Syngen Biotech Co., Ltd.

Syngen Biotech Sustainability Report 2024



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00 About This Report

Syngen Biotech adheres to the sustainability principles of environmental protection, social responsibility, and corporate governance. It specializes in developing core technologies for the screening, breeding, and fermentation of microbial strains, and has extended its presence to sectors including active pharmaceutical ingredients (APIs), health ingredients, and health food. The Company continuously optimizes its sustainability initiatives by publishing sustainability reports to disclose its internal sustainability management and actions, and to respond to the expectations of its stakeholders.

Principles for Report Preparation

This Report discloses the management policies and implementation performance of Syngen Biotech Co., Ltd. (hereinafter referred to as "Syngen," "the Company," or "We") in governance, social, and environmental aspects. The disclosure is prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021, the Task Force on Climate-related Financial Disclosures (TCFD), and the Sustainability Accounting Standards Board (SASB) standards for Biotechnology & Pharmaceuticals.

Reporting Period

The data within this Report reflects the period from January 1, 2024 through December 31, 2024, with references to past performance.

Reporting Process

1 /Engagement

- Engage with stakeholders to discuss material issues.
- Identify the impacts of material issues.

2 /Compilation

The Sustainability Project Team consolidates information and prepares the report in accordance with the eight reporting principles specified in the GRI Standards 2021:

Accuracy | Balance | Clarity | Sustainability context | Comparability | Completeness | Timeliness | Verifiability

3 /Review

1. Each unit verifies the accuracy of data.
2. A third-party assurance provider conducts data verification.
3. The Sustainability Project Team and the Chairman review and finalize the report.



00 About This Report

Scope

The information disclosed in this Report covers Syngen Biotech Co., Ltd. at the parent company level; however, financial data are presented on a consolidated basis. For details on the scope of consolidated financial statements and associates, please refer to CH1. Any changes to the scope of disclosure will be specified in this Report.



Data quality management

All financial data and ISO certifications for quality, environmental, and food safety management systems in this Report have been verified by independent third-party bodies.

Financial Data	Quality Management Systems ISO 9001	Food Safety Management Systems ISO 22000	Hazard Analysis Critical Control Point HACCP:2016	Greenhouse Gas Inventory ISO 14064-1
PwC Taiwan	Bureau Veritas	Bureau Veritas	Bureau Veritas	Bureau Veritas

Third-party verification certificates

Publication history

The report is published annually and is available for viewing and download via the Company's corporate sustainability section. Publication dates are as follows:

This publication: August 2025

Next publication: August 2026

For historical data and other sustainability- related information, please refer to the following sources:

Syngen's official website

Syngen's Facebook page

Contact us

For any questions or suggestions regarding this Report, please contact:

Syngen Biotech Co., Ltd.

Department: President's Office

Tel: +886-6-5058168

Address: Building A, No. 154, Kaiyuan Road, Xinying District, Tainan City

Company website: https://www.syngen.com.tw/

00 Chairman's Message

For many years, Syngen has actively responded to global challenges, including the aftermath of the pandemic and the growing impacts of climate change. The Company firmly upholds the values of being people-centered and pursuing the common good, remaining committed to protecting employees' benefits and well-being while fulfilling its corporate social responsibilities. These efforts have not only generated stable operational performance but have also laid a solid foundation for the Company's future sustainable development. Anchoring its development strategy in the big health industry, Syngen continues to uphold the vision of "Health for All," which lies at the core of its corporate social responsibility.

Guided by the philosophy that "the greatest doctors treat illness before it emerges," the Company is dedicated to developing medicinal products, health foods, and nutritional supplements. In its R&D strategy, the Company has embarked on the next-generation precision preventive care approach. Considering the diversity and complexity of the human gut microbiota, the Company has shifted its focus from developing single-strain probiotics to creating composite formulations integrating synergistic symbiosis, fermentation-derived materials, and postbiotics. Furthermore, in the areas of R&D and mass production of plant- and microbe-derived exosomes, the Company is actively advancing in-house screening and development of next-generation probiotics, while also facilitating the food regulatory acceptance of novel materials for health care in Taiwan. These concrete actions demonstrate the Company's commitment to improving public health and quality of life. In terms of manufacturing, the Company continues to promote its food safety and traceability systems to uphold its product responsibility. Additionally, it has obtained multiple Taiwan and international quality system certifications, including PIC/S GMP, PIC/S GMP GDP, TQF, FDA, NSF, Dun & Bradstreet, ISO 9001, ISO 22000, and HACCP, ensuring the safety and effectiveness of its products. Through high-quality products and services, we strive to promote public health and well-being, offering consumers a diverse range of safe and effective products.

Over the past years, the world has been significantly affected by the growing impacts of extreme climate change. Among global public health issues, approximately 76 viral diseases and 39 bacteria-related infectious diseases are expected to deteriorate under the influence of extreme climate change, posing serious threats to human health. Beyond human health, issues such as water scarcity, reduced ecological diversity, and food chain imbalance have emerged, forming a chain reaction that could ultimately trace back to the root cause: the increasing severity of greenhouse gas (GHG) emissions. In 2023, Syngen started its ISO 14064 GHG inventory and obtained third-party certification, marking an important milestone in its environmental sustainability journey. In addition, Syngen supports the United Nations' 17 Sustainable Development Goals (SDGs), integrating goals such as Climate Action, Good Health and Well-being, Clean Water and Sanitation, and Decent Work and Economic Growth into its corporate regulations and policies. The Company is committed to maintaining ecological sustainability across all operations while protecting and promoting biodiversity. Looking ahead to future annual reviews, the Company will continue to refine and strengthen its environmental management practices, with the ultimate goal of achieving sustainable development.

In terms of corporate governance, Syngen values transparency and high ethical standards, ensuring that all operations meet the highest legal standards, thereby strengthening the trust of investors and stakeholders. As a result of these efforts, Syngen has achieved impressive financial performance in the market. In 2024, the Company recorded revenue of NT$2.014 billion, an accomplishment that reflects its unwavering commitment to environmental, social, and governance (ESG) practices. In addition to valuing business performance, to achieve sustainable development, the Company strives to reduce industrial waste, enhance resource recycling and reuse, and build a circular economy throughout its development process. These efforts have yielded remarkable results. Compared with the previous year, Syngen reduced electricity consumption by 30240.992 kWh, equivalent to a carbon reduction of 15,176.78 kg. Waste reuse, in particular, increased by 8.88%. Syngen ensures that every aspect of its operations generates a positive impact. It steadfastly upholds its core value of being "employee oriented," recognizing employees as the cornerstone of corporate growth. Therefore, we are committed to fostering a healthy and comfortable work environment with growth opportunities. In recent years, we have continuously improved employee benefits. In 2024, expenditures on employee welfare increased by 9.13%, and related policies have been continuously refined to further improve employee satisfaction and workplace happiness. By creating an open and inclusive workplace, free from discrimination based on race, gender, religion, or physical/mental disabilities, we empower every employee to unleash their full expertise, potential, and individuality.

Innovation serves as the fundamental driver of a company's sustainable development. Operating in the rapidly evolving health industry, the Company has strategically established a presence across multiple innovation domains, forming a comprehensive ecosystem through a multi-track R&D model that attracts professional talent. With patented products protected in multiple countries for their effectiveness, the Company has collaborated with its international strategic partners, actively expanding its global market presence and sales channels. Through these efforts, the Company manages to stand out in a highly competitive market, creating long-term value for its stakeholders and effectively advancing toward its goal of global operations. Looking ahead, Syngen will remain committed to innovation and excellence, striving for even greater achievements on the journey toward sustainable development.

Syngen Biotech Co., Ltd.

Chairman 陳威仁



01

Corporate Sustainability Vision



Syngen Biotech Co., Ltd.

01 Corporate Sustainability Vision

Core Vision and Commitment



Upholding the mission of advancing health care, Syngen has, since its establishment, invested substantial resources in research and development. With the growing public awareness of well-being, people are placing increasing importance on health care. Our accumulated R&D capabilities over the years have laid a solid foundation in the fields of biotechnology and healthcare. To meet diverse market needs, we have expanded and diversified our health food portfolio. Furthermore, we have been proactively seeking opportunities to showcase our products and R&D technologies, highlighting Taiwan's biotechnology achievements on the global stage.

In addition to investing in international market expansion, we continue to pursue innovation through research and development and seek to establish cross-industry partnerships as part of our marketing approach. These efforts have earned the Company international recognition. Since 2017, we have obtained GMP certification from the National Sanitation Foundation (NSF) and has subsequently passed U.S. FDA inspections and earned GMP certification for health supplements from the TFDA. Additionally, we have actively pursued patent applications both in Taiwan and internationally to enhance product competitiveness, achieve market differentiation, and develop a clear brand roadmap.

In addition to the commitment to continuous growth and self-improvement, we uphold the principles of "Invest in Quality, Innovate in Technology, Free Customers from Concern, and Pursue Health and Happiness." Guided by these values, we continue to obtain certifications and pass inspections at home and abroad, enhance internal operations, introduce automated production equipment, and improve the work environment to ensure a safe and comfortable workplace for employees. Leveraging its R&D strengths and commercialization capabilities, Syngen aims to support the local organic agribusiness and the development of smallholders, playing a leading role in promoting locally produced agricultural products on the global arena. Committed to the development of green and health food, we respond to the international calls for food safety, carbon reduction, and circular sustainability. Beyond ensuring product quality and safety for consumers, we are also ushering in a new era of healthy living for all.

2024 Achievements and Performance

1. Adopted the GRI Standards 2021, applying double materiality to analyze material topic impacts and following the GRI Standards 2021 for disclosure
2. Adopted the TCFD framework to disclose information on climate governance
3. Adopted the SASB standards to improve information transparency and comparability across industries
4. Added 2 female board members, now accounting for 28.57% of the Board
5. Recorded a total of 10,364 employee training hours at Syngen in 2023
6. Achieved NT$2.014 billion in 2024 revenue
7. Won the 9th Scientific and Technological Agribusiness Innovation Award for SYNCURCUM®, a product jointly developed with local agricultural producers
8. Ranked No. 14 in the 2024 TOP 5000 Pharmaceutical Industry list



01 Corporate Sustainability Vision

1.1 About Syngen Biotech

1.1.1 Company Overview

Since its establishment in 1999, Syngen has been a trailblazer in the fields of medical biotechnology and healthcare, upholding the business philosophy of “Sincerity, Honesty, Excellence, and Innovation.” In 2003, we became the first API manufacturer in Taiwan to pass the cGMP audit. We focus on the research, development, and production of fermentation-derived APIs, including antibiotics, immunosuppressants, and anti-cancer drugs. We possess unique expertise in probiotic production technology, becoming the first pharmaceutical company in Taiwan to have probiotics certified with a PIC/S GMP API certificate. Leveraging our strong foundation in formulation design and pharmaceutical preparation technologies, we apply our expertise to the R&D and manufacturing of health supplements and foods in special dosage forms. With the successive establishment of the Sinying headquarters, Southern Taiwan Science Park Plant 1 and Plant 2, Malaysia subsidiary, and Yunlin Technology Industrial Park Plant, Syngen continues to drive innovation through years of accumulated professional R&D experience. Upholding an unwavering attitude of rigor while remaining bold in pursuing breakthroughs, the Company actively conducts research and development of functional ingredients and special-dosage-form health products.

Syngen is the proud holder of over 106 patents and has received numerous domestic and international awards. It has been honored with the 2020 Taiwan BIO Awards - Gold Award, and is a three-time winner of the Taipei Biotech Awards (2018, 2019, and 2023). Its antibiotic API, Mupirocin, holds an impressive 10% share of the global market. The Company’s functional probiotics and herbal-based health products and raw materials have not only established a strong presence in Taiwan but have also formed partnerships with internationally renowned brands in countries such as the United States and Japan, successfully expanding into multiple global distribution channels.

Company Information

Company Name	生展生物科技股份有限公司
English	SYNGEN BIOTECH CO., LTD.
Establishment	1999
TPEx listing	2016
Stock Code	8279 (biotechnology and pharmaceutical industry)
Capital	NT$271 million
Total Employees	554
Chairman	Wei-Jen Chen

Associate Companies

Company Name	Relationship with Syngen	Shareholding %
Standard Chem. & Pharm. CO., LTD.	Parent company	46.68%
GeneFerm Biotechnology Co., Ltd.	Associate company	28.94%
Syngen Biotech INTERNATIONAL SDN. BHD.	Subsidiary	100%
Chan Shuo Biotech & Pharma Co., Ltd.	Subsidiary	100%

Note: Data as of December 31, 2024

Participation in External Organizations

No.	Organization Name	Participating Department	Role
1	Taiwan Pharmaceutical Manufacturer’s Association	Quality Assurance Department/ Quality Control Department	Member
2	Taiwan Functional Food Industry Association	Quality Assurance Department/ Quality Control Department	Member (Chairperson)
3	Taiwan Halal Integrity Development Association	Quality Assurance Department	Member
4	Taiwan Generic Pharmaceutical Association	Quality Assurance Department/ Quality Control Department	Member

01 Corporate Sustainability Vision

Our Locations



Headquarters (Sinying Plant)

Building A, No. 154, Kaiyuan Road, Xinying District, Tainan City

Tel: (06)632-3588

Products and Services:
Microbial Strain Bank and R&D Center
Formulation development, prototyping, and scale-up R&D
Quality Control Center
API production
Fermentation and production of functional ingredients
Production of health foods and supplements



Southern Taiwan Science Park Plant 1

No. 9, Dashun 9th Road, Xinshi District, Tainan City

Tel: (06)505-8168

Products and Services:
Marketing Center
Quality Control Center
R&D and Cell Laboratory
Fermentation and production of functional ingredients
Production of health foods and supplements



Southern Taiwan Science Park Plant 2

No. 3, Dashun 9th Road, Xinshi District, Tainan City

Tel: (06)505-0118

Products and Services:
R&D Center
Pilot Plant
Raw Materials Management Center (planning)



Yunlin Technology Industrial Park Plant

No. 32, Kejia 6th Road, Chang'an Village, Douliu City, Yunlin County

Tel: (05)551-2595

Products and Services:
Pharmaceutical-grade capsule shells
Special capsules (plants/liquids)
Other special dosage forms

Corporate Sustainability Vision

1.1.2 Syngen Milestones

1999
Syngen Biotech Co., Ltd. established upon approval

2003
Became the first API manufacturer in Taiwan to pass the cGMP audit

2009
Bacillus coagulans successfully entered the international markets and was exported to the U.S.
Won the 3rd TFDA National Pharmaceutical Technology & Research Development Award

2010
Accredited with ISO 9001 and ISO 22000

2012
Passed HACCP certification
Won the TOP500 Business Performance Excellence Award

2014
APIs obtained PIC/S GMP certification
Obtained TQF certification

2016
Listed on the Taipei Exchange (TPEx) (8279)
Obtained Tse-Xin Organic Certification
Obtained HALAL certification
Relocated to the new plant in Southern Taiwan Science Park

2017
Established SYNGEN BIOTECH INTERNATIONAL SDN. BHD.
Obtained GMP certification from the NSF
Won the National Pharmaceutical Technology & Research Development Award - Gold Award
Won the 14th National Innovation Award

2018
The U.S. FDA inspection concluded with zero 483 observations.

2020
Established Southern Taiwan Science Park Plant 2

2021
Obtained GMP certification for health supplements from the TFDA
Partnered with GeneFerm Biotechnology on a private placement to jointly expand the global market for microbial fermentation
Won the 2020 Taiwan BIO Awards - Gold Award
Won the ROT project of the “Tai Kang Organic Agriculture Plantation”

2022
Established Yunlin Technology Industrial Park Plant
Sinying Plant and Southern Taiwan Science Park Plants obtained the TFDA GMP certification for health supplements.
Granted Accreditation of Foreign Manufacturers (AFM) by PMDA Japan

2023
Capsule production line at Yunlin Technology Industrial Park Plant applied for PIC/S GMP certification.
Sinying Plant and Southern Taiwan Science Park Plants completed GHG inventory and were accredited with ISO 14064.
Published the first ESG Sustainability Report

2024
Chairman Wei-Jen Chen won the 2024 BGS Entrepreneurial Achievement Award.
Won the 2023 Southern Taiwan Science Park Workplace Equality - Excellence Award

2025
Yunlin Technology Industrial Park Plant obtained PIC/S GMP, GDP, and Halal product certifications.

01 Corporate Sustainability Vision

Company Performance

300 million+
Over 300 million aluminum foil sachets produced annually

30 million
30 million bottles of drinks produced annually

1,500+
Over 1,500 new products developed worldwide annually

600+
Global clients

120+
Accreditations and certificates

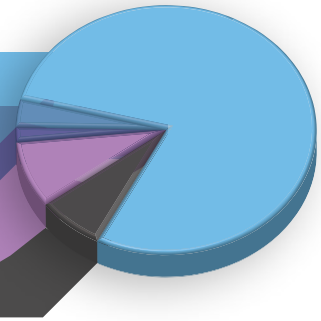
50 tons+
Over 50 tons of raw materials sold annually

01 Corporate Sustainability Vision

1.1.3 Products and Industry Value Chain

2022

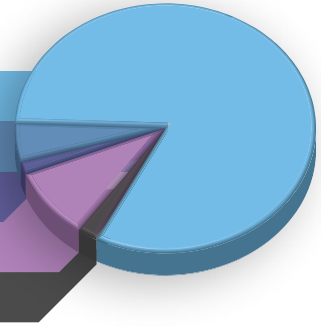
Health foods:	$1,520,356	78.75%
Raw materials:	$68,392	3.55%
Preventive healthcare:	$38,846	2.01%
Pet healthcare:	$164,747	8.53%
Others:	$138,253	7.16%
Total:	$1,930,594	100%



Unit: NT$ in thousands

2023

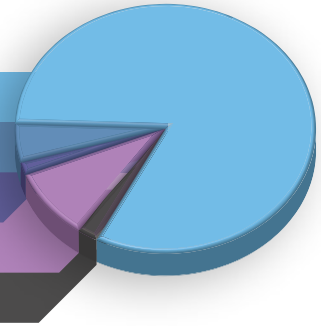
Health foods:	$1,506,540	82.00%
Raw materials:	$95,562	5.20%
Preventive healthcare:	$29,675	1.62%
Pet healthcare:	$165,602	9.01%
Others:	$39,806	2.17%
Total:	$1,837,185	100%



Unit: NT$ in thousands

2024

Health foods:	$1,635,505	81.22%
Raw materials:	$114,611	5.69%
Preventive healthcare:	$48,142	2.39%
Pet healthcare:	$162,455	8.07%
Others:	$52,879	2.63%
Total:	$2,013,592	100%



Unit: NT$ in thousands

Syngen primarily leverages its fermentation technology expertise in the manufacturing and trading of raw materials and finished products within the microbial pharmaceutical and health food industries. It also engages in the agency sales of preventive healthcare and pet healthcare products. Future product development will focus on the pharmaceutical and food fields. The Company's current main product categories are as follows:

A. Health foods:

The Group currently holds 90 health food-related patents across multiple countries, including Taiwan, the United Kingdom, the Netherlands, Germany, France, Poland, Hungary, Denmark, China, the United States, Japan, Australia, and Singapore.

B. Raw materials:

The raw materials are primarily used in medicinal products and health supplements. For medicinal products, they include ingredients applied in antibiotic formulations for skin infections and products supporting gastrointestinal health. The Group currently holds a total of 6 drug licenses and 16 related patents across multiple countries, including Taiwan, the United Kingdom, Germany, Hungary, Poland, Norway, India, China, Japan, the United States, Australia, Canada, France, Switzerland, and Spain. Raw materials for health supplements cover a variety of products that reduce cholesterol, regulate the state of health, boost energy, and support digestive health, as well as probiotic products.

C. Preventive healthcare:

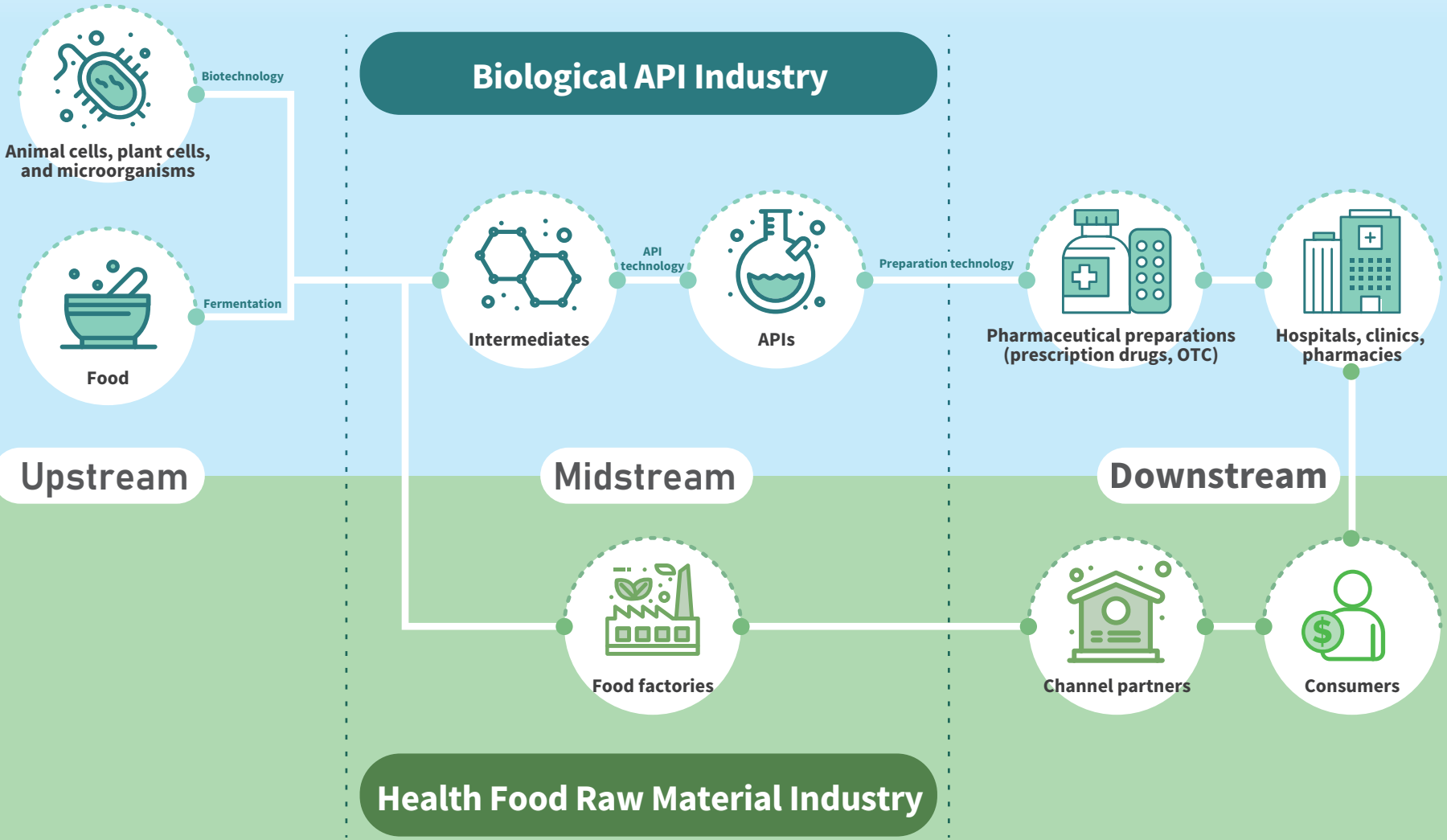
The products include medical testing instruments and software, such as non-mydriatic fundus cameras, arterial vascular detectors, bone density analyzers, autonomic nervous system testing equipment, blood glucose analyzers, and AI-powered analysis software for diabetic retinopathy.

D. Pet healthcare:

The products cover veterinary healthcare and medicine, including veterinary hematology analyzers, rapid diagnostic test kits, serum immunoassay analyzers, Class IV laser therapy devices, integrated laboratory information software systems, heartworm preventive medicine, generic veterinary drugs, skin-cleansing products, and pet health foods.

Corporate Sustainability Vision

Pharmaceutical Industry and Health Food Industry Value Chains



01 Corporate Sustainability Vision

1.2 Stakeholder Engagement

1.2.1 Stakeholder Identification

The process of stakeholder identification begins by listing all parties Syngen engages with during its daily operations across various departments. Through an analysis of these contacts, Syngen then identify stakeholders that have a greater level of influence or impact on the company. Based on input from each business unit and functional department, Syngen identified eight types of stakeholders, including employees, shareholders/investors, customers, suppliers, government agencies, media, academic institutions/associations, and communities/non-profit organizations. Department heads then filled out questionnaires according to the five principles of the AA1000 Stakeholder Engagement Standard (SES): Dependency, Responsibility, Tension, Influence, and Diverse Perspectives, to assess the relevance of each stakeholder group to Syngen and rank stakeholder groups according to the materiality of their relationship with Syngen. As a result, the top-ranked group is customers, followed by employees, government agencies, shareholders/investors, suppliers, academic institutions/associations, media, and communities/non-profit organizations.



Five Key Dimensions of Assessment

1. **Responsibility:** Stakeholders to whom Syngen assumes legal, commercial, operational, or ethical responsibilities.
2. **Diverse Perspective:** Valuing the perspectives of different stakeholders to ensure completeness and diversity.
3. **Influence:** Assessing the extent to which stakeholders can influence Syngen's strategy or business decision-making.
4. **Tension:** Stakeholders that pay close attention to Syngen's financial performance and economic, social, and environmental issues.
5. **Dependency:** Assessing the extent to which stakeholders directly or indirectly depend on Syngen's products, activities, or services.



Corporate Sustainability Vision

1.2 Stakeholder Engagement

1.2.2 Stakeholder Engagement Approaches and Results

Syngen attaches great importance to the needs and expectations of stakeholders. Through the establishment of diverse communication channels, such as the company's official website, shareholders' meetings, and participation in external associations or organizations, we actively seek to understand stakeholders' attitudes, opinions, and issues of concern. By doing so, we manage to dynamically adjust the Company's business strategies in a timely manner, in hopes of creating a win-win situation with stakeholders and ultimately achieving corporate sustainability.

Category	Significance to Syngen	Top 3 Issues of Concern	Communication Channel	Communication Frequency	2024 Communication Results
Customers	Customers are the Company's main source of revenue. Revolving around customer needs, Syngen aims to provide customers with a better experience, ensure excellent quality, and achieve customer satisfaction. This serves as the driving force behind Syngen's continuous improvement and growth.	1. Waste management 2. Product quality and safety 3. Water resource management	Via customer service email	24 hours	• Maintained close contact with customers at all times; responded actively and promptly to customer needs • Visited customers as necessary to promote the Company's products and understand customer needs • Maintained up-to-date product and service information on the official website for customer access
			Customer satisfaction surveys	When necessary	
			Public information	When necessary	
			Official correspondence	When necessary	
			Official website	24 hours	
Employees	Syngen regards talent as the Company's most important asset and the most critical factor for building core competitiveness and affecting operational performance. Therefore, we value employee feedback, promptly respond to their concerns, fulfill our responsibility for employee care, and aim to create a "happy workplace" for our employees.	1. Waste management 2. Customer health and safety 3. Energy management	Performance reviews and meetings	Twice a year	• Conducted annual internal GMP training, listing major anomalies • Conducted monthly training on raw materials-related laws and regulations
			Internal training sessions	When necessary	
			Employee Welfare Committee	When necessary	
			Labor-management meetings	Once a quarter	
			Grievance channels	When necessary	
Government agencies	Syngen strictly complies with government laws and regulations, actively operates in line with government policies, and communicates with the government as necessary, including participating in inspections and supervision by relevant competent authorities, such as the National Taxation Bureau, Environmental Protection Bureau, Bureau of Energy, Fire Bureau, Labor Inspection Office, and Labor Affairs Bureau, to enable the Company to comply with laws and regulations more clearly and effectively.	1. Customer health and safety 2. Supplier management 3. Water resource management	Meetings and visits	When necessary	• Reported to the Health Bureau • Participated in on-site inspections • Maintained product traceability records
			Official correspondence	When necessary	
			Public hearings/press conferences	When necessary	
			Phone calls	When necessary	
Shareholders/ investors	The support of shareholders and investors, who hold shares in Syngen, is crucial for its sustainable development. Therefore, Syngen strives to maintain good communication with shareholders and incorporate their high-quality input into its business policies, aiming to achieve a robust business operation and fulfil its responsibilities for shareholders/investors.	1. Corporate governance 2. Waste management 3. Economic performance	Shareholders' meetings	At least once a year	• Held the Annual General Meeting • Held the annual investor conference
			Market Observation Post System (MOPS)	When necessary	
			Investors relations section on the official website	24 hours	
			By mail	When necessary	

01 Corporate Sustainability Vision

1.2 Stakeholder Engagement

	Significance to Syngen	Top 3 Issues of Concern	Communication Channel	Communication Frequency	2024 Communication Results
Suppliers	Stable suppliers are an indispensable part of a company's growth and the key to sustainable development and value chain. Establishing effective supplier communication channels and evaluation system ensures the quality and stability of products and services while reducing production costs and risks.	1. Product quality and safety 2. Innovation and R&D 3. Intellectual property management	Supplier contact: Procurement Section under the Department of Management	When necessary	• Annual supplier audits • Annual supplier questionnaires
			Email	When necessary	
			Questionnaires	When necessary	
			Training sessions	When necessary	
			On-site supplier audits	Annually	
Academic institutions/ associations	In addition to public activities held by government agencies, the Company maintains interactions with major research institutes and academic institutions at home and abroad, ensuring access to the latest and best resources and opportunities at all times.	1. Customer relations management 2. Biodiversity 3. Social engagement	Public training sessions	Quarterly	• School administration regularly visited and supported student interns at the Company in 2024. • Collaborated closely with major research institutes
			Member meetings	Annually	
			External seminars	When necessary	
Media	The media serves a channel bridging companies and stakeholders (e.g., customers, investors, and the general public). Through media exposure, press conferences, brand events, and shareholders' meetings, the Company demonstrates its values, mission, and commitments to the public, strengthens interactions and relationships with stakeholders, and builds a positive corporate image and reputation.	1. Corporate governance 2. Waste management 3. Product quality and safety	Press releases	When necessary	• Published 14 articles on the official website in 2024
			Press conferences	When necessary	
			Exclusive interviews and reports	When necessary	
Communities/ Non-profit organizations	Tai Kang Park, a collaborated ROT project between Syngen and the government, enhances mutual trust and cooperation with local communities, achieving common good with community residents and local smallholders. It demonstrates the Company's commitment to leveraging its available resources to give back to local communities and the general public, facilitating the sustainable development of the Company.	1. Customer relations management 2. Economic performance 3. Information security management	Community briefings	Annually	• Held a performance briefing in June 2024 • Held nearly 20 events in 2024
			Charitable events	When necessary	
			Department of Management	Monthly	

Stakeholder Contacts and Communication Channels

Spokesperson

Jesse Wu
E-mail: wu.jesse@syngen.com.tw

Customer service hotline

Department of Sales Manager Tsai
Tel: 0800-688178
E-mail: service@syngen.com.tw

Employee grievance channel:

Department of Management Personnel Section
E-mail: suggestionbox@syngen.com.tw

Suppliers section

Department of Management Procurement Section
E-mail: service@syngen.com.tw

Investor relations section

Spokesperson Jesse Wu
E-mail: wu.jesse@syngen.com.tw

Acting spokesperson Shallin Cho
E-mail: cho.shallin@syngen.com.tw

Tel: +886-65058168

ESG section

Ms. Cheng, Sustainability Project Team

Tel: +886-65058168

E-mail: cheng.lining@syngen.com.tw
service@syngen.com.tw

01 Corporate Sustainability Vision

1.3 Analysis of Material Topics

1.3.1 Materiality Identification Process

Syngen upholds the principles of openness and transparency, providing diverse communication channels to facilitate effective two-way dialogue. The Company is committed to establishing a foundation for sustainable development through regular communication with stakeholders via multiple channels. This is to identify the most material topics for stakeholders and the Company. The Company discloses relevant information and gathers feedback from stakeholders, ensuring that Syngen can continuously improve its deficiencies on the path to sustainable development and respond to the expectations of the public.



According to the **5** major principles of the AA1000 SES, stakeholders are defined as "internal or external groups or individuals that influence, or are influenced by, the Company." Stakeholder questionnaires were distributed to department heads for completion based on this definition.

A total of **20** stakeholder questionnaires were collected, identifying **8** types of stakeholders.

Based on sustainability standards and regulations (e.g., GRI, TCFD, SASB), topics of concern to domestic and foreign peers, MSCI ESG rating criteria, and major global sustainability trends, Syngen identified sustainability topics related to its business operations, selecting **21** sustainability issues for impact assessment.

A total of **14** cross-departmental sustainability interviews were conducted, resulting in **21** sustainability issues being selected for impact assessment.

The Company distributed the "Syngen Sustainability Material Topics Questionnaire" to assess the positive and negative impacts of the **21** sustainability topics from internal and external stakeholders. Internally, department heads who are familiar with their respective departmental job scope completed the survey for their teams.

A total of **113** material topics questionnaires were collected: **18** from internal employees and **95** from external stakeholders.

3 key indicators

1. Evaluation on the positive/negative impacts of material topics on the economy, environment, and people (including their human rights) was conducted based on stakeholders' responses. The scores of external questionnaires were weighted, reflecting the materiality of stakeholders' relationship with the Company.

2. Evaluation on the positive/negative impacts of material topics on the company operations as well as the likelihood of occurrence based on the internal responses.

3. A dual materiality matrix was created based on results from internal and external evaluations.

Confirm 10 key material topics

Based on the analysis results of the dual materiality matrix, the Sustainability Project Team discussed and identified **10** material topics. Management approaches and annual performance results for the material topics are disclosed in the Sustainability Report, ensuring compliance with principles such as sustainability context and completeness, thereby achieving the goal of effective communication with stakeholders.

Corporate Sustainability Vision

1.3 Analysis of Material Topics

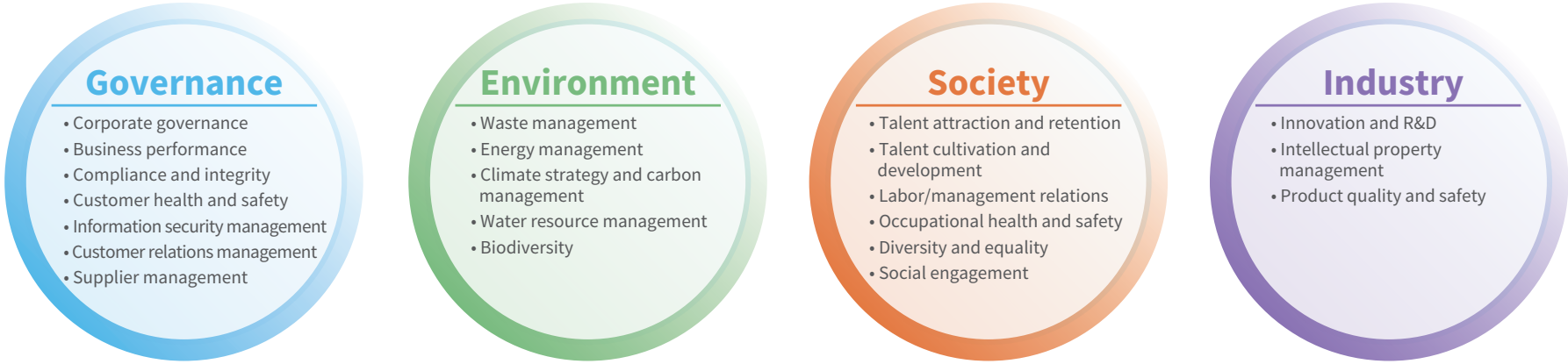
1.3.2 Identification and Confirmation of Material Topics

Sources of Sustainability Topics

International sustainability standards and frameworks	Sustainable Development Goals (SDGs)	International sustainability investment ratings	Industry trends	Topics of concern to stakeholders
Including the Global Reporting Initiative (GRI) Standards, the Sustainability Accounting Standards Board (SASB) Standards, the Responsible Business Alliance (RBA) Code of Conduct, and the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.	The Company evaluated the 17 SDGs and associated 169 targets, linking them to Syngen's relevant actions.	Including the MSCI ESG Leaders Indexes, the Dow Jones Sustainability Index (DJSI), and the Carbon Disclosure Project (CDP)	International sustainability trends and issues of concern to industry peers	Issues of concern to stakeholders such as customers, employees, government agencies, shareholders/investors, suppliers, academic institutions/associations, media, and communities/non-profit organizations

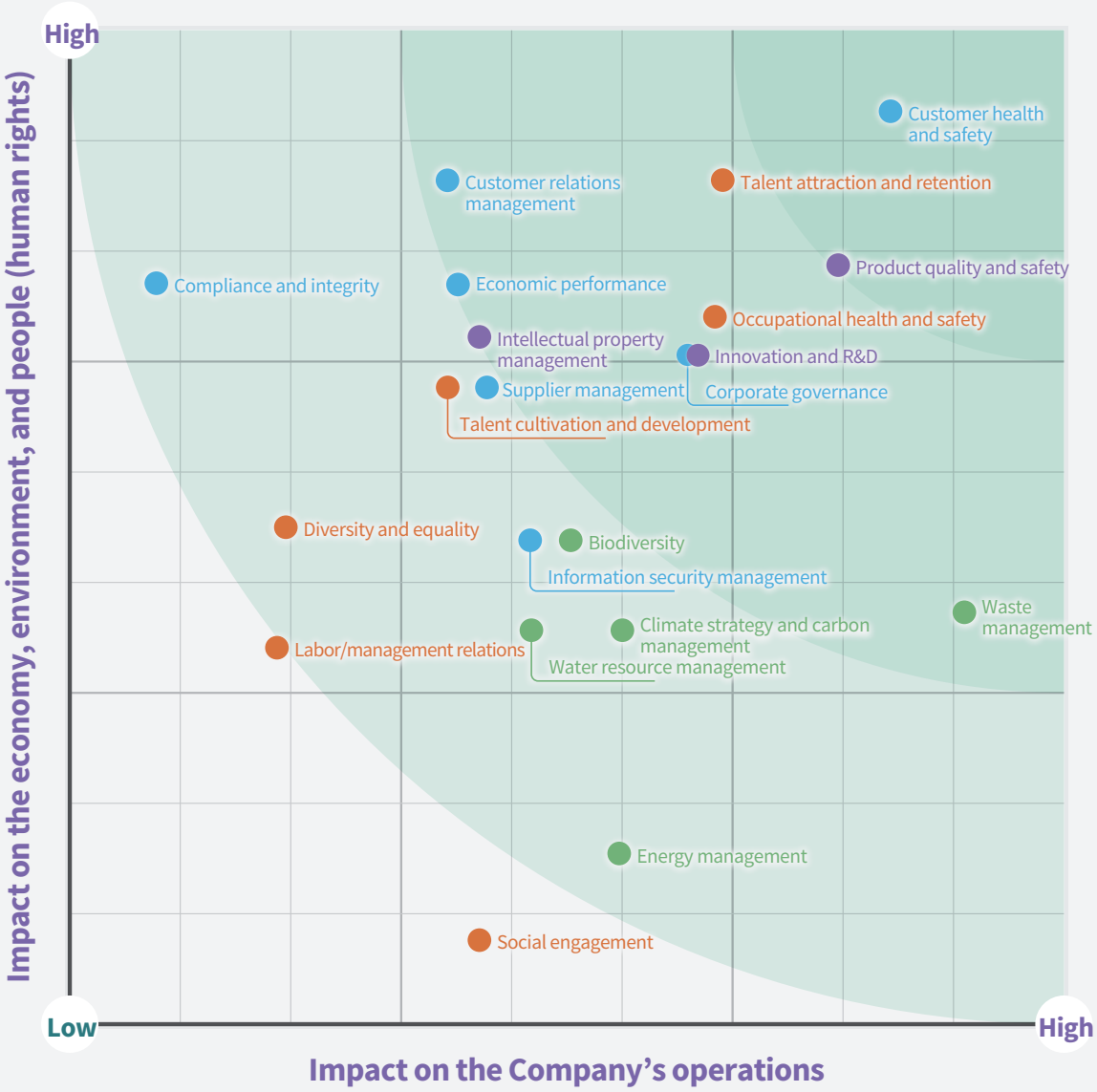
Sustainability Topics

After internal discussions within Syngen's Sustainability Project Team and engagement with stakeholders, we analyzed sustainability topics from four dimensions: governance, environment, society, and industry. As a result, 21 sustainability topics were identified. Revolving around these topics, Syngen will continue to refine its governance approaches, advancing towards corporate sustainability.



01 Corporate Sustainability Vision

Materiality Matrix



Governance Environment
Society Industry

Materiality Matrix

Syngen conducted a stakeholder materiality analysis to assess the 21 sustainability topics. Based on the two dimensions: "impact on the economy, environment and people (human rights)" and "impact on the Company's operations," the Company adopted a matrix-based cross analysis and, after discussion with external consultants. determined that topics with a high level of "impact on the economy, environment and people (human rights)" and "impact on the Company's operations" should be identified as material topics for priority disclosure. As a result, a total of 10 material topics were confirmed.

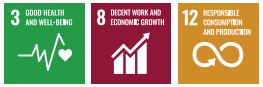
1. Customer health and safety
2. Talent attraction and retention
3. Product quality and safety
4. Occupational health and safety
5. Customer relations management
6. Innovation and R&D
7. Corporate governance
8. Economic performance
9. Intellectual property management
10. Waste management

Syngen has formulated sustainable development strategies based on the identified material topics, regularly reviewing performance and goal achievement. To improve the credibility of performance results, the Company has also implemented internal verification and independent third-party assurance.

Corporate Sustainability Vision

1.3.3 Boundary of Material Topic Impact

Hotspots and Impacts Across the Value Chain

Material Topic	Customers	Employees	Government agencies	Shareholders/ Investors	Suppliers	Academic institutions/ associations	Media	Communities/ Non-profit organizations	Significance to Syngen	Corresponding SDGs
Customer health and safety	○		○	○					Protecting the health and safety of customers is both a legal and ethical responsibility for a company. Customer satisfaction drives Syngen's continuous improvement. The Company is committed to providing better products and services to ensure customers' health and safety.	
Talent attraction and retention		○		○		○			Talent is the most important asset of a company. Syngen encourages employees to grow together with the Company. The Company has set up employee grievance channels, designed diverse training courses, created a multicultural workplace environment, aiming to foster a healthy and friendly happy workplace for its employees.	
Product quality and safety	○	○	○		○				Syngen continuously makes improvements and has introduced digital control mechanisms to improve process efficiency. The Company conducts random inspection and evaluation of suppliers and provides quality management training for employees to ensure the stability of product supply and product quality, meeting the relevant requirements of competent authorities.	
Occupational health and safety		○	○						Through occupational health and safety training and labor-management meetings, Syngen ensures employees are equipped with the necessary knowledge. The Company communicates with government agencies by mail and letter on a regular basis to stay updated on the latest occupational safety regulations and ensure the safety of employees in the workplace.	
Customer relationship management	○	○		○	○		○		By delivering high-quality products and services and engaging in good interactions and communication with customers, companies can shape a positive brand image and reputation. Sound customer relationship management also helps improve customer loyalty and maintain customer satisfaction.	

Corporate Sustainability Vision

1.3.3 Boundary of Material Topic Impact

Hotspots and Impacts Across the Value Chain

Material Topic	Customers	Employees	Government agencies	Shareholders/ Investors	Suppliers	Academic institutions/ associations	Media	Communities/ Non-profit organizations	Significance to Syngen	Corresponding SDGs
Innovation and R&D		○		○		○			Innovation and R&D are key factors driving a company to improve its competitiveness. Syngen, committed to innovation, invests in product and patent R&D every year, aiming to enhance its own technologies and product edge, maintaining leadership in the market to tackle the challenges from competitors.	
Corporate governance		○	○	○					Effective corporate governance helps identify, manage, and reduce risks, thereby improving corporate efficiency and competitiveness. It ensures that companies can effectively, transparently, and responsibly manage and operate, thereby achieving long-term sustainable development.	
Economic performance		○		○	○				Pursuing growth and profitability is the foundation of corporate operations. Good profitability can improve corporate value and shareholder returns. It can also create stable employment and career development opportunities, improving employees' quality of life and well-being.	
Intellectual property management		○		○		○			An enterprise's intellectual property assets are one of its most important business values. Syngen encourages the R&D Department to engage in technology R&D and product innovation, facilitate technological advancements and industrial upgrades, and drive the Company's economic growth and social progress.	
Waste management	○	○	○					○	Effective waste management reduces the negative impact on the environment, mitigates pollution and ecological destruction, and protects natural resources and ecosystems. Syngen must comply with these regulations to avoid fines, lawsuits, and reputational damage.	

02 Sustainable Governance



Syngen Biotech Co., Ltd.

02 Sustainable Governance

Core Vision and Commitment

Syngen is committed to ensuring transparent operations and protecting stakeholders' rights and interests through the continuous enhancement of its corporate governance practices, under the oversight of the Board of Directors regarding the composition and operation of each organizational unit. At the same time, the Company strives to enhance its financial performance through technological research and development. In daily operations, the Company strictly complies with laws and regulations, upholds business integrity, and has established organizational and operational mechanisms for risk management, including risk item management, internal controls, and information security management. Through these sustainable governance frameworks, Syngen aims to build a solid foundation for long-term corporate sustainability.



2024 Achievements and Performance

1. Appointed 2 female directors, accounting for 28.57% of the Board of Directors
2. Achieved NT$2.014 billion in 2024 revenue
3. Zero violations of integrity management and conflicts of interest laws and regulations; zero violations of anti-competition, anti-trust, and monopolistic practices
4. Established an internal control system, with 100% of Board directors signing the Internal Control System Statement



02 Sustainable Governance

2.1 Corporate Governance

Material Topic: Corporate Governance

Actual and potential positive impacts on the economy, environment, and people
Opportunities

Economy: Strengthens corporate transparency and trust, boosts investor confidence, attracts more investment and capital flows, and drives corporate growth and expansion.

Environment: Helps companies build environmental protection awareness, promotes green production and recycling, reduces adverse impacts on the environment, and facilitates sustainable development.

People: Protects employee rights, improves labor benefits, and promotes the fulfillment of corporate social responsibility, thereby achieving social stability.

Actual and potential negative impacts on the economy, environment, and people
Risks

Economy: Waste of funds and lack of transparency in the Company's internal finances, which could affect investors' confidence and corporate value, resulting in a decline in stock prices and capital outflow, and endangering the stable development of the Company.

Environment: Neglecting environmental protection could cause pollution and resource waste, which in turn causes damage to the ecological environment and even leads to environmental disasters.

People: Damage to employee rights and interests, reduced labor benefits, and even labor disputes and social instability, adversely affecting corporate reputation and image.

Resources invested in 2024

- Approved the appointment of a Corporate Governance Officer, with the Finance Department responsible for corporate governance-related affairs.
- Disclosed the implementation status of integrity training and the specific, quantitative performance of sustainable development initiatives on the official website.

Strategic Objectives

Company policies or commitments to corporate governance

Syngen is committed to maintaining a high level of transparency by regularly disclosing accurate and complete corporate information to investors, shareholders, and other stakeholders. At the same time, we respect and protect the rights and interests of all stakeholders, and are dedicated to establishing a comprehensive risk management system, including legal compliance, intellectual property, and information security protection. In addition, the Company is committed to continuously refining its corporate governance mechanisms and improving its corporate governance performance.

Short-term goals (1 year)

- Conduct external performance evaluation of the Board of Directors.
- Improve at least 3 items that failed to meet the standards in the Corporate Governance Evaluation.
- Organize sustainability-related training courses for the Board of Directors.

Medium and long-term goals (3-5 years)

- Establish a mechanism that links directors' performance evaluations and compensation to personal performance and future risks.
- Achieve Top 35% in the Corporate Governance Evaluation, improving the Company's rating level.

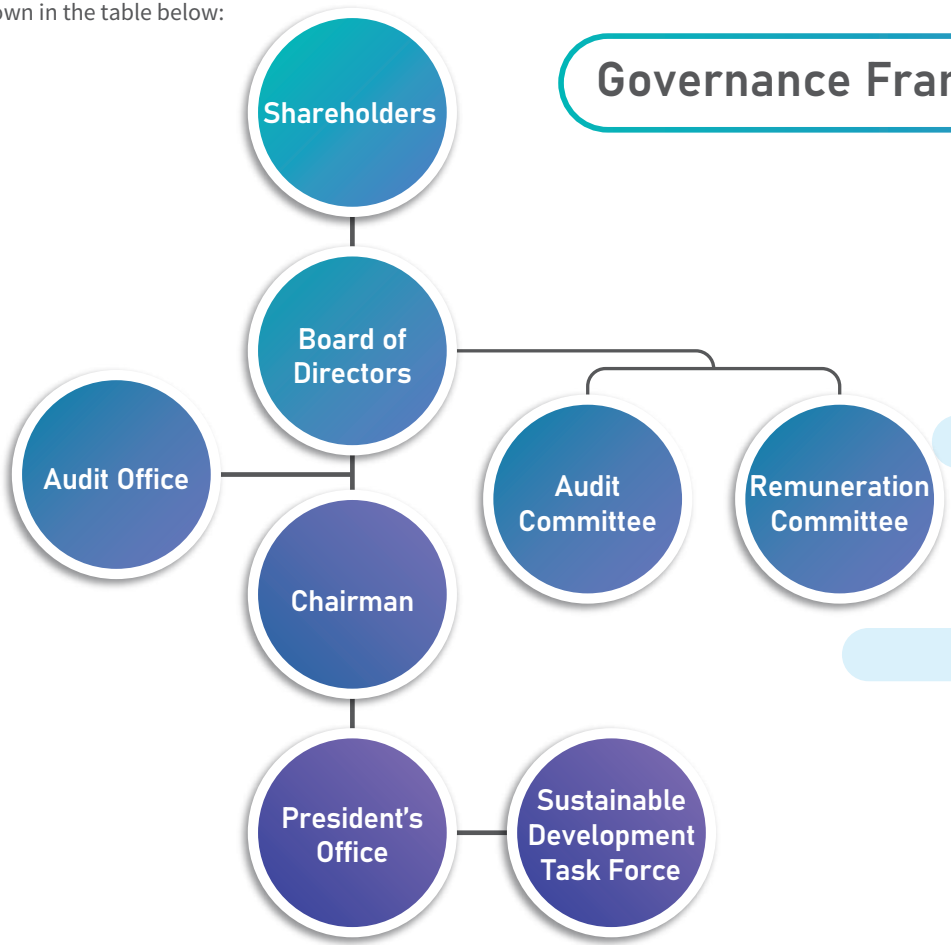
02 Sustainable Governance

2.1.1 Governance Framework

Improving operational transparency boosts the trust of investors and the general public in the Company. To establish a robust corporate governance system and culture, we have established clear principles in accordance with the Corporate Governance Best Practice Principles and the Sustainable Development Best Practice Principles, ensuring the Company's operations are legal and efficient. Additionally, we respect and protect the rights and interests of all stakeholders, and disclose the Company's operating status and important decisions to shareholders and other stakeholders in a timely manner to establish trust and a stable business foundation.

The Board of Directors is the highest governing body of Syngen. It is responsible for supervising overall business strategies and major policies, overseeing the management team, and being accountable to shareholders. Functional committees under the Board of Directors include the Audit Committee and the Remuneration Committee, and a Sustainable Development Task Force under the President's Office. The Company not only values its business strategies and shareholders' responsibilities, but also actively cares about sustainable development, ensuring the attainment of the Company's sustainable development goals. Details on the responsibilities and operating status of relevant organization units are shown in the table below:

Governance Framework Chart





Sustainable Governance

2.1.1 Governance Framework

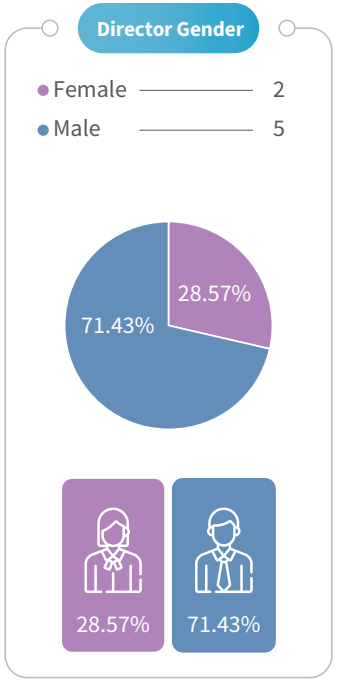
Responsible Unit	Description of Responsibilities	Operations
Board of Directors	• The highest governance body, responsible for supervising and approving overall business strategies and major policies, and overseeing the management team. • The President serves as the convener of the Sustainable Development Task Force and reports the implementation status to the Board of Directors at least once a year. • Focuses on issues such as integrity governance and business development, as well as sustainability-related issues such as green environmental protection and climate change, and works with relevant department heads to formulate and implement sustainable development plans.	Convenes at least once per quarter; held 4 Board meetings in 2024
Audit Committee	• Assists the Board of Directors in supervising and ensuring the Company's quality and integrity in accounting, auditing, financial reporting, and financial control.	Convenes at least once per quarter; held 4 meetings in 2024
Remuneration Committee	• Establishes and periodically reviews performance evaluation standards for directors and managers, annual and long-term performance goals, and policies, systems, standards, and structures for compensation. • Periodically evaluates the achievement of performance goals of directors and managers, and determines individual compensation package and amounts based on the performance evaluation results.	Convenes at least once per quarter; held 2 meetings in 2024
Audit Office	• Formulates an annual audit plan based on risk assessment results. • Ensures continuous effective implementation of the internal control system and assists management in fulfilling their responsibilities. • Assists the Board of Directors and management in formulating management approaches and achieving business goals.	Prepare annual audit plans and business reports each year
Sustainable Development Task Force	• Stays updated on sustainability issues and sustainable development policies. • Convenes sustainable development-related working group meetings. • Collaborates with department heads to assess the Company's core operational capabilities, formulate sustainable development plans, facilitates cross-departmental communication and cooperation on executing sustainable development plans, and track the progress of sustainability-related tasks. • Regularly reports climate change-related matters and risk assessment results to the Board of Directors.	1. Reports the implementation status to the Board of Directors at least once a year 2. Reported to the Board of Directors in 2024 on the completion of the Company's GHG inventory and verification disclosure schedule. 3. Prepare and review the Sustainability Report

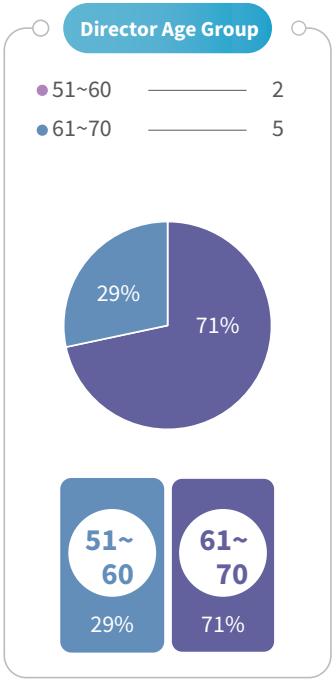
2.1.2 Board of Directors

Composition of the Board of Directors

The Company has developed a comprehensive director selection system, advocates and respects the diversity policy of directors, and actively promotes the sound development of the composition and structure of the Board of Directors. We believe that diversity improves overall corporate performance. All members of the Board of Directors are elected in accordance with our Corporate Governance Best Practice Principles, which emphasize merit-based selection. Each director possesses diverse and complementary expertise across various industries, equipped with industry experience and relevant skills beyond basic qualifications.

The 10th-term Board of Directors was elected at Syngen's Annual General Meeting on May 29, 2024. The Board comprises 7 director, reflecting the company's operational scale and development needs. Specifically, a total of 4 independent directors were appointed, accounting for 57% of the Board. Their tenure is 9 years or more. Additionally, 2 female directors were appointed, accounting for 29% of the Board, demonstrating the Company's commitment to achieving Board diversity. Directors with backgrounds in the biotechnology and pharmaceutical industry and those in financial accounting constitute 71% and 29% of the Board, respectively. To strengthen the Board's functions and attain the highest standards of corporate governance, the Company's Corporate Governance Best Practice Principles clearly outline the overall competencies required of the Board. For details on the Board composition, academic and work experience, and concurrent positions, please refer to the 2024 Annual Report.





Title	Name	Gender	Age	Professional Skills						
				Business Judgment	Financial Accounting	Business Management	Crisis Management	Industry Knowledge	Global Perspective	Leadership
Chairman	Wei-Jen Chen	♂	61~70	○		○	○	○		○
Director	Tzu-Ting Fan	♂	61~70	○		○	○	○	○	○
Director	Tsuey-Wen Yeh	♀	61~70	○	○	○	○		○	
Independent Director	A-Ching Tu	♂	61~70		○		○			○
Independent Director	Shih-Chieh Li	♂	51~60				○	○	○	
Independent Director	Sheng-Shih Wang	♂	61~70				○	○	○	
Independent Director	Chao-Yuan Huang	♀	51~60	○		○	○	○	○	

2.1.2 Board of Directors

Board Operations

The Company's Board of Directors convenes at least once every quarter, and may hold extraordinary meetings if necessary. Directors' actual meeting attendance is included in the performance evaluation. In 2024, the Board convened 4 meetings, with an overall average attendance rate exceeding 100%. Directors are required to recuse themselves when a matter in which they have a conflict of interest, either personally or a legal entity they represent, that could harm the Company, thereby protecting the best interests of stakeholders.

To strengthen the various abilities required by directors to perform their duties, enhance their professional competencies, and deepen their understanding of ESG-related issues, we arrange external training courses each year based on trends in corporate governance practices, the Company's business development needs, and the professional expertise of directors. In 2024, a total of 48 hours of continuing education were provided, averaging approximately 6.86 hours per director, which meets the regulatory requirements for the number of hours of training. These courses covered information security, risk management, integrity management, and corporate resilience, ensuring that directors remain up-to-date with the latest trends and best practices in the industry and apply these knowledge to the Company's strategic development and governance practices.

Course Name	Course Description	Course Hours	Number of Participants
A Must-Have Course on Corporate Sustainable Governance: External Influence and Diversified Management to Create Positive Value for Companies	• Corporate sustainability governance overview • Overview of diversified management of external impacts • Application of diversified management strategies • Strategies for creating positive value • Implementation and management of ESG strategies • Cross-domain collaboration and partnerships • Responding to external challenges: risk management and crisis response • Future trends in creating positive corporate value	6	4
How Companies, Board Directors, and Supervisors Can Avoid Unintentional Insider Trading	• Overview of insider trading and legal framework • Identification and handling of material information • Establishment of internal control and prevention mechanisms • Compliance and training • Regular organization of awareness-raising programs related to insider trading laws and regulations • Case study and risk identification • Analysis of historical insider trading cases and court judgments • Whistleblowing mechanism and violation handling	6	4
Workshop on the Identification of Climate Risk and Net Zero Emissions **Workshop on the Identification of Climate Risk and Seminar on the Net Zero Emissions**	• Sustainability action plans for TWSE/TPEx listed companies and recent ESG initiatives • Zero-carbon planning, the ESG mindset, and energy strategies that companies should have • Net zero, carbon credits, and carbon tariffs	9	1
Management of Corporate Risks and Compliance Risks and Case Study	In response to the adoption of corporate risk management by TWSE/TPEx listed companies, share the framework, methodologies, and practical application in compliance risk issues	6	1
The Role of Board Directors under Corporate Governance 4.0 and Compliance Responses to Management Control Challenges	• Corporate Governance 4.0 overview • Role and challenges of the board under Corporate Governance 4.0 • Background and response strategies for challenges in management control • Compliance risk management and directors' responsibilities • Case study and discussion • Future trends and board response strategies	6	1

2.1.2 Board of Directors

Board Performance Evaluation

To improve the efficiency of the Board operations, Syngen has developed the Board Performance Evaluation Policy to ensure that the Board and its functional committees fulfill their responsibilities in areas such as corporate governance, corporate operations, and corporate sustainability practices. According to this policy, the Company conducts at least one internal performance evaluation per year for the Board and its functional committees. The evaluation results serve as a reference when selecting or nominating directors and committee members to ensure that the Company can select and nominate candidates with outstanding performance and capabilities, thereby improving the overall efficiency of the Board operations.

Internal Evaluation

According to the Company's performance evaluation system, upon the conclusion of each fiscal year, the Board as a whole, individual directors, and functional committee members conduct internal self-evaluations of the "Board as a whole," "Board directors," and "functional committees," respectively. The evaluations cover the following areas: understanding of the Company's goals and tasks, internal controls, level of participation in the Company's operations, internal relationship management and communication, Board operations, directors' professionalism and continuing education, and directors' awareness of responsibilities and self-assessment. The evaluation results are consolidated by the agenda working group and reported to the Board. Based on the results in 2024, the average evaluation was rated "Excellent," indicating that the overall operations of the Board and its functional committees were satisfactory, in compliance with corporate governance-related regulations, effectively improving the Board's performance.



Performance Evaluation Dimensions

Board of Directors

- Participation in the Company's business operations
- Improvement of the Board's decision-making quality
- Board composition and structure
- Director selection and continuing education
- Internal controls

Average Score 96.61

Functional Committees

- Participation in the Company's business operations
- Awareness of committee responsibilities
- Improvement of the decision-making quality of the functional committees.
- Functional committee composition and member selection
- Internal controls

Average Score 99.53

Board Directors

Understanding of the Company's goals and tasks

Awareness of directors' responsibilities

Participation in the Company's business operations

Management of internal relationships and communication

Directors' expertise and continuing education

Internal controls

Average Score 99.43

2.1.2 Board of Directors

Functional Committees

To improve corporate governance operations and strengthen the Company's competitiveness, the Board of Directors has established two functional committees, namely the Audit Committee and the Remuneration Committee. All members of both committees are composed of independent directors. Except for matters that must be independently exercised in accordance with the law, the two functional committees submit resolutions to the Board of Directors for discussion and approval. Through the review of the functional committees, the Board of Directors can better perform its duties and enhance the interests of shareholders.

Remuneration Policy for Directors and Managers

Assessment principles: Remuneration standards are determined in accordance with the Company's Regulations Governing Remuneration for Directors and Managers and are set based on the contribution to the Company, taking into account the industry salary levels, job responsibilities, performance, and seniority, as well as the Company's overall business performance. Additionally, the assessment considers factors such as understanding of the Company's goals and tasks, awareness of directors' responsibilities, level of participation in the Company's operations, internal relationship management and communication, directors' expertise and continuing education, contribution to the Company's image, directors' and managers' goal achievement rates, profitability, operating efficiency, and overall contribution. The remuneration policy is reviewed by the Remuneration Committee and approved by the Board of Directors. It is subject to further review, as necessary, based on the Company's financial standing and relevant laws to balance sustainability with risk management.

Relevance: The Company's aforementioned remuneration policy and procedures for setting remunerations are positively correlated with business performance, and are disclosed in accordance with applicable laws and regulations in the prospectus. The associated future risks associated with the policy have been considered and effectively managed.

Name of Committee	Audit Committee	Remuneration Committee
Number of Committee Members	4	4
Number of Meetings	4	2
Attendance Rate	100%	100%
Responsibilities	1. Review the Company's business plans. 2. Review annual and semi-annual financial reports (the semi-annual reports are exempt if the law does not require them to be audited or attested by a CPA). 3. Review and revise the internal control system and assess its effectiveness. 4. Review and revise procedures for handling material financial and business activities. 5. Review matters involving directors' conflicts of interest. 6. Review major assets or derivatives transaction. 7. Review major lending, endorsements, or guarantees. 8. Review the offering, issuance, or private placement of equity securities. 9. Approve the appointment, dismissal, and remuneration of CPAs. 10. Approve the appointment or dismissal of heads of finance, accounting, or internal audit.	1. Periodically review the Regulations and propose amendments. 2. Establish and periodically review performance evaluation standards for the Company's directors and managers, annual and long-term performance goals, and policies, systems, standards, and structures for compensation, and disclose performance evaluation standards in the annual report. 3. Periodically evaluate the achievement of performance goals of the Company's directors and managers, and determines individual compensation package and amounts based on the performance evaluation results. The annual report shall disclose the individual performance evaluation results of each director and manager, as well as the relevance and reasonableness of the compensation package and amounts of to their performance evaluation results, and report to the shareholders' meeting.
Major Proposals	1. Approval of amendments to certain articles of the Articles of Incorporation. 2. Approval of the appointment of the Company's Corporate Governance Officer 3. Approval of capital increase for the subsidiary in Malaysia	1. Approval of employee and director remuneration and year-end bonus distribution proposals 2. Proposal of the Convener and Chairperson of the Remuneration Committee
	For details, please refer to P.24~26 of the 2024 Annual Report	For details, please refer to P.36-38 of the 2024 Annual Report

02 Sustainable Governance

2.2 Financial Performance

Material Topic: Financial Performance

Actual and potential positive impacts on the economy, environment, and people
Opportunities

Economy: Sound financial performance can drive corporate growth and expansion, create employment opportunities, increase tax income, and advance economic development.

Environment: Effective financial management can encourage enterprises to invest in environmentally friendly technologies and renewable energy, reducing carbon emissions, and reducing the consumption of natural resources, thereby contributing to the ecological environment protection.

People: Robust financial performance helps improve a company's social image, enhances its sense of corporate social responsibility, supports social welfare initiatives, and promotes harmonious social development.

Actual and potential negative impacts on the economy, environment, and people
Risks

Economy: Poor financial performance may cause the Company to face financial pressure, affecting business expansion and investment plans, and further affecting employment and economic growth.

Environment: When revenue performance is not ideal, the Company may prioritize short-term financial stability and reduce investments in energy conservation and carbon reduction measures, which could adversely affect the environment.

People: Poor financial performance may affect the development of the Company's employees and neighboring communities. Measures such as layoffs may take a toll on the local economy, thereby adversely affect people's lives and well-being.

Resources invested in 2024

- Achieved NT$2.014 billion in 2024 revenue
- R&D expenses totaled NT$59,337 thousand, accounting for 2.95% of annual revenue.

Strategic Objectives

Company policies or commitments to corporate governance

The Company will continue to promote capital investment plans, including setting up a capsule production line at the Yunlin Technology Industrial Park Plant to expand capacity and obtain customer orders, thereby enhancing overall competitiveness. At the same time, the Company has been actively cooperating with domestic and foreign pharmaceutical companies or academic research institutes to expand product portfolio, solidifying its niche in the API market. The Company also continues to develop new health foods and supplements, strengthening industry-academia collaboration. Moreover, the Company is actively expanding to international markets, strengthening exports, and improving operational efficiency through strategic alliances.

Short-term goals (1 year)

1. Conduct vertical resource integration with related companies of the Group to improve efficiency, reduce costs, shorten lead time, and achieve customer satisfaction through upstream, midstream, and downstream collaboration.
2. Leverage trends of preventive medicine to integrate medical devices, health foods, APIs, and formulations, and further expand potential customers through the existing sales networks that have been established by the related companies.

Medium and long-term goals (3-5 years)

Expand overseas sales channels and the Mainland China market, progressively increasing the proportion of international business. In addition to expanding the API markets in developed countries/regions such as Europe, the United States, and Japan, the Company will partner with well-known brands in the U.S. and Japan to promote its feature products, working with strategic partners to expand its presence in the Mainland China, Japan, Europe, the U.S., and emerging markets in Southeast Asia, ultimately achieving the goal of globalized operations.

2.2 Financial Performance

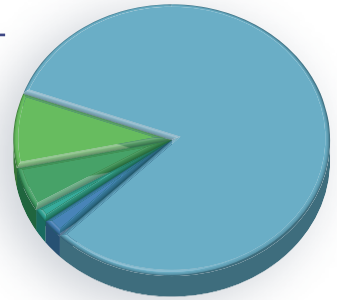
In 2024, the Company recorded a consolidated net revenue of NT$2,013,592 thousand, with basic earnings per share of NT$8.86. Compared with the 2023 consolidated net revenue of NT$1,837,185 thousand, this represents an increase of approximately NT$176,407 thousand. Specifically, revenue from health foods was NT$1,635,505 thousand, accounting for over 80% of the total revenue. Regarding gross profit, the gross margin was 36% in 2024, up 1% compared to 35% in 2023, showing a stable trend. Financial aids from the government included tax credit for substantial investment using undistributed earnings, tax credit for smart machinery or 5G investments, and tax credit for R&D investments. The aid amount increased by NT$452 thousand compared to last year, helping the Company use its earnings for substantial investments and R&D innovation to promote continuous growth and technological upgrades.

The Company set up a new capsule production line in 2024 at the new facility in Yunlin Technology Industrial Park, expected to begin production in 2025, aiming to strengthen the advantages of the strategic alliance. Additionally, the Company will continue investing in research plans to improve APIs process and develop new drugs to create greater business value and drive the Company's business growth and market competitiveness.

Consolidated Financial Information Unit: NT$ in thousands

Item	2022	2023	2024
Revenue	$1,930,593	$1,837,185	$2,013,592
Gross profit	$688,171	$643,918	$723,936
NPAT	$321,236	$333,802	$299,611
Gross margin	$35.6%	$35.0%	$35.95%

Item	Revenue	Share
Health foods	$1,635,505	81%
Pet healthcare	$162,455	8%
APIs	$114,611	6%
Preventive healthcare	$48,142	2%
Veterinary drugs, preparations, and biochemical agricultural products	$52,879	3%



Item	Basic Component	2022	2023	2024
Direct economic value generated	Revenue	$1,930,594	$1,837,185	$2,013,592
Economic value distributed	Operating costs	$1,422,876	$1,379,567	$1,528,999
	Employee wages and benefits	$145,197	$154,688	$181,175
	Payments to providers of capital (dividends paid in the current year)	$135,504	$135,504	$135,504
	Payments to government (income tax)	$75,179	$58,975	$59,404
	Social donations	$144	$70	$117
	Total	$1,778,900	$1,728,804	$1,905,199
Economic value retained (generated less distributed)		$151,694	$108,381	$108,393

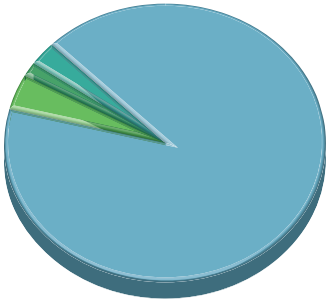
Unit: NT$ in thousands



2.2 Financial Performance

2022

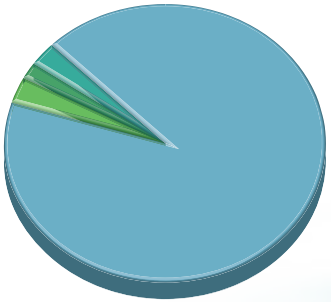
Sales Region	Sales Amount	Share
Taiwan	$1,769,515	91.66%
China (including Hong Kong)	$78,366	4.06%
Brazil	$29,322	1.52%
Others	$53,391	2.76%
Total	$1,930,594	100%



2023

Sales Region	Sales Amount	Share
Taiwan	$1,699,322	92.50%
China (including Hong Kong)	$51,774	2.82%
Brazil	$36,673	2.00%
Others	$49,416	2.68%
Total	$1,837,185	100%

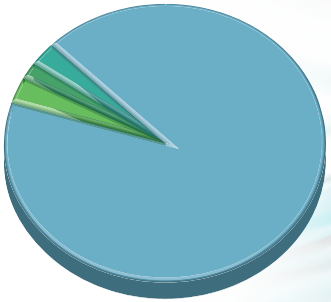
Unit: NT$ in thousands



2024

Sales Region	Sales Amount	Share
Taiwan	$1,869,541	92.84%
China (including Hong Kong)	$50,856	2.53%
Brazil	$46,150	2.29%
Others	$47,045	2.34%
Total	$2,013,592	100%

Unit: NT$ in thousands



Government Financial Aid History

Item	2022	2023	2024
Tax credit for substantial investment using undistributed earnings	5,280	4,388	2,131
Tax credit for smart machinery or 5G investments	703	1,120	2,614
Tax credit for R&D investments	1,177	1,136	2,351
Total	7,160	6,644	7,096

Unit: NT$ in thousands

2024 Financial Report



02 Sustainable Governance

2.3 Compliance and Integrity

2.3.1 Compliance

Syngen regards compliance as the key to stable growth and sustainable operations. All business activities of the Company comply with relevant laws and regulations. Management keeps abreast of any changes in important domestic and overseas policies and laws, ensuring timely responses to changes in the market environment. In the event of important policies and regulatory changes, the legal team evaluates the situation, plans response measures, and establishes relevant regulations, processes, and systems to ensure operating activities' compliance. The Company also conducts periodic compliance audits and improvement plans to avoid violations of laws, regulations, and contracts, while safeguarding the Company's brand image. In 2024, the Company did not incur any major violations. Its minor penalties included a fine of NT$60,000 for violating the PIC/S Guide and fines of NT$100,000 and NT$110,000 respectively for workplace injuries on the production line. The Company submitted a case report to the President. The audit team conducted compliance inspections at the end of the year to follow up on corrective actions. Currently, improvements have been made as scheduled and the Company has obtained the PIC/S certification. On the production line, new protective equipment has been added, further improving the work environment.

The Company strictly abides by the Company Act, Fair Trade Act, and Securities and Exchange Act, other important laws and regulations related to corporate governance and compliance of public companies, as well as environmental protection and occupational safety legal regulations. In 2024, the Company had no incidents related to anti-competition, anti-corruption, anti-trust, and monopolistic practices.

In the future, we will continue to implement corporate governance, internal control system, and internal audit system to ensure that our employees adhere to them and reduce legal risks. We will increase employee legal consultation service and training hours to raise their regulatory awareness and improve compliance.

2.3.2 Integrity

Syngen has established a Code of Ethical Conduct, Integrity Management Principles, and Integrity Management Principles and Guidelines. It has also established an Integrity Management Task Force with members from departments of Human Resources, Procurement, Sales, Finance, and Audit, responsible for formulating, overseeing, and implementing integrity management policies and preventive plans based on their respective job duties and scope. This design ensures the effective implementation of the Company's integrity management regulations.

	Key Points	Supervision, Management, and Implementation	Applicable Activities and Personnel
Code of Ethical Conduct	• Uphold honesty and integrity, avoid taking advantage of one's position to accept bribes or obtain improper benefits from service providers • Prevent conflicts of interest, establish a specific whistleblowing system, and ensure its effective implementation • Disclose policies of the Code of Ethical Conduct in internal regulations and the official website	• The Board is responsible for supervision. • The President's Office is responsible for management.	• Directors • Managers • Employees • Agents • Individuals with substantial control
Integrity Management Principles	• Prohibit dishonest conduct and define the scope of interests • Comply with relevant laws and regulations; establish integrity policies and prevention plans, including prohibition on bribery, illegal political donations, and improper charitable donations • Employees shall abide by fair trade regulations, protect intellectual property rights, and ensure products/services do not harm stakeholders. • Establish an internal control system, design a whistleblowing mechanism, and ensure the implementation and continuous improvement of the integrity policy • Recuse oneself from decisions that involve conflicts of interest to prevent improper personal or third-party benefits	• The Audit Office formulates or revises the regulations. • Based on job scope of respective functional departments, heads of these departments are responsible for facilitating the implementation.	• Directors • Managers • Employees

2.3 Compliance and Integrity

Whistleblowing System and Handling Procedures for Integrity Management

The Company has established the Regulations Governing Implementation of the Suggestion Box and set up dedicated reporting channels, encouraging internal and external personnel to report unethical or inappropriate conduct. Dedicated personnel are assigned to handle reports, and take necessary measures for cases involving severe circumstances. We are committed to protecting whistleblowers from improper treatment, ensuring confidentiality of their identity, and providing them with rewards. Verified cases will be handled in accordance with laws and company regulations. Violators' information may be disclosed when necessary.

Whistleblowing Channels

Written (paper submission)

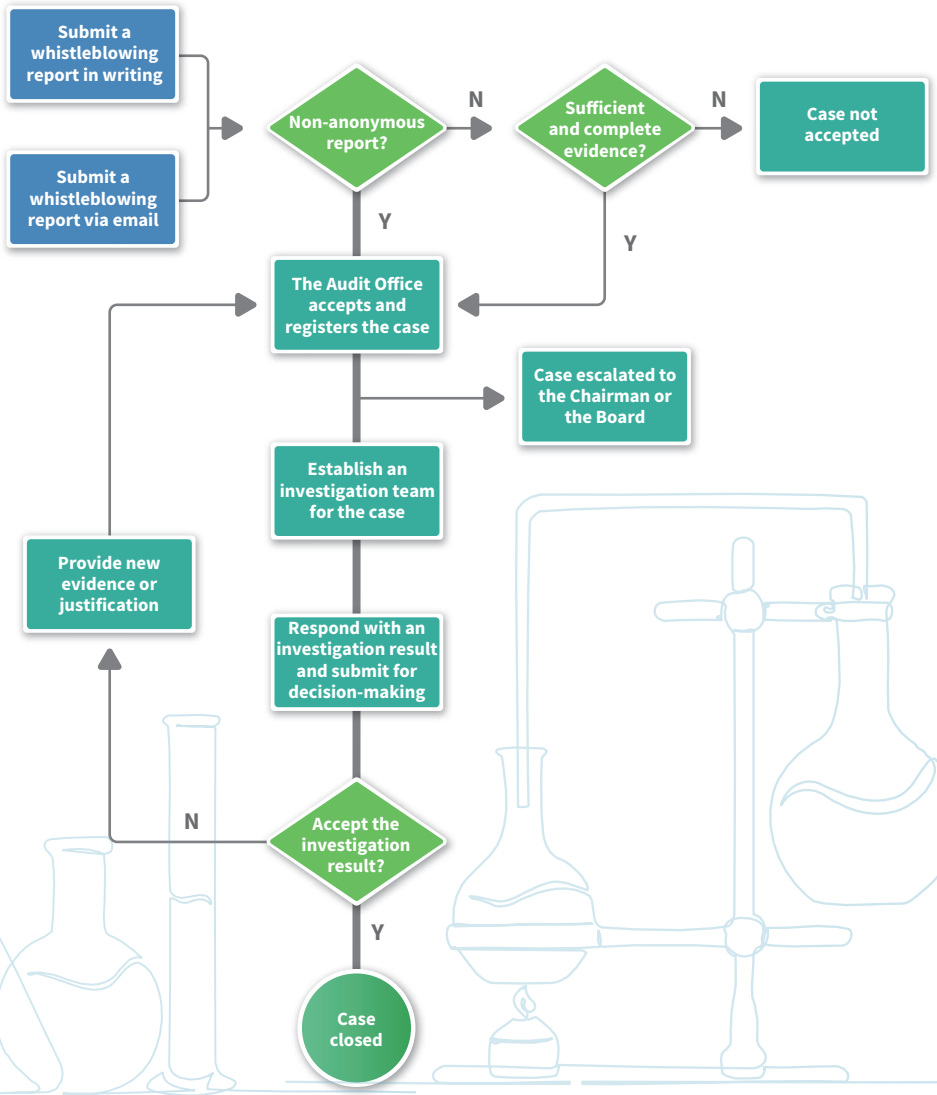
Contact method Suggestion box

Receiving unit Chief Auditor, Chairman

Email

Contact method suggestionbox@syngen.com.tw

Receiving unit Audit Office



Sustainable Governance

2.3 Compliance and Integrity

Integrity Management in 2024

The Company regularly organized training and awareness-raising activities for its directors, managers, and employees to explain the Company's integrity management policy, preventive plans, and the potential consequences of policy violations. In addition, the integrity management policy has been incorporated into employee performance evaluation and human resources policy, developing clear and effective reward and disciplinary measures.

Integrity performance

- Zero violations of integrity management or conflict-of-interest regulations
- Zero violations of anti-competition, anti-trust, and monopolistic practices.

Training sessions

- A total of 158 new hires received training.
- A total of 23 personnel and employees participated in the "Integrity Management Principles" internal training.

Internal advocacy

- Promoted the Company's integrity management philosophy and policies through department meetings and internal announcements.
- Promoted the Regulations Governing Implementation of the Suggestion Box, setting up a suggestion box and a grievance email channel. In 2024, 1 employee welfare suggestion was received.

Reward and disciplinary policies

- Linked the integrity management policy to employee performance evaluation and human resources policy. Employees who committed violations involving serious circumstances were subjected to disciplinary measures in accordance with relevant legal regulations or HR rules.
- 100% of employees passed the evaluation.

Prevention of Insider Trading

Syngen has established the Procedures for Handling Material Internal Information and Preventing Insider Trading, clearly stipulating that directors, managers, and employees must not disclose any material non-public information they possess to external parties, nor may they inquire about or collect such information if it is unrelated to their job duties, nor may they disclose any such information obtained outside the scope of their job duties.

Compliance advocacy

Newly appointed directors and managers are provided with compliance advocacy manuals and insider trading information available on the TPEx website.

Training sessions

The Company promotes courses on the prohibition of insider trading every year and uploads relevant presentation materials to the Company's intranet for department heads to perform the internal awareness-raising training, improving employees' compliance awareness.

Regular reminders

All quarterly Board meeting notices would remind that directors must not trade their Company stocks during the blackout period before the announcement of the financial report, ensuring that directors will not unintentionally violate regulations.

Sustainable Governance

2.3 Compliance and Integrity

Information Transparency

Adequate information disclosure is an indispensable element of corporate governance. To protect stakeholder rights, we strive to provide diverse channels and information to facilitate dialogue with stakeholders. Important information is presented in a transparent and timely manner to enhance the connection and communication between the Company and stakeholders. To demonstrate the determination of sustainable development to the general public, Syngen published the Sustainability Report, voluntarily disclosing the sustainability achievements in 2024. The report is available on the Company's official website for stakeholders to view or download.

Financial information

Publish Chinese financial reports, annual financial reports, annual reports of shareholders' meetings, handbooks of shareholders' meetings, and minutes of shareholders' meetings every quarter. These documents are published on the Market Observation Post System (MOPS) and disclosed on the Company's official website for stakeholder access.

Non-financial information

The Sustainability Report is prepared in accordance with the GRI Standards and the Taipei Exchange Rules Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies. Its Chinese version is published on the MOPS. Important information is also disclosed in the corporate sustainability section of the Company website for stakeholders to access.

Other Information

Important Board resolutions and Company regulations (e.g., Articles of Incorporation and material information) are published simultaneously on the Company's official website (www.syngen.com.tw) for stakeholder access.



02 Sustainable Governance

2.4 Risk Management

The key to achieving stable growth and sustainable operation is to effectively manage risks. Syngen has established a risk management system in accordance with the PDCA Cycle to assess external or internal environmental risks. We have established an internal control system, and relevant departments are responsible for managing risk assessment results, and periodically reviewing and following up on progress at the Board meetings. In addition, to address the impacts brought by climate change, the Company introduced the TCFD framework this year to identify related risks in advance and ensure the sustainable development of the Company.

2.4.1 Risk Management Organization and Operations

The Audit Office is established under the Company's Board. Major policies related to the Company's operations are assessed and analyzed by appropriate responsible departments and implemented in accordance with Board resolutions. The Audit Office formulates annual audit plans based on the results of risk assessments and ensures its effective execution to implement supervision mechanisms and establish sound risk management practices.

Internal audits

In accordance with the Regulations Governing Establishment of Internal Control Systems by Public Companies, we conduct periodic and ad-hoc internal audits. The Audit Office develops audit plans in accordance with risk assessment and regulatory requirements. Once deficiencies are identified, it immediately communicates with responsible departments and establishes correction procedures. If a deficiency involves major violations or the Company suffers significant losses, it immediately reports to the Audit Committee. The relevant responsible departments will take corrective actions as soon as possible, and the audit department will conduct a follow-up review to ensure the completion of corrective actions, ensuring that the Company's operational risks are effectively controlled. The chief audit officer also attends Board meetings quarterly, reporting potential operational risks to the Board in a timely manner.



Internal Audit Results

In 2024, the Audit Office completed a total of 57 audit items, with no major nonconformities reported. All minor nonconformities have been correct and closed within the deadline. No penalties were imposed on the Company or its internal personnel due to violations of the internal control system. All departments must conduct a self-assessment of internal controls once a year to identify potential risks and ensure compliance with relevant policies. In 2024, the Company passed the effectiveness evaluation of the internal control system, and all directors signed the Internal Control System Statement.

Internal audit methods and responsibilities

Sustainable Governance

2.4 Risk Management

2.4.2 Risk Management Mechanism

To effectively manage operational risks and opportunities, Syngen evaluates the impacts of related issues on sustainable operations, and categorizes risks into five dimensions. Upon analysis and evaluation, each responsible department proposes countermeasures each year, which are then submitted to the senior management and executed based on Board resolutions.

Risk Category	Risk Factor	Management Mechanism	Responsible Unit
Compliance	Major changes in food safety regulations	Regularly update regulations according to the Operating Procedures for the Control of External Documents	Quality Assurance Department
Financial risk	Market risk Credit risk Liquidity risk	• Continue to monitor changes in market interest rates and foreign exchange rates • Diversify investment portfolios according to the limits set by the Company • Adjust raw materials, equipment, and exported products based on changes in exchange rates • Ensure customers settle accounts receivable according to the agreed-upon payment terms • Monitor the Company's liquidity demand forecasts to ensure that it has sufficient working capital to meet operational needs	Finance Department
Occupational safety, health, and environmental risk	Occupational safety incidents	Conduct hazard identification and risk assessment for employees' operating procedures, job duties, and actions, and purchase medical insurance/group insurance for employees to minimize the impacts and risks caused by occupational accidents	Occupational Safety Office Department of Management
	Insufficient productivity	• Work with academia through industry-academia collaboration projects • Conduct internal training programs regularly to cultivate the skills and abilities of existing employees and improve productivity levels	Department of Management
	Climate change risk	Conduct assessments based on the four thematic areas of the TCFD framework: Governance, Strategy, Risk Management, Metrics & Targets, to effectively implement the Corporate Sustainability Best Practice Principles and address the potential significant impacts of extreme weather on business development, improving our ability to respond to climate change	Environmental Protection Office
Information security risk	Information security	Conduct periodic information security risk audits. If deficiencies are identified, the audited unit is required to propose specific corrective actions, regularly track the progress, and report the audit results to the Board each year to ensure compliance with local regulations	IT Section
Market risk	Market competition	• Conduct regular market surveys and analysis of global industry trends to stand out from the fierce competition • Find opportunities to differentiate products and attract target customers through market positioning and brand development • Expand distribution channels, enter new geographical or vertical markets, and explore new market opportunities	Business Management Department R&D Department
	Food safety incidents	Establish a food fraud management mechanism (e.g., traceability management, supplier management, raw material inbound management, production process management, product labeling & claims management, potential vulnerability inventory & assessment, vulnerability management) according to the Operating Procedures for the Food Safety Protection Plan; propose relevant findings and response measures in the annual food safety protection assessment report	Quality Assurance Department Quality Control Department

2.4 Risk Management

2.4.3 Information Security Management

In recent years, the government and corporate personal data leakage and frequent information security incidents have drawn public attention. To strengthen the information security management mechanism of TWSE/TPEx listed companies, the FSC requires all listed companies to enhance their overall information security management across three areas: information disclosure, corporate governance, and supervisory assistance. Syngen will continue to strengthen its information security management to ensure compliance with local regulations, improve its ability to respond to potential risks, safeguard the information security and privacy of customers and stakeholders, and maintain reputation and customer trust.

Information Security Risk Management Framework

The Company has established an information security team, managed by the IT Section and staffed by a dedicated supervisor and dedicated digital information security personnel. The team is responsible for formulating internal information security policies and operating procedures. Internal units promote and implement information security policies, operating procedures, as well as personnel training to raise awareness, ensure adoption and execution of these measures. The Audit Office conducts information security risk audits. If deficiencies are identified, the audited unit is required to propose specific corrective actions, regularly track the progress, and report the audit results to the Board each year to ensure compliance with local regulations.



Sustainable Governance

2.4 Risk Management

Information Security Management Measures

The Company conducts periodic reviews of internal information security regulations and analyzes internal risk levels. Based on the risk assessment results, it establishes enhanced information security management measures to refine and improve the overall information security environment.

Category	Description	Measures	Implementation Status in 2024
Access management	Management of user accounts, permissions, and system operation behaviors	• Personnel account permission management and review • Regular inventory of personnel account permissions	Conducted annual review and removed inappropriate permissions
Access control	Controls for personnel access to internal and external systems and data transmission channels	• Internal/external access controls • Controls over data leakage channels • Use of Managed Detection and Response (MDR) services for real-time detection, response, and reporting	Controlled permissions across all systems; no abnormal incidents occurred in 2024
External threats	Internal system underlying vulnerabilities, virus infection channels, and protection measures	• Regular updates of host/computer systems • Virus protection and malware detection • Firewalls installed to separate internal networks from the Internet	Updated firewall and anti-malware virus pattern files regularly (auto updated when new versions are available)
System availability	Measures for ensuring system availability and handling service interruptions	• Monitoring of system/network availability • Response measures for service interruptions • Data backup and redundancy measures, on-site/off-site backup mechanisms • Regular disaster recovery drills	• Conducted data backups daily • Conducted the annual disaster recovery drill • Sent monthly information security awareness-raising reminder emails and announcements

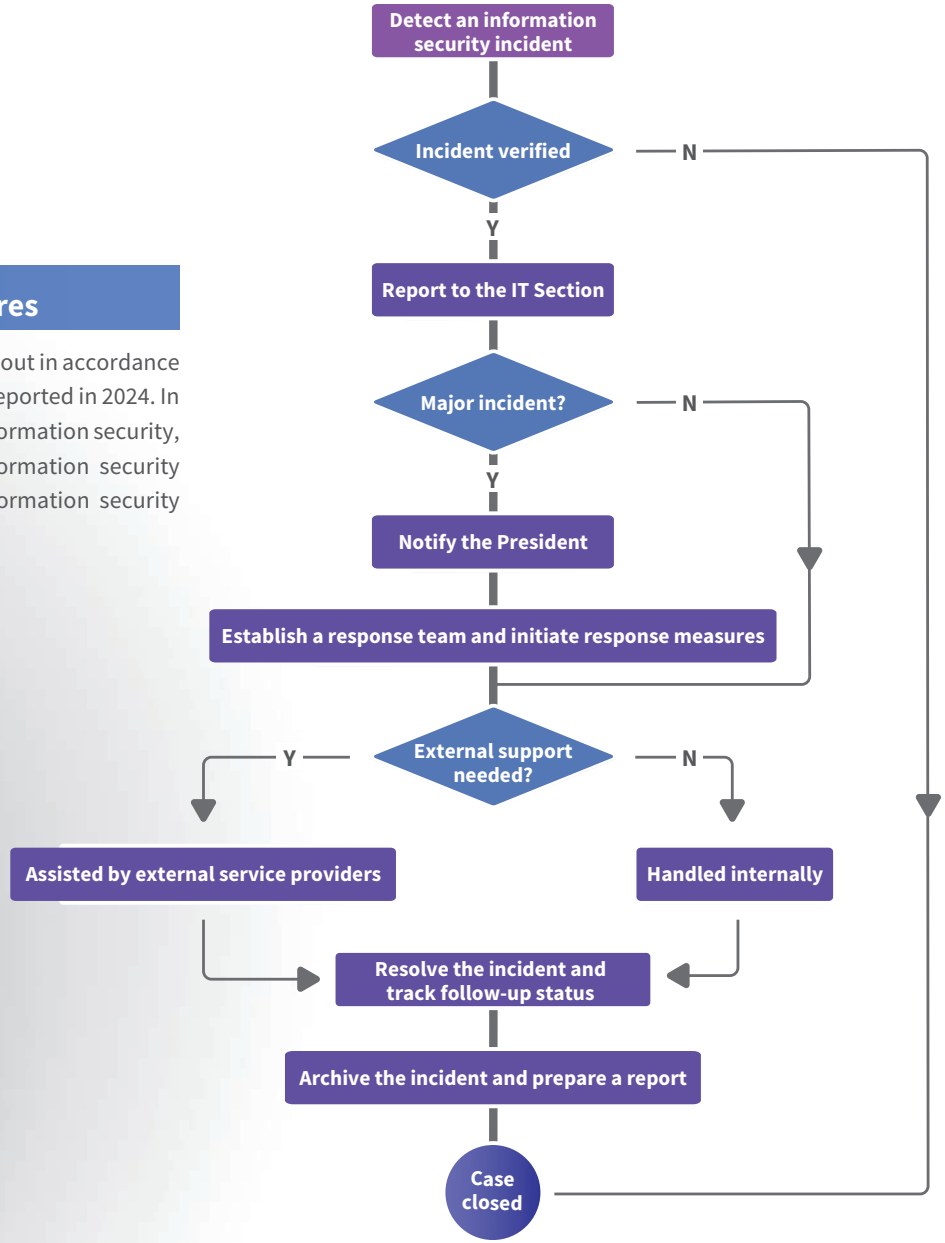
Sustainable Governance

2.4 Risk Management

Information Security Incident Reporting Procedures

The reporting and handling of information security incidents is carried out in accordance with these procedures. There were no information security incidents reported in 2024. In the future, we will continue to maintain a high level of awareness of information security, further strengthen security measures, optimize the Company's information security defense policy on a rolling basis, and enhance the Company's information security resilience to ensure the security of the Company's data and systems.





03 Product Research, Development, and Innovation



Syngen Biotech Co., Ltd.

03 Product Research, Development, and Innovation

Core Vision and Commitment

The Company upholds the philosophy of sustainable development and the spirit of pursuing high quality in the pharmaceutical industry, focusing its biotechnology R&D, production, and sales expertise on the development of industries related to APIs, health foods and supplements, preventive healthcare, and pet healthcare products. Leveraging our expertise in microbial fermentation, we produce APIs and engage in the R&D and production of health foods using pharmaceutical-grade manufacturing capabilities. Through a fully integrated, vertically aligned production model covering both upstream and downstream processes, the Company offers comprehensive end-to-end services from the R&D and production of health-related raw materials, to the development of formulations with specific health benefits, and the manufacturing of a diverse product portfolio and specialized dosage forms. This capability defines the Company's unique strengths and competitive edge in the health-food sector. With an R&D-oriented approach, Syngen continuously innovates and is committed to keep improving product quality and technical capability. The Company integrates environmental sustainability concepts into its R&D processes to promote corporate sustainable development, facilitate healthy development of society, and provide global consumers with safer and healthier choices.



2024 Achievements and Performance

1. R&D expenses totaled NT$59,337 thousand, accounting for 2.95% of annual revenue
2. A total of 8 award-winning products and 22 new patents granted
3. CCD identification system implemented on the production line
4. Average customer satisfaction score of 4.56 out of 5



03 Product Research, Development, and Innovation

Material Topic: Innovation and R&D

Actual and potential positive impacts on the economy, environment, and people
Opportunities

Economy: Improve the core value of the brand, facilitate consumers' buying behavior, and drive business growth.

Environment: Promote the concept and values of environmental protection and sustainability, inspire consumers to pay attention to environmental protection, and drive green consumption and lifestyle changes.

People: Improve corporate visibility, build consumers' trust and loyalty to the brand, and enhance corporate image and influence.

Actual and potential negative impacts on the economy, environment, and people
Risks

Economy: If the R&D direct does not align with market demand, products may fail to meet sales goals, affecting the Company's profits.

Environment: A large amount of test samples and production waste may be generated in the course of R&D, increasing carbon emissions and posing risks of resource waste and environmental pollution.

People: Use of inappropriate promotional methods or messages may mislead consumers and result in penalties imposed by competent authorities.

Resources invested in 2024

- R&D expenses totaled NT$59,337 thousand in 2024, accounting for 2.95% of annual revenue
- Collaborated with domestic academic and research institutes on the R&D projects of health raw materials and obtained efficacy verification.

Strategic Objectives

Company policies or commitments to corporate governance

The Company will continue its R&D-oriented approach and innovation, investing in patented, efficacious functional ingredients and health foods and supplements. All associated R&D and professional manufacturing services are executed to pharmaceutical standards.

Short-term goals (1 year)

- R&D investments account for 5% of annual revenue
- Establish a plant capsule production line
- Reduce the moisture content during capsule forming to shorten the drying time

Medium and long-term goals (3-5 years)

- Formulate plans and develop smart manufacturing production lines and factories in stages
- Develop domestic raw materials for plant-based health products
- Conduct R&D and production of patented, efficacious raw materials
- Develop green and low-carbon transformation products

03 Product Research, Development, and Innovation

Material Topic: Intellectual Property Management

Actual and potential positive impacts on the economy, environment, and people
Opportunities

Economy: Protect the R&D results of companies, encourage companies to invest more resources in R&D and innovation, drawing more investment attention.

Environment: Promote the development of green pharmaceutical processes and technologies to reduce the negative impact on the environment.

People: Protect product innovation achievements, encourage companies to develop more new drugs, treat more diseases, and improve public health.

Actual and potential negative impacts on the economy, environment, and people
Risks

Economy: Companies need to invest large amounts of resources to protect their innovation achievements, which may increase R&D costs that could eventually be passed on to consumers.

Environment: Excessive focus on patent protection for high-profit products could result in ignoring the R&D of environmentally friendly technologies.

People: The protection of intellectual property rights may lead to knowledge monopolies and restrict the open sharing of scientific research and technological advancements, thereby reducing society's overall capacity for innovation.

Resources invested in 2024

- A total of 9 patent applications
- 8 award-winning products
- Patent protection strategies were optimized, strengthening intellectual property management mechanisms.

Strategic Objectives

Company policies or commitments to corporate governance

The Company has established patent protection strategies to strengthen the intellectual property management mechanisms.

Short-term goals (1 year)

- Apply for at least 4 new patents
- Maintain a certain level of investment based on operating conditions to ensure the Group's competitive advantage
- Compete for domestic and international awards and improve international patent planning

Medium and long-term goals (3-5 years)

Continue to actively develop probiotics and plant-based health products aimed to achieve anti-aging, metabolic regulation, anti-fatigue, beauty, and weight management, while attaching greater importance to the development of green, clean, low-carbon, and even carbon-negative health foods.

03 Product Research, Development, and Innovation

3.1 R&D and Innovation

Innovation and R&D

R&D innovation fuels Syngen's technological growth and boosts its competitiveness. It is one of the Company's core values. We have long invested in the research and development of raw materials for products to meet market needs and improve product efficacy. In the future, we will continue to be R&D-oriented and pursue innovation to expand the domestic and international markets for health foods and APIs. Through upstream-to-downstream integration from raw materials to finished products, we aim to differentiate from competitors, actively investing in the R&D of environmentally friendly biotechnology products, while reducing environmental impact and damage during production.

We are fully aware that the development of green products not only protects the ecosystem of the Earth, but also has a positive impact on public health. Through innovation and technological advancement, we are committed to delivering environmentally friendly and socially beneficial products. This not only addresses the urgent global demand for sustainable development, but also strengthens the sense of corporate social responsibility and brand reputation.

Syngen's R&D Strategies

1. Actively recruit R&D talent, expand the R&D team, strengthen the skills of researchers through training, and improve R&D efficiency and quality
2. Collaborate with academia to leverage their expertise, improving the Company's R&D capabilities
3. Stay updated on industry trends and research developments to adjust product strategies and R&D directions in a timely manner and stay ahead of the market
4. Incorporate green and sustainability issues into product design and development to create more green and low-carbon products

3.1.1 Innovative Products

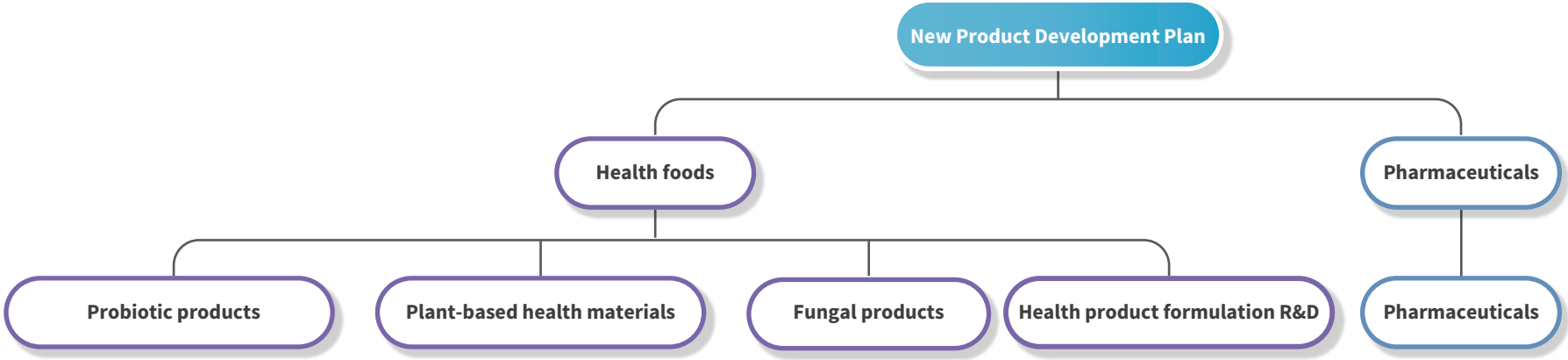
The Company allocates approximately 3% to 6% of its annual revenue to R&D projects. New product development will focus on two sectors: pharmaceuticals and health foods. Leveraging its existing core technologies, the Company continues to invest in the R&D of niche raw materials and products. Additionally, it works with leading domestic and foreign manufacturers as well as academic research institutions to acquire or develop key technologies through models such as technology transfer and licensing. The Company aims to develop specialized and differentiated products that feature high unit prices, advanced technology, and new efficacy and applications. Moving forward, the Company plans to add production lines for plant capsules to meet the growing demand for vegetarian food and plant capsules.

New Product R&D Strategies

- **Industry trends**: Understand industry trends, global research trends, and emerging technologies to adjust strategies in a timely manner
- **Public health issues**: Focus on the development of products aligned with society needs, such as metabolic syndrome and aging. to meet market demand and social expectations
- **Sustainability issues**: Focus on the functional development of regional ingredients, utilizing local natural resources and advantages to develop environmentally friendly products that could provide consumers with a better experience; prioritize the development of green, clean, and low-carbon health foods

03 Product Research, Development, and Innovation

3.1 R&D and Innovation



2024 R&D Results

Project	Responsible Department	Project Description/Purpose	Progress	Future Plan
Green products	R&D Department	Local ingredients, green products	Completed	Continue developing local ingredients
Development of local ingredient efficacy	R&D Division I	Use organic local ingredients to replace imported cranberries, and employ LAB fermentation to create differentiation	Completed	Human clinical trials
LAB microencapsulation	R&D Division I/ Development Section	Effectively improve the stability of strains at room temperature to ensure live bacterial count in probiotic products	Completed	Mass production process
Anti-aging probiotics	R&D Division I	The project aims to slow down age-related slowing of movement, appearance decline, spinal curvature, memory decline, and the generation of peroxides.	Completed	Product promotion
Impact of LAB fermentation broth on crops	R&D Division I	Water is one of the major natural resources consumed in the fermentation industry. and LAB (lactic acid bacteria) are one of the most produced products at the facility. The project aims to achieve circular economy reuse of industrial waste by improving plant growth, heat stress barriers, and crop yield.	The fermentation broth can increase fruit set and sweetness in eggplants and strawberries.	Contract research

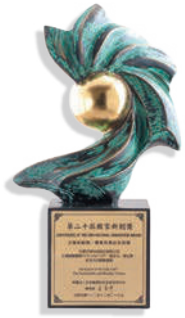
03 Product Research, Development, and Innovation

Awards in 2024

"Syngen's New-Gen Green Health Ingredient: LAB Fermented Fruits and Vegetables" won the 21st National Innovation Award



"SYNCURCUM®: Postbiotics + Phytochemicals" won the 20th National Innovation Award



"VegePro+®: Postbiotics for Metabolic Regulation, Pioneering a New Era of Plant-based Fermented Supplement" won the 2024 International Invention and Innovation Contest "PRIX EIFFEL"

Gold Medal Award





Diploma and Special Award





The 9th Scientific and Technological Agribusiness Innovation Award under the "Innovative R&D" category



"ProbEX®: Regenerative Revitalization to Restore Youthful Time and Memory" won the 2024 All American DAVINCI International Innovation and Invention Expo





"RostineTM Fermented Probiotics: Protecting Women's Intimate Health" won the 2024 International Invention & Trade Expo in London, UK

Gold Medal Award





Diploma and Special Award





03 Product Research, Development, and Innovation

Four Major Focus Areas of Product R&D

Four Major Focus Areas of Product R&D

Health foods for managing weight and improving metabolic syndrome

Using unique strains and fermentation process technology, Syngen substantially enhances the active ingredients of turmeric. By combining a Taiwan-sourced turmeric variety with Syngen's fermentation processes. fermented turmeric can reduce fat accumulation, improve liver protection, and regulate gut microbiota to increase Akkermansia (AKK) abundance.

Anti-aging health foods combined with medical systems

Taiwan's elderly population will exceed 20% in 2025, becoming a "super-aged society." The Company actively invests in research and development of health foods and related health checkups that can slow down aging and promote wellness. The product employs health food ingredients to change biochemical metabolic reactions in the body, ultimately slowing down aging.

Products that delay neurodegenerative diseases and cancer

Syngen has started research on probiotics and neurodegenerative diseases since 2016. We hope that with the long-term action of functional probiotics in the gut, the products can effectively control or delay neurodegenerative diseases.

We began developing special nutritional products for colorectal cancer at the end of 2021, aiming to alleviate the discomfort caused by chemotherapy to patients with colorectal cancer.

Multi-functional probiotics that boost immunity and provide anti inflammation effect

A key R&D focus for this year is to leverage the regulatory effects of probiotics to achieve synergy and improve physical wellness.

Product Research, Development, and Innovation

3.1.2 Sustainable New Agriculture

In recent years, as Syngen has rolled out its diversified business expansion plan, it has incorporated local value into its business development plans and actively invested in the R&D of green, environmentally friendly biotechnology products to reduce environmental impact and damage during production. In 2021, after taking over the “Tai Kang Organic Agriculture Zone” in Liuying District, Tainan City, we began actively promoting the “Agree culture” project. The project supports the government’s local agricultural promotion plan under the Food and Agriculture Education Act, focusing on five major aspects: Recognition, Support, Recultivation, Vitality, and Value-adding.

Using the “Tai Kang Organic Agriculture Zone” as a promotional area, we invite the public to experience first-hand farming activities such as fruit picking and crop cultivation, understand the concept of “right plant, right place,” learn about local specialty agricultural products, learn to cherish natural food resources, and embrace organic, eco-friendly agriculture, achieving the purpose of food and agricultural education. We also expect the guided tours to inspire visitors to recognize and identify with rural culture. Additionally, these hands-on activities help the public better understand the processing of agricultural products, serving as a reminder to cherish food, while also supporting Taiwan’s plan for domestically produced organic agricultural products and processed goods. Additionally, Syngen injects new life into Taiwan’s local agricultural products using microbial fermentation technologies, adding uniqueness and high value to plant-based raw materials and improving the international visibility of health foods and agricultural products from Taiwan.

Recognition

Through food and agriculture education, visitors learn about the natural environment, food, and community culture. This recognition could encourage them to community volunteering or return home to farm.

Support

The project promotes domestically produced agricultural products and processed goods, encouraging local production for local consumption—eating local and eating seasonal. This reduces transportation-related carbon footprint while also supporting local farmers and processors by driving higher demand for their products.

Recultivation

Bolstered by contract-farming models, the smallholder recultivation project can provide farmers with stable income.

Vitality

As economic activity flows and people return, rural areas regain vitality, thus contributing to the sustainable development of the local community.

Value-adding

The project uses biotechnology to give agricultural products new value, offering an approach that differs from traditional processing methods and improves the value-adding plan of these products.



03 Product Research, Development, and Innovation

Adding Value to Organic Agricultural Products

Through in-depth cooperation with farmers around Taiwan, Syngen has successfully developed a new series of health products that combine probiotics technologies with local agricultural products in Taiwan since 2020. We apply professional microbial fermentation expertise to develop postbiotic health products featuring organic agricultural products from Taiwan. Employing functional probiotics to empower organic agricultural products with added value, we use pharmaceutical-grade drying technology to preserve nutritional value while increasing the added value of agricultural products, helping secure farmers' income. In addition, we have planned to gradually conduct efficacy verification and application development of other ingredients. We aim to discover more unique crops produced locally and develop functional, distinctive nutritional ingredients for customers at home and abroad, bringing Taiwan's agricultural products onto the global arena in a new way.

-Cha Wu Le-

Syngen leverages its expertise and local agricultural resources, creating the first local brand "-Cha Wu Le-." The Company processes premium fresh greater burdock, which were originally exported to Japan, into convenient tea beverages. This design not only solves the challenges of preservation and sales but also increases product value. Annual sales for this product alone exceeds NT$20 million. Total accumulated sales volume has already surpassed 150 tonnes.



Yang Shi Jhai

Applying Syngen's proprietary fermentation liquid of Ganoderma lucidum, the Company selected rare Ganoderma lucidum and harnessed the power of Mother Nature using established scientific methods. Through extensive research from ancient records to scientific verification, we managed to develop a uniquely patented liquid fermentation product of Ganoderma lucidum, accredited with patents across multiple countries and awarded gold medals at international invention exhibitions.



Spring Water

Pineapple series: Syngen collaborates with the region's only organic smallholder whose pineapples are certified by the Ministry of Agriculture (MOA). Upholding the principles of organic and healthy production and a commitment to protecting the natural ecosystem, we select Golden Diamond Pineapples (Tainung No. 17) grown using grass-cover cultivation and harvested after 18 months. The pineapples are then processed into 100% additive-free organic pineapple juice, with the entire process—from the place of origin to finished product—fully certified by Tse Xin.

Organic apple-pineapple sparkling drink: Combining organic agricultural products with sparkling water, the Company uses pure organic juice, pressurized with carbon dioxide to create a unique, bubbly sparkling drink that delivers a taste of health. The launch of this product also established Syngen as the first and currently the only organic sparkling beverage manufacturer in Taiwan. To move closer to its environmental protection goals, all beverages are packaged in glass bottles, preventing the pollution of the Earth by plastic and petrochemical products.



Tai Kang Shih Tang

Leveraging the established product brand of the Tai Kang Organic Agriculture Zone, Syngen combines biotechnology with locally sourced organic agricultural products. By adhering to acceptance specifications for health functional ingredients and safety data, we ensure the products can mitigate crop losses caused by factors such as adverse climate conditions and mass production.

"Biozyme®": The product features a variety of local vegetables combined with the Company's probiotics and preparation technologies, ensuring that nutrients are fully preserved. The special dosage form design allows the full absorption of active ingredients for health benefits.

Synroja®: The product is made from a variety in southern Taiwan and fermented using Syngen's patented, efficacious strain which combines the fermentation of our patented fungal strain "Lactobacillus fermentum V3." Research has found that it can effectively alleviate symptoms such as intestinal inflammation, abdominal pain, and diarrhea.

Syncurcum®: Using professional microbial-fermentation technology combined with organically cultivated red turmeric from Taiwan, we developed a probiotic-enhanced fermented turmeric that improves the low absorption rate of curcumin in the human body.

VegePro＋®: Selected specialty crops undergo professional microbial fermentation, effectively addressing a range of health conditions caused by high-fructose and high-fat diets, including obesity, fatty liver, hyperlipidemia, and high cholesterol. The product can also effectively reduce hyperinsulinemia and the risk of developing type-2 diabetes.



Product Research, Development, and Innovation

3.1.3 R&D Technology

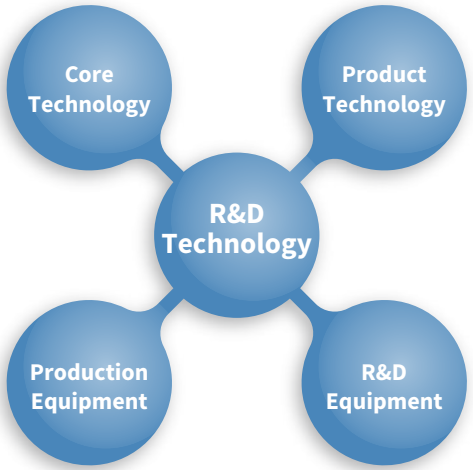
Through continuous investment in R&D technologies, we continue to improve our core technologies, product technologies, production equipment, and R&D equipment. R&D expenses totaled NT$59,337 thousand in 2024, accounting for 2.95% of annual revenue. The investment in R&D is expected to reach 5% of the annual revenue in 2025. Depending on future operational performance, Syngen will maintain a certain level of investment to ensure the Company's competitive advantages in the health food sector.



R&D Expenses

Unit: NT$ in thousands

Item	2022	2023	2024
R&D expenses	45,323	46,756	59,337
Ratio to revenue	2.35%	2.54%	2.95%



Unique

With a strain center in place, the Company possesses unique fermentation raw materials and process technologies. It has integrated strain identification and preservation techniques to maintain strain characteristics for a long period of time, supporting API development and R&D technologies of special health foods.

Professional

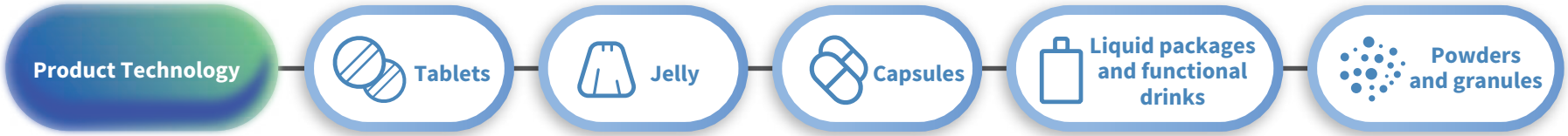
Continuing the pharmaceutical spirit upheld by the Group, the Company conducts product development underpinned by scientific research data and has become the first certified API manufacturer in Taiwan.

Innovative

The Company possesses multiple breakthrough, innovative, and patented R&D technologies, offering a wide variety of product dosage forms, as well as customized products and services in special dosage forms.

Product Technology

The research team has extensive experience in the development of health products and has created a range of dosage forms. Specifically, liquid forms include ready-to-drink beverages, ampoules, functional drinks, and sparkling drinks, while solid dosage forms include powders, granules, tablets, and capsules. This diversity enables us to meet the needs of different customers, bringing more choices to the market.



03 Product Research, Development, and Innovation

Production Equipment

Syngen is the first API manufacturer in Taiwan to obtain certification. Its production facilities comply with international pharmaceutical-grade production and R&D requirements. The Company upholds extremely stringent standards in pharmaceutical-grade production and R&D. We have established high-standard facilities certified under ISO 9001 and ISO 22000, and our API production has also been accredited with PIC/S GMP. We are equipped with the latest technologies and equipment to ensure the efficiency and quality control throughout the production process.

Fermentation raw materials

Equipped with advanced deep fermentation and extraction process equipment, as well as a professional R&D and mass production team

We possess extensive experience in microbial fermentation and extraction, and purification. Through process scale-up, we are able to transition professional R&D results into mass production rapidly. We offer processes for various product types. Thanks to automated and computerized precision control, we deliver fermentation and extraction services, as well as comprehensive mass production of finished product packaging, meeting diversified customer manufacturing needs.

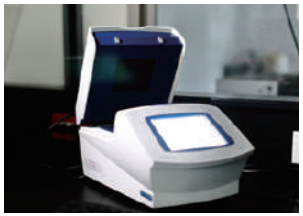
Finished products

Pharmaceutical-grade production and R&D meeting international standards

Our pharmaceutical plants meet international specifications, using advanced equipment. From product R&D, quality assurance, inspection, mass production to product release, every stage undergoes strict quality controls, fully complying with national regulations and international standards. In addition, we have obtained multiple certifications, including NSF GMP, PIC/S GMP, ISO 9001, ISO 22000, HACCP, and TQF, enabling us to provide customers with the best quality products. To maximize production efficiency, we employ IoT (Internet of Things) and AI-powered smart scheduling for material and production capacity resource planning. This shortens delivery cycles and helps us meet customer demands for high quality products, high production capacity, and fast delivery.

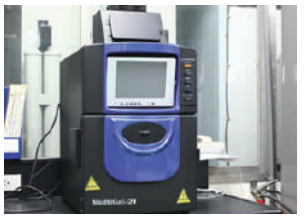
R&D Equipment

Approaching the R&D of APIs and health foods and supplements from a pharmaceutical perspective, Syngen has established an R&D center staffed by talents holding master's and doctoral degrees in various fields such as microbiology, food science, nutrition, cell biology, and analytical chemistry. Employing utmost rigorous scientific methods and clinical trials for functional verification, the team is committed to developing health ingredients and products. The team's biotechnology expertise enables them to integrate strain identification and preservation, functional strain screening, active ingredient analysis, cell efficacy verification, screening of strains for production, microbial fermentation process, recovery and purification, as well as production manufacturing and commercialization technologies. Leveraging a variety of advanced and precise equipment as well as extensive experience in fermentation and product development, the Company precisely monitors the entire process. This rigor enables the development of forward-looking, unique, innovative, and internationally competitive products. Furthermore, the Company collaborates with Taiwan's most recognizable universities and research institutions. The resulting research achievements have obtained multiple international patents, won domestic and foreign awards, and been published in renowned journals.

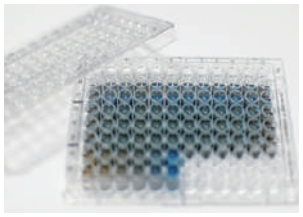


Polymerase Chain Reaction

PCR



Gel Imaging System



ELISA



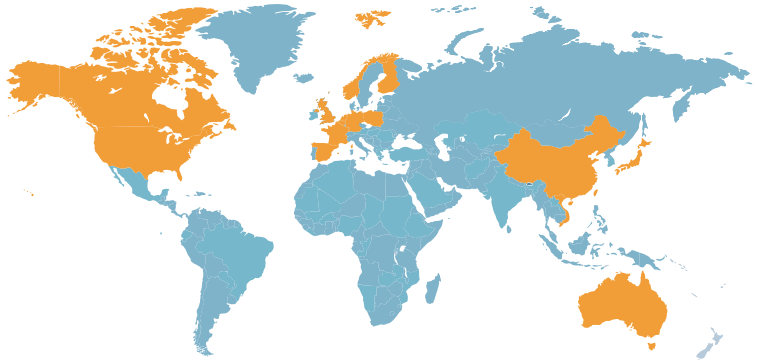
5L Fermentater

03 Product Research, Development, and Innovation

3.1.4 Patent Management

Syngen is actively developing a strategic global patent map to protect its key technologies and block external competition. The Company protects intellectual property through patent protection, trade secrets, and trademark registration. It applies for relevant patents in production, sales, and benchmark countries before a product launch or at an early stage of sales to secure exclusiveness and priority. The Company employs a strategic model for global patent application, targeting inventions that are highly difficult, highly unique, and highly profitable.

As of December 2024, the Company holds 106 patents, including 70 invention patents and 36 utility model patents. Currently, we have obtained 6 drug licenses for our APIs and preparations, with 16 related patents obtained across multiple countries. We have obtained 90 health food-related patents and continue to apply for domestic and overseas patents as part of our strategic planning.



Valid Patents	Invention Patents	Utility Model Patents
106	70	36

Patents applied in 22 countries:

Taiwan, Australia, Vietnam, Japan, China, Hong Kong, Singapore, India, Canada, USA, Germany, United Kingdom, Hungary, Poland, France, Switzerland, Spain, Denmark, Netherlands, Norway, Finland, Belgium

2018 - 2024 Awards

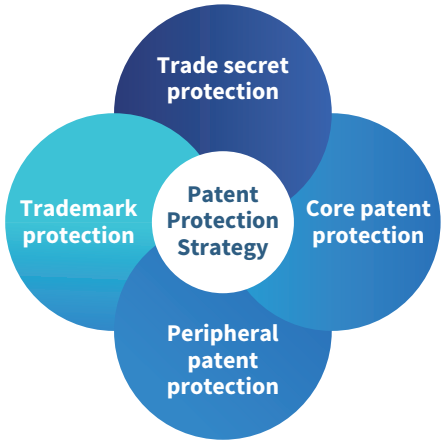
- ITEX in Malaysia — Gold medal: 1
- Japan Design, Idea and Invention Expo — Gold medal: 10; Silver medal: 1
- International Warsaw Invention Show BC198 + S38 — Gold medal: 2
- International Salon of Inventions and New Technologies — Gold medal: 2; Silver medal: 1
- All American DAVINCI International Innovation and Invention Expo — Gold medal: 8
- International Invention & Trade Expo in London, UK — Gold medal: 1
- International Invention and Innovation Contest "PRIX EIFFEL" — Gold medal: 1
- Scientific and Technological Agribusiness Innovation Award
- 20th and 21st National Innovation Awards
- 2024 Taiwan BIO Awards

Product Research, Development, and Innovation

3.1.4 Patent Management

Patent Protection Strategy

Considering that most of Syngen's products involve intellectual property rights related to strains and processes, the Company has developed a patent protection strategy to protect the Company's R&D results and maintain competitive advantage, strengthening the intellectual property management mechanism.



Core patent protection strategy	Patent protection focuses on core technologies/purposes to ensure their uniqueness, competitive advantages, and exclusivity, as well as to increase the added value of products.
Peripheral patent protection strategy	The strategy covers related technologies, methods, or product characteristics, such as fermentation technologies, testing methods, dosage form technologies, and efficacious composite formulations. Peripheral patents work together with core technology patents to achieve the most well-rounded patent protection.
Trademark protection strategy	Build trademark recognition within the patent protection period: All of the Company's probiotic products are registered for trademark protection to emphasize safety, stability, and functionality, strengthening market recognition of the products and trademarks.
Trade secret protection strategy	The strategy aims to ensure that the Company's confidential business information and important data are not accessed, used, or disclosed without authorization. Specific measures are as follows: 1. Define and identify trade secrets 2. Establish confidentiality agreements 3. Conduct classification, tiered management, and licensing 4. Conduct training to prevent information leakage 5. Keep documents confidential and require NDA execution 6. Require agreements during employee onboarding, throughout employment, and upon departure

R&D Knowledge Management Mechanism

R&D progress tracking and discussion

Personnel involved in the project follow the planned timelines and regularly report R&D progress and results to the project leader.

Designated management unit for R&D results

R&D results and analysis methods are managed by the Industry–Academia Section of R&D Division I. The team uses the R&D results to apply for domestic and international competitions in categories such as innovation, biotechnology development, and public welfare.

Maintenance and management of R&D results

The aforementioned information and achievements related to awards and patents are consolidated by the Industry–Academia Section of R&D Division I and the Quality Assurance Department.

Utilization management of R&D results

In product development, Syngen uses patents to build brand value, ensuring that trademarks are linked to product efficacy. R&D results can be licensed to customers through trademark licensing.

Conflict of interest avoidance

The Quality Assurance Department is responsible for managing the Company's external information such as patents and trademarks to protect the Company's interests, avoid product infringement, mitigate damage to rights, and safeguard intellectual property rights.

Information disclosure management

Efficacy of live bacteria is often achieved through process design and process-related information constitutes trade secrets, which are protected through measures such as role-based access control and data encryption.

03 Product Research, Development, and Innovation

3.2 Product Quality Management

Material Topic: Customer Health and Safety

Actual and potential positive impacts on the economy, environment, and people
Opportunities

Economy: Companies can build a good brand reputation, boost consumers' trust and loyalty to products, thereby increasing product sales and market share.

Environment: By providing eco-friendly or recyclable packaging materials, the Company conveys the concept of environmental protection to customers and encourages everyone to work together for a greener future.

People: Safe and reliable products can enhance consumers' confidence in product effectiveness and protect customers wellness, thereby maximizing product effectiveness.

Actual and potential negative impacts on the economy, environment, and people
Risks

Economy: Product failures could harm consumer health, resulting in extensive product recalls and compensation claims, thereby placing huge financial pressure on the business.

Environment: Large-scale recalls due to product safety issues could generate large amounts of waste. Inappropriate disposal may cause severe environmental pollution.

People: Product safety issues directly affect the health of consumers, which may lead to serious health risks and public health crises, compromising the health rights of consumers.

Resources invested in 2024

- The Company attaches importance to product quality and consumer rights, and has established written regulations such as the Operating Procedures for Handling Customer Complaints to strive to resolve and handle customer complaints as quickly as possible. The marketing and labeling of products and services comply with relevant legal regulations and international standards to ensure the quality of products and services, protecting the rights and interests of customers.

Strategic Objectives

Company policies or commitments to corporate governance

Upholding the quality policy of "Invest in Quality, Innovate in Technology, Free Customers from Concern, and Pursue Health and Happiness," the Company aims to provide customers with high-quality products and services.

Short-term goals (1 year)

1. Obtain SQF certification
2. Obtain HACCP certification for Tai Kang Shih Tang

Medium and long-term goals (3-5 years)

1. Extend the GMP inspection cycle for medicinal products to three years

03 Product Research, Development, and Innovation

3.2 Product Quality Management

Material Topic: Product Quality and Safety

Actual and potential positive impacts on the economy, environment, and people
Opportunities

Economy: Effective quality management reduces waste during production, improves production efficiency, and reduces production costs.

Environment: Valuing product quality and safety encourages upstream and downstream suppliers to raise environmental protection awareness. It contributes to the establishment of a green supply chain, reducing the overall impact on the environment.

People: Customers have access to safe and high-quality products and services.

Actual and potential negative impacts on the economy, environment, and people
Risks

Economy: Violations caused by product quality or safety issues may result in high fines and compensation claims, further affecting the Company's financial stability.

Environment: Specific raw materials required for high-quality production may face supply shortages or price fluctuations, affecting the stability and costs of production.

People: A lack of guaranteed product quality may cause food safety concerns among customers.

Resources invested in 2024

- All suppliers passed audits.
- All employees passed quality management training.
- Metal detectors, X-RAY inspection machines, and image recognition systems were introduced into production lines to reduce the risk of foreign matter contamination.

Strategic Objectives

Company policies or commitments to corporate governance

The Company has established the Quality Assurance Department and the Quality Control Department. Through internal quality management training for employees as well as external supplier audits and corrective actions (if any), the Company ensures product quality.

Short-term goals (1 year)

1. Establish food fraud management procedures to promptly respond to food safety incidents and reduce losses
2. Reduce the number of repeated abnormal events in the laboratory to less than 20
3. Reduce the number of deviation occurrences to less than 5
4. Adopt a continuous digital temperature and humidity monitoring management system

Medium and long-term goals (3-5 years)

1. Introduce a smart quality management system to improve the efficiency of quality inspections
2. Continue to update the certification of the biotechnology food quality system to ensure stable product quality
3. Conduct personnel training and cooperation policies with outstanding schools to recruit high-quality talent for the Company

Product Research, Development, and Innovation

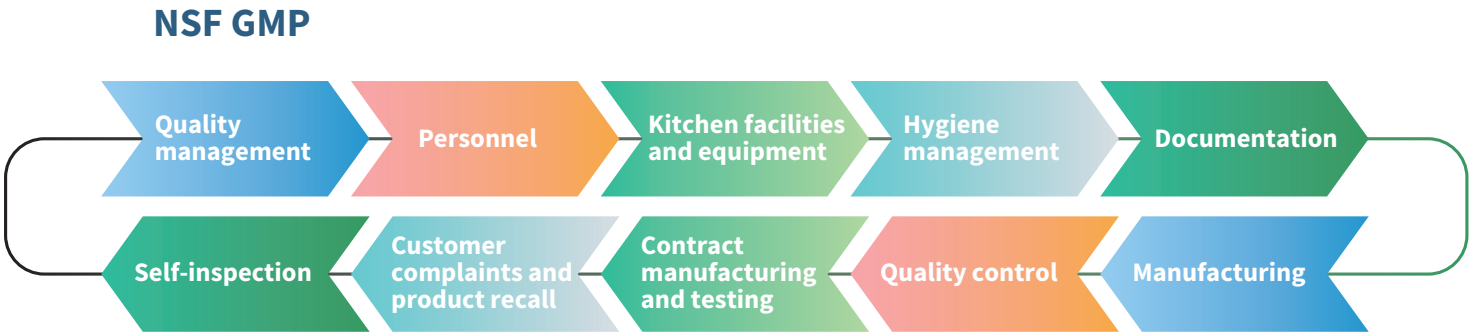
3.2.1 Quality Certification

Upholding the quality policy of “Invest in Quality, Innovate in Technology, Free Customers from Concern, and Pursue Health and Happiness,” Syngen continuously improves and refines its production technologies to increase product yield. Through external certifications and compliance with laws and regulations related to biotechnology food safety and quality, including PIC/S GMP, ISO 9001, the Act Governing Food Safety and Sanitation, Good Hygiene Practices (GHP), Taiwan Quality Food (TQF), ISO 22000 & HACCP Food Safety Management System, NSF GMP, Health Food GMP, Health Supplement GMP, Halal certification, and completion of U.S. FDA inspections, we provide customers with products that are safe, effective, and healthy. For the “Must-Trace” system established by the government, the Company performs mock traceability and tracking drills at least twice a year, all completed within the required time limit. There were no violations of health and safety laws and regulations in products and services in 2024.

HACCP TQF PIC/S GMP ISO9001 ISO22000 GMP

NSF GMP Quality System Standards

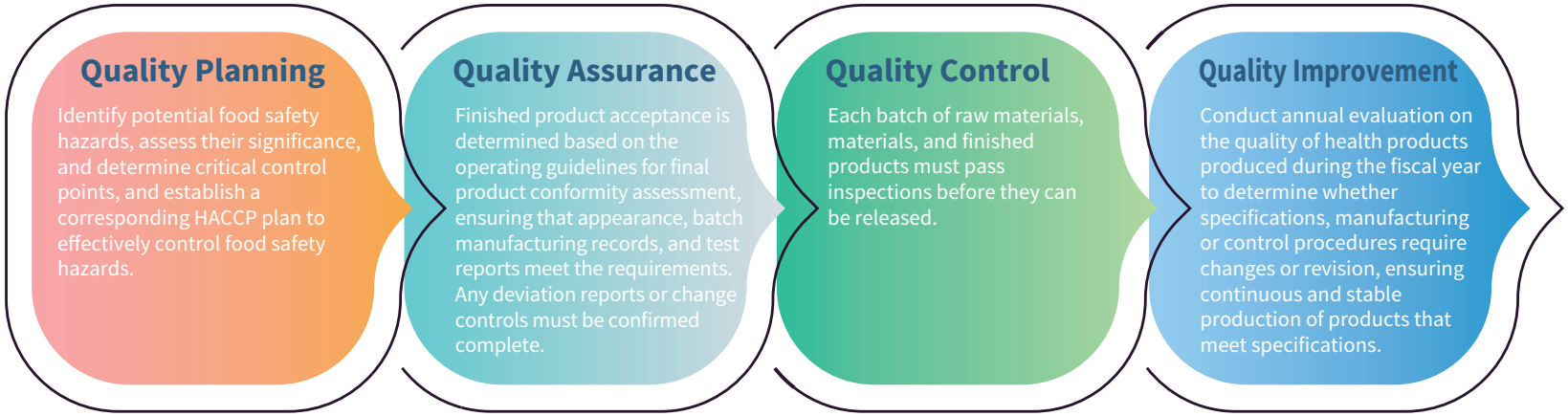
GMP (Good Manufacturing Practice) uses risk assessment to identify hazardous factors to end users (patients) and sets quality goals to design and control the manufacturing process. It requires personnel to comply with operating procedures and inspect each phase of the manufacturing process to avoid errors. The ultimate goal is to produce products that meet quality standards while minimizing risks to end users. To raise employees’ awareness of GMP, the Company organizes internal and external training courses on “GMP Quality System Standards” every year, and all employees have passed the evaluation.



Product Research, Development, and Innovation

3.2.2 Quality Management

The Company has established a Quality Control Department and a Quality Assurance Department responsible for tracking and managing quality indicators and issues related to the Company's raw materials and produced products. Weekly scheduling meetings are held with R&D, quality assurance, quality management, and production management teams to discuss and formulate quality management strategies, ensuring continuous improvement in operations, product and service quality, and process performance. Meetings are held before and after ad-hoc official or client on-site inspections. The Production Department then takes deficiency corrective actions in accordance with relevant food laws and regulations. The Quality Control Department follows different testing procedures for sampling based on specific test requirements. Through continuous improvement and optimization of product quality, we enhance our competitiveness and customer satisfaction.

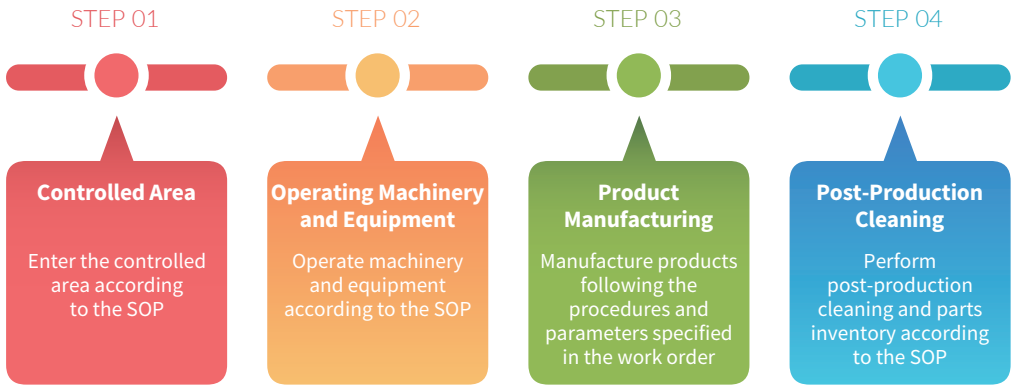


Raw Materials and Quality Management Process

Category	Management Process	Monitoring Frequency	Task
Raw materials	Inventory	Every order	Warehouse personnel verify actual quantities against system records.
	Goods inspection	Every incoming batch	Quality control personnel conduct sampling and testing based on required testing items.
Materials	Goods release	Every incoming batch	Quality assurance personnel conduct material release based on specifications and test results.
In process	Requisition	Each batch	Production personnel collect raw materials and materials based on work orders' material requisition forms.
Semi-finished products	Manufacturing	Each batch	Production personnel manufacture based on work orders' procedures and parameters.
Finished products	Product inspection	Each batch	Quality control personnel conduct sampling and testing based on required testing items for each finished product.
Stability of finished APIs	Product release	According to SOP	The Production Department performs sampling, while the quality control team places the samples into test chambers (with set temperature and humidity) and conducts testing as scheduled.

Product Research, Development, and Innovation

3.2.2 Quality Management



Quality Management Training

The Company conducts periodic internal and external quality management-related training courses, encouraging personnel to acquire knowledge of new developments in the biotechnology and medical industries, raise their awareness of product quality management, support the establishment of a quality management system, and prevent food safety issues.

Training Topic	Course Description	Number of Participants	Training Hours	Organizer
GMP-related courses for medicinal products	GMP requirements for medicinal products	2	24 hours per year	External
HACCP-related courses	HACCP training	4	12 hours every 3 years	External
SOP courses	SOP courses	13	Routine training	Department-organized
GMP training for all employees	Food safety, hygiene, protection, fraud	All employees	Annual training, each training session 1.5 hours	Internal
Halal training	Quality assurance system and Halal food	All employees	Twice a year, each training session 1 hour	Internal
OOS and OOT in quality systems	OOS and OOT in quality systems	1	6 hours	External
API regulations/odd months in 2024	Introduction to API GMP regulations	6	6 hours	Internal
Data integrity regulations/even months in 2024	Data management and integrity guidelines interpretation	1	6 hours	External
New quality assurance hires	Quality assurance-related SOP training	New hires	Routine training	Department-organized

Product Research, Development, and Innovation

3.2.3 Smart Management

In response to the trend of smart system management, we have formulated a plan to develop smart manufacturing production lines and factories in stages. Based on production needs and the characteristics of each production line, we have introduced an advanced MES (Manufacturing Execution System) to reduce carbon emissions while expanding production capacity. By combining data analysis technologies with manufacturing optimization, we can respond more flexibly to customer orders and international market demands. In smart management, to ensure that every stage yields optimal results, we continuously improve the automation of production equipment and related support systems. We adopt highly flexible and precise management approach to improve the Company's operational efficiency.

Equipment/System	Feature	Results
Multi-lane packaging machine	Upgraded from a single-lane to a 10-lane packaging machine	Output increased to 400,000 packs per machine per day
Laser scoring machine	Replace blade-cutting with laser technology, creating precise score marks at the tear-open location	Easier to tear and cleaner openings
Laser printer	Replace ribbon technology with laser technology, printing dates and batch numbers onto the packaging surface	Smudge-proof text
New Production System (NPS)	• Improve production efficiency and enable timely detection of hidden operational issues • Reduce unnecessary labor, time, and material waste	Under benefit evaluation
Electronic inspection system	Image recognition is used to verify the accuracy of the expiration date printing on packaging, reducing waste due to errors.	Program development in progress
CCD vision system	• Detect defects such as incomplete bottle caps or incorrect content coloration in real time, precisely controlling yield • Control quality through raw material color variance to improve yield	Reduce human errors, control product quality, and lower labor costs

Smart management not only improves production efficiency, but also ensures product quality, meeting customer needs to the greatest extent. We employ ERP to manage raw materials, materials, semi-finished products, and finished products. After products are completed and pass strict quality inspections, we ensure that products are delivered on schedule. In the future, we plan to promote MES and other smart management approaches to attain the goals of continuous material supply for production and on-time delivery. We will continue to optimize and upgrade our smart manufacturing systems to maintain a leading position in future market competition and lay a solid foundation for our industrial transformation and upgrade.

03 Product Research, Development, and Innovation

3.3 Customer Relationship Maintenance

Material Topic: Customer Relationship Management

Actual and potential positive impacts on the economy, environment, and people
Opportunities

Economy: Effective customer relationship maintenance helps expand more diverse business opportunities and increase sales performance.

Environment: Promoting the R&D and promotion of green products helps protect the environment and contributes to corporate green development strategies.

People: Providing multi-faceted sales channels meets the needs of different types of customers and maintains customer stickiness and loyalty.

Actual and potential negative impacts on the economy, environment, and people
Risks

Economy: Products and services that do not meet customer preferences may lead to reduced sales performance due to market changes.

Environment: Failure to promote customers' awareness and adoption of environmentally friendly products may increase the Company's carbon footprint and environmental burden.

People: Negative incidents such as food safety issues during the sales process may harm corporate image and brand reputation.

Resources invested in 2024

- Continued to conduct customer satisfaction surveys
- Customer complaints were submitted to the quality assurance unit for root cause investigation and resolved through cross-departmental corrective actions. As a result, customer satisfaction was improved.
- Training for sales personnel to enhance their expertise
- Boosted product sales through customer marketing activities and necessary support

Strategic Objectives

Company policies or commitments to corporate governance

The Company provides diverse communication channels to maintain effective communication with customers and establish long-term trusted relationships. This serves as the cornerstone of Syngen's customer service philosophy and value.

Short-term goals (1 year)

1. Conduct continuous re-training of sales personnel to enhance product knowledge and service professionalism
2. Continue to improve customer satisfaction surveys and regularly track action items
3. Improve customer return rate and viscosity

Medium and long-term goals (3-5 years)

1. Refine the scope of customer satisfaction surveys to evaluate our products, services, and corporate development from a more diverse perspective
2. Increase the number of participating suppliers or improve satisfaction of different departments within customer organizations
3. Provide professional training for sales personnel to improve quality and operational efficiency

Product Research, Development, and Innovation

3.3.1 Customer Services

01. Service consultation
Sales, customers

02. Dosage form and packaging planning
Formulation design, product type, product positioning
R&D Department, customers

03. Product order execution
Communication and confirmation of formulation and delivery schedule
R&D Department, Production Department, Quality Control Department

04. Production scheduling and manufacturing
Self-control of raw materials, efficient production, and self-inspection before release
Production Department

05. Finished product completion
Finished product inspection reports, domestic/international logistics arrangements
Quality Control Department

06. After-sales services
Quality Assurance Department

Customer satisfaction surveys

Syngen values feedback from stakeholders. A total of 80 customers participated in the 2024 customer satisfaction survey. The evaluation covered multiple areas, including product quality, order delivery, overall company services, service and administrative efficiency of the sales team, and professional qualifications of the sales team. Customers gave highly positive feedback on our products and services, with an average score of 4.56 out of 5. For items mentioned in the customer satisfaction survey requiring improvement or those scored lower, we will conduct discussions, propose solutions, and regularly track the improvement progress during company meetings. There were no violations of legal regulations concerning product information, labeling, or marketing communications in 2024.

Customer Satisfaction Area	Description	Score
Product quality	Whether product quality meets customer needs	4.5/5
Order delivery	Whether order deliveries meet customer needs	4.5/5
Overall company service	Overall service level of Syngen	4.6/5
Service and administrative efficiency of the sales team	Service and administrative efficiency of sales personnel	4.6/5
Professional qualifications of the sales team	Professional qualifications of sales personnel	4.6/5

Customer Satisfaction Improvement Process



03 Product Research, Development, and Innovation

3.3.2 Customer Complaint Management Regulations

Customer Complaint Handling Procedures

To address customer complaints quickly, timely, and effectively and to ensure positive customer satisfaction, Syngen has established the Customer Complaint Handling Procedures for all teams to follow. By continuously improving product and service quality and enhancing the customer experience, we strive to deliver better and more thoughtful services. By upholding higher product-quality standards, we maintain our leading position in the industry. In 2024, the Company did not receive any customer claims for fines or warnings due to privacy breaches.

Sales /Related departments

Accept and respond to customer complaints

Conduct preliminary handling; complete the customer complaint form

Quality Assurance Department

Register, review, and handling of customer complaints, respond to sales units, retain records, and track statistics

Conduct internal investigation, clarify responsible parties, and formulate actions

Production /Related departments

Review complaints and formulate corrective actions, involving relevant responsible units such as quality control, production, warehousing, procurement, and R&D

Develop corrective actions and preventive measures to avoid recurrence

Customer Complaint Processing Timeline

01 Provide the customer with preliminary investigation within **3** working days

02 Provide a written investigation report within **7** working days

03 Track the progress of complaint responses and investigations

04 Fill out the progress-tracking record form

05 Close the case within **30** days after providing the report

04 Sustainable Environmental Development



Syngen Biotech Co., Ltd.

04 Sustainable Environmental Development

Core Vision and Commitment



As global warming intensifies, climate change has become an international concern. In addition, as Taiwan has limited natural energy resources and relies heavily on imports, environmental protection awareness has been rising, making the promotion of energy-conservation concepts and the reduction of carbon dioxide emissions responsibilities that Syngen must assume. In recent years, we have closely monitored climate change issues and assessed the potential risks and impacts that climate change may pose to the Company. We have actively promoted energy conservation and carbon reduction, controlled GHG emissions, reduced water consumption, and carried out other waste management projects. Additionally, in response to the trend toward a circular economy, we use recycled materials with low environmental impact and incorporate environmental protection concepts into technological innovation and product development. Moreover, we maintain good cooperative relationships with suppliers, distributors, and service providers, jointly working toward achieving the goals of carbon neutrality.

Since 2023, we have introduced TCFD framework to objectively assess the impact of climate change on our business, so as to help stakeholders to understand and recognize the actions and resilience we demonstrate in facing climate change. At the same time, we pay close attention to biodiversity conservation and ecological restoration. We planted 200 bald cypress trees along the detention basin in the Syngen-operated Tai Kang Organic Agriculture Zone, not only providing birds with habitats and food sources, but also increasing the diversity of local plants and animals, helping to maintain the ecosystem stability and the Earth's ecological balance. We will continue to dedicate our efforts to ecological protection, striving to attain sustainable development goals.

2024 Achievements and Performance

1. Implemented the Task Force on Climate-related Financial Disclosures (TCFD)
2. Replaced lighting equipment and freeze dryers at the Sinying Plant and Southern Taiwan Science Park Plants 1 and 2, saving 30,240.992 kWh of electricity, equivalent to reducing 15,176.78 kg of CO_2e
3. There were no major violations of environmental laws and regulations.



04 Sustainable Environmental Development

4.1 Climate Action

Aware of the increasingly severe challenges brought about by climate change, such as difficulties in mitigation and adaptation, Syngen not only monitors climate change issues closely and evaluates the potential risks and impacts of climate change on the Company, but also introduced the TCFD framework established by the Financial Stability Board (FSB) in 2023. Following the four thematic areas of TCFD, namely governance, strategy, risk management, and metrics and targets, we conduct assessments to ensure that the Company adapts to the potential risks and opportunities brought about by both current and future climate change, developing appropriate management strategies and action plans to reduce the impact of climate risks while exploring new industry landscape and business opportunities.

4.1.1 Climate Change Management

TCFD Management Framework

Four Thematic Areas	Actions	Responsible Unit
Governance	• Syngen's Board of Directors serves as the highest governing body, incorporating climate-related issues into the scope of goals and performance management. • The Environmental Protection Office proposes implementation plans, including assessments of climate-related operational risks, as well as the establishment of sustainability policies, systems, and targets. The office is required to report the progress to the Board of Directors each year.	• Board of Directors • Environmental Protection Office
Strategy	• In accordance with the TCFD framework, the Company regularly identifies and discloses the impacts of short-, medium-, and long-term climate-related risks and opportunities on the organization's operations, strategies, and financial planning, and evaluates the future market development potential. • Syngen assesses the impacts of climate-related risks and opportunities on the Company.	• Environmental Protection Office
Risk Management	• Based on the scope and severity of climate change impacts, the Company assesses and scores each climate change-related risk, and categorizes them into different quadrants based on these scores. For high-impact risks, relevant management measures are discussed and formulated through cross-departmental efforts and integrated into the Company's existing risk management system.	• Environmental Protection Office
Metrics/ Targets	• Short term goals:Continuously monitor the latest updates worldwide on GHG emissions, energy management, and climate-related issues to ensure compliance with relevant laws and regulations; actively promote energy- and water-saving initiatives while encouraging green procurement actions; continue to obtain ISO certifications, and expect to complete GHG inventories of all sites in 2025. • Medium-term goals:Obtain the Product Carbon Footprint certificates continue to invest in energy-saving equipment and solar panel installation technologies to improve our energy usage structure, gradually achieving the goal of reducing GHG emissions by 1% each year. • Long-term goals:Committed to developing sustainable products, continuously monitor the climate-related threats faced by the Company, and formulate response measures as early as possible, ultimately achieving our goal of achieving net-zero emissions.	• Environmental Protection Office • Relevant departments

Climate Governance Structure and Responsibilities

To strengthen the Company's management of climate-related risks and foster a culture of climate risk governance, Syngen incorporates climate-related risks into the Company's risk management procedures. The Environmental Protection Office is responsible for implementing sustainability policies, systems, and related management initiatives, promoting concrete plans that are closely linked to the job scope of each department, aiming to achieve short-, medium-, and long-term goals. We report performance results to the Board of Directors once a year, enabling the Board to keep abreast of sustainability-related trends as well as the Company's progress and responses in climate governance. The Company's Board members, bringing diverse backgrounds, possess extensive professional experience, industry knowledge, and excellent management skills, providing valuable guidance and suggestions on climate-related issues.



Sustainable Environmental Development

4.1 Climate Action

4.1.2 Climate-related Risk and Opportunity Assessment

In accordance with the TCFD guidelines, the Company categorizes climate-related issues into physical risks, transition risks, and opportunities. Employees from related departments were convened to evaluate the likelihood of occurrence and the degree of financial impact of each risk and opportunity. Through a materiality matrix analysis, the Company ultimately determined 5 risks and 3 opportunities, and developed corresponding short-, medium-, and long-term goals along with response strategies. In the future, we will regularly monitor the implementation status and goal achievement, applying adaptation and mitigation strategies to respond to the sustainability crisis caused by climate change, reducing the Company's financial risks, and moving towards low-carbon development.

Identification of Climate-related Risks and Opportunities

Process	Description
Collection of climate-related information	• According to the TCFD framework, Syngen collected information on physical risks (acute, chronic), transition risks (policy and legal, market, technology, reputation), and opportunities. • Focusing on the biotechnology industry and our operational sites, the Company collected data from international research reports, international standards, Taiwan's Disaster Risk Adaptation, online information, and news events.
Department interviews and questionnaire design	• The Company held meetings with the heads of relevant departments to understand their operational status and climate-related intersections, identify potential climate-related risks and opportunities, which then informed the design of the TCFD risk and opportunity questionnaires. The questionnaires were distributed to the department heads to complete, assessing the likelihood and degree of financial impact that climate-related risks and opportunities may have on each unit. A total of 18 climate issues related to Syngen were selected and scored, and 14 valid questionnaires were collected.
Materiality matrix analysis	• A materiality matrix analysis was conducted based on the likelihood of occurrence (vertical axis) and the degree of financial impact (horizontal axis) from the questionnaire responses to identify material climate-related risks and opportunities. As a result, 8 material climate issues were identified, including 5 risks and 3 opportunities.
Setting metrics and targets	• For material climate risks and opportunities identified, Syngen will develop further management measures and countermeasures, assess their financial impacts, and conduct corresponding planning. The President's Office and the Environmental Protection Office will work with each unit to set annual metrics and goals for Syngen.

4.1.2 Climate-related Risk and Opportunity Assessment

Climate Change Risk Impacts and Management

Based on the results of the materiality matrix analysis, the top five risks identified were “industrial electricity price increases and water consumption levy,” “GHG,” “rising average temperatures,” “goodwill impairment,” and “regulations related to renewable energy.” After internal discussions, we concluded that shifting focus to low-carbon product development and sustainable energy use would better align with Syngen’s sustainability actions and strategies. Therefore, we decided to include “low-carbon transition costs” in the scope of material climate-related risk management in place of “GHG.” The following management measures and response plans have been developed for the five risk issues, along with an assessment of their financial implications.



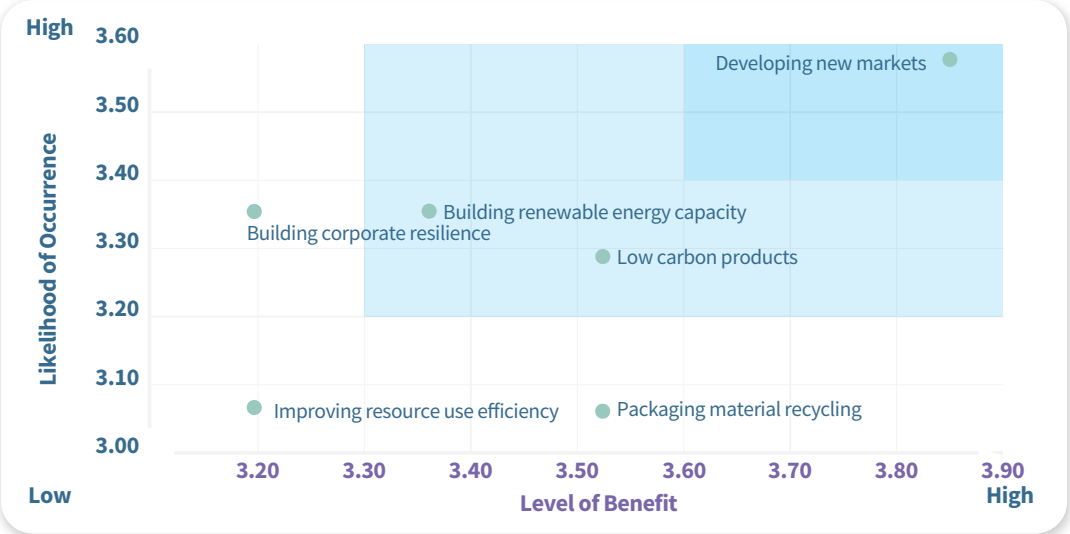
4.1.2 Climate-related Risk and Opportunity Assessment

Type	Aspect	Topic	Impacts	Financial Implications	Management Responses
Physical risk	Chronic	Rising average temperatures	Long-term temperature increases drive higher demand for cooling systems, central air conditioning, and chilled water, which increases the Company's electricity expenses. During the transportation process, storage conditions become harder to control, posing a risk to the stability of product quality.	• Direct costs:Increased electricity consumption due to higher cooling demand, resulting in higher operating costs. • Indirect costs:Rising average temperatures may affect employees' physical and mental well-being, lowering productivity and increasing personnel costs.	• Operations:Improve energy efficiency, upgrade facilities, technologies, and equipment, and reduce the risk of product quality defects through quality control mechanisms. • Employee care:Strengthen the installation of ventilation and cooling equipment to mitigate the physical and psychological stress placed on employees due to high temperatures.
Transition risk	Policy and legal	Industrial electricity price increases and water consumption levy	Industrial electricity price increases and the promulgation of the Regulations Governing Water Consumption Levy Collection directly affect major water and electricity users.	• Direct costs:Government policies, such as increasing industrial electricity rates, levying a water consumption fee, or developing other measures to increase environmental-related expenses, may increase Syngen's operating costs, especially if the Company fails to transition in time.	• Process improvement: Add water-storage tanks in the short term; in the long term, recycle process water for use in processes with lower water quality requirements. • Compliance with laws and regulations:Continuously monitor updates on laws and regulations and strengthen communication with the government and industry associations for policy support.
		Regulations related to renewable energy	Due to the government's requirements for amendments to regulations related to energy transition and renewable energy, companies need to invest more time and resources to assess the impact of new regulations on the business.	• Direct costs:The addition of compliant equipment and technologies, along with facility renovation or upgrade, will result in increased capital investment and operating costs. • Operating costs:Failure to build renewable energy capacity in accordance with the law may result in fines.	• Compliance with laws and regulations:Closely monitor updates on regulations related to energy transition and renewable energy, and formulate corresponding response strategies to ensure that Syngen can maintain compliance with regulatory requirements, competitiveness, and sustainable development.
	Technology	Low-carbon transition costs	Given the uncertainty of immature, emerging low-carbon technologies and solutions, production interruptions or quality problems may arise, affecting product supply and market competitiveness	• Direct costs:Customers' higher demand for low-carbon and high-efficiency green products necessitates greater capital investment in R&D, technologies, and equipment, potentially increasing both R&D expenditures and production equipment costs.	• Government policy support:Pay close attention to government policies and subsidies, and seek government policy support to reduce R&D and production costs. • Technology risk assessment:Conduct thorough technical assessments and evaluate ROI to ensure that the introduction of new technologies and solutions meets company needs and standards.
	Reputation	Goodwill impairment	Customers' sustainability requirements for Syngen are increasing. Failure to meet standards may lead to more negative customer feedback on Syngen and lower credit ratings from banks.	• Revenue:Market disappointment in a company's commitments to sustainability may affect brand reputation and market valuation, leading to a decrease in revenue.	• Evaluate the risks of goodwill impairment amidst sustainability trends, incorporate sustainable development into corporate strategies and operations, and formulate concrete sustainable development goals and plans, e.g., gradually improving sustainability reports and climate-related financial disclosures.

4.1.2 Climate-related Risk and Opportunity Assessment

Climate Change Opportunity Impacts and Management

Based on the materiality-matrix analysis, Syngen identified the top three opportunities are “developing new markets,” “low-carbon products,” and "building renewable energy capacity.” The following management measures and response plans have been developed for the three opportunities, along with an assessment of their financial implications.



Type	Aspect	Item	Impacts	Financial Benefits	Management Responses
Opportunity	Products and services	Low carbon products	In response to today’s sustainable development and growing demand for low-carbon products, the development of low-carbon products can reduce product carbon footprint and enhance company competitiveness.	• Capital expenditure:Low-carbon product R&D can reduce production costs and improve energy efficiency, thereby lowering energy expenditures. • Revenue:Meeting the needs of green consumers improves brand image and market competitiveness, thereby increasing sales and profits.	• R&D investment:Improve low-carbon products, expand low-carbon product portfolio, and purchase locally produced and eco-friendly raw materials to meet existing market demand and improve product competitiveness.
Transition risk	Energy	Building renewable energy capacity	Due to future amendments to regulations related to renewable energy and the development of low-carbon energy, the use of renewable energy can significantly reduce GHG emissions, attracting customers with sustainable development needs.	• Capital expenditure:Compliance with government requirements for renewable energy may qualify us for government incentives, and may reduce future carbon pricing or carbon tax charges. • Revenue:Excess renewable energy can be traded in green power markets, generating more profits.	• Operations:Syngen plans to evaluate the potential for purchasing green electricity, related certificates, or installing solar panels to increase competitiveness among its competitors.
	Market	Developing new markets	Improving the sustainability performance of existing products or developing new sustainable products helps unlock and penetrate new market opportunities.	• Revenue:New product R&D and production and low-carbon business opportunities help penetrate new markets, adjust the revenue structure, and improve profitability.	• Operations:Establish KPIs for green products.

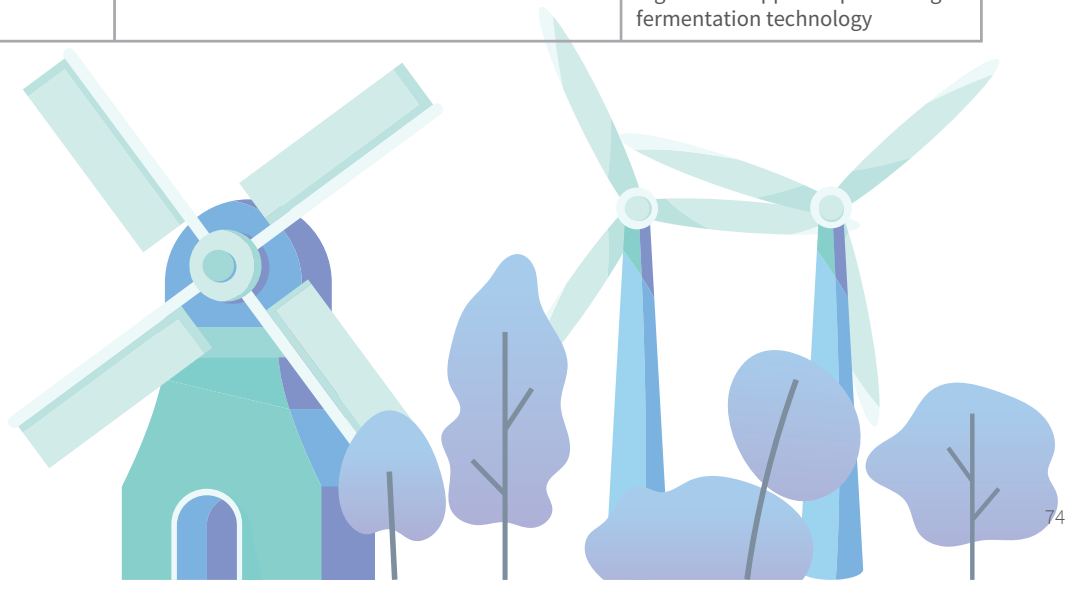
4.1.3 Metrics and Targets

All Syngen's plants comply with local laws and regulations and with the Group's (Standard Chem. & Pharm. CO., LTD.) strategies. The Company conducts a periodic GHG inventory of its plants in Taiwan every year, and implements various internal energy conservation and carbon reduction measures to improve energy and resource efficiency. Additionally, periodic reports are presented to the Board of Directors. In the future, the Company will evaluate the establishment of solar power systems to achieve the goal of net zero emissions by 2050.

Type	Aspect	Topic	2024 Actions	2025 Targets	Medium- and Long-Term Targets
Physical risk	Chronic	Rising average temperatures	• Organized disaster prevention drills twice a year	Involve employees throughout the actual GHG inventory process to help them understand the emissions generated by each department and the concept of GHG emission reduction	Resume normal operations promptly following climate events
		Raw material shortage	• Requested samples from suppliers to evaluate microbial count, stability, and flavor • Increased safety inventory at the premises and encouraged customers to start early material preparation	• Reduce financial losses caused by climate-related risks • Organize climate-related seminars, courses, or awareness-raising training for suppliers to reduce risks of material shortages or supply instability caused by climate factors/natural disasters • Establish a second source mechanism	• Develop alternative raw materials • Establish processes that are not easily affected by raw material shortages • Hold annual supplier conferences to communicate sustainability, climate, and low-carbon issues
Transition risk	Policy and legal	Industrial electricity price increases and water consumption levy	• ① Replaced Sinying Plant's AI-800#2 freeze dryer in the air compressor room ② Replaced traditional lighting fixtures with flat-panel lighting at the Sinying Plant ③ Replaced Sinying Plant's split-type air conditioners in the RD office ④ Replaced traditional lighting with LED lighting at the Sinying Plant, reducing energy loss by 25,080.33 kWh with an achievement rate of 0.39% • Average annual electricity-saving rate for the Sinying Plant from 2015 to 2024: 1.74% • ① Adopted LED lighting in the offices of the Administration Building ② Adopted LED lighting to improve illumination in the first-floor beverage production line at the Southern Taiwan Science Park Plant 1, reducing energy loss by 4,492.66 kWh with an annual electricity-saving rate of 0.08% • Average annual electricity-saving rate for the Southern Taiwan Science Park Plant 1 from 2015 to 2024: 1.15%	• Reduce electricity consumption by 1% per year • Sinying Plant: Reduce energy loss by 214,969.416 kWh with an annual electricity-saving rate of approx. 3.3% • Southern Taiwan Science Park Plants: Reduce energy loss by 94,189.5 kWh with an annual electricity-saving rate of approx. 1.646%	• Evaluate the replacement necessity for equipment 20+ years in service
		Regulations related to renewable energy	The Company was not subject to renewable energy regulations or penalties.	Establish an internal renewable energy management system	Install energy storage systems to effectively manage energy and renewable energy

4.1.3 Metrics and Targets

Type	Aspect	Topic	2023 Actions	2024 Targets	Medium- and Long-Term Targets
Transition risk	Technology	Low-carbon transition costs	Conducted GHG inventory and completed verification	• Adjust health product development strategies • Establish a comprehensive R&D mechanism	
	Reputation	Goodwill impairment	Published the first Sustainability Report	Updated the Sustainability Report each year	Establish a positive brand image
Opportunity	Products and services	Low carbon products	• Conducted alternative raw material testing in response to possible raw material shortages caused by extreme weather to avoid impact on the quality of finished products • Developed organic agricultural and plant-based health products to reduce the damage caused by chemical fertilizers and pesticides to soil and ecosystems	• Adjust health product development strategies • Establish a comprehensive R&D mechanism • Use locally/domestically-sourced raw materials for plant-based health products to reduce carbon footprint	Revitalize rural communities and support smallholder recultivation
	Energy	Building renewable energy capacity	Evaluation of green power certificate purchases or solar panel installation for power generation was underway. The Group centrally established a capacity of 927 kW and transferred 370 kW of solar green-power rights to Syngen.	As the Company's plants are currently under expansion, it is difficult to plan the installation of new solar panels, but renewable energy will be included in future development planning.	
	Market	Developing new markets	Combined local agricultural products with LAB fermentation to provide value-added technical services	Develop next-gen health ingredients, e.g., AKK and exosomes	Seek diversified domestic ingredient suppliers specializing in fermentation technology



Sustainable Environmental Development

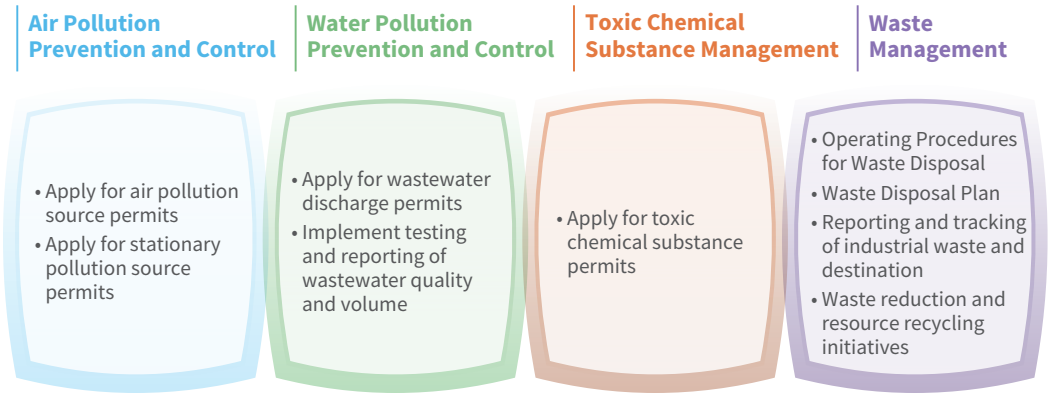
4.2 Environmental Management

Environmental management plays a crucial role in corporate operations, including air pollution prevention, water pollution prevention, toxic chemical substance management, and waste management. The Company is committed to maintaining the environment inside and outside its plants, strictly abiding by government laws, regulations, and all environmental-related requirements. For pollution prevention controls, the Company has obtained the required permits in accordance with the law. The wastewater generated at the Company's plants is treated through wastewater treatment facilities. Additionally, the Company conducts periodic wastewater quality testing to ensure that there is no significant impact on the environment and ecosystems. Over the past four years, environmental-related investment has reached NT$6,815 thousand, and the Company has never been penalized by environmental authorities for violations of environmental laws or regulations.

Sustainable Environmental Management Policies and Guidelines

Syngen operates a total of four plants: Sinying Plant, Southern Taiwan Science Park Plant 1, Southern Taiwan Science Park Plant 2, and Yunlin Technology Industrial Park Plant. All plants comply with local laws, regulations, and the Group's strategies. Based on this foundation, the Company has further formulated environmental management principles to improve its environmental management standards. Through environmental management systems, the Company aims to establish a sound management system, strengthen monitoring and implementation of environmental protection measures, develop environmental performance indicators, implement various energy-saving policies, and conduct annual GHG inventories. In the future, GHG inventories will continue at Southern Taiwan Science Park Plant 2 and Yunlin Technology Industrial Park Plant. The goal is to achieve 100% completion of GHG inventories across all sites.

Environmental Management



Environmental Permits Obtained at Each Operational Site

Environmental Permit	Sinying Plant	Southern Taiwan Science Park Plant 1	Southern Taiwan Science Park Plant 2	Yunlin Technology Industrial Park Plant
Waste Disposal Plan	✓	✓	The plant currently used as a warehouse; relevant permits will be obtained based on future planning.	✓
Water Pollution Prevention Permit	✓	✓		✓
Stationary Pollution Source Operation Permit	✓	N/A		N/A
Toxic Chemical Substance Permit	✓	N/A		✓

Environmental-related Investment

Year	2022	2023	2024
Amount invested	6,254	6,780	6,815
Total operating costs	1,930,594	1,837,185	2,013,592
% of operating costs	3.24	3.69	3.38

Unit: NT$ in thousands, %

04 Sustainable Environmental Development

4.3 Energy and GHG Emission Management

4.3.1 Energy Management

Syngen's plants use diesel, natural gas, and purchased electricity. In terms of energy consumption, the plant equipment consumes the most electricity, followed by the natural gas consumption used for boilers that produce steam. In 2024, Syngen's total energy consumption was 58,201,117 GJ, an increase of 15,607,801 GJ compared with the previous year. The main reasons include the startup of the Yunlin Technology Industrial Park Plant and the adjustment of production structure of the Sinying Plant and the Southern Taiwan Science Park Plant 1, resulting in increased electricity and natural gas usage during production. To align with the international trends of energy conservation and carbon reduction, we replaced all oil-fired boilers with natural gas boilers in 2017. In the future, we will continue to carry out various energy-saving projects with the goal of saving 1% of electricity each year.

2024 Energy Consumption Across All Plants

Item	Unit	Sinying Plant	Southern Taiwan Science Park Plant 1	Southern Taiwan Science Park Plant 2	Yunlin Technology Industrial Park Plant
Purchased electricity consumption	kWh	6,462,240	5,720,800	758,800	3,215,880
	Joule	23,264,064	20,594,880	2,731,680	11,577,168
Diesel	Liter	656	213	0	0
	Joule	23	7	-	-
Natural gas	Cubic meter	582,040	290,966	0	10,741
	Joule	21,928	10,962	-	405
Total	Joule	23,286,015	20,605,849	2,731,680	11,577,573

Note: Each calorific value coefficient is based on the Net Calorific Value of Energy Products table updated by the Bureau of Energy (now "Energy Administration"), Ministry of Economic Affairs on May 15, 2020. 1 kWh of electricity = 860 kcal, 1 L of diesel = 8,400 kcal, 1 M3 of natural gas = 9,000 kcal. Calculation formula: Calorific value (GJ) = Energy usage * Calorific value coefficient (kcal) * 4.186/100000. 5.1kcal=4.184×10-3MJ

Historical Energy Consumption

Operational Site	2022	2023	2024
Sinying Plant	18,085,872	21,934,850	7,044,936
Southern Taiwan Science Park Plant 1	19,655,411	19,610,987	6,011,978
Southern Taiwan Science Park Plant 2	281,949	1,046,274	758,800
Yunlin Technology Industrial Park Plant	0	1,205	3,226,621
Total	38,023,232	42,593,316	17,042,335
Annual revenue (NT$ in thousands)	1,930,594	1,837,185	2,013,592
Energy intensity	19.695	23.184	8.46

Note: 1. Unit GJ

4.3 Energy and GHG Emission Management

4.3.2 GHG Emission Management

Although Syngen is not regulated by the Ministry of Environment, we remain committed to environmental protection through our actions. Since 2021, we have started implementing GHG inventory in accordance with ISO14064-1, establishing a GHG Inventory Task Force. We obtained our first verification statement in 2023, and have now completed GHG inventories of the Sinying Plant and the Southern Taiwan Science Park Plant 1. The total GHG emissions in 2024 grew by 5.28% compared to 2023, increasing the overall emissions.

Additionally, as the Southern Taiwan Science Park Plant 2 and the Yunlin Technology Industrial Park Plant are expected to officially begin production in August 2023 and 2024, respectively, the plant expansion may lead to an increase in future emissions. To this end, we will introduce more efficient and eco-friendly technologies into our production model, striving to attain the Company's goal of reducing GHG emissions by 1% each year. We will gradually disclose the GHG emissions from the Southern Taiwan Science Park Plant 2 and the Yunlin Technology Industrial Park Plant to fully understand our GHG emission status and formulate effective emission reduction measures accordingly.


ASSURANCE OPINION
GREENHOUSE GAS EMISSIONS

生晨生物科技股份有限公司

GHG Emissions in 2024

GHG Emission Category	Sinying Plant	Southern Taiwan Science Park Plant 1
Category 1: Direct GHG emissions and removals	1,789.2858	881.6415
Category 2: Indirect GHG emissions generated from purchased energy	4,226.6460	2,711.6592
Category 3: Indirect GHG emissions from transportation	83.9674	137.7063
Category 4: Indirect emissions from products used by the organization	1,309.5969	748.6296
Total emissions by plant	7,409.496	4,479.637

Note: 1. Unit: tCO_2e
2. Category 1: Emissions from the use of fuels, air-conditioning equipment, and chilled water equipment in internal production activities
3. Category 2: Electricity and water consumption required for operations
4. Category 3: Employee commuting
5. Category 4: Quantified upstream emissions from purchased electricity and oil, and quantified emissions from solid waste disposal
6. The Southern Taiwan Science Park Plant 2, opening in August 2023, is currently under planning. The Yunlin Technology Industrial Park Plant was acquired in 2023 and is expected to officially begin production in 2024. Therefore, neither plant has yet been included in the inventory boundary.

Historical GHG Emissions

GHG Emission Category	2022	2023	2024
Category 1: Direct GHG emissions and removals	2,123.5	2,396.728	2670.9273
Category 2: Indirect GHG emissions generated from purchased energy	6,201.5	6,846.9835	6938.3052
Category 3: Indirect GHG emissions from transportation	183.7	208.5141	221.6737
Category 4: Indirect emissions from products used by the organization	1,551.2	1,840.9951	2058.2265
Total emissions	10,059.9	11,293.2207	11,889.133
GHG emission intensity (tCO_2e/NT$ in thousands)	5.21	6.15	5.9

Note: 1. Unit: tCO_2e
2. According to the latest data from the Energy Administration, Ministry of Economic Affairs, the electricity carbon emission factor in 2023 was 0.495 kg CO_2e/kWh and 0.474 kg CO_2e/kWh in 2024. The GWP values from the IPCC Sixth Assessment Report were also used.
3. External verification has been carried out every year since 2022, with the inventory boundary covering the Sinying Plant and the Southern Taiwan Science Park Plant 1.

4.3 Energy and GHG Emission Management

4.3.3 Energy Conservation and Carbon Reduction Actions

To attain the goal of reducing GHG emissions by 1% per year, Syngen continues to implement multiple energy conservation and carbon reduction plans to improve energy efficiency. In 2024, the Company replaced lighting equipment and freeze dryers at the Sinying Plant and Southern Taiwan Science Park Plants 1 and 2, saving 30,240.992 kWh of electricity, equivalent to reducing 15,176.78 kg of CO2e. We will continue to improve the performance of lighting and chillers, and plan to establish a smart energy management system to effectively monitor energy management performance. These approaches will help us understand energy usage in real time, detect issues early and address energy waste in a timely manner, supporting Syngen to continuously improve and optimize energy management strategies.

At the same time, the Company carries out regular equipment maintenance to ensure its efficiency, reduce energy consumption, and lower failure rates. The indoor environmental design and temperature settings of the air conditioning system comply with policies that support environmental actions. We promote reuse of waste paper for printing in the offices, promote water- and electricity-saving habits among employees, and reduce the use of disposable tableware, incorporating energy conservation mindset into daily actions. We also organize GHG inventory training to cultivate environmental-system seed personnel who will continue to promote the Company's energy conservation policies, aiming to strengthen employees' ability to save energy and reduce carbon emissions.

Regular

Based on factory service manuals or SOPs for preventive maintenance

- Planned execution: We regularly inspect and maintain equipment according to the maintenance manuals provided by equipment manufacturers or the preventive maintenance SOPs.
- Reducing equipment failure and energy consumption: Regular preventive maintenance enables us to effectively reduce the failure rate of equipment and ensure that equipment operates at optimal efficiency, thereby reducing energy consumption.

Non-regular

When abnormalities are detected during inspections

- Emergency handling: During routine inspections, if any abnormal conditions are detected, we immediately take emergency action to ensure that the issue is resolved in a timely manner.
- Reducing equipment failure and energy consumption: Rapid response and handling of abnormal conditions help prevent minor issues from developing into major failures, thereby reducing equipment downtime and energy waste.

01 Equipment abnormality determination

Determine on-site whether equipment abnormalities were caused by a human element or not, in order to take appropriate action.

02 Backup equipment activation

Activate backup equipment to reduce downtime and impact on production.

03 Replacement of worn parts

Replace parts to eliminate abnormalities and extend the service life of equipment.

04 Determination of outsourced repair needs

Determine whether outsourced repair is required based on the severity of the malfunction and internal maintenance capabilities.

05 Equipment trial operation

After repairs are completed, conduct equipment trial operation to ensure that all problems have been resolved and the equipment can operate normally.

4.3.3 Energy Conservation and Carbon Reduction Actions

Energy Conservation and Carbon Reduction Results

	2022	2023	2024	Short-term Targets	Medium- and Long-Term Targets
Energy-saving and carbon reduction program	• Improve lighting efficiency • Improve chiller efficiency • Replace equipment 20+ years in service (Sinying Plant)	• Improve lighting efficiency • Improve chiller efficiency	• Improve lighting efficiency • Replace freeze dryers	• Improve lighting efficiency • Improve chiller efficiency • Purchase energy-efficient equipment • Replace equipment 20+ years in service (Sinying Plant) • Promote continuous digital temperature and humidity monitoring management (Yunlin Technology Industrial Park Plant)	• Continuously improve energy management performance monitoring, measurement, and equipment optimization • Replace equipment 20+ years in service (Sinying Plant, Southern Taiwan Science Park Plant 1) • Improve the chilled-water and ambient-temperature water systems separately (Southern Taiwan Science Park Plant 1) • Replace process chillers with a service life of 20+ years (Southern Taiwan Science Park Plant 1) • Improve energy conservation of the air conditioning system on the 2nd floor of Phase 1 building (Southern Taiwan Science Park Plant 1)
Energy conservation (kWh/year)	411,942	85,148.2	30,240.992		
Carbon reduction (kg CO_2e)	209,675	42,148.359	15,176.78		

Note: 1. The energy-saving and carbon-reduction projects not labeled by plant are projects jointly implemented by the Sinying Plant, Southern Taiwan Science Park Plant 1, and Southern Taiwan Science Park Plant 2.
2. The Yunlin Technology Industrial Park Plant was acquired in 2023 and is expected to officially start production in 2024. Therefore, no related projects were implemented from 2021 to 2023.
3. The carbon reduction volume was calculated based on the Electricity Carbon Emission Factor published by the Bureau of Energy (now "Energy Administration"), Ministry of Economic Affairs. The electricity emission factor in 2022 was 0.509 kg CO_2e/kWh, 0.495 kg CO_2e/kWh in 2023, and 0.474 kg CO_2e/kWh in 2024.



4.3.3 Energy Conservation and Carbon Reduction Actions



Project: Recovery of Steam Condensate in Boiler Room at Sinying Plant

Purpose:

The improvement of the condensate recovery system in the boiler room effectively contributes to the achievement of energy saving goals, the reduction of operating costs, and environmental protection.

Specific improvement measures:

- Install condensate recovery equipment
- Improve insulation performance of pipelines and equipment

Results:

- Annual thermal energy savings (equivalent to electricity): 610.46 kWh
- Reduced water treatment expenses by decreasing volume by 638.7 tons
- Improve boiler combustion efficiency, reducing total fuel costs by NT$35.8 thousand



Project: Replacement of Air Compressor at Sinying Plant

Purpose:

The replacement of the 75HP#2 rotary screw air compressor effectively contributes to the achievement of energy saving goals, the reduction of operating costs, and environmental protection. These measures not only improve the operational efficiency of equipment, but also bring long-term economic benefits to the Company.

Specific improvement measures:

- Replace 75HP#2 rotary screw air compressor with a new variable-frequency air compressor
- 100HP#1 can be adjusted to meet the actual on-site demand for compressed air.

Results:

- Annual electricity savings: 64,240 kWh
- Reduction of energy costs: NT$192.72 thousand



Project: Improvement of Chiller Efficiency at Southern Taiwan Science Park Plant 1

Purpose:

The improvement of chiller efficiency effectively contributes to the achievement of energy saving goals, the reduction of operating costs, and environmental protection.

Specific improvement measures:

- Conduct chemical dosing control, water quality testing, and regular cleaning for cooling tower water to improve the quality of cooling water, effectively boost the heat exchange performance of the chiller, reduce condenser temperature and compressor work, and mitigate condenser scaling and fouling to ensure thermal efficiency

Results:

- Annual electricity savings: 12,485.2 kWh
- Total benefit: NT$37.456 thousand



Project: Replacement of Freeze Dryer in Air Compressor Room at Sinying Plant

Purpose:

The replacement of the freeze dryer (AI LENG) for the Process_300HP#1 low-pressure (3.5kg) oil-free variable-frequency air compressor effectively contributes to the achievement of energy saving goals, the reduction of operating costs, and environmental protection. These measures not only improve the operational efficiency of equipment, but also bring long-term economic benefits to the Company.

Specific improvement measures:

- Replacement with energy-saving freeze dryers

Results:

- Annual electricity savings: 22,050 kWh
- Reduction of energy costs: NT$73.426 thousand

Sustainable Environmental Development

4.4 Sustainable Supply Chain Management

To strengthen the implementation of sustainable development in the supply chain and clearly convey Syngen's commitment to sustainable supply-chain management, we have formulated the Supplier Code of Conduct and follow the Integrity Management Principles to ensure that our partnering suppliers have guidelines in place to abide by, actively respond to current environmental protection and social issues, unwaveringly assume corporate social responsibility, and continue improvement and enhancement. To align with the future trend toward low-carbon supply chains, we plan to incorporate sustainability issues into procurement-related considerations, require suppliers to actively adopt carbon reduction strategies, and work with them to create high-quality green products, building a stable, sustainable, and low-carbon supply chain.

4.4.1 Supplier Management Policy

Syngen's Supplier Code of Conduct covers three major aspects: safe environment, labor and human rights, and business ethics. We encourage all suppliers and contractors to sign the Supplier Code of Conduct and have set signing achievement rate targets for tracking. We will continue to encourage suppliers to sign the Code of Conduct starting in 2024, striving to achieve a 100% signing rate.

Qualification Screening

Determine the characteristics of the products or services required, and promote Syngen's Supplier Code of Conduct.

Sample Evaluation

Conduct quality inspections, performance testing, and safety evaluation of samples to ensure that they meet the Company's standards and requirements.

Supplier Evaluation

Evaluate suppliers based on their self-assessment questionnaires or QA onsite inspections to determine whether they pass the assessment and whether further negotiation is required.

Official Transaction

After identifying suitable suppliers, execute formal supply agreements or purchase contracts.

Regular Review

Perform periodic tracking of supplier improvement, serving as an important reference for selecting suppliers.



4.4 Sustainable Supply Chain Management

4.4.2 Supply Chain Assessment

To embody the spirit of sustainable management, Syngen carefully evaluates the performance of existing suppliers, conducting annual supplier evaluations. Supplier self-assessment forms are divided into four grades: A, B, C, and D. Suppliers scoring below 65 points are required submit improvement results within a specified time limit; those failing to achieve improvement within the time limit are deemed unqualified, and all business with them are prohibited.

The supplier self-assessment questionnaire includes evaluation items related to corporate governance, quality, and society, which carry significant weighting in the supplier's final score. This design is to reduce sustainability risks in the supply chain and improve the overall sustainability performance of the value chain. In 2024, a total of 10 supplier self-assessment forms were distributed, with a 100% response rate. According to the evaluation results, the proportion of suppliers accredited with ISO 22000 and HACCP increased in 2024, and all evaluated suppliers scored 85 points or above. Therefore, they were classified as Grade A suppliers. In the future, we will continue to expand the capacity of supplier evaluations and incorporate the environmental aspect into the evaluation to ensure that our supply chain continues to advance towards greater sustainability.

Assessment Aspect	Description	Weight
Corporate Governance	Integrity management, business overview, regulatory compliance, customer services, emergency response measures, feedback and improvement plans	30%
Quality	Upstream supplier management, quality inspection and control, GMP compliance, defective product return and handling	40%
Society	Employment conditions, working hours, compensation and benefits, dismissal, severance, prohibition of forced labor, prohibition of child labor, prohibition of discrimination and inhumane treatment, and fostering a safe and hygienic work environment for workers	30%

Grade	Score Range	Management Approach
A	Priority procurement (90 or above)	Increase purchase quantities or product categories and prioritize partners for new products
B	Recommended for cooperation (80-89.9)	Second sourcing suppliers, with normal engagement
C	Improvement needed (65-79.9)	Reduce orders to encourage improvements
D	Unqualified (64.9 or below)	Require suppliers to submit improvement results within a specified time limit; those failing to achieve improvement within the time limit are deemed unqualified, and all business with them are prohibited

Supplier Certification	2022	2023	2024	% of total procurement
ISO 9001	NT$80 million	NT$80 million	NT$80 million	13%
ISO 22000	NT$10 million	NT$20 million	NT$20 million	2%
HACCP	NT$10 million	NT$20 million	NT$20 million	2%



4.4.2 Supply Chain Assessment

Supplier Audits

The Quality Management Department conducts periodic audits of existing suppliers to evaluate whether products and services, including quality, delivery, price, and cooperation, meet our standards and requirements. For suppliers that do not meet the standards, we provide assistance for improvement to maintain supply chain quality and delivery accuracy, ensuring the stability and reliability of the supply chain.

Audit Aspect	Description	Weighting	Number of Suppliers Passed
Quality score	% of returned or non-conforming items to total delivered items	50%	363
Delivery score	% of late-delivered items to total delivered items	20%	
Product price	Price reasonableness	10%	
Degree of cooperation	Supplier cooperation	20%	
Passing rate		100%	

Management Measures	Measure Details	Final Results
Assist in correcting deficiencies	Provide solutions for deficiencies identified during onsite inspections	Pass external supplier audits



Sustainable Environmental Development

4.4.3 Local Procurement and Green Procurement

Local Procurement

Although Taiwan's APIs offer better quality, its smaller scale of businesses and production has prevented it from achieving large-scale economic benefits. Moreover, Taiwan's focus on generic drug manufacturing makes it difficult to compete on price with major global API players, such as those in China and India. Therefore, due to cost considerations, most APIs are imported. However, despite the inherent disadvantages, Syngen continues to actively ramp up its local procurement efforts. Suppliers are categorized into raw materials, packaging materials, and general service contracting. By setting procurement goals for each category, we demonstrate our commitment to local procurement. Currently, the Company's overall local-procurement ratio is 30.66%, which not only stabilizes the supply chain, but also contributes to supporting local industries and significantly reducing the impact of products on the environment.

Type	Purchase Category	Purchase Targets	2024 Achievements
Raw materials	Including chemical, biological, and pharmaceutical raw materials	Due to cost considerations, most APIs are currently imported. In the future, we will continue resource integration with the Group, achieving self-sufficiency in medicinal product supply capacity.	70% raw materials imported
Packaging materials	Materials and packaging equipment required for drug packaging	Adopted the principle of "local procurement and local supply," using eco-friendly materials for packaging, reducing the use of shrink film; aim to achieve 80% of reduction in 2025	18% of items purchased and supplied locally
General service contracting	Equipment, labor contracting, equipment maintenance, transportation, and logistics	Ensure products and services meet the Company's quality standards and regulatory requirements, and prioritize cooperation with local suppliers	100% of contracted services purchased locally

Type	Local Procurement		
	2022	2023	2024
Raw materials	NT$500 million	NT$370 million	NT$440 million
Packaging materials	NT$190 million	NT$140 million	NT$180 million
General service contracting	Achieved 100% local procurement		
Total	28.65%	27.56%	30.66%

Green Procurement

The Company attaches great importance to the positive impact of its operations on the environment, with a special emphasis on product raw materials and office equipment. When purchasing equipment or supplies, the Company considers their impacts on the environment and actively practices the concept of green procurement. In terms of office equipment, we prioritize the purchase of electrical appliances with energy-saving or environmental protection labels. We also use eco-friendly toilet paper and reuse photocopy paper. For product raw materials, Syngen procures FSC-certified packaging materials, effectively reducing packaging waste, thereby minimizing environmental impact. In 2024, Syngen's green procurement amount was approximately NT$3 million, accounting for approximately 5% of the total procurement. Through continued investment in green procurement, we aim to make positive contributions to the environment, establishing a good image as a company committed to corporate social responsibility.

Type	Procurement Category	2024 Procurement Amount
Raw materials	Vegetable and fruit extracts	Approx. NT$3+ million
	FSC-certified color-box printing	Approx. NT$1+ million
General service contracting	Air conditioners, refrigerators	NT$369,500

Sustainable Environmental Development

4.5 Circular Economy and Waste Management

Material Topic: Waste Management

Actual and potential positive impacts on the economy, environment, and people
Opportunities

Economy: Recycling and reuse of organic and chemicals substances may create new products or technologies, generating economic value.

Environment: Effective disposal and management of waste can reduce environmental pollution and reduce the use of natural resources, contributing to protecting ecosystems.

People: Effective disposal of waste can reduce the level of air, water, and soil pollution, thereby improving the living environment and health of the public.

Actual and potential negative impacts on the economy, environment, and people
Risks

Economy: Product design generates large amounts of waste, increasing waste disposal costs.

Environment: Waste may adversely affect local biodiversity, threatening the food chain balance and ecosystem stability.

People: Hazardous gases and particulate matter may be released during the waste treatment process, or released into water bodies, potentially contaminating them and jeopardizing the health of surrounding residents.

Resources invested in 2024

- Reuse of cardboard boxes at premises
- Duplex printing to reduce paper waste
- Reuse of envelopes used for inter-plant communication
- Use of reused packaging materials and cardboard boxes for e-commerce channels
- Invested NT$6,780,000 in relevant resources and permits required by legal regulations in 2024

Strategic Objectives

Company policies or commitments to corporate governance

We commit to complying with government regulations and company standards, conducting effective management of waste. Our top priority is to reduce the process waste at the source, followed by seeking outsourced treatment or reuse solutions. We aim to achieve the goal of reducing waste by 2% each year.

Short-term goals (1 year)

Reduce waste volume by 2% each year.

Medium and long-term goals (3-5 years)

Invest in fermentation liquid processing equipment to reduce waste.

Sustainable Environmental Development

4.5.1 Circular Economy

Syngen has been considering how to promote sustainable products to reduce the environmental and safety impacts generated during product manufacturing, production, and consumption. We evaluate different stages of the product life cycle, including the selection of raw materials, concept development, R&D, certification, production and manufacturing, warehousing and product transportation, marketing and promotion, use and service, and treatment, waste disposal, and circular reuse. In doing so, we set goals to reduce the adverse impact of each stage on the environment and move towards a sustainable biotechnology industry.

Circular Economy Highlights

Item	Method	Results	Future Goals
Reduce inner packaging	Change PTP backing film thickness	Replaced 1 million sheets of backing film each year, with thickness changed from 0.4 mm to 0.3 mm	Replace 1.3 million sheets of backing film each year
Organic solvent recovery and reuse	Recover solvent condensed during the API concentration process and reuse it in extraction process	Saved approximately 20,000 liters of solvent each year	Save approximately 25,000 liters of solvent each year
Reduce the use of shrink film	Purchase new wrappers	Reduced the use of POF film by 500 meters per year	Reduce by 700 meters per year
Material replacement	Change PTP blister material from PVC to PET	Replaced 1 million blisters each year	Replace 1.3 million blisters each year
Reduce outer packaging	Reuse outer cartons	Reused approximately 4,000 outer cartons per year	Reuse 6,000 outer cartons per year
Fermentation liquid reuse	Invest in related fermentation liquid equipment to help resolve problems in the fermentation process	Significantly reduced waste by 40-50% within 3 years, reducing the generated volume from 11 tons to 6 tons	Invest in related fermentation liquid equipment to reduce waste
Agricultural waste reduction	Reuse and value enhancement of agricultural waste		

Stage	Targets (Reducing Environmental Impact)	Results
Raw material selection	• Shorten transportation distance of raw materials • Evaluate and prioritize domestic suppliers and suppliers close to Taiwan; promote green procurement by prioritizing the procurement of raw materials with eco-friendly labels	• To protect the environment, all of Syngen's products have been sourced from eco-friendly materials promoted by the government and use recycled materials that have a low impact on the environment. • In recent years, sourcing has gradually shifted from the Europe and America region to neighboring countries such as China, India, and Japan, reducing the transportation distance of raw materials.
Concept R&D	Reuse agricultural waste and fermentation waste liquid to create a circular economy.	The fermentation industry is highly water-intensive. In addition to developing postbiotic products, we have also been exploring opportunities in the animal husbandry. Fermentation liquid is used to improve crop resistance and fruit-setting rate.
Certification	Obtain relevant certifications in accordance with current regulations	Obtained 106 patents, with more underway. Won the MOA Scientific and Technological Agribusiness Innovation Award.
Production and manufacturing	Integrate sustainability considerations into the development of health products, including plant-based products designed to address the risks of diseases and infectious gastritis associated with extreme climate.	Anti-viral probiotics and probiotics reducing bacterial-caused diarrhea. Conducted clinical trials
	Integrate green and sustainability considerations into products	• Replaced materials • Reduced outer packaging • Recovered and reused organic solvents
Warehousing and product transportation	Reduce resource waste	Use of reused packaging materials and cardboard boxes
Marketing and promotion	Promote sustainable products to consumers	• Promoted Syngen's product Biozyme® (original/ melon flavor) and plant-extract fiber products to consumers, all of which are products from Tai Kang Shih Tang. • Tai Kang Shih Tang is Taiwan's first site with a dedicated organic zone, delivering fresh produce directly from farms using optimal, ecologically sustainable farming methods.
Use and service	Adopt smart production and process design to reduce electricity consumption and manpower loss resulting from unfavorable working hours and processes.	Smart manufacturing technologies were employed in production lines in 2024.
Waste disposal and circular reuse	Use eco-friendly packaging materials	• Reduced the use of shrink film • Reduced inner packaging

4.5.2 Waste

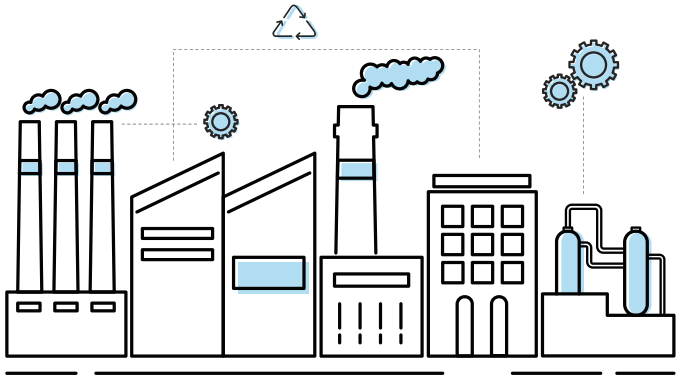
To reduce the impact on the environment and ensure proper disposal of waste, Syngen manages wastes according to the established Waste Disposal Regulations. The priority is to reduce waste at the source, followed by recycling or disposal alternatives upon evaluation. The Company carefully selects qualified waste removal and recycling service providers. All industrial waste is sorted and collected, then processed or reused by service providers approved by the Ministry of Environment. We promote waste classification methods to employees through announcements, labeling, or other communication channels to ensure that all employees understand and comply with waste management regulations.

In accordance with the Company's Operating Procedures for Waste Disposal, waste generated by the Company is categorized into general industrial waste and hazardous industrial waste. Our analysis shows that in 2024, outsourced non-recyclable waste (incineration or other treatment) totaled 292.090 tons, a decrease of 1% compared to the 295.210 tons in 2023. The Company will continue to reduce waste at the source and follow the Group's goal of reducing waste by 2% each year, aiming to reduce waste generation and increase waste reuse rates.

Waste Treatment Overview

Category	Disposal Method	2022	2023	2024
General industrial waste	Reuse	146.110	281.250	294.684
	Incineration	143.490	153.832	175.426
	Others	106.585	100.688	57.644
Hazardous industrial waste	Incineration	20.220	40.690	59.020

Note: 1. Unit: tons
2. Data collected from Sinying Plant, Southern Taiwan Science Park Plant 1, Southern Taiwan Science Park Plant 2, and Yunlin Technology Industrial Park Plant



Reuse of Fermentation Liquid and Diatomaceous Earth

Method	Results
Reuse of diatomaceous earth	Used as raw materials for organic fertilizers
Reuse of fermentation liquid	Biogas power generation
	Used as raw materials for organic fertilizers



Sustainable Environmental Development

4.6 Pollution Prevention and Management

The impact of climate change on air and water resources is increasingly prominent, posing more severe challenges for companies. Extreme weather events and climate change may worsen air quality, affecting employee health and productivity. At the same time, climate change may exacerbate water shortages and water pollution, having a direct impact on companies' production and supply chains. Under these circumstances, effective air pollution and water pollution controls become critical. Under feasible cost benefits, technologies, and finances, Syngen strives to minimize the adverse impacts on human health and the environment by adopting the best available pollution control technologies, ensuring we are prepared for these upcoming challenges, thus achieving a triple-win synergy across environmental, economic, and social aspects.

4.6.1 Air Pollution Management

Through air pollution control equipment, Syngen is actively pursuing environmental quality improvement. All plants conduct routine maintenance of their environmental protection equipment to ensure normal operation of key equipment. Currently, the Sinying Plant has been equipped with activated-carbon towers and scrubbers. Activated-carbon towers can absorb hazardous gases and volatile organic compounds (VOCs) in the air, while scrubbers remove pollutants from the airflow through chemical or physical methods. These facilities not only reduce air-pollutant emissions, but also ensure that the environmental metrics of the plant continue to meet the Ministry of Environment's air pollutant emission standards, protecting the surrounding environment and employee health.

The Company's emissions from stationary sources are as follows. NOx (nitrogen oxides) have remained stable in recent years. VOC emissions greatly increased in 2024 due to higher batch sizes caused by purchase order changes during the year. No VOC emissions were reported from May to September 2022, as the Company did not engage in any VOC-related production during the period. In the future, the Company will follow the Group's goals, including ozone-depleting substances (ODS) in its metrics.

Air Pollutants by Site

Category	Year	Sinying Plant	Southern Taiwan Science Park Plant 1	Yunlin Technology Industrial Park Plant
NOx	2022	550.2	444.65	0
	2023	629.35	410.50	5.26
	2024	736.8	456.1	5.41
VOCs	2022	591.5	0	0
	2023	1,014.32	0	0
	2024	434.74	0	0

Note: 1. The Yunlin Technology Industrial Park Plant was acquired in 2023 and is expected to officially start production in 2024. Therefore, no data was recorded for 2021 and 2022.
2. The Southern Taiwan Science Park Plant 2 is currently used as a warehouse; relevant permits will be obtained based on future planning.
3. Unit: kg

Air Pollution Controls



04 Sustainable Environmental Development

4.6.2 Water Resource Management

Water Management

All Syngen's plants use water for processes and daily operations, fully sourced from tap water supplied by the Wushantou Reservoir and the Hushan Reservoir, with no use of any groundwater. Due to the high demand for industrial water, we use the World Resources Institute (WRI) Aqueduct Water Risk Atlas to assess the water stress and water risk of each operational site of to avoid operational impact from water shortages. The assessment results show that all water withdrawal sources for Syngen's operational sites are located in low-to-medium water-risk areas, indicating that no site is exposed to water risks. The total water consumption in 2024 was 107.831 million liters, an increase of 19.15% compared to 87.179 million liters in 2023. In the future, the Company will continue to plan water-saving measures, prioritize the replacement of water-saving devices, and increase wastewater recycling and reuse.

Water Source for Each Site

Operational Site	Water Use Structure	Water Source	Water Stress/Impact
Sinying Plant	Process water use/ daily water use	Wushantou Reservoir	Non-water stress area; during dry seasons, water is supplied by water tankers or coordinated tap water from nearby factories.
Southern Taiwan Science Park Plant 1	Process water use/ daily water use	Wushantou Reservoir	Non-water stress area.
Southern Taiwan Science Park Plant 2	Process water use/ daily water use	Wushantou Reservoir	Non-water stress area.
Yunlin Technology Industrial Park Plant	Process water use/ daily water use	Hushan Reservoir	Non-water stress area.

Water Resource Utilization

Year	Operational Site	Tap Water Withdrawal	Total water withdrawn	Water Discharge	Water Consumption	Water Use Intensity
2022	Sinying Plant	40.582	40.582	0	0.0406	0.0404
	Southern Taiwan Science Park Plant 1	35.468	35.468	0	0.0355	
	Southern Taiwan Science Park Plant 2	0.706	0.706	0	0.0007	
	Yunlin Technology Industrial Park Plant	1.210	1.210	0	0.0012	
2023	Sinying Plant	44.959	44.959	0	0.0450	0.0475
	Southern Taiwan Science Park Plant 1	33.081	33.081	0	0.0331	
	Southern Taiwan Science Park Plant 2	0.931	0.931	0	0.0009	
	Yunlin Technology Industrial Park Plant	8.853	8.853	0	0.0089	
2024	Sinying Plant	47.537	47.537	0	0.0475	0.0536
	Southern Taiwan Science Park Plant 1	43.092	43.092	0	0.0431	
	Southern Taiwan Science Park Plant 2	2.262	2.262	0	0.0023	
	Yunlin Technology Industrial Park Plant	15.290	15.290	0	0.0153	

Note: 1. million liters
2. No groundwater is used at any Syngen's operating site.
3. Water use intensity = Total actual water withdrawal/Revenue (in NT$ millions)

4.6.2 Water Resource Management

Wastewater Management

Since all Syngen's plants are located in industrial parks, all generated wastewater is treated through the industrial park's wastewater treatment facility, and ultimately discharged to the industrial park's sewage system. We have obtained the Water Pollution Prevention Permit in accordance with the law, and perform periodic preventative inspections, maintenance, reporting, and testing in accordance with regulations to ensure lawful wastewater discharge by the plants. Under strict control, all testing results of the discharged wastewater in 2024 were much lower than the regulatory standards and discharge limits, causing no impact on the ecological environment or water quality. No penalties for violating water resource-related regulations were incurred.

Effluent Testing Results

	Item Tested	pH Value	Suspended Solids (mg/l)	Chemical Oxygen Demand (mg/l)	Biochemical Oxygen Demand (mg/l)	Fats (mg/l)	Water Temperature (°C)
Sinying Plant	Discharge limits in industrial zones	6~9	250	450	250	25	35~38
	2022	7.8	5.9	71.2	15.8	<0.1	25.8
	2023	7.8	9.8	64.9	<2	3.5	31.5
	2024	8.3	15.5	31.1	<2	0.2	27.1
Southern Taiwan Science Park Plant 1	Discharge limits in industrial zones	6~9	250	450	250	25	35~38
	2022	7.6	3.6	26.1	<2	0.1	30.8
	2023	8.1	12.2	23.4	<2	0.5	30
	2024	7.8	<1.2	13.3	7.2	1.4	32
Southern Taiwan Science Park Plant 2	Discharge limits in industrial zones	6~9	250	450	250	25	35~38
	2022	The plant is currently used as a warehouse; relevant operations will be performed based on future planning.					
	2023						
	2024						
Yunlin Technology Industrial Park Plant	Discharge limits in industrial zones	5~9	320	480	320	10	45
	2022	0	0	0	0	0	0
	2023	8.2	7.7	21.6	6.6	<0.5	27.6
	2024	7.8	2.1	9.4	3.5	3.3	26.7

Note: The Yunlin Technology Industrial Park Plant was acquired in 2023 and is expected to officially start production in 2024. Therefore, no data was recorded for 2022.

Water Conservation Action Plans

Effective water pollution control helps protect aquatic ecosystems, facilitates the maintenance and restoration of biodiversity. Syngen has been actively managing water resources. The Company has implemented various water-saving measures in its plants, including replacing devices with water-saving ones, wastewater recycling, and steam heat recovery. The actual water-saving benefits of the Sinying Plant reached 638.7 tons in 2023. Moving forward, we will continue to implement water-saving measures and plans to achieve water conservation goals.

Water Conservation Action Plans	Method	Coverage	Progress/Results	Future Goals
Wastewater recycling	RO concentrated water	Sinying Plant	2016/Reduced tap water use in restrooms	Increase wastewater recycling and reuse
Water-saving device	Install water-saving faucets or reduce water pressure	Sinying Plant/ Southern Taiwan Science Park Plants	2020/Reduced tap water use	Continue replacing water-saving devices
Water-saving device	Dual flush toilets	Sinying Plant	2020/Reduced tap water use	Continue replacing water-saving devices
Steam heat recovery	Steam condensate recovery	Sinying Plant	Completed in Oct. 2023/638.7 tons recovered	-

05 Happy Workplace



Syngen Biotech Co., Ltd.

05 Happy Workplace

Core Vision and Commitment

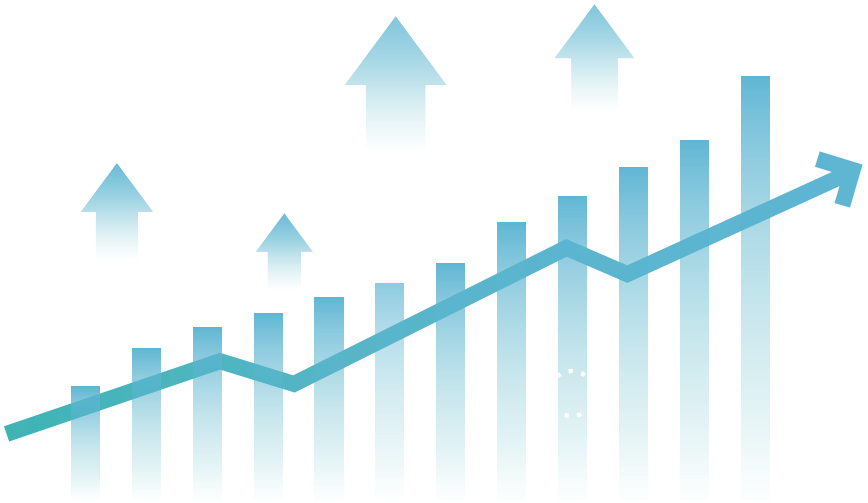
A happy workplace improves employee efficiency and engagement. Syngen creates a diverse and open organizational environment and supports employees' career development, ensuring that employees realize their personal values while achieving sustainable organizational development. We believe that only by growing together with employees can we realize corporate values and maintain stable profitability.

Through a variety of employee assistance programs, Syngen builds a friendly workplace. In the future, we will focus on employee training and development. Leveraging a friendly and inclusive work environment, we will offer diverse learning channels and resources to facilitate the growth of employee competencies alongside the Company's development, achieving a win-win outcome.



2024 Achievements and Performance

1. Total expenditures on employee benefits: **NT$18,988,774**
2. Reinstatement rate of women from parental care leave in 2024: **100%**; female retention rate in 2024: **100%**
3. Emphasizing employee promotion: the growth rate of mid- to senior-level management positions reached **6.5%** this year
4. Recorded a total of **10,364** employee training hours at Syngen in 2024



05 Happy Workplace

5.1 Talent Attraction and Retention

Material Topic: Talent Attraction and Retention

Actual and potential positive impacts on the economy, environment, and people
Opportunities

Good compensation and benefits make it easier to recruit and retain employees, while also reducing turnover.

Actual and potential negative impacts on the economy, environment, and people
Risks

Poor compensation and benefits can lead to increased turnover, difficulty in recruitment, and higher employee development costs.

Resources invested in 2024

- Creating a friendly workplace together: We provided onboarding support for new hires, covering 65 new hires within 6 months.
- Diverse recruitment channels: We participated in 6 campus recruitment events, 1 job fair, and implemented internship programs. Walk-in interviews were available each Wednesday.
- Improving employee benefits: We provided emergency relief, as well as monetary support and comfort gifts for employees suffering from injury or illness.

Strategic Objectives

Company policies or commitments to corporate governance

- The Company has established a dedicated unit to recruit women re-entering the job market and mid- to older-age workers through 104 and TaiwanJobs. Through Contact Taiwan, we also recruit foreign talents and actively participate in job fairs to boost brand visibility. Additionally, we partner with colleges and universities in internship programs, providing graduating interns with job positions at the Company.
- The Company values talent development, assisting employees in obtaining professional certifications. In addition to technical training, we also provide various training courses to enable employees to continuously pursue self-development.
- The Company provides a variety of benefits, including annual health checkups and workout courses, to foster a work-life balance environment.

Short-term goals (1 year)

- Diversify recruitment channels, expand recruitment fields, seek to place the right people in the right positions, and reduce labor shortages.
- Apply for the Enterprise Human Resources Improvement Plan subsidies.
- Improve new-hire retention rates.

Medium and long-term goals (3-5 years)

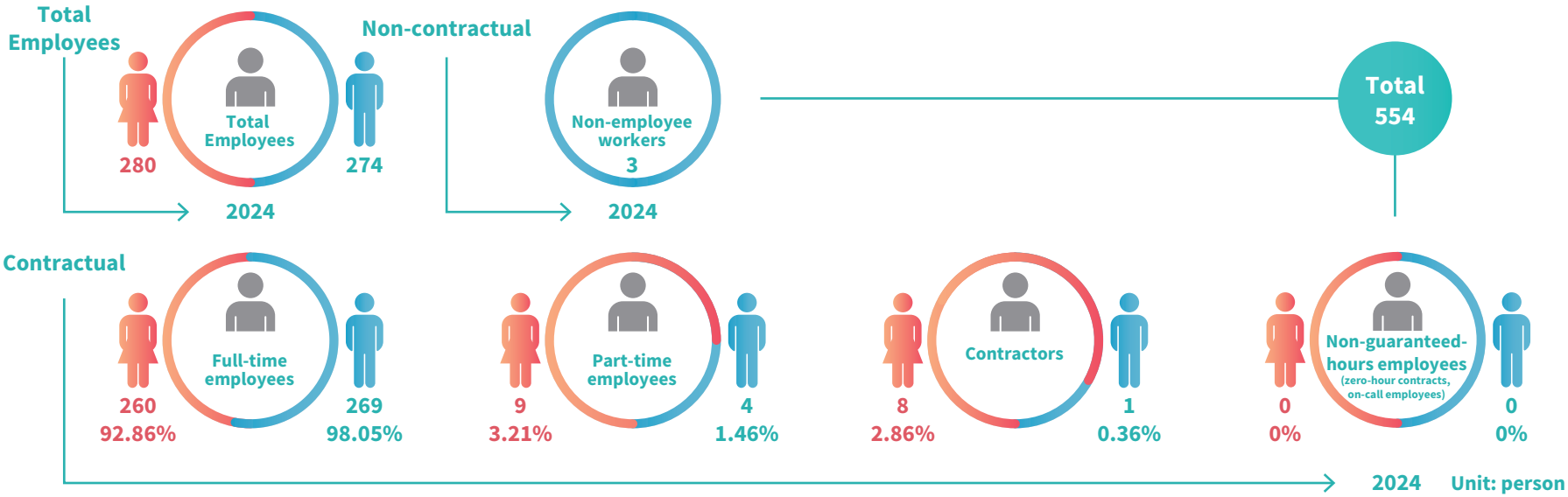
- Diversify talent recruitment channels.
- Improve the employee training system and scope.
- Build a core team that meets the Company's development needs, enhancing the Company's competitiveness.

05 Happy Workplace

5.1.1 Employees

Employee Composition

In response to the rapid development of Syngen in recent years, the number of employee increased from 379 in 2021 to 554 in 2024, representing a 46% growth. Among them, 13 are part-time employees, 9 are contractors, and 3 are non-employee workers. Non-employee workers include dispatched personnel, security guards, engineering contractors, and outsourced contractors. The majority of employment contracts remain full-time employees with indefinite contracts, accounting for 99.27% of the total workforce. The gender ratio is nearly equal. The workforce structure is relatively stable to support the Company's growth needs.



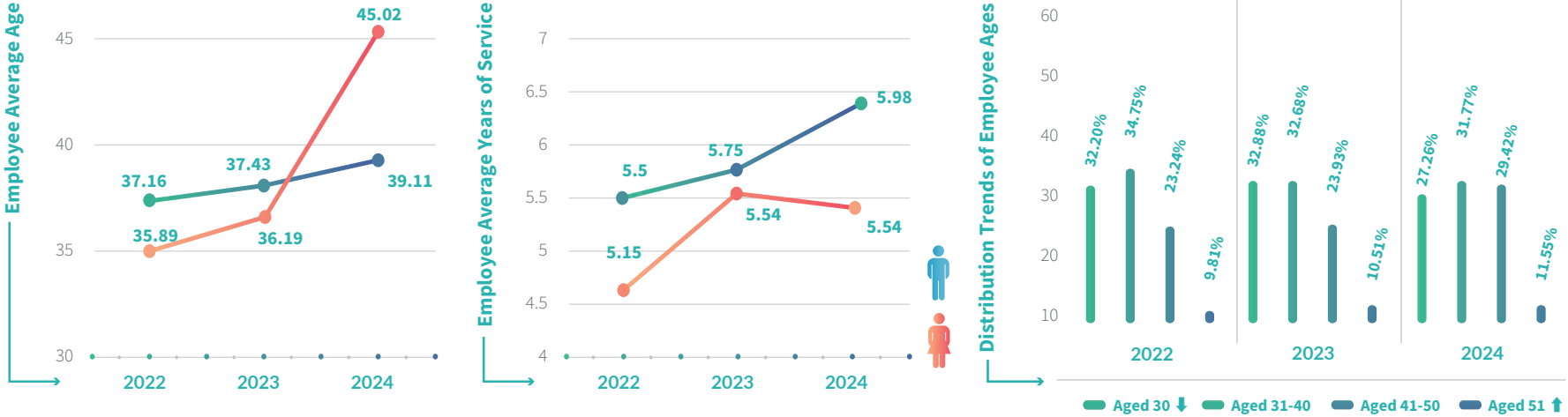
05 Happy Workplace

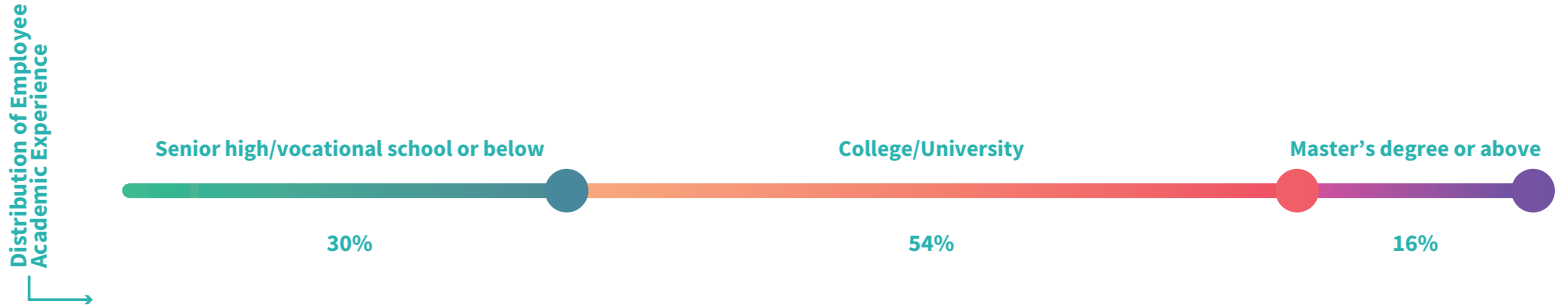
5.1.1 Employees

Distribution of Employee Work and Academic Experience

The average ages of male and female employees at Syngen are 39.11 and 45.02, respectively, in line with the increasing average years of service, indicating a stable workforce and that personnel development aligns with company growth. Compared to 2023, employees' average years of service in 2024 slightly increased, reaching 5.72 years, reflecting our achievements in implementing employee retention and development policies. Specifically, employees aged under 30, 31–40, and above 41 each represent roughly 30% of the workforce. This distribution enables employees across different age groups to exchange diverse ideas and stimulate innovative solutions, encouraging multi-party exchanges and support in daily operations. In doing so, we aim to drive company growth in the biotechnology industry, where R&D and interdisciplinary exchange are highly valued.

In terms of academic experience, employees with college/university or master's-level education account for 70%, contributing to improving the Company's R&D capabilities, aligning with its future innovation- and R&D-oriented strategic planning.



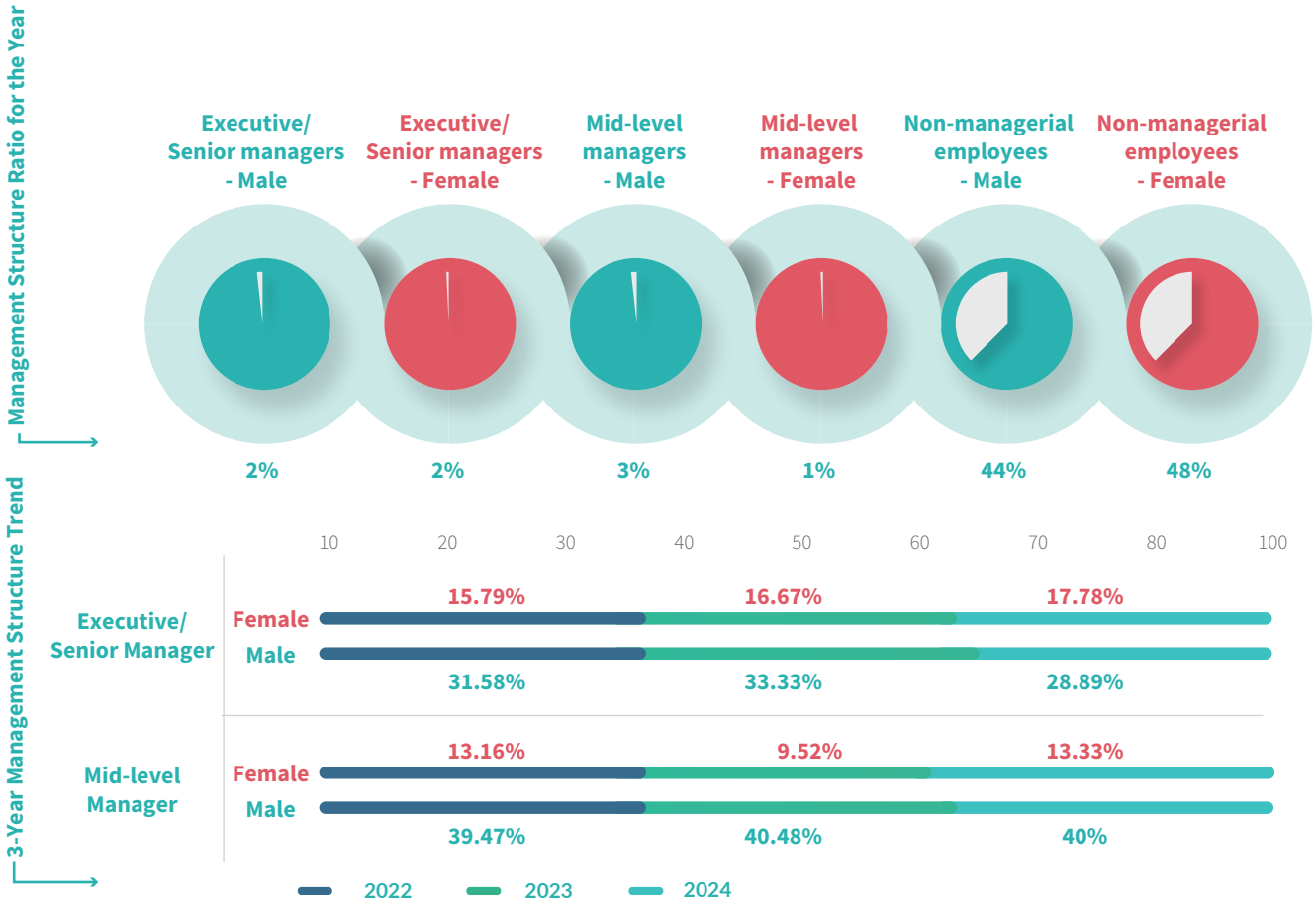


05 Happy Workplace

5.1.1 Employees

Management Structure

In management structure, 8% of employees hold managerial positions. The total managerial headcount slightly increased in 2024, driven by a growth rate of 5.9% in mid-level managerial roles, while the proportion of executive/senior managers slightly decreased. Among them, female managers accounted for 31.11%, totaling 14 persons. Syngen considers multiple aspects of its employee promotion policy and provides employees with a comprehensive evaluation mechanism and promotion opportunities, ensuring that promotion is merit based and that employees are given a platform for both career development and personal value fulfillment. However, given the characteristics of the industry, male employees hold a higher proportion of managerial positions than female employees. In the future, we will focus on gender diversity in promotions to ensure fairness and diversity of promotion channels.



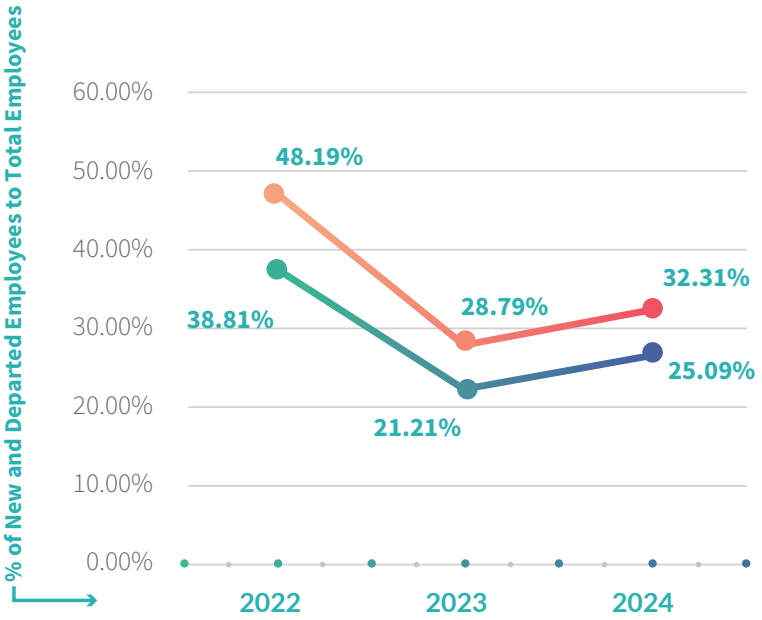
5.1.1 Employees

New Hires and Turnover

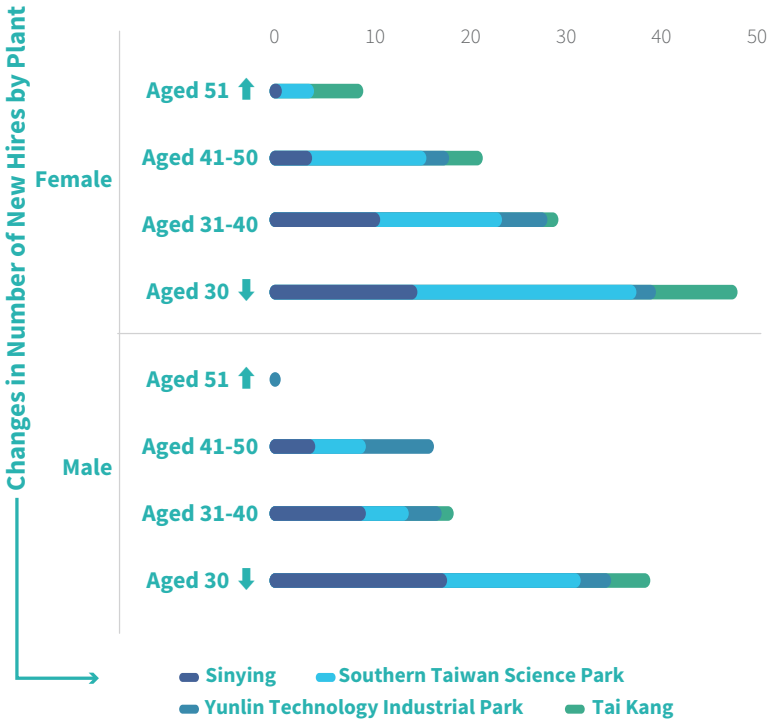
Workforce stability drives the consistent development of company operations. Syngen is committed to enhancing employees' willingness to stay and loyalty through diverse retention systems and measures. In 2024, the number of new hires and turnover both rose slightly: total new hires increased by 31 persons, and total turnover increased by 30 persons. The high turnover rate in 2022 was due to the COVID-19 pandemic, and most companies were unable to recruit foreign blue-collar workers during that period, resulting in a shortage of entry-level labor in the labor market. At the same time, most workers preferred to work in industries with higher salaries, resulting in higher turnover. This year, the decrease in turnover alleviated recruitment pressure and reduced training costs for new hires.

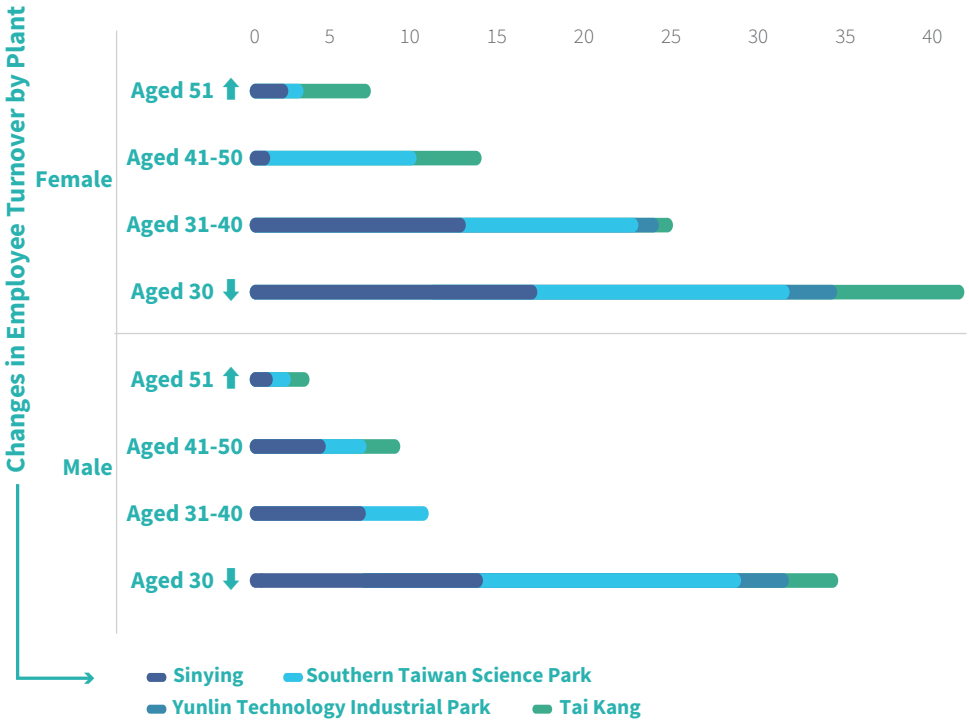
The proportion of new hires increased from 28.79% last year to 32.31%, while turnover increased from 21.21% to 25.09%. The more stable internal employee structure has reduced handover and training costs associated with personnel changes, improving the performance of the Company's daily operations. In terms of gender and age groups, female employees under 30 years of age had the highest turnover this year. By plant, the Yunlin Technology Industrial Park Plant showed relatively greater stability. This plant was acquired by the Company in 2023, and several employees left this year. To facilitate plant development, the Company has invested recruitment resources to build the workforce capacity required for future operations.





5.1.1 Employees





Voluntary and Involuntary Turnover

Employee Type	Voluntary Turnover	Voluntary Turnover %	Involuntary Turnover	Involuntary Turnover %
Executive/ Senior managers	1	0%	0	0%
Mid-level managers	3	1%	0	0%
Other employees	140	26%	3	1%

Note:

1. President/executives/senior managers are defined as individuals who plan, lead, formulate policies, develop strategies, and determine general directions for the development and delivery of products or services for a company/organization within the scope approved by the Board of Directors or equivalent governing bodies.
2. Mid-level managers are defined as individuals who hold managerial positions but are not executives or senior managers, including those who supervise and guide the delivery of products, services, or job duties at the group, regional, or departmental level of the organization.
3. Professionals are defined as individuals who perform tasks that require a professional degree or certification.
4. All other employees are defined as employees not classified under the aforementioned categories.

05 Happy Workplace

5.1.2 Diverse Recruitment

Syngen recruits talent through fair and transparent channels, and provides all candidates with equal opportunities for competition and employment. The Company does not discriminate based on race, language, religion, gender, sexual orientation, or any other factor. In the future, we will use more recruitment channels and communication platforms to select talents that align with our corporate culture. In 2023, we implemented the Industrial-Academy Program under the College Graduate Pre-employment Program and the Youth Employment Leadership Program, expanding recruitment channels and accessing more diverse talent resources to develop a talent pipeline for future growth.

Public Platforms

We use domestic talent matching platforms such as 104 and 1111 as our main recruitment channels. Through real-time job opening updates and regular interactions with potential employees, we manage to increase Syngen's brand exposure while discovering potential talents.

In addition, during industry exhibitions, job fairs, and media events, we actively build a positive employer brand image for Syngen, creating a virtuous cycle that increases application rates and reduces recruitment costs.

Industry-Academia Collaboration

To bridge the industry-academia gap in Taiwan's biotechnology industry and cultivate professional biotechnology and health talents, the Company actively establishes collaboration with academic and educational institutions. Partnering schools include multiple universities, such as National Taiwan University, National Taipei University of Technology, Kaohsiung Medical University, Chang Jung Christian University, Hungkuang University, and Tunghai University.

This program integrates industry-academia resources, improving the Company's industry capacity while simultaneously alleviating labor shortages. This year, we cooperated with the Chung Hwa University of Medical Technology, providing senior students with a one-year internship at the Company's plants. Syngen continues strengthening its partnerships with educational institutions and promoting R&D via industry-academia cooperation to support young students in aligning their academic knowledge with industry demands, and to prepare them for adapting to the workplace. Upon graduation, they can directly join the Company, achieving the goal of translating their knowledge into real-world applications. In 2024, a total of 14 students participated in Syngen's internship program, and professors from the same schools also visited the Company for industry-academia exchanges.

Partnering School	Duration	Collaboration Unit	Outcome
National Pingtung University of Science and Technology	2024	Quality Assurance Department, Production Department, R&D Department	Converted to full-time employees this year: National Pingtung University of Science and Technology: 2 persons; Chung Hwa University of Medica Technology: 1 person
Chung Hwa University of Medical Technology			
Southern Taiwan University of Science and Technology			
Dayeh University			

Previous Partner Schools

National Sun Yat-sen University, Providence University, National Ilan University, Academia Sinica, National Yang Ming Chiao Tung University, CGPRDI, Development Center for Biotechnology, Industrial Technology Research Institute, National Cheng Kung University, National Penghu University of Science and Technology, Asia University, Fooyin University, Chung Shan Medical University, Taipei Medical University, National Taiwan University, National Chung Hsing University, National Taipei University of Technology, Kaohsiung Medical University, Chang Jung Christian University, Hungkuang University, and Tunghai University.



5.1.3 Benefits

Employee Performance

A comprehensive employee performance evaluation process ensures the suitability of employees for promotion and appointment. At the end of each year, objectives are set and then cascaded to departmental levels, allowing departments to establish their goals in line with the Company's overall strategic direction. Supervisors and employees then jointly set individual annual goals to ensure that the final outcomes align with Syngen's future roadmap. Performance results are evaluated twice in July and December of the following year. Evaluation criteria are categorized by employee level (e.g., general employees, management, and designated personnel) and utilize tailored rating benchmarks. This ensures employees receive complete feedback necessary for their career planning. Employees with less than six months of service are not included in the evaluations.

Syngen uses performance reviews to evaluate employee performance, with the results serving as the basis for employee pay rise. Currently, employee promotion is still evaluated and determined by department heads based on employees' daily performance. This year, the performance evaluations covered 90% of the employees. We plan to introduce the Talent Quality-Management System (TTQS) in 2025, and leverage this platform to optimize the linkage between performance, compensation, and promotion systems.

Employee Performance

Time	December of the Previous FY	July of the Current FY	December of the Current FY
Category	Goal setting	Mid-year preliminary review	Year-end final review
Criteria	**General employees:** Sense of responsibility, integrity, teamwork, communication and coordination, improvement mindset, safety awareness, compliance, attendance rate, abnormality reporting, work reporting, professional expertise evaluation.		
	Managers or designated personnel: Planning and organization, execution, communication and coordination, departmental morale, level of cooperation, operational safety awareness, innovation, integrity, proactivity, foresight, adaptability, professional expertise evaluation.		
	New hires: Employees with less than six months of service are still in the learning stage and not included in the evaluations.		

Executive/Senior Management Compensation

Annual total compensation increase % of the organization's highest-paid individual

67.69%

Annual total compensation for the organization's highest-paid individual

NT$2,534,968

Median total compensation increase % of all employees (excluding the highest-paid individual)

101.42%

Median annual total compensation for all employees (excluding the highest-paid individual)

NT$594,852

Ratio of annual total compensation change

0.67

Annual total compensation ratio

4.26

5.1.3 Benefits

Employee Compensation 2024

Managerial Roles

Average salary NT$1,095,995

Median salary NT$973,380

Total salary NT$35,071,845

Average salary NT$1,338,661

Median salary NT$1,303,174

Total salary NT$17,402,593

Gender pay ratio of managerial roles: 49.62%

Non-managerial Roles

Average salary NT$608,604

Average salary change % -8.65%

Median salary change % 0%

Median salary NT$607,387

Total salary NT$146,065,076

Average salary NT$582,838

Average salary change % -7.14%

Median salary change % -2%

Median salary NT$558,452

Total salary NT$149,206,567

Gender pay ratio of non-managerial roles: 102.15%

Retention System

Incentive Program for Proposing Suggestions

The mechanism is designed to inspire employees' inherent creativity and strategic thinking, encouraging them to propose operational improvement plans that boost efficiency and quality, while simultaneously reducing costs and generating greater benefits. Approved proposals are rewarded with improvement bonuses.

Onboarding and Exit Interviews

Onboarding interviews with new hires help us understand their initial challenges, allowing us to provide relevant assistance to improve their adaptability to the work environment. Exit interviews provide insight into reasons for departure, enabling us to implement necessary improvements.



Happy Workplace

5.1.3 Benefits

Diverse Employee Benefits

In addition to complying with the Labor Standards Act, Syngen provides diverse employee benefits and has established an Employee Welfare Committee under the Employee Welfare Committee Rules, requiring annual re-election of its members. We organize diverse employee activities, such as group trips, contracted partner store discounts, and year-end parties. We also offer various bonuses and employee profit-sharing programs. Through a comprehensive reward and promotion system, employees can fully utilize their expertise in a stable and growing work environment.

In 2024, the highest welfare expenditures were employee monetary subsidies and bonus rewards, accounting for 34.43% and 26.46%, respectively. The total amount invested across all welfare programs reached NT$18,988,774. Benefits and resources invested are as follows:

Insurance and health promotion

Group insurance, overseas business travel insurance, annual health checkups

2,119,769

Bonuses and rewards

Monthly performance bonus, bonus for proposing suggestions, senior employee appreciation rewards, employee profit-sharing

5,023,826

Friendly workplace

Lactation rooms, exclusive childcare center discounts, gyms, housing allowance, and infant formula subsidies

86,034

Monetary gifts and allowances

Monetary gifts for three major holidays and birthday, wedding/funeral allowances, monetary support for employees suffering from injury or illness, monetary gifts for home purchase, and maternity allowance

6,539,574

Lifestyle and entertainment

Contracted partner store discounts, meal subsidies, and discounts on products from affiliated companies

3,000,000

Continuing education subsidies

Financial aid for on-the-job education, language training subsidies, scholarships for employees and their children

721,000

Employee activities

Year-end activities, annual family day, and employee travel

1,391,690

Employee social clubs

Body Combat

48,000

Employee cafeteria

Purchase of coffee beans, tea, and snacks

58,881

Total expenditures on employee benefits

18,988,774

Unit: NT$

Happy Workplace

5.1.3 Benefits

Diverse Employee Activities









Year-end party



Employee travel



Body Combat

5.1.3 Benefits

Employee Welfare Committee (EWC)

2024 06.19

EWC handover:

To ensure employee rights and benefits, the EWC handover was one of the organization's major action item.

2024 05

Employee travel:

The annual employee travel destination in 2024 was Taitung, lasting two days.

2025 01.23

Year-end parties:

In line with Syngen's philosophy of celebrating and sharing, the Company hosted its annual year-end parties to deepen employee engagement.

2024 09.17 12.25

Small treats:Before Mid-Autumn Festival and Christmas, surprise gifts and snacks were prepared for employees.

2024 11.23

Organic Green Farm Tour:Employees were subsidized to participate in organic farming activities to experience agri-food education.

Employee Retirement Plan

Labor Standards Act

Pension base and average salary calculations are handled in accordance with the Labor Standards Act. The Company allocates 2% of total monthly salaries to the pension fund, deposited under the Supervisory Committee of Labor Retirement Reserve account at the Bank of Taiwan. Withdrawals are also handled in accordance with the Labor Standards Act.

Labor Pension Act

The Company contributes 6% of each employee's monthly salary to their individual pension account, which is overseen by the Bureau of Labor Insurance. Pension payments are disbursed, based on the account's balance and accrued earnings, as either a monthly pension or a one-time lump sum payment.

Employees upon retirement are honored with a retirement medal, expressing Syngen's gratitude for their service.

05 Happy Workplace

5.2 Friendly Workplace and Benefits

Material Topic: Occupational Safety and Health

Actual and potential positive impacts on the economy, environment, and people
Opportunities

Protect the health and safety of employees and contractors; provide a safe working environment so personnel can work free from safety concerns.

Actual and potential negative impacts on the economy, environment, and people
Risks

Occupational accidents, work-related injuries, and environmental incidents may lead to personnel and property losses and reputational damage. Furthermore, depending on the severity of the circumstances, these incidents may also trigger audits by competent authorities.

Resources invested in 2024

- Established an effective contractor system.
- Strengthened site inspections to reduce occupational injury rates.
- Held health seminars to support employees' physical and mental well-being.
- Provided EAP (Employee Assistance Program) resources.
- Health checkups for executives/senior managers.

Strategic Objectives

Company policies or commitments to corporate governance

- Provide annual health checkups for all employees, regardless of age, a benefit that exceeds statutory requirements.
- Enter into contracts with designated physicians to provide employee health care.
- Engage occupational health nurses to implement relevant health policies.

Short-term goals (1 year)

- Initiate application for the Health Promotion Administration's "Workplace Health" label.
- Work-related injury rate below 2%.
- Organize 2 sessions of first aid training every year.

Medium and long-term goals (3-5 years)

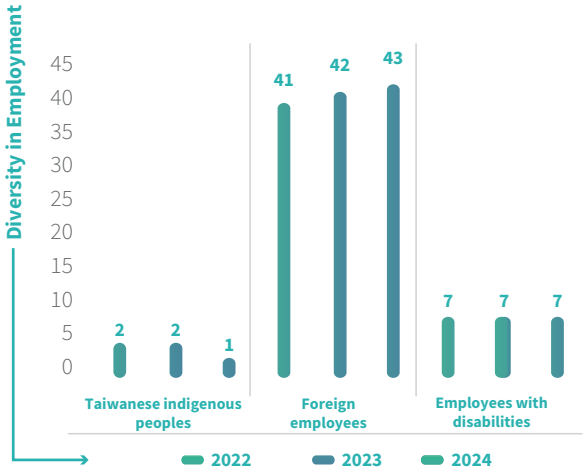
- Hold 2 health seminars or related courses each year.
- Obtain the Health Promotion Administration's "Workplace Health Promotion" label.

05 Happy Workplace

5.2.1 Diversity and Inclusion

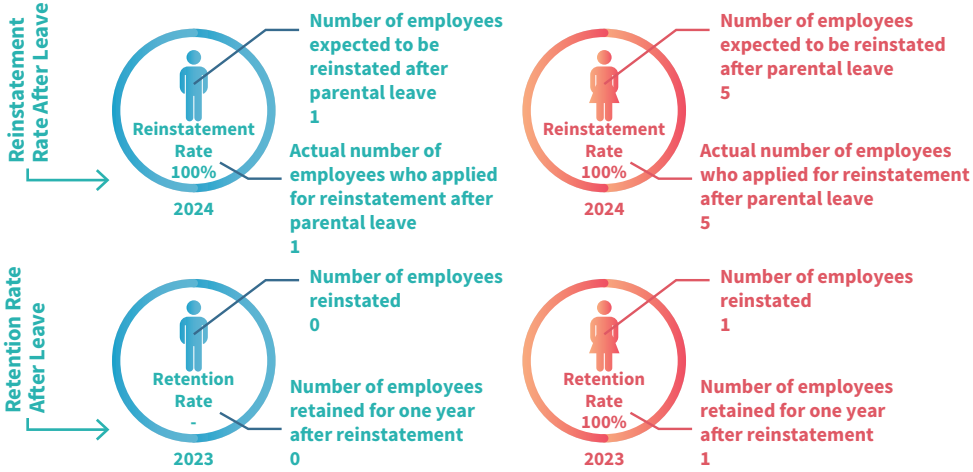
Diversity in Employment

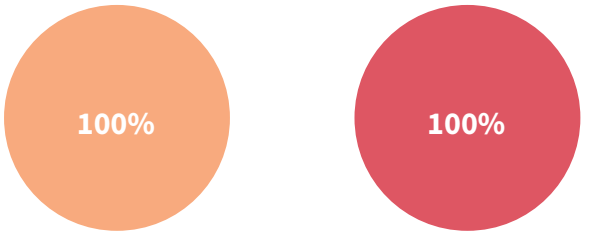
The Company is committed to safeguarding employees' fundamental human rights, complying with labor laws and international human rights conventions, and prohibiting any inappropriate discrimination. It implements diversity in employment and ensures fairness in promotion opportunities, without preferential or discriminatory treatment based on gender, age, race, nationality, religion, or political stance. Employees treat one another with respect, and may file complaints through relevant channels in the event of humiliation, threats, harassment, or defamation. The Company strictly prohibits the use of child labor and eliminates discrimination against women while protecting the rights of persons with disabilities. The Company incurred zero discrimination incidents or related complaints in 2024. Over the past three years, Syngen has been focusing on improving employee diversity and actively creating a diverse work environment. Since 2021, the number of Taiwanese indigenous employees, foreign employees, and employees with disabilities has increased significantly. Among them, the number of foreign employees increased by 43 over the past three years, the employment ratio of persons with disabilities reached 1.26%, and 1 Taiwanese indigenous employee was hired. Foreign employees account for 7.76% of the Company's total workforce, demonstrating Syngen's high level of workforce diversity. Specifically, most foreign blue-collar employees are from Indonesia and Vietnam, while foreign white-collar employees are primarily from Malaysia. To support these employees, in addition to providing bilingual contracts, we also cooperate with manpower agencies to offer bilingual courses such as Chinese learning, Taiwanese culture, and vehicle/scooter driving training. These efforts help foreign employees integrate more quickly into Taiwanese society. Fostering a diverse and inclusive workplace has always been what we strive for. Moving forward, we will maintain these values to foster a friendly, open-minded workplace.



Parental Leave

Syngen is committed to promoting gender equality. Applications for parental leave were received in both 2023 and 2024. All eligible employees, regardless of gender, were granted company approval. This year, the female reinstatement rate after parental leave reached 100%.





Note:
Reinstatement rate = Actual number of employees reinstated in the reporting year/Number of employees expected to be reinstated in the reporting year
Retention rate = Number of employees reinstated in the year prior to the reporting year and retained for at least one year/Number of employees reinstated in the year prior to the reporting year

5.2.2 Employee Communication

Employee Communication Channels

Employees are the foundation of the Company's operations. The establishment of effective internal communication channels and the cultivation of a two-way communication culture are the cornerstones for effectively engaging employees. In accordance with the Sexual Harassment Prevention Act and the Act of Gender Equality in Employment, we have established the Sexual Harassment Prevention Regulations and the Workplace Unlawful Infringement Regulations, providing employees with a work environment free from sexual harassment and illegal violence.

Internally, Syngen has set up communication channels based on different purpose, including employee suggestion boxes, improvement proposals, and sexual harassment grievance channels. Grievances are handled in accordance with the Regulations Governing the Implementation of Suggestion Boxes, ensuring the confidentiality of employee communications. Each employee suggestion is collected and coded by the audit supervisor before being forwarded to the President and the Chairman. If the submitter proposes a meeting with the President and the Chairman, the audit supervisor will be responsible for the arrangement. The Board will be briefed on how the suggestion was handled if necessary.

Employee Communication Channels	Description	2024 Achievements
Suggestion box	Employees can communicate with the Company through the suggestion box to submit suggestions and grievances on any matter.	Received 1 piece of feedback related to employee benefits
Improvement proposals	Proposals for improving the Company's operations.	Issued 8 rewards for approved improvement proposals, totaling NT$400
Sexual harassment grievance channel	The channel is established to uphold gender equality in the right to work and prevent sexual harassment, enabling employees to report such incidents.	No related grievances
Labor-management meetings	Composed of five labor representatives and five employer representatives, exceeding the minimum statutory requirement of at least one-third labor representation. The meetings aim to address labor-related issues and reach consensus.	• Held quarterly meetings • Discussed flexible working-hour proposals

Employee Grievance Process
1. Suggestion boxes (paper submission): opened by the audit unit every Friday. 2. Email submissions to suggestionbox@syngen.com.tw are simultaneously copied to the audit supervisor, President, and Chairman.
After the audit supervisor receives a submission, they code the submission and forward paper submissions directly to the President and the Chairman.
If a submitter (either via paper or email) intends to schedule a meeting with the President, the audit supervisor helps the arrangement.
The audit supervisor must report the case to the Chairman and brief the Board on how the case has been handled if necessary.
Employees may file objections again if they have concerns about the response.

Handling Principles	Regulations
Personal data of the employee submitting suggestions will be kept confidential.	Regulations Governing the Implementation of Suggestion Boxes
Responses may be provided during a meeting or via public announcement.	
Malicious personal attacks or abusive content will not be accepted.	

Employee Satisfaction Survey

This year, to strengthen the implementation of sustainable governance from the employee perspective, we conducted an employee satisfaction survey at the Yunlin Technology Industrial Park Plant. The survey was divided into five dimensions, with a full score of five, covering the relationship between peers and supervisors, work environment, work difficulties, work achievements, and their capability fit. Among them, "assistance received from peers amid work difficulties," "comfortable and safe work environment," and "good communication and interaction with peers" all recorded high employee satisfaction, with scores of 4.12, 4.08, and 4.21, respectively. The results demonstrate the satisfaction of employees at the Yunlin Technology Industrial Park Plant with peer interactions and the Company's efforts to improve the work environment.

05 Happy Workplace

5.2.3 Health Care

Syngen attaches great importance to employees' work-life balance, striving to create a friendly work environment that alleviates employees' physical and mental stress while supporting their family responsibilities. We organize various employee events to create a friendly workplace environment, enhance relationships among employees, and strengthen team cohesion. We aim to create a worry-free workplace, enabling employees to maximize productivity while maintaining a harmonious family life.

Category	Description
Group family day	On October 5, Syngen's employees participated in the Group's family day event.
Employee health consultation	1. Provide annual health checkups for all employees, regardless of age, a benefit that exceeds statutory requirements. 2. Enter into contracts with designated physicians to provide employee health care. 3. Engage occupational health nurses to implement relevant health policies.
Employee health checkups	The Company arranges annual health checkups for its employees, with the results serving as the basis for implementing health classification management, tracking abnormalities, and providing health consultations. In 2024, we provided subsidies to 527 employees for health checkups. Physician and nurse onsite visits in 2024: 1. Physicians: 12 visits a year, 3 hours per visit, totaling 36 hours. 2. Occupational nurse: 30 visits/90 hours from January to May; full-time onsite service starting June 2024.
Lactation room and prenatal health education	The Company provides female employees of reproductive age (15-49 years) with the location and related information of the Company's lactation rooms. Maternal health education is delivered to pregnant and postpartum employees. Consultations are conducted through telephone or in person, lasting approximately 1-2 hours each, covering work-related issues and personal concerns. Occupational nurses compile relevant documents according to standard operating procedures and consultation topics, and submit them to onsite physicians for risk assessment. Follow-up actions are based on individual employee's assessed risk level. In 2024, a total of 6 female employees received maternal healthcare services.
Employee self-defense training	Syngen has formed an employee firefighting team and conducts semi-annual training sessions. In 2024, sessions were held on June 14, and December 16, respectively.
Employee cafeteria	A comfortable space is available at premises to provide employees or visitors with drinks and snacks for their conversation and meetings.

Lactation room

Syngen values diverse development possibilities for employees in the workplace and provides employees with a variety of assistance beyond legal requirements. Specifically for female employees, the lactation rooms are furnished with beds and sofa chairs for rest, as well as refrigerators and closets, creating a comfortable environment for nursing mothers in the workplace.

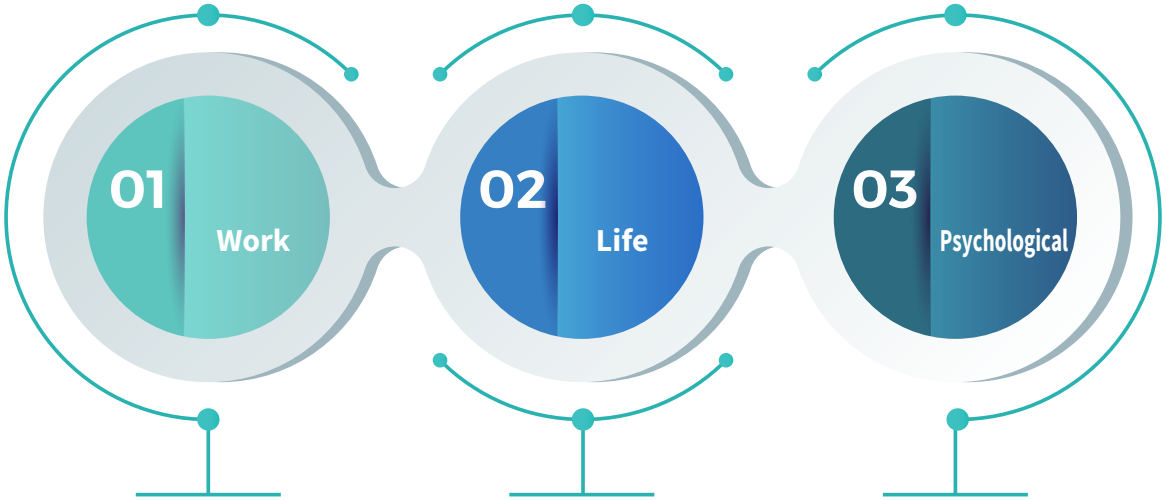


Happy Workplace

5.2.3 Health Care

Employee Assistance Program (EAP)

Syngen's EAP is designed to target three aspects: work, life, and psychological well-being. The work-related aspect covers employees' workplace issues and retirement planning. Life-related support includes employee health, family life, daily communication, and long-term care issues. Psychological support covers employees' interpersonal relationships, stress, and emotional issues. The EAP provides comprehensive assistance through a wide range of services, extending from workplace and daily life matters to mental well-being, thereby ensuring employee health and safety.



Workplace adaptation, work-life balance, workplace mindfulness and stress reduction, career (retirement) planning, organizational change adjustment, and online resource application.

Long-term care, travel, parenting, health, couple and parent-child communication, and communication with parents.

Stress regulation, interpersonal relationships, emotional management, conflict management, interpersonal relationships in the workplace, and referral consultation.

5.2.4 Occupational Safety

The Company has set up a dedicated occupational safety unit responsible for handling matters related to labor safety and health, including implementing self-inspections, measuring workplace environmental conditions, and continuously improving safety measures to create a safe, healthy, comfortable, and friendly workplace. At the same time, we attach importance to legal compliance, regularly review labor-related law and regulation updates, and hold quarterly labor-management meetings to discuss and resolve relevant issues. We ensure adequate workplace safety protection measures are in place and arrange regular health checkups for employees.

Syngen views occupational safety and health as an important part of the Company's operations. We have formulated a complete set of OSH policies and incorporated them into the Company's daily operations. The goal is to create a zero incident workplace to ensure that every employee can work in a safe and healthy environment.

Occupational Safety and Health Committee

Syngen provides employees with a healthy and safe workplace, and has established an Occupational Safety and Health Committee to implement and supervise OSH measures. The President serves as the Chairperson of the committee, and a dedicated OSH employee acts as the Executive Secretary. Other members are composed of department heads. The committee includes 4 labor representatives, accounting for 30% of the committee's total composition.

In 2024, the committee discussed 10 major agenda items, including recommendations on occupational safety policies, review of management plans, and review of other management matters. All committee members attended, with an attendance rate of 100%.

Committee Name	Occupational Safety and Health Committee
Meeting Frequency	Quarterly
Leading Unit	Occupational Safety Office
Highest Decision-maker	President
Participating Unit	OSH personnel, department heads, labor representatives
Number of Labor Representatives	4
Number of Committee Members	12

Agenda Items Discussed in the Fiscal Year

1	Proposal of suggestions for revising the Company's OSH policies.
2	Coordination and recommendations for the OSH Self-management Plan.
3	Review of the implementation plan for safety and health training.
4	Review of health management and health promotion matters.
5	Review of self-inspections and environmental, safety, and health audits of all departments.
6	Discussion on preventive measures for machinery, equipment, raw material, and material hazards.
7	Discussion on occupational accident investigation reports.
8	Evaluate onsite safety and health management performance.
9	Discussion on safety and health management matters for contract/outsourced business.
10	Other matters related to environmental management and OSH management.

Emergency Measures for OSH Incidents

Syngen divides its OSH emergency incident handling process into three stages: before, during, and after an incident, for better supervision and improvement. At the pre-incident stage, we perform preventive control through training and occupational safety inspections. During an incident, we perform rapid reporting and classify the incident. After an incident, we follow up on the effectiveness of the corrective actions taken based on the incident classification. This year, OSH supervision covered the Sinying Plant, Southern Taiwan Science Park Plant 1, Southern Taiwan Science Park Plant 2, and Yunlin Technology Industrial Park Plant, with a total of 5 supervisory visits. Through multiple audits and supervisory visits, we aim to minimize the risk of OSH incidents.

Prevention	Implement personnel training, conduct irregular occupational safety audits, and re-examine risk levels every two years to ensure effective risk control.
Incident Handling	Report internally following an incident and conduct risk analysis and evaluation based on the incident.
Improvement/ Follow-up	Assess the risk level of each critical point, make corresponding corrective actions, and follow up on the effectiveness of the corrective actions.

Item	Safety Health Supervisory Visit	Result	Management Measures
Sinying Plant	2	Passed	Syngen has developed an internal evaluation checklist to assess and supervise each site. Through employee training, machine improvements, workplace enhancements, and adjustments to operating procedures, we aim to raise employees' safety awareness, create a safe work environment, and reduce work-related injuries.
Southern Taiwan Science Park Plant 1	2	Passed	
Southern Taiwan Science Park Plant 2	0	Under planning	
Yunlin Technology Industrial Park Plant	1	Passed	

5.2.4 Occupational Safety

Occupational Safety Classification System

Major Immediate actions must be taken and operations must not resume until the crisis is resolved.

Severe Existing preventive measures must be reviewed, and corresponding risk controls must be implemented by the specified deadline.

Minor Risk is within an acceptable range and controls may continue using current measures.

Near miss Risk is acceptable and continuous monitoring is required, with no additional countermeasures needed.

Contractor Management

To ensure the safety and health of contractors, Syngen's employees, and society, the Company implements systematic management of contractors performing onsite operations. Contractors are required to commit to complying with safety, health, and environmental protection regulations. Prior to construction, the Company enters into an agreement with contractors and provides hazard notifications. The parties involved jointly discuss construction processes and safety protection measures. During the construction period, the Company performs irregularly inspections of contractor operations to reduce operational risks. A total of 137 contractors joined the contractor management system this year and operated in accordance with the Company's SOPs. At the same time, onsite contractor safety management was carried out at two operational sites, with a total of 530 contractors complying with the procedure.

Work-related Injuries

Metric	Number of Disabling Injuries	Number of Days Lost	Number of Days Absent (sick leave + personal leave)	Total Number of Work-related Ill Health	Number of Fatalities in the Reporting Year	Number of High-consequence Work-related Injuries (Severe: injuries resulting in inability to return to pre-injury condition within six months; excluding fatalities)	Number of Recordable Work-related Injuries in the Reporting Year	Total Hours Worked	Injury Rate (IR) = (Number of disabling injuries/Total working hours)*200,000	Occupational Disease Rate (ODR) = (Total work-related diseases/Total working hours)*200,000	Lost Day Rate (LDR) = (Number of days lost/Total working hours)*200,000	Absence Rate (AR) = (Number of days absent/Total working hours)*100%	Disabling Injury Frequency Rate (FR) = (Number of disabling injuries*106)/Total working hours	Disabling Injury Severity Rate (SR) = (Number of days lost*106)/Total working hours
Employees	2	13	0	0	0	0	0	1,009,312	0.40	0.00	2.58	0.00	1.98	12.88
Non-employees	0	0	0	0	0	0	0	2,000	0.00	0.00	0.00	0.00	0.00	0.00
Total	2	13	0	0	0	0	0	1,011,312	0.40	0.00	2.57	0.00	1.98	12.85

Note:
1. High-consequence work-related injury refers to a work-related injury that results in death, or that causes workers to be unable or difficult to return to their pre-injury health condition within six months.
2. Recordable work-related injury or ill health refers to a work-related injury or ill health that results in any of the following: death, away from work, restricted work duties or job transfer, medical treatment beyond first aid, loss of consciousness, or a major injury or illnesses diagnosed by a doctor or other licensed healthcare professional (even if not resulting in death, away from work, restricted work duties or job transfer, medical treatment beyond first aid, and loss of consciousness).

5.2.4 Occupational Safety

Occupational Safety and Health (OSH) Courses

Syngen arranged OSH courses based on workplace assessments. This year's courses included general health training, first aid training, fire drills, tobacco hazard prevention training, and illegal infringement prevention training. A total of 1,107 persons received the training, totaling 2,508 training hours completed. Through training to prevent risks arising from the external environment combined with employee self-protection courses, we strengthen employees' safety awareness and ensure their workplace safety from multiple approaches.

Course Name	Persons Trained	Training Hours	Results
General health and safety training	366	366	Once a year
Fire drills	512	1,913	Twice a year
First aid training	139	139	Preparatory courses completed
Training on tobacco hazard prevention	37	37	Preparatory courses completed
Training on illegal infringement prevention	54	54	Satisfaction: 100%
Total	1107	2508	-

Joint Fire Drill with Volunteer Firefighters

To improve the Company's ability to prevent and respond to disasters, the Company conducted a joint fire drill with volunteer firefighters to strengthen its disaster prevention system, thereby protecting the lives and property of employees and the Company.





Fire drills





Happy Workplace

5.2.4 Occupational Safety





First aid training

We conducted emergency response training at premises, including patient transport, bandaging, bleeding control, and blood pressure measurement, to improve employees' emergency response abilities.

Illegal infringement in the workplace prevention course

To help employees clearly understand the types and prevention methods of workplace illegal infringement, a psychological counseling instructor was engaged to deliver hands-on courses to reduce hazardous risk factors caused by human factors.

Training on tobacco hazard prevention

To promote the health and well-being of the Company's employees, an instructor specialized in tobacco hazard prevention was engaged to conduct training to reduce hazardous risk factors caused by human factors.









05 Happy Workplace

5.3 Talent Cultivation and Development

5.3.1 Training Resources and Framework

Approaching talent development from multiple perspectives, Syngen plans its annual training strategies in professional competencies and management competencies, covering pre-employment training for new hires, on-the-job training for full-time employees, and specialized training for technical personnel. Internally, the Company has established an Employee Training Operating Procedures. Each year, internal and external training is carried out according to the annual training plan. Courses are delivered by both internal instructors through outsourced training, providing employees with the skills and information they need to perform their duties. Training courses are also designed according to employees' job grade. In the short term, we plan to introduce the TTQS to improve employee competencies and enhance the effectiveness of the organization. Through a comprehensive training system, we train employees to grow into the professionals fit for their roles.

Additionally, we have established a job rotation mechanism, allowing employees to apply for rotation. Upon approval of the original unit and new unit supervisors, employees have access to diverse learning channels and opportunities for comprehensive learning experience and development.

Managerial Competencies	Professional Competencies
Entry-level Manager	Specialist
Mid-level Manager	Senior Specialist
Executive/ Senior Manager	Principal Specialist

Competency courses are tailored according to different specialties. Different management courses are delivered based on job grade.

New Hires

HR arranges general regulatory and general knowledge training and each department provides follow-up professional training.

Mid-level Managers and Executives/Senior Managers

Required to attend at least two internal or external training sessions (not limited to managerial competencies) per year.

Senior Management

Required to attend at least one external managerial competency training session per year.

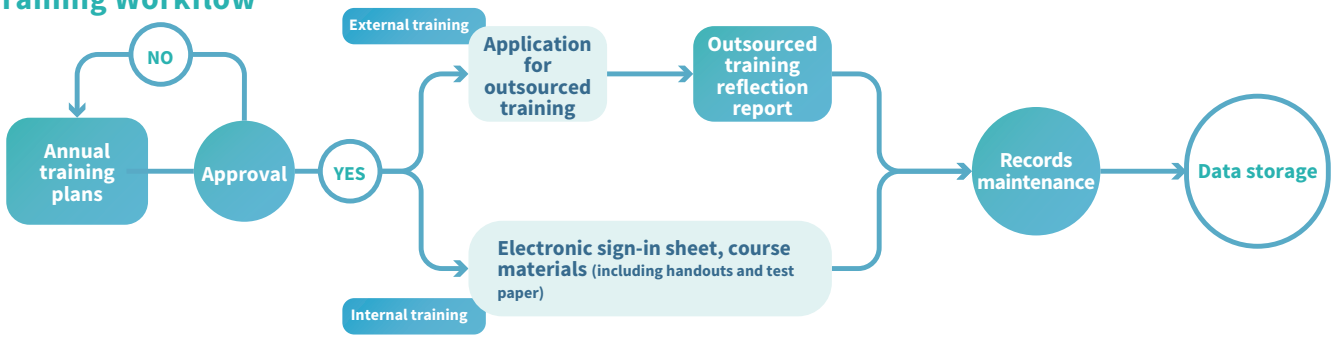
Pre-training 01
HR conducts functional gap analysis.

During training 02
HR arranges courses based on analysis results.

Post-training 03
Collect questionnaire responses

04
Revisit employee feedback to refine courses and ensure they better meet needs

Training Workflow

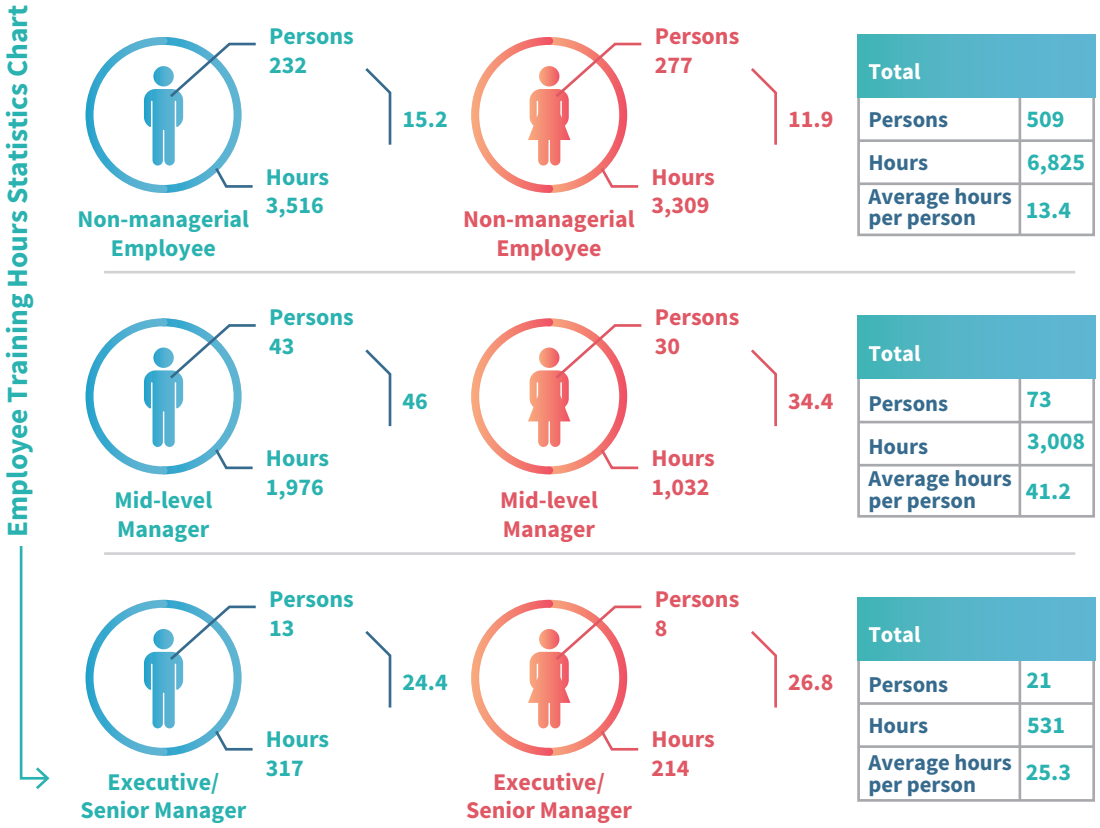


05 Happy Workplace

5.3.2 Training Results

Syngen believes that only through the joint growth of employees and the organization can a win win outcome be achieved. Therefore, the Company actively invests resources in employee development. In 2024, the Company provided a variety of internal and external courses to improve employee competencies, including GMP courses, general courses, and certification-related courses, with a total investment of NT$684,240.

Specifically, mid-level and senior-level management received the highest number of training hours. Regardless of managerial role or not, female employees averaged slightly more training hours than male peers. This shows, regardless of gender, the Company's commitment to equal resource investment in employee development and career planning.



Course Description	Course Hours	Persons Trained
Internal training		
GMP courses	1,562	504
General courses	8,802	602
Expenditures on internal training	NT$324,000	
External training		
GMP courses	73.5	10
General courses	641	78
Certification-related courses	405	37
Expenditures on external training	NT$360,240	
Total training expenditures	NT$684,240	

5.3.2 Training Results









06 Social Prosperity



Syngen Biotech Co., Ltd.

06 Social Prosperity

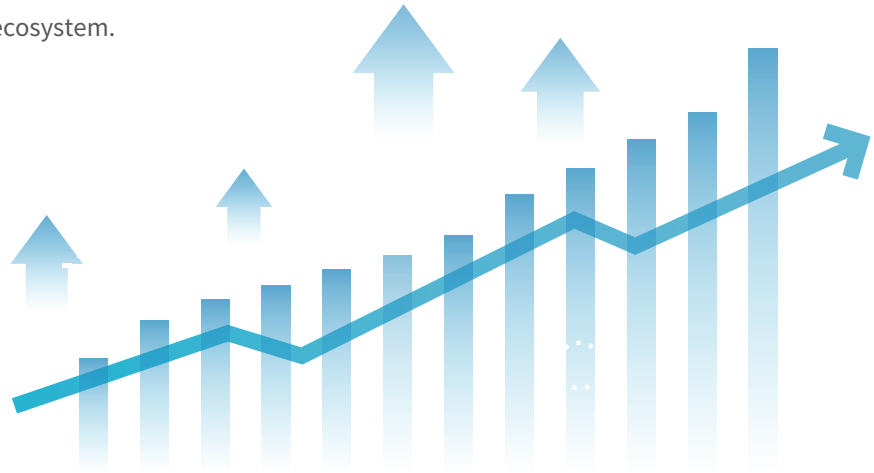
Core Vision and Commitment

Local prosperity contributes to the growth of companies. Syngen regards local communities as key stakeholders. The shared development of communities and society has always been one of the issues of concern for the Company. For many years, we have been paying attention to local agricultural development and environmental protection issues. To further promote organic farming and healthy vegetable diets, we integrate the Company's business scope with social welfare efforts to create a unique community ecosystem. Revolving around the Tai Kang Zone, we integrate Syngen's biotechnology, technologies, and partnerships to address issues ranging from residents' daily needs to agricultural product stagnation. In the future, we will focus more on the positioning and operation of the zone to formulate investment plans. We will incorporate more diverse agri-food education programs, health seminars, and hands-on experiences to deepen engagement with local communities. We firmly believe that only by expanding our operations to the community ecosystem can we truly realize the value of social sustainability.



2024 Achievements and Performance

1. Won the **9th Scientific and Technological Agribusiness Innovation Award** for SYNCURCUM®, a product jointly developed with local agricultural producers
2. We purchased **more than 300 tons** of contract-farmed organic vegetables this year, an **increase of 1.5 times compared to last year**.
3. Tai Kang Zone collaborated with the local community, building a local ecosystem. **Nearly 10 events** were held, attracting **more than 4,000 participants**.



06 Social Prosperity

In recent years, Syngen has actively participated in various social welfare events by integrating its core strengths with the social welfare initiatives. We have achieved impressive results in our commitment to protecting green land, promoting organic farming, actively cultivating talent, and protecting biodiversity. We believe that driven by our core competencies, we can customize deeper and longer-term social engagement methods to more directly and effectively respond to the needs of the community.

Syngen's social sustainability strategy mainly focuses on three major areas: community participation, social welfare, and industry-academia collaboration. Looking ahead, we will further deepen social engagement by continuously investing manpower, funds, and resources to support community growth and the development of social welfare. At the same time, we encourage employees to actively participate in social activities and unleash their potential and creativity, working together to create a sustainable society.



06 Social Prosperity

6.1 Tai Kang Zone

Operational Performance

Since Syngen took over the management of the Tai Kang Organic Agriculture Zone in 2021, the Management Department has been responsible for operations coordination and resource integration to promote local agriculture. The development focuses on sustainable agriculture and local integration, inviting local farmers to cultivate and consume crops locally to reduce the carbon footprint and promote the health of residents. On 42 hectares of land, farmers plant various vegetables in an eco-friendly manner, strictly refraining from using pesticides or chemicals to maintain soil balance. Leveraging our R&D and commercialization capabilities, we transform local organic fruits and vegetables into high-quality organic health products, aiming to expand our reach to international markets.

In addition to amplifying the existing local value of the Tai Kang Zone, we have integrated the Company's professional healthcare resources with those of nearby partners such as Chi Mei Medical Center and Min-Hwei Junior College of Health Care Management. We provide the venue for various activities, including environmental walks, agricultural-food experiences, long-term-care support, and green-education seminars. Through "nutrition, health education, health consultation" and "organic dining together," we care for local senior adults and support the government's long-term-care initiatives. In 2024, the zone held nearly 10 events, attracting more than 4,000 participants.

In terms of the environmental sustainability of the Tai Kang Zone, the Agency of Rural Development & Soil and Water Conservation invested funds to support the establishment of a detention basin at the initial stage of zone development. The agency installed water pipelines throughout the fields. When irrigation water is insufficient, farmers can use pumps to rechannel water into the fields, achieving ecological circulation. We worked with KUANG TAI METAL to build two stainless steel mesh rooms in Tai Kang. Stainless steel materials not only avoid the environmental pollution caused by traditional plastics mesh rooms, but are also reusable and recyclable. In the future, we will gradually incorporate the concept of sustainability into daily management activities to advance sustainable agricultural development.

Development Planning of Tai Kang Zone

In 2024, the Company invested NT$2,479,000 in zone operations. Since Syngen's taking over management, the total investment amount has reached NT$10,349,000, and the estimated investment amount in 2025 is NT$200,000, focusing on landscape engineering, operations center maintenance, and improvements to the collection and packaging facilities. The future investment amount will be determined based on the development, operational status of the zone, and consumer needs.

Syngen is committed to building Tai Kang into a regional micro-ecosystem. In addition to designing the environment to be sustainable and self-sufficient, we aim to develop into a place closely linked to the daily life of local residents, ensuring eco-friendly farming and healthy diet from the land to dining tables. We have transformed the operations center into a multifunctional community space for diverse activities, such as seminars, workshops, and exhibitions. Through these activities, we hope that Tai Kang will become an educational hub, inspiring greater public awareness of natural food while promoting the sustainable development of local agriculture.

In 2025, the operations team will continue to uphold its mission, facilitating local economic development. We plan to collaborate with local smallholders to organize various activities that showcase local cultural features and attract more visitors to stimulate tourism and consumption, injecting vitality into the local economy. We will actively promote Tai Kang's activities and products on social media to boost visibility and appeal, broadly disseminate Tai Kang's image, establish closer connections with visitors, and better demonstrate Tai Kang's features and values. Through continuous improvement and innovation, we focus not only on our business operations but also on supporting the communities. We aim to make greater contributions to local development, ultimately achieving the common good alongside the community.





06 Social Prosperity

6.1 Tai Kang Zone

Agri-Food Education

In addition to professional organic production, the Tai Kang Organic Agriculture Zone has been actively promoting agri-food education in recent years, allowing participants to experience personally the fun of planting and harvesting, while tasting seasonal organic fruits and vegetables. Organic farming does not use chemical pesticides, fertilizers, or genetically modified ingredients, making it an environmentally friendly farming method. The Tai Kang Organic Zone has formed an ecosystem with large-scale organic cultivation, attracting various beneficial animals, jointly facilitating ecological balance. In 2024, Syngen actively organized diverse agri-food activities, attracting more than 500 participants. We hope that, through these experiences, consumers can gain a deeper understanding of organic farming and environmental sustainability.

Mulberry Picking

Participants 80

Resources invested Harvesting partner cost NT$80,000



Happy Farm Harvest Experience

Participants 40

Resources invested Harvesting partner cost NT$6,000



Orange-Honey-Flavored Tomato Picking Experience

Participants 400

Resources invested Crop-planting cost NT$100,000



Mango Agri-Food Education Experience and Cultural Tourism Activities

Participants 500

Resources invested
1. Invested in 3 co-organizing persons
2. Hardware cost NT$3,000



2024 Tai Kang Organic Green Farm Tour

Participants 500

Resources invested
1. Invested in 4 co-organizing persons
2. Hardware cost NT$5,000



06 Social Prosperity

6.1 Tai Kang Zone

Promotion of Local Agriculture

Agricultural products are susceptible to seasonal changes, resulting in harvesting and storage difficulties. Consumer preference for visually appealing products makes it difficult to sell lower grade agricultural products. All of these uncontrollable factors create waste and environmental burdens for farmers. To address this issue, we have invested resources in research and used freeze-drying technology at –50°C to –70°C, converting functional ingredients such as turmeric, dragon fruit, and kale into vegetable powders and enzymes, which can preserve nutrients while increasing the economic value of crops. Vegetable powders are not only beneficial for children's consumption, but are also easier for the elderly with poor chewing and swallowing abilities to absorb. When crop production exceeds demand, the Company purchases them at market prices. If the produce is not visually appealing, the Company offers a preferential price. These efforts aim to encourage farmers to adopt organic farming practices. For the overall environment, we believe these efforts bring benefits that outweigh the costs and contribute to achieving the goal of common good.

Agribusiness Collaboration for Common Good

Syngen continues to work with local farmers. This year, we collaborated with farmers to address the risk of cabbage oversupply in Taiwan, which could lead to depressed market prices, severely undermining farmer livelihoods. Through contracted farming, we worked with cabbage farmers, processing cabbages into vegetable enzyme products to generate greater value. This not only alleviates farmers' livelihood difficulties, but also maximizes the economic value of domestic vegetables.



Life Education

Bunny Feeding Experience

Participants 300

Resources invested
1. Invested in 1 co-organizing person
2. Hardware cost NT$1,500



06 Social Prosperity

6.1 Tai Kang Zone

Activities at Tai Kang

Group Employee Day

Participants 554

Resources invested
1. Event venue setup: NT$150,000
2. Meal expenses: NT$500,000



Tainan Liuying Milk Festival

Participants 300

(Co-organized event)



Handmade Parent-Child Imitation Cream Course

Participants 60

Resources invested
1. Invested in 1 co-organizing person
2. Hardware cost NT$9,000



Taiwan International Orchid Show Participation

Participants 300,000

Promotion of local organic agricultural products by Syngen



Liuying Hiking

Participants 400

(Co-organized event)



Organic World Congress

Participants 2,500+

Promotion of local organic agricultural products by Syngen



06 Social Prosperity

6.1 Tai Kang Zone

Charitable Events

Chi Mei Medical Center Blood Donation Event

Set up a stall selling organic root and stem produce





Future Planning

Activity planning for the next year is based on the investment plan and is expected to hold one marketing exhibition, promotional event, or related course each month or every two months. The above plans have been included in our business plans. In the future, we will ensure that at least 10 events are held in one year in accordance with the guidelines set forth in the investment plan. Activities will include, but are not limited to, farming experiences, training courses, and lectures. The aim is to strengthen our emotional bonding with contracted farmers and local residents, thereby supporting the development of the operations center.

January - February

Based on the weather conditions and group arrangements, organize ecological guided tours of the detention basin and coordinate with crop harvest seasons to provide the public with hands-on DIY experiences.

April

Revolving around the CHEN JIAH JUANG mulberry season, hold mulberry-picking and hands-on DIY experiences.

May

Assist in organizing the Liuying District's annual event "Mango Picking Festival."

June - October

Coordinate with harvest seasons of the crop experience area to organize various picking activities, health seminars, and DIY experiences.

November

Plan to co-host an educational and entertaining "One-Day Farming Experience" with the Agriculture Bureau, Agriculture and Food Agency, and Tai Kang Cooperative.

Irregular Activities

To align with special holidays, irregularly organize events such as green cultural-creative events, green arts, green caregiving activities, DIY experience classes, fruit-picking at Tai Kang, and promotional lectures on farming, organics, and health.

06 Social Prosperity

6.2 Social Welfare

Collaboration with Farmers

Building a Local Brand

Taiwan is densely populated, with organic farmland accounting for only 2.1% and organic produce just 5% of total agricultural output. Most farmers are small-scale and operate individually. Syngen adopts contract farming instead of an acquisition model. The satellite-supply-chain business model not only ensures scalable operations with stable prices, but also freeing farmers from the burden of securing distribution channels.

We have adopted two production models: self-farming at the Tai Kang Zone and outsourced cultivation areas. Today, collaborating farmers across western Taiwan has reached 45. In 2024, Syngen Biotech purchased 300 tons of contract organic vegetables, a 1.5-fold increase from 200 tons the previous year. We firmly believe that with the help of Syngen Biotech's technologies, these agricultural products can achieve even greater economic value, and next year's goal is to double output to 400 tons.





Social Donations

Social Donation Achievements

Syngen believes that integrating its strengths into social welfare activities will create greater positive benefits. In the past, during the outbreak of the COVID-19 pandemic, we donated supplies such as hospital isolation gowns and meal support to express gratitude to front-line medical staff for their great contributions. We also pay close attention to the government's R&D plans for the biotechnology industry. Leveraging our capabilities, we sponsored the National Health Research Institutes' "Public Health Education II - Into the Mysterious World of Biomedical Science" project, recognizing its efforts in the promotion of scientific education through various activities.

Beyond conducting local charity activities based on our own expertise, we also actively encourage employees to participate in social welfare activities. We further mobilize the Group's resources to support blood donation, invoice donation activities, and incentive activities to encourage employee participation. We also donate supplies to local care institutions, the Spinal Cord Injury Association, the Genesis Social Welfare Foundation, and the Taiwan Fund for Children and Families.



6.2 Social Welfare

Charitable Events

“Forest Life · Carbon Cycle” Tree Planting Activity

Supporting the “Forest Life · Carbon Cycle,” the Forestry and Nature Conservation Agency’s Tree-Planting Month theme, Syngen actively participated in the Liuying District Office’s Tai Kang Tree-Planting Festival. The event was held at the Tai Kang Organic Agriculture Zone in Liuying Dist., Tainan City, aiming to promote environmental concepts such as greening, carbon reduction, and organic agriculture.

The event invited community residents to participating in the planting of various species of saplings, including Formosan sweet gum, Taiwan incense cedar, and camphor trees, to build a rich local ecosystem. Furthermore, Syngen Biotech encouraged its employees to participate and planted more than 100 bald cypress trees, each approximately 8–10 meters tall. The trees, reflected in the water surface of the detention basin at Tai Kang, create a captivating landscape.





Appendix

Appendix 1: GRI Standards 2021 Comparison Table

GRI Statement

Statement on the Use of GRI Standards	This Sustainability Report for 2024 has been prepared with reference to the GRI Standards. The reporting period covers January 1 to December 31, 2024.
GRI 1 Version Used	GRI 1: Foundation 2021
GRI Sector Standards Applied	N/A

GRI 2: General Disclosures 2021

Metric	Disclosure Requirements	Report Section or Explanation for Omission	Page
The organization and its reporting practices			
GRI 2-1	Organizational details	1.1.1 Company Overview	8
GRI 2-2	Entities included in the organization's sustainability reporting	About This Report	3
GRI 2-3	Reporting period, frequency and contact point	About This Report	3
GRI 2-4	Restatements of information	No restatements of information this year	-
GRI 2-5	External assurance	Appendix 4 Third-party Assurance Statement	134
Activities and workers			
GRI 2-6	Activities, value chain and other business relationships	1.1.3 Products and Industry Value Chain	12
GRI 2-7	Employees	5.1.1 Employees	94
GRI 2-8	Non-employee workers	5.1.1 Employees	94
Governance			
GRI 2-9	Governance structure and composition	2.1.1 Governance Framework, 2.1.2 Board of Directors	25, 27
GRI 2-10	Nomination and selection of the highest governance body	2.1.2 Board of Directors	27
GRI 2-11	Chair of the highest governance body	2.1.2 Board of Directors	27
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	1.2 Stakeholder Engagement, 1.3 Analysis of Material Topics	14, 17
GRI 2-13	Delegation of responsibility for managing impacts	2.4.1 Risk Management Organization and Operations	38
GRI 2-14	Role of the highest governance body in sustainability reporting	About This Report, 2.1.2 Board of Directors	3, 27
GRI 2-15	Conflicts of interest	2.1.2 Board of Directors, 2.3.2 Integrity	27, 34
GRI 2-16	Communication of critical concerns	2.4.1 Risk Management Organization and Operations	38

Appendix

GRI 2: General Disclosures 2021

Metric	Disclosure Requirements	Report Section or Explanation for Omission	Page
Governance			
GRI 2-17	Collective knowledge of the highest governance body	2.1.2 Board of Directors	27
GRI 2-18	Evaluation of the performance of the highest governance body	2.1.2 Board of Directors	27
GRI 2-19	Remuneration policies	2.1.2 Board of Directors	27
GRI 2-20	Process to determine remuneration	2.1.2 Board of Directors	27
GRI 2-21	Annual total compensation ratio	5.1.3 Benefits	100
Strategy, policies and practices			
GRI 2-22	Statement on sustainable development strategy	Chairman's Message	5
GRI 2-23	Policy commitments	5.2.1 Diversity and Inclusion	106
GRI 2-24	Embedding policy commitments	Refer to the list of material topics discussed in each chapter	-
GRI 2-25	Processes to remediate negative impacts	Refer to the list of material topics discussed in each chapter	-
GRI 2-26	Mechanisms for seeking advice and raising concerns	1.2.2 Stakeholder Engagement Approaches and Results	14
GRI 2-27	Compliance with laws and regulations	2.3.1 Compliance	34
GRI 2-28	Membership associations	1.1.1 Company Overview	8
Stakeholder Engagement			
GRI 2-29	Approach to stakeholder engagement	1.2.2 Stakeholder Engagement Approaches and Results	14
GRI 2-30	Collective bargaining agreements	No union has been established or collective bargaining agreements have been signed. Syngen has established Work Rules, complying with human rights regulations and protecting labor rights.	-

GRI 3: Material Topics 2021

Metric	Disclosure Requirements	Report Section or Explanation for Omission	Page
GRI 3: Material Topics 2021			
GRI 3-1	Process to determine material topics	1.3.1 Materiality Identification Process	17
GRI 3-2	List of material topics	1.3.1 Materiality Identification Process	17
GRI 3-3	Management of material topics	1.3.3 Boundary of Material Topic Impact; refer to the list of material topics discussed in each chapter	20

Appendix

GRI Topic-specific Standards

Metric	Disclosure Requirements	Report Section or Explanation for Omission	Corresponding Material Topic	Page
Economic				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2.2 Financial Performance	Economic performance	31
	201-2 Financial implications and other risks and opportunities due to climate change	4.1.2 Climate-related Risk and Opportunity Assessment		70
	201-4 Financial assistance received from government	2.2 Financial Performance		31
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	4.4.3 Local Procurement and Green Procurement	Supplier management	84
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	2.3.2 Integrity	Compliance and integrity	34
	205-2 Communication and training about anti-corruption policies and procedures	2.3.2 Integrity		34
	205-3 Confirmed incidents of corruption and actions taken	2.3.2 Integrity		34
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2.3.2 Integrity		34
Environmental				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	4.3.1 Energy Management	Energy management	76
	302-3 Energy intensity	4.3.1 Energy Management		76
	302-4 Reduction of energy consumption	4.3.3 Energy Conservation and Carbon Reduction Actions		76
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	4.6.2 Water Resource Management	Water resource management	89
	303-3 Water withdrawal	4.6.2 Water Resource Management		89
	303-4 Water discharge	4.6.2 Water Resource Management		89
	303-5 Water consumption	4.6.2 Water Resource Management		89
GRI 304:Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	6.1 Tai Kang Zone	Biodiversity	120
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	4.3.2 GHG Emission Management	Climate strategy and carbon management	77
	305-2 Energy indirect (Scope 2) GHG emissions	4.3.2 GHG Emission Management		77
	305-3 Other indirect (Scope 3) GHG emissions	4.3.2 GHG Emission Management		7
	305-4 GHG emissions intensity	4.3.2 GHG Emission Management		77
	305-5 Reduction of GHG emissions	4.3.3 Energy Conservation and Carbon Reduction Actions		78
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	4.5.1 Circular Economy	Waste Management	86
	306-3 Waste generated	4.5.2 Waste		87
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	No violations of relevant laws and regulations occurred.	-	-

Appendix

GRI Topic-specific Standards

Metric	Disclosure Requirements	Report Section or Explanation for Omission	Corresponding Material Topic	Page
Society				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	5.1.1 Employees	Employment	94
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.1.3 Benefits		100
	401-3 Parental leave	5.2.1 Diversity and Inclusion		106
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	5.2.4 Occupational Safety	Occupational health and safety	110
	403-2 Hazard identification, risk assessment, and incident investigation	5.2.4 Occupational Safety		110
	403-3 Occupational health services	5.2.3 Health Care		108
	403-4 Worker participation, consultation, and communication on occupational health and safety	5.2.4 Occupational Safety		110
	403-5 Worker training on occupational health and safety	5.2.4 Occupational Safety		110
	403-6 Promotion of worker health	5.2.3 Health Care		108
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.2.4 Occupational Safety		110
	403-8 Workers covered by an occupational health and safety management system	5.2.4 Occupational Safety		110
	403-9 Work-related injuries	5.2.4 Occupational Safety		110
	403-10 Work-related ill health	5.2.4 Occupational Safety		110
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	5.3.2 Training Results	Talent cultivation and development	115
	404-3 Percentage of employees receiving regular performance and career development reviews	5.1.3 Benefits		100
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	2.1.2 Board of Directors, 5.1.1 Employees	Diversity and equality	27, 94
	405-2 Ratio of basic salary and remuneration of women to men	5.1.3 Benefits		100
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	5.2.1 Diversity and Inclusion		106
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	5.2.1 Diversity and Inclusion		106
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	6.1 Tai Kang Zone	Social engagement	120
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	4.4.1 Supplier Management Policy	Supplier management	81
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	No violations of relevant laws and regulations occurred.	Product quality and accountability	-
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	No violations of relevant laws and regulations occurred.		-
	417-3 Incidents of non-compliance concerning marketing communications	No violations of relevant laws and regulations occurred.		-
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	No violations of relevant laws and regulations occurred.		-

Appendix

Appendix 2: Climate-Related Information of TWSE/TPEx Listed Company

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

Metric	Item	Implementation Status	Page
Four Thematic Areas of TCFD			
Governance	1. Describe the Board of Directors' and management's oversight and governance of climate-related risks and opportunities.	4.1.1 Climate Change Management	68
Strategy	2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	4.1.2 Climate-related Risk and Opportunity Assessment	69
	3. Describe the financial impact of extreme weather events and transformative actions.	4.1.2 Climate-related Risk and Opportunity Assessment	69
Risk Management	4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	4.1.2 Climate-related Risk and Opportunity Assessment	70
	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 did not use scenario analysis as a planning tool.	-
	6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the metrics and targets used to identify and manage physical risks and transition risks.	4.1.3 Metrics and Targets	73
	7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	The Company did not use internal carbon pricing as a planning tool.	73
Metrics and Targets	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.	4.1.3 Metrics and Targets	-
	9. Greenhouse gas inventory and assurance status	4.3.2 GHG Emission Management	77

Appendix 3: SASB Standards

Metric Code	Metric	Description	Page
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	No clinical trials were conducted outside Taiwan. The related management procedures were approved by the local health authority and carried out in accordance with standard operating procedures.	-
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)	No relevant measures have been taken.	-
HC-BP-210a.3	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	No such incidents occurred in 2024.	-

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Metric Code	Metric	Description	Page
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	No such incidents occurred in 2024.	-
HC-BP-240a.2	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	No such incidents occurred in 2024.	-
Affordability and 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 periods	The Company incurred no relevant litigation in 2024.	-
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	N/A, Syngen's product portfolio does not include U.S. product portfolio.	-
HC-BP-240b.3	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year	The current list price is the same compared to previous year.	-
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	No products were included in the FDA Medwatch Safety Alerts in 2024.	-
HC-BP-250a.2	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System	No such incidents occurred in 2024.	-
HC-BP-250a.3	Number of recalls issued, total units recalled	No recalls	-
HC-BP-250a.4	Total amount of product accepted for take-back, reuse, or disposal	No such incidents occurred in 2024.	-
HC-BP-250a.5	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	Classification of deficiencies / Definition / Number of cases **CRITICAL DEFICIENCY**: 1. A deficiency which has produced, or leads to a significant risk of producing a product which is harmful to the human. 2. Any observation involving product or data fraud, misrepresentation, or falsification. — 0 **MAJOR DEFICIENCY**: 1. A non-critical deficiency which has produced or may produce a product, which does not comply with its marketing authorization; 2. or which indicates a major deviation from PIC/S Good Manufacturing Practice; 3. or (within PIC/S) which indicates a major deviation from the terms of the manufacturing authorization; 4. or which indicates a failure to carry out satisfactory procedures for release of batches or (within PIC/S) a failure of the authorized person to fulfil his/her required duties; 5. or a combination of several "other" deficiencies, none of which on their own may be major, but which may together represent a major deficiency and should be explained and reported as such. — 8 **OTHER DEFICIENCY**: 1. A deficiency which cannot be classified as either critical or major, but which indicates a departure from good manufacturing practice. 2. A deficiency may be "other" either because it is judged as minor, or because there is insufficient information to classify it as major or critical. — 1	-

Appendix

Metric Code	Metric	Description	Page
Counterfeit Drugs			
HC-BP-260a.1	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	To verify product origin and destination and prevent counterfeiting, Syngen assigns a batch number or product serial number to every product batch and keeps relevant records for tracking purposes.	-
HC-BP-260a.2	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products	In the event of suspected counterfeit or prohibited drugs, consumers, distributors, or business partners should immediately notify the logistics provider or Syngen. The responsible unit of the Company will initiate an investigation. If no recall occurs during the year, the Quality Assurance unit will lead at least one mock recall exercise in response to related risks.	-
HC-BP-260a.3	Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products	The Company incurred no relevant litigation in 2024.	-
Ethical Marketing			
HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	No associated losses were incurred in 2024.	-
HC-BP-260a.2	Description of code of ethics governing promotion of off-label use of products	All packaging labels follow government labeling regulations for packaging and advertising text, and all materials strictly comply with the TFDA review and approval requirements.	-
Employee Recruitment, Development, and Retention			
HC-BP-330a.1	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	Please refer to 5.1.3 Benefits - Recruitment and Retention of R&D Personnel	100
HC-BP-330a.2	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) mid-level managers, (c) professionals, and (d) all others	Please refer to 5.1.1 Employees_New Hires and Turnover for details.	94
Supplier 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	Syngen has not yet participated in Rx-360, but we have established a Supplier Code of Conduct and follow the Code of Ethical Conduct to ensure that our cooperating suppliers have clear guidelines to follow and adhere to throughout our collaboration process.	-
Business Ethics			
HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	No associated losses were incurred in 2024.	-
HC-BP-270a.1	Description of code of ethics governing interactions with health care professionals	Please refer to 2.3 Compliance and Integrity for details.	-
Activity Metrics			
HC-BP-000.A	Number of patients treated	Mupirocin has a global market share of 10%. Please refer to CH1 Corporate Sustainability Vision for details.	7
HC-BP-000.B	Number of drugs (1) in portfolio and (2) in research and development (Phases 1-3)	The four major focus areas of product R&D are discussed in CH3 Product Research, Development, and Innovation.	44