researchers to obtain written informed consent from the participants prior to entering the trial. Additionally, all suitable participants must undergo strict screening based on the inclusion and exclusion criteria outlined in the study protocol. To protect the personal rights of clinical trials participants, all of them are provided with Clinical Trials Insurance.</li> <li>To ensure the quality of the trial and the participants' safety, collaborative monitoring activities are carried out during the execution of clinical trials.</li> </ol>
	HC-BP-210a.2	Number of enforcement actions taken in response to violations of good manufacturing practices (GMP) or equivalent standards, by type	<ol style="list-style-type: none"> <li><b>Clinical Trials:</b> <ul style="list-style-type: none"> <li>No TFDA inspections or IRB/vendor audits were conducted.</li> <li>VAI: 2 collaborative monitoring of new drug clinical trials.</li> <li>OAI: None.</li> </ul> </li> <li><b>Post-Marketing Drug Safety Surveillance:</b> <ul style="list-style-type: none"> <li>No TFDA inspections : one internal audit conducted.</li> <li>VAI: A total of 1 case involving voluntary action for domestic products (revision of the package insert to correct the product appearance), with no changes related to safety information.</li> <li>OAI: A total of 117 cases where actions were taken in response to requirements or announcements from domestic or international health authorities, including: <ul style="list-style-type: none"> <li>- 28 cases involving submission of safety reports,</li> <li>- 2 cases involving implementation of risk assessment and management plans,</li> <li>- 87 cases involving revision of package inserts.</li> </ul> </li> </ul> </li> </ol>
	HC-BP-210a.3	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	No such cases in 2024.
Ethical Marketing	HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	No such cases in 2024.
	HC-BP-270a.2	Description of code of ethics governing promotion of off-label use of products	All drugs sold by YSP are advertised in accordance with the indications approved by competent authorities or authorized promotional materials. If physicians inquire about off-label use of drugs, YSP shall investigate and provide relevant literature for the physician to assess and make their own judgment regarding the medicine usage.

Industry Specific Index			
Topic	Code	Metric	Response from YungShin Group
<b>Business Ethics</b>	HC-BP-510a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	<p>No such cases in 2024.</p> <p>YSH's Ethical Corporate Management Practice Principles and prohibits company personnel from obtaining improper benefits or engaging in unethical behavior during business activities.</p>
	HC-BP-510a.2	Description of code of ethics governing interactions with health care professionals	<p>To provide professional pharmaceutical services, YSP assigns field personnel to its business unit assigns field personnel and divides operational responsibility areas. Newly hired employees undergo three weeks of educational training to develop their professional capabilities and instill in the company's entrepreneurial spirit and corporate culture. Additionally, they sign a service guarantee to ensure integrity in conduct.</p> <p>YSP is not a member of the Rx-360 consortium; however, the company has established a supplier management system to ensure the quality of raw materials throughout the supply chain. Key measures include:</p> <ol style="list-style-type: none"> <li>1. All raw material suppliers are required to undergo regular written or on-site audits in accordance with internal SOP EQS1032.</li> <li>2. Product distribution must comply with GDP, covering all activities including procurement, storage, supply, import, and export, to ensure control over the distribution chain and maintain product quality and integrity.</li> <li>3. For the sale of medical devices, suppliers must be able to provide traceability records for product origin. Procurement information is managed in accordance with SOP EQS1039 Procurement Management.</li> <li>4. For the import or sale of food products, suppliers must be able to provide relevant product information and labeling that meet the requirements of the food traceability system.</li> <li>5. For the import or sale of food products, the product flow must comply with the management requirements of the food traceability system.</li> </ol> <p>1. Recruitment:</p> <ol style="list-style-type: none"> <li>(1) Given the high level of specialized skills required in the biotech and pharmaceutical industry, we proactively recruit top talent from universities. This includes establishing partnerships with colleges for internships and degree programs, as well as organizing summer internships to cultivate professionals in the pharmaceutical field.</li> <li>(2) R&amp;D professionals undergo an initial interview conducted by hiring managers and the HR department. This is followed by a secondary interview with the president and senior decision-makers. These interviews aim to assess a candidates' technical skills, work experience, and career aspirations, ensuring alignment with the company's long-term vision.</li> </ol> <p>2. Retention:</p> <ol style="list-style-type: none"> <li>(1) Provide professional training opportunities for R&amp;D personnel.</li> <li>(2) Established the "Patent Application Reward Program" that outlines incentives for personnel to innovate and develop new technologies, enhancing product quality and market competitiveness.</li> <li>(3) Establish the "Outstanding Contribution Award Program for R&amp;D Projects" to encourage R&amp;D personnel to actively participate in product research and development. This program rewards individuals who make significant contributions to project development, enabling profit-sharing based on their achievements.</li> </ol>
<b>Supply Chain Management</b>	HC-BP-430a.1	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit programme or equivalent third-party audit programmes for integrity of supply chain and ingredients	
<b>Employee Recruitment, Development &amp; Retention</b>	HC-BP-330a.1	Discussion of talent recruitment and retention efforts for scientists and research and development staff	

Industry Specific Index			
Topic	Code	Metric	Response from YungShin Group
<b>Employee Recruitment, Development &amp; Retention</b>	HC-BP-330a.2	Voluntary and involuntary turnover rate for: (a) Executives/senior managers (b) Mid-level managers (c) Frontline Personnel (d) Professionals (e) All others	<p>Executives/senior managers 0.24% 0.00%</p> <p>Mid-level managers 0.36% 0.06%</p> <p>Frontline Personnel 0.55% 0.00%</p> <p>Professionals 2.35% 0.06%</p> <p>All others 11.34% 0.18%</p>
			<p>Note: The scope of data statistics covers employees of YSH, YSP, Venostrum, Chemix, CTI, YungShin Tiente, and YHK.</p>

Activity Metrics		
Code	Activity Metric	YungShin Group Response
HC-BP-000.A	Number of patients treated	YSP's main products serve over 20 million users and is distributed across various treatment categories.
	Number of drugs (1) in portfolio and	Please refer to YSP Website > Service Center; Venostrum Website > Products; CTI Website>Products for various types of products.
HC-BP-000.B	Number of drugs (2) in research and development (Phases 1-3)	The pharmaceuticals for human use under development by YSP primarily focus on generic drug formulations. The preparations include nervous system drugs, circulatory system drugs, respiratory system drugs, digestive system drugs, metabolic drugs, anti-tumor and immune mediators, genitourinary system drugs, antimicrobial drugs, external drugs, hormonal agents and so on.

Note: The scope of data primarily based on YSP; however, if an entity is specifically mentioned in the description, that entity takes precedence.

### Appendix 3

#### Task Force on Climate-Related Financial Disclosures (TCFD) Disclosure Index

Aspects	Disclosure Request	Disclosure Chapter or Description	Page No.
<b>Governance</b>	(a) Describe the board's oversight of climate-related risks and opportunities.	2.4.4 Response to Climate Change	44-45
	(b) Describe management's role in assessing and managing climate-related risks and opportunities.	2.4.4 Response to Climate Change	44-45
<b>Strategy</b>	(a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	2.4.4 Response to Climate Change	44-45
	(b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	2.4.4 Response to Climate Change	44-45
	(c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	2.4.4 Response to Climate Change 2.4.1 Risk Management Process	46-47 41
<b>Risk Management</b>	(a) Describe the organization's processes for identifying and assessing climate-related risks.	2.4.2 Main Risks and Countermeasures 2.4.4 Response to Climate Change	42 44-45
	(b) Describe the organization's processes for managing climate-related risks.	2.4.2 Main Risks and Countermeasures 2.4.4 Response to Climate Change	42 44-45
	(c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	2.4.1 Risk Management Process 2.4.2 Main Risks and Countermeasures	41 42
<b>Metrics and Targets</b>	(a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	4.1.2 Energy and Greenhouse Gas Emissions Performance 2.4.4 Response to Climate Change	67-68 44-47
	(b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	4.1.2 Energy and Greenhouse Gas Emissions Performance 2.4.4 Response to Climate Change	67-68 44-47
	(c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	2.4 Risk Management 4.1 Energy and Greenhouse Gas Management	39 65

### Appendix 4

#### Climate-related Information of TWSE/TPEx Listed Company Disclosure Index

No.	Item	Description	Page No.
1	Describe the oversight and governance of climate-related risks and opportunities by the Board of Directors and management	Details: 1.1.2 Sustainable Governance Framework 2.4.4 Response to Climate Change	18 44-45
2	Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	Details: 2.4.4 Response to Climate Change	44-45
3	Describe the financial impact of extreme weather events and transformative actions.	Details: 2.4.4 Response to Climate Change	44-45
4	Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	Details: 2.4.1 Risk Management Process 2.4.2 Main Risks and Countermeasures	41 42
5	If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	Details: 2.4.4 Response to Climate Change	46-47
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.	Transformation plan to manage climate-related risks is still under discussion.	-
7	If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	Internal carbon pricing has not yet been used as a planning tool.	-
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.	The method of setting climate-related goals by the corporation is still under discussion.	-
9	Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plans.	Details: 4.1 Energy and Greenhouse Gas Management 4.1.2 Energy and Greenhouse Gas Emissions Performance	65 68
		As of 2024, the greenhouse gas emissions for Vetrostrum (all locations) have been verified by a third party. However, the emissions for YSH and YSP (including the Youth Factory, Youth Factory II, Youth Factory III, and Dingdian Factory) are still pending third-party verification.	

## Appendix 5

### Scope of Information Disclosure

The scope of information disclosure of this report covers the main sites of the YungShin Group in Taiwan, Japan, U.S. And China. The disclosure of information in each section of the report varies slightly depending on the differences in the management status of each topic and the difficulty of information collection at each site. YungShin Group will gradually expand the disclosure scope to encompass the consolidated financial statements of the entire group and will progressively enhance the information collection mechanism within the group to improve the accuracy, completeness, and timeliness of non-financial information.

▲ Partially included in the disclosure scope  
● Fully included in the disclosure scope

Chapter	Location/ Entity	Location/ Entity	YungShin Group (Consolidated Financial Statements scope)											
			Taiwan						Japan	U.S.	China		Others	
Material Topics	YungShin Global Holding Corporation (YSH)	Yung Shin Pharm. Ind. Co., Ltd. (YSP)	Vetnostrum Animal Health Co., Ltd. (Vetnostrum)	Yung Zip Chemical Ind. Co., Ltd. (YZC)	Taiwan Waychein Industrial Co., Ltd. (TaiwanWaychein)	Angel Associates (Taiwan), Inc. (AAT)	Chemix Inc. (Chemix)	CARLSBAD TECHNOLOGY, INC. (CTI)	Yungshin TienTe (Shanghai) Pharmaceutical Trading Co., Ltd. (Yungshin TienTe)	YUNG SHIN COMPANY LIMITED (YHK)	YZP OVERSEA INVESTMENT CO., LTD	YSP INTERNATIONAL COMPANY LIMITED (YSP INC)		
Chapter 4 Environmentally Responsible Operations	Waste Management		●	●										
	Energy Management	●	●	●				●	●	●				
	Greenhouse Gas Emissions	●	●	●										
	Water Stewardship	●	●	●				▲	▲					
Chapter 5 Safe and Fulfilling Workplace	Occupational Safety and Health	▲	●	●				▲	●	▲				
	Employment, Labor Management Relations	●	●	●				●	●	●	●	▲		
Chapter 3 Product and Service Responsibility	Customer Privacy	●	●	●				●	●	●				
	Customer Health and Safety	●	●	●				●	●	●				
Chapter 6 Social Caring Initiatives	Corporate Image	●	●	●				●	●	●				
Chapter 2 Open and Transparent Governance	Integrity in Operations	●	●	▲				▲	●					
	Marketing and Labeling	●	●	●				●	●	●				
	Climate Change and Regulatory Risk Management	●	●	●				●	●	●				
	Economic Performance	●	●	●	▲	▲	▲	●	●	●	▲	▲	▲	

Note:

1. The scope of information collection for key performance indicators of each material topic in 2024 serves as the criterion for determining whether it falls within the disclosure scope.
2. The disclosure scope of some information in the sustainability report is inconsistent with that of the consolidated financial statements mainly because the data collection mechanism is not yet fully developed, leading to an inability to gather certain data (data not available).
3. The related actions linked to some non-financial information may not be implemented by all locations (no data), yet this situation will still be considered within the disclosure scope.

## Appendix 6 Summary of Subject Matter Assured and Independent Limited Assurance Report

### Summary of Subject Matter Assured

No.	Subject Matter Assured	Page No.	Corresponding Chapters	Applicable Standards
1.	In 2024, the total energy consumption was 334,209.30 GJ, with the ratio of purchased electricity consumption reaching 52.14%.	67	4.1.2 Energy and Greenhouse Gas Emissions Performance	The "Total Energy Consumption" refers to the sum of all types of direct and indirect energy used internally within the organization during the period from January 1, 2024 to December 31, 2024. "Purchased Electricity Consumption Ratio" is calculated by dividing the "Total Purchased Electricity Consumption" by the "Total Energy Consumption."
2.	The total volume of water withdrawal in 2024 amounted to 261.08 megaliters.	72	4.2.1 Water Risk Management	The "Volume of Water Withdrawal" refers to the total amount of water used internally within the organization during the period from January 1, 2024 to December 31, 2024.
3.	The total amount of generated hazardous waste in 2024 amounted to 17.55 metric tons.	75-76	4.3.2 Waste Generation and Disposal	The "Total Amount of Generated Hazardous Waste" refers to the total amount of hazardous waste produced internally within the organization during the period from January 1, 2024 to December 31, 2024. The classification of hazardous waste is primarily based on the Standards for Defining Hazardous Industrial Waste and the waste code definitions listed in the Industrial Waste Report and Management System provided by the Ministry of Environment.
4.	The employee training total hours in 2024 amounted to 30,826 hours, with the average training hours per employee reaching 18.59 hours.	100-101	5.4.1 Talent Development	"Employee Training Total Hours" refers to the total hours of education and training for all employees (including full-time and temporary staff) during the period from January 1, 2024 to December 31, 2024. The "Average Training Hours per Employee" is calculated by dividing the "Employee Training Total Hours" by the "Total Number of Employees on Duty as of December 31, 2024 (including full-time and temporary staff)."

### Summary of Subject Matter Assured

No.	Subject Matter Assured	Page No.	Corresponding Chapters	Applicable Standards																		
5.	In 2024, the number and rate of recordable occupational injuries was 14 people and 4.54.	99	5.3.4 Occupational Injuries and Diseases	The "Number and Rate of Recordable Occupational Injuries" are calculated based on data reported monthly by organizations in Taiwan, in accordance with Article 38 of the Occupational Safety and Health Act, through self-statistics submitted to the government.																		
6.	In 2024, the voluntary and involuntary turnover rate for executives/ senior managers, mid-level managers, professionals and all others.	135	Appendix II	<p>The "Number of Voluntary Turnover" is the number of employee-initiated separations (for example, resignation or retirement) during the period from January 1, 2024 to December 31, 2024. The "Number of Involuntary Employee" is the number of entity-initiated separations (for example, dismissal, downsizing, redundancy or non-renewal of contract) during the period from January 1, 2024 to December 31, 2024.</p> <table border="1"> <thead> <tr> <th></th> <th>Voluntary Turnover Rate</th> <th>Involuntary Turnover Rate</th> </tr> </thead> <tbody> <tr> <td>Executives/ senior managers</td> <td>0.24%</td> <td>0.00%</td> </tr> <tr> <td>Mid-level managers</td> <td>0.36%</td> <td>0.06%</td> </tr> <tr> <td>Frontline Personnel</td> <td>0.55%</td> <td>0.00%</td> </tr> <tr> <td>Professionals</td> <td>2.35%</td> <td>0.06%</td> </tr> <tr> <td>All others</td> <td>11.34%</td> <td>0.18%</td> </tr> </tbody> </table> <p>The "Voluntary Turnover Rate" is calculated by dividing the "Number of Voluntary Employee" by the "Total Number of Employees on Duty as of December 31, 2024 (including full-time and temporary staff)." The "Involuntary Turnover Rate" is calculated by dividing the "Number of Involuntary Employee" by the "Total Number of Employees on Duty as of December 31, 2024 (including full-time and temporary staff)."</p>		Voluntary Turnover Rate	Involuntary Turnover Rate	Executives/ senior managers	0.24%	0.00%	Mid-level managers	0.36%	0.06%	Frontline Personnel	0.55%	0.00%	Professionals	2.35%	0.06%	All others	11.34%	0.18%
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## Independent Limited Assurance Report

PWCR 24012307

### To YungShin Global Holding Corporation

We have been engaged by YungShin Global Holding Corporation ("Company") to perform assurance procedures in respect of the key performance indicators identified by the Company and reported in the 2024 Sustainability Report (hereinafter referred to as the "Identified Key Performance Indicators") and have issued a limited assurance report based on the result of our work performed.

### Subject Matter Information and Applicable Criteria

The subject matter information is the Identified Key Performance Indicators of the Company. The Identified Key Performance Indicators and the respective applicable criteria are stated in the "Summary of Subject Matter Assured" of the Sustainability Report. The scope of the Identified Key Performance Indicators is set out in the "Reporting Scope and Period" of the Sustainability Report.

### Management's Responsibility

The Management of the Company is responsible for the preparation of the Identified Key Performance Indicators disclosed in the Sustainability Report in accordance with the Applicable Criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Identified Key Performance Indicators that are free from material misstatement, whether due to fraud or error.

### Inherent Limitation

Certain subject matter information assured involves non-financial data which is subject to more inherent limitations than financial information. Qualitative interpretations of the relevance, materiality and the accuracy of data are more dependent on individual assumptions and judgments.



### Compliance of Independence and Quality Management Requirement

We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies the Standard on Quality Management 1, "Quality Management for Public Accounting Firms" of the Republic of China, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Key Performance Indicators based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the Standard on Assurance Engagements 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" of the Republic of China. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Identified Key Performance Indicators are free from material misstatement.

Under the requirements of the aforementioned standards, our limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the criteria as the basis for the preparation of the Identified Key Performance Indicators, assessing the risks of material misstatement of the Identified Key Performance Indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Identified Key Performance Indicators. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.



The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Made inquiries of the persons responsible for the Identified Key Performance Indicators to obtain an understanding of the processes, and the relevant internal controls relating to the preparation of the aforementioned information, to identify the areas where there may be risks of material misstatement; and
- Based on the above understanding and the areas identified, performed analytical procedures on the Identified Key Performance Indicators and performed substantive testing on a selective basis, including inquiries and inspection to obtain evidence for limited assurance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Company's Identified Key Performance Indicators have been prepared, in all material respects, in accordance with the respective applicable criteria.

We also do not provide any assurance on the Sustainability Report as a whole or on the design or operating effectiveness of the relevant internal controls. Furthermore, our assurance does not extend to information disclosed in the Sustainability Report for the period ended December 31, 2022 or prior periods.



#### **Limited Assurance Conclusion**

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Key Performance Indicators in the Sustainability Report are not prepared, in all material respects, in accordance with the Applicable Criteria.

#### **Other Matter**

The Management of the Company is responsible for maintaining the Company's website. We have no responsibility to re-perform any procedures regarding the Identified Key Performance Indicators after the date of our assurance report, even if the Identified Key Performance Indicators or the Applicable Criteria have been subsequently modified.

For and on behalf of  
PricewaterhouseCoopers, Taiwan

**Wang, Yu-Chuan**

August 27, 2025



**YUNGSHIN  
GLOBAL HOLDING CORPORATION**



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