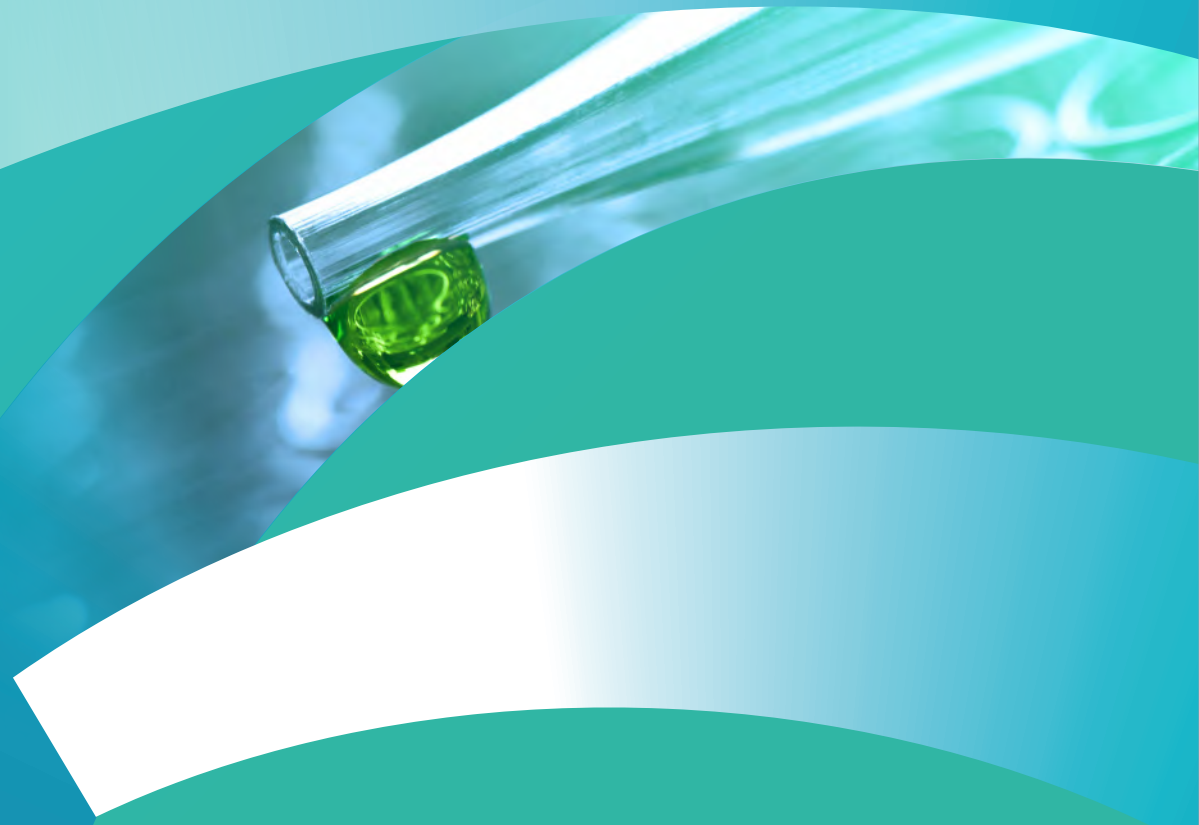
tanvex
BioPharma, Inc.

2022 Tanvex

Sustainability Report



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Letter from the Chairman- Yen, Yun

With people of the world facing the impacts of climate, economic and social changes, environmental protection issues have been gradually taking root in people's daily life. However, since the outbreak of the COVID-19 the geopolitical conflict has thrown the world into a disarray and created further crises in energy, food and environmental challenges and the magnitude and speed of global climate and environmental changes have intensifies. Environmental protection awareness has quickly expanded from individuals and families to the corporate and societal levels. Therefore, the corporate sustainability development has become a center stage topic for all the industries. Tanvex BioPharma, Inc, as a global biopharmaceutical company with a mission to benefit the people of the world has the responsibility to promote sustainability development to support environment and care for life.

For Tanvex BioPharma Inc., a company initially established to dedicated on the development of biosimilars, this is our first Sustainability Report. Although it is our first year of participation, we attach great importance and commitments to Sustainable Development. This commitment not only allows us to fulfill our environmental protection promises but also represents Tanvex BioPharma's strong desires to take on its corporate and social responsibilities. Starting from the implementation of environmental protection programs, we expand to humanistic care, employee welfare, corporate governance, product responsibility, which in turn contribute to all human beings and society. This is in line with the purpose of Tanvex BioPharma's establishment to produce safe, effective, and affordable biosimilars, benefiting patients and their families while doing our share for society.

In addition to the development and manufacturing biosimilars, Tanvex BioPharma Inc. has been gradually expanding its business scopes. We are developing new antibody-drug conjugates (ADC) and moving towards a focused and refined contract development and manufacturing services (CDMO) business. As company registered in the Cayman Islands, Tanvex BioPharma currently has subsidiaries in Taiwan and the United States, employing over 170 people. To demonstrate our commitment to dedicating resources and manpower to support the Sustainability Report, we have established an interdepartmental Sustainability Committee under the Board of Directors. The committee is divided into four task forces, linking employees in Taiwan and the United States across the Pacific Ocean for joint involvement. Through employee education and training, data collection, and resource integration, we are developing the blueprint of the company's sustainability development programs and will follow it as the foundation for building an enterprise that will continue for over many decades.

Tanvex BioPharma's subsidiary in San Diego, Southern California, has a biological product development and manufacturing facility that complies with U.S. Good Manufacturing Practices (GMP) and adheres to relevant regulations for air, water and electricity usage to meet environmental standards. Similarly, our Taiwan subsidiary, which has a laboratory for early-stage cell line development, also follows environmental regulations to fulfill corporate responsibilities. In terms of product quality control, Tanvex BioPharma has established relevant policies and allocated personnel to ensure not only full control over the drug quality but also the safety of patients when using our medications. After all, this is a business that helps to save lives, and we cherish every life on this Earth!

Although this is Tanvex BioPharma's first foray into sustainability reporting, we will make efforts to learn and grow continuously. We believe that in the future, Tanvex BioPharma will become a cornerstone in the area of sustainability development, faithfully safeguarding the commitment to a sustainable operations!

About this Report

Report Overview

Tanvex BioPharma Inc. (hereafter referred to as Tanvex BioPharma) issued its first Sustainability Report in year 2023. Through this report, we aim to demonstrate Tanvex BioPharma's commitment, actions, and achievements in sustainability issues and establish good communication and interaction with stakeholders. The scope of disclosure in this report covers Tanvex BioPharma's headquarters and its subsidiaries, including Tanvex Biologics Corporation in Taiwan and its U.S. subsidiary, Tanvex BioPharma USA, Inc. During the reporting period, there were no significant changes in the company's organizational size, structure, ownership, or its supply chain.

Report Timeframe and Publishing Cycle

This report is Tanvex BioPharma's first Sustainability Report. The disclosed data and content mainly cover the year 2022 (January 1, 2022, to December 31, 2022), and some performance data will be traced back to 2021 and 2020 to present relevant trends and changes.

Publication Date of this Report: September 2023
Scheduled Publication Date of Next Report: June 2024

Report Compilation Guidelines

The information disclosure in this report is based on the Global Reporting Initiative (GRI) Universal Standards 2021 and the Sustainability Accounting Standards Board (SASB) guidelines for the biopharmaceutical industry. The GRI Standards and SASB Standards are provided at the end of the report for readers' reference. The relevant statistical data and information in this report are obtained from Tanvex BioPharma's self-conducted surveys and the daily operational management data of various departments. They are calculated based on local regulations, international benchmarks, industry standards, or industry practices.

Feedback

If you have any questions or suggestions with respect to this report, please contact us.

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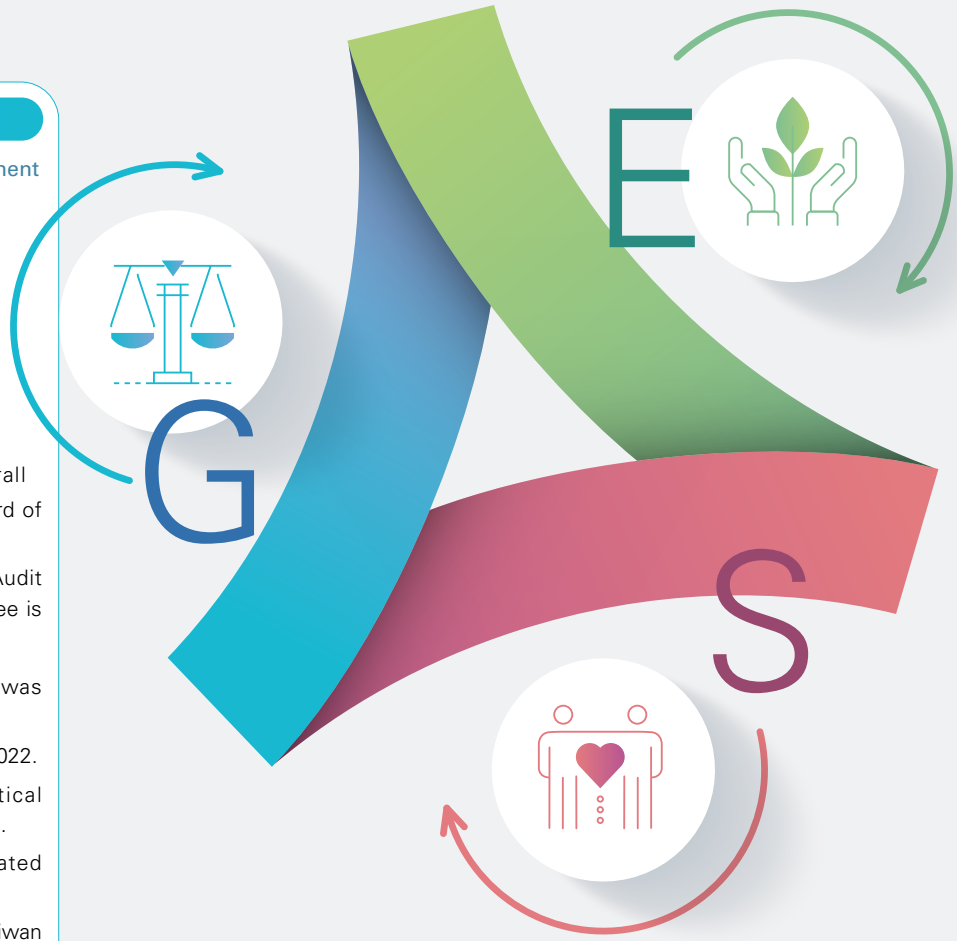
Sustainability Highlights



Governance & Product

1. Establishment of Sustainable Development Committee.
2. Implementation of the first material topic sustainability impact assessment and identification of 10 sustainability material topics.
3. The self-assessment results of the Board of Directors and individual directors' performance evaluations all higher than 90, indicating the overall excellent operational status of the Board of Directors.
4. The average attendance rate of the Audit Committee and Remuneration Committee is 100%.
5. No corruption or unethical behavior was found in 2022.
6. No cybersecurity incidents occurred in 2022.
7. Unique development model of vertical integration of upstream and downstream.
8. No incidents of customer health related non-compliance incidents in 2022.
9. Percentages of local suppliers in both Taiwan and the U.S. are over 95%.

Environmental

1. In 2022, Tanvex adopted the "Task Force on Climate-related Financial Disclosures (TCFD)" and identified four relevant climate risks and two climate opportunities.
2. The total waste generated in 2022 was 98.66 metric tons, a decrease of 4.1% compared to 2021.
3. The water consumption in 2022 was 2,400 metric tons, a decrease of 7.1% compared to 2021.
4. In 2022, both Tanvex BioPharma USA, Inc. and Tanvex Biologics Corporation (Taiwan) had one certified professional in toxic chemical management, and the responsible personnel regularly conducted relevant toxic substance management education and training.

Social

1. In 2022, Tanvex BioPharma USA employed nearly 70% of its workforce from ethnic minorities.
2. The company achieved a 100% retention rate for employees on maternity leave.
3. Female employees accounted for 48% of the total workforce, with female employees making up 46% of managerial positions.
4. In the same year, Tanvex BioPharma provided training to a total of 206 employees, accumulating a total of 5,413 training hours.

01

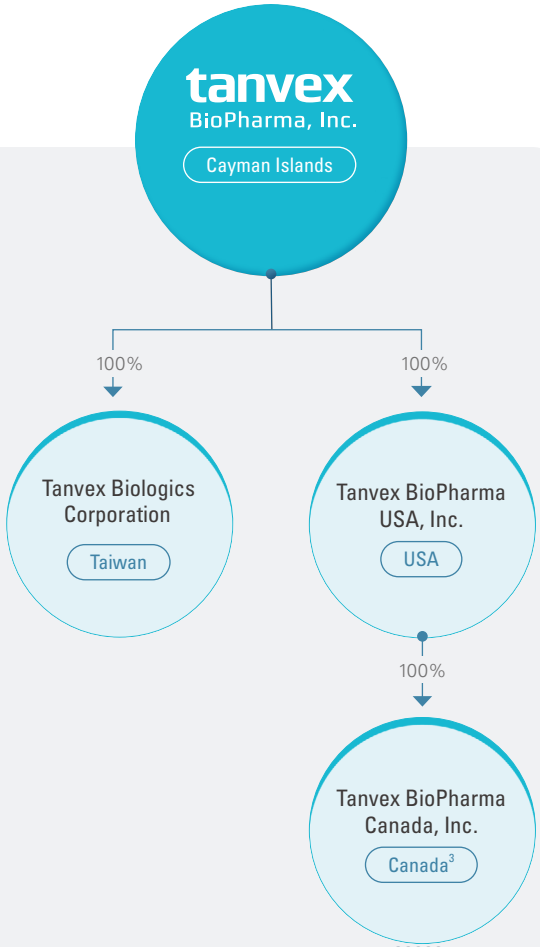
Sustainability Overview

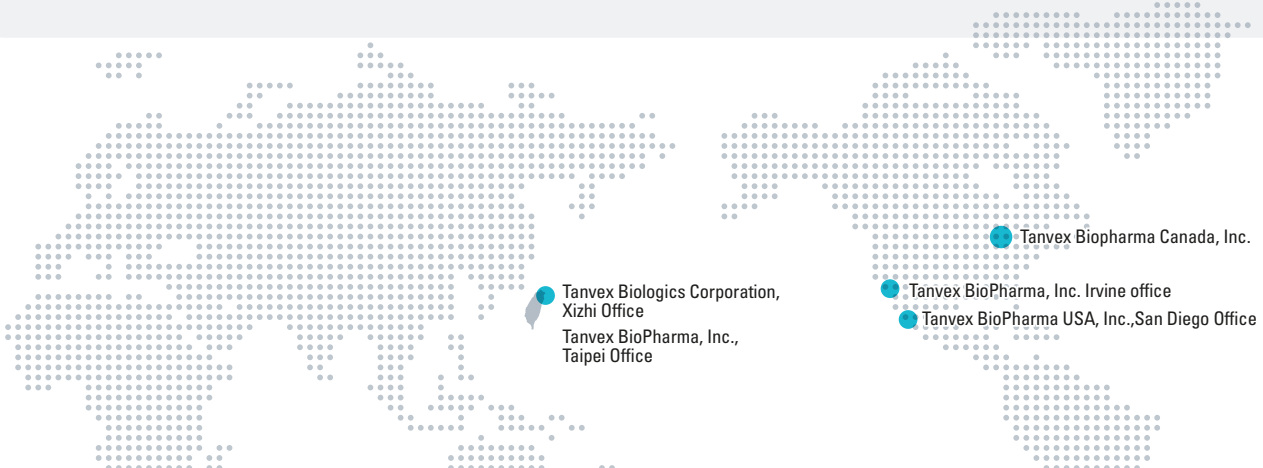
- Establishment of **Sustainable Development Committee**.
- Implementation of the first material topic sustainability impact assessment and identification of **10** sustainability material topics.

1-1 About Tanvex BioPharma, Inc.

Tanvex BioPharma, Inc. (hereafter referred to as Tanvex BioPharma) was established in May 2013. It is an international emerging biotech company focused on the development, production, and sales of biosimilar and innovative drugs through vertical integration. It has subsidiaries and operating bases in both the United States and Taiwan. The Taiwan subsidiary is primarily responsible for the research of biosimilar and innovative drugs. After development is completed by the Taiwan subsidiary, it is then taken over by the team of the U.S. subsidiary to carry out cell cultivation, process optimization development, and commercial production. Tanvex BioPharma is committed to developing safe, effective, and affordable biopharmaceuticals. Tanvex BioPharma has excellent and comprehensive equipment and technical development platforms. Through an efficient and fully self-developed research and development model, it vertically integrates every aspect of the biopharmaceutical development value chain, fully controlling the entire process of drug substance manufacturing, continuously innovating in the field of biopharmaceuticals.

Company Name	Tanvex BioPharma Inc.
Date of Establishment	May 2013
Head Office Address	Registered Address of Company Headquarters: P.O.BOX 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, KY1-1205, Cayman Islands Taiwan Office Address: 13F-1, No. 376, Section 4, Ren'ai Road, Da'an District, Taipei City, Taiwan
Capital	NT$ 1,336,653,670
Main business	Research, process development, and production of biosimilars and innovative drugs
Main Regions of Operation	Taiwan, USA
Primary Market	USA and Canada[1]
Stock Code	6541
Number of employees	Total of 190 employees (152 in the United States, 38 in Taiwan)[2]





Note 1: Taiwan primarily focuses on drug research and development and is not a sales market.

Note 2: All calculations are based on full-time equivalent (FTE) working hours.

Note 3: Tanvex BioPharma Canada was established in March 2023.

1-1-1 Company Business Introduction and Value Chain

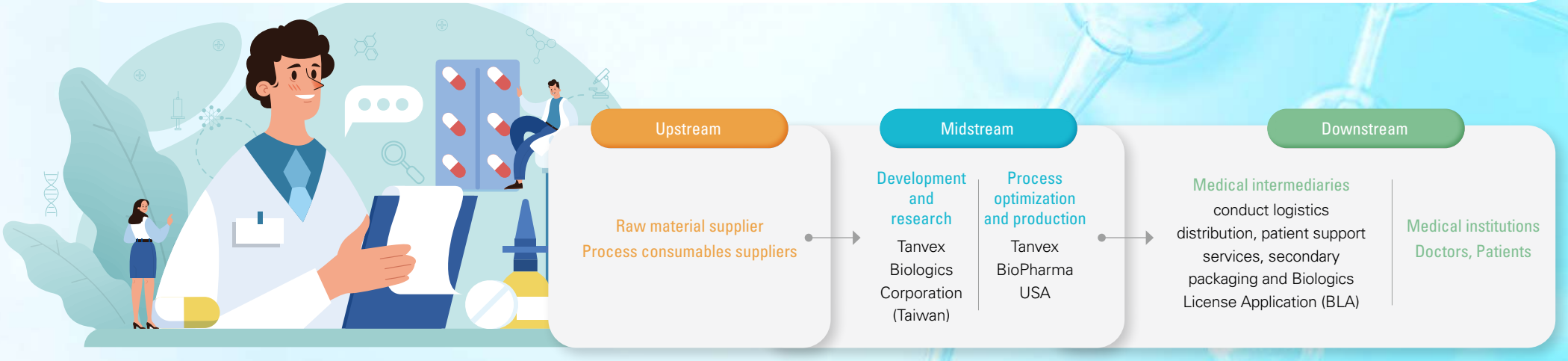
Tanvex BioPharma Technologies and Business

Tanvex BioPharma is equipped with a wealth of experience and professional expertise. The company's core competitive advantage lies in its technologies in both Mammalian and Microbial fermentation. The developed biosimilar products are mainly used in the treatment of chemotherapy-induced neutropenia, breast cancer, colorectal cancer, and lung cancer. Our initial goal is to develop high-quality and affordable biosimilar drugs for the general public. Our medium to long-term goal is to develop innovative biopharmaceuticals, thereby achieving the company's mission of providing patients with safe, effective, and affordable biopharmaceuticals to cure diseases and extend their lifespan.

The main product, TX01 (Neupogen® biosimilar), had its Biologics License Application (BLA) accepted by the FDA in November 2018 and is currently awaiting FDA approval. In addition, TX01 has obtained the Canadian drug license in 2022 and is expected to enter the Canadian market in 2023. TX05 (Herceptin® biosimilar) had its BLA accepted by the FDA in October 2021 and received FDA's Complete Response Letter (CRL) at the end of July 2022, some similarities have yet to be clarified. However, Tanvex BioPharma will compile the relevant information as soon as possible to complete the FDA recommendations so that it can resubmit application for Biologics License Application (BLA) to the FDA again. TX04 (Neulasta® biosimilar) is in the planning stage for scale-up process and preparation for critical clinical trials. For more information on the company's products and research progress, please refer to [4-1: Product Research and Development Progress and Outlook].

Product Value Chain

Tanvex BioPharma's upstream activities involve raw material suppliers and process consumables suppliers, who provide high-quality and reliable raw materials for the company's biopharmaceutical research and production. Upon completion of production, the company enters into contractual agreements with specialized medical intermediaries, particularly to assist in logistics distribution, patient support services, secondary packaging, marketing design, and Biologics License Application (BLA). These intermediaries ensure the delivery of the company's products to the end of the industry chain, reaching medical institutions, doctors, and patients.



Corporate Timeline and Key Milestones

2013

- **May** Ruenvex Biotech Inc. was registered in Cayman Islands on May 8th, 2013. Authorized capital stock US$50,000.
- **September** (1) Cash capital increase for US$16,000,000 for business funding.
  (2) Acquired 100% shares of Tanvex Biologics Corporation for obtaining cell line patent and licensing, and developing biosimilar market.

2014

- **September** Ruenvex Biotech Inc. changed name to Tanvex BioPharma, Inc. on September 30th, 2014. Chinese name: 泰福生技股份有限公司 .
- **September** Acquired 100% shares of La Jolla Biologics Inc. for obtaining technology on process development, commercialization manufacturing and equipment, and vertically integrating the supply chain of upstream, midstream and downstream.

2015

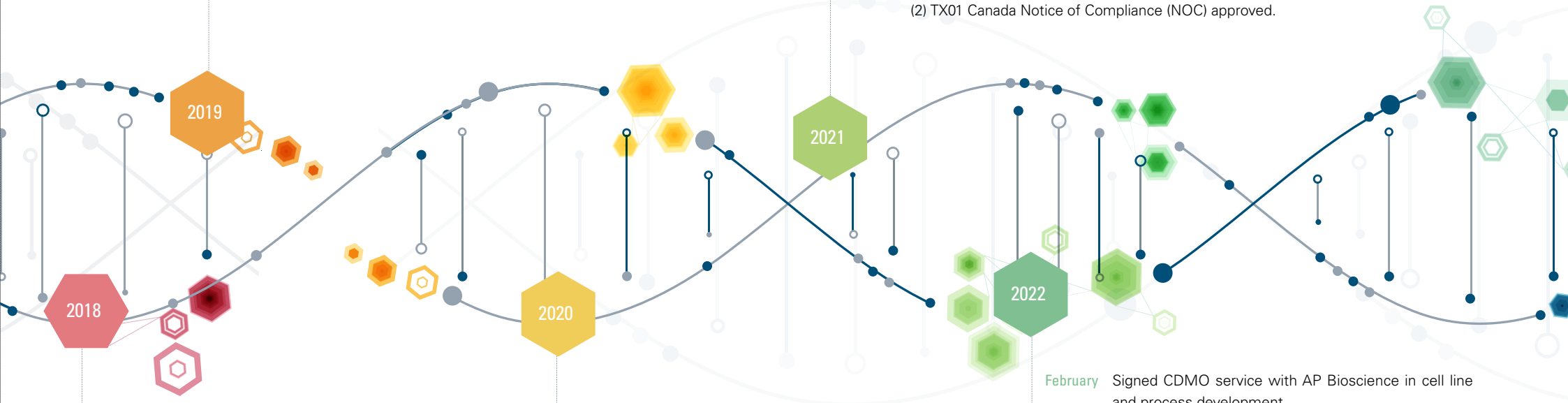
- **March** Closed US$50,000,000 equity financing for facility expansion, research and development of various biosimilar products.
- **May** Approved by the Board on conversion of stock par value to NT$10, paid in capital is NT$ 1,656,650,000 after conversion.
- **July** Approved by Taipei Exchange as public listed company in Taiwan.
- **August** Approved by Taipei Exchange as emerging stock company on Emerging Stock Board.

2016

- **February** Closed NT$3,328,000,000 equity financing with issued common stock 26,000,000 shares at NT$128 per share, paid in capital valued NT$1,924,445,000 post funding.
- **October** (1) Entered pivotal trials for TX01.
  (2) Completed lab expansion for Tanvex Biologics Corporation in Taiwan.
  (3) Completed building 2 remodel for La Jolla Biologics Inc. in the U.S.
- **November** (1) Obtained approval from Industry Development Bureau on high-tech science and technology business application.
  (2) Applied for primary listing on the Taiwan Stock Exchange.

2017

- **January** Entered Phase I clinical trials for TX16.
- **August** Completed pivotal trials for TX01, the pre-specified endpoints are met.
- **October** Initiated pivotal clinical trials for TX05.
- **December** Completed Phase I clinical trials for TX16.



2018

January Tanvex BioPharma, Inc. wholly owned subsidiary La Jolla Biologics, Inc. changed name to Tanvex BioPharma USA, Inc.

September (1) Raised ~US$70 million of additional capital through secondary public offering of common stock.

(2) Filed Biologics License Application (BLA) with US FDA for TX01.

November FDA accepts TX01 BLA filing.

2019

January Submitted NDS to Health Canada for TX01.

December (1) Raised ~US$31 million of additional capital through a follow-on public offering of common stock.

(2) Settled patent litigation with Amgen related to US patent #9,856,287 for TX01.

2020

March Pivotal trials completion of enrollment for TX05.

October Pivotal trials completion of treatment for TX05.

November (1) Submitted TX01 NDS responses to Health Canada.

(2) TX01 BLA resubmission.

(3) Clinical trial completion of last patient surgery for TX05.

December (1) Signed binding term sheet with Canadian partner.

(2) Raised ~US$60 million of additional capital through a follow-on public offering of common stock.

2021

February TX05 positive pivotal study top line results released.

March Has reached a license agreement with Amgen for a patent in Canada that relates to filgrastim.

May FDA issued a CRL for TX01.

August TX05 (Herceptin® Biosimilar) BLA submission.

September Completed NT$1,680 million capital fundraising.

October (1) TX05 BLA submission accepted by FDA.

(2) TX01 Canada Notice of Compliance (NOC) approved.

2022

February Signed CDMO service with AP Bioscience in cell line and process development.

May The US FDA conditionally approved the patent name of the biosimilar drug TX05 (Herceptin® Biosimilar) as Valheric.

June Cooperated with TaiMed Biologics on the development and production of Antibody-Drug Conjugates (ADC) and Bispecific Antibodies (BsAb).

July The biosimilar drug TX01 (Neupogen® Biosimilar) has been approved by Health Canada for a "drug establishment license".

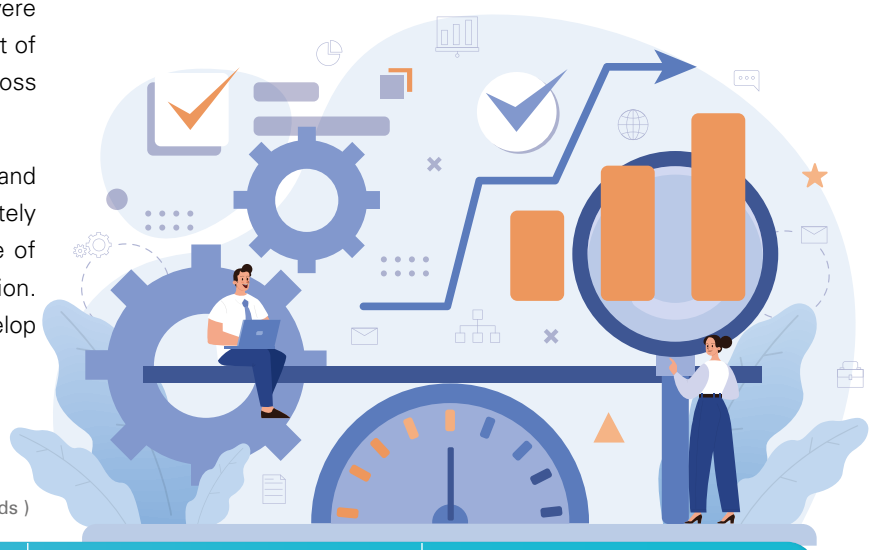
August BLA application for TX01 (Neupogen® Biosimilar) was re-submitted to the FDA.

Note: For more information on the company's corporate timeline and key milestones, please refer to Tanvex BioPharma annual report.

1-1-2 Business Performance

Tanvex BioPharma's main products are still under development with limit revenue contribution. However, the company signed CDMO service with AP Bioscience in cell line and process development. The scale was larger than that in 2021 and lead to the revenue growth. The consolidated revenue of Tanvex BioPharma in 2022 were NT$ 22,404 thousand, an increase of NT$ 16,998 thousand compared with 2021, an increase of about 314%; the cost of goods sold in 2022 were NT$41,752 thousand, an increase of NT$39,896 thousand compared with 2021; the gross profit in 2022 were NT$ 19,348 thousand, an increase of NT$15,798 thousand compared with 2021.

In addition, to keep pace with the product development schedule, we continue to invest in R&D activities and to reach commercialization in 2022. 2022 financial performance resulted in an after-tax net loss of approximately NT$ 1,641,130 thousand a slight increase of about NT$ 97,919 thousand compared with 2021. A slight increase of about 6%. Tanvex BioPharma continues to work hard from research and development to commercialization. Additionally, the research and development of other planned biosimilar drug products will continue and develop in the direction of refined CDMO.



Operational Financial Performance

(Unit: NT$ in thousands)

Item \ Year	2020	2021	2022	Change compared to the previous year %
Operating revenue	300	5,406	22,404	314.43
Cost of Goods Sold	(157)	(1,856)	(41,752)	2,149.57
Operating expenses	(2,099,720)	(1,602,734)	(1,586,169)	(1.03)
Net Operating Losses	(2,099,577)	(1,599,184)	(1,605,517)	0.40
Income Tax Expenses	(24)	(22)	(23)	4.55
Net Losses	(2,104,236)	(1,543,211)	(1,641,130)	6.35
Net Loss Per Share	(7.84)	(4.74)	(4.65)	1.9
Employee remuneration and benefits	668,191	584,450	719,314	23.08
Community investment	0	0	0	0

1-2 Sustainability Governance Framework

1-2-1 Organizational Structure for Sustainable Development

The Tanvex BioPharma Sustainable Development Committee was established in August 2022, with the Chairman serving as the chairman of the committee and some department heads serving as the leaders of task forces. The Sustainable Development Committee is responsible for formulating strategies for the company's sustainable business development. It has a Director who serves as a cross-department communication platform for vertical and horizontal integration. To implement decisions for corporate sustainability, the Sustainable Development Committee has established four task forces: Sustainable Governance Task Force, Product Quality Risk Management Task Force, Social Care Task Force, and Environmental Sustainability Task Force. Each task force is represented by one executive from the United States and one from Taiwan, responsible for coordinating the collection of sustainable business information within their respective jurisdictions. The Sustainable Development Committee reports the progress and performance of sustainable development to the Board of Directors on a quarterly basis and seeks guidance and suggestions from the Board. The Board of Directors oversees the formulation of objectives, management policies and strategies.

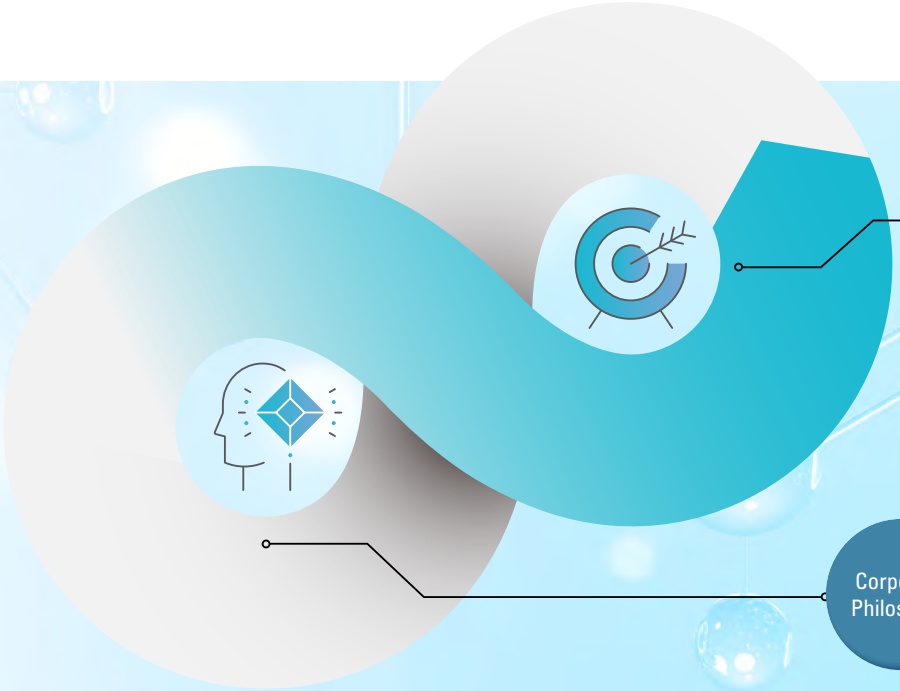
In the concerns of critical negative impacts on stakeholders in a given year, the Sustainable Development Committee will assist in convening an ad hoc Board of Directors meeting to discuss and assess the need for releasing major announcements. This is done to respond promptly to stakeholder demands through transparent and open means, reducing the impact and concerns on the company and stakeholders. In 2022, the company did not experience any such critical significant events.

Sustainable Development Committee Organizational Chart

1-2-2 Sustainability Vision and Strategies

Tanvex BioPharma is committed to providing safe, effective, and affordable biopharmaceuticals to patients. Our sustainable vision is to become a global leading biopharmaceutical manufacturing company, dedicated to enhancing human health and well-being through affordable biopharmaceuticals. In the spirit of corporate sustainability, we continuously develop and produce high-quality biopharmaceuticals through vertical integration and innovation to meet the growing global healthcare needs. We offer affordable products to bring people a longer and healthier life.

In Tanvex BioPharma's vision, environmental protection and social responsibility are indispensable. We actively implement the concept of ethical operation in our company and value chain, comply with ethical guidelines and legal regulations, and protect the rights of patients and customer privacy. We prioritize the professional development and physical and mental well-being of our employees, actively create a safe and comfortable working environment, and build positive labor relations. We are committed to reducing environmental impacts throughout our operations, managing greenhouse gases, energy, water, waste, and toxic substances. We ensure that our production processes are environmentally friendly. We incorporate our sustainable development vision into the company's operational and development strategies, aiming to create more sustainable value for all stakeholders in the value chain.



Corporate Mission

Provide safe, effective, and affordable biopharmaceuticals for patients in order to cure diseases, and enable survival or prolong life. To make patients, shareholders, employees, partners, healthcare insurers, and all stakeholders in the value chain be the greatest beneficiaries.

Corporate Philosophy

Tanvex BioPharma is committed to pursuing excellence, sustainable operation, and independent autonomy. We possess the ability of rapid response and persistent execution. We grasp opportunities and adapt flexibly to regulatory changes. We value talent development, focus on environmental sustainability, and build a favorable working environment for every member of the company, so as to create higher corporate value.

Our culture emphasizes the pursuit of excellence and innovative thinking. We have state-of-the-art equipment and rigorous and professional process development capabilities. We have cGMP drug production capabilities, adhering to and meeting strict international standards. We utilize the latest environmental protection technologies to effectively shorten development cycles, reduce production costs, and rapidly bring products to market.

1-3 Stakeholder Communication and Materiality Assessment

1-3-1 Stakeholder Engagement

Tanvex BioPharma follows the five principles of stakeholder engagement outlined in the AA1000 SES Stakeholder Engagement Standard: dependence, responsibility, tension/concern, influence, and diversity of perspectives. The company identifies and categorizes the following 9 stakeholders who have a close relationship with its operations: shareholders/investors, patients, healthcare workers, employees, government, suppliers and business partners, local communities, media, and contract research organizations.

Stakeholder Type	Communication Channels/ Engagement Methods	Communication Frequency	Topics of Concern	Communication Record
Shareholders/ Investors	• Shareholders' Meetings • Institutional Investor Conference • Market Observation Post System (MOPS) • Company website (latest news) • Company email and contact phone number Contact person: Chairman Yen, Yun; Stacey Tsai Email: contact@tanvex.com Telephone: +886 2 2701-0518	• Shareholders' Meetings: Annual • Legal person conference: Irregular basis • Market Observation Post System (MOPS) Disclosure: Regular/Irregular basis • Disclosure of company-related information on the company website: Irregular basis	1. Compliance with Regulations* 2. Ethical Management and Anti-Corruption* 3. Business Performance and Financial Information 4. Company prospects 5. Investor relations	• Convened two shareholders' meetings in 2022 • Convened one institutional investor conference in 2022

(* : material issues for the current year)

Stakeholder Type	Communication Channels/ Engagement Methods	Communication Frequency	Topics of Concern	Communication Record
Patients	• Company email • Telephone Contact person: Commercial Unit Email: contact@tanvex.com Telephone: +886 2 2701-0518	• Irregular basis, on demand	1. Customer health and safety* 2. Compliance with Regulations* 3. Ethical Management and Anti-Corruption* 4. Information security*	• Working with CRO team to establish procedures for pharmacovigilance in advance of product approvals to ensure safety and compliance
Healthcare Workers	• Company email • Telephone • Conferences • Video conferences Contact person: Commercial Unit Email: contact@tanvex.com Telephone: +886 2 2701-0518	• Company email: Irregular basis • Telephone contact: Irregular basis • Conferences: Occasional • Video conferences: Irregular basis	1. Customer health and safety* 2. New drug research and innovation 3. Compliance with Regulations* 4. Ethical Management and Anti-Corruption* 5. Access to Medicine 6. Doctor-patient relationship and community engagement	• Results of the TX05-03e "Expanded Study of Adjuvant Therapy in Protocol TX05-03 after Neoadjuvant Therapy and Surgical Resection" presented at the American Society of Clinical Oncology (ASCO). conference in June 2022 • Three TX05 clinical trial sites in Mexico and Peru underwent inspections by the FDA's Bioresearch Monitoring Program (BIMO)
Employees	• All-staff meetings • Suggestion box • Employee Engagement Survey • Employee newsletter/memos • One-on-one meetings • Group meetings Contact person: HR Unit E-mail address: hr@tanvex.com Telephone: +886 2 2701-0518	• Suggestion box: Irregular basis • Employee Engagement Survey: Annual	1. Ethical Management and Anti-Corruption* 2. Employment* 3. Occupational health and safety* 4. Training and education* 5. Human rights and diversity* 6. Compliance with Regulations* 7. New policies under federal/state legislation 8. Employee suggestions regarding company values	• When regulations require public announcements and are expected to be implemented, relevant information will be disseminated to employees via email • Safety issues or related warnings (e.g.: immediate changes in safety measures or analysis of specific situations) will be addressed based on severity and frequency

(* : material issues for the current year)

Stakeholder Type	Communication Channels/ Engagement Methods	Communication Frequency	Topics of Concern	Communication Record
Government	• Physical and electronic documents • Policy advocacy meetings organized by competent authorities Contact person: Stacey Tsai Email: contact@tanvex.com Telephone: +886 2 2701-0518	• Irregular basis	1. Ethical Management and Anti-Corruption* 2. Compliance with Regulations* 3. Customer health and safety* 4. Affordability* 5. Doctor-patient relationship and community engagement	• No violations of government regulations occurred in 2022
Suppliers and Business Partners	• Company email • Telephone • Supplier evaluation • Supplier interviews • Dedicated personnel collecting supplier feedback and complaints Contact person: Chairman Yen, Yun E-mail: contact@tanvex.com Telephone: +886 2 2701-0518	• Company email: Irregular basis • Telephone: Irregular basis • Supplier evaluation: Annual • Supplier interviews: Irregular basis • Dedicated personnel collecting supplier feedback and complaints: Irregular basis	1. Supply chain quality management* 2. Customer health and safety*	• Pay attention to the latest updates on the supply chain and vendors
Local Communities	• E-Newsletters/All-employee inbox • Communicate with employees via email regarding participation in local community services such as food drives or blood donations, which benefit the local community • Communicate through email and/or personal visits to the community Contact person: HR Unit Email: contact@tanvex.com Telephone: +886 2 2701-0518	• E-Newsletter: Monthly • Sent to employee inbox • Emails sent to the local community: Irregular basis	1. Ethical Management and Anti-Corruption* 2. Compliance with Regulations* 3. Doctor-patient relationship and community engagement	• Recently participated in the collection and distribution of non-perishable food to the homeless/needy individuals in the community • Conduct on-site promotions and organize food donation events, with collected items being delivered to local food distribution centers

(* : material issues for the current year)

Stakeholder Type	Communication Channels/ Engagement Methods	Communication Frequency	Topics of Concern	Communication Record
Media	• Press release • Press Conference Contact person: Commercial Unit Email: contact@tanvex.com Telephone: +886 2 2701-0518	• Irregular basis	1. Ethical Management and Anti-Corruption* 2. Compliance with Regulations* 3. Customer health and safety* 4. Affordability* 5. Doctor-patient relationship and community engagement 6. Enterprises Reputation and Image	• Released 9 press releases in 2022 • Hosted 1 press conference in 2022
Contract Research Organizations	• Company email • Telephone • Video conferences Contact person: Clinical Unit Email: contact@tanvex.com Telephone: +886 2 2701-0518	• Conducting trials: regular	1. Occupational health and safety* 2. Ethical Management and Anti-Corruption* 3. Compliance with Regulations* 4. New drug research and innovation 5. Access to Medicine	• Tanvex BioPharma has collaborated with contracted research organizations to complete and execute two global Phase III clinical studies in 10 countries. The company was committed to submitting the TX05 biopharmaceutical drug application in August 2021, which was accepted by the FDA in October 2021 • The TX05-03e study has been completed, and a clinical research report was finalized in June 2022. This report is part of the process towards the biopharmaceutical drug application and has been submitted to the FDA

(* : material issues for the current year)

1-3-2 Materiality Assessment

Tanvex BioPharma follows the guidance of the General Reporting Initiative (GRI) Universal Standards 2021 version to identify material topics. The process involves four steps: context analysis, impact identification, assessment and prioritization, and confirmation and disclosure. During this process, the focus is on collecting and addressing sustainable topics that are relevant to stakeholders and have an impact on the company. The company identifies the actual and potential positive and negative impacts on stakeholders in the economic, environmental, and social (including human rights) aspects for each sustainable topic. An impact assessment questionnaire is distributed to calculate and rank the positive and negative impact scores for each sustainable topic. Based on this, 10 material topics are selected and reported to the Board of Directors by the Sustainable Development Committee for confirmation.

Process of Material Topic Identification

Context Analysis

Based on the organization's operational model, products, market conditions, and compliance with regulations, the company references global ESG standards and frameworks (such as GRI Universal Standards version 2021, SASB Standards, TCFD), industry-specific sustainable material topics, and international sustainable trends to compile a list of 19 sustainable topics as the basis for the annual investigation and analysis of material topics.

Impact Identification

By referring to the expertise of external consultants and internal stakeholders, the positive and negative impacts that each sustainable topic may have on stakeholders are identified.

The ESG task force distributes the "Sustainable Material Topic Impact Assessment Questionnaire" to relevant departments for scoring. After collecting the questionnaires on impact severity, the probabilities of occurrence and the scale and scope of impacts are calculated for each of the 19 sustainable topics.

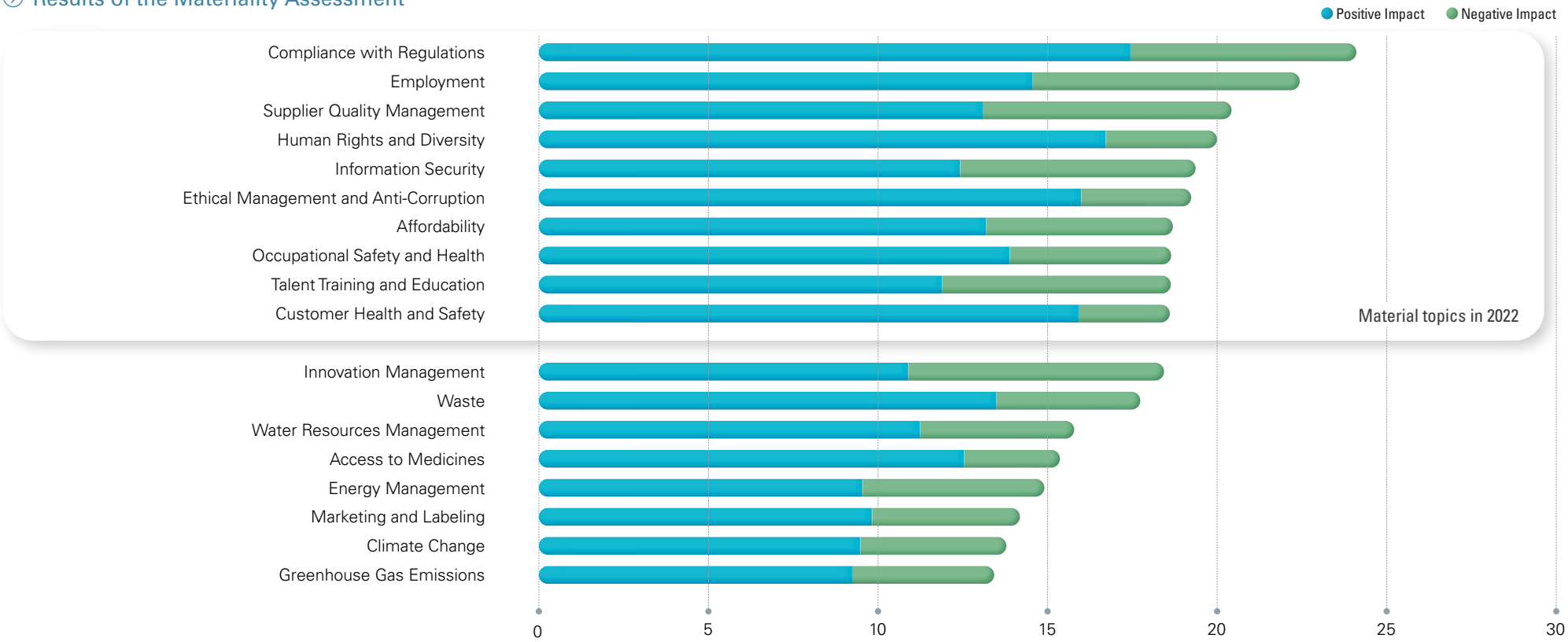
Assessment and Prioritization

The "Sustainable Material Topic Impact Assessment Questionnaire" is distributed to relevant departments to analyze the probabilities of occurrence and the scale and scope of positive and negative impacts for each material topic. Based on the survey results, statistical analysis and ranking are conducted to preliminarily select 10 material topics.

Confirmation and Disclosure

The Sustainable Development Committee reports the survey results to the Board of Directors and senior management, confirming the company's sustainable focus and direction for the year. Internal management mechanisms and action plans are developed to meet stakeholders' expectations.

Results of the Materiality Assessment

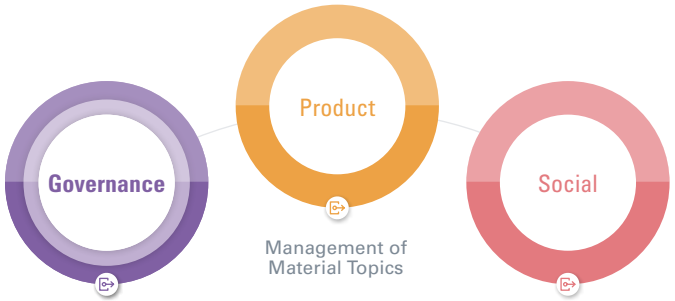


Material topics in 2022

Aspect	Material topics			
Governance (G)	Compliance with Regulations	Information Security	Ethical Management and Anti-Corruption	
Product (P)	Affordability	Customer Health and Safety	Supply Chain Quality Management	
Social (S)	Employment	Human Right & Diversity	Occupational Health and Safety	Training and Education

1-3-3 Management of Material Topics

For the ten sustainable material topics identified by Tanvex BioPharma this year, we have conducted a comprehensive assessment of their actual and potential positive and negative impacts on the company and stakeholders. We have analyzed whether there are any activities or business relationships in the current year that may result in negative impacts. For each topic, we have established management policies and objectives, implemented preventive and mitigating measures, and conducted annual effectiveness evaluations of these objectives. We also maintain close communication with stakeholders to ensure that the company generates positive sustainable impacts in these areas. Our material topics management is as follows:



Management of Governance Topics

Material Topics	Ethical Management and Anti-Corruption
Policy/ Commitments	We have established Ethical Management Principles, Ethical Corporate Management Operating Procedures and Code of Conduct and Code of Ethical Conduct. Additionally, the employee handbook clearly defines the code of conduct.
Actual and Potential Positive and Negative Impacts	Positive: The Board of Directors assumes supervisory responsibilities to ensure that employees' behavior aligns with ethical management and societal expectations, regardless of corporate governance, internal controls, or financial management. Negative: Violations of ethical management such as corruption and unfair competition can severely affect corporate reputation, but currently, the company has not been involved in any illegal activities.
Activities or Business Relationships Involving Negative Impacts	No activities or business relationships with negative impacts.
Preventive and Mitigating Actions	Annual employee training on ethical corporate management to ensure understanding and compliance with ethical principles.
Effectiveness Evaluation (Objectives)	2022 Performance: • The Chief Financial Officer (CFO) participated in 20 hours of ethical management courses this year. • Each director participated in ethical management related courses this year. 2023 Goals: • Directors and finance managers to regularly attend ethical management related courses.
Stakeholders Engagement	• Publish major updates and information on the company's website. • Conduct periodic press conferences to explain the company's situation and issue press releases.

Material Topics	Compliance with Regulations	Information Security
Policy/ Commitments	We comply with the laws and regulations set forth by competent authorities, continuously monitor the latest legal developments, and make timely adjustments.	We establish internal information security policies, plan and implement information security operations, and promote and enforce information security policies.
Actual and Potential Positive and Negative Impacts	Positive: Compliance with domestic and international regulations to maintain a positive corporate image. Negative: The nature of the company's products, such as biosimilars, includes patent issues and potential litigation risks with the original manufacturers. Inadequate handling of these issues could damage the company's image.	Positive: Enhancing the security information protection network to maintain stable operation of the corporate information system. Negative: In the future, the company may possess patient data related to the use of drugs, and any data breaches could have significant consequences. However, this risk does not currently exist as the product is not yet on the market.
Activities or Business Relationships Involving Negative Impacts	With the gradual commercialization of the company's products, patent lawsuits with the original manufacturers are inevitable, but the company has comprehensive legal consulting resources to ensure the satisfactory resolution of patent litigation.	No activities or business relationships with negative impacts.
Preventive and Mitigating Actions	Quarterly review of relevant laws and systems for financial reporting, with external professionals assisting in the audit.	To prevent negative incidents regarding information security, we have established policies and conducted employee training to ensure implementation. Key issues are also included in the board meeting agenda to enhance oversight functions.
Effectiveness Evaluation (Objectives)	2022 Performance: • This year, external professional consultants were hired to provide legally compliant guidance on various developments. 2023 Goals: • Quarterly preparation of financial reports in accordance with relevant laws and regulations, with external professionals or accountants engaged for auditing.	2022 Performance: • No relevant performance as the products have not been launched yet. 2023 Goals: • To ensure that sensitive information is kept private and only accessible to authorized individuals, maintaining the accuracy and trustworthiness of data, and ensuring that information and systems are available and functional when needed. • Deploy companywide cyber awareness training program in Q3 2023. The scope to include twice a month training videos that test employee's cyber knowledge. In addition, controlled social engineering "mock" attacks will be conducted to demonstrate Tanvex employee level of cyber acumen.
Stakeholders Engagement	• Publish major updates and information on the company's website. • Conduct periodic press conferences to explain the company's situation and issue press releases.	• We establish internal information security policies, plan and implement information security operations, and promote and enforce information security policies.

Management of Product Topics

Material Topics	**Customer Health and Safety**
Policy/ Commitments	Develop a product recall mechanism to ensure timely monitoring of customer health and safety.
Actual and Potential Positive and Negative Impacts	Positive: Products and medications provided to customers undergo testing processes in compliance with national regulations, ensuring customer safety and increasing trust in the company. Negative: Negative incidents affecting customer health and safety may lead to business losses, damage to reputation, and a decrease in consumer confidence in the company's products and brand. In severe cases, there may be lawsuits, fines, and operational disruptions involving consumers.
Activities or Business Relationships Involving Negative Impacts	• Products that jeopardize patient safety • Failure of product safety monitoring mechanisms • Improper management of product transportation operations
Preventive and Mitigating Actions	• Develop Good Documentation Practice (GDP), GMP compliance plans, and quality management systems.
Effectiveness Evaluation (Objectives)	2022 Performance: Our organization addresses customer health & safety across the life cycle of our products and services, and its adherence to regulations and codes. We have created a business culture that promotes health & safety, which is a critical step towards better safety practices: • Identify and minimize all possible risks of our products • Ensure proper safety tools are utilized • Provide health & safety training • Implemented a well-established safety program • Maintain a strong health & safety system 2023 Goals: • Ensure employees participate in annual health & safety training • Enforce health & safety guidelines throughout our manufacturing processes.
Stakeholders Engagement	• Visits: When necessary • Phone or email: Anytime • Company website: Anytime

Material Topics	Affordability	Supply Chain Quality Management
Policy/ Commitments	Pricing strategies and contracts are under development as the drugs are not officially launched yet. 	Manage supply chain quality through supplier management programs, establishment of new suppliers, material specification reports, BSE/TSE plans, and inventory control. 
Actual and Potential Positive and Negative Impacts	Positive: Providing patients with more affordable treatment options and easier access to medications, thereby improving the quality of healthcare. Negative: Failure to manage medication affordability may prevent more patients from benefiting from the company's products and burden them with high treatment costs.	Positive: Providing patients with safe, high-quality, and timely available products to avoid delays in optimal treatment. Negative: Neglecting supply chain quality management may result in regulatory violations, fines, potential lawsuits, and reputation damage due to compromising customer safety.
Activities or Business Relationships Involving Negative Impacts	• Inability to provide stable or timely product supply • Insufficient quality assurance in production • Violations of business codes of conduct and compliance	• Improper management of product transportation operations • Inability to provide stable or timely product supply • Inadequate management of outsourced suppliers
Preventive and Mitigating Actions	• Strict adherence to laws and external regulations at each stage of the product's development to sales. Establish ethical and responsible policies for pharmaceutical supply, pricing, and marketing compliance.	• Continuous training for employees. • Delegation of responsibilities and execution of tasks to the responsible individuals.
Effectiveness Evaluation (Objectives)	2022 Performance: Tanvex is committed to building a safe, stable and quality supply chain and is committed to providing affordable biosimilar products for its patients. The company's pricing strategy is based on formulating fair and reasonable prices based on the affordability of medical expenses, drug preparation costs, and economic development in each of the countries we distribute our products: • Development of industry pricing analytics • Measurement of margin dollars, changes in margin rates and monitoring ASPs (average selling prices) • We analyze: 1. Customer segments, 2. Current customers vs. new customers, 3. Pricing between customers, 4. Competitor's pricing adjustments, and 5. Product sales and growth 2023 Goals: • Establish metrics and reporting to be able to evaluate and monitor product pricing information pre and post-launch. • Determine metrics and reporting requirements to access competitor pricing in the marketplace. • Develop sales reports to manage and monitor sales growth on a monthly basis.	No qualitative or quantitative objectives are established as to comply with FDA regulations.
Stakeholders Engagement	• Correspondence: When necessary • Conferences and speeches: Occasional • Phone or email: Anytime • Conference calls when necessary • Company website: Anytime • Taiwan Stock Exchange Market Observation System: When necessary	• Production meetings: Daily • Supplier visits: When necessary • On-site audits: Once a year • Phone or email: Anytime • Telephone conference: When necessary • Company website: Anytime

Management of Social Topics

Material topics	Employment
Policy/ Commitments	We are committed to providing a stable and fair work environment, equal talent recruitment, employment, and career development opportunities, in compliance with labor laws and employment gender equality laws. This is to ensure equal career development opportunities for employees regardless of gender. We also published the "Regulations for Establishing Measures of Prevention, Correction, Complaint, and Punishment of Sexual Harassment at the Workplace" to maintain a pleasant and comfortable working environment.
Actual and Potential Positive and Negative Impacts	Positive: Creating a good working environment to enhance the retention of excellent talents. Negative: Failure to recruit and retain talented, proactive, and dedicated professionals may hinder the successful achievement of the company's business objectives and even impact the stock value.
Activities or Business Relationships Involving Negative Impacts	None
Preventive and Mitigating Actions	• Recruitment of talent is conducted through standardized measures, including team members at different organizational levels and cross-functional teams. Ensure competitive talent recruitment by reviewing compensation, benefits, and promotion systems, and provide a workplace environment that allows fair development. • Develop and implement relevant guiding policies and procedures to ensure that management teams and employees comply with important regulations. Create an open, challenging, safe, and enjoyable work environment through training, individual/team feedback, and open communication. • Provide diverse benefits, including labor, health, group, and travel insurance, annual bonuses and stock options, maternity leave, wedding gifts, flexible working hours, improved vacation policies, employee pension systems, paid sick leave and personal leave, annual gatherings, and employee trips.
Effectiveness Evaluation (Objectives)	2022 Performance: • Cultivate teamwork and maintain a quality-oriented attitude to retain excellent employees. The turnover rate in 2022 was 28.125%. 2023 Goals: • Reduce the turnover rate to 20%.
Stakeholders Engagement	• Memo/Email: As needed, at least once a month. • All-staff meetings: Once per quarter • Monthly e-newsletter: Once a month • On the HR system webpage and in the break room (notices/suggestion box): Occasional • Employee opinion survey: Once a year • Employee activity committee: Once a month • Performance evaluations: Once a year • Employee and management meetings: Once a week or month

Material Topics	Human Rights and Diversity
Policy/ Commitments	We treat every employee, job applicant, and other stakeholders with respect, openness, and fairness. To fulfill corporate social responsibility, support the United Nations Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, UN Global Compact, and International Labor Organization's international human rights conventions to safeguard the basic human rights of all employees, customers, and stakeholders.
Actual and Potential Positive and Negative Impacts	Positive: Placing value on employee diversity and human rights can create a harmonious and cohesive workplace. Negative: Failure to respect employee rights or promote diversity and equality may result in the loss of valuable employees, leading to difficulties in talent recruitment and damage to the company's reputation.
Activities or Business Relationships Involving Negative Impacts	None
Preventive and Mitigating Actions	• Employee promotions and compensation are based on job category, education, professional knowledge and skills, and individual performance, without differentiation based on age, gender, race, and other factors. • Provide training courses on diversity, equality, anti-discrimination, and other regulations to ensure compliance. • Employees can raise concerns through various internal channels, and the company will immediately investigate and take appropriate corrective actions upon receiving relevant concerns. Employees are invited to provide suggestions for creating a harmonious and inclusive work environment. • An employee handbook is provided on the day of employment, which includes the company's expectations for equal employment opportunities, prevention of harassment, and abusive behavior. New employees must complete training courses on harassment and abusive behavior within 30 days of employment.
Effectiveness Evaluation (Objectives)	2022 Performance: • Increasing the number of women in managerial positions will strengthen the company's inclusive culture, promote gender balance, enhance decision-making and collaboration, and improve employee satisfaction. Female employees accounted for 60% and female directors accounted for 50% in 2022. • Completion of sexual harassment prevention and control measures in the workplace complaints and disciplinary measures and other regulations take appropriate measures. • Establish a complaint channel. 2023 Goals: USA site • Raise no more than 4 concerns. Taiwan site • Equal training for every employee regardless of gender. • Creating an environment where employees can take maternity and parental leave with peace of mind. • Comprehensively examine whether male and female employees of the same position and ability have the same salary and different pay.
Stakeholders Engagement	• Memo/Email: As needed, at least once a month. • All-staff meetings: Once per quarter • Monthly e-newsletter: Once a month • On the HR system webpage and in the break room (notices/suggestion box): Occasional • Employee opinion survey: Once a year • Employee activity committee: Once a month • Performance evaluations: Once a year • Employee and management meetings: Once a week or month

Material Topics	Training and Education	Occupational Health and Safety
Policy/ Commitments	We are committed to providing training and education to all employees through self/group learning, one-on-one training, internal and external seminars, and conferences in various forms to enhance employees' competitiveness with professional knowledge related to GMP, safety, and quality.	Tanvex BioPharma is committed to providing a safe and healthy working environment for employees, establishing occupational health and safety management procedures in compliance with the "Regulations on Occupational Safety and Health Management," and continuing the implementation of regulations for handling toxic chemicals.
Actual and Potential Positive and Negative Impacts	Positive: Training and education contribute to the company's goal of providing safe, effective, and therapeutic drugs. Negative: Without continuous employee development, the company may struggle to enhance creativity and productivity, which can have a negative impact on its competitiveness.	Positive: Providing employees with a healthy and safe working environment. Negative: Neglecting occupational health and safety can prevent employees from working in a stable and secure environment and may lead to occupational disasters and penalties for the company.
Activities or Business Relationships Involving Negative Impacts	None	None
Preventive and Mitigating Actions	• Various methods are employed to provide training and education, including classroom courses, online learning, seminars, and individual/group discussions related to professional topics. The "Good Manufacturing Practices (GMP)" and "Good Documentation Processes" are taught through digital learning platforms, and employee progress is tracked as needed.	• To provide a healthy and safe working environment, Tanvex BioPharma employs experienced personnel to maintain environmentally safe operations and collaborates with qualified suppliers for waste disposal. • Monitor occupational health and safety and environmental protection laws and regulations; promptly respond to legal requirements by revising implementation and management measures within the company and the plant. • Arrange professional training courses for external hazardous chemical substance emergency response personnel and ensure the participation of personnel in hazardous chemical substance operation units, strengthening employees' emergency response skills.
Effectiveness Evaluation (Objectives)	2022 Performance: Tanvex BioPharma provided new employees with onboarding training starting from the first day of employment. Additionally, quarterly management training courses were offered to the management team, and other employees received quarterly courses on various topics. 2023 Goals: Tanvex BioPharma USA aims to achieve 100% participation in onboarding training for new employees and continue to provide general training for new employees and management, targeting an attendance rate of 90%. The Taiwan site will improve internal and external training systems and establish monthly or bimonthly training programs in 2023.	2022 Performance: One employee slipped and injured the knee at Tanvex BioPharma USA was assigned a 2-week restricted work period. The Taiwan site did not experience any work-hour losses due to occupational safety incidents. 2023 Goals: Minimize accident.
Stakeholders Engagement	• Memo/Email: As needed, at least once a month. • All-staff meetings: Once per quarter • Monthly e-newsletter: Once a month • On the HR system webpage and in the break room (notices/suggestion box): Occasional • Employee opinion survey: Once a year • Employee activity committee: Once a month • Performance evaluations: Once a year • Employee and management meetings: Once a week or month	• Memo/Email: As needed, at least once a month. • All-staff meetings: Once per quarter • Monthly e-newsletter: Once a month • On the HR system webpage and in the break room (notices/suggestion box): Occasional • Employee opinion survey: Once a year • Employee activity committee: Once a month • Performance evaluations: Once a year • Employee and management meetings: Once a week or month

02

Governance and Welfare

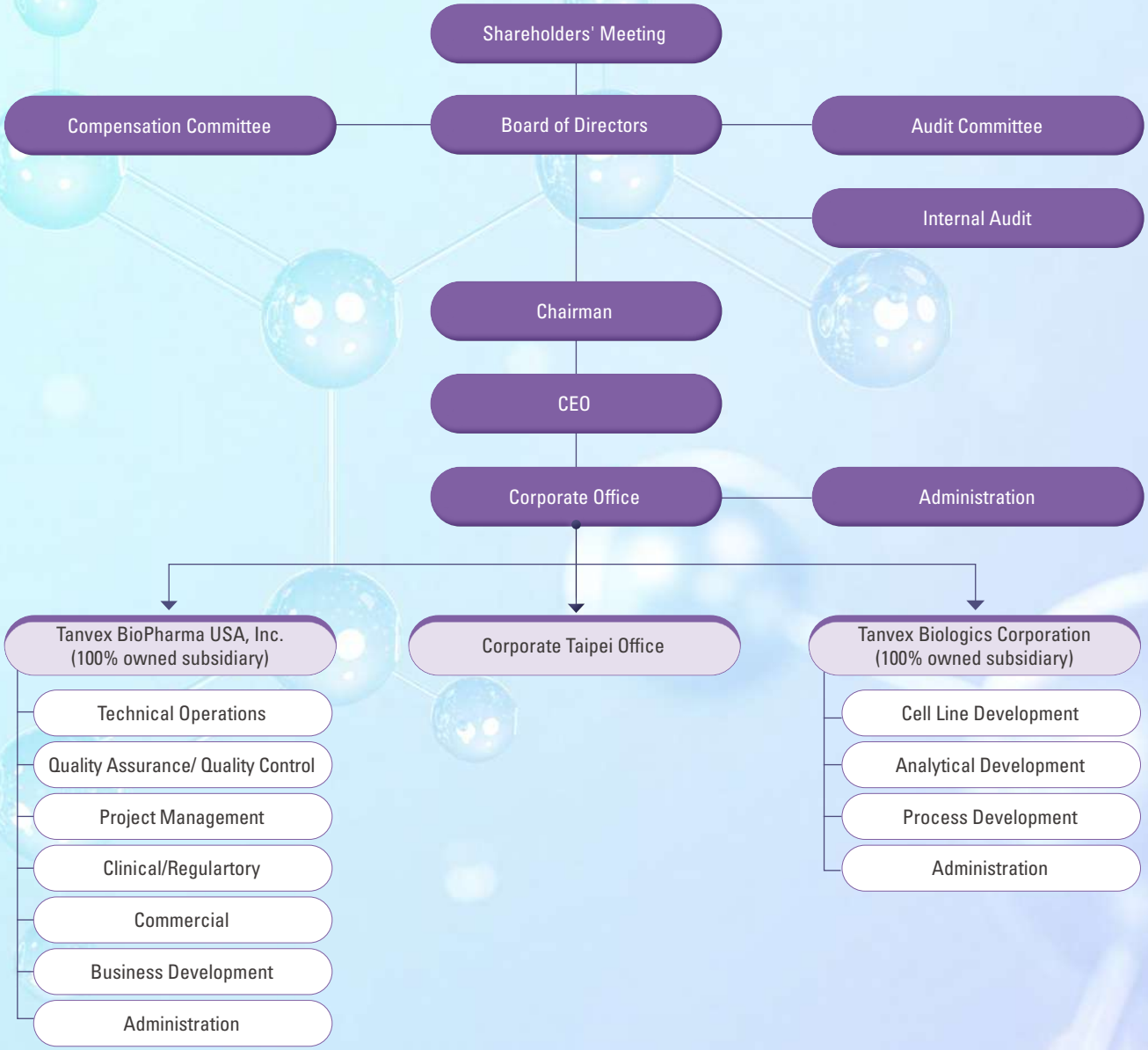
- The self-assessment results of the Board of Directors and individual directors' performance evaluations all higher than **90**, indicating the overall excellent operational status of the Board of Directors.
- The average attendance rate of the Audit Committee and Remuneration Committee is **100%**.
- **No** corruption or unethical behavior was found in 2022.
- **No** cybersecurity incidents occurred in 2022.

2-1 Business Management

2-1-1 Corporate Governance Framework

Corporate governance is the foundation for sustainable development of a company. A sound corporate governance structure ensures that the company has a good accountability mechanism, holds management accountable for their actions and decisions, and enhances transparency in decision-making and behavior. This allows stakeholders to obtain accurate information and builds trust among employees, investors, customers, and partners. Tanvex BioPharma is committed to establishing an effective corporate governance structure to safeguard the rights and interests of shareholders and stakeholders. We are gradually implementing various systems and measures to enhance information transparency and uphold the spirit of corporate governance.

Tanvex BioPharma Governance Organizational Chart



2-1-2 Operation of the Board of Directors

The Board of Directors is the highest governance body of Tanvex BioPharma. It is responsible for guiding the company's strategy, overseeing the management team, providing policy directives for business operations, setting goals, and being accountable to the company and its shareholders. The Board of Directors consists of nine members, including six directors and three independent directors, with a term of three years. In 2022, the Board of Directors held a total of 9 meetings, and the average attendance rate of board members was 87%. Due to the company's operations spanning Taiwan and the United States, the Chairman concurrently serves as the CEO to supervise and manage both teams. To avoid conflicts of interest, the Board of Directors strengthens its supervisory function and strives to enhance information transparency to facilitate the examination by various stakeholders.

Board Members

Title	Name	Age	Gender	Expected Attendance	Actual Attendance	Attendance by proxy	Number of Absence	Attendance Rate of Board of Directors
Chairman	Yen, Yun	61-70	Male	9	9	0	0	100%
Director	Tseng, Tamon	61-70	Male	9	9	0	0	100%
Director	Allen Chao	71-80	Male	9	8	0	1	88.9%
Director	Hsia, David	71-80	Male	9	3	0	6	33.3%
Director	Ula Xue	31-40	Female	9	9	0	0	100%
Director	Chen, Chi-Chuan	61-70	Male	9	7	1	1	77.8%
Independent Director	Tsai, Jin-Pau	61-70	Male	9	8	1	0	88.9%
Independent Director	Wang, Tay-Chang	61-70	Male	9	9	0	0	100%
Independent Director	Chen, Lan-Bo[Note 1]	71-80	Male	0	0	0	0	0%
Independent Director	Chang Chun-Yen[Note 2]	61-70	Male	5	5	0	0	100%

Note 1: Mr. Chen, Lan-Bo was elected on 08/27/2021, resigned on 01/06/2022.

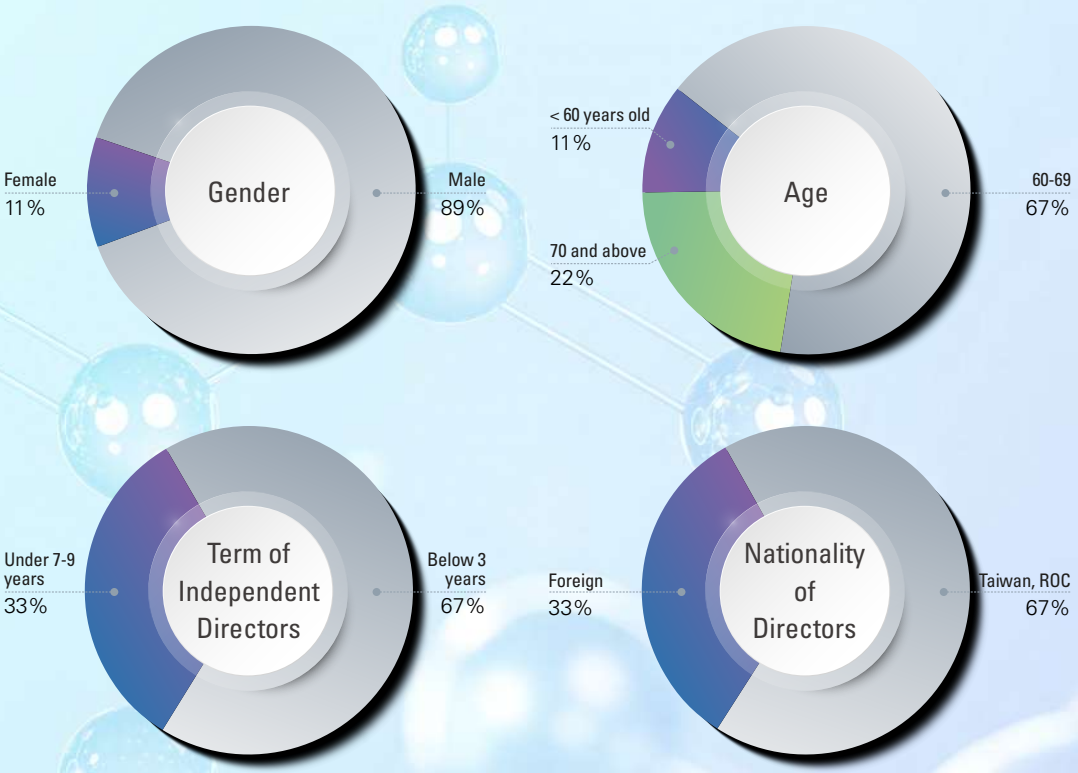
Note 2: Mr. Chang, Chun-Yen was appointed in General Shareholders Meeting on 06/17/2022.

Board Member Diversity

In accordance with Tanvex BioPharma's Corporate Governance Best Practice Principles, the composition of the company's Board of Directors should demonstrate diversity in terms of basic conditions and values, as well as professional knowledge and skills, with respect to its own operations, business model and development needs. This includes but is not limited to gender, age, nationality, culture, professional background, and skills. The current Board members have graduated from top domestic and international universities with majors in finance, business management, law, pharmacy, and medicine. They also have extensive experience and expertise in fields such as finance, commerce, law, and industry. In addition to Taiwanese directors, we also have two directors residing in the United States and one in Hong Kong, showcasing the multicultural characteristics of our multinational company.

Continuing Education of Directors

To continuously enhance the capabilities and professional knowledge of the directors, the company regularly arranges continuing education courses for directors to attend each year. These courses cover three major aspects: economy, environment, and society. In 2022, the total number of continuing education training hours for directors was 73 hours. The course content included topics such as board governance under ESG trends, IFRS 17, major information disclosure by companies, and the responsibilities of directors and supervisors. In the year, all incumbent directors completed at least six hours of training, and newly appointed directors completed at least 12 hours of training, fully complying with the requirements of Directions for the Implementation of Continuing Education for Directors and Supervisors of Taiwan Stock Exchange Corporation (TWSE) Listed and Taipei Exchange (TPEx) Listed Companies. For detailed information on the directors' continuing education training in 2022, please refer to the relevant information of corporate governance directors and supervisors in the market observation post system.



Board Member Selection and Performance Evaluation

To establish the sound operation of the Tanvex BioPharma Board of Directors, the candidate nomination system is adopted based on the Articles of Incorporation and Regulations Governing the Election of Directors. The acceptance methods of director candidate nominations, announcement procedures, and other related matters comply with relevant laws and regulations such as the Company Act and the Securities and Exchange Act. After evaluation by the Board of Directors, the elected directors are appointed by the shareholders' meeting from the list of director candidates. The selection of directors generally considers diversity (such as gender, age, nationality, and culture), independence (more than half of the directors should not have spousal or first-degree relative relationships), and professional competence in executing their duties (such as operational judgment, accounting and financial analysis, management, crisis handling, knowledge of the industry, international market perspectives, leadership, and strategy). This ensures that the Board members are better aligned with the company's future development needs.

The company has also established the "Board Performance Evaluation Measures," which have been approved by the Remuneration Committee and ratified by the Board of Directors. These measures serve as a basis for assessing the performance, enhancing the efficiency of the Board of Directors and functional committees, and establishing performance criteria. The measures specify the evaluation cycle, evaluation period, scope and methods, responsible units, and evaluation procedures for the Board Performance Evaluation. They also require the disclosure of relevant information in the Tanvex BioPharma Annual Report.

2022 Performance Evaluation of the Board of Directors and Functional Committees

Evaluation Period	January 1, 2022, to December 31, 2022
Evaluation Frequency	Internal evaluation conducted once at the end of each fiscal year. Depending on the results of the annual self-evaluation, the Board of Directors may arrange external performance evaluations at least once every three years, using external professional institutions or experts.
Evaluation Method	The Board members complete a questionnaire for self-evaluation based on various evaluation items. The Board of Directors' secretariat collects the data, records the evaluation results, and reports them to the Board of Directors.
Evaluation Results	In 2022, both the self-assessment results of the Board of Directors and individual directors' performance evaluations all higher than 90 (excellent). The Board of Directors reported the self-assessment results for 2022 on March 3rd of 2023, indicating the overall excellent operational status of the Board of Directors.

Performance Evaluation Criteria:

5 Major Aspects of the Performance Evaluation of the Board of Directors and Functional Committees

I. Level of participation in the company's operations.
II. Improvement of the quality of the Board of Directors' decision making.
III. Board composition and structure.
IV. Election and continuing education of the directors.
V. Internal control.

6 Major Aspects of the Performance Evaluation of the Board Members

I. Familiarity with the goals and missions of the Company.
II. Understanding of director's responsibilities.
III. Level of participation in the company's operations.
IV. Internal relationship management and communication.
V. Election and continuing education of the directors.
VI. Internal control.

2-1-3 Functional Committees

Audit Committee

Tanvex BioPharma established an Audit Committee in August 2021, consisting of three independent directors, one of whom is the convener, to oversee the company's financial operations, the fair presentation of financial statements, and the effective implementation of internal controls. In accordance with Article 3 of the "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies", Tanvex BioPharma has established the Audit Committee Organizational Rules, with meetings convened at least once a quarter and meetings may be convened as often as necessary. In 2022, a total of eight meetings were held, and the average attendance rate of board members was 100%.

Title	Name	Actual Attendance	Committee Member Attendance Rate
Convener	Tsai, Jin-Pau	8	100%
Committee Members	Wang, Tay-Chang	8	100%
Committee Members	Chen, Lan-Bo	0	0% Note 1
Committee Members	Chang, Chun-Yen	4	100% Note 2

Note 1: Chen, Lan-Bo was elected on August 27, 2021 and resigned on January 6, 2022.

Note 2: Chang, Chun-Yen was elected by the general meeting of shareholders on June 17, 2022.

Remuneration Committee

Tanvex BioPharma established the Remuneration Committee in August 2021, which consists of three independent directors appointed by the Board of Directors. One of the members serves as the convener, and no separate remuneration advisor is hired. The responsibilities of the Remuneration Committee include formulating and regularly reviewing policies, systems, standards, and structures for the performance evaluation and compensation of directors and executives, which has followed the regulations "Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange". In 2022, the committee held a total of two meetings, with an average 100% attendance rate.

Title	Name	Actual Attendance	Committee Member Attendance Rate
Convener	Wang, Tay-Chang	2	100%
Committee Members	Tsai, Jin-Pau	2	100%
Committee Members	Chen, Lan-Bo	0	N/A Note 3
Committee Members	Chang, Chun-Yen	0	N/A Note 4

Note 3: Director Chen, Lan-Bo resigned on January 6, 2022, therefore the committee is composed of three independent directors.

Note 4: Independent Director Chang, Chun-Yen was appointed after the by-election at the shareholders' meeting on June 17, 2022. Additionally, on July 15, 2022, the Board of Directors appointed Chang, Chun-Yen as an independent director and a member of the Remuneration Committee. Since the appointment date until December 31, 2022, the Remuneration Committee did not convene during this period.

The average attendance rate of the Audit Committee and Remuneration Committee is **100%**.

The compensation policies for directors, the CEO, and managers are established by the Remuneration Committee after considering various factors, such as the company's business performance, individual performance evaluation results, responsibilities undertaken, time dedicated, performance in other positions, and the relevance and reasonableness in relation to future business risks. External compensation market and industry standards, which typically range from 0-150% of annual or monthly salary, are also taken into account to provide corresponding remuneration recommendations.

To achieve the goal of a sound corporate governance system, Tanvex BioPharma links its compensation policies to performance. By incorporating performance bonuses, promotion opportunities, and other incentives, the company aims to motivate employees to excel in their work and establish a fair, just, and transparent compensation system. Furthermore, aligning compensation with performance helps ensure that employees and management are aligned with the company's long-term goals, focusing their attention on objectives and ultimately enhancing overall company performance and efficiency. The individual performance evaluation results, details and amounts of individual compensation, as well as the correlation and reasonableness in relation to performance evaluations, are disclosed in the annual report and presented at shareholder meetings.

» Remuneration Policies for Directors

The company' director compensation structure consists of **fixed remunerations** and **floated remunerations**.

The fixed remunerations are determined based on the Articles of Incorporation, relevant regulations, and reference to industry pay standards. To avoid conflicts of interest, the policy specifies that directors cannot receive fixed remunerations for their role as directors. Regardless of the company's financial performance, directors are provided with fixed remunerations to ensure their focus on fulfilling their oversight and guidance responsibilities. Offering fixed remunerations helps attract and retain outstanding directors and deepens the company's sustainable governance mechanism. The floated remunerations for directors includes bonuses, distribution of earning surplus, transportation allowances, business travel expenses and so on. The bonuses are assessed by the Remuneration Committee based on the financial and business performance of the year and are discussed and determined by the Board of Directors. Distribution of earning surplus is allocated according to Article 129 of the Articles of Incorporation. If the company has annual profits, up to 3% of such annual profits before tax may be allocated as director remuneration. Additionally, the company provides transportation allowances for attending board meetings or shareholder meetings and business travel expenses. If directors also hold positions as company employees, their wages and remuneration are subject to and comply with human resources-related policies.

» Remuneration of the CEO and Managers

The compensation structure of the CEO and managers includes **monthly fixed salary, floated remunerations, pension, employee stock options, and transferring treasury shares to employees**.

1. **The monthly fixed salary** depends on the length of service, experience, position, and industry standards. Annual salary adjustments should not exceed 15% for the CEO and 10% for managers.
2. **Floated remunerations** is linked to individual performance and includes performance bonuses, year-end bonuses, and distribution of earning surplus. Performance bonuses are paid out from time to time and the total annual bonus amounts are capped at 6 and 3 months' salary, respectively. Year-end bonuses are distributed at the end of the year, with total annual bonus amounts capped at 8 and 6 months' salary, respectively. Distribution of earning surplus is allocated according to Article 129 of the Articles of Incorporation. If the company has annual profits, at least 1% of such annual profits before tax should be allocated as employee remuneration (including employees of the company and/or its affiliated enterprises). If the company has accumulated losses from previous years, an amount should be reserved before allocating employee and director remuneration to cover the losses, in accordance with the laws of the Cayman Islands and regardless of the provisions of Article 139. Employee remuneration can be paid in cash and/or stock. Decisions regarding the distribution of employee remuneration are reported to shareholders at the shareholder meeting after approval by the Board of Directors.

3. **Employee pension** is allocated in accordance with the Labor Standards Act, Labor Pension Act, and other related laws and regulations.
4. The CEO is granted **employee stock options** and **transferring treasury shares to employees**, which are linked to long-term company goals and stock performance. According to the stock transfer regulations, these rewards can be granted to employees who were employed before the subscription baseline date or have made special contributions. The CEO submits the list of employees to be awarded to the Board of Directors for approval by the Chairman, and it is then submitted to the Remuneration Committee for further review and final approval by the Board of Directors.
5. If managers have made special contributions and their compensation is approved by the Remuneration Committee and reviewed and approved by the Board of Directors, their compensation is not limited to the aforementioned performance bonuses, year-end bonuses, and employee compensation.

Annual Total Compensation Ratio

Ratio of the annual total compensation for the company's highest-paid individual to the median annual total compensation for all employees		Ratio of the percentage increase in annual total compensation for the company's highest-paid individual/median percentage increase in annual total compensation for all employees
2021 Median Ratio	2022 Median Ratio	Increase in Median Ratio
4.50:1[1]	3.35:1[2]	2.01:1[3]

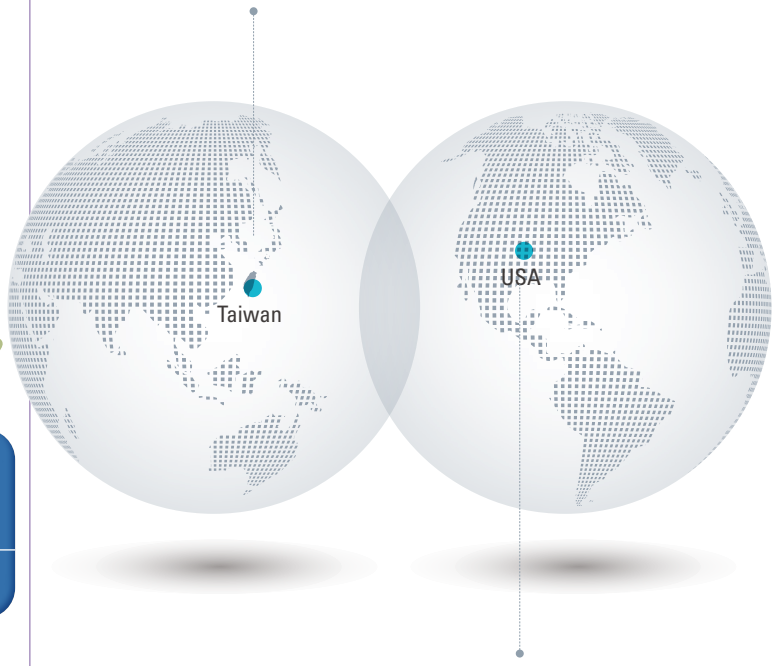
Note 1: Annual total compensation for the organization's highest-paid individual in 2021/Median annual total compensation for all employees (excluding the highest-paid individual)

Note 2: Annual total compensation for the organization's highest-paid individual in 2022/Median annual total compensation for all employees (excluding the highest-paid individual)

Note 3: Annual percentage increase in total compensation of the highest paid individual in the organization in 2022 / Annual percentage increase in total compensation of the highest paid individual in the organization in 2021

2-1-4 Membership of Associations

Participation in Organizations	Identity Type
Taiwan Parenteral Drug Association	Group Members
NanKang Biotech Incubation Center, Development Center for Biotechnology	Member
Parenteral Drug Association (USA)	Member



Participation in Organizations	Identity Type
California Life Sciences (Biocom)	Member
Parenteral Drug Association (USA)	Member

2-2 Ethical Management

2-2-1 Ethical Management Policy and Commitment

Ethical Management Policy

To establish a corporate culture of ethical corporate management, Tanvex BioPharma has established "Ethical Management Principles" and "Ethical Corporate Management Operating Procedures and Code of Conduct" through approval by the Board of Directors. These specify the matters that employees should pay attention to when conducting business activities to establish good corporate governance and risk management mechanisms, creating a positive operational environment. The scope of application of the ethical corporate management policy includes Tanvex BioPharma and its subsidiary companies over which it has substantive control. It regulates that all employees should conduct business activities based on the principles of integrity and fairness in a transparent manner. It also prohibits unethical behaviors such as bribery and corruption, providing illegal political donations, improper charitable donations or sponsorships, offering unreasonable gifts or hospitality, infringing intellectual property rights, engaging in unfair competition, and causing harm to stakeholders through products or services. In addition, the company incorporates ethical corporate management into employee performance evaluations and establishes clear reward and punishment mechanisms and a complaint system.

The promotion of ethical corporate management within the company is coordinated by the CEO Office, which is responsible for the formulation, implementation, interpretation, and consultation services of the Ethical Corporate Management Operating Procedures and Code of Conduct in collaboration with the relevant departments such as Human Resources and Finance. The Audit Office is responsible for reporting and supervising the implementation of the content and reporting the implementation situation to the Board of Directors regularly (at least once a year). In 2023, the ethical corporate management promotion unit reports the status of prevention of insider trading to the Board of Directors on May 3 and receives the advice and guidance from the Board of Directors. In 2022, there were no violations of the integrity, corruption and bribery, anti-competition, antitrust and monopoly laws of Tanvex BioPharma.

Ethical Management Principles

Ethical Corporate Management Operating Procedures and Code of Conduct

» Prevention of Conflict of Interest

Tanvex BioPharma has established provisions in "Ethical Management Principles" and "Code of Ethical Conduct" to prevent conflicts of interest, avoidance of conflict of interests, confidentiality responsibilities, and fair trading related regulations and disciplinary measures arising from risks of unethical behavior. Directors and managers should comply with laws and regulations and the provisions of the Principles in the performance of their duties. If there are violations of the Code of Ethics, the severity of the situation will be dealt with according to the law or disciplinary measures decided by other members of the Board of Directors in a meeting. The company will also disclose such information on its public website in a timely manner, enhancing information transparency for stakeholders to better understand the company and fulfill the duty of care as managers, upholding the principles of integrity and trustworthiness and adhering to professional ethics.

» Prevention of Insider Trading

To prevent internal personnel from violating legal regulations and insider trading rules, Tanvex BioPharma has established "Procedures for Handling Material Inside Information" and "Directions for Prevention of Insider Trading." These procedures clearly stipulate that directors, managers, employees, and other individuals who have access to the company's internal material information due to their positions, professions, or control relationships are prohibited from disclosing such information to others. They are also prohibited from inquiring or collecting non-relevant undisclosed internal material information from individuals who have access to the company's internal material information. Furthermore, they are not allowed to disclose any undisclosed internal material information to others, even if it is not obtained through their job responsibilities. If any leakage of internal material information occurs, the administrative management unit will be responsible for subsequent handling procedures.

Due Diligence Ethical Management

Tanvex BioPharma regularly analyzes and assesses business activities within its scope of operations that have a higher risk of unethical behavior. Based on the assessment results, preventive measures are formulated, and the adequacy and effectiveness of the content are periodically reviewed. Work-related standard operating procedures and behavior guidelines are established within each plan to establish an evaluation mechanism for the risk of unethical behavior. The company's Auditing Department, as a supervisory unit directly reporting to the Board of Directors, assists the Board of Directors and management in verifying and evaluating the effectiveness of the ethical measures. Regular audits of ethical corporate management risks are conducted according to the audit plan, and risk handling or preventive measures are formulated based on the assessment results. The internal audit manager submits the audit report to the Auditing Committee for review and provides reports on a regular basis, as well as reporting to the Board of Directors as needed.

The Whistleblower Mechanism of Ethical Management

Tanvex BioPharma has established an ethical corporate management whistleblower system. If internal or external individuals violate ethical and improper behavior, they can make anonymous reports through the stakeholder section of the company's website, internal independent whistleblower mailbox, or dedicated hotline. Reports are personally received and handled by Yen Yun, the Chairman and CEO, demonstrating the company's commitment to addressing stakeholder issues. After the report is received, a dedicated unit appointed by the Chairman investigates the case, takes appropriate measures based on the severity of the situation, and, if necessary, reports to the competent authority or refers the case to judicial agencies for investigation. The entire process is based on the principles of confidentiality and protection of the whistleblower. No cases of ethical violations were reported in 2022.

Whistleblower Mechanism	Reporting Channels	Handling Personnel
Whistleblower Mailbox	Taiwan contact@tanvex.com USA https://www.surveymonkey.com/r/Our_Digital_Suggestion_Box	Taiwan Yen, Yun USA Norma Braun, Sr. Director, Human Resources
Whistleblower Hotline	Taiwan 02-27010518	Taiwan Yen, Yun

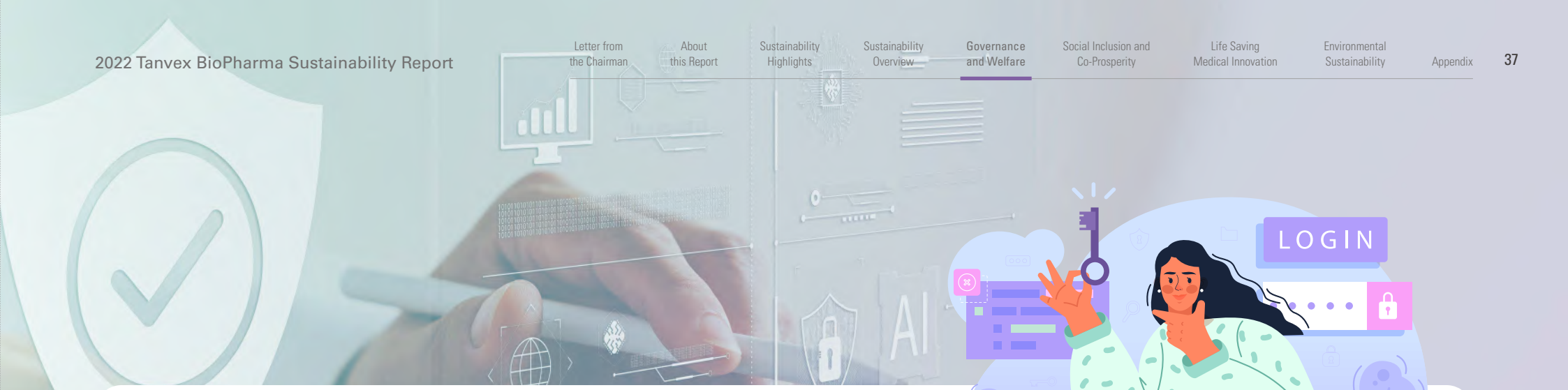
2-2-2 Ethical Management Concept Transmission

Ethical Management Commitments

To ensure the implementation of ethical management policy, Tanvex BioPharma requires directors and senior management to issue statements adhering to ethical management policy. They should also include provisions in employment conditions that require employees to comply with ethical management policy. This assists all employees in understanding and adhering to the company's ethical standards, and ensures proper retention of the documented information. Before engaging in any business transactions, the company should thoroughly consider the legality and integrity of agents, suppliers, customers, or other business counterparts. When signing contracts with these parties, the agreements must include clauses that comply with ethical management policy and provide the right to terminate or rescind the contract if any party engages in unethical behavior.

Education and Training of Ethical Management

The company stipulates that the ethical management promotion unit should conduct internal promotion once a year, inviting the Chairman, President/CEO, or senior management to communicate the importance of integrity to the Board and all employees. The company also plans regular ethical management training for the Board and all employees to ensure they have a comprehensive understanding of the company's ethical management practices and the consequences of engaging in unethical behavior. We promote top-down company-wide ethical management training. In 2022, the directors attended courses on preventing insider trading, trade secret protection, anti-money laundering, fairness, and integrity. The CFO even participated in a 20-hour ethical management course. To prevent insider trading and such matters, in 2022, the company regularly sent information on insider trading prevention from competent authorities to the directors via email at the end of each month. The company also planned educational outreach during pre-employment training for new hires.



2-3 Information Security

2-3-1 Implementation of Information Security System

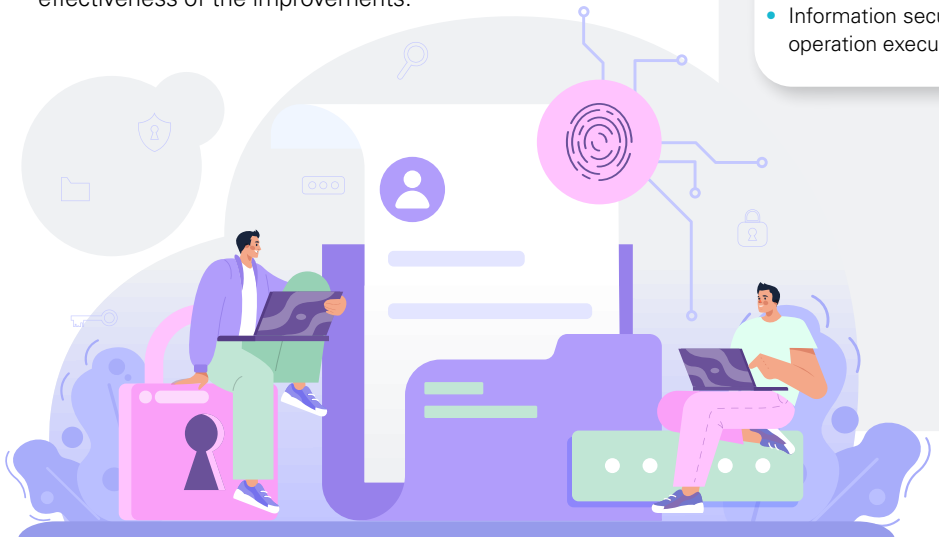
Information Security Policy

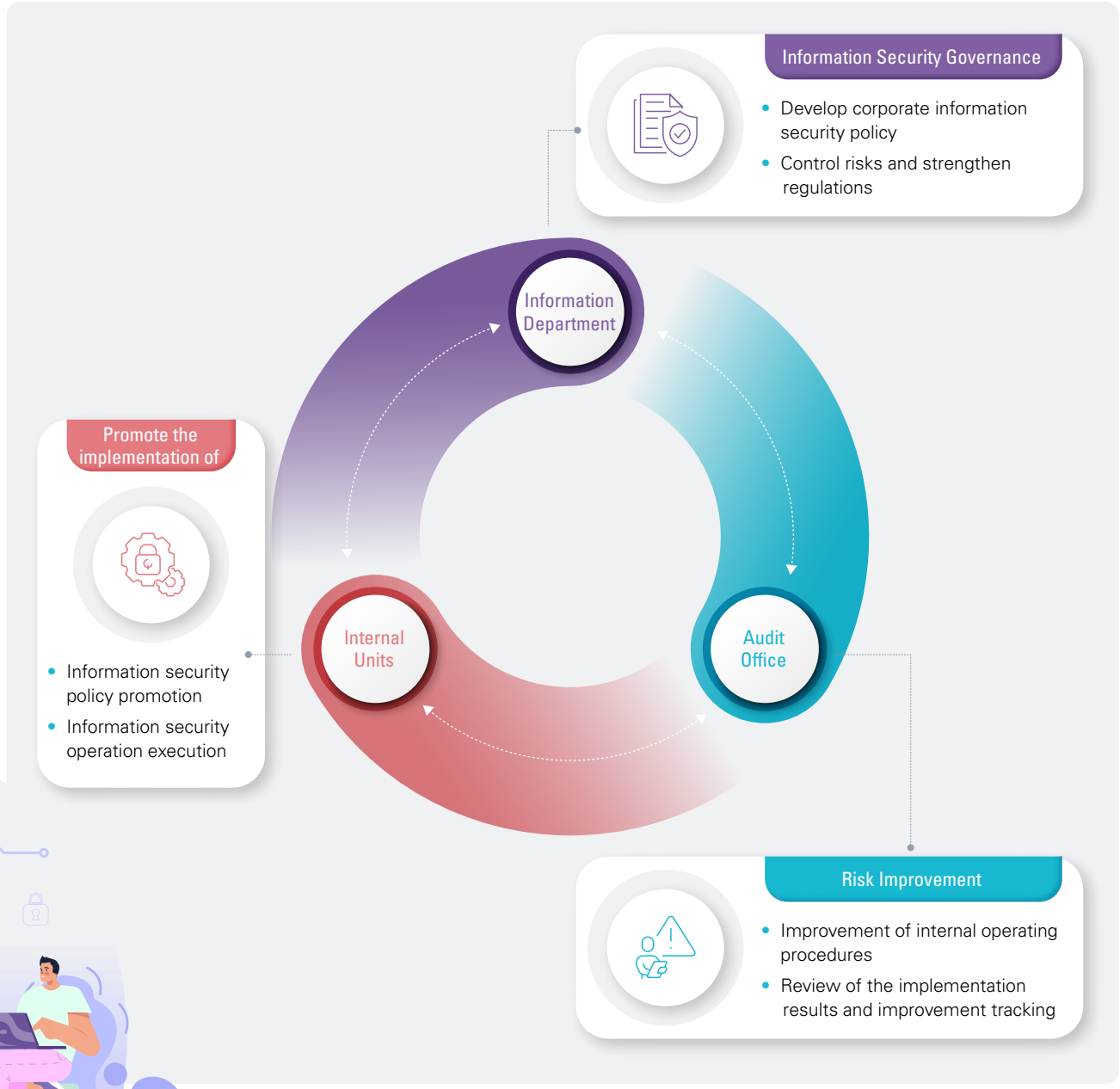
With the development of technology and the current wave of digitization, the security of networks and information systems is crucial. Information security incidents can result in high costs and damage to the company's reputation. To prevent the company from experiencing information security risks and issues such as threats to information security, sensitive and confidential information leaks or losses, Tanvex BioPharma has established "Information Security Management Measures" and "Information Technology Resources and Systems Policy," which encompass Tanvex BioPharma Taiwan, Tanvex BioPharma USA Inc., and the subsidiaries. The company's information security management measures adhere to the highest industry standards for information security. They regulate the company's information security management measures, establish the minimum requirements for information security within the company, prevent unauthorized or malicious access and usage, avoid leakage or loss of sensitive and confidential data, and ensure the normal operation of information systems.

To effectively manage various information security scenarios, the company has developed multiple Standard Operating Procedures (SOP) documents, including IT system policies, pharmaceutical plant server maintenance, data backup and recovery, computer system GAMP5 risk assessments, computer system access controls, VPN, computer system security, computer configuration management, and more (IT Systems Policy [SOP-001], GMP Server Maintenance [SOP-0174], Data Back-up and Restore [SOP-0327], Computer Systems GAMP5 Risk Assessments [SOP-0328], Computer System Access Controls [SOP-0357], VPN Security [SOP-0408], Computer System Security [SOP-0409], Config Mgmt. of Computers [SOP-0410]). By establishing a systematic framework, these procedures help the company establish and maintain a comprehensive security management system, reduce the likelihood of information security incidents, and enhance incident response capabilities. Currently, Tanvex BioPharma has not implemented the ISO 27001 management system. However, the third-party logistics (3PL) company chosen for cooperation has implemented ISO/IEC 27001:2013, ISO/IEC 27701:2019, ISO/IEC 27017:2015, and Security Operations Center (SOC) Type 2 systems to ensure the security of data during the company's product logistics processes.

Information Security Management Structure

The Information Department is responsible for information security at Tanvex BioPharma. The information team of Tanvex BioPharma USA Inc. is responsible for developing the company's information security policy, planning and implementing information security operations, collaborating with various units to ensure the promotion and implementation of security policies, and regularly reporting the company's security operations to the CEO. On September 21, 2022, the information security operation status and improvement measures have been reported to the CEO. The members of the information security team have extensive industry experience and a thorough understanding of the implementation practices of benchmark companies' information security programs. The Audit Office serves as the regulatory unit for information security, overseeing the implementation of internal information security, and conducting audits. In the event of identified deficiencies, the audit unit will request the audited unit to propose relevant improvement plans and specific actions, and regularly monitor the effectiveness of the improvements.





2-3-2 Execute Information Security Management Procedure

Tanvex BioPharma approaches the management of information security from three perspectives: "establishing security management measures," "enhancing security-related technologies," and "promoting and improving security." Through a comprehensive information security management mechanism, the company strengthens network firewalls and network controls to prevent the spread of viruses across devices and offices. By continuously improving information security technologies, the company enhances endpoint antivirus measures on user computers, strengthens malicious behavior detection, and regularly conducts computer scanning and system and software updates. Through information security advocacy and improvement, the company enhances employees' awareness of email and social engineering attacks.

Information Security Management Measures

(I) Establishing Information Security Management Measures and Enhancing Information Security Technologies

The information security management measures implemented by Tanvex BioPharma are as follows:

1. Network Security: Establishing distributed denial-of-service (DDoS) mitigation services, managed detection and response (MDR), network management and monitoring services, security consulting, security protection architecture planning, and using endpoint security tools to prevent malicious software. We have adopted a multi-layered defense architecture and conduct vulnerability scanning to ensure the effectiveness of security controls.
2. System and Application Security: Conducting regular security assessments, such as system vulnerability scanning (website scanning, source code analysis, app certification), and implementing measures to address vulnerabilities, ensuring normal operations and continuous improvement.
3. Login System Authentication and Authorization: Strengthening network firewalls and network controls to prevent the spread of viruses across devices and offices.
4. Using a Unified Platform: Utilizing Virtual Data Room for data sharing and exchange with external parties to mitigate the risk of data leakage.

We have established corresponding operational procedures for major network security issues as follows:

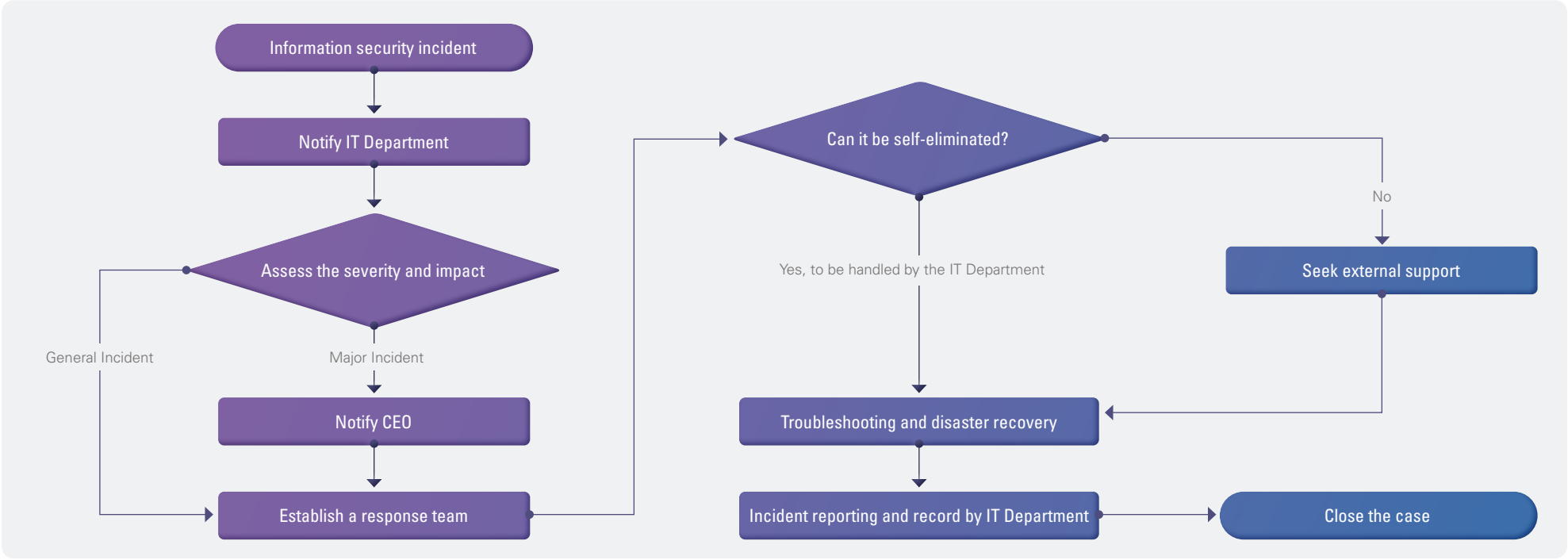
Information Security Management Measures

Type	Description	Related Operations
Authorization Management	Measures for managing personnel accounts, permissions, and system operation behavior	• Management and audit of personnel account permissions • Periodic inspection of personnel account permissions • Management of personnel access to facilities
Access Control	Measures for controlling personnel access to internal and external systems and data transmission channels	• Internal and external access control measures • Control measures for data leakage channels • Analysis of operational behavior trail
External Threats	Measures to prevent and protect against system infection channels	• Host and computer vulnerability detection and updates • Virus protection and detection of malicious programs • Firewall establishment and management • Regular updates of antivirus software • Control of software usage
System Availability	Measures for system availability and response during service interruptions	• Monitoring of system availability status • Response measures for service interruptions • Data backup measures and on-site/off-site redundancy mechanisms • Regular disaster recovery testing

Information Security Incident Reporting Process

In accordance with the Information Security Management Measures and the Information Technology Resources and Systems Policy, information security incidents are handled through reporting, classification and assessment, processing, notification, and tracking procedures. When an information security incident occurs, the involved party can immediately report it to the Information Department. The Information Department will assess the severity and impact of the incident on the company and classify it as either a general or significant event. In the case of a significant event, the CEO will be immediately notified, and an emergency response team will be formed to handle and resolve the incident. The Information Department is responsible for documenting and tracking the incident reports. In 2022, Tanvex BioPharma did not experience any significant information security incidents. Furthermore, as the Group has not yet engaged in commercial operations or sales activities and does not have customer data, there were no instances of customer data loss or complaints related to customer privacy data in 2022.

Information security notification process



2-4 Legal Compliance

Tanvex BioPharma is committed to operating its business with integrity and complying with the laws of the countries in which it operates. We adhere to the standards set by government regulations and establish internal operating procedures. We continuously monitor any amendments to laws and regulations made by competent authorities and make necessary adjustments accordingly. The Clinical Regulatory Affairs Department is primarily responsible for the execution of regulatory-related matters at Tanvex BioPharma. They handle pre-clinical planning, communicate with relevant regulatory authorities, and oversee clinical trial permits and drug registration applications. Additionally, personnel from various departments within the company regularly monitor regulatory amendments announced by the competent authorities to promptly make adjustments and responses.

The biopharmaceutical industry is highly regulated and subject to close scrutiny by regulatory authorities. It is crucial to comply with local health and drug safety management regulations. Tanvex BioPharma strictly implements customer health and drug safety management. All relevant clinical trials are conducted in accordance with applicable laws and regulations, following relevant international standards. We also refer to the guidelines issued by the US FDA and establish relevant mechanisms in advance to meet the FDA's requirements for pre-market safety reports. In 2022, there were no incidents of non-compliance with health and safety regulations related to our products and services. Furthermore, as we have not yet launched our products for sale, there have been no legal cases related to misleading labeling or advertising. For detailed information on customer health and drug safety regulations, please refer to 4-2-1 Drug Safety.

Tanvex BioPharma considers any single event resulting in a fine of over one million New Taiwan Dollars as a significant violation. There were no significant violations or incidents of fines in 2022. In 2022, there were settlement agreements reached with other industry peers regarding legal matters. In June 2022, Roche's subsidiary, Genentech, filed three patent infringement lawsuits against Tanvex BioPharma and its two subsidiaries, Tanvex BioPharma USA, Inc. and Tanvex Biologics Corporation (Taiwan), related to the biologic biosimilar drug TX05 (patent name: Valheric). Such patent litigation is common among biosimilar manufacturers. After reaching a settlement agreement with Genentech, they formally withdrew the lawsuits against Tanvex's product TX05. As a result, Tanvex's biosimilar drug, TX05, will be able to be marketed and sold in the United States and other regions where Herceptin® patents are granted.

03

Social Inclusion and Co-Prosperity

- In 2022, Tanvex BioPharma USA employed nearly **70**% of its workforce from ethnic minorities.
- The company achieved a **100**% retention rate for employees on maternity leave.
- Female employees accounted for **48**% of the total workforce, with female employees making up **46**% of managerial positions.
- In 2022, Tanvex BioPharma provided training to a total of **206** employees, accumulating a total of **5,413** training hours.

3-1 Employee Recruitment & Retention

Employees are vital assets to the company, and Tanvex BioPharma not only actively recruits talented individuals but also emphasizes employee development. We are committed to creating a favorable working environment for every member of the company. Through a comprehensive talent recruitment and retention system, we support the company's development and strive to create greater corporate value.

In employee recruitment, Tanvex BioPharma upholds the principles of fairness, justice, and diversity in employment to attract outstanding individuals who align with our corporate culture and possess proactive attitudes. Furthermore, we place great importance on employee career development. We provide diverse educational and training programs, support and subsidize employee participation in external courses, and assist colleagues in enhancing their professional capabilities, thus nurturing human capital. To create a secure, stable, and motivating workplace, Tanvex BioPharma also offers competitive compensation, diversified employee benefits, effective communication channels, and a well-structured talent retention system, all aimed at enhancing the company's competitiveness.

3-1-1 Labor Practice Indicators

Tanvex Employee Structure

Tanvex BioPharma was founded approximately 10 years ago. With the product development process and company expansion, Tanvex BioPharma has been recruiting talent and the number of employees has gradually increased. In 2022, there were 190 employees in Taiwan and the United States. There were 38 employees in Tanvex Biologics Corporation (Taiwan), and 152 employees in Tanvex BioPharma USA. About 97% of our employees are permanent employees, and neither Tanvex Biologics Corporation (Taiwan) nor Tanvex BioPharma USA have non-guaranteed hours employees.

In Tanvex, common types of non-employee workers are consultants, temporaries, and student interns. The contractual relationships are contractors, employed by employment agency, or self-employed by Tanvex respectively. In 2022, Tanvex hired 3 (1 male and 2 female) non-employee workers.

Tanvex Employee Structure

Year	2021				2022			
Category	Male		Female		Male		Female	
	Taiwan	USA	Taiwan	USA	Taiwan	USA	Taiwan	USA
Permanent	8	72	18	66	15	81	23	65
Temporary (contractor)	0	4	0	4	0	3	0	3
Non-guaranteed hours employees (hourly wage workers, temporary workers)	0	0	0	0	0	0	0	0
Full-time	8	72	18	64	15	81	23	63
Part-time	0	4	0	6	0	3	0	5
Non-guaranteed hours employees	0	0	0	0	0	0	0	0
Sub-Total	8	76	18	70	15	84	23	68
Total	84		88		99		91	

Note 1: Data calculation method: full-time equivalent (FTE).
Note 2: The statistics are as of 12/31/2022.

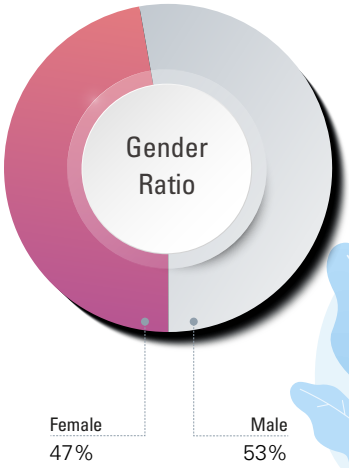
Tanvex Non-employee Workers Structure

Year	2021			2022		
	Full-time			Full-time		
	Taiwan	USA	Total	Taiwan	USA	Total
Male	0	3	3	0	1	1
Female	0	3	3	0	2	2
Total	0	6	6	0	3	3

Note 1: Data calculation method: full-time equivalent (FTE).
Note 2: The statistics are as of 12/31/2022.

New Hire Employees and Turnover

As Tanvex BioPharma continues to grow steadily and prepares for the launch of new drugs, we consistently recruit outstanding new talent to join our company. This not only supports our expanding business activities but also brings in new expertise and innovative thinking through the new employees. In 2022, new employees accounted for 36.8% of the employee population, with the majority being located in our drug manufacturing center and our main market, Tanvex BioPharma USA. Additionally, the gender ratio among new employees was 53:47 (male: female), as we continue our commitment to gender equality in talent recruitment.



Tanvex New Hire Employees

Year		2022			
Category		Male		Female	
		Taiwan	USA	Taiwan	USA
New hires	< 30 years old	2	12	2	12
	31-50 years old	3	11	6	8
	> 50 years old	4	5	3	2
Total		9	28	11	22
New hires rate		4.7%	14.7%	5.8%	11.6%

Note: New hires rate= (2022 accumulated new hires) / (employee number as of 12/31/2022)

Tanvex Employee Turnover

Year		2022			
Category		Male		Female	
		Taiwan	USA	Taiwan	USA
Employee turnover	< 30 years old	1	9	0	12
	31-50 years old	2	8	6	10
	> 50 years old	0	7	0	0
Total		3	24	6	22
Employee turnover rate		1.6%	12.6%	3.2%	11.6%

Note: Employee turnover rate = (2022 accumulated resignees) / (employee number as of 12/31/2022)

Voluntary and Involuntary Turnover Rate

Category	Voluntary turnover (%)		Involuntary turnover (%)	
	Taiwan	USA	Taiwan	USA
CEO, senior managers	9.79	1.42	0	0
Mid-level managers	0	3.47	0	0
Professionals	0	6.22	0	0
All others	15.71	17.98	3.23	2.74
Total	25.50	29.10	3.23	2.74

Note: Annual voluntary and involuntary turnover rates are calculated by adding the 12 monthly turnover figures together and multiplying by 100 to arrive at a percentage.

3-1-2 Benefits

To provide a better working environment for our employees, Tanvex BioPharma has developed a comprehensive health and welfare benefits system that takes care of employees and their families, ensuring their peace of mind. Through various communication, motivation, education, and recreational activities, we strive to enable employees to positively engage in their work. Further, to protect employee rights, the company holds regular meetings for all employees, where they can learn and understand the current business operations, engage in dialogues, express their needs, and actively address employee issues, fostering harmonious labor-management relationships. By offering a diverse range of benefits and smooth communication channels, we aim to help employees achieve work-life balance, enhance the team spirit and empolyees' satisfaction, and create a bright future together with the company.

Employee Benefits

Tanvex BioPharma provides employees with a wide range of diversified benefits. In addition to leave policies that exceed legal requirements, we handle labor insurance, national health insurance, and group insurance for employees. We value the physical and mental health of our employees. As a result, we organize annual employee trips and provide employees with a free health check-up once a year. Furthermore, to attract and retain outstanding talent, we offer stock options to employees, allowing them to share in the company's operational achievements as shareholders and thereby motivating their performance.

The employee benefits provided by our company are listed in the table to the right. Depending on the operational location, the benefit items may be adjusted according to local regulations and culture.

Benefits	Tanvex BioPharma Taiwan	Tanvex BioPharma USA
Leave Policy	We provide more generous benefits than those stipulated by the labor standards law, including the number of days and unpaid leave for personal leave, sick leave, and annual leave, allowing employees to enjoy better welfare.	We provide benefits consistent with US and state regulations, including the number of days and paid leave for medical/personal leaves, and sick leave.
Parental Leave	We provide parental leave for employees to support their family development.	
Employee Trips	We organize annual group trips for employees to relax and relieve stress.	We organize annual holiday celebrations to relax, enhance camaraderie among employees, and foster team spirit.
Labor Insurance	Handled in accordance with the provisions of the Labor Insurance regulations.	Handled in accordance with the regulations of the US Department of Labor, providing employees with protection in the event of occupational injuries.
Health/ Medical Insurance	Handled in accordance with the provisions of the National Health Insurance Act.	Employees are provided access to coverage in accordance with the Employment Retirement Income Security Act, as well as other relevant Federal and State regulations, including medical insurance, medical savings accounts, dental insurance, vision care insurance, long-term disability insurance.
Group Insurance/ Life Insurance	Employees are provided with coverage for health and medical benefits, accidental injury benefits, cancer medical benefits, and occupational accident benefits.	Employees and their families are provided with life insurance coverage to safeguard their lives.
Employee Health Examinations	Employees are provided with an annual health check-up to safeguard their lives.	Within the scope of medical insurance, each employee and their family are entitled to a free health check-up once a year to safeguard their health.
Employee Stock Options	In order to attract more talented professionals, stabilize the existing professional workforce, motivate their work efficiency and quality performance, Tanvex BioPharma offers employee stock options issued by the parent company, subject to the approval of the Tanvex BioPharma Board of Directors. This allows employees to share in the achievements of the Group's operations, enhance employee welfare, and take care of their work and living standards, thus maximizing the interests of both the Group and its employees.	
Training Subsidies	To encourage employees to enhance their professional abilities, we provide subsidies for education and training, as well as relevant development projects. Please refer to 3-3 Training and Education for more details.	
Other Benefits	Employee break area: An employee break area is set up for employees to have lunch and interact with each other.	Breastfeeding facilities: A breastfeeding room is provided for female employees to facilitate lactation needs and maintain their personal privacy. Employee break area: An employee break area is set up for employees to have lunch and interact with each other.

Parental Leave

Tanvex BioPharma has established a comprehensive parental leave system to fully support employees with childcare needs. In 2022, a total 4 employees (1 male and 3 females) are qualified for parental leave. 2 employees applied for parental leave, and the retention rate after returning to work reached 100%. This demonstrates Tanvex's success in creating a family-friendly work environment, allowing employees to balance their work and family caregiving needs.

Retirement Plan and Implementation Status

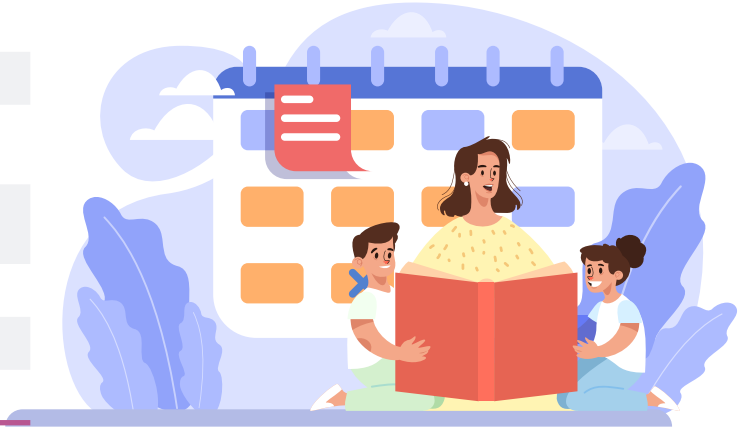
In addition to providing abundant benefits to employees during their employment, Tanvex BioPharma also aims to assist every employee in planning for their life after retirement. By establishing a sound retirement benefits system, the company ensures the protection of employees' rights.

In Tanvex Biologics Corporation (Taiwan), we contribute to the individual retirement accounts established by the Labor Insurance Bureau in accordance with the provisions of the Labor Pension Act. The company's contribution is not less than 6% of the employee's monthly salary, and employees can also choose to voluntarily contribute to their retirement accounts within the range of 6% of their monthly salary. In Tanvex BioPharma USA, all full-time employees are eligible to participate in the US Employee 401K Retirement Plan. This plan not only provides tax advantages for employees but also allows employees to contribute a fixed amount or a percentage from their salary, while the company also contributes a certain percentage to enhance the security of employees' post-retirement life.

2022 Employee Parental Leave Statistics

		Male		Female	
		Taiwan	USA	Taiwan	USA
Total number of employees that were entitled to parental leave in the current year	(A)	0	1	2	1
Total number of employees that took parental leave in the current year	(B)	0	1	1	0
Total number of employees that should return to work after parental leave ended	(C)	0	1	1	0
Total number of employees that returned to work after parental leave ended	(D)	0	1	1	0
Total number of employees that returned to work in the past 12 months after parental leave ended	(E)	0	1	1	0
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	(F)	0	1	1	0
Rate of application for unpaid parental leave	(B/A) (%)	-	100%	50%	-
Reinstatement rate	(D/C) (%)	-	100%	100%	-
Retention rate	(F/E) (%)	-	100%	100%	-

Tanvex BioPharma achieved a 100% retention rate for employees on maternity leave.



3-2 Human Rights and Diversity

Tanvex BioPharma is committed to upholding the basic human rights of all employees and creating a workplace environment that fully guarantees human rights and diversity. To eliminate any acts that violate human rights, we strictly adhere to internationally recognized human rights issues, such as freedom of association, collective bargaining rights, care for vulnerable groups, prohibition of child labor, elimination of forced labor in all its forms, and elimination of employment and hiring discrimination. We actively implement gender equality and anti-discrimination principles in talent recruitment, compensation, benefits, education and training, performance evaluation, and promotion systems to ensure that all members, both internal and external, receive fair, equal, and dignified treatment.

3-2-1 Human Rights Policies

Tanvex BioPharma refers to and complies with the core values of various international human rights conventions, such as the Universal Declaration of Human Rights, the Convention on the Elimination of All Forms of Discrimination Against Women, and the International Convention on the Elimination of All Forms of Racial Discrimination, as well as local laws, to establish **Tanvex's human rights policies**. The policy explicitly states that the company must comply with relevant regulations and international human rights conventions and opposes any acts of discrimination and human rights violations (such as sexual harassment or workplace bullying) to safeguard employee rights and create an equal, non-discriminatory, and harassment-free work environment. This policy is issued and confirmed by the Chairman and CEO of the company and covers Tanvex BioPharma and its subsidiaries.

Concerns and Practices for Human Rights

The HR department of Tanvex BioPharma is responsible for promoting human rights-related policies and matters. We provide an employee handbook on the day of their onboarding, which includes all relevant human rights policies and practices. The related HR regulations or work rules are also announced on the company's internal website to enhance information transparency. In addition, we require all non-managerial employees of Tanvex BioPharma USA to undergo at least 1 hour of online training every 2 years, while managerial employees are required to undergo at least 2 hours of training. The total hours of training in 2022 are 214 hours which includes 38 managers and 69 non-managerial employees. To ensure that our partners also uphold the concept of respecting human rights, we include relevant human rights clauses in supplier contracts.

In addition, Tanvex BioPharma has identified potential human rights issues in its operations, including occupational safety management, employee health management, protection of women's rights, prohibition of child labor, prevention of sexual harassment, and overtime work. Risk mitigation measures and compensation measures have been developed for these 6 issues, and the achievements in 2022 are disclosed as follows:

Topics of Concern	Occupational Safety Management	Employee Health Management	Protection of Women's Rights	Prohibition of Child Labor	Sexual Harassment	Overtime Work
Risk Mitigation Measures	1. Regularly monitor the workplace environment to ensure workplace safety and prevent occupational accidents. 2. Regularly conduct fire safety inspections. 3. Provide occupational health and safety education and training for new employees to raise awareness of safety and health.	Regularly conduct employee health check-ups and proactively remind employees to participate.	Complied with labor laws and regulations on gender equality in the workplace.	1. Prohibit the employment of individuals under the age of 18. 2. Clearly specify recruitment conditions and verify identification documents upon reporting.	1. Explicitly prohibit sexual harassment in personnel regulations or work rules and provide an equal working environment. 2. Provide relevant complaint channels (such as a sexual harassment complaint hotline and email) for employees to express their opinions immediately.	1. Strictly comply with labor laws and regulations and specify them in personnel regulations or work rules. 2. Record employee attendance time and reasons for overtime through attendance systems and remind employees of the regulations regarding working hours and extended working hours. 3. Regularly review the overtime situation in each department.
Compensation Measures	1. Initiate procedures for reporting and handling occupational accidents. 2. Provide care and information on group insurance to assist employees in applying for relevant compensation.	-	-	-	Upon receiving reports, take appropriate actions in accordance with the complaint mechanism.	1. Compensate employees with overtime pay or leave as required. 2. Assist in understanding the reasons for employees' overtime work and, if necessary, help improve work efficiency.
Implementation Results	There was an occupational accident this year.	Most employees automatically participated in employee health check-ups.	No abnormal incidents occurred this year.	No incidents of employing child labor occurred this year.	No sexual harassment complaints were reported this year.	1. The number of overtime hours is significantly lower than the statutory limits set by labor laws. 2. Regarding actual overtime work, appropriate compensation measures have been implemented, including overtime pay or leave, and the reasons for overtime have been identified and managed.

Grievance Mechanism for Employees

Tanvex established "Sexual Harassment Prevention Measures in the Workplace, Complaints and Punishment Measures", and set up specific complaint hotline and email channel. Our employees are able to communicate or file a grievance if violations of the company's diversity and inequality are found in the workplace. Relevant feedback and reporting incidents will be handed over to our HR department for follow-up processing. Our employees can also make statements on related cases to their supervisors or to the HR department, so that the unimpeded communication and consensus between labor and management can be maintained. In 2022, we received 3 feedbacks from the suggestions box, 2 of which were related to hostile environment and 1 of them was related to abusive conduct. All cases were further investigated and properly handled by the HR department.

Suggestion box	Resonsible department
HR@tanvex.com	Tanvex Biologics Corporation (Taiwan) Human Resource Department
Norma.braun@tanvex.com	Tanvex BioPharma USA Human Resource Department

3-2-2 Diversity and Equal Opportunity

Diversity and Equal Opportunity

In recent years, promoting a workplace culture of diversity and inclusion has been advocated globally. By embracing diverse ethnic backgrounds, respecting individual differences, and allowing each diverse individual to develop and contribute, companies create differentiated competitive advantages and employee satisfaction. As a multinational corporation, Tanvex BioPharma embraces diversity and inclusion as part of its corporate DNA and implements it at various levels within the company. In terms of ethnic diversity in 2022, we have 3 foreign directors, accounting for 33% of the Board of Directors. In our subsidiary Tanvex BioPharma USA, as high as 69% of employees belong to minority groups. In terms of gender diversity, the male-to-female ratio among our total employees is 52:48, and among managers, it is 54:46. We are committed to fostering of diversity and equality, creating a safe, inclusive, and respectful environment for individuals of all backgrounds, and inspiring employees to contribute to higher corporate value together.

Employee Structure by Age, Job Role and Region in 2022

Category	Male		Female	
	Taiwan	USA	Taiwan	USA
< 30 years old	2	24	3	19
31-50 years old	9	40	16	33
> 50 years old	4	17	4	13
Managerial role	5	23	5	19
Non-managerial role	10	58	18	46
Minority	0	56	0	45
Non-minority	15	25	23	20
Sub-Total	15	81	23	65
Total	96		88	

Note1: Data calculation method: full-time equivalent (FTE).

Note2: The statistics are as of 12/31/2022.

Note3: Definition of managerial role and non-managerial role: In Taiwan, managerial role is defined as manager level and above who is department head but exclude Chairman; non-managerial role is positions that below supervisor and entry level. In the U.S., managerial role is defined as manager title level and above; non-managerial role is persons other than previous criteria.

Note4: Definition of "Minority" in the U.S.: Black/African American; Native Hawaiian or other Pacific Islander, American Indian or Alaskan Native, Asian, Hispanic or Latino, Two or More Races and female.

Equal Remuneration

Tanvex strives to create an equal and diverse workplace. In addition to recruitment, we apply a competitive and fair salary system to retain the top talent in the industry. Based on job duties, market competitiveness, and the salary of current employees, we have pay levels for every employee and new recruits.

The following table shows our remuneration (Including basic salary + allowance and bonuses) ratio by gender and job role in 2022. Generally, our remuneration ratio is rather equal among same industry. The ratio of basic salary in managerial role in Taiwan is relatively high because of our industrial characteristics and most senior executives are male, the company will be equal pay for equal work.

Respect and Inclusion

At Tanvex, we commit to providing our employees with an inclusive and diverse workspace. We pay respect to the uniqueness of each employee, and expect our employees to feel that their uniqueness is valued and recognized. Every employee is entitled to consideration in promotional opportunities, and their opportunities (and corresponding rights) do not differ as a result of race or gender.

Regarding the working rights and interests of our female employees, Tanvex has formulated two related policies in our work rules: "the protection of female employees working at night" and "the protection before and after childbirth", so that female employees can have more flexibility at work. In order to protect relatively disadvantaged female employees, there is also a grievance mechanism for sexual harassment in the workplace to ensure respect for the basic human rights.

Remuneration Ratio by Gender and Job Role in 2022

Ratio of the remuneration		Taiwan		USA	
		Male	Female	Male	Female
Managerial role	Ratio of basic salary	1.44	1.00	1.07	1.00
	Ratio of remuneration	1.00	1.00	1.04	1.00
Non-managerial role	Ratio of basic salary	0.89	1.00	1.05	1.00
	Ratio of remuneration	0.97	1.00	1.05	1.00

3-3 Talent Cultivation

Tanvex BioPharma values employee career development and growth. We aim to establish a work environment that motivates employees to develop themselves and strengthens their professional skills. Through systematic education and training programs and a fair performance evaluation system, we unleash employees' potential and enhance organizational efficiency.

3-3-1 Employee Development and Training

Tanvex BioPharma has planned comprehensive employee education, training, and continuing education programs, including training for new employees, domestic and international training opportunities, and on-the-job training. These programs provide employees with continuous growth and development opportunities, enhancing their professional capabilities and cultivating exceptional talent within the organization.

Employee Continuing Education and Training

Tanvex BioPharma provides diverse learning channels, including annual education and training courses, as well as collaboration with internal and external resources for education and training. We encourage employees to pursue independent learning and to develop their professional knowledge and skills. In 2022, a total of 206 employees (including both managerial and non-managerial positions) received training, totaling 5,413 hours. The types and content of education and training provided by the company are as follows:

» New Employee Training

After new employees join the company, the HR department provides explanations on company personnel regulations, benefit measures, company introduction, environmental introduction, organizational introduction, and introductions to the personnel from various departments.

» Domestic and International training opportunities

(1) Domestic Training: To enhance professional knowledge and improve job skills, we regularly conduct internal training courses or send employees to external institutions for training courses. In accordance with GMP factory and FDA regulations, the research and development personnel are required to complete relevant training to facilitate their job execution.

(2) Overseas Training: To achieve technical integration within the value chain of the Group and implement the transfer of overseas technologies, Tanvex BioPharma dispatches employees to overseas companies, affiliated enterprises, and foreign institutions for various education programs on new skills, as needed for their work.

» Continuing Education

To allow employees to continuously enhance their professional knowledge through ongoing education, employees who have served for more than two years may, after applying and obtaining approval, use work hours, evening hours, or holiday time to pursue formal degrees.

Employee Training Hours by Gender, Position and Region in 2022

Employee training	Male						Female						All employees					
	Total training hours		Total number of men		Average hours of training per person		Total training hours		Total number of women		Average hours of training per person		Total training hours		Number of people		Average hours of training per person	
	Taiwan	USA	Taiwan	USA	Taiwan	USA	Taiwan	USA	Taiwan	USA	Taiwan	USA	Taiwan	USA	Taiwan	USA	Taiwan	USA
Managerial role	34	678	2	25	17.00	27.12	48	505	4	15	12.00	33.67	82	1,183	6	40	13.67	29.58
Non-managerial role	90	2,033	9	77	10.00	26.40	126	1,899	15	59	8.40	32.19	216	3,932	24	136	9.00	28.91
Total	124	2,711	11	102	1.27	26.58	174	2,404	19	74	9.16	32.49	298	5,115	30	176	9.93	29.06

Note: The statistics are as of 12/31/2022.

3-3-2 Employee Performance and Career Development Reviews

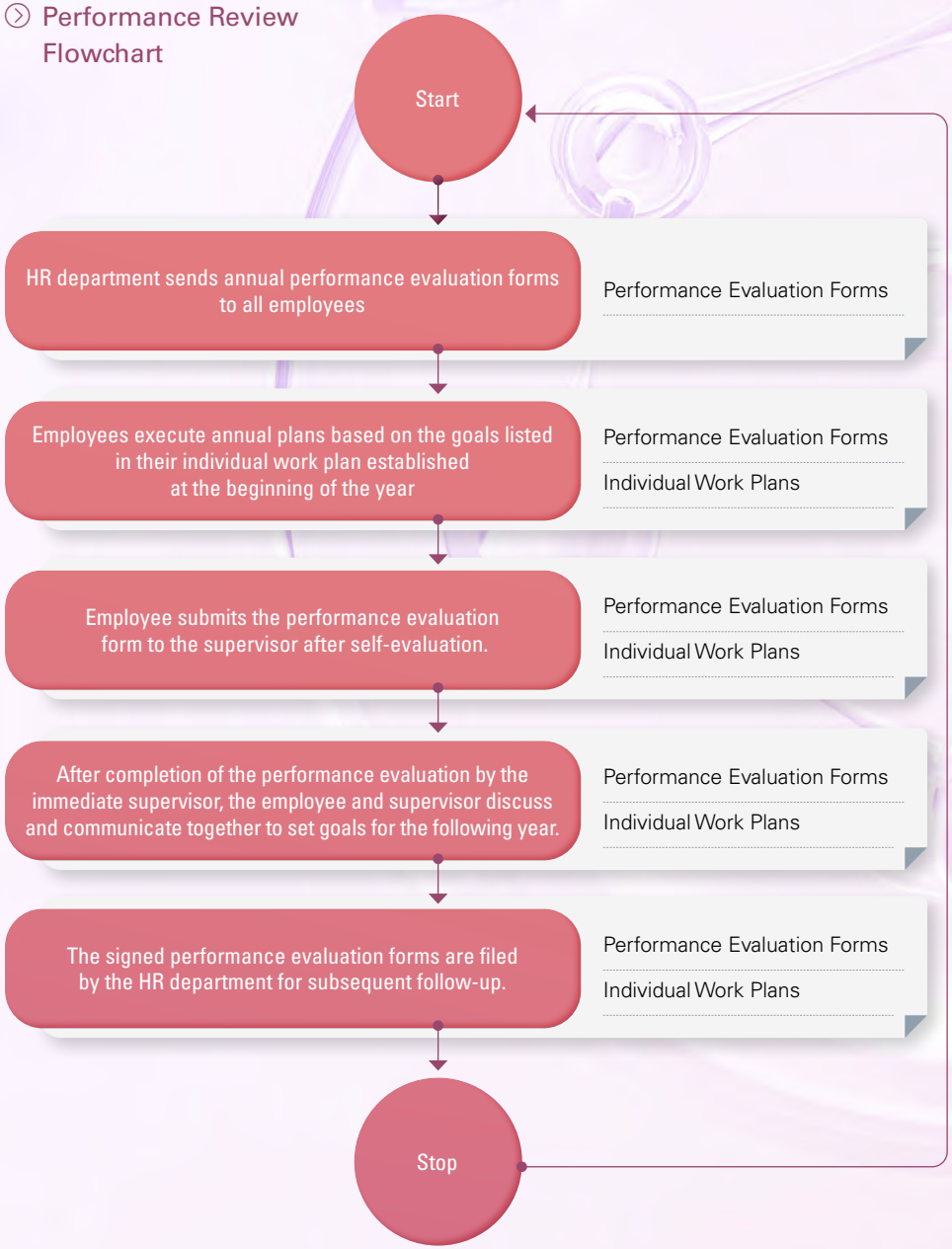
Tanvex is committed to a fair and objective performance review system. Conducting employee performance appraisals is a productive and meaningful activity that positively contributes to the success of Tanvex. The employee performance and career development review provide employees with an opportunity to have a meaningful discussion of work performance and to learn how to improve their skills and abilities. Through employee performance and career development review, not only can the supervisors evaluate the performance of employees, but the employees can develop a solid target and pathway of improvement in their career at Tanvex.

Performance Review Process

Tanvex conducts a formal review once a year for each employee. The employee performance and career development review process start with delivering "Employee Performance Appraisal form "by HR department. At the beginning of each year, employees and supervisors jointly set goals and fill in the "Annual Personal Work Plan"; and at the end of the year, fill out the "Employee Performance Appraisal Form". Employees will be evaluated on how well they are performing in reference to established goals and performance criteria, and will be given constructive criticism by their supervisors regarding those areas in which improvements can be made. Meetings for annual review between employee and supervisor will be arranged to discuss the performance of the employee and to make plans for next year together.

In addition to this formal feedback, employees at Tanvex also have the opportunity to interact with their supervisors on a frequent basis and therefore receive regular feedback regarding job performance.

Performance Review Flowchart



Essentials in our Performance Review

In our employee performance and career development review, we value individuals' core competencies. Competencies include adaptability, communication/ listening skills, dependability, ethics, initiative, interpersonal skills, job knowledge and competence, productivity, teamwork/collaboration and work quality. We believe that those competencies define the knowledge, skills, abilities, and behaviors that lead to superior performance. Employees are also expected to measure their level of proficiency to demonstrate their ability to successfully perform the assigned job role.

To encourage our employees to continue to demonstrate exceptional performance in their role, potential rewards through position promotions, job rank promotions, salary increases and/or bonuses may be offered.

Sample of Annual Personal Work Plan and Employee Performance Appraisal Form

tanvex

Tanvex BioPharma Inc.

英屬開曼群島商泰福生技股份有限公司台灣辦事處

員工績效考核表

Period : January 1 - December 31, 2022

員工編號 _____ 員工姓名 _____

部門 _____ 組別 _____

直屬主管 _____

SECTION 1：等級與評分

等級	極佳 Outstanding	佳 Exceeds Expectations	符合要求 Meet Expectations	差 Below Expectations	極差 Unsatisfactory
評分	5	4	3	2	1

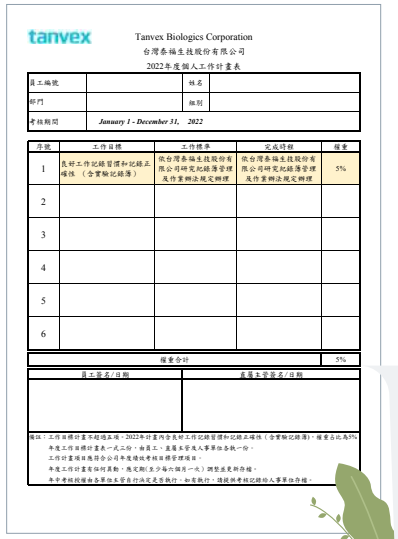
SECTION 2: GOALS AND RESULTS ACHIEVED 目標管理 (內容同工作目標計畫表)

員工將依年度的最終極准目標項目與權重選項記錄，簡述每個目標的實現程度，決定每項目標之工作完成度，所有[目標權重]之總和應為100%。

工作完成度請以百分比標示。

SECTION 2：權重 70% 0%（目標權重合計）

目標一		工作完成度	目標權重	自評	主管評分
結述：					



tanvex Tanvex Biologics Corporation

台灣泰福生技股份有限公司

2022年度個人工作計畫表

員工編號		姓名	
部門		組別	
考核期間	*January 1 - December 31, 2022*		

序號	工作目標	工作標準	完成時程	權重
1	良好工作記錄習慣和記錄正確性（含實驗記錄簿）	依台灣泰福生技股份有限公司研究紀錄落實管理及作業辦法規定辦理	依台灣泰福生技股份有限公司研究紀錄落實管理及作業辦法規定辦理	5%
2				
3				
4				
5				
6				
權重合計				5%

員工簽名/日期	直屬主管簽名/日期

備註：工作目標計畫不超過五項，2022年計畫內容含有工作記錄習慣和記錄正確性（含實驗記錄簿），權重占比為5%

年度工作目標計畫表一式二份，由員工、直屬主管及人事單位各執一份。

工作計畫項目應符合公司年度績效考核目標管理項目。

年度工作計畫若任何異動，應更新(至少每六個月一次)調整並更新存檔。

本年考核按權重由直屬主管自行決定是否執行，如有執行，請提供考核記錄給人事單位存檔。

Employee Under Performance Review by Gender, Position and Region

In 2022, Tanvex had 31 people in managerial role and 113 people in non-managerial role under performance review. The ratio for total employees under performance review is around 80%.

Employees under performance review	Male		Female		Total employees
	Taiwan	USA	Taiwan	USA	
Managerial role	3	16	4	8	31 (16.32%)
Non-managerial role	6	55	13	39	113 (59.47%)
Total	9 (60.00%)	71 (87.65%)	17 (73.91%)	47 (74.60%)	144 (75.79%)

Note: Some employees were hired after the performance review process was completed and will not be reviewed until 2023; some employees left the company before the review, so the ratio for total employees under performance review is not 100%.

3-4 Occupational Health and Safety

Tanvex values every employee's safety and health in our workplace. We follow "Safety and Health Management System (SHMS) guidelines" issued by the Federal Occupational Safety and Health Administration (OSHA) and established our occupational safety and health (OSH) management programs. We also conduct worksite analysis, incident reporting and investigation procedures, hazard prevention and control, and safety and health training to prevent occupational hazards.

Moreover, Tanvex expects full participation from our employees and strives to enhance their safety awareness. Our employees have the right to refuse to perform work that threatens their health and safety. Every refusal and any corrective actions taken to address health and safety concerns would be documented and inform the supervisor, manager, director of facilities, and environment health and safety (EHS) representative. We spare no effort to eliminate hazards and create a safe and healthy work environment.

3-4-1 Occupational Health and Safety Management

Ensuring Workplace Safety

Tanvex Biopharma EHS Department is in charge of the development, implementation, and maintenance of the occupational health and safety management plan and related programs. The EHS Department responds quickly to emails, comments, and Hazard Identification and Near Miss reports in order to ensure the immediacy and effectiveness of communication, and will conduct hazard assessments as well as ergonomic evaluations upon request. The EHS Department also assists laboratory employees directly with chemical hazards communication, by completing the hazard classification of all routinely prepared solutions, following the definitions under the "Globally Harmonized System of Classification and Labelling".

There is a quarterly occupational safety committee meeting, in which the EHS discusses the incidents, issues, and activities during the previous months and takes recommendations and feedback from committee members.

Tanvex's occupational safety and health management programs

Tanvex developed various OSH programs by complying with California General Industry Safety Order 3202, the process began with the creation of an "Injury and Illness Prevention Program". Additionally, we use the elements of the OSHA SHMS, which includes Management Commitment and Leadership, Employee Participation, Worksite Analysis, Incident Reporting and Investigation Procedures, Hazard Prevention and Control, Safety and Health Training, the development of Specific Programs, and Program Evaluation, as needed.

» **List of Tanvex's occupational health and safety programs:**

- Injury and Illness Prevention Program
- Safe Use of Cyanide Compounds Program
- Use of Cyanide Detectors Procedure
- Emergency Response and Fire Prevention Plan
- Covid-19 and Communicable Disease Prevention Plan
- Laboratory and Manufacturing Safety Program
- Hazard Communication Standard Written Plan
- Chemical Hygiene Plan
- Management of Chemical and Biological Waste
- Compressed Gas Safety
- Electrical Safety Program
- Ergonomics Program
- Powered Industrial Truck Safety Program
- Spill Prevention Countrol and Countermeasure Plan
- Control of Hazardous Energy Sources Program

Moreover, annual refresher training related to routine hazards is given via Master Control. EHS will also do refresher training or new program development upon request from Tanvex supervisors.

All employees receive onboarding environmental health and safety training before they begin work at Tanvex. The onboarding program includes: Injury and Illess Prevention, Covid-19 and Communicable Disease Prvention, Emergency Action and Fire Prevention, Ergonics, Back Injury Prevention, Lifting Safety, Pest Control, Laboratory and Manufacturing Safety, Hazard Communication, Chemical Hygiene, Biological Safety (currently Biosafety Level 1), and Chemical/Biological Waste Management.

The EHS department can be contacted to prepare special safety training programs such as "Safe Use of Cyanide Compounds", "Use of Cyanide Detectors", "Safe Use of Particularly Hazardous Substances", "Back Injury Prevention", and "Compress Gas Safety" by employees and their supervisors. Other safety programs with specific annual refresher requirements (e.g., First Responder Operations, DOT Hazardous Materials Handling) are given in-person at the required intervals. In 2022, 100% of our employees are covered by Tanvex's occupational safety and health management programs.

Internal/External Audit Mechanism

Regular audit is important to our OSH management system. Tanvex has both internal and external audit mechanisms for occupational safety and health management. Through internal and external audit, we can ensure our compliance with policies and regulations, receive objective insights and identify potential risks.

For internal audit, we have regular environmental health and safety inspections of the laboratory, manufacturing, and warehouse areas. These occur on a quarterly basis, before the next scheduled quarterly Safety Committee meetings. For external audit, there are several audit bodies including government agencies and a consulting firm that provides audit service for us.

External audit

Audit Body	Frequency
San Diego Department of Environmental Health	Annual inspection of the facilities
San Diego Fire Department and Industrial Wastewater Discharge Control Program	Annual inspection
Zoubek Consulting	Quarterly, and as requested ahead of formal agency inspections

Process of investigating occupational accidents

In the U.S., Tanvex Biopharma follows the Occupational Safety and Health Administration (OSHA) Safety and Health Management System (SHMS) approach for the investigation of accidents and incident.

Step 1

Assess the Injury

Determine how severe the injury or potential for injury is.

Step 2

Obtain Medical Treatment if Necessary

If no medical attention or only first-aid is required, then we may proceed to Step 3. If immediate medical attention is necessary, we would have a manager take the employee to the nearest emergency room or urgent care facility or call 911 to request medical assistance at the worksite depending on the severity of the injuries.

Step 3

Interview Injured Employee and Witness (es)

The injured employee and the supervisor complete an incident report to provide an overview of the accident. EHS will interview all witnesses who have first-hand knowledge of the accident, and each witness should complete a witness statement.

Step 4

Observe Accident Scene and Analyze the Facts

EHS will, as necessary, observe the accident scene and take photographs of the area, including objects, wet floors and equipment that may have contributed to the incident. EHS will work with the Director of Engineering and Facilities and all appropriate supervisors to develop action plans that are immediately implemented to correct any issues that can be addressed to ensure that the work area is safe for employees.

Step 5

File a Workers' Compensation Claim

As needed, Tanvex Biopharma Human Resources will contact insurance carrier and file a work-related injury report.

Step 6

Follow Up

EHS will follow up with the employee after the accident investigation has concluded.

Step 7

Corrective Action

Appropriate corrective actions will be identified in terms of how to prevent a recurrence and improve the overall operations of the company. If an employee violated a major or minor safety rule, Tanvex Biopharma supervisors will follow its company work rule violation policy and take the corrective action necessary. The safety committee members will also be allowed to review investigations of all accidents to help form recommendations for appropriate corrective action to prevent future recurrence.

Tanvex Biopharma has a form for New Chemical Approvals. The process for its use is as follows:

Obtain data sheet for new chemicals

Obtain safety data sheet for the new chemical/chemical product and attach it to this approval.

Identify if replacing an existing chemicals

If the substance replaces an existing chemical/chemical product, attach the Safety Data Sheet for the existing chemical as well.

Fill out descriptions for new chemicals

Fill out description of reasons for using the new chemical and explain how the new chemical is to be used by employees.

EHS evaluation

Forward this approval form to Environmental Health and Safety (EHS) for review. EHS will evaluate the chemical request and make recommendations on hazard levels, correct handling procedures and protective equipment requirements within 5 working days.

Information delivery to related personeel

EHS will forward the information to the appropriate Safety Committee members and department managers whose people are going to be using the chemical. A designated manager for the department and the Director of Engineering and Facilities must approve the acquisition of the new chemical before an order can be processed.

Toxicity identification and treatment

If any chemicals are found to be toxic, a determination will be made if there is a reasonable and less hazardous substitute. If not, the material will be ordered in the smallest possible volumes, on an as-needed basis.

3-4-2 Prevention/Mitigation of Occupational Health and Safety Hazards

To prevent work-related injuries and work-related ill health, Tanvex set up safety and health management and internal audit mechanisms. We have environmental safety and health inspections of the laboratory, manufacturing, and warehouse areas quarterly. Moreover, we conduct occupational safety and health risk assessment to find potential risks in our workplace and have control measures.

Occupational Health and Safety Risk Assessment

From occupational safety and health risk assessment, Tanvex not only assesses the safety and health needs of employees based on job classifications, but also identified 7 potential occupational risks in the workplace. To lower the possibilities of those risks, we have implemented appropriate control measures. In addition, our EHS Department conducts quarterly inspections to ensure all appropriate engineering controls are being used, administrative controls are being utilized, work practices are being followed, and personal protective equipment is being worn.

Identify Potential Occupational Safety Hazard Risks by Job Classification

The relevant job classifications within the company were evaluated for exposure to hazards. Subsequently, compliance programs were prepared to address those hazards (e.g., Chemical Hygiene/Hazard Communication, Emergency Action/Fire Prevention, Biosafety, Ergonomics).

Identifying the items related to occupational hazards

Risks	Description	Control measures
Exposure to chemicals	Employees use a variety of solvents, acids, bases and chemicals presenting acute and chronic hazards.	Lab coat, glove, goggles. Fume hoods for significant inhalation hazards.
Exposure to biologicals	Employees use BSL-1 rated bacteria for cultures and experimentation.	Lab coat, glove, safety glasses. BSCs when aerosols can occur.
Ergonomic injury	Repetitive motion injury related to data entry/lab activities.	Ergonomic equipment; exercises.
Slip hazards	Floors can be damp if ice from fridge melts or after cleaning operations.	Slip-resistant booties in clean room. Prompt clean-up of water.
Electrical hazards	Facilities and IT services repair and maintain equipment that use electricity.	Lock-out/Tag Out equipment.
Fall hazards	Facilities team can work on roof.	Fall Protection Training and equipment.
Back injury	Warehouses and facilities may have to deal with heavy loads.	Back injury prevention training and equipment.

Occupational hazards reporting mechanism

Tanvex also establishes a transparent channel for employees to report occupational hazards and dangerous situations and request for help. Our employees can go directly to the Acting HS Manager or Director of Facilities to report a hazardous condition. Once we receive the report, the report will be handled as promptly as possible and keep employees updated. If necessary, hazard warning signs and barriers would be posted.

In addition, in the U.S. the Federal Occupational Safety and Health Administration has 22 federal statutes protecting employees who raise or report concerns about hazards or violations related to safety standards. Our employees are urged to voice their concerns directly to EHS department, the director of Facilities and Engineering, supervisors and managers, as addressing those concerns is of paramount importance to the company.

2022 work-related injuries and ill health performance

In 2022, the total number of hours worked for full-time employees is 279,810. There is a work-related injuries: an employee slipped on floor. This injured employees received appropriate medical treatment.

Types of worker		Full time	Part time	Contractor	Total
a. The number of hours worked		279,810	0	0	279,810
Types of work-related injury	Work-related injuries	1	0	0	1
	Work-related ill health	0	0	0	0
b. Number of normal work-related injuries (Lost time within 180 days)	Work-related injuries	0	0	0	0
	Work-related ill health	0	0	0	0
c. Number of highconsequence workrelated injuries (excluding fatalities) (Lost time over 180 days)	Work-related injuries	0	0	0	0
	Work-related ill health	0	0	0	0
d. Number of death	Work-related injuries	0	0	0	0
	Work-related ill health	0	0	0	0
Rate of high-consequence work-related injuries (excluding fatalities) (%)		0	-	-	0
Rate of fatalities as a result of work-related injury (%)	Work-related injuries	0	-	-	0
	Work-related ill health	0	-	-	0
Number of recordable work-related injuries	Work-related injuries	1	0	0	1
	Work-related ill health	0	0	0	0
Rate of recordable work-related injuries		0.53	-	-	0.53

Our Response to COVID-19

Although COVID-19 has transitioned to an epidemic disease, Tanvex still rigorously maintains an effective pandemic prevention program. We have created the Communicable Disease Prevention and Pandemic Response Plan and provided an associated training course for every employee, actively appeal to our employee to manage their health and personal hygiene. Tanvex also encourages every employee to receive appropriate vaccinations, practice frequent handwashing, clean and disinfect commonly touched surfaces often, and avoid sharing phones or tables. We also provide more work flexibility for sick employees (especially those with temperatures at or over 38 C/100 F) to work from home.

3-4-3 Employee Health Promotion Initiatives

Tanvex organizes various health promotion activities and resources for our employees to manage their mental and physical health. It is our responsibility to have every employee enjoying a balanced, happy, and healthy working environment.

Employee Health Promotion Program

All full-time and part-time employees can benefit from our health promotion activities and resources. The health information and resources are also disseminated to employees through the employee newsletter.

Free annual health check

Every employee may track their health condition every year. Within the scope of medical insurance, the families of employees can also have free health check annually.

Medical benefit program

Employees can acquire wellness information and wellness programs through the insurance carrier.

Resource Advisor/ Employee Assistance Program (EAP)

For the mental health of employees, Tanvex provides counselling services to assist employees to solve problems on personal/family relationships, financial counseling, or stress/anxiety reduction. The Resource Advisor is accessed through telephone or online.

Health Lunch menu

In Taiwan, in order to encourage employees to choose health diet with less salt and less oil, the administration department provides a health lunch menu to employees who are not preparing their lunch by themselves.

Company sponsored activities

To achieve work-life balance for employees, Tanvex supports sports teams. We also participate in San Diego area softball league and other sports.

04

Life Saving Medical Innovation

- Unique development model of vertical of biological product development.
- Percentage of local suppliers amount is **99.33**% in 2022.

4-1 Product Research and Development Progress and Outlook

Tanvex BioPharma focuses on the vertical integration of research and development, manufacturing, and sales. It specializes in the development of biosimilars and new drugs. Currently, Tanvex BioPharma has establishments in Taiwan and the United States, including Tanvex Biologic Corporation (Taiwan) and Tanvex BioPharma USA, Inc. In Taiwan, Tanvex holds the patents and is primarily responsible for cell line and early-stage bioprocess development, while Tanvex BioPharma USA, Inc. focuses on process scale-up technologies such as cell culture and the production and application of process patents.

In recent years, many drugs for serious diseases such as cancer, rheumatoid arthritis, and autoimmune diseases are biopharmaceuticals. However, their complex manufacturing processes result in high prices, making it difficult for many patients to afford these biopharmaceuticals. Additionally, these high costs pose a burden on government healthcare expenditures. Therefore, the development of biosimilar drugs creates a vast market potential and business opportunities. Tanvex BioPharma is market-oriented and committed to developing safe, effective, and affordable drugs, aiming to benefit more patients and significantly reduce healthcare expenses. The manufacturing process and production technology of biosimilars are complex. However, Tanvex BioPharma, with its state-of-the-art equipment, excellent research and development talent, latest environmental protection technology, rigorous and professional process development capabilities, and cGMP drug production capabilities, are gradually bringing its products to the market and will continue to move towards becoming an internationally renowned biopharmaceutical company.

4-1-1 Advantages of Tanvex Product Development

The core competitive advantage of Tanvex BioPharma lies in its research and development technical platforms and production capacity, which encompasses both Mammalian Cell Line Development and Microbial Fermentation. The company can vertically integrate the entire value chain of biosimilar drugs, from cell line development, cell culture, purification, and active pharmaceutical ingredients to commercial production. Tanvex BioPharma has the ability to fully grasp the technology and costs and maintain flexibility to adapt to changes in market demand, ensuring efficiency and competitiveness in the market.

@ Tanvex Biologic Corporation (Taiwan)	@Tanvex BioPharma USA	@Tanvex BioPharma USA
Cell Line Development	Manufacturing Optimization	Commercial Production
• Cutting-edge Mammalian Cell Line & Microbial Drug Development Platform • Create cell lines with future manufacturability	• Internationally recognized single-use biopharmaceutical process technology to ensure process quality and safety	• Completion of warehouse, production capacity, and production line equipment installation, with reserved space for future expansion

Cell Line Development

Cell line development is primarily handled by the research laboratory of Tanvex Biologic Corporation (Taiwan). We develop our own highly efficient vectors and utilize cutting-edge mammalian cell line and microbial drug development platforms to select candidate cell lines with the ability to produce large amounts of proteins. Additionally, we have developed seed cell banks and working cell banks and continuously optimize cell culture media and their growth conditions.

Tanvex includes scale-up technologies in early-stage bioprocess development, ensuring that the developed cell lines fully demonstrate the characteristics and high stability of mammalian cell lines and microbial fermentation, creating advantages in high-quality and commercially cost-effective production.

Manufacturing Optimization

Tanvex BioPharma USA is responsible for process optimization and drug development. It undertakes the gene-transfected cell lines completed by Tanvex Biologic Corporation (Taiwan) and continues with cell culture, process optimization, and scale-up to ensure high stability and expression levels. It ensures that the quality and key characteristics, such as physical, chemical, and biological properties, are extremely similar to the reference drug, in preparation for the final commercial production of the drug.

Tanvex has introduced state-of-the-art equipment and processes and is committed to creating a clean and pollution-free manufacturing environment. Most equipment surfaces that come into contact with the product are single use, such as disposable agitation tanks and bioreactors, to reduce the risk of product contamination. Additionally, advanced chromatography and filtration technologies are used for product purification.

To ensure high quality and safety standards, Tanvex has an experienced professional quality control team. The quality control and analytical departments conduct comprehensive testing and develop testing methods for all products. Tanvex BioPharma strictly complies with relevant regulations regarding process and drug development to ensure the quality of the entire production process.

Commercial Production

Tanvex BioPharma has completed the establishment of warehouses, capacity, and production lines at its major commercial production base in San Diego, California, USA. This includes microbial fermentation tanks and mammalian cell bioreactors. Currently, Tanvex BioPharma has one 150-liter microbial cell fermentation tank. Also has one 300-liter single-use fermenter (SUF) for future expansion. In addition, Tanvex BioPharma adopts internationally recognized disposable technology for biopharmaceutical processes. Currently, two mammalian cell production lines with 4,000-liter capacity have been completed using disposable technology. In order to accommodate the product's commercialization schedule and future market demand, the company has reserved space at the production base for future expansion.

4-1-2 Product Research and Development

Tanvex BioPharma Product Development Timeline

2018.10
Submission of Biologics License Application (BLA) for TX01 (filgrastim Biosimilar)

2021.02
Successful unblinding of Phase III trials for TX05 breast cancer treatment

2021.06
Tanvex Biologics Corporation (Taiwan) signed a contract with OBI Pharma, Inc., a new drug development company, for contract development and manufacturing services (CDMO), with Tanvex BioPharma conducting the front-end operation of cell line development for OBI Pharma, to facilitate subsequent new drug development business.

2022.07
- TX01 (filgrastim Biosimilar) received Drug Establishment License (DEL) approval from Health Canada
- FDA completed review of TX05 BLA and provided a Complete Response Letter (CRL).

2020.11
Resubmission of Biologics License Application (BLA) for TX01 (filgrastim Biosimilar)

2020.12
Signed a Term Sheet sales agreement with Canadian partner Mint Pharmaceuticals Inc. for the biosimilar drug TX01 (filgrastim Biosimilar) in the Canadian market

2021.03
Reached a patent agreement with Amgen for Canada on February 26, under which Amgen agreed to enable Tanvex BioPharma to use Amgen's Canadian patent license

2021.05
The FDA completed review of the BLA for the biosimilar drug TX01 (filgrastim Biosimilar) and provided a Complete Response Letter.

2021.08
Submission of BLA for TX05 (trastuzumab Biosimilar) for product registration and approval

2021.09
FDA officially accepted the BLA for TX05 (trastuzumab Biosimilar).

2021.10
TX01 (filgrastim Biosimilar) received marketing approval from Health Canada

2023.04
TX01 (filgrastim Biosimilar) BLA resubmission to FDA

2023.05
FDA officially accepted the BLA for TX01 (filgrastim Biosimilar)

Tanvex BioPharma Product Development Progress

Tanvex's products will go through processes: preclinical, phase I, phase III, submission and approval. Tanvex BioPharma's first biosimilar drug, the recombinant filgrastim biosimilar (referred to as TX01), has been approved for marketing in Canada for the treatment of chemotherapy-induced neutropenia. In April 2023, Tanvex BioPharma resubmitted the Biologics License Application (BLA) for TX01, aiming to obtain FDA approval for the biosimilar drug before the end of the year and actively accelerate sales expansion. The second biosimilar drug developed by Tanvex BioPharma is TX 05 — biosimilar for breast cancer treatment. We have completed the response letter currently and plan to resubmit it with BLA for TX05. In February 2023, Tanvex BioPharma reached a settlement with Genentech, a subsidiary of Roche, regarding patent litigation, allowing future sales in the United States and other regions where Herceptin® patents are certified. It is expected to start generating revenue in 2024.

Item	Indications	Molecule	Reference Originator Drug	Preclinical	Phase I	Phase III	Submission	Approval	Progress description
Recombinant Protein Biosimilar Drug (TX01)	Treatment of chemotherapy-induced neutropenia	filgrastim	Neupogen®						• In November 2018, the US Food and Drug Administration (FDA) accepted the license application for TX01, and on January 15, 2019, an application for drug certification was submitted to the Health Department of Canada (Health Canada). • In July 2022, TX01 (filgrastim Biosimilar) received approval for the Drug Establishment License (DEL) from Health Canada, allowing legal marketing in Canada. Currently, negotiations with the health insurance system are underway. • In August 2022, TX01 BLA was resubmitted.
Breast Cancer Biosimilar Drug (TX05)	Treatment of breast cancer	trastuzumab	Herceptin						• In July 2022, the company received a notification from the US FDA indicating that the drug certification approval review for TX05 at the current stage had been completed. The company planned to communicate with the US FDA and expects to provide additional information to complete the subsequent BLA review. • In February 2023, a settlement was reached with Genentech regarding patent litigation, allowing future sales in the United States and other regions where Herceptin® patents are certified. • Preparations are being made for the resubmission of the BLA.
Neutropenia Biosimilar Drug (TX04)	Neutropenia	pegfilgrastim	Neulasta						Planning for process scaling and preparation for pivotal trials is underway, and stability testing is being conducted concurrently.
Colorectal and Lung Cancer Biosimilar Drug (TX16)	Colorectal and lung cancer	bevacizumab	Avastin						Phase I clinical trials have been completed, and ongoing preparations for Phase III clinical trial design and confirmation of patent-related procedures.
Breast Cancer Biosimilar (TX52)		pertuzumab	Perjeta						Currently undergoing preclinical and process development.
TX54		pembrolizumab	Keytruda						Starting with cell line development.

4-1-3 Affordability and Pricing

Tanvex BioPharma's mission is "To provide safe, effective, and affordable biopharmaceuticals for patients, to cure diseases, and enable survival or prolong life. To make patients, shareholders, employees, partners, healthcare insurers, and all stakeholders in the value chain the greatest beneficiaries." The company was founded with the goal of lowering the prices of expensive biopharmaceuticals and improving the efficiency and affordability of next-generation biopharmaceuticals. With the passage of regulations and laws related to biosimilars, there is a favorable opportunity for the development of affordable medicines, providing patients with safe, effective, and affordable alternatives to costly biopharmaceutical treatments.

Biosimilar drug have charateristics with no clinically meaningful differences in terms of quality, safety, and efficacy to reference originator drugs, and its price is usually lower than the reference originator drugs. Adhering to our corporate mission, Tanvex BioPharma has developed biosimilar drugs TX01 is for treatment of neutropenia and TX05 is for the patients whose under treatment of cancer chemotherapy and breast cancer. With limited medical resources, if biosimilar drugs could be significantly less expensive for patients, it would allow the costs saved to be allocated to other more immediate needs, which is a boon to many patients and their families. TX01 from Tanvex BioPharma has obtained the drug certification approval from Canada and will soon be launched in Canada in 2023. TX01 and TX05 are expected to receive approval from the US Food and Drug Administration (FDA) in 2023 and 2024, and enter the US market in 2024. In terms of pricing, Tanvex BioPharma has established internal policies to ensure responsible drug supply, fair pricing, and compliance with international marketing standards. The company aims to set reasonable pricing that is beneficial to both Tanvex BioPharma and patients, allowing patients to confidently choose the company's products and maximize the value of medications. In addition to referencing international drug price indices to control costs, market research and data analysis are conducted to accurately price the drugs and establish affordable prices for patients.

Currently, after obtaining Canadian drug certification approval in November 2021, TX01 is undergoing price negotiations with the Canadian government as Canada has a national healthcare system. Tanvex BioPharma is actively engaged in the negotiation process with the Canadian government and looks forward to entering the market as soon as possible, benefiting a larger population. Tanvex will be establishing Product Listing Agreements, with each of the participating Canadian provinces.

4-2 Customer Health and Safety

Tanvex BioPharma commits to delivering our value through safe, effective and affordable biopharmaceuticals to cure disease and prolong patients' life. Customers' health and safety is our top priority. By following regulations, setting up a comprehensive quality system, conducting rigorous clinical trials, and developing product recall mechanism, we are able to ensure Tanvex has the best environment for drug production. Our active control and management with immediate adjustments in response to new regulations enable us to have no illegal incidents throughout the year.

4-2-1 Drug Safety

Tanvex's Quality Management System

To ensure our products used by patients are safe, effective and of high quality, Tanvex has established a complete quality management system and operation standard in the "Quality Manual". Our Quality Assurance team is responsible for the "Annual Product Review (APR)" which processes are clearly outlined in the APR guidance. Performing the APR for Tanvex is to ensure our product quality standards and the continued appropriateness of specifications, manufacturing, and control procedures can be evaluated. Besides, we also incorporate the continuous improvement mechanism into the quality management system. Our "Quality Management Review" mechanism is designed to monitor the suitable, adequacy, effectiveness, and the continuous improvement of Tanvex's Quality Management System.

Sufficient and experienced qualified personnel are fully staffed throughout our entire production line. We standardize the basic process of "procedure control", "monitoring and labeling", and "inspection and control operations" to make sure relevant personnel have guidance. Periodic training in the quality system for relevant employees helps them to understand the latest requirements. Tanvex complies with "PIC/S Good Manufacturing Practice" (GMP) and other related regulations. To provide safe, effective and affordable biosimilar drugs, 100% of our products are assessed through strict testing and evaluation.

Management of Counterfeit Drugs

The surge in the number of counterfeit drugs in the global market has become an urgent public health problem. Lots of people health was harm or die because of counterfeit drugs annually. As a result, pharmaceutical companies have to face loss of public confidence and revenue decline.

Tanvex BioPharma develops a comprehensive tracking system, and alerting and recall mechanisms for our products to ensure the safety of our customers. By implementing the "TraceLink Track & Trace system", we are able to track the journey of all Tanvex products within the supply chain and trace all the intermediate stops it takes from product manufacturing, through secondary packaging and distribution to the end user. All products will be serialized and assigned to each salable unit of product. This can help in identifying the information of a product's origin, batch number, expiration date and where it is sold to. Since our products are not listed yet, we don't have any cases associated with counterfeit products in 2022.

Pharmacovigilance Systems

Pharmacovigilance is the process of detecting and monitoring the safety of medicines and taking action to reduce the risks and increase the benefits of medicines. The 3 major components of a pharmacovigilance system are data collection, and data analysis and reporting. Through drug safety surveillance, drug abuse and adverse effects monitoring and safety monitoring of new products, pharmacovigilance plays a key role in the industry.

We are in the process of setting up our pharmacovigilance systems to support the marketing of TX01. Our pharmacovigilance services are outsourced to a professional clinical research organization (CRO), and Tanvex closely follows their SOPs. Our SOPs to support the pharmacovigilance processes are in development and are expected to be officially implemented once our products are on the market.

4-2-2 Management of Drug Return and Recall

When taking medicine, use drugs properly and safely is very important. Customers have the right to return drugs that is potentially harmful to health. For drugs with quality issues or other potential safety hazards, it is more than necessary for pharmaceutical companies take the initiative to recall them in a timely manner, and effectively fulfill their obligations of drug safety management.

Tanvex's Return Goods Policy

In order to prevent defective or expired drugs from being circulated in the market or used by patients, Tanvex has also established a complete policy and management mechanism for product return. Our "Return Goods Policy" clearly specifies the process of how to return for customers and how we should deal with returned products.

All Tanvex products purchased direct and indirect must be returned directly to our logistics vendor partner. Our customer service department will adhere to the Return Goods Policy for acceptance of returned products to the logistics company that cooperated with Tanvex after our products commercially launch. Once we receive the returned products, we will make detailed records about this return case and initiate the reimbursement process if applicable.

However, some goods may not be returned under this Return Goods Policy and are deemed Non-Returnable Goods, including "product that does not meet the Authorized Product or Expired Product requirements ", "product that is otherwise adulterated, misbranded, or counterfeit, as determined by Tanvex in its sole discretion", "unlabeled product, partially labeled product, or lot and expiration date are illegible".

Mechanism for Customer Alerting and Product Recall

If the pharmaceutical company finds that the drug has a potential safety hazard, or the medicine regulatory agency finds that the drug has safety concerns after investigation and evaluation, the drug must be recalled.

In the event of a product recall from Tanvex, we will notify our active customers of potential risks and counterfeit products. A product recall letter/ notification will be sent to our customers, via our RX Marketing Alert as well as through our Customer Service Department, both via email and/or mail. Tanvex's customer recall procedure is currently under development by Quality Assurance. We expect to implement our product recall procedure prior to our first commercial product launch.

Our alerting and recall system is combined with the product traceability system. Recall letters will be developed and sent to all active customers for product recalls, via email and/or mail. Instructions for returning recalled products will be referenced on the recall notification letter sent at the time of the event. All reimbursement for expenses to the distributor or direct customer will be based on the current HDMA Product Recall & Withdrawal Guidelines at the time of recall.

4-2-3 Customer Health and Safety

Clinical Trial Management

Currently, Tanvex BioPharma's clinical trials are conducted by Contract Research Organizations (CRO) to ensure the safety and quality of clinical events. We strictly adhere to relevant regulations, including:

- The Council for International Organizations of Medical Sciences (CIOMS) International Ethical Guidelines
- The International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH) E6 guideline for Good Clinical Practice"
- PhRMA's Principles on Conduct of Clinical Trials and Communication of Clinical Trial Results
- The Declaration of Helsinki
- The United States Belmont report
- FDA regulations for Premarketing Safety Reporting

In addition to complying with external regulations for clinical trials, the CROs cooperated with Tanvex BioPharma have established a series of internal operational procedures. These procedures cover clinical trial supervision and reporting, research and training, and have well-established channels and mechanisms. The related mechanisms are incluing as following:

» Supervision and Reporting Mechanisms

1. Executive Oversight Committee

   Comprising senior management, project management, clinical operations, finance, and public relations departments, as well as representatives from CROs. The committee closely monitors the process of clinical trials and addresses any issues encountered during the trials.

2. Quality Risk Review Meeting

   This meeting is held every 2 months to ensure that all issues requiring tracking in the trial are effectively reviewed and addressed.

3. Cross-Functional Meeting

   Comprising personnel from different functional areas from Tanvex and CRO, these meetings in 2022 are held weekly or monthly based on the stage of the clinical trial. They synchronize the progress of clinical trials and discuss pending issues for resolution.

» R&D Training Mechanisms

1. Research Teams

   Various research teams are formed based on different topics, including clinical trial initiation, data management, safety, medicine, and investigational products. These teams collaborate with CROs to conduct research.

2. Clinical Trial Research

   Primarily carried out by CROs, the research scope includes project management, implementation and monitoring of clinical trials, maintenance of regulatory and ethical committees, drug and safety services, data management, and biostatistics. Tanvex BioPharma actively participates in relevant clinical research training and prepares and reviews data.

3. Bi-Monthly Clinical Newsletters

   Produced jointly by Tanvex BioPharma and CROs, these study-specific publications provide important clinical research information and new trends for the reference of study personnel.

Clinical Trial Mechanism

To examine the safety and efficacy in the current drug development, Tanvex BioPharma and CROs have jointly implemented clinical trials with the strictest monitoring and highest quality safety measures. Tanvex BioPharma's ongoing clinical trials can be divided into three stages which are "Screening", "Treatment Period", and "End of Study (EoS)".

In 2022, there were 3 clinical trial site inspections by FDA for TX05: 2 in Peru and 1 in Mexico (as mentioned in Chapter 1).

4-3 Supplier Quality Management

As an international pharmaceutical company, it is very important to have a good and resilient supply chain, which can not only reduce risks, but also improve our corporate competitiveness among peers. Only a stable supply chain can ensure the quality of drug production, and our products can be delivered to patients safely and promptly. We proactively manage our supply chain in order to ensure that raw materials are purchased from qualified suppliers, and that qualified raw materials are used in the pharmaceutical production process.

Strategy for Supply Chain Management

Our Material Management and Quality team is responsible for Tanvex's supply chain management. The Purchasing Policy was established internally to generally manage our material procurement. The Purchasing Policy is based on FDASIA Title VII Drug Supply Chain Provisions, FDA ICH guidance on good manufacturing practice (GMP), Pharmaceutical Development and Quality Risk Management. To achieve a high level of excipient quality and maintain the integrity of the supply chain, we also comply with IPEC-PQG GMP Guide for Excipients as the basis for establishing documents and criteria.

We have also developed several programs integrated into our supply chain management, including Vendor Management Program, New Supplier Set Up program, Supplier Qualification Program, BSE/TSE (bovine spongiform encephalopathy / transmitting spongiform encephalopathy) program and Inventory Control. These functional programs are to ensure that details throughout the whole supply chain are noticed. The mechanism of selection and assessment for suppliers are built under the programs. The material management review for all suppliers is set up and assesses each purchasing activity. All of the suppliers cooperating with Tanvex BioPharma are required to sign quality agreements. Mail-in audits and site audits for suppliers will depend on their criticality.

If suppliers violate our supply chain management policies, we set up a mechanism to punish a supplier. In conjunction with the Quality Event unit, materials that are non-conforming are investigated, tracked and trended. The supplier status may change due to monitoring information either immediately or as a result of cumulative information based on investigations and trending. We are planning for the scorecard for supplier evaluation and audits to improve the efficiency of managing the supply chain.

Assessment for Existing and New Suppliers

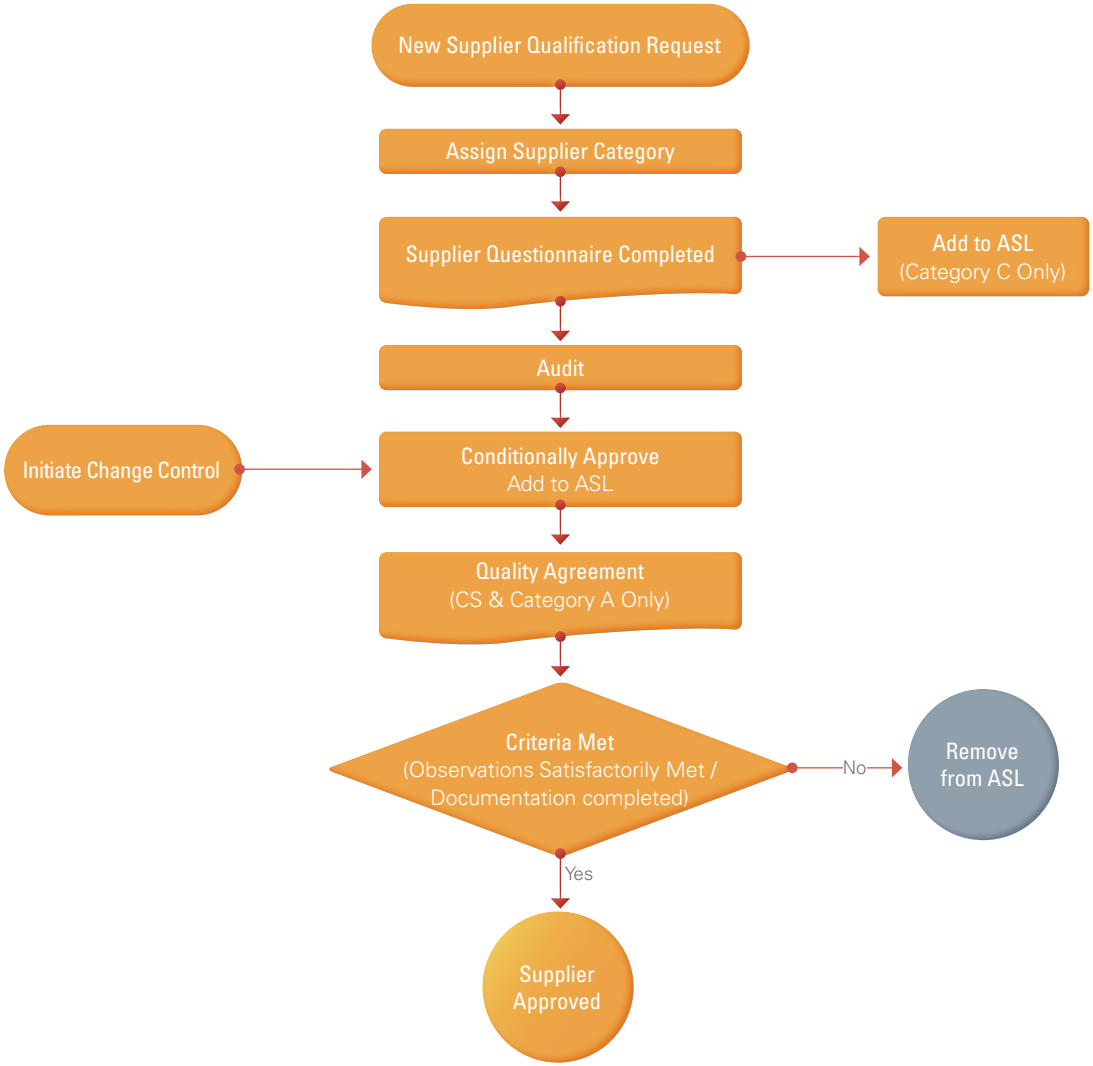
Conducting assessment of our existing and new suppliers is essential to ensure that we have high quality and condition to produce products. We developed supplier evaluation and audit SOPs for our supply chain management.

Tanvex's Supplier Qualification Program is developed to define the process for screening, qualification, oversight, evaluating, and life cycle management of suppliers. Supplier evaluation over the course of the life cycle will be specifically focused on the capability of the supplier to meet requirements and expectations related to process output, inventory demand, and consistent quality.

Once a new supplier qualification request is initiated, Tanvex will assign the supplier a specific category based on the material and service provided and the degree impact on the product safety, efficacy, quality and project needs. The categories include Critical Supplier (CS), Category "A", Category "B", Category "C". Every supplier needs to complete a supplier questionnaire which is to obtain information about their business, compliances policies and procedures to determine the ability to meet applicable regulations and Tanvex's requirements. If supplier audit is required, it should follow our "External Audit Program". "Quality Agreement" is only required to be completed by suppliers who are CS and Category "A". All of the qualified suppliers will be added to our "Approved Supplier List (ASL)" which is maintained by our Quality Assurance Department.

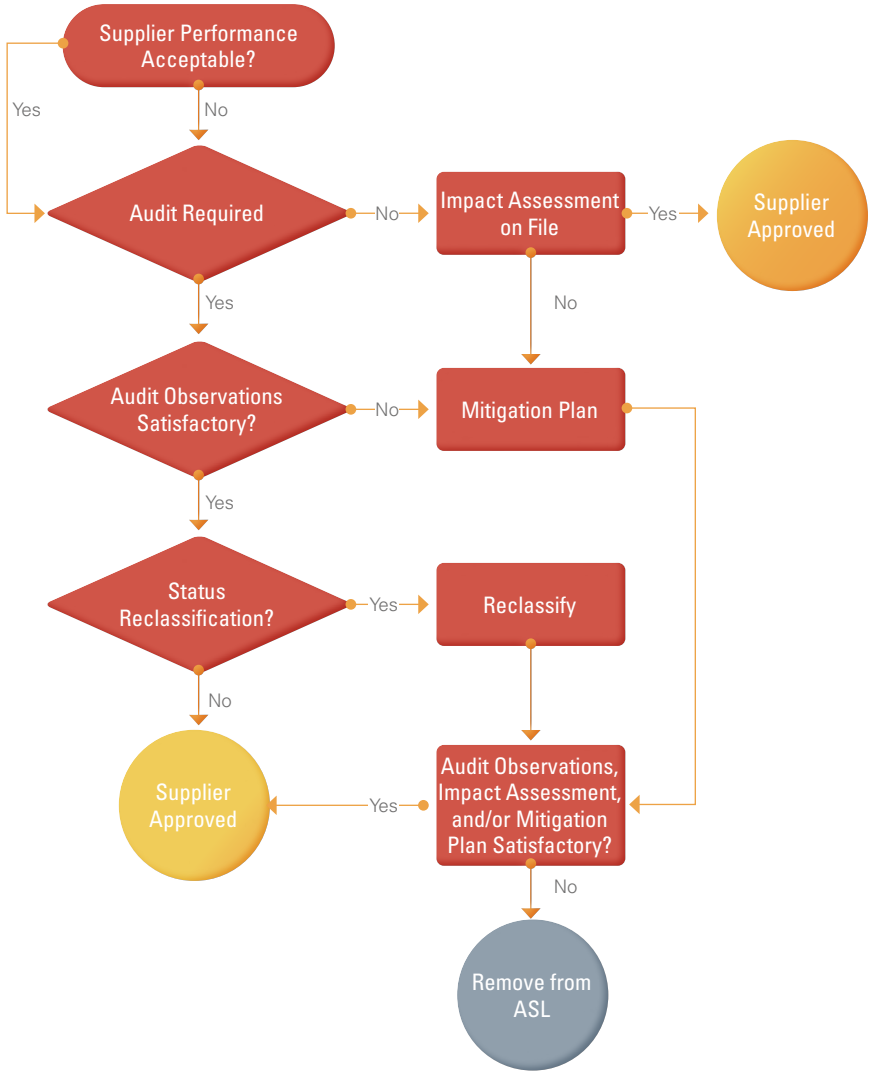
Supplier Qualification Process Flow

To maintain good quality of our suppliers, re-qualification program will take place periodically based on the supplier category. On-site/mail-in audit and annual performance review are included in the re-qualification process. For those suppliers who do not satisfy terms for re-qualification, they are possibly to be downgraded, conditionally approved, or put on hold status until the criteria are met; or even removed from our ASL.



Supplier Re-qualification Process Flow

In this product development stage, Tanvex has not evaluated our suppliers from the indicators of the environment and society aspects. We will gradually introduce relevant mechanisms in the future to make sure we maintain our suppliers' quality.



Local Purchase

Local procurement can not only reduce greenhouse gas emissions from international transportation, but also reduce management and operating costs; to create local employment opportunities and economic prosperity. It is also easier to obtain the supply of raw materials, reduce operational risks, and keep our production more stable.

Statistics of Local Purchases in 2022

In the past two years, our local procurement ratio is over 90% in both Tanvex Taiwan and Tanvex BioPharma USA. A high proportion of local procurement shows that we have a high degree of control over our suppliers to ensure stable supply and quality of Tanvex's product materials. Percentages of local suppliers amount is 99.33% in 2022.

Percentage of local suppliers amount is **99.33%** in 2022.

Location	Number of domestic suppliers		Number of foreign suppliers		Percentage of local suppliers	
	2021	2022	2021	2022	2021	2022
Taiwan	72	103	6	10	92.31%	91.15%
United States	130	130	2	2	98.48%	98.48%
Total	202	233	8	12	96.19%	95.10%

Location	Amount purchased from domestic suppliers (NTD)		Amount purchased from foreign suppliers (NTD)		Percentage of local purchase	
	2021	2022	2021	2022	2021	2022
Taiwan	28,028,182	46,230,179	7,161,396	975,999	79.65%	97.93%
United States	280,172,025	98,365,249	0	0	100%	100%
Total	308,200,207	144,595,429	7,161,396	975,999	97.73%	99.33%

Participation in the Rx-360 International Pharmaceutical Supply Chain Consortium Audit Program

Rx-360 International Pharmaceutical Supply Chain Consortium is a nonprofit international consortium which addresses pharmaceutical and medical device supply chain security in relation to public health concerns and patient safety. The audit program aims to protect patient safety by sharing information and developing processes related to the integrity of the healthcare supply chain and the quality of its materials. The program is specifically designed by Rx-360 members to help reduce audit costs industry-wide and be adjunctive to the company's own supplier audit program. Tanvex is not currently involved in the RX-360 audit program but 1 of our tier I suppliers take part in.

Year	Number of tier 1 suppliers	Number of Tier I suppliers that participate in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program	Percentage
2021	5	1	0.2
2022	5	1	0.2

05

Environmental Sustainability

- In 2022, Tanvex BioPharma adopted the **"Task Force on Climate-related Financial Disclosures (TCFD)"** and identified four relevant climate risks and two climate opportunities.
- The total waste generated in 2022 was 98.66 metric tons, **a decrease of 4.1 %** compared to 2021.
- The water consumption in 2022 was 2,400 metric tons, **a decrease of 7.1 %** compared to 2021.
- In 2022, both Tanvex BioPharma USA, Inc. and Tanvex Biologics Corporation (Taiwan) had **one certified professional in toxic chemical management**, and the responsible personnel regularly conducted relevant toxic substance management education and training.

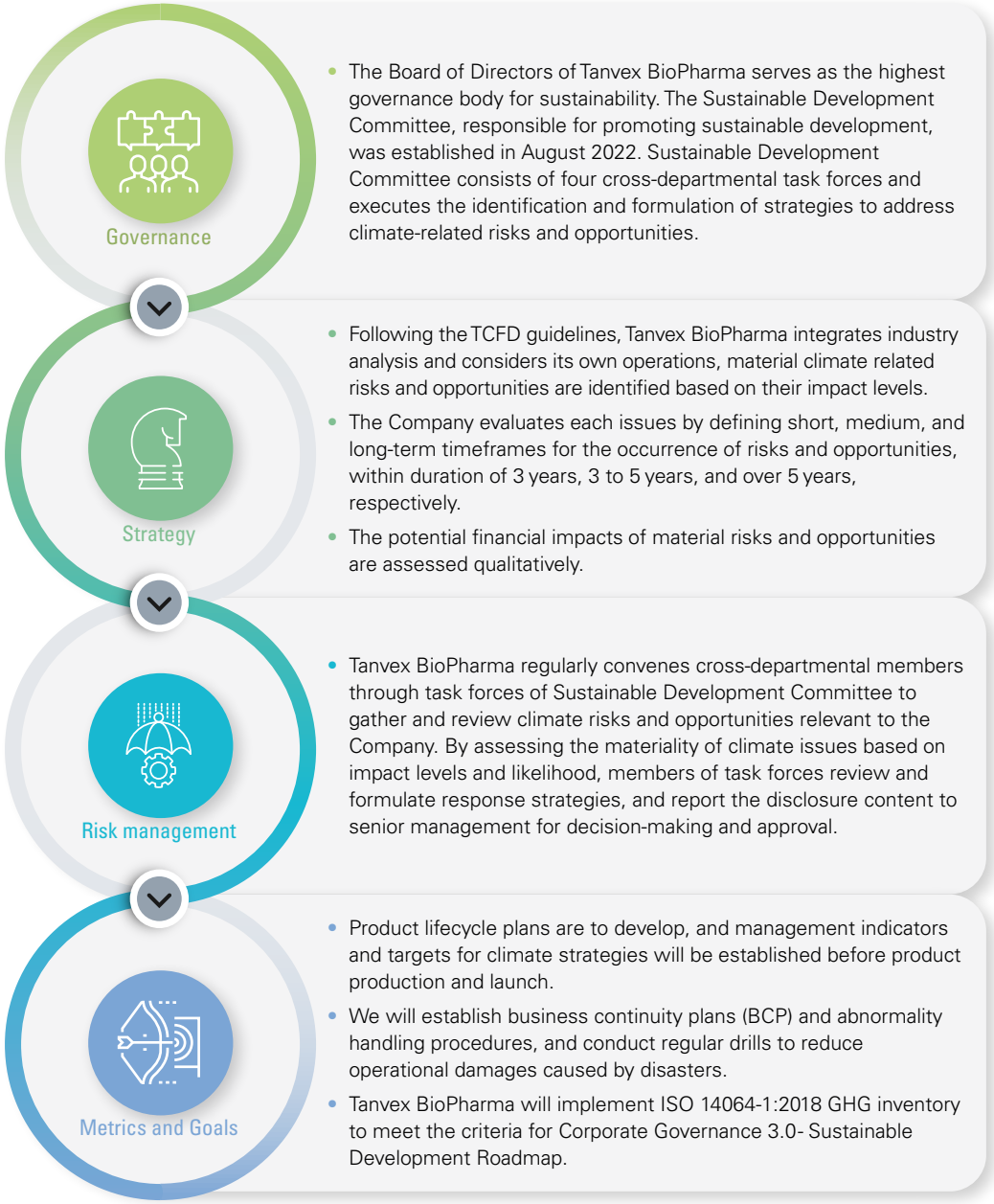
5-1 Climate Change Governance

According to the "Global Risks Report 2023" released by the World Economic Forum (WEF) in early 2023, which surveyed global risk perceptions for short-term (2-year) and long-term (10-year) risks, it is noteworthy that environmental issues occupy six out of the top ten long-term risks, and "Failure to mitigate climate change" ranks first. This result implies that companies must actively accelerate their actions to adapt to climate change, respond to imminent environmental challenges, and reduce operational risks to move towards sustainable development.

Facing the issues of extreme weather caused by global warming and potential operational impacts, Tanvex BioPharma officially adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework in 2022. By collecting international climate research results, taking industrial characteristics into consideration, and gathering the climate-related regulations of countries that we operate in, climate risks and opportunities related to the Company are identified for us to further formulate corresponding strategies to address climate risks and opportunities, and strengthen climate change management.

5-1-1 Climate Change Risk Management

In 2022, Tanvex BioPharma integrated cross-departmental resources and introduced the "Task Force on Climate-related Financial Disclosures" (TCFD). Following the TCFD guidelines, the Company assessesed climate risks and opportunities, and the related response plan has been confirmed by senior management. The progress of climate management is to be reported to the Board of Directors by the Sustainable Development Committee. In terms of climate action, the Sustainable Development Committee has established four task forces: Sustainable Governance, Product Quality Risk Management, Social Care, and Environmental Sustainability. These task forces formulate measures to address potential climate-related risks and opportunities.



- The Board of Directors of Tanvex BioPharma serves as the highest governance body for sustainability. The Sustainable Development Committee, responsible for promoting sustainable development, was established in August 2022. Sustainable Development Committee consists of four cross-departmental task forces and executes the identification and formulation of strategies to address climate-related risks and opportunities.

- Following the TCFD guidelines, Tanvex BioPharma integrates industry analysis and considers its own operations, material climate related risks and opportunities are identified based on their impact levels.
- The Company evaluates each issues by defining short, medium, and long-term timeframes for the occurrence of risks and opportunities, within duration of 3 years, 3 to 5 years, and over 5 years, respectively.
- The potential financial impacts of material risks and opportunities are assessed qualitatively.

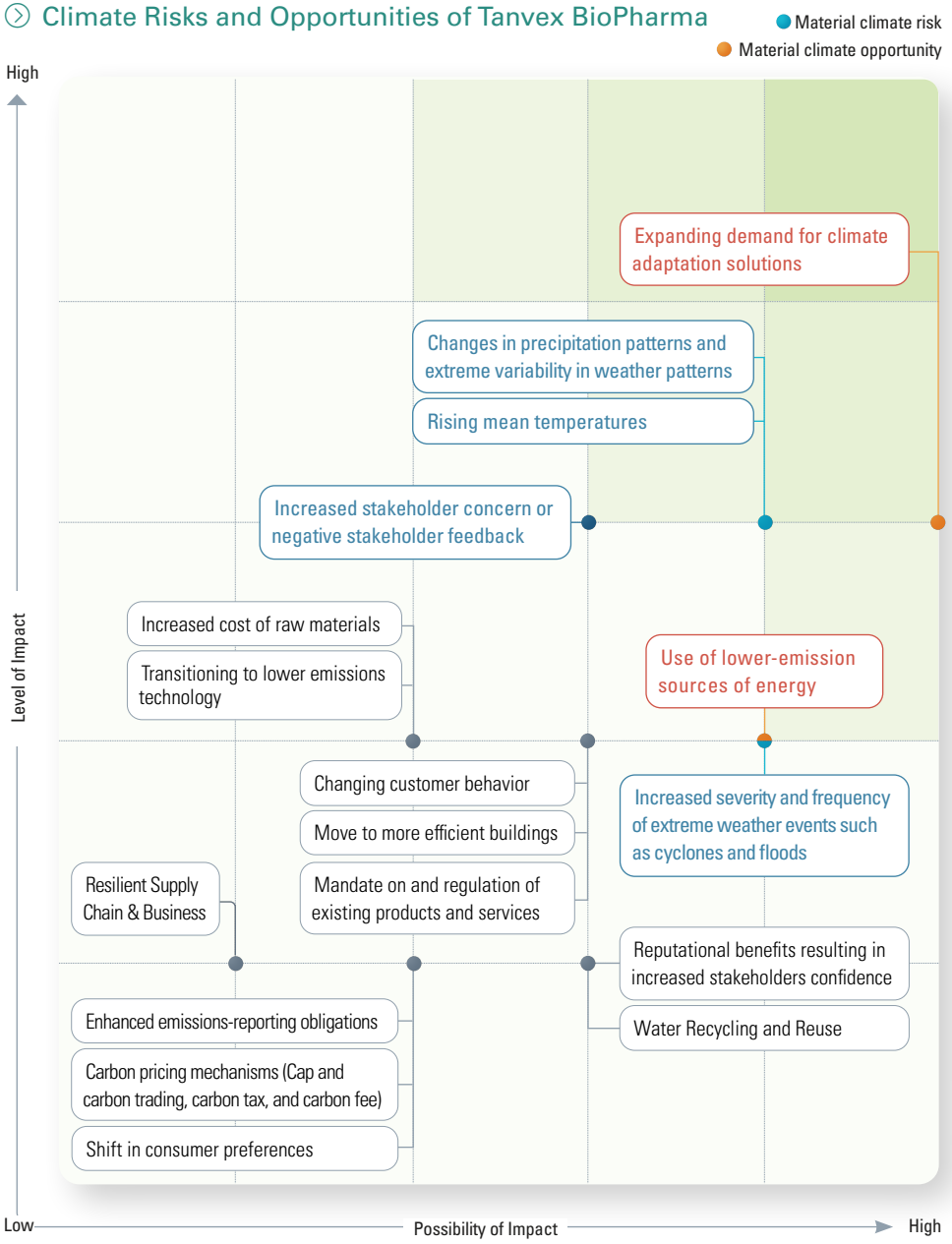
- Tanvex BioPharma regularly convenes cross-departmental members through task forces of Sustainable Development Committee to gather and review climate risks and opportunities relevant to the Company. By assessing the materiality of climate issues based on impact levels and likelihood, members of task forces review and formulate response strategies, and report the disclosure content to senior management for decision-making and approval.

- Product lifecycle plans are to develop, and management indicators and targets for climate strategies will be established before product production and launch.
- We will establish business continuity plans (BCP) and abnormality handling procedures, and conduct regular drills to reduce operational damages caused by disasters.
- Tanvex BioPharma will implement ISO 14064-1:2018 GHG inventory to meet the criteria for Corporate Governance 3.0- Sustainable Development Roadmap.

Identification Process for Climate Change Risks and Opportunities

Collection of Climate Issues	Assessment of Impact on Tanvex BioPharma	Risk Factor Analysis and Confirmation
Industry trends, common climate related risks and opportunities of benchmark companies both domestically and internationally, and local regulatory requirements related to climate change are collected. We select climate change opportunities and risk issues relevant to the industry	Cross-departmental education and training meetings to explain each of the risks & opportunities are held to understand and discuss the potential impacts on Tanvex BioPharma, including the financial impacts	Questionnaire assessment are distributed to related departments of Tanvex BioPharma to rank the materiality of the climate risks and opportunities
Implementation Results		
10 risks and 7 opportunities are preliminary selected	Departments involved including Finance, Manufacturing, Marketing, Procurement, Business Development, and Administration for the workshop session	4 risks and 2 opportunities are confirmed as the material climate risks and opportunities for Tanvex BioPharma in 2022

Climate Risks and Opportunities of Tanvex BioPharma



Response to and management of key climate risk and opportunity issues faced by Tanvex BioPharma

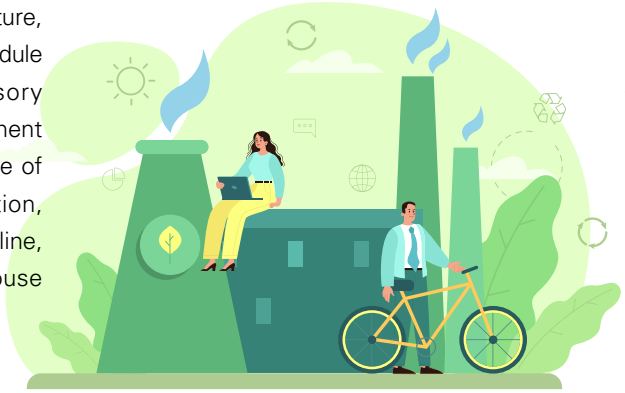
Category	Transition risk	Physical risk		
Climate Risk and Opportunity	 Increased stakeholder concern or negative stakeholder feedback	 Increased severity and frequency of extreme weather events such as cyclones and floods	 Changes in precipitation patterns and extreme variability in weather patterns	 Rising mean temperatures
Potential Impact on Tanvex BioPharma	The most important asset to a public company is its social perception and brand name. Biopharma is no exception at all in Net-Zero Transitions. If Tanvex BioPharma is not able to address stakeholders' concerns and possible negative feedback, we may lose our current brand value.	Climate change may cause a typhoon, flood, draught and other extreme climate events, resulting in damage to assets, supply chain disruption and other immediate financial impact.	Changes in precipitation will result in changes in water supply, even in the absence of growing water demands. Our facilities in the southwestern parts of the United States could face significant water depletion levels in the next 10 years.	The increasing average temperature leads to higher demands in electricity and in turn increases costs. Facilities also face power limitations or blackout possibilities.
Impact Duration	Medium (3 to 5 years)	Short (less than 3 years)	Long (more than 5 years)	Long (more than 5 years)
Financial Impact	Damage to reputation and image that contributes to a decline of brand value	• Increased operating costs • Increased expenditure	• Increased operating costs • Interruption of operations	• Increased operating costs • Interruption of operations
Adaptation and Management Strategy	• Establish Sales and Marketing policies and procedures to continue to find ways and methods to maintain our brand value and image. • Develop a Lifecycle Product Sustainability program that helps with the environmental impact of our products'entire life span. Tanvex BioPharma will work with its suppliers to meet these sustainability requirements. The Tanvex BioPharma brand value will be communicated to all external customers as changes are made and implemented. This program should include all aspects of the following: → Raw material collection- Materials sourced are renewable and collected sustainably. → Manufacturing-The Company's production conserves energy and natural resources. → Distribution- Distribution methods will result in a low ecological and carbon footprint. Methods must be followed throughout the storage, transportation, and delivery process. → Product Usage- Our products don't use non-renewable resources (e.g., plastic), release pollutants, or otherwise harm the environment throughout their lifecycle. → Disposal-The product can be recycled, reused, repurposed, or composted and does not pollute the environment.	• Establish main strategies to prevent extreme weather events from impairing supply of imported raw materials and supply shortages within our supply chain. • Develop a two-supplier policy to ensure that we can make timely adjustments if supply becomes unstable.	• Establish a business continuity plan (BCP) and exception handling procedures, and conduct regular drills. • Evaluate our water consumption and where we can reduce our usage. • Launch energy-saving measures to reduce energy shortage risks caused by climate change. • All operational sites have emergency generators to provide power for operations during power limitations periods. Diesel trucks can be dispatched quickly to refuel the generators. • The Procurement Department regularly tracks raw material futures prices to detect changes caused by energy shortages and respond accordingly.	

Category	Opportunity	
Climate Risk and Opportunity	Use of lower-emission sources of energy	Expanding demand for climate adaptation solutions
Potential Impact on Tanvex BioPharma	Energy costs expect to increase more when the Company begins commercialization. Tanvex BioPharma seeks to implement facility and projects that reduced GHG emissions with capital expansion. In addition, we seek to use low-carbon technology production to reduce carbon footprint, operating costs, and improve corporate reputation.	Tanvex BioPharma should integrate these risk factors into our business planning and find opportunities in considering investment in reducing energy usage, water use and greenhouse gas emissions. For example, by using new energy-efficient equipment can save companies money on energy costs.
Impact Duration	Long (more than 5 years)	Long (more than 5 years)
Financial Impact	Cost saving	Cost saving
Adaptation and Management Strategy	• Improve energy efficiency through leasing or purchasing energy efficient equipment- Tanvex BioPharma performs preventative maintenance to ensure equipment is operating as designed. • Plan the use of renewable energy through power purchase agreements for access to renewable energy projects that are offsite. • Utilize solar energy to reduce energy costs, reduce operating costs.	• Plan to engage in a fixed power purchase agreement. • Replace old equipment with new energy-efficient ones.

Tanvex BioPharma has completed the identification of climate-related risks and opportunities and compiled response strategies based on the results, including improving energy efficiency, adopting renewable energy, and ensuring the stability of supply chains and raw materials. Since Tanvex BioPharma does not have a large-scale production output, carbon emissions are not a major climate issue for the Company at this stage. Tanvex BioPharma will continue to actively cooperate with authorities' requirements for greenhouse gas reduction initiatives. In the future, as product development progresses towards market launch, relevant measures will be proactively formulated. The Company will also consider this issue in its financial planning and further strengthen the planning and promotion of energy conservation and carbon reduction. Evaluation will be conducted to adopt low-carbon emissions and replace inefficient equipment to reduce greenhouse gas emissions generated during operations.

5-1-2 Greenhouse Gas Emissions

Externally purchased electricity (Scope 2) is the main source of Tanvex BioPharma's greenhouse gas emissions. The emissions have slightly increased over the past three years due to the expansion of business operations, which indicates that there is still room for improvement. In the future, Tanvex BioPharma will follow the schedule outlined in the Financial Supervisory Commission's "Sustainable Development Roadmap" to complete the disclosure of greenhouse gas inventory information, understand its carbon emission baseline, and further enhance overall greenhouse gas management.



Greenhouse Gas Emissions of Tanvex BioPharma

GHG Emissions	2020	2021	2022
Scope 1 (tCO_2e)	1,102.28	1,121.55	1,057.24
Scope 2 (tCO_2e)	2,339.48	2,359.45	2,421.97
Total Emissions (tCO_2e)	3,441.76	3,481.00	3,479.21
GHG Emissions Intensity (tCO_2e / Thousand NTD Revenue)	11.47	0.64	0.16

Note 1: For Tanvex BioPharma's Scope 1 emissions, natural gas is the primary source, and the emissions factor is calculated using the publicly available information from the U.S. Environmental Protection Agency with a coefficient of 0.0551 metric tons CO_2/Mcf. Scope 2 emissions of the Corporate Taipei office and Tanvex Biologics Corporation Taiwan are calculated according to the power carbon emission coefficient of 0.495 kg CO_2e/kWh announced by the Bureau of Energy in 2022. Scope 2 emissions of Tanvex BioPharma USA Inc. are calculated according to the publicly available power carbon emission coefficient of 0.433 kg CO_2e/kWh from the U.S. Environmental Protection Agency website.

Note 2: Due to increase of CRO projects, revenues have greatly varied in the past three years, resulting in large differences in GHG emission intensity.

5-2 Energy and Resource Management

As a biopharmaceutical company dedicated to improving human health, Tanvex BioPharma recognizes that maintaining a good environment is essential to achieving good health. Therefore, we consider environmental friendliness in our operational activities to implement environmental protection management. Tanvex BioPharma complies with local regulations and standards at each operational location. In 2022, there were no significant penalties for the violation of related laws and regulations. We have established dedicated units or personnel for environmental safety and health for the proper handling of waste and water resources, and have specialized personnel responsible for the use of hazardous substances. We also require relevant responsible individuals or operators to participate in education and training to enhance the overall environmental friendliness of the Company.

5-2-1 Energy Management

Energy Conservation and Carbon Reduction Action

To reduce the impact of operational activities on the environment, Tanvex BioPharma promotes energy conservation and carbon reduction initiatives. This includes using motion-sensing electricity, regularly replacing lighting fixtures with energy-efficient LED bulbs, replacing with heat pumps, and implementing the Desigo building management platform system in Tanvex BioPharma USA, Inc. for monitoring and controlling temperature settings of cGMP equipment and facilities. Additionally, maintenance personnel conduct periodic electrical maintenance for its proper functioning and efficiency. Starting with the improvement of the energy management system, and with our plans to purchase energy-efficient equipment, Tanvex BioPharma will keep improving energy usage efficiency.

Tanvex BioPharma's energy consumption includes purchased electricity and natural gas. Purchased electricity is the primary energy source. In 2022, Tanvex BioPharma's total energy consumption was 40,551.06 gigajoules (GJ), a 1.7% decrease compared to 41,250.81 GJ in 2021. In 2022, Tanvex BioPharma's energy intensity was 0.0018 gigajoules/NTD revenue, a 76% decrease from the energy intensity of 0.0076 gigajoules/NTD revenue in 2021.

Energy Consumption Statistics

Unit: Gigajoule (GJ)

Item	Plant site	2020	2021	2022
Purchased Electricity	Taipei Office	102.33	109.68	104.98
	Tanvex Biologics Corporation (Taiwan)	419.31	373.87	309.59
	Tanvex BioPharma USA, Inc.	18,850.31	19,052.69	19,667.08
Natural Gas	Tanvex BioPharma USA, Inc.	21,341.43	21,714.57	20,469.41
Total energy consumption		40,713.38	41,250.81	40,551.06

Note: Energy heating value coefficients are based on the Energy Product Unit Heating Value Table from Bureau of Energy, Ministry of Economic Affairs.

In response to net-zero emissions, many global companies are actively promoting low-carbon transformations to maintain competitiveness and build long-term climate resilience. Among them, the topic of renewable energy is receiving increasing attention. Tanvex BioPharma currently does not use renewable energy. However, we plan to incorporate renewable energy through power purchase agreements in the future. This will not only reduce energy costs but also demonstrate our long-term goal of operating in a low-carbon manner.

5-2-2 Waste Management

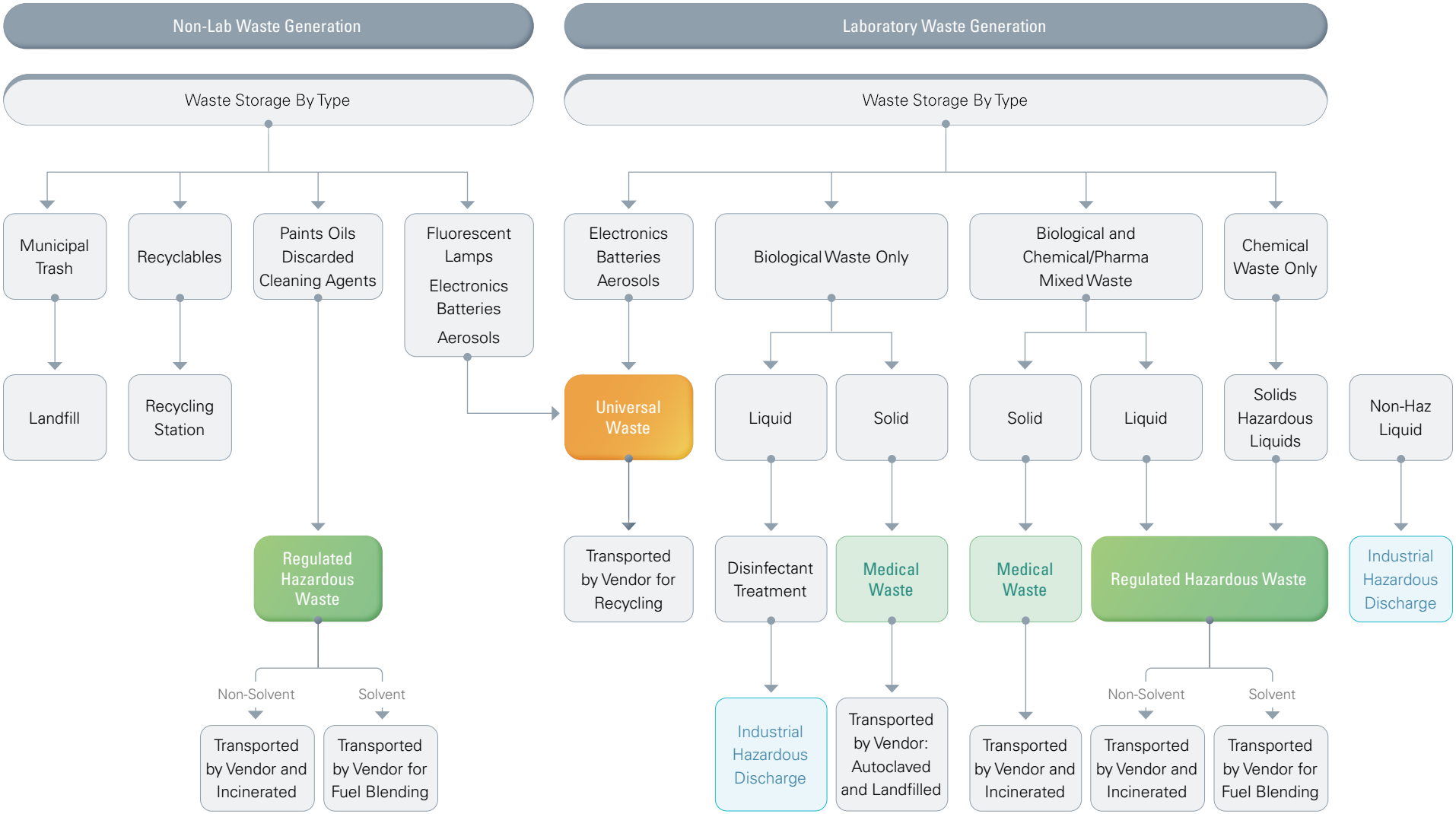
Waste Management Action

To prevent business waste from causing environmental pollution and to track waste flow, Tanvex BioPharma complies with local regulations at its operational sites for waste management. For the disposal of laboratory-related waste including chemical waste and medical waste, Tanvex BioPharma signs the contracts with qualified clearance and processing institution. The records of waste disposal are maintained and stored by personnel responsible for environmental safety and health to ensure proper and legal waste disposal. All employees involved in the transportation and disposal of hazardous waste must undergo training on the transportation of hazardous substances.

The waste generated by Tanvex BioPharma can be classified as non-hazardous waste and hazardous waste. Non-hazardous waste primarily consists of general waste generated from office activities, such as plastics and bottles. Hazardous waste mainly consists of waste solvents, medical waste, and chemical waste containers. In 2022, the total waste generated by Tanvex BioPharma USA Inc. and Tanvex Biologics Corporation (Taiwan) was approximately 98.66 metric tons, including 88.04 metric tons of non-hazardous waste and 10.62 metric tons of hazardous waste. This represents a 4.1% reduction compared to the 102.88 metric tons in 2021, indicating the effectiveness of waste reduction measures implemented by Tanvex BioPharma within the facility, including source reduction of chemicals and resource recycling mechanisms to reduce environmental impact. No incidents of illegal waste disposal occurred with the waste disposal contractors engaged by Tanvex BioPharma in 2022.

Reduction Item	Measures
 Waste Management	1. Promote minimization of resource consumption at source. Encourage all employees to procure and use chemicals in minimal quantities to minimize the generation of chemical waste. 2. Implement recycling of paper, plastic, metal cans, and waste batteries. 3. Collect kitchen waste for composting.

Waste Flow Chart of Tanvex BioPharma



Waste Disposal Statistics

Tanvex Biologics Corporation (Taiwan)

Unit: Metric tons

Waste Attribute Classification		2020	2021	2022
Non-hazardous waste	Incineration	1.13	0.74	0.37
	Landfill	-	-	-
	Recycle	-	-	-
	Other treatment operations (Physical or chemical treatment)	-	-	0.04
	Total non-hazardous waste waste	1.13	0.74	0.41
Hazardous waste	Incineration	1.60	0.70	0.28
	Landfilling	-	-	-
	Other treatment operations (Physical or chemical treatment)	0.13	0.21	0.22
	Total hazardous waste	1.73	0.91	0.50
Total waste		2.86	1.65	0.91

Note: General waste from the Corporate Taipei office is managed by the building's designated units and is not included in the statistics.

Tanvex BioPharma USA Inc.

Unit: Metric tons

Waste Attribute Classification		2020	2021	2022
Non-hazardous waste	Incineration	-	-	-
	Landfill	77.17	78.60	73.48
	Recycle	14.91	15.10	14.15
	Total non-hazardous waste	92.08	93.70	87.63
Hazardous waste	Incineration: Chemical Waste	4.05	4.16	5.76
	Incineration: Medical Waste	0.18	0.25	0.12
	Incineration: Other hazardous waste	-	-	0.14
	Landfill	6.20	2.22	3.65
	Other treatment operations (Physical or chemical treatment)	2.64	0.9	0.45
	Total hazardous waste	13.07	7.53	10.12
Total waste		105.15	101.25	97.75

Total Waste of Tanvex BioPharma (Taiwan+USA)

The total waste generated in 2022 was 98.66 metric tons,

a decrease of **4.1** % compared to 2021.

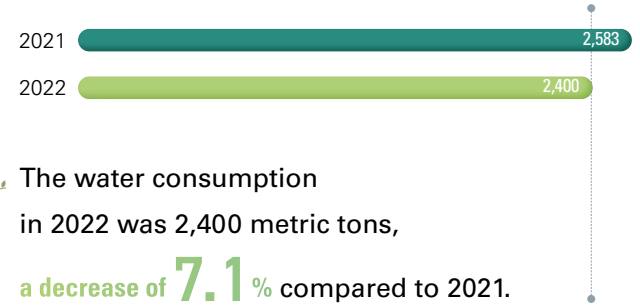
5-2-3 Water Management

Water Management Strategy

Due to abnormal climate conditions leading to frequent droughts and water shortages, it is crucial for companies to prioritize water resource management. Tanvex BioPharma complies with local regulations at its operational sites, and our water management policy aims to maximize water efficiency and reduce water consumption. Currently, our facility utilizes single-use disposable technologies that do not require water for disinfection or cleaning. This not only minimizes the risk of cross-contamination but also features low water usage. Additionally, we regularly review water usage to ensure it remains within reasonable expectations.

As Tanvex BioPharma does not engage in large-scale commercial production activities at the moment, our facilities are not classified for monitoring and inspection by local governments in Taiwan and the United States. Future plan for wastewater pH monitoring and neutralization are being considered for 2023. Regarding laboratory wastewater, Tanvex BioPharma collects organic salts or organic solvents and entrusts professional wastewater treatment companies certified by ISO 14001 for subsequent disposal. Direct discharge of any wastewater containing hazardous substances is strictly prohibited. In 2022, the total water consumption was 2,400 metric tons, representing a decrease of 183 metric tons or 7.1% compared to 2021.

Total Tanvex BioPharma Water Consumption (Taiwan+USA)



The water consumption in 2022 was 2,400 metric tons, a decrease of **7.1%** compared to 2021.

Water Consumption

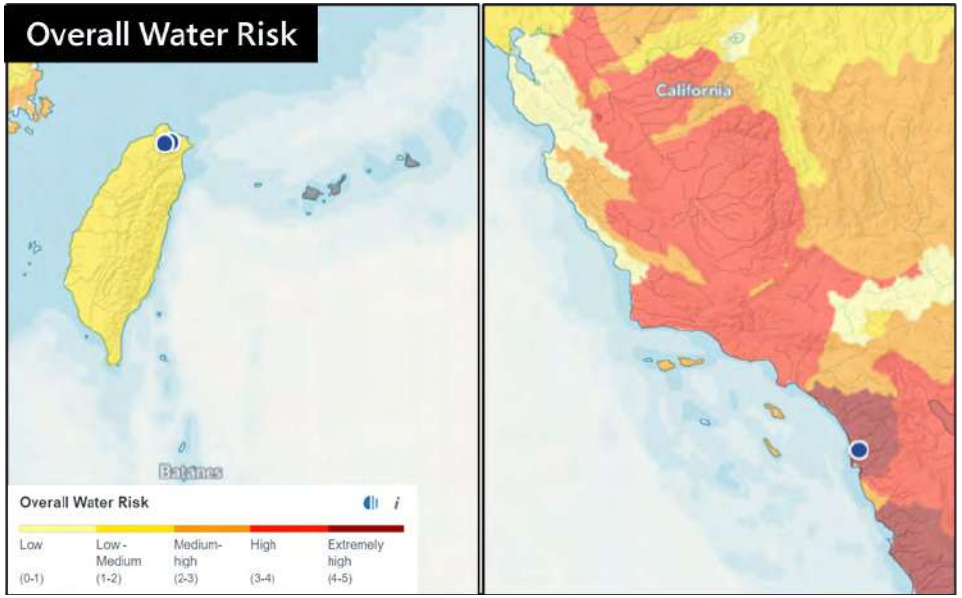
Unit: Metric tons

Region	Item	2020	2021	2022
Taiwan	Water withdrawal	3,528	4,948	5,072
	Water discharge	3,363	4,641	4,752
	Water consumption	165	307	320
USA	Water withdrawal	14,934	11,378	10,398
	Water discharge	11,947	9,102	8,318
	Water consumption	2,987	2,276	2,080
Total Discharge		15,310	13,743	13,070
Water Intensity (Metric tons/Thousand NTD Revenue)		10.51	0.48	0.11

Note 1: Statistics for Taiwan includes the Taipei office and Tanvex Biologics Corporation (Taiwan).

Note 2: Due to increase of CRO projects, revenues have greatly varied in the past three years, resulting in large differences in water intensity.

Furthermore, we utilize the Aqueduct Water Risk Atlas, a water resource assessment tool developed by the World Resources Institute (WRI), to assess the overall water risk at our operational sites. Taiwan is not considered a water-stressed region and falls under the Low-Medium category for the entire area. However, the overall water risk classification of the location for Tanvex BioPharma USA, Inc., is classified as Extremely-High. Although it is located in a water-stressed region, we comply with the water restrictions and information provided by the local government of California, and water shortage or floods have not occurred since its operations. We are to develop a business continuity plan to mitigate overall disaster situations for personnel at the facility to follow the contingency measures to reduce the overall impact of such events.



Factory site	WRI Aqueduct Overall Water Risk Level (Baseline)
CorporateTaipei Office	Low-Medium
Tanvex Biologics Corporation (Taiwan)	Low-Medium
Tanvex BioPharma USA, Inc.	Extremely-High

Note: This assessment is based on the WRI's Aqueduct Water Risk Atlas and provides an overall water risk evaluation for Tanvex BioPharma's operational sites (Inquiry date: May 2023).

5-2-4 Toxic Chemical Management

Toxic Chemical Management Principles

Regarding toxic chemicals used in the research and development processes within our facility, Tanvex BioPharma follows Taiwan's regulations on toxic and hazardous chemical management. Toxic chemicals are classified into four categories: non-degradable substances, substances with chronic toxicity, substances with acute toxicity, and chemicals that are environmentally polluting, having endocrine-disrupting properties, or chemicals which endanger human health. We conduct an inventory of the chemicals currently used by Tanvex BioPharma and manage them according to the applicable regulations and declaration requirements.

Number of Chemical Categories Used by Tanvex BioPharma

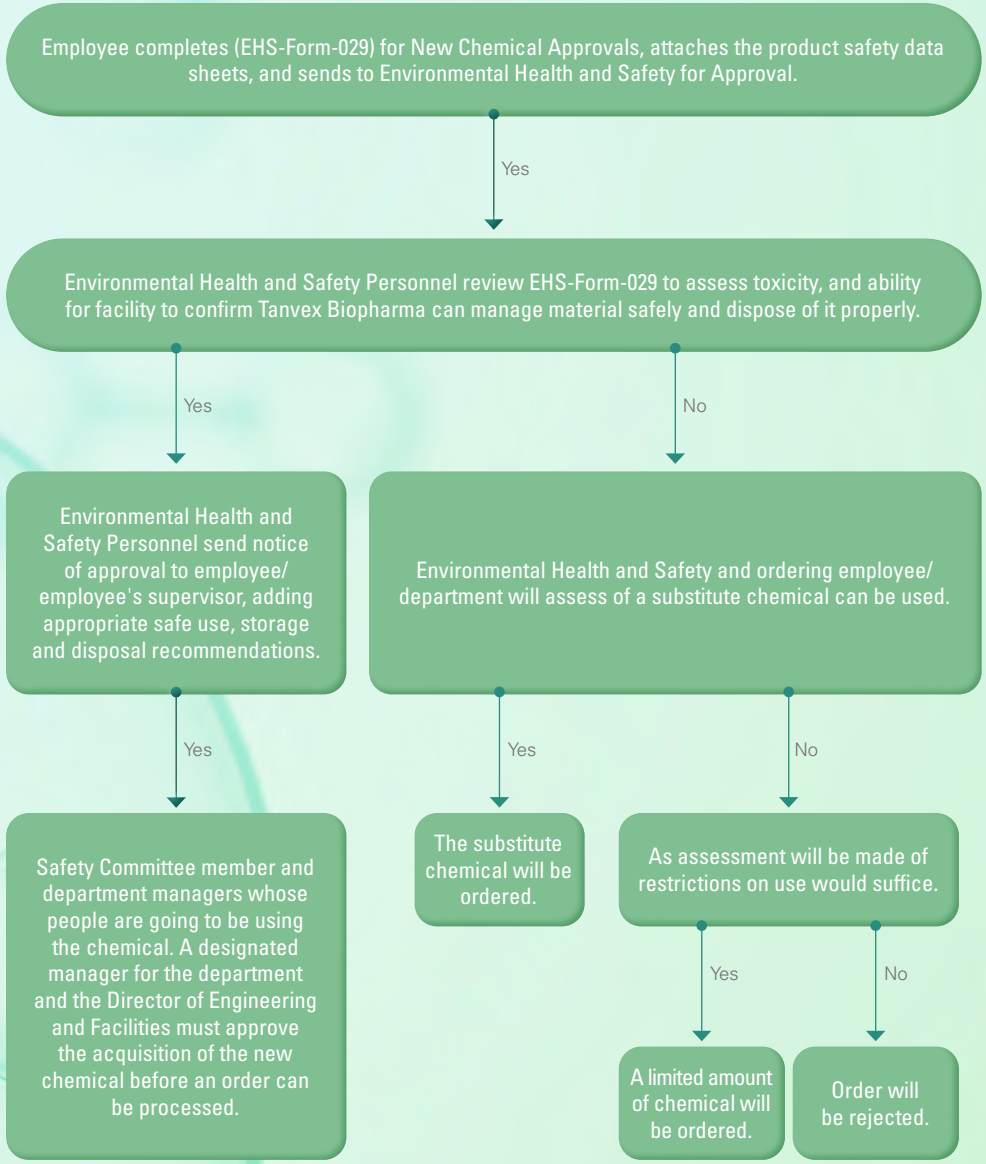
Toxicity classification	Tanvex Biologics Corporation (Taiwan)	Tanvex BioPharma USA, Inc.
Class 1 (substances that are not prone to decompose)	1	2
Class 2 (chronic toxins)	1	11
Class 3 (acute toxins)	1	5
Class 4	2	2

Practices and Procedures for Toxic Chemical Management

Tanvex BioPharma USA Inc. and Tanvex Biologics Corporation (Taiwan) each have one licensed professional technical management personnel for toxic chemicals. Additionally, there are 6 personnel in the US and 2 personnel in Taiwan who have participated in education and training related to toxic chemical management. Among them, the US personnel have obtained certifications as primary responders for small spills of chemicals and biologicals from US OSHA and CAL-OSHA. When carrying out related operations, it is necessary to follow the Company's toxic substance management process and execute the handling of chemicals. This includes recording the amount of operation according to regulations and ensuring proper storage and clear labeling. All new chemicals to be used must go through the application process, which includes submitting Safety Data Sheets (SDS) and providing reasons for how new chemicals will be used. The EHS toxic chemical management personnel will conduct an assessment and provide recommendations regarding the level of danger, proper handling procedures, and requirements for protective equipment. When it is confirmed that the chemical under application falls into the category of the toxic chemicals, the EHS toxic chemical management personnel must first inform the applicant's supervisor and determine if there are alternative chemicals with lower hazards available. If there are no alternatives, the purchase must be made with the necessary hazard control measures in place, and accurate records must be maintained based on the actual usage. In 2022, Tanvex BioPharma did not violate any regulations or procedures related to toxic chemical substances.

In 2022, both Tanvex BioPharma USA, Inc. and Tanvex Biologics Corporation (Taiwan) had **one certified professional in toxic chemical management**, and the responsible personnel regularly conducted relevant toxic substance management education and training.

Tanvex BioPharma Toxicity Management flow



Appendix 1: GRI Standards Index

GRI Standards Index	
Terms of Use	Tanvex BioPharma has been followed GRI standards for the period 2022/1/1~2022/12/31
Applied GRI 1	GRI 1 Foundation 2021
Applicable industry GRI standards	No

GRI Standards Index			
GRI standards	Disclosure Title	Pages	Remarks
General Disclosures			
GRI 2 General Disclosures (2021)	2-1 Organizational details	6	
	2-2 Entities included in the organization's sustainability reporting	3	
	2-3 Reporting period, frequency and contact point	3	
	2-4 Restatements of information	--	This is the first edition of Tanvex BioPharma sustainability report, so there aren't any restatements of information
	2-5 External assurance	--	No external assurance in 2022
	2-6 Activities, value chain and other business relationships	7	
	2-7 Employees	6, 43	
	2-8 Workers who are not employees	43	
	2-9 Governance structure and composition	27-31	
	2-10 Nomination and selection of the highest governance body	30	
	2-11 Chair of the highest governance body	27-28	
	2-12 Role of the highest governance body in overseeing the management of impacts	11	
	2-13 Delegation of responsibility for managing impacts	11	
	2-14 Role of the highest governance body in sustainability reporting	17	

GRI Standards Index			
GRI standards	Disclosure Title	Pages	Remarks
GRI 2 General Disclosures (2021)	2-15 Conflicts of interest	35	
	2-16 Communication of critical concerns	11	No critical concerns in 2022
	2-17 Collective knowledge of the highest governance body	29	
	2-18 Evaluation of the performance of the highest governance body	30	
	2-19 Remuneration policies	32-33	
	2-20 Process to determine remuneration	31	
	2-21 Annual total compensation ratio	33	
	2-22 Statement on sustainable development strategy	2	
	2-23 Policy commitments	34, 37	
	2-24 Embedding policy commitments	34-36, 37-40	
	2-25 Processes to remediate negative impacts	19-25	
	2-26 Mechanisms for seeking advice and raising concerns	36	
	2-27 Compliance with laws and regulations	41	
	2-28 Membership associations	33	
	2-29 Approach to stakeholder engagement	13-16	
	2-30 Collective bargaining agreements	--	No collective bargaining agreements in 2022
Material Topics			
GRI 3 Material Topics (2021)	3-1 Process to determine material topics	17-18	
	3-2 List of material topics	18	
Compliance with Regulations			
GRI 3 Material Topics (2021)	3-3 Process to determine material topics	20	
GRI 2 General Disclosures (2021)	2-27 Compliance with laws and regulations	41	

GRI Standards Index			
GRI standards	Disclosure Title	Pages	Remarks
Ethical Management and Anti-Corruption			
GRI 3 Material Topics (2021)	3-3 Process to determine material topics	19	
GRI 205 Anti-corruption (2016)	205-2 Communication and training about anti-corruption policies and procedures	36	
	205-3 Confirmed incidents of corruption and action taken	34	No corruption-related incidents in 2022
GRI 206 Anti-competitive Behavior (2016)	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	34	No anti-competitive behavior, anti-trust, and monopoly practices in 2022
Supply Chain Quality Management			
GRI 3 Material Topics (2021)	3-3 Process to determine material topics	22	
GRI 204 Procurement Practices (2016)	204-1 Proportion of spending on local suppliers	72	
Employment			
GRI 3 Material Topics (2021)	3-3 Process to determine material topics	23	
GRI 401 Employment (2016)	401-1 New employee hires and employee turnover	44	
	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	45	
	401-3 Parental leave	46	
Human Rights & Diversity			
GRI 3 Material Topics (2021)	3-3 Process to determine material topics	24	
GRI 405 Diversity and Equal Opportunity (2016)	405-1 Diversity of governance bodies and employees	49-50	
	405-2 Ratio of basic salary and remuneration of women to men	50	
Training and Education			
GRI 3 Material Topics (2021)	3-3 Process to determine material topics	25	
GRI 404 Training and Education (2016)	404-1 Average hours of training per year per employee	51	
	404-2 Programs for upgrading employee skills and transition assistance programs	51	
	404-3 Percentage of employees receiving regular performance and career development reviews	53	

GRI Standards Index			
GRI standards	Disclosure Title	Pages	Remarks
Occupational Health and Safety			
GRI 3 Material Topics (2021)	3-3 Process to determine material topics	25	
GRI 403 Occupational Health and Safety (2018)	403-1 Occupational health and safety management system	54-55	
	403-2 Hazard identification, risk assessment, and incident investigation	54, 56-60	
	403-3 Occupational health services	60	
	403-4 Worker participation, consultation, and communication on occupational health and safety	54-55	
	403-5 Worker training on occupational health and safety	55	
	403-6 Promotion of worker health	60	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	57-59	
	403-8 Workers covered by an occupational health and safety management system	55	
	403-9 Work-related injuries	59	
	403-10 Work-related ill health	59	
Customer Health and Safety			
GRI 3 Material Topics (2021)	3-3 Process to determine material topics	21	
GRI 416 Customer Health and Safety (2016)	416-1 Assessment of the health and safety impacts of product and service categories	67	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	67	
Information Security			
GRI 3 Material Topics (2021)	3-3 Process to determine material topics	20	
GRI 418 Customer Privacy (2016)	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	40	No complaints about customer privacy violations in 2022

GRI Standards Index			
GRI standards	Disclosure Title	Pages	Remarks
Affordability			
GRI 3 Material Topics (2021)	3-3 Process to determine material topics	22	
Other Topics			
GRI200: Economy			
GRI 201Economic Performance (2016)	201-1 Direct economic value generated and distributed	10	
GRI 300: Environment			
GRI 302 Energy (2016)	302-1 Energy consumption within the organization	79	
	302-3 Energy intensity	79	
	302-4 Reduction of energy consumption	79	
GRI 303 Water and Effluents (2018)	303-2 Management of water dischargerelated impacts	82-83	
	303-3 Water withdrawal	82	
	303-4 Water discharge	82	
	303-5 Water consumption	82	
GRI 305 Emissions (2016)	305-1 Direct (Scope 1) GHG emissions	78	
	305-2 Energy indirect (Scope 2) GHG emissions	78	
	305-4 GHG emissions intensity	78	
GRI 306 Waste (2020)	306-2 Management of significant wasterelated impacts	79-80	
	306-3 Waste generated	79-81	
	306-5 Waste directed to disposal	81	

Appendix 2: SASB Index

Code	Accounting Metric	Disclosure Chapter	Page
	Topic: Safety of Clinical Trial Participants		
HC-BP-210a.1	Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials	4-2-1 Drug Safety	67-69
HC-BP-210a.2	Number of FDA Sponsor Inspections related to clinical trial management and pharmacovigilance that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI)	Not applicable. Our products are not launched yet.	-
HC-BP-210a.3	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	Not applicable. Our products are not launched yet.	-
	Topic: 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	Not applicable. Our products are not launched yet.	-
HC-BP-240a.2	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	Not applicable. Our products are not launched yet.	-
	Topic: Affordability & Pricing		
HC-BP-240b.1	Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments and/or provisions to delay bringing an authorized generic product to market for a defined time period	Not applicable. Our products are not launched yet.	-
HC-BP-240b.2	Percentage change in: (1) average list price and (2) average net price across U.S. product portfolio compared to previous year	Not applicable. Our products are not launched yet.	-
HC-BP-240b.3	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year	Not applicable. Our products are not launched yet.	-
	Topic: Drug Safety		
HC-BP-250a.1	List of products listed in the Food and Drug Administration's (FDA) MedWatch Safety Alerts for Human Medical Products database	Not applicable. Our products are not launched yet.	-
HC-BP-250a.2	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System	Not applicable. Our products are not launched yet.	-
HC-BP-250a.3	Number of recalls issued, total units recalled	Not applicable. Our products are not launched yet.	-
HC-BP-250a.4	Total amount of product accepted for take-back, reuse, or disposal	Not applicable. Our products are not launched yet.	-
HC-BP-250a.5	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	Not applicable. Our products are not launched yet.	-

Code	Accounting Metric	Disclosure Chapter	Page
	Topic: Counterfeit Drugs		
HC-BP-260a.1	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	4-2-1 Drug Safety: Management of Counterfeit Drugs	67
HC-BP-260a.2	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products	4-2-1 Drug Safety: Management of Counterfeit Drugs	67
HC-BP-260a.3	Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products	4-2-1 Drug Safety: Management of Counterfeit Drugs	67
	Topic: Ethical Marketing		
HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	2-4 Legal Compliance	41
HC-BP-270a.2	Description of code of ethics governing promotion of off-label use of products	There isn't any code of ethics governing promotion of off-label use of products.	-
	Topic: Employee Recruitment, Development & Retention		
HC-BP-330a.1	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	3-1 Employee Recruitment & Retention: Tanvex Employee Structure	43
HC-BP-330a.2	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) midlevel managers, (c) professionals, and (d) all others	3-1 Employee Recruitment & Retention: New Hire Employees and Turnover	44
	Topic: Supply Chain Management		
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 program or equivalent third-party audit programs for integrity of supply chain and ingredients	4-3 Supplier Quality Management: Participation in the Rx-360 International Pharmaceutical Supply Chain Consortium Audit Program	72
	Topic: Business Ethics		
HC-BP-510a.1	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	2-2-1 Ethical Management Policy and Commitment	34
HC-BP-510a.2	Description of code of ethics governing interactions with health care professionals	There isn't any code of ethics governing interactions with health care professionals.	-
	Activity Metrics		
HC-BP-000.A	Number of patients treated	Not applicable. Our products are not launched yet.	-
HC-BP-000.B	Number of drugs (1) in portfolio and (2) in research and development (Phases 1-3)	4-1-2 Product Research and Development	65

Appendix 3: Climate-Related Information of TWSE/TPEx Listed Company

Risks and opportunities for the Company arising from climate change and related measures taken by the Company

Title	Disclosure	Chapter	Pages
1	Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities	5.1 Climate Change Governance	74
2	Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term)	5.1 Climate Change Governance	74-77
3	Describe the financial impact of extreme weather events and transformative actions	5.1 Climate Change Governance	76
4	Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system	5.1 Climate Change Governance	74-75
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	The Company has not yet used scenario analysis to assess climate change risk.	-
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	The Company has not yet set transition plan for managing climate-related risks.	-
7	If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated	The Company does not use internal carbon pricing tools.	-
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 scale of operation of the Company is still in the growth stage, and currently climate-related emission reduction targets have not been set.	-
9	Greenhouse gas inventory and assurance status	The Company has not conducted greenhouse gas inventory and assurance. We will follow the schedule outlined in the "Corporate Governance 3.0- Sustainable Development Roadmap" to complete the disclosure of greenhouse gas inventory and assurance information.	-