MBI

The Collagen & HA Company

MBI · Maxigen Biotech Inc.

SUSTAINABILITY REPORT

vol. 2025

About This Report

Report Structure

This report is prepared in accordance with the 'Operational Procedures for the Preparation and Submission of Sustainability Reports by Listed Companies' issued by the Taiwan Stock Exchange and the GRI Universal Standards 2021 published by the Global Reporting Initiative (GRI).
Given no significant changes in the operating environment this year, the identification cycle for material topics is conducted once every two years. This year, the Company adopts the identification results from the previous year and continues to track performance accordingly.

Reporting Period

The disclosed data and content are primarily based on information from January 1 to December 31, 2025. Some performance data may trace back to information prior to 2024 or extend to the most recent data in 2026. The Company has not restated any information from previous reporting periods.

Scope and Boundary of the Report

The social and environmental information presented in this report primarily pertains to MBI Inc. (hereinafter referred to as MBI), while the financial information and certain content also include subsidiaries such as MBI (Shanghai) Inc. For detailed parent-subsidiary structure, please refer to MBI's Annual Report for the Year 2025.

Information Calculation Basis

All information and statistical data disclosed in this report are derived from MBI’s own statistics and investigations. Some financial performance data are referenced from audited financial statements certified by accountants. All financial figures in this report are expressed in New Taiwan Dollar. The collection, measurement, and calculation methods of data are primarily based on compliance with regulatory requirements. If regulations do not specify particular provisions, international standards shall be applied. In the absence of applicable international standards, industry standards or industry practices shall be referenced.

Report Management Approach

The report is compiled by members of the MBI Sustainability Report Preparation Team, with personnel from various company departments mobilized to assist in providing relevant information. The report must be reviewed by department heads and the General Manager to verify the accuracy of the information, and subsequently approved by the Chairman prior to publication.

Issuance

The report is issued annually and is available for browsing and download on the MBI website and the Market Observation Post System.
Current issued version: August 2026

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MBI Official Website
Sustainability Section

Message from the Chairman

The future is now in progress!

Since its establishment in 1998, MBI has successfully developed 23 advanced implantable medical devices applied in orthopedics, dentistry, ophthalmology, medical aesthetics, surgery, otolaryngology, and other fields, and has obtained a total of 126 product licenses across Taiwan, the European Union, the United States, Indonesia, Malaysia, the Philippines, the Middle East, Russia, the Philippines, Thailand, Indonesia, Peru, Brazil, Australia, and China. MBI's vision is to develop disease solutions through hyaluronic acid and collagen, striving to 'join and improve human life.'

In the Year 2025, MBI has fully implemented the operational policy of 'producing quality products, serving global customers, and supporting customers' globalization,' accelerating internationalization and continuously managing multiple national markets. We have invested resources in the Southeast Asian and South American markets and collaborated with TCI Group's various business locations to jointly participate in Hospitalar, Intercharm, and Supply Site West, thereby establishing long-term partnerships with customers.

In product development, we continuously pursue product differentiation to create market niches, achieve breakthrough innovation, and develop superior and more efficient products; In production, we accelerate the advancement of automated equipment to improve production efficiency; Regarding labor-employer relations, we convened four Labor-Management Meetings to gather employee feedback and continuously enhance employee welfare, including the introduction of activities such as TCI Coin events, afternoon tea, valuable English courses, stress-relief exercise classes, workplace tools, and various other programs, alongside incentive measures such as 'One Small Step for the Individual, One Giant Leap for Maxigen.'

Since 2023, MBI has progressively implemented ESG initiatives, including Greenhouse Gas Inventory, equipment upgrades for decarbonization, intelligent diagnostics, frequency converters, LED lighting, smart meters, and environmentally friendly tableware. In addition, regarding social engagement, the Company has collaborated with the Baby Home Social Welfare Association to complete the Safe Fruit Distribution Project and the Small Farmer Gardening Project, and held health education seminars with the Foundation For Childless Aging People to support elderly health. Moreover, the Company organized a Guanyin Mountain cleanup event with the Organic Associatio, leading its partners together towards Sustainable Development.

Chairman

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1. Preface

1.1 About MBI

MBI was established in 1998, publicly issued shares in 2011, and was listed on the stock exchange in 2013. As of the end of Year 2025, MBI employs a total of 157 staff worldwide, both domestically and internationally. We provide innovative products from five departments and have obtained product certifications including CE, FDA, NMPA, and MDSAP. Our sales footprint spans a total of 39 countries across Asia, Europe, Africa, and North America.

MBI primarily manufactures collagen, hyaluronic acid, and other surgical products, encompassing various upstream, midstream, and downstream industries, both biotechnological and non-biotechnological.

Upstream raw materials are sourced from bovine tissues from New Zealand and Australia (non-BSE regions) and fermentation-derived hyaluronic acid. The company also possesses in-house capability to produce advanced bioceramic raw materials.

For upstream equipment, to meet the requirements of specialized production processes, MBI collaborates with precision equipment manufacturers for customized design and validation before integrating them into production lines. Key equipment includes medical-grade stainless-steel reactors, centrifuges, freeze dryers, sterilizers, cleanrooms, and HVAC systems.

In the midstream sector, MBI supplies medical-grade collagen to medical device and cosmetic manufacturers.

Downstream sales channels cover hospitals, clinics, pharmacies, drugstores, and medical aesthetic centers.

MBI joined the TCI Group in 2021. The Group's business areas include health food, medical devices, genetic testing, daily necessities, and pet health food. Guided by the philosophy of 'establishing a bio-integrated design trading company,' the Company is dedicated to expanding across multiple upstream and downstream sectors within life health and daily consumer markets, thereby weaving a comprehensive and dense network. By leveraging TCI Group's global marketing resources, the Company forms a biotechnology alliance through vertical integration of domestic biotechnology firms and horizontally expands diversified product lines for international sales, thus achieving diversification. Single-channel customers can purchase not only medical devices but also health food products. We aim to promote Taiwan's health products and medical materials on the international stage, continue expanding our supply chain, collaborate with domestic and international customers, and further enhance the industry value chain. We also plan to invest significantly in research, development, and innovation, continuously developing and providing high-quality products that meet the evolving needs of our customers.

1.2 Organizational Structure

1.3 Company History

In 1998 Maxigen Biotech Inc. was established.
In 1999 The Company entered the Yangming University Biomedical Materials R&D Center and completed the manufacturing process development of the surgical hemostatic dressing.
In 2000 The Company completed the development of the injectable collagen prototype.
In 2001 The Company entered the Taipei Medical University Tissue Engineering R&D Center, developed orthopedic fillers, and obtained multiple government approvals.
In 2002 The Company established the Taipei Biomedical GMP factory, and the BIOFLASH product was launched. In 2003, Taipei Biomedical Factory obtained ISO quality system certification; expansion of Tainan skincare factory completed.
In 2004 Established strategic cooperation with a U.S. distributor; hyaluronic acid products received GMP certification.
In 2005 Multiple biomedical products received approval from the Taiwan Department of Health and the U.S. FDA.
In 2006 Launched Dr. Neo skincare products; Formagraft bone products received multiple awards.
In 2007 NASDAQ-listed company NuVasive Inc. made an equity investment; Tainan skincare factory obtained ISO9001 certification.
In 2008 The injectable bone filler material technology project passed government review.
In 2009 Multiple biomedical products obtained marketing authorization in the European Union and Taiwan; the Tainan skincare factory obtained GMP and ISO certifications.
In 2010 Capital increased by cash; acquired qualification as a biotechnology new drug company; SurgiAid collagen dressing was launched.
In 2011 Public stock offering and OTC listing; multiple biomedical products obtained marketing authorization in multiple countries.
In 2012 Collaborated with Exactech, a company listed on the NASDAQ in the United States.
In 2013 Officially listed on the stock exchange.
In 2014 Multiple biomedical products obtained health permits in Taiwan and Singapore.
In 2015 Conducted a private placement of convertible preferred shares; the U.S. FDA conducted another factory inspection.
In 2016 Multiple products obtained marketing authorizations from China CFDA and Taiwan TFDA.
In 2017 The AttraX Scaffold, developed in cooperation with NuVasive, obtained marketing authorization in the United States.
In 2018 Received a subsidy of New Taiwan Dollar 43.2 million approved under the Forward-looking Technology R&D Program.
In 2019 ArtiAid®Plus Intra-articular Injection obtained CE marketing authorization.
In 2020 ArtiAid®Plus Intra-articular Injection obtained marketing authorization in Malaysia.
In 2021 Multiple biomedical products obtained marketing authorizations in Southeast Asia and Ukraine.
In 2022 ArtiBest® Intra-articular Injection obtained marketing authorizations in multiple Southeast Asian countries.
In 2023 Multiple biomedical products obtained marketing authorizations in Taiwan, the Middle East, and Ukraine.

1.4 Operational Overview

Operating Revenue

2023	2024	2025
6.22	6.80	8.11

NT$ Billion

Operating Cost

2023	2024	2025
1.98	1.97	2.47

NT$ Billion

Gross Profit

2023	2024	2025
4.24	4.83	5.63

NT$ Billion

Operating Expenses

2023	2024	2025
2.74	3.03	3.02

NT$ Billion

Operating Profit (Loss)

2023	2024	2025
1.49	1.79	2.61

NT$ Billion

Non-operating Income and Expenses

2023	2024	2025
0.43	0.45	0.43

NT$ Billion

Profit Before Tax

2023	2024	2025
1.93	2.25	3.04

NT$ Billion

Net Income (Loss) for the Period

2023	2024	2025
1.65	1.90	2.65

NT$ Billion

Earnings Per Share (EPS)

2023	2024	2025
1.86	2.13	2.96

NT$

1.4.1 2025 Sustainability Performance

Environment

- Completed ISO 14064-1:2018 Greenhouse Gas Inventory and Verification/Validation
- Awarded the Taoyuan City Low-Carbon Technology Industry Subsidy and Incentive Program for four consecutive years
- Subsidy for Low-Carbon and Smart Upgrade Transformation Projects for Small and Medium-sized Manufacturers with 10 or More Employees
- 2025 Taoyuan City SME Smart Manufacturing Subsidy Program

Society

- No major occupational injuries or occupational diseases occurred.
- Held four labor-management coordination meetings.
- Fire safety training attended by 84 participants, totaling 336 hours.
- Sexual harassment prevention training attended by 138 participants, totaling 138 hours

Governance

- Board of Directors self-assessment results rated Good (4) or above
- Functional Committees self-assessment results all rated Good (4)
- Zero incidents of violations related to integrity, ethics, or legal compliance
- Zero incidents of violations involving corruption, bribery, conflict of interest, money laundering, or insider trading
- 100% of employees signed the Integrity Management Code of Conduct and Ethics Declaration
- Maintain 100% annual regular evaluation of suppliers
- Customer satisfaction score of 9.37 out of 10
- 141 participants completed information security training

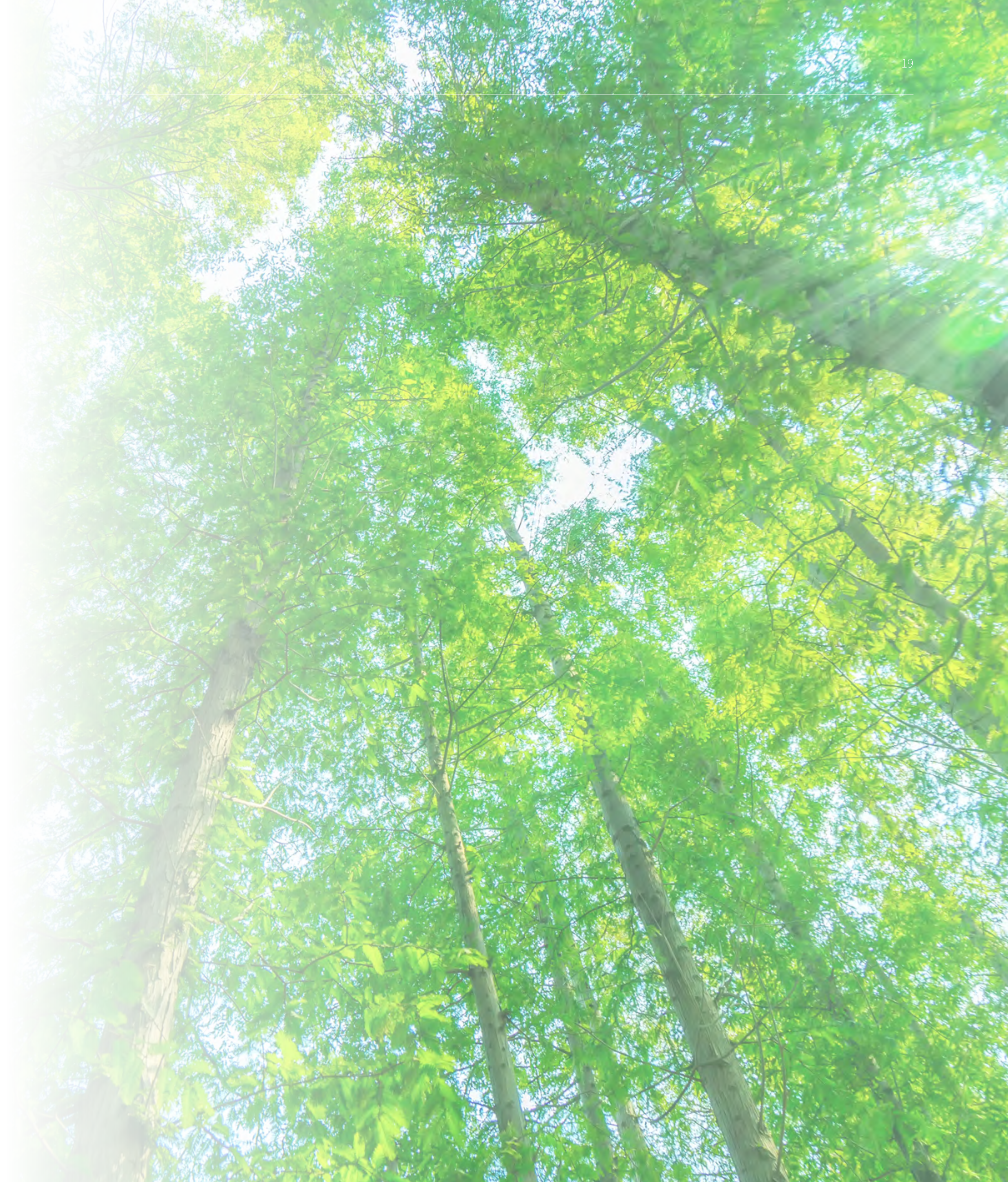
1.4.2 Historical Awards and Recognitions

- 2025 28th National Quality Award – Management and Technology Benchmark Award
- 2025 Mittelstand Potential Enterprise Award
- 2025 Taiwan Biotech Industry Value Survey – Top 100 Enterprises
- 2025 2025 Taiwan Biomedical Industry Best Female Leader
- 2024 World Quality Evaluation Award
- 2023 ACES Asia Corporate Excellence & Sustainability Awards
- 2023 National Brand Yushan Award Certificate – Outstanding Corporate Leader
- 2023 National Brand Yushan Award Certificate – Most Popular Brand
- 2023 National Brand Yushan Award Certificate – Best Product
- 2023 Taiwan BIO Award – Potential Benchmark Award
- 2023 Silver Award for Happy Enterprise
- 2023 U.S. BioTech Breakthrough Award – 'Nutrition and Health Food of the Year'
- 2022 National Brand Yushan Award Certificate – Outstanding Enterprise
- 2022 SNQ Symbol of National Quality

2. Management Philosophy and Sustainability Strategy

2.1 Management Philosophy

2.2 Promotion of Sustainable Development Mechanisms and Strategies



2.1 Management Philosophy

MBI embraces 'Joining and Improving Consumers' Lives' as its corporate vision, upholding the management principles of Trust, Creation, and Intelligence to generate value for diverse stakeholders. MBI emphasizes sustainable development, committed to implementing consistent ESG policies, strengthening corporate governance, promoting environmental sustainability, and fostering social prosperity. MBI identifies six United Nations Sus-tainable Development Goals (SDGs) closely related to its operations, continuously integrating economic, environmental, ecological restoration, human rights, and integrity practices into its operations, with the Board of Directors as the highest supervisory authority overseeing substantive actions across all levels.

Goal 3 | Good Health and Well-being

The Company focuses on developing safe and effective collagen and hyaluronic acid products, committed to enhancing users' health and quality of life.

Goal 8 | Decent Work and Economic Growth

We create stable employment, provide competitive salaries and a healthy workplace, uphold labor rights, and promote local economic development.

Goal 9 | Industry, Innovation and Infrastructure

Continuously invest in research and development and process optimization to promote the advancement of the biotechnology industry, enhancing product quality and production efficiency.

Goal 12 | Responsible Consumption and Production

Implement resource conservation and waste reduction, ensure product safety and traceability, and minimize environmental impact.

Goal 13 | Climate Action

Enhance energy efficiency and reduce carbon emissions to proactively address the challenges of climate change.

Goal 16 | Peace, Justice, and Strong Institutions

Adhere to regulations and business ethics, and strengthen governance and internal controls, ensure operational transparency and safeguard stakeholders' rights and interests.

2.2 Promotion of Sustainable Development Mechanisms and Strategies

2.2.1 Promotion of Sustainable Development Mechanisms

MBI upholds its commitment to sustainable development by actively implementing a series of strategies across the three key dimensions of Environment, Social, and Corporate Governance (ESG). Firstly, we have established sustainable policies that are specific and concrete, tailored to industry characteristics, with long-term objectives to reduce environmental impact, enhance energy efficiency, and promote resource recycling and circular utilization. By employing clear ESG performance indicators, such as electricity consumption control, carbon emission reduction, and labor-employer relations, we not only ensure measurable results but also steadily advance the realization of our sustainable development vision.

In addition, the Company will leverage digital technologies to continuously improve management systems and AI energy-saving solutions to optimize resource utilization. Simultaneously, internal sustainable development training is conducted to cultivate employees' environmental awareness and foster a culture of sustainability.

At each stage, we disclose progress through a transparent reporting system, continuously demonstrating the Company's advancement and effectiveness in achieving sustainability objectives. Through these diverse measures, we not only demonstrate our commitment to sustainable development but also lay a concrete foundation for a sustainable future.

2.2.2 Sustainable Development Strategies

Environmental - E

1. Reduction of Greenhouse Gas Emissions

- Gradually enhance the energy efficiency of production facilities by introducing low-carbon technologies to reduce greenhouse gas emissions.
- Adopt renewable energy (such as solar power) and establish carbon reduction targets, regularly disclose carbon emission data, and enhance the Company's transparency in environmental protection.

2. Implementation of Energy Management System

- The Company implements an energy management system to improve energy use efficiency and reduce unnecessary energy consumption through data monitoring and optimized management.
- Establish energy performance indicators to continuously monitor and improve energy usage, ensuring compliance with International Standards and regulatory requirements.

3. Promote Green Production and Waste Management

- Implement green procurement policies by selecting raw materials that comply with environmental protection standards.
- Promote waste classification and recycling, prioritizing reduction, reuse, and recycling to minimize the volume of waste ultimately sent to landfills or incinerators.
- Actively explore the reduction and recyclability of packaging materials.

Social - S

1. Ensure Product Safety and Enhance Customer Well-being

- Strictly enforce quality control to ensure products comply with safety standards.
- Provide transparent product information to enable consumers to understand ingredient sources.
- Optimize the customer service system, continuously collect customer feedback, and improve products and services accordingly.

2. Provide A Safe and Healthy Working Environment

Enhance workplace safety management through 6S methodology, conduct regular health and safety training, and ensure employees work in a hazard-free environment.

3. Employee Development

- Evaluate employees' potential and performance using the talent nine-box grid, develop personalized career development plans, and provide appropriate skills training and promotion opportunities to enhance employee satisfaction and retention.
- Regularly review and optimize compensation and career development policies to ensure fairness, reduce internal disparities, and promote long-term talent development and organizational growth.

2.2.2 Sustainable Development Strategies

Governance - G

1. Strengthen Regulatory Compliance and Anti-Corruption

- Establish internal compliance policies to ensure adherence to government regulations, industry standards, and international guidelines.
- Conduct regular regulatory risk assessments and internal audits.
- Implement a 'zero tolerance' anti-corruption policy (prohibiting bribery, gifts to public officials, and commercial bribery).
- Establish a conflict of interest disclosure mechanism to prevent improper relationships between employees and suppliers or customers.
- Establish internal whistleblowing channels to ensure employees can report misconduct anonymously.
- Regularly conduct compliance and anti-corruption training to enhance risk awareness among all employees.

2. Strengthen Supply Chain Management and Promote Information Transparency

- Promote a green supply chain by gradually increasing the adoption of environmentally friendly materials and low-carbon processes.
- Enhance supply chain transparency through blockchain technology to ensure procurement processes are compliant and traceable.

Economic

1. Promote Technological Innovation to Increase Product Added Value

- Develop plant-based collagen to reduce reliance on animal- derived raw materials and enhance supply chain resilience.

2. Capacity Expansion and Market Development

- Increase production lines and optimize processes to meet market demand and strengthen supply capabilities.
- Expand international markets and emerging application areas to enhance brand competitiveness and business growth.
- Implement automation and refine production technologies to enhance production efficiency and optimize resource utilization.

3. Establish A Sustainable Business Model to Achieve Long-term Economic Benefits

- Optimize production processes, reduce raw material waste and energy consumption, and lower manufacturing costs.
- Implement material recycling and reuse technologies, such as recycling process waste to reduce reliance on raw materials.
- Adopt sustainable materials and energy-efficient equipment to increase the proportion of green manufacturing.

3. Identification and Analysis of Material Topics

3.1 Implementation Steps

3.2 Stakeholder Engagement

3.3 List of Material Topics

MBI complies with the Global Reporting Initiative (GRI) Universal Standards 2021 issued by the Global Reporting Initiative, and references industry sustainability trends, the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-Related Financial Disclosures (TCFD), and significant domestic and international regulatory developments.

Adopting the materiality principle, it systematically identifies key stakeholders and significant sustainability topics, manages them, and sets targets as the basis for preparing the Sustainability Report and responding to stakeholders.

3.1 Implementation Steps

3.1.1 Identification of Stakeholders

The MBI Sustainability Report is prepared in accordance with the five principles of the AA1000 Stakeholder Engagement Standard (AA100 0 SES, 2018): Responsibility, Influence, Tension, Diverse Perspectives, and Dependency, to evaluate the extent of stakeholder interaction. The six key stakeholders ultimately identified comprise Customers, Shareholders/Investors, Suppliers, Employees, Communities/Local Organizations, and Government/Academic Institutions.

3.1.2 Collection of Sustainability Topics

To achieve sustainable development and address international trends, MBI referenced the GRI Standards, SDGs (Sustainable Development Goals), SASB, TCFD, industry concerns, and stakeholder communication processes to collect and consolidate 26 sustainability topics.

Environmental

1. Climate Change and Carbon Management
2. Energy Management
3. Ecological Conservation
4. Water Resource Management
5. Waste Management

5 items

Social

1. Labor-Employer Relations
2. Labor Rights and Equality in the Workplace
3. Talent Development and Training
4. Talent Recruitment and Retention
5. Occupational Safety and Health
6. Customer Relationship Management
7. Product Quality and Safety
8. Service Quality and Customer Rights
9. Information Disclosure and Transparency
10. Anti-Competitive Practices
11. Social Welfare Contributions and Donations

11 items

Governance

1. Operational Performance
2. Governance Framework
3. Integrity Management
4. Regulatory Compliance
5. Risk Management
6. Financial Transparency
7. Innovation and Research & Development
8. Shareholders' Equity
9. Stakeholder Communication and Grievance Mechanism
10. Supply Chain Management

10 items

3.1.3 Survey of Stakeholders' Concern Levels

MBI collects communications and responses concerning issues of interest from stakeholders. The communication method utilizes questionnaires to comprehensively gather suggestions and expectations from stakeholders, using this feedback as a critical reference for formulating operations and sustainable development strategies to ensure responses align with stakeholders' needs.

3.1.4 Impact Assessment

MBI's senior management identifies the impact of sustainability issues on operations, assessing according to the double materiality principle by considering both 'organizational impact' (external dimension – the impact of organizational activities on the world) and 'sustainable development impact' (internal dimension – the financial impact of sustainability issues on the organization). At the external dimension, the impact of each issue on customer partnerships, environmental effects, and social effects is evaluated; at the internal dimension, the impact of each issue on organizational revenue and operational risks is assessed.

3.1.5 Identification of Significant Sustainability Issues

This year, the General Manager and five center supervisors re-reviewed the internal and external operating environment and stakeholder concern trends, and confirmed that the double materiality impact of the eight material sustainability issues identified last year — on the Company's revenue, operational risk, and external social/environmental impact — has not changed significantly. Therefore, the Company has resolved to continue using last year's eight material topics as the core basis for subsequent strategic direction and information disclosure this year.

1. Climate Change and Carbon Management
2. Occupational Safety and Health
3. Product Quality and Safety
4. Innovation and Research & Development
5. Regulatory Compliance
6. Labor-Employer Relations
7. Risk Management
8. Governance Framework

3.2 Stakeholder Engagement

3.2.1 Stakeholder Engagement Methods

MBI collects communications and responses concerning stakeholder issues via questionnaires distributed by the Sustainability Report Preparation Team to each contact person.

MBI, through diverse and effective communication channels, extensively gathers stakeholders' suggestions and expectations, and reports the feedback to the Sustainability Report Preparation Team as a key reference for formulating operations and sustainable development strategies.

Stakeholder Categories	Key Issues	Communication Channels	Communication Frequency	Communication Outcomes in the Year 2025
Shareholders / Investors	4.1 Governance Framework 4.2 Operational Performance 4.3 Integrity Management 4.7 Product Quality and Safety 4.9 Innovation and Research & Development	• Annual General Meeting • Institutional Investor Briefings • Financial Reports • Company Official Website • Shareholder Service Email • Investor Forum	Annually Quarterly Quarterly Irregularly Irregularly Irregularly	• Convened one Shareholders' Meeting • Convened four Institutional Investor Briefings. • Regularly and irregularly updated important information on Market Observation Post System • Responded promptly to investor conference calls and emails.
Customers	4.1 Climate Change and Carbon Management 4.3 Integrity Management 4.4 Regulatory Compliance 4.5 Risk Management 4.7 Product Quality and Safety	• Customer satisfaction surveys • Company Official Website • Business review meetings with customers	Annually Ad hoc Ad hoc	• Collected customer satisfaction scores annually. • Provided immediate feedback on customer demands. • Customer satisfaction survey score of 9.37 in Year 2025 (out of 10)
Supplier	4.4 Regulatory Compliance 4.5 Risk Management 4.7 Product Quality and Safety 5.2 Occupational Safety and Health	• Document review and annual audit inspections • Review meetings with suppliers	Annually Irregularly	• Performed on-site inspections for 4 suppliers and completed document-based assessments for 20 suppliers. • Irregular meetings held with suppliers for discussion.
Employees	4.2 Operational Performance 5.1 Labor-Employer Relations 4.7 Product Quality and Safety 5.2 Workplace Safety and Health	• Labor-Management Meeting • Employee Performance Evaluation • Welfare Committee Meeting • Company Intranet • Whistleblowing Mailbox	Quarterly Semiannually Irregularly Irregularly Real-time	• Labor-Management Meetings received a total of 10 employee proposals and opinions, all addressed through open communication channels. • Conducted regular or ad hoc advocacy, education, and training.
Community / Local Organizations	5.3 Social Participation 6.5 Waste Management	• Corporate donations or participation in various public welfare activities • Industry-academia-research collaboration • Company Official Website	Ad hoc Ad hoc Ad hoc	• Donated over NT$30,000 to the Taiwan Baseball Sprouts Development Association to sponsor a Christmas event. • Donated Christmas gifts worth over NT$30,000 to the Sunshine Social Welfare Foundation, with 26 employee volunteers assisting in gift wrapping and writing greeting cards.
Government / Academic Institutions	4.9 Innovation and Research & Development 5.3 Social Participation 6.1 Climate Change and Carbon Management 6.2 Greenhouse Gas Emissions 6.3 Energy Management 6.4 Water Resource Management 6.5 Waste Management	• Official correspondence • Market Observation Post System • Company Official Website • Policy briefing meetings with regulatory authorities	Real-time Real-time Irregularly Irregularly	• Continuous communication and ongoing optimization of management systems concerning major issues such as corporate governance, environment protection, labor rights, occupational health and safety, and related topics.

3.2.2 Material Issues and Value Chain Analysis

Material Issues	Within the Organization	Stakeholders					
		Upstream	Downstream				
	Company Operations	Supplier	Customers	Investors / Shareholders	Community / Local Groups	Government / Academic Institutions	Employees
Product Quality and Safety	●		●	●		●	●
Innovation and Research & Development	●		●	●		●	●
Risk Management	●	●	●	●	●	●	
Governance Framework	●	●	●	●	●	●	●
Labor-Employer Relations	●	●		●	●	●	●
Regulatory Compliance	●	●	●	●	●	●	
Occupational Safety and Health	●	●			●	●	●
Climate Change and Carbon Management	●	●	●	●	●	●	

3.3 List of Material Topics

The Company formulates corresponding policies and management actions based on the impact nature of each material topic, and regularly reviews the achievement rate of targets. The management measures for each material topic are described separately in the corresponding response sections below

Material Topics in the Year 2025	Corresponding GRI Standard Topics	Implementation of SDGs	Significance to MBI	Response Section
Product Quality and Safety	GRI 416: Customer Health and Safety 2016 GRI 417: Marketing and Labeling 2016	SDG 3: Good Health and Well-being	Ensure product safety and quality meet medical standards, enhance customer trust, and sustain market competitiveness.	5.1 Product Quality and Safety
Occupational Safety and Health	GRI 403: Occupational Health and Safety 2018	SDG 3: Good Health and Well-being	Provide a safe working environment, safeguard employee health, and enhance employee well-being and production efficiency.	5.3 Occupational Safety and Health
Labor-Employer Relations	GRI 401: Labor-Employer Relations 2016 GRI 405: Employee Diversity and Equal Opportunity 2016	SDG 8: Decent Work and Economic Growth	Maintain harmonious labor-employer relations to enhance employee satisfaction and productivity, thereby attracting and retaining outstanding talent.	5.2 Labor-Employer Relations
Innovation and Research & Development	GRI 203: Indirect Economic Impacts 2016 GRI 416: Customer Health and Safety 2016	SDG 9: Sustainable Industry and Infrastructure	Promote technological innovation to enhance product value, support the advancement of the biotechnology industry, and strengthen the Company's market position.	4.8 Innovation and Research & Development
Climate Change and Carbon Management	GRI 305: Emissions 2016	SDG 13: Climate Action	Reduce carbon emissions to minimize environmental impact, demonstrate commitment to sustainable operations, and meet stakeholders' expectations for environmental protection.	6.1 Climate Change 6.2 Greenhouse Gas Emissions
Risk Management	GRI 2: General Disclosures (Including Risk Management)	SDG 16: Peace, Justice, and Strong Institutions	Establish a comprehensive risk control mechanism to ensure operational stability and mitigate legal, financial, and operational risks.	4.4 Regulatory Compliance 4.5 Risk Management 4.6 Information Security
Governance Framework	GRI 2: General Disclosures (Governance Framework Related)	SDG 16: Peace, Justice, and Strong Institutions	Enhance corporate governance transparency to improve decision-making efficiency and stakeholder trust.	4.1 Governance Framework 4.3 Integrity Management
Regulatory Compliance	GRI 419: Socioeconomic Compliance	SDG 16: Peace, Justice, and Strong Institutions	Ensure compliance with all applicable regulations to mitigate legal risks and enhance the legality and reliability of company operations.	4.4 Regulatory Compliance

4. Economic and Governance Aspects

4.1 Governance Framework

4.1.1 Board Composition

The Board of Directors consists of nine members, including three independent directors, chaired by Mr. Lin, Yung-Hsiang, who serves as the convener. To implement the principle of diversified governance, in 2025 women held two seats on the Board of Directors (accounting for 22.22%) and men held seven seats (accounting for 77.78%), demonstrating a commitment to gender diversity. In terms of age distribution, members range from 36 to 70 years old, combining innovative thinking with extensive experience. Detailed information is provided in Table 1 below.

4.1.2 Operation

MBI's Board of Directors convenes at least one meeting per quarter and reports the management team's work content and improvement status to the Board. In 2025, the Board held a total of six meetings (A), with an average attendance rate of 91%, and an attendance rate of 100% including proxy attendance. Important resolutions of the Board of Directors are promptly disclosed on the Market Observation Post System. Directors disclose any interests related to matters discussed during meetings that involve themselves or the legal entities they represent and recuse themselves from voting.

To strengthen the functions of the Board of Directors, Functional Committees are established under the Board according to their authority and function to assist in reviewing various proposals, ensuring the quality of the Board's decision-making.

The Company's Board of Directors attaches great importance to sustainable governance. In 2025, all directors completed sustainability-related training courses on December 26, 2025, including "Sustainable Governance Trends and Corporate Carbon Reduction Pathways" and "Cybersecurity Challenges and Governance Strategies in the Wave of AI." Each director undertook six hours of training. This training strengthened directors' understanding of ESG issues and enhanced their ability to assess sustainability-related risks and opportunities in decision-making.

4.1.3 Remuneration Policy

The Company's director remuneration is administered in accordance with the 'Regulations Governing the Remuneration of Directors and Managers.' Director remuneration includes director compensation and business execution expenses. For the director remuneration bracket table and payment standards, please refer to pages 13–14 of the Company's 2025 Annual Report.

The Company's senior management remuneration system is proposed by the Remuneration Committee to the Board of Directors for approval. In addition to fixed salary and retirement pension, performance bonuses are calculated based on the achievement of various performance indicators, and the retirement system for senior management is the same as for other employees. For the 2025 salary and remuneration bracket table for senior management, please refer to pages 15–17 of the Company's 2025 Annual Report.

Table 1 Board of Directors Overview

Title	Name	Gender	Nationality	Age						Professional Competence							
				36–40 years old	41-45 years old	46-50 years old	51-55 years old	56-60 years old	66-80 years old	Operational Judgment	Accounting and Financial Analysis	Business Management	Crisis Management	Industry Knowledge	International Market Perspective	Leadership Competence	Decision-Making Competence
Corporate Director Representative	Yung-Hsiang Lin	Male	ROC			V				V	V	V	V	V	V	V	V
Corporate Director Representative	Chi-Jui Li	Male	ROC		V					V	V	V	V	V	V	V	V
Corporate Director Representative	Shih-Ming Lai	Male	ROC			V				V	V	V	V	V	V	V	V
Corporate Director Representative	Ching-Ting Chen	Female	ROC	V						V	V	V	V	V	V	V	V
Corporate Director Representative	Chen-Chen Fu	Female	ROC				V			V	V	V	V	V	V	V	V
Corporate Director Representative	Chih-Cheng Tsai	Male	ROC					V		V	V	V	V	V	V	V	V
Independent Director	Sung-Yuan Liao	Male	ROC						V	V	V	V	V	V	V	V	
Independent Director	Chung-Ming Tseng	Male	ROC				V			V	V	V	V	V	V	V	V
Independent Director	Shih-An Chen(Note 1)	Male	ROC						V	V	V	V	V	V	V	V	V

Note 1: Former Independent Director Shih-Ming Li resigned in December 2024. In June 2025, the Company held a by-election and Shih-An Chen was elected as the new Independent Director. In July 2025, Chung-Chia Investment Development Co., a corporate director, also replaced its representative with Chi-Jui Li.

4.1.4 Functional Committees

In addition to establishing the Audit Committee and the Remuneration Committee in accordance with legal requirements, MBI has voluntarily established the Nomination Committee and the Risk Management Committee. The composition, responsibilities, and average attendance rate in 2025 of each Functional Committee are detailed in Table 2 below.

The company's compensation system is based on a comprehensive assessment of job responsibilities, performance, and market standards, balancing the goals of attracting and retaining outstanding talent with alignment to the company's sustainable management objectives. The remuneration of directors and senior executives is reviewed by the Remuneration Committee and submitted to the Board of Directors for approval. The compensation structure includes fixed salary, performance bonuses, and non-monetary benefits. Regular reviews are conducted to ensure market competitiveness and reasonableness, thereby maintaining fairness, transparency, and compliance with regulatory requirements.

Table 2 Functional Committees

Committee Name	Responsibilities	Number of Meetings	In-Person Attendance Rate	Online Attendance Rate	Proxy Attendance Rate
Audit Committee	Responsible for establishing and revising internal control systems, procedures for handling significant financial and business activities, auditing securities, financial reports, and matters involving Directors' conflicts of interest.	5	88.89%	22.22%	11.11%
Remuneration Committee	Responsible for establishing and reviewing policies on the performance evaluation and remuneration of Directors and Managers, and regularly assessing and determining their remuneration.	5	88.89%	22.22%	11.11%
Nomination Committee	Formulating the selection criteria for Directors (including Independent Directors) and Senior Executives: Establishing and regularly reviewing Directors' continuing education plans, Directors' operational performance, and Assessment of Board of Directors Members and Succession Planning for Senior Executives.	2	83.33%	0%	16.67%
Risk Management Committee	Responsible for executing risk management decisions approved by the Board of Directors, supervising the establishment of risk management mechanisms, and overseeing the implementation and coordination of overall risk management.	1	80%	0%	20%

4.2 Operational Performance

Over the past year, the Company demonstrated robust operational performance by continuously innovating, optimizing resource management, and strengthening market positioning, effectively enhancing overall revenue, gross profit margin, and profitability. Our operational results not only met expectations but also demonstrated strong resilience amid market fluctuations and challenges. The company actively promotes digital transformation to enhance production efficiency and product quality, while expanding product market share both domestically and internationally.

Furthermore, we are committed to strengthening risk management mechanisms to ensure the long-term stable growth of the business, and continuously improving corporate governance and transparency to enhance the trust of investors and stakeholders.

Looking ahead, the company will continue to invest in research and development innovation, develop high value-added products, and promote environmentally friendly operational models to achieve sustainable growth and the creation of long-term value for all stakeholders.

4.2.1 Revenue Proportion

Main Products	Year 2023		Year 2024		Year 2025	
	Amount	%	Amount	%	Amount	%
Biomedical Products	601,701	96.72%	680,651	100%	811,564	100%
Consumer Products	20,414	3.28%	0	0	0	0
Total	622,115	100.00%	680,651	100%	811,564	100%

4.2.2 Operating Gross Profit and Gross Profit Margin

Year	Year 2023	Year 2024	Year 2025
Operating Revenue (A)	622,115	680,651	811,564
Operating Gross Profit (B)	424,094	483,325	563,722
Operating Gross Profit Margin (B)/(A)	68%	71%	69%

4.2.3 Annual R&D Expenditure

Year	Year 2023	Year 2024	Year 2025
Research and Development Expenses (A)	68,595	111,972	126,113
Net Operating Revenue (B)	622,115	680,651	811,564
Ratio (A)/(B)	11.03%	16.45%	15.54%

Note: The decline in the R&D ratio in 2023 was due to the deferral of outsourced R&D projects.

4.2.4 Number of Product Licenses

Year	Year 2023	Year 2024	Year 2025
Number of Product Licenses	92	109	126

4.3 Integrity Management

4.3.1 Integrity Management Policy

MBI is committed to complying with international and domestic laws and regulations related to Anti-Bribery and Anti-Corruption, upholding 'Integrity' as the highest principle of corporate governance, with zero tolerance for any violations or related activities. Internally, MBI has established the 'Integrity Management Code of Conduct,' 'Integrity Management Procedures and Behavioral Guidelines,' 'Procedures for Reporting Illegal, Unethical, or Dishonest Conduct,' and the Employee Work Code to explicitly demonstrate its integrity management policies. These policies stipulate that employees must not exploit their positions for unlawful gains or accept hospitality, gifts, kickbacks, embezzlement, or other illicit benefits. All employees have signed the 'Employee Integrity and Clean Governance Commitment Letter. MBI requires suppliers or other collaborators to sign the 'Contract Integrity Clause' and strictly enforces high standards of Anti-Bribery and Anti-Corruption policies as essential conditions for cooperation, thereby preventing corruption or bribery from the outset. Since 2019, the Company has reported annually to the Board of Directors on the implementation status of Integrity Management.

4.3.2 MBI Integrity Management Policy and Training

MBI upholds the core values of Integrity Management and corporate ethics, establishing a comprehensive Integrity Management Policy that clearly defines the code of conduct for Directors, Managers, and all employees. The Company is committed to creating a fair, transparent, and law-abiding operational environment. The key points of the Company's Integrity Management are as follows:

(1) Prevention of Improper Benefits and Fraud: Bribery, acceptance of bribes, provision of illegal political donations, improper donations or sponsorships are strictly prohibited, as is the acceptance or provision of unreasonable gifts, hospitality, or other improper benefits.

(2) Information and Asset Protection: Disclosure of trade secrets, product development information, or engagement in insider trading is prohibited; the abuse of Company assets, non-public information, or positional advantages for personal gain is strictly prohibited.

(3) Consumer Rights Protection: Any form of deception, misleading conduct, fraud, or actions that undermine consumer trust or damage their rights are prohibited.

(4) Conflict of Interest and Ethical Principles: Directors and Managers shall strictly adhere to the Principle of Conflict of Interest Avoidance. Internal personnel must not engage in or instruct others to engage in illegal or unethical conduct.

(5) Stakeholder Management: The Company conducts necessary background checks on suppliers, customers, and other stakeholders to mitigate risks of dishonesty and safeguard the Company's interests.

(6)The Company further enhances employees' awareness of legal compliance and integrity through education and training. In 2025, courses on 'Prevention of Insider Trading' and 'Protection of Trade Secrets' were conducted, with a total of 113 participants and a cumulative training duration of 169.5 hours, continuously fostering a culture of integrity within the organization.

Course Title	Training Date	Hours	Number of Trainees
Prevention of Insider Trading	2025/11/12	1.5 hours	18 people
Trade Secrets Protection	2025/11/14	1.5 hours	95 people

4.3.3 Integrity Management Performance in Year 2025

(1) Zero cases of business violations related to Integrity Management and Conflict of Interest regulations.

(2) Employee Integrity Management training coverage rate: 100%.

(3) In 2025, the signing rate of the 'Employee Integrity and Clean Governance Commitment Letter' by full-time employees was 100%.

4.4 Regulatory Compliance

MBI considers regulatory compliance a fundamental requirement to ensure that the Company adheres to governmental and international standards across Environmental, Social, and Governance (ESG) areas, as well as relevant operational regulations (such as advertising standards, product regulations, and personal data protection). We effectively manage compliance risks through internal controls, compliance training, and audit mechanisms to support the Company' s stable operations and sustainable development.

The company strictly complies with relevant laws and regulations and has established internal audit and compliance mechanisms to ensure that all business operations meet legal requirements. If any department identifies a situation that may involve regulatory issues, it will promptly report the matter to the competent authority and initiate internal review and improvement procedures.
The determination of a "major violation" is primarily based on whether the incident involves penalties imposed by competent authorities, criminal prosecution, or causes significant impact on the company's finances or reputation.
During the reporting period, no major violations occurred and no fines were incurred. Should any such matters arise in the future, they will be handled in accordance with established procedures and disclosed in the report.

4.4.1 Regulatory Compliance Framework and Operational Mechanism

(1) Monitoring Mechanism: The legal team regularly monitors regulatory changes to ensure that operational activities comply with government laws and international standards.
(2) Internal Audit and Regulatory Compliance Tracking: The audit department conducts regular compliance reviews, monitors the implementation of regulations across departments, and oversees the execution of related improvement plans to enhance risk control and regulatory compliance effectiveness.
(3) Regulatory Compliance Training: Compliance courses are provided to employees to improve overall awareness and adherence to relevant regulations.

4.4.2 Key Regulatory Compliance Areas and Management Measures

(1) Environmental Regulations: Comply with ISO 14064 verification requirements, conduct Greenhouse Gas Inventory, waste management, and energy-saving and carbon reduction measures.
(2) Labor and Social Responsibility Regulations: Adhere to the Labor Standards Act, the Gender Equality in Employment Act, and other relevant laws to protect employee rights and workplace safety.
(3) Corporate Governance Regulations: In accordance with the Corporate Governance Code and Securities Exchange regulations, ensure the operation of the Board of Directors, protection of shareholder rights, and information disclosure.

4.4.3 Operations-Related Regulations

(1) Advertising and Marketing Management: All product advertisements comply with the Medical Device Act and undergo legal review to prevent exaggerated, false, or misleading information.
(2) Product Regulatory Compliance: Products comply with the Medical Device Management Act and ISO 13485 requirements, and undergo clinical trials and safety monitoring.
(3) Personal Data and Trade Secrets Protection: Management of employee and customer personal data is conducted in accordance with the Personal Data Protection Act, and collaboration with external consultants (PwC) is established to conduct trade secret inventory and documentation, thereby strengthening information security controls.

4.4.4 Regulatory Compliance Audits and Remediation of Non-Compliance

(1) Upon discovery of a violation, immediately initiate corrective procedures and report to the competent authorities as appropriate.
(2) Establish a stakeholder communication mechanism to receive and respond to external opinions and suggestions regarding regulatory compliance.

4.4.5 Summary of Regulatory Compliance Performance for the Year 2025

(1) Medical products continuously comply with multinational regulatory certifications including TFDA, FDA, and MDSAP.
(2) Achieved ISO 14064 Greenhouse Gas Emissions verification to strengthen environmental compliance management. Achieved a 100% completion rate of employee personal data protection training to enhance data protection awareness.

4.5 Risk Management

MBI has established a prevention-oriented, company-wide participatory risk management mechanism, dedicated to building a robust and resilient operational system that strengthens the Company’ s adaptability in a rapidly changing environment and supports sustainable development. The risk management process comprises five key steps: risk identification, assessment, monitoring, response, and disclosure, integrated with annual objectives for comprehensive analysis and allocation of risk resources.

4.5.1 Risk Management Governance Framework

(1) The Board of Directors serves as the highest decision-making body for the Company's risk management, responsible for approving policies and overseeing their implementation.
(2) The Risk Management Committee is responsible for cross-departmental coordination, facilitating strategy execution and risk response.
(3) Each department conducts regular risk assessments based on the characteristics of its respective business and establishes response priorities accordingly.
(4) The Audit Office, as an independent supervisory entity, regularly reviews the effectiveness of risk control to ensure that mechanisms align with the Company's strategy.

4.5.2 Implementation of Risk Control through the 'Three Lines of Defense' Model

(1) First line: Business personnel in each unit conduct preliminary risk identification and control.
(2) Second line: Supervisory units are responsible for oversight and the formulation of specific response measures.
(3) Third line: The Risk Management Committee consolidates risk information and proposes strategic recommendations, while the Audit Office conducts audits.

4.5.3 Key Risk Types and Management Measures

MBI has established assessment and response mechanisms for nine major categories of risk:

Risk Type	Management Focus
Market Risk	Evaluate the impact of macroeconomic conditions, industry competition, and technological changes on operations.
Investment Risk	Manage investment volatility, interest rate, and exchange rate risks to maintain financial stability.
Credit Risk	Assess counterparty credit to mitigate default risk.
Operational Risk	Enhance internal control and quality management to minimize operational errors.
Legal Risk	Improve contract review, regulatory compliance, and dispute prevention.
Information System Risk	Implement backup systems and cybersecurity measures to ensure uninterrupted operations.
Occupational Safety and Health Risk	Perform preventive management based on risk levels to safeguard employees and external personnel.
Climate and Natural Disaster Risk	Assess the impacts of extreme weather and natural disasters, and establish contingency plans.
Other Risks	Proactively identify other potential significant risks and develop response strategies.

4.5.4 Risk Management Outcomes for the Year 2025

(1) Completion of the annual risk assessment and analysis of ESG-related risk factors.
(2) Submission of the risk management report to the Board of Directors in December 2025.

4.6 Information Security

MBI prioritizes information security and is committed to establishing a systematic information risk management framework to enhance cybersecurity resilience and operational stability. Since its inception, an Information Management Department has been established, and an 'Information Security Policy' along with specific management measures have been formulated. Through internal and external audits, management meeting reports, regular inspections, and employee training, comprehensive cybersecurity governance is fully implemented.

4.6.1 Information Security Management Mechanism

The Company's information security assessment encompasses five key areas:

(1) Information Architecture Review:
Regularly assess the redundancy and stability of operational systems (such as ERP and network equipment), analyze risks related to single points of failure and system resilience, and formulate improvement plans for identified deficiencies.

(2) Network Activity and Device Access Management:
Review device and account access permission records to ensure that authorization and monitoring mechanisms comply with internal control standards, thereby preventing unauthorized use.

(3) Equipment Vulnerability Scanning and Patching:
Regularly perform vulnerability scans on servers and network devices, and complete patching and updates for improper configurations and vulnerabilities to mitigate potential cybersecurity risks.

(4) Website Security Penetration Testing:
Conduct website penetration testing by simulating hacker behavior, encompassing three stages: data collection, analysis, and targeted attacks, to identify and remediate security vulnerabilities.

(5) Server Security Configuration Review:
Verify that critical settings such as domain account lockout and password policies comply with information security requirements to mitigate the risk of account misuse.

4.6.2 Information Security Audits and Training

The Company has established a comprehensive information security mechanism, undergoing internal and external audits and cybersecurity risk assessments annually, maintaining a strong record of no major deficiencies as of 2025. In terms of infrastructure, enhanced protective measures such as firewalls and data backup systems have been progressively implemented since 2018. In terms of personnel training, from 2023 to 2025, a total of 3 cybersecurity training sessions were conducted, with a cumulative attendance of 405 participants and a total training duration of 202.5 hours. To further enhance its information security protection level, the Company officially obtained ISO 27001 certification in 2026. Going forward, cybersecurity training will be conducted semi-annually to systematically deepen all employees' cybersecurity awareness and response capabilities

Year	Month	Number of Trainees	Training Hours
2023	October	127 persons	63.5 hours
2024	October	137 persons	68.5 hours
2025	October	141 persons	70.5 hours
Total		405 persons	202.5 hours

4.7 Supply Chain Management

MBI adheres to the principles of equality, mutual benefit, and integrity cooperation to establish long-term partnerships with suppliers, striving to build a stable and re- sponsible supply chain system. The Company not only emphasizes product quality but also focuses on suppliers' performance in social responsibility, environmental protection, and integrity management. Through system development, contractual provisions, and on-site communication mechanisms, it promotes the sustainable development of the supply chain.

4.7.1 Supplier Responsibility Management Policy

MBI implements the following strategies for key suppliers:

(1) Collaboration and Communication Mechanism: Assess suppliers' social responsibility practices through questionnaires, interviews, and training programs.

(2) Differentiated Management Principles: Taking into account factors such as regional regulations, industry characteristics, and operational scale of suppliers, encourage compliance and enhance awareness of responsibilities.

(3) Contractual Provisions: Include ESG-related clauses in contracts with key suppliers to reinforce the fulfillment of environmental, social, and governance responsibilities. If a supplier violates regulations and causes substantial negative impacts on the community, MBI may request corrective actions and, in severe cases, terminate the partnership.

4.7.2 Labor Rights and Occupational Health and Safety Management

In the supplier selection and management process, MBI incorporates the following social responsibility standards:

(1) Prohibition of child labor and forced labor.

(2) Compliance with local regulations regarding working hours and wages.

(3) Prohibition of discrimination and protection of freedom of association.

(4) Establishment of occupational health and safety mechanisms.

4.7.3 Environmental Protection Principles

Suppliers shall cooperate in promoting energy conservation, waste reduction, and pollution prevention, focusing on the following key areas:

(1) Procurement decisions consider the environmental and social impacts on the supplier community.

(2) Reduce energy consumption, water usage, and material waste.

(3) Properly manage waste and hazardous substances to ensure compliance with environmental regulations.

4.7.4 Integrity Management and Ethical Standards

The Company has implemented a Code of Integrity Management and Conduct Guidelines, requiring suppliers to:

(1) Adhere to the principles of fair trade, intellectual property rights, false advertising, and anti-corruption.

(2) Conduct transactions in an open and transparent manner, incorporating integrity clauses into contracts.

(3) If a supplier is involved in dishonest conduct of significant severity, the contract may be terminated.

4.7.5 Implementation Results and Subsequent Initiatives

(1) 2020: Completed signing social responsibility commitment letters with eight new trading suppliers.

(2) From 2021 onward: Fully incorporate sustainability clauses into supplier contracts.

4.8 Innovation and Research & Development

4.8.1 Innovation and Research & Development Investment and Outcomes

(1) R&D Investment Ratio: Over the past six years, R&D investment has averaged approximately 14.9% of revenue. In 2025, actual R&D expenditure accounted for 15.54% of revenue (NT$126,113 thousand), maintaining a consistently high R&D intensity.
(2) Expansion of R&D Team: R&D personnel increased from 19 in 2021 to approximately 35 in 2025, with over 90% holding a master's degree or higher.
(3) R&D Output: As of 2025, cumulative totals are as follows:
- Published 51 international journal articles
- Accumulated 14 patents across various countries (8 in Taiwan, 2 in the United States, and 4 in China) and 152 trademarks
- Accumulated 126 product licenses (53 in 2021, representing a growth rate of 137.7%)

4.8.2 Product Innovation and Market Deployment

(1) Accelerate product launch: Simultaneously develop Class I, II, and III medical devices to shorten development cycles and enhance the product portfolio.
(2) Clinical research support: In 2025, invested in two clinical trials, published one clinical paper, and completed the design of three new products; it is anticipated that three new products will enter pilot production in 2026, with three products launching in 2027.

4.8.3 Advanced Technology Research and Development Projects

(1) New-generation intra-articular injectable: Building on existing hyaluronic acid intra-articular injectables, incorporating multifunctional polymers or active substances to develop longer-lasting, multi-functional medical devices for treating degenerative arthritis.
(2) New-generation aesthetic dermal filler: Utilizing novel cross-linking technology and an active ingredient screening platform to develop next-generation dermal fillers, shifting the approach from purely physical volumizing toward stimulating the body's own collagen regeneration, with an emphasis on natural appearance and long-lasting results.
(3) Injectable anti-adhesion filler: Used to prevent tissue adhesion following spinal, gynecological, or gastrointestinal surgery. Existing products are mostly film-based formulations with limited application; this product has been reformulated as an injectable that can be applied to surfaces of various shapes, significantly improving clinical convenience. Both the candidate formulation and mass production process have been established.
(4) Regenerative composite bone substitute material: Combining collagen/calcium phosphate ceramic bone material technology with synthetic biology, incorporating novel active factors to develop implantable orthopedic/dental bone materials that actively promote tissue regeneration. This is an innovative product with no similar products currently on the market globally, with preclinical testing expected to be completed within 3 to 4 years.
(5) Collagen injectable: Integrating a collagen matrix with hyaluronic acid cross-linking technology while preserving the complete triple-helix structure, offering the dual benefits of immediate volumizing and enhanced tissue integration, targeting the premium anti-aging aesthetic medicine market.

4.8.4 Innovation Management Systems and Processes

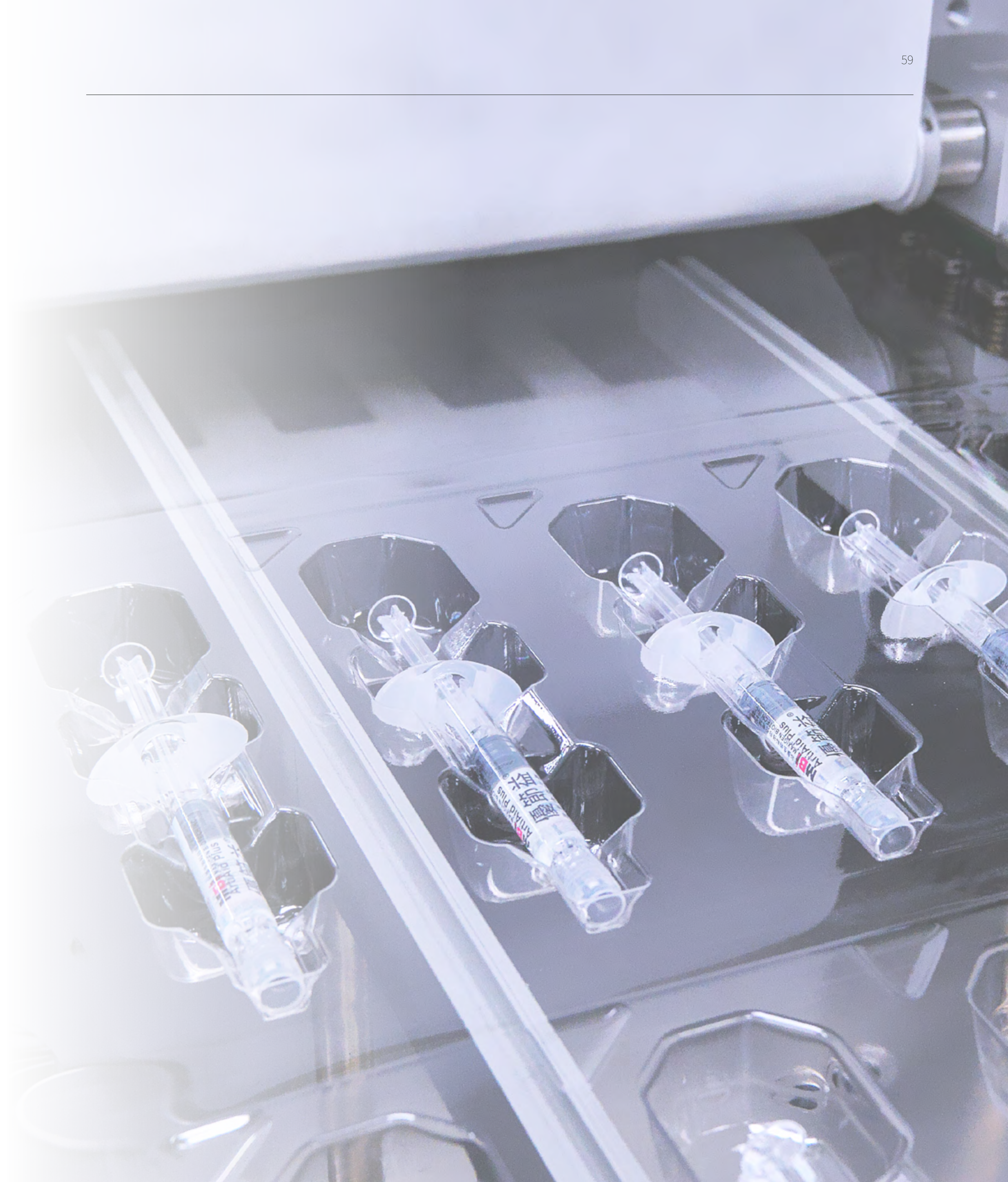
(1) Establish comprehensive design and development control procedures, as well as design change control procedures, encompassing feasibility studies, design inputs and outputs, pilot production, design verification, and validation stages.
(2) Conduct reviews and risk assessments at each stage, and implement development schedule management alongside cross-departmental collaboration platforms to enhance R&D efficiency and accelerate product launch timelines.

4.8.5 Integration of Innovation and Sustainability Practices

(1) Incorporate biocompatibility, safety, and sustainability assessments during product design and development phases to ensure compliance with global regulations and mitigate risks to the environment and human health.
(2) Utilize intelligent manufacturing and automation equipment to enhance transparency and traceability of R&D process data, integrating AI to analyze supply chain and market risks, thereby ensuring the sustainable realization of innovative outcomes.

5. Social Aspect

5.1 Product Quality and Safety
5.2 Labor-Employer Relations
5.3 Occupational Safety and Health
5.4 Social Participation



5.1 Product Quality and Safety

MBI upholds the quality policy of 'Quality and Safety, Innovative Research, Customer Satisfaction, and Care for Life,' establishing a comprehensive and rigorous quality management system from raw material procurement to product shipment, to provide stable, safe, and reliable products and services. The Company's quality management system not only complies with the international medical device quality management standard ISO 13485 and Taiwan GMP (Good Manufacturing Practice), but has also passed international on-site inspections by the US FDA, Korea KFDA, and MDSAP, demonstrating a strong commitment to product quality and safety.

5.1.1 Product Innovation and Market Deployment

(1) Establish comprehensive quality objectives and quality planning procedures (PQA001), personally led and promoted by the General Manager to ensure quality commitment.

(2) The quality system integrates tools such as the PDCA cycle, 5W1H analysis, and 6S management, comprehensively covering design and development, production, sales, and after-sales service processes.

5.1.2 Comprehensive Quality Control and Monitoring Mechanisms

(1) Implement a multi-tiered inspection system, including IQC (Incoming Quality Control), IPQC (In-Process Quality Control), FQC (Final Quality Control), and OQC (Outgoing Quality Control).

(2) Deploy five professional instruments (e.g., HPLC, TGA, DSC), establishing a total of 23 testing methods to enhance capabilities in assessing product physical properties and composition.

(3) Enhance IQC oversight, maintaining the raw material defect rate below 1%.

5.1.3 Manufacturing Process Optimization and Standard Operating Procedures

(1) The process yield rate remained stable above 98%. Through the design of standard operating times and optimization of manpower scheduling, production efficiency and warehouse space utilization continued to improve.

(2) Smart manufacturing and MES systems were implemented to enable data monitoring and quality traceability, further ensuring product consistency and traceability.

5.1.4 Quality Culture and Employee Engagement

To implement comprehensive quality management, MBI has continued to deepen full employee participation through internal training and cross-departmental activities. The concrete achievements in 2025 are as follows:

(1) Routine Quality Education: Internal training courses on 'Quality Concept Promotion and Case Explanation' are held annually to continuously strengthen the quality awareness of all employees.

(2) Grassroots Quality Action Implementation: Continued to promote the 'One Small Step for Individuals, One Giant Leap for MBI' campaign, encouraging employees to proactively initiate improvements, resulting in a cumulative total of 14 quality optimization proposals for the year.

(3) Cross-Departmental Forward-Looking Co-Creation: Held two sessions of the 'Inspiration Factory' workshop, where R&D and Sales teams jointly proposed forward-looking and innovative product plans, extending the scope of quality enhancement to front-end innovative design.

5.1.5 Customer Satisfaction and Safety Feedback Mechanism

Regularly conduct customer satisfaction surveys and complaint analyses, promptly collect market feedback, and adjust product and service processes accordingly to ensure customer health, safety, and satisfaction.

Key Quality Management Items	Specific Implementation Results
Establishment of Quality Management System and Procedures	Implemented ISO 13485 and established Quality Objective Control Procedures, fully covering processes from design to after-sales service.
Comprehensive Quality Control and Monitoring	Established multi-level inspections including IQC, IPQC, FQC, and OQC, maintaining the raw material defect rate below 1%.
Manufacturing Process Optimization and Standard Operating Procedures	Process yield rate maintained steadily above 98%; production efficiency and warehouse space utilization continued to improve.
Quality Culture and Employee Engagement	Conducted quality concept promotion courses and improvement proposal activities, resulting in a cumulative total of 14 quality optimization proposals.
Customer Satisfaction and Safety Feedback Mechanism	Regularly conduct customer satisfaction surveys and feedback mechanisms, continuously adjusting product and service quality based on the results.

5.2 Labor-Employer Relations

MBI is committed to fostering a safe, equitable, and growth-oriented workplace environment, enhancing labor-employer relations through diverse measures:

5.2.1 Employment Policy and Diversity and Inclusion

(1) Enforce the principle of equal employment and prohibit any form of discrimination.
(2) The Company's workforce has continued to expand. As of the end of 2025, the Taiwan headquarters had a total of 145 employees, including 64 males and 81 females.
(3) The average age was 38.86 years, and approximately 32% of employees held a master's degree or higher.
(4) Over the past three years, the Company's proportion of female employees has remained stable at above 55% (56.52% in 2023, 57.31% in 2024, and 55.50% in 2025), continuing to demonstrate a foundation of diversity and inclusion in the workplace. In terms of management, the proportion of female managers in 2025 was 36.00%, slightly lower than in the previous two years, mainly due to the expansion of the organizational structure in 2025 (the number of female managers increased from 8 to 13). Nevertheless, the proportion remained at a solid level of nearly 40%. The Company continues to uphold a merit-based and gender-equitable promotion mechanism, and will continue to optimize family-friendly childcare and flexible work policies going forward to strengthen the foundation for cultivating female leadership.

Item	Year 2023	Year 2024	Year 2025
Proportion of Female Employees to Total Employees	56.52%	57.31%	55.50%
Proportion of Female Managers to Total Managers	47.37%	47.06%	36.00%

By job category, there were 11 male and 8 female employees in management positions; 3 male and 17 female employees in administrative roles; 9 male and 17 female employees in sales positions; and 38 male and 36 female employees in technical positions. Overall, the proportion of female employees was slightly higher, indicating that the company maintains a gender-balanced workforce across various job categories.

Time: Year 2025	Male	Female	Total
Management	21	13	34
Administration	4	21	25
Sales	6	16	22
Technical	33	31	64
Total	64	81	145

5.2.2 Salary Information of Full-Time Employees Not in Managerial Positions

In 2025, the average annual salary of full-time employees not holding managerial positions was NT$862,000, and the median was NT$668,000. Compared with 2024, when the average was NT$813,000 and the median was NT$670,000, the average salary increased by approximately 6%, while the median remained relatively stable. The salary adjustments mainly reflect the Company's optimization of staffing allocation and strengthening of the reward and compensation system, in order to maintain the market competitiveness of salary levels and enhance employee retention stability.

5.2.3 Welfare and Retention Measures

(1) Provide year-end bonuses (average base of 2.5 months), performance bonuses, and MBI Star commendation awards.
(2) Subsidize employee continuing education, childcare allowances, scholarships for employees’ children, and subsidies for master’s and doctoral studies.
(3) Distribute festive gifts, provide group insurance for employees, healthy lunches, afternoon tea, and overtime meals.
(4) Establish a labor welfare committee to organize travel, year-end celebrations, and various employee activities.
(5) The Company provides dormitories and parking spaces to assist in addressing commuting and accommodation needs.

5.2.4 Labor-Management Agreements and Communication

(1) Labor-Management Meetings are held regularly each quarter to establish a two-way communication platform and ensure harmonious labor relations.
(2) Company policy promotion and employee feedback mechanisms are institutionalized management practices.
(3) New employee satisfaction score for Year 2025: 4.82 points.
(4) Overall employee satisfaction score for Year 2025: 3.91 points.

5.2.5 Collective Bargaining Agreements (GRI 2-30)

The Company has not established a labor union nor entered into any collective bargaining agreements. However, formal and effective channels for labor–management communication and feedback have been established. Through labor–management meetings, employee forums, and suggestion mailboxes, the Company ensures that employees' opinions are promptly conveyed and incorporated into management decision-making processes.

5.2.6 Occupational Health and Safety

(1) Indoor smoking ban, access control, regular employee health check-ups, and participation in labor insurance, health insurance, and group insurance.
(2) Laboratory personnel are subject to an enhanced occupational safety education and training mechanism.
(3) A factory healthcare system has been established, with regular health consultations, inspections, and workplace health promotion services conducted by professional physicians.

5.2.7 Retirement System

(1) For employees covered by the new labor pension system, the Company allocates 6% monthly to their individual retirement accounts.
(2) For employees covered by the old system, benefits are accumulated based on years of service, capped at a maximum of 45 units.

5.2.8 Human Rights and Labor Respect

(1) The Company complies with the Labor Standards Act and the United Nations Universal Declaration of Human Rights, does not employ child labor, and does not require deposits or the retention of identification documents.
(2) Implement education and training on freedom of association and sexual harassment prevention.

5.2.9 Annual Remuneration Ratio Disclosure (GRI 2-21)

In accordance with GRI 2-21, the Company discloses the ratio between the total annual remuneration of the highest-paid individual and the median total annual remuneration of all employees to demonstrate transparency and fairness in its pay structure. In 2025, the total annual remuneration of the Company's highest-paid individual was approximately NT$6,740,000, representing a ratio of approximately 10:1 relative to the median total annual remuneration of all employees (NT$668,000), an increase of approximately 10% from the 9:1 ratio in 2024. This change was primarily due to an increase in the annual salary of the highest-paid individual. The Company will continue to review its remuneration system to ensure that pay differentials remain reasonable and competitive within the market.

5.3 Occupational Safety and Health

MBI is committed to establishing a safe and healthy workplace environment through institutionalized management, education and training, and risk prevention measures to ensure the occupational safety and physical and mental health of employees, contractors, and visitors.

5.3.1 Health and Safety System and Training

(1) In 2025, a total of two sessions of fire safety training courses were conducted, with 75 participants in the first half of the year and 70 in the second half, totaling 145 trainees. Each training session lasted 4 hours, with a total of 580 training hours.

(2) The training content encompassed general workplace safety, emergency response measures, and laboratory operation risk control. Laboratory personnel were additionally provided with an enhanced occupational safety and health education program.

(3) Monthly reporting of occupational accidents and abnormal incidents was conducted, alongside regular fire drills and safety awareness campaigns.

(4) As of the reporting period, no major occupational safety incidents or occupational disease notifications have occurred. The Company continuously monitors safety performance indicators with the goal of zero incidents.

5.3.2 Health Promotion and Preventive Measures

(1) Employees undergo annual health examinations, with no records of major occupational accidents or fire incidents.

(2) Labor insurance, health insurance, and group insurance are all administered in accordance with legal requirements, promoting a gender-friendly workplace.

(3) The Company has not identified any representative cases of occupational diseases and mitigates potential occupational disease risks through preventive health examinations and training.

5.3.3 Operational Risk Assessment and Control

(1) Implement risk level classification and preventive strategies for high-risk operational environments.

(2) Applicable to employees, outsourced personnel, and visitors.

5.3.4 Occupational Injuries and Occupational Diseases Statistics

From 2023 to 2025, the Company recorded zero recordable occupational injuries and zero serious occupational injury incidents for three consecutive years. Both the Serious Occupational Injury Rate and the Lost Time Injury Frequency Rate (LTIFR) remained at 0. This achievement reflects the Company's strong commitment to workplace safety and risk prevention, while continuously implementing occupational health and safety management measures to effectively build a safe and hazard-free working environment.

Indicator	Year 2023	Year 2024	Year 2025
Serious Occupational Injury Rate	0	0	0
Lost Time Injury Frequency Rate	0	0	0

5.4 Social Participation

MBI upholds the principle of 'taking from society and giving back to society,' continuously responding to local needs through concrete actions, committed to medical resource assistance, care for vulnerable groups, educational promotion, and community inclusion, thereby embodying corporate sustainability values.

5.4.1 Medical Resource Support and Donation Initiatives

(1) Donated a digital intraoral wired scanner to the Department of Peri- odontology at Tri-Service General Hospital to enhance clinical medical quality (March 2024).

(2) Donated intra-articular injections to Tzu Chi Hospital Taitung Guanshan Branch (February 2022).

(3) Donated HealiAid Collagen Wound Dressings to the Ministry of Health and Welfare (2015).

5.4.2 Educational Promotion and Industry-Academia Collaboration

(1) Provided long-term donations of beauty care products to the cosmetology departments of Chang Gung, Hungkuang, and LeeMing Universities of Science and Technology for educational purposes, supporting the development of professional cosmetology talent.

(2) In April 2024, delivered a lecture on medical materials at National Tsing Hua University, inspiring young individuals to pursue careers in medical innovation.

5.4.3 Community Welfare Activities and Support for Vulnerable Groups

(1) Collaborated with Jinyen Aesthetic Group on the 'PicoSure Tattoo Removal Charity Project,' donating nursing products monthly to assist disadvantaged youth in tattoo removal and rebuilding their confidence (since April 2024).

(2) Organized community public health education seminars:

- In 2025, made a donation to the 'Taiwan Baseball Sprout Development Association' to sponsor a Christmas event.
- In 2025, donated Christmas gifts to the 'Sunshine Social Welfare Foundation,' with 26 employee volunteers assisting in gift wrapping and writing greeting cards.
- A total of 21 sessions were held in 2023, focusing on elderly health and accurate medical knowledge.
- From 2024 to April 2025, eight additional events were organized, covering remote areas and disadvantaged groups.

5.4.4 Support for Persons with Disabilities and Social Welfare Organizations

In collaboration with the Tobias Social Welfare Foundation, Down Syndrome Foundation, and Syin-Lu Social Welfare Foundation, gift boxes were procured during festive periods to support sheltered workshops, assisting persons with disabilities in achieving independent living and skills development.

5.4.5 Environment and Sustainable Co-prosperity

(1) In 2025, organized a beach cleanup activity at Wazihwei, Bali.
(2) Organized the Guanyin Mountain Cleanup Activity and received the 2022 Green Enterprise Label.
(3) Actively participated in the Taoyuan City Government’s energy-saving and carbon reduction program, obtaining subsidies and incentives for low-carbon technology industries from 2022 to 2024.

5.4.6 Institutionalizing the Promotion of Corporate Sustainability Governance

The Company has established a Corporate Social Responsibility policy, led by the General Manager’s Office and integrated into the annual Board of Directors reporting mechanism, coordinating various departments to implement ESG and social responsibility initiatives.

6. Environmental Aspect

6.1 Climate Change

The Company is attentive to the risks and challenges that climate change poses to operations, having incorporated climate change into the operational risk as assessment framework and established carbon reduction and energy-saving targets to drive related actions aimed at mitigating climate impacts. In view of the increasing frequency of extreme weather events, The Company has identified several potential climate risks and formulated the following response strategies:

6.1.1 Major Climate Risks and Financial Impacts

Risk Factors	Potential Financial and Business Impacts	Period	Response Strategies and Actions
Increase in extreme weather events	Typhoons, work stoppage caused by flooding, production interruption, logistical difficulties and cost increases.	Short-, medium-, and long-term	Establish diversified supply chains, develop contingency plans, and implement green energy equipment.
Changes in regulations and policies	Changes in carbon emission limits or energy efficiency standards, resulting in increased compliance costs.	Short-, and medium-term	Continuous monitoring of regulations, advance adjustment of production processes and product strategy.
Transformation risk	Market preference shift towards environmentally friendly products, affecting sales of traditional product lines, weakening competitiveness.	Short-, medium-, and long-term	Increase R&D investment, adjust product strategy, expand environmental product lines.
Resource scarcity	Water resource constraints or energy price fluctuations causing cost increases and production pressure.	Short-, medium-, and long-term	Implement water-saving programs, introduce renewable energy and energy-saving technologies, and implement environmental management systems to track energy use efficiency.

6.1.2 Climate Change Mitigation Actions

The Company has implemented multiple energy-saving and carbon reduction measures, including:

(1) Installation of variable frequency drives, smart meters, and high-efficiency LED lighting systems to comprehensively enhance factory electricity efficiency.
(2) Integration of quality assurance and production data through the SAP system, strengthening process efficiency and electricity management via energy data analysis.
(3) Promotion of Just-In-Time (JIT) production, lean manufacturing, increased production yield, and reduced scrap rate in process management, thereby indirectly reducing the carbon footprint.
(4) Utilization of automated equipment to reduce manual operation errors and resource waste, enhancing manufacturing transparency and energy efficiency.

6.1.3 Indicators and Targets

Management Items	Indicators	Targets
Carbon emissions	Annual carbon emissions (tons)	Reduce carbon emissions by 1% annually
Energy efficiency	Energy consumption per unit product (kWh)	Increase energy efficiency by 2% annually
Employee training	Participation rate in climate change training	Achieve over 90% annually
Energy saving measures	LED lighting, air conditioning energy saving, sensor equipment	Gradual completion of updates throughout the entire factory.

6.2 Greenhouse Gas Emissions

MBI conducts Greenhouse Gas Emissions inventories in accordance with ISO 14064 standards, covering Scope 1 (direct emissions) and Scope 2 (indirect electricity emissions). Each year, a third-party verification body (TÜV NORD Taiwan) performs reasonable assurance verification to enhance the credibility of information disclosure and management transparency.

6.2.1 Annual Greenhouse Gas Emissions

Carbon dioxide equivalent emissions are calculated based on the electricity emission factor corresponding to electricity consumption. Historical carbon inventory data are presented in Tables 1 and 2 below.

(1) The total emissions have slightly increased over the past three years, primarily due to production line expansion and increased equipment utilization.

Unit: tonCO2e

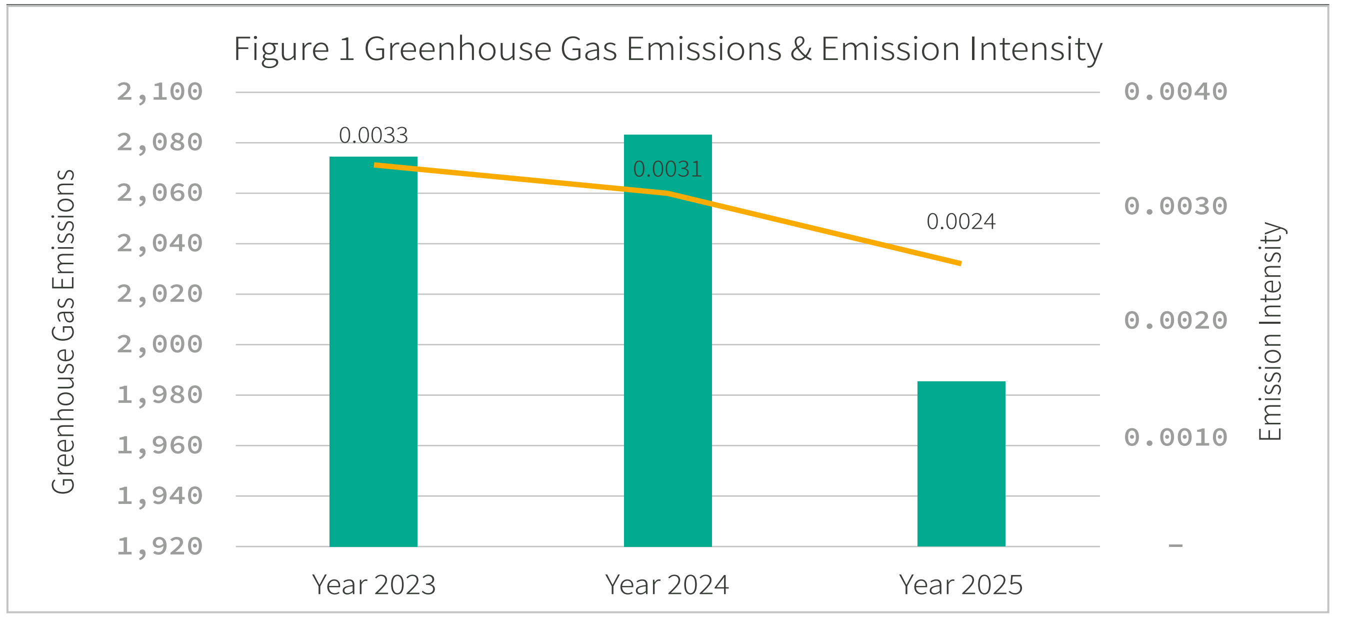
Scope of Assurance Execution	Year 2023	Year 2024	Year 2025
Scope 1	130.7379	142.4941	137.5893
Scope 2	1,945.0756	1,940.8272	1846.6408
Total	2,075.8135	2,083.3213	1984.2301

(2) Although total emissions have slightly increased, the emission intensity (carbon emissions per thousand revenue) has decreased annually, indicating improved carbon efficiency and that output growth exceeds carbon emission growth.

Item	Year 2023	Year 2024	Year 202
Greenhouse Gas Emissions (tonCO2e)	2,075.8135	2,083.3213	1984.2301
Operating Revenue (thousand TWD)	622,115	680,651	811,564
Emission Intensity (tonCO2e/thousand TWD)	0.0033	0.0031	0.0024

Figure 1 Greenhouse Gas Emissions & Emission Intensity.

(3) The Company fully implemented smart meters and an energy monitoring system in 2025, enabling real-time tracking and optimized control of equipment energy consumption, and also replaced its air compressor with an oil-free twin-screw variable-frequency type.



6.2.2 Overall Energy Saving, Carbon Reduction, and Greenhouse Gas Emission Reduction Strategies are as follows:

Measures	Description
Blister packaging line automation upgrade	Reduces plastic material usage and electricity consumption
Implementation of smart meters and electricity monitoring system (expected completion in 2025)	Implementation of equipment monitoring and analysis to enhance energy efficiency.
Promotion of energy-saving measures for lighting and air conditioning systems	Reduction of indirect carbon emissions (Scope 2) sources to improve overall carbon efficiency
Replacing traditional lighting fixtures and outdated equipment	Reducing carbon emission intensity in accordance with the annual carbon reduction target of 1%

6.2.3 Specific Improvement Projects and Outcomes

Year	Improvement Projects	Energy Saving Benefits	Carbon Reduction Benefits
2023	Installation of a variable frequency motor for the ice water machine	Energy savings of 14%, with annual savings of 110,082 kWh	Carbon reduction of 59.0 metric tons CO^2e
2024	Factory-wide LED lighting replacement plan	Energy savings of 66%, with annual savings of 92,763 kWh	Carbon reduction of 45.8 metric tons CO^2e
2025	Replacement of the oil-free twin-screw variable-frequency air compressor	Energy savings of 25.2%, with annual savings of 23,602 kWh	Carbon reduction of 11.187 metric tons
2025	Introduction of a four-in-one thermoforming packaging machine	Reduced material usage by 29.6%	Carbon reduction of 3.324 metric tons, a 37% reduction

6.3 Energy Management

MBI continuously enhances energy efficiency through equipment upgrades, energy-saving monitoring, and behavioral improvements to achieve carbon reduction and consumption reduction targets. The Company conducts an annual energy audit covering self-generated electricity and non-renewable fuels, calculating energy intensity to assess energy efficiency performance.

6.3.1 Energy Management Performance and Intensity Analysis

(1) In 2025, total energy consumption continued to show a downward trend, decreasing by approximately 0.67% compared to 2024, indicating that the benefits of energy-saving measures are expanding year by year. The purchased and actually consumed electricity for the year was 14,040.31 GJ, a decrease of 103.37 GJ from the previous year (a decrease of approximately 0.73%). In terms of non-renewable fuels, gasoline consumption increased from 175.36 GJ to 182.53 GJ (an increase of approximately 4.09%), diesel consumption rose slightly to 2.60 GJ, and natural gas consumption remained at zero. Overall, although fuel consumption for official use increased slightly, benefiting from the continued decline in electricity consumption—which accounts for the largest share—the organization's total internal energy consumption decreased from 14,330.16 GJ in 2023 and 14,321.57 GJ in 2024 to 14,225.44 GJ in 2025, reflecting the Company's continued implementation of energy-saving management and effective control of overall energy consumption.

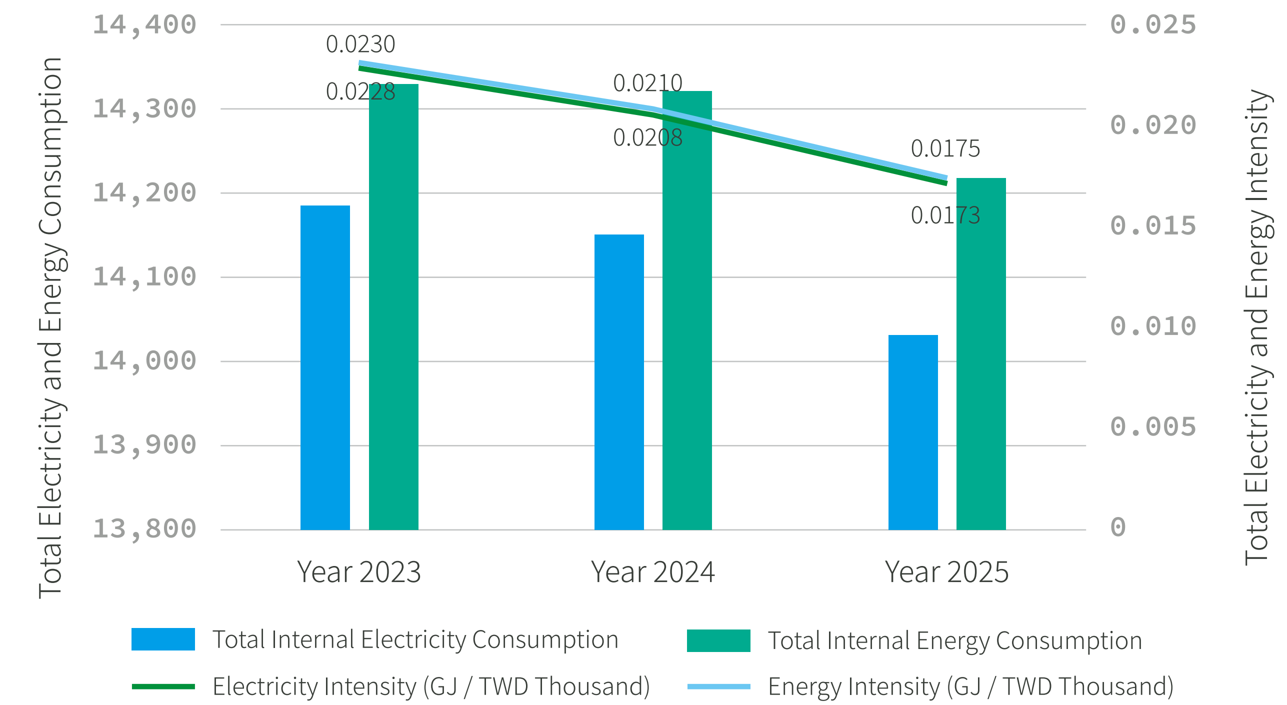
Unit: GJ

Item / Year		Year 2023	Year 2024	Year 2025
Purchased Electricity Consumption		14,180.15	14,143.68	14,040.31
Total Internal Electricity Consumption		14,180.15	14,143.68	14,040.31
Consumed Non-Renewable Fuels	Gasoline	147.48	175.36	182.53
	Diesel	2.53	2.53	2.60
	Natural Gas	0.00	0.00	0.00
Total		14,330.16	14,321.57	14,225.44

(2)In 2025, the Company's operating revenue reached TWD 811,564 thousand, representing a significant increase of approximately 19.2% compared to 2024. Amid the significant expansion of operational scale, energy use efficiency showed further improvement. The organization's total internal electricity consumption decreased to 14,040.31 GJ, and total energy consumption decreased to 14,225.44 GJ, with absolute energy consumption showing a downward trend for two consecutive years. Intensity indicators calculated relative to revenue improved significantly, with electricity intensity decreasing from 0.0208 in 2024 to 0.0173, and energy intensity decreasing from 0.0210 to 0.0175—reductions of approximately 16.8% and 16.7%, respectively, compared to the previous year. While achieving double-digit revenue growth, the Company's energy intensity indicators also reached new lows, demonstrating the significant effectiveness of its energy-saving measures and operational efficiency optimization.

Item / Year	Year 2023	Year 2024	Year 2025
Total Internal Electricity Consumption (GJ)	14,180.15	14,143.68	14,040.31
Total Internal Energy Consumption	14,330.16	14,321.57	14,225.44
Operating Revenue (TWD Thousand)	622,115	680,651	811564
Electricity Intensity (GJ / TWD Thousand)	0.0228	0.0208	0.0173
Energy Intensity (GJ / TWD Thousand)	0.0230	0.0210	0.0175

Figure 2 Consumption and Intensity of Electricity and Energy



6.3.2 Energy Management Strategies are as follows:

Measures	Description
Energy-saving upgrades to air conditioning systems	Implemented a variable-speed chilled water system, frequency conversion equipment, water flow regulation, and cooling plate control system to improve energy efficiency.
Energy-saving measures for lighting systems	The entire building replaced T8 lamps with LED lighting and enhanced switch controls to reduce unnecessary power consumption.
Sensor lighting and energy-saving devices were installed in office areas and public spaces.	Energy waste during non-operational hours was reduced, improving electricity usage intensity efficiency.
Replacement of air compressors and introduction of a new four-in-one thermoforming packaging machine	Reduces ineffective power consumption of outdated equipment and lowers overall energy loss from multiple machine operations through process integration.

6.3.3 Specific Improvement Items and Results

MBI implemented multiple energy-saving improvement projects between 2023 and 2025, including variable frequency drive equipment for chillers, LED lighting replacements, and air compressor replacements, which contributed to the Company's reduction in carbon emissions. The related results are detailed in Section 5.2, Item 3 of the Greenhouse Gas disclosures. Additionally, MBI installed sensor-based lighting systems in office areas that, through automatic sensing control mechanisms, automatically turn off lighting equipment during non-operational hours, effectively reducing unnecessary energy consumption. In addition, the Company has undertaken the replacement and optimization of air conditioning system adjustment equipment to further enhance the overall energy efficiency of the air conditioning system, serving as a concrete measure for energy conservation and carbon reduction.

6.4 Water Resource Management

MBI continues to promote water use efficiency and water resource management through water volume monitoring, the introduction of water-saving equipment, and recycling measures to reduce reliance on external water sources, while simultaneously enhancing operational efficiency and water intensity performance.

6.4.1 Water Resource Management and Intensity Analysis

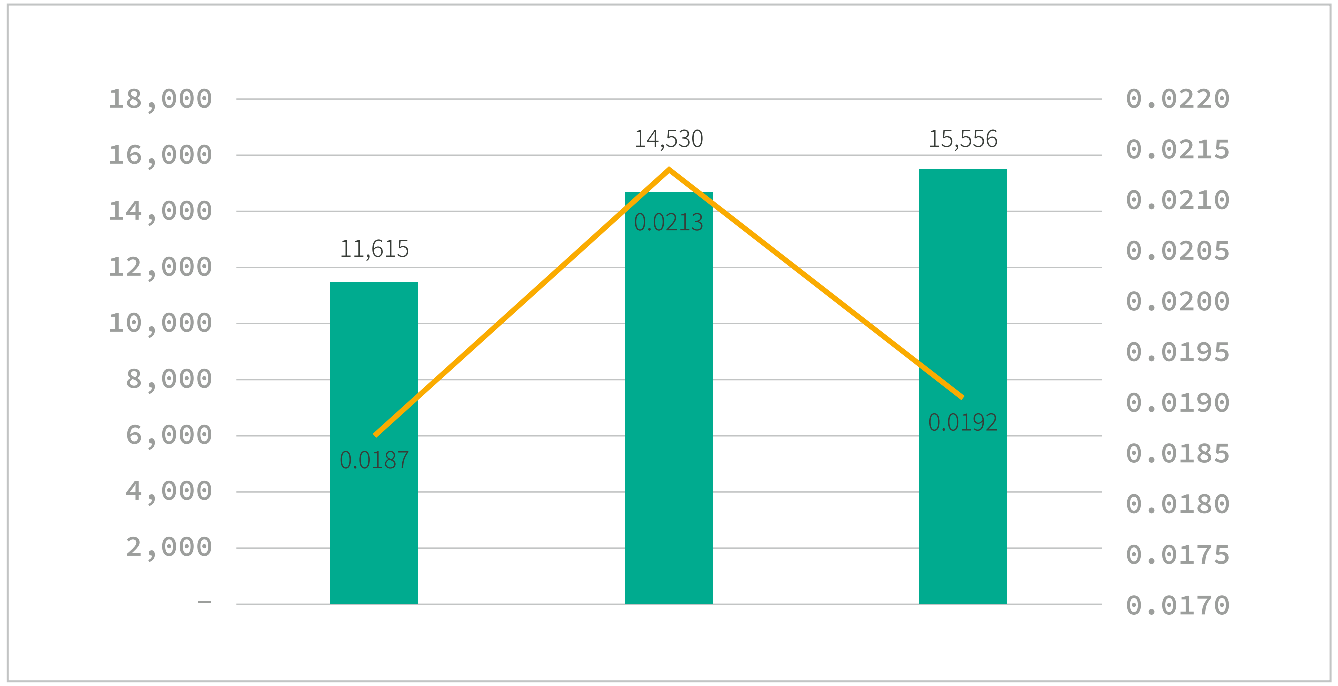
(1) The Company’s water source is primarily tap water, supplied for production processes and facility use.
(2) The majority of wastewater is discharged internally to external water treatment systems or authorized pipelines. In 2025, due to the impact of operational expansion, total water intake increased to 15,556 tons; however, wastewater discharge decreased significantly from the 2024 peak of 6,476 tons to 4,216 tons.
(3) Net water consumption (water intake minus wastewater discharge) increased to 11,340 tons in 2025, as total water intake increased and wastewater discharge decreased, reflecting an increase in the water retained and consumed within products or on the factory premises.

Item / Year	Year 2023	Year 2024	Year 2025
Water Intake (tons) (A)	11,615	14,530	15,556
Water Discharge (tons) (B)	2,216	6,476	4,216
Water Consumption (tons) (A) - (B)	9,399	8,054	11,340

Note 1: Water discharge refers to the volume of water used internally by the Company and subsequently discharged externally (e.g., to sewage treatment systems or drainage facilities).

(4) Although total water intake in 2025 increased by approximately 7.0% compared to 2024, benefiting from a significant 19.2% increase in operating revenue, overall water intensity decreased from 0.0213 in 2024 to 0.0192, a decrease of nearly 9.9%. This indicates that the increase in water usage was far lower than the growth in revenue, reflecting continued optimization of water resource efficiency as operations expand.

Item / Year	Year 2023	Year 2024	Year 2025
Water Intake (tons)	11,615	14,530	15,556
Operating Revenue (TWD thousands)	622,115	680,651	811,564
Water Intensity (tons / thousand TWD)	0.0187	0.0213	0.0192



6.4.2 Management Practices and Water Conservation Measures

Improvement Projects	Description of Measures
Installation of Sensor Faucets and Water-saving Toilets	Implementation of automated water-saving equipment to effectively reduce daily water wastage and improve water use efficiency.
Air Conditioning Condensate Water Recycling and Reuse	Enhance the recycling system by directing condensate water to non-process uses (such as toilet flushing and irrigation) to reduce reliance on water intake.
Promotion of Employee Water Conservation Awareness	Incorporate water conservation concepts into the annual training curriculum to enhance participation and awareness of water-saving behaviors among all employees.

6.5 Waste Management

MBI continuously strengthens waste management measures and monitors waste generation trends through data-driven oversight to ensure proper classification, storage, and disposal in compliance with regulations. Concurrently, process optimization and improved material usage efficiency are implemented to reduce overall waste intensity.

6.5.1 Waste Generation Status

(1) Between 2023 and 2024, the Company's total waste volume remained stable, controlled at 24.18 metric tons. In 2025, as operating revenue grew significantly, total waste generation increased accordingly to 33.15 metric tons.

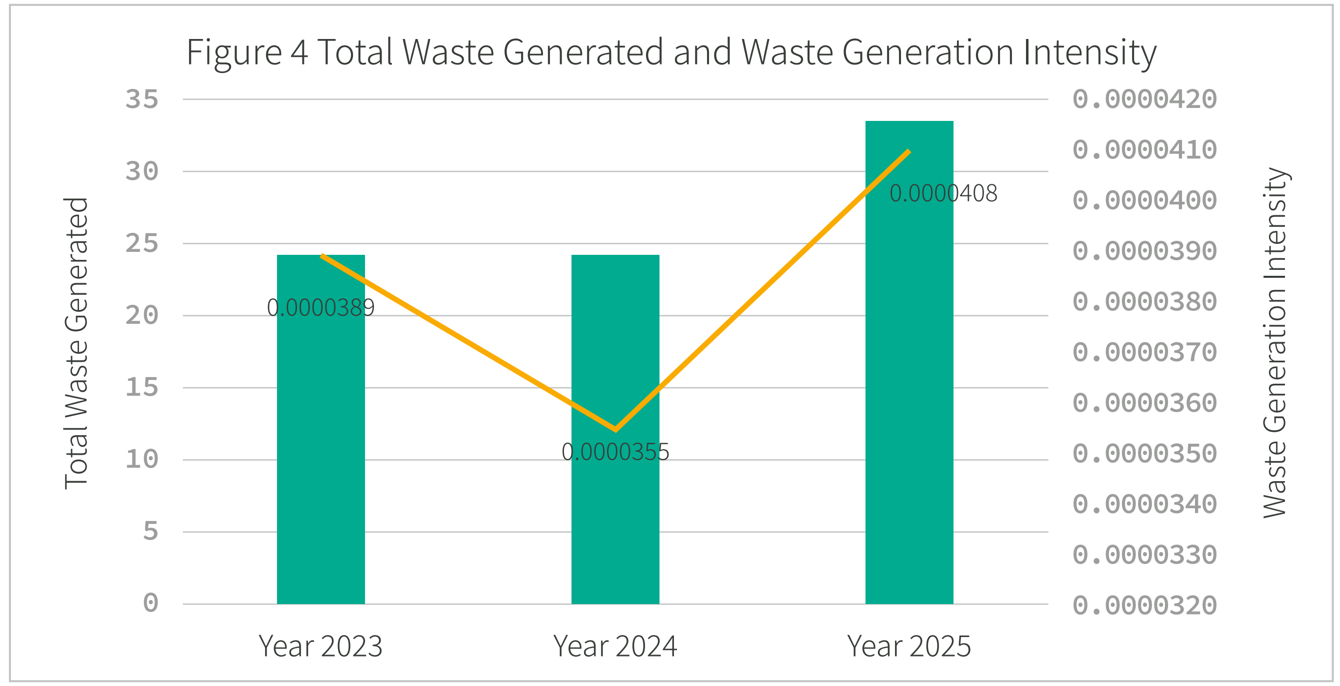
Table 1 Waste Generation Volume

Item	Generation Volume		
	Year 2023	Year 2024	Year 2025
Total Waste Generated (Metric Tons)	24.18	24.18	33.15

(2) Regarding waste generation intensity (metric tons of waste generated per thousand TWD of revenue), the intensity in 2024 decreased compared to 2023, from 0.0000389 to 0.0000355, indicating that resource use efficiency improved alongside revenue growth in that year. In 2025, as operational scale expanded, the intensity fluctuated slightly upward to 0.0000408

Table 2 Waste Generation Intensity

Item	Year 2023	Year 2024	Year 2025
Total Waste Generated (Metric Tons)	24.18	24.18	33.15
Operating Revenue (Thousands)	622,115	680,651	811,564
Waste Generation Intensity (Metric Tons / Thousand)	0.0000389	0.0000355	0.0000408



6.5.2 Waste Management and Resource Reuse

To continue optimizing resource use efficiency, the key management measures currently being implemented are as follows:

Measures	Description
Installation of waste sorting and recycling bins on site	Strengthen resource recycling and reuse to reduce landfill and incineration rates
Procurement of eco-labeled and recycled paper products	Reduce single-use paper waste and increase the use of recycled resources
Redesign of toilet paper roll holders throughout the facility	Reduce paper waste and enhance the efficiency of sanitary paper usage

7. Appendix

7.1 GRI Content Index

Chapter No.	Chapter Title	Reference Disclosure Standard
	Cover Page	
	Table of Contents	
1	Preface	GRI 2
1-01	Message from the Chairman	GRI 2-22, 2-24
1-02	About This Report	GRI 2-1, 2-3
1-03	About MBI	GRI 2-6, 2-7, 2-9
2	Management Philosophy and Sustainability Strategy	
2-01	Management Philosophy	GRI 2-23, 2-26
2-02	Promotion of Sustainable Development Mechanism and Strategy	GRI 2-12, 2-13
3	Identification and Analysis of Material Topics	
3-01	Implementation Steps	GRI 3-1
3-02	Stakeholder Engagement	GRI 2-29
3-03	List of Material Topics	GRI 3-2
4	Economic and Governance Aspects	
4-01	Governance Framework	GRI 2-9, 2-10, 2-11
4-02	Operational Performance	GRI 201
4-03	Integrity Management	GRI 2-23, 205, 206
4-04	Regulatory Compliance	GRI 2-27, 419-1 (Socioeconomic Compliance)
4-05	Risk Management	GRI 2-12, 2-27
4-06	Information Security	GRI 418-1
4-07	Supply Chain Management	GRI 2-6, 204, 308, 414
4-08	Innovation and Research & Development	GRI 203, 416, 417

Chapter No.	Chapter Title	Reference Disclosure Standard
5	Social Aspects	
5-01	Product Quality and Safety	GRI 416-1, 416-2, 417
5-02	Labor-Employer Relations	GRI 2-30, 401, 405
5-03	Occupational Safety and Health	GRI 403
5-04	Social Participation	GRI 203, 413
6	Environmental Aspects	
6-01	Climate Change	GRI 201
6-02	Greenhouse Gas Emissions	GRI 305
6-03	Energy Management	GRI 302
6-04	Water Resource Management	GRI 303
6-05	Waste Management	GRI 306
7	Appendix	
Appendix 1	GRI Content Index	
Appendix 2	Participation in Industry Associations	
Appendix 3	TCFD Climate-Related Financial Disclosure Index	
Appendix 4	SASB U.S. Sustainability Accounting Standards Board Indicator Index	
Appendix 5	ISAE 3000 Assurance Engagement Summary Table	
Appendix 6	Limited Assurance Report by Accountant	

7.2 Participation in Industry Associations

Upholding the principles of professional exchange and collective industry advancement, the Company participates in the following industry associations:

1. Taiwan Bio Industry Organization
2. Taiwan Medical and Biotech Industry Association
3. Taoyuan City Industrial Association

The Company's main areas of participation include discussions on medical device regulatory amendments, sustainable industry development, and ESG-related exchanges. The Company does not engage in lobbying activities or political contributions.

7.3 TCFD Climate-Related Financial Disclosure Index

Item	Corresponding Section	Page Number
Describes the Board of Directors' and management's oversight and governance of climate-related risks and opportunities.	Please refer to the Year 2025 Annual Report.	Page 55
Explain how the identified climate risks and opportunities impact the company's business, strategy, and financial performance (short-term, medium-term, long-term).	Please refer to the Year 2025 Annual Report.	Page 55
Explain the financial impacts of extreme climate events and transition measures.	Please refer to the Year 2025 Annual Report.	Page 56
Explain how the processes for identifying, assessing, and managing climate risks are integrated into the overall risk management framework.	Please refer to the Year 2025 Annual Report.	Page 57
If scenario analysis is employed to evaluate resilience against climate change risks, provide details on the scenarios, parameters, assumptions, analytical factors, and principal financial impacts used.	Please refer to the Year 2025 Annual Report.	Page 57
If transition plans for managing climate-related risks exist, describe the content of these plans, as well as the indicators and targets used to identify and manage physical and transition risks.	Please refer to the Year 2025 Annual Report.	Page 58
If internal carbon pricing is used as a planning tool, the basis for price determination should be explained.	Please refer to the Year 2025 Annual Report.	Page 58
If climate-related targets are established, information on the covered activities, greenhouse gas emission scopes, planning timeline, and annual progress should be provided. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve related targets, the source and quantity of the offset carbon reductions or the number of RECs should be disclosed.	Please refer to the Year 2025 Annual Report.	Page 59
Greenhouse Gas Inventory and verification status, reduction targets, strategies, and specific action plans.	Please refer to the table below	Page 56

According to the FSC Listed and OTC Sustainable Development Roadmap, The Company shall complete the inventory by 2026 and verification by 2028; subsidiaries shall complete the inventory by 2027 and verification by 2029.

The Company established a Greenhouse Gas Inventory mechanism in 2021 in accordance with the ISO 14064-1:2018 Greenhouse Gas Inventory standard. The data for the years 2023 to 2025 are as follows:

Scope of Assurance Execution		Year 2023	Year 2024	Year 2025
The Company	Scope 1 Direct Greenhouse Gas Emissions	130.7379	142.4941	137.5893
	Scope 2 Indirect Greenhouse Gas Emissions	1,945.0756	1,940.8272	1,846.6408
	Total	2,075.8135	2,083.3213	1,984.2301
Assurance Provider		TUV NORD Taiwan Co., Ltd.	TUV NORD Taiwan Co., Ltd.	TUV NORD Taiwan Co., Ltd.
Description of Assurance Status		ISO 14064-3:2018 Reasonable Assurance	ISO 14064-3:2018 Reasonable Assurance	ISO 14064-3:2018 Reasonable Assurance

7.4 SASB U.S. Sustainability Accounting Standards Board Indicator Index

MBI discloses selected applicable indicators based on the Sustainability Accounting Standards Board (SASB) standards, with the industry category identified as 'Health Care' and the industry standard as 'Medical Equipment & Supplies', version:2023-12.

SASB Topics	SASB Metrics	Category	Corresponding GRI Standards	Page Number	Description
Affordability and Pricing	HC-MS-240a.2 Disclosure Method of Product Pricing Information	Discussion and Analysis	GRI 207-4: Tax and Price Transparency	P.8	The Company collaborates with distributors and medical institutions to provide pricing information through sales contracts. Prices may vary according to customer order volume and contract terms.
	HC-MS-240a.3 Percentage Change (%) in Weighted Average List Price / Net Price of Products	Quantification	GRI 416-1: Assessment of Health and Safety Impacts of Products	P.8	Not disclosed due to the Company's internal confidentiality policy.
Product Safety	HC-MS-250a.1 Number and Quantity of Product Recalls	Quantification	GRI 416-2: Violations of Health and Safety Regulations	P.10	No such cases in the Year 2025.
	HC-MS-250a.2 Listed in Any Public Medical Product Safety or Adverse Event Warning Databases	Discussion and Analysis	GRI 419-1: Financial Impacts of Non-Compliance	P.10	No such cases in the Year 2025.
	HC-MS-250a.3 Number of Deaths Caused by Products	Quantification	GRI 416-1: Assessment of Health and Safety Impacts of Products	P.10	No such cases in the Year 2025.
	HC-MS-250a.4 Enforcement Actions due to GMP Violations	Quantification	GRI 416-1: Assessment of Health and Safety Impacts of Products	P.10	No such cases in the Year 2025.
Ethical marketing	HC-MS-270a.1 Fines Imposed due to False Marketing	Quantification	GRI 205-3: Corruption cases and their handling	P.13	No records of fines for false advertising in the Year 2025.
	HC-MS-270a.2 Management of Off-label Use in Labeling	Discussion and Analysis	GRI 417-2: Product labeling and marketing compliance	P.13	The Company strictly complies with medical regulations to ensure product promotion conforms to approved labeling indications.
Product Design and Life Cycle Management	HC-MS-410a.1 Environmental and Health Risk Management of Chemicals in Products	Discussion and Analysis	GRI 305-5: Greenhouse Gas Emissions Reduction	P.15	All products of The Company have passed rigorous safety tests and reduced plastic usage by minimizing blister pack size, thereby reducing impacts on the environment and human health.
	HC-MS-410a.2 Weight of Recycled, Reused, or Donated Products	Quantification	GRI 306-2: Waste Management	P.15	In Year 2025, hazardous waste disposal totaled 0.75 metric tons.

SASB Topics	SASB Metrics	Category	Corresponding GRI Standards	Page Number	Description
Supply Chain Management	HC-MS-430a.1 Proportion of Suppliers Participating in Third-party Quality Audits	Quantification	GRI 308-1: Supplier Environmental Screening	P.17	100% of suppliers classified as Risk Level I have obtained local national permits or comply with international quality standards or product certifications (such as ISO 9001, ISO 13485, FDA, CSA, CE, etc.).
	HC-MS-430a.2 Product Traceability Management	Discussion and Analysis	GRI 204-1: Supply Chain Management	P.17	The Company has established a 'Product Identification and Traceability Control Procedure,' enabling traceability from finished products back to incoming materials. All other traceability requirements are implemented in accordance with customer requests and comply with local regulations.
	HC-MS-430a.3 Risk Management Related to the Use of Critical Materials	Discussion and Analysis	GRI 308-2: Supplier Environmental Impact Assessment	P.17	The Company has entered into procurement contracts with key raw material suppliers to ensure supply stability.
Business Ethics	HC-MS-510a.1 Legal Penalties Resulting from Bribery and Corruption	Quantification	GRI 205-3: Corruption Cases	P.20	No related legal cases occurred in the Year 2025.
	HC-MS-510a.2 Ethical Standards for Interactions with Healthcare Professionals	Discussion and Analysis	GRI 415-1: Public Policy	P.20	The Company upholds the principle of Integrity Management and has established the 'Integrity Management Code' along with related behavioral guidelines to strictly regulate business dealings and prevent any form of improper benefit exchange. We commit to: • Prohibiting the provision of cash rebates, valuable gifts, or improper hospitality to maintain a fair and impartial business environment. • Ensuring transparency in all financial transactions, with academic sponsorships and educational subsidies reported in accordance with regulations to guarantee compliance. • Internal supervision and reporting mechanism: employees and partners may anonymously report misconduct, and the Company will handle such reports in accordance with applicable laws while safeguarding whistleblower rights. • Internal audits are conducted regularly, with annual reviews to ensure the effective operation of compliance mechanisms and promote continuous improvement.

7.5 ISAE 3000 Assurance Engagement Summary Table

No.	Assurance Item	Applicable Criteria	Page Number
1	Disclosure of the in-person and video attendance rates of Audit Committee members at Audit Committee meetings in 2025: 88.89% and 22.22%, respectively. Disclosure of the in-person and video attendance rates of Remuneration Committee members at Remuneration Committee meetings in 2025: 88.89% and 22.22%, respectively.	Based on the 2025 meeting minutes and attendance records of the Audit Committee and Remuneration Committee provided by the board secretariat, if any members attended via video conference, verification was conducted by relying on screenshots of the video attendance.	P.43
2	The "Electricity Intensity Statistics" table discloses that the Taoyuan Guishan Factory's electricity intensity for 2025 is 0.0173 (GJ/TWD thousand in revenue).	Electricity Intensity (A) = Total electricity consumption (GJ) (B) ÷ Revenue (TWD thousand) (C).	P.79
3	The "Water Intensity Statistics" table discloses that the Taoyuan Guishan Factory's water intensity for 2025 is 0.0192 (tons/TWD thousand in revenue).	Water Intensity (D) = Total water consumption (tons) (E) ÷ Revenue (TWD thousand) (C).	P.82
4	Disclosure of the ratio of female employees to total employees at the end of 2025: 55.50%. Disclosure of the ratio of female managerial positions to total managerial positions at the end of 2025: 36.00%.	Based on the employee information of the Taoyuan Guishan Factory as of December 31, 2025, obtained from the HR system, managerial positions are defined as those holding the role of team leader or above.	P.62
5	The "Occupational Injuries and Occupational Diseases Statistics" table discloses that the Taoyuan Guishan Factory's serious occupational injury rate in 2025 was 0. The "Occupational Injuries and Occupational Diseases Statistics" table discloses that the Taoyuan Guishan Factory's Lost Time Injury Frequency Rate (LTIFR) in 2025 was 0.	The calculation formula for the fatal occupational injury rate is: "Number of serious occupational injuries (disability lasting more than six months)" ÷ "Total working hours" × 1,000,000. The calculation formula for the Lost Time Injury is: "Number of the Lost Time occupational injuries" ÷ "Total working hours" × 1,000,000. The number of the Lost Time occupational injuries excludes commuting accidents not caused by transportation arranged by MBI. The calculation of total working hours is based on: The number of employees at the end of each month in the year × the number of statutory working days in the month × standard working hours (9 hours per day).	P.67

Notes on Measurement Standards:

1. Electricity Intensity (A): "Total electricity consumption (GJ)" (B) ÷ "Revenue (TWD thousand)" (C), where: - B = Based on Taiwan Power Company electricity bills and Chunghwa Telecom Intelligent Environment Network inspection reports; the total electricity consumption of MBI in 2024 was 1 kWh = 0.0036 GJ.

   - C = Revenue as audited and certified by external accountants of MBI for 2024.

(2) Water Intensity (D) = "Water Consumption (tons)" (E) ÷ "Revenue (NTD thousand)" (C), where: E = Total water consumption of MBI (Maxigen Biotech Inc.) for the year 2025, based on Taiwan Water Corporation billing records.

7.6 Limited Assurance Report by Accountant

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Independent Limited Assurance Report

To MAXIGEN BIOTECH INC.

We have been engaged by MAXIGEN BIOTECH INC. ("**the Company**") to perform assurance procedures in respect of the key performance indicators identified by the Company and reported in the 2025 Sustainability Report (hereinafter referred to as the "Identified Key Performance Indicators") and have issued a limited assurance report based on the result of our work performed.

Subject Matter Information and Applicable Criteria

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

Management's Responsibility

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

Inherent Limitations

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

Compliance of Independence and Quality Management Requirement

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

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

Our Responsibilities

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

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

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

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

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

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

We also do not provide any assurance on the Sustainability Report as a whole or on the design or operating effectiveness of the relevant internal controls.

Limited Assurance Conclusion

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

Other Matter

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

Gary Chih

Gary Chih
For and on behalf of PricewaterhouseCoopers, Taiwan
10 August, 2026

www.pwc.tw

MBI Maxigen Biotech Inc.
2025 Sustainability Report

The Collagen & HA Company

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