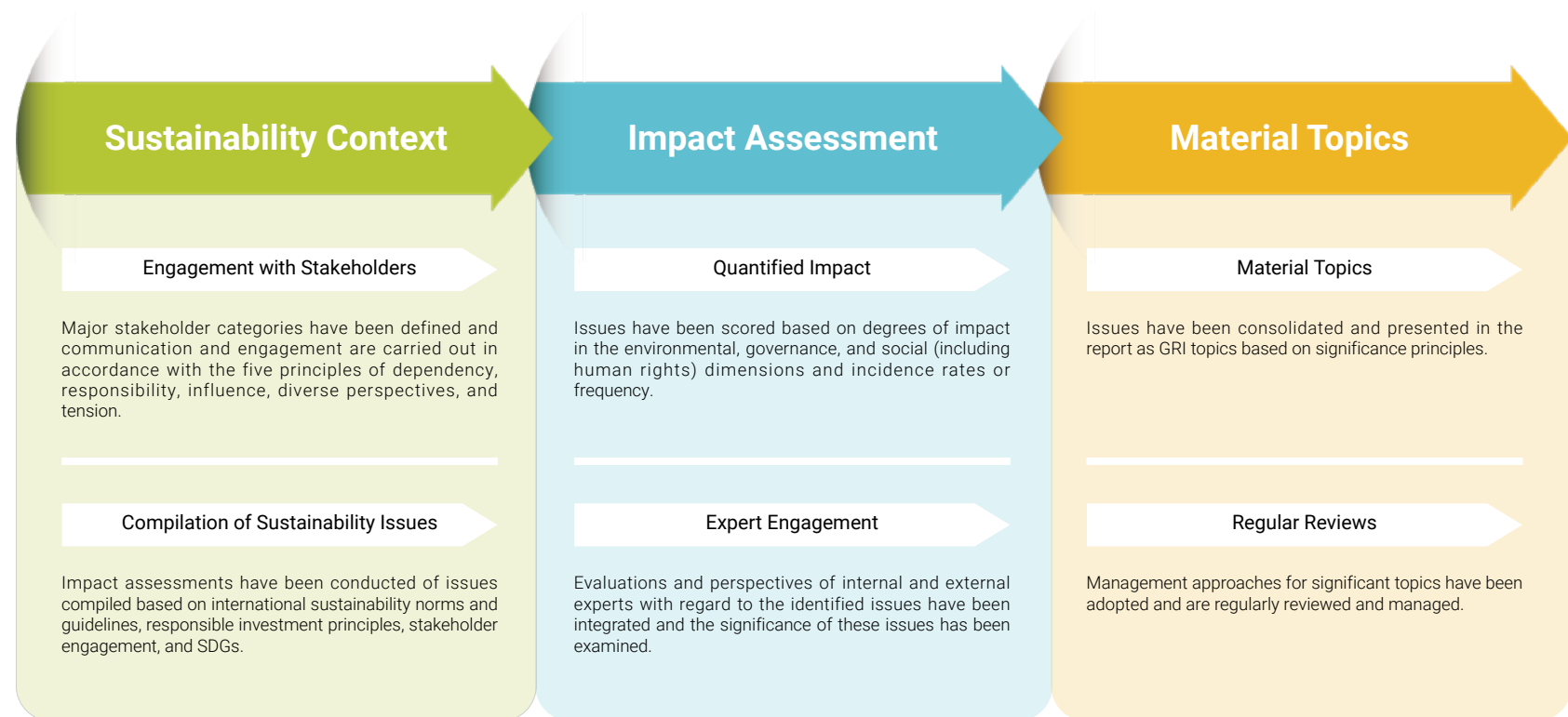


2.3 Material Topics Analysis

We firmly believe that in addition to the creation of shareholder returns enterprises should embrace excellent corporate governance and make positive contributions in the environmental and social dimensions. With a view to obtaining more comprehensive insights during decision-making processes, we have incorporated stakeholder participation as a key link of sustainable operations. We strive to gain a better understanding of stakeholder demands and expectations through intensive communication to facilitate the development of more sustainable business models and effective identification and management of potential risks. The ultimate goal is to enhance decision-making quality, boost our corporate image, and foster long-term success.

We developed a materiality process based on the four principles of inclusivity, materiality, responsiveness, and impact with reference to the AA1000 Accountability Principles. The goal is to assess the actual and potential impacts of environmental, social, governance, and human rights issues through diversified communication channels and interactions with stakeholders. Relevant results will serve as a foundation for information disclosure in annual sustainability reports and will also provide key insights for planning our sustainability strategies



» Engagement with Stakeholders

With reference to the five attributes (dependency, responsibility, influence, diverse perspectives, and tension) of AA1000 SES (Stakeholder Engagement Standard), we have identified the following seven major stakeholder categories (government agencies, investors, customers, employees, suppliers, communities, and news media). Stakeholder engagement is carried out regularly and irregularly via diversified channels to gain a clear understanding of stakeholder expectations towards the company. Impact assessments of issues of concern to stakeholders are conducted simultaneously and adequate responses are provided in this report and on the corporate website.

Dependency	Responsibility	Tension	Influence	Diverse Perspectives
Direct or indirect dependency on Microbio operations and products and Microbio operations dependency on stakeholders	Current or future stakeholders with legal, business, operational, or ethical responsibility	Stakeholders concerned about financial, economic, social, or environmental issues affecting Microbio	Stakeholders with strategic impact or decision-making capacity with respect to Microbio	Stakeholders with diverse perspectives capable of inspiring Microbio to acquire new knowledge and gain new opportunities

• Engagement with Stakeholders

The Company has established relevant communication channels and regularly reports the communication progress between the Company and various stakeholders to the Board of Directors to strengthen the emphasis on the rights and interests of stakeholders and understand stakeholders and their concerns. The state of communication with major stakeholders in 2024, including issues of concern, communication channels, frequency, and performance, was reported to the Board of Directors on February 27, 2025. Please refer to the table below for details:

Categories	Importance	Communicated Issues	Communication Channels/Frequency	Communication Performance
Government agencies	We implement sound management in line with the promulgation of relevant government laws and regulations, and regularly disclose information on finance, business, corporate governance, and sustainable development on the Market Observation Post System and the Company's website.	Corporate Governance Integrity-Based Operation Regulatory Compliance Drugs, Health Products and Food Safety Wastewater Management Climate Strategies Labor Rights	Official documents/irregularly Policy promotion meetings of competent authorities/irregularly	In 2024, 230 documents were received and 31 documents were issued with government agencies.

Preface

1. Sustainability Performance

2. ESG Overview

3. Health Care

4. Corporate Governance

5. Safe Workplace

6. Social Inclusion

7. Environmental Protection

Appendix

Categories	Importance	Communicated Issues	Communication Channels/Frequency	Communication Performance
Investors	To protect the rights and interests of shareholders and treat all shareholders fairly, the Company's information is fully disclosed in a timely, open, and transparent manner, and the Company maintains good communication with shareholders and other stakeholders.	Operating Performance Corporate Governance Risk Management Regulatory Compliance Drugs, Health Products and Food Safety Intellectual Property Management Cyber Security Climate Strategies	Investor contact platform/irregularly Audit committee contact platform/irregularly Company website/irregularly Financial report/quarterly Investor conference/irregularly Annual general meeting/annually MOPS/irregularly	<ul style="list-style-type: none"> Posting of 48 important announcements on the Market Observation Post System (MOPS) in 2024. Organization of 2 investor conference in 2024.
Customers	We are dedicated to providing customers with high quality products and services. At the same time, we value and listen to the needs and opinions of our customers and continue to improve and refine ourselves, while enhancing service quality and customer satisfaction.	Integrity-Based Operation Regulatory Compliance Drugs, Health Products and Food Safety	Customer service contact platform/irregularly Company website/irregularly Customer service hotline/irregularly	Processing of 24 customer complaints in 2024.
Employees	<ul style="list-style-type: none"> Talents are an important asset of the Company. They are not only the key to the Company's R&D innovation and competitiveness enhancement, but also the foundation for practicing sustainable development. The Company offers salaries, year-end bonuses and employee bonuses that are competitive on the market, as well as comprehensive benefits, equal job opportunities for both genders, and a friendly and safe workplace environment. In addition, comprehensive education and training are provided to enhance the professionalism and self-worth of employees. 	Operating Performance Remuneration and Benefits Occupational Health and Safety Attraction and Retention of Talent Labor Rights Diversity and Equality Human Resource Development	Employee contact platform/irregularly Email/irregularly Phone call / irregularly Complaint hotline / irregularly Labor-management meeting/quarterly Performance appraisal/every 6 months	<ul style="list-style-type: none"> A total of four labor-management meetings were held in 2024, with no employee complaints reported. Two performance evaluations were conducted in 2024. Three sessions of integrity management training were held in 2024.

Preface

1. Sustainability Performance

2. ESG Overview

3. Health Care

4. Corporate Governance

5. Safe Workplace

6. Social Inclusion

7. Environmental Protection

Appendix

Categories	Importance	Communicated Issues	Communication Channels/Frequency	Communication Performance
Supplier	Our products rely on stable raw materials provided by suppliers. Through close collaboration and good two-way communication, we jointly pursue sustainable management and growth.	Regulatory Compliance Integrity-Based Operation Supply Chain Management Cyber Security Labor Rights	Company contact platform/irregularly Meeting/several times a month Email/several times a month	<ul style="list-style-type: none"> Evaluation of 84 suppliers in 2024 Signing of CSR Commitment Letter by 2 suppliers in 2023 (as of December 31, 2024, 89 suppliers have signed this letter)
Communities	We value environmental protection, engage in public welfare, industry-academia collaboration, leverage corporate influence, support social development, and fulfill our corporate social responsibilities.	Wastewater Management Waste Management Corporate Citizenship and Charity Activities	Company contact platform/irregularly Company website/irregularly Grievance hotline/irregularly	Makes monthly donations to Boyo Social Welfare Foundation, quarterly donations to the Taiwan Society of Cancer Nutrition, and also donates to the Taiwan Breast Cancer Alliance.
Media	On par with the Group and company development, we regularly release news and communicate with the media regarding our operating results and development trends.	Economic Performance Corporate Governance Drugs, Health Products and Food Safety Regulatory Compliance Corporate Citizenship and Charity Activities	Company contact platform/irregularly Special interview/irregularly Press release/irregularly	Disclosure of 48 major news stories related to our corporate operations the News Center on our corporate website.

» Compilation of Sustainability Issues

Risk assessment results, stakeholder communication issues, MSCI (S&P Global) sources, and comparisons with international benchmarks were compiled into issues after summarizing 27 issues as the basis for impact evaluation.

• Quantified Impact

This year, the sustainability task force adopted quantitative indicators to evaluate positive and negative impacts of each issue with reference to the latest version of the GRI standards. Scoring principles were based on an analysis of the positive and negative impacts of issues and their incidence frequency/probability through impact paths of due diligence issues, in accordance with the principle of double materiality—considering both inside-out environmental and social impacts and outside-in impacts on company operations. The product of the two is defined as the impact level.

Evaluation	3	2	1
Positive Effects	<ul style="list-style-type: none"> Creates revenue or reduces cost by over NTD 10 million Significant improvement of company reputation Significant improvement of talent recruitment chances and employee satisfaction Widely acclaimed contributions to society and the natural environment 	<ul style="list-style-type: none"> Creates revenue or reduces cost by NTD 5-10 million Conducive to improved company reputation Improvement of talent recruitment chances and employee cohesion Contributions to society and the natural environment 	<ul style="list-style-type: none"> Creates revenue or reduces cost by less than NTD 5 million Negligible impact on company reputation Negligible impact on talent recruitment or turnover Minor or negligible contributions to society or the natural environment
Negative Impact	<ul style="list-style-type: none"> Decreases revenue or increases cost by over NTD 10 million Damage to company reputation, short-term recovery impossible Difficulties in attracting talent and with more than 30% manpower shortage. Serious environmental and social issues, short-term recovery impossible Business interruption for one week or more. Affect the R&D progress for more than one year or even terminate it. 	<ul style="list-style-type: none"> Decreases revenue or increases cost by NTD 5-10 million or more Damage to company reputation, short-term recovery possible Difficulties in attracting talent and with less than 30% manpower shortage. Moderate environmental and social issues, short-term recovery possible Recovery within three days after business interruption. Affect the R&D progress for more than half a year. Temporary harm to the personnel that requires follow-up medical treatment or surgery. 	<ul style="list-style-type: none"> Decreases revenue or increases cost by less than NTD 5 million Negligible impact on company reputation Negligible impact on talent recruitment or turnover Minor or negligible contributions to society or the natural environment Little or no operational impact. Minor impact on R&D progress. Temporary injuries or innocuous effects that do not require follow-up medical treatment or surgery.
Incidence Rate	At least once every three years or more frequently	Possibly once every 3-5 years	Possibly once in a period of over five years or even less frequently

Preface

1. Sustainability Performance

2. ESG Overview

3. Health Care

4. Corporate Governance

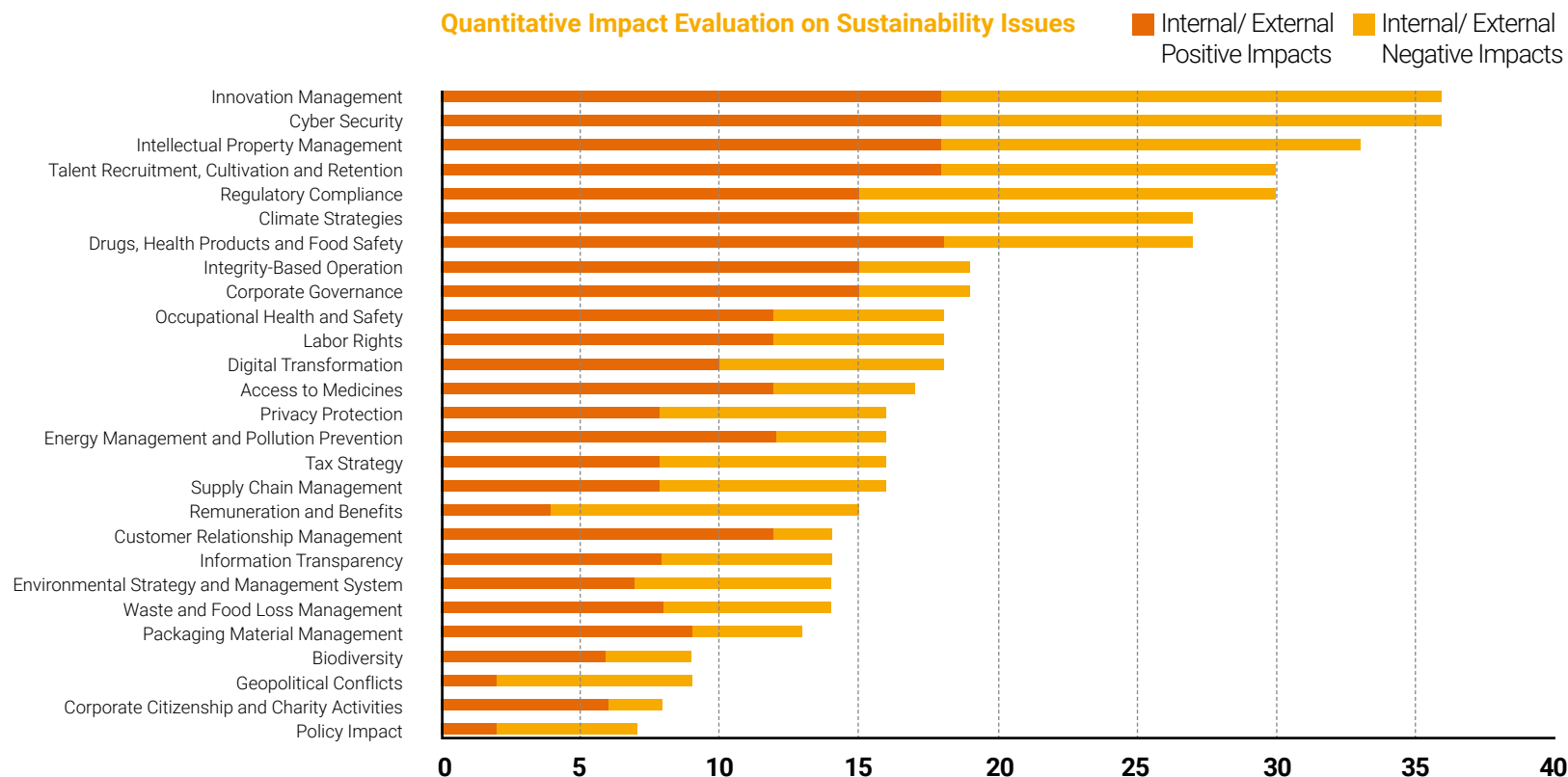
5. Safe Workplace

6. Social Inclusion

7. Environmental Protection

Appendix

Based on the path of impact of each topic, positive/negative impacts and the probability of occurrence are evaluated according to the above principles, and the overall positive/negative impacts of respective sustainability topics are analyzed and ranked. The results of the assessment are shown in the figure below:



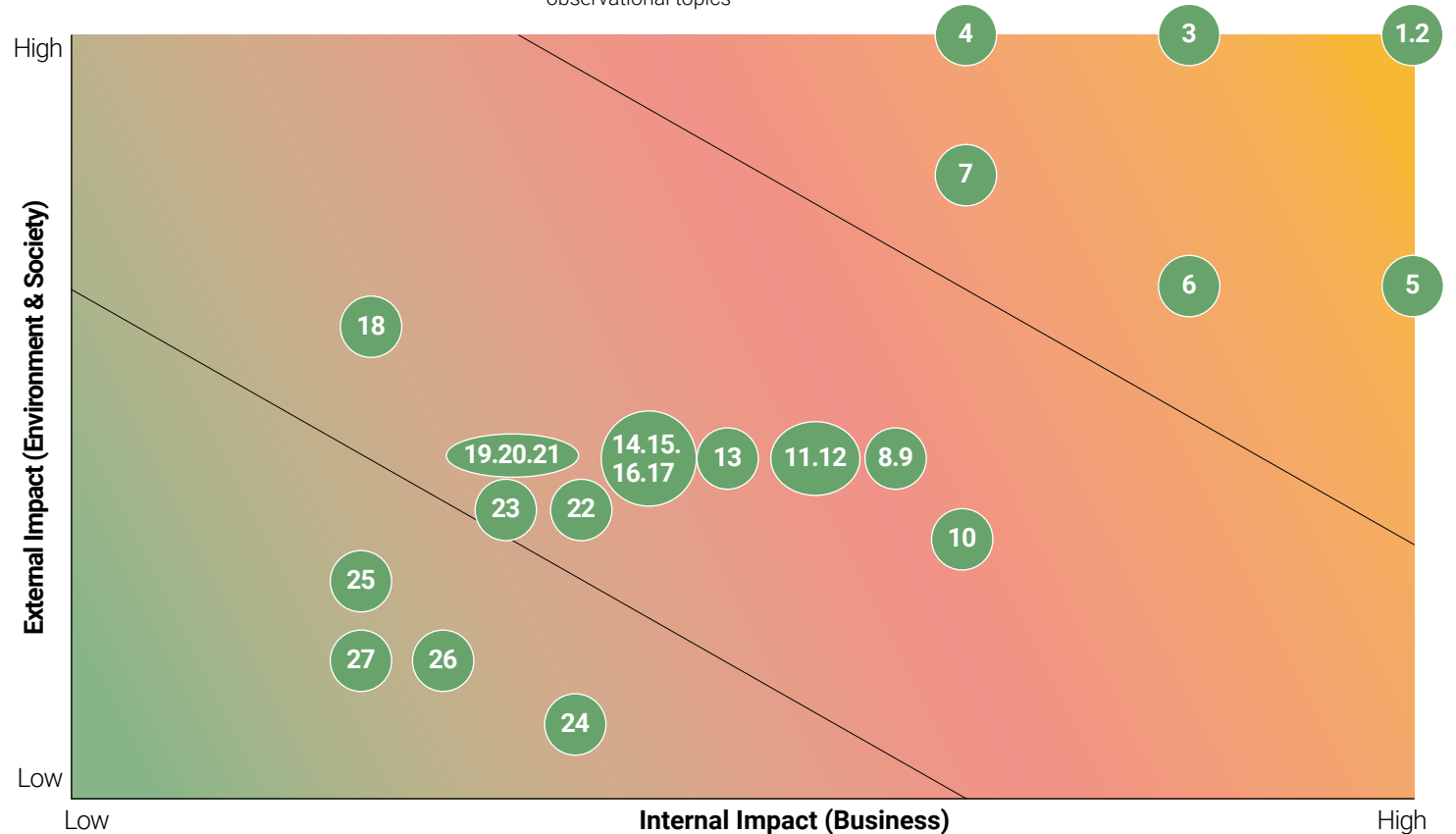
» Expert Engagement

With a view to ensuring accurate evaluation of each issue and full disclosure of information of concern to internal and external stakeholders, our sustainability task force submits the results of such evaluations to internal and external experts for review. Senior executives of each department serve as internal experts since they are abreast of all external changes affecting the company. They come in direct contact with all stakeholder categories and are fully aware of the impact of each identified issue on the company. They are therefore responsible for reviews of the accuracy of the impact path and evaluation of each issue by relying on their professional expertise in different fields. Third-party consulting firms represent the external experts. They are devoted to promoting sustainable development and maintain a full grasp of the sustainability pulse in the industry from their professional perspective. They assist us in gaining a clear understanding of social and environmental development directions associated with each issue as well as potential negative impacts or opportunities in the long run.

» Material Topics Impact Assessment Results

Our sustainability task force and internal/external expert teams repeatedly review and adjust issue evaluation results. Impact degrees are determined based on the overall consideration of positive effects and negative impacts. Ranking in the top one third in terms of degree of impact is defined as the significance threshold. Upon ranking of each issue based on degree of impact, we classify all issues into three categories. In addition to the disclosure of material issues that exceed the significance threshold in accordance with GRI standards and requirements, other information of concern to stakeholders is revealed in the report. The results of the material topic assessments are also reported to the Board of Directors as a strategic reference and basis for sustainability actions.

Material Topics	1	Regulatory Compliance
	2	Intellectual Property Management
	3	Cyber Security
	4	Innovation Management
	5	Climate Strategies
	6	Drugs, Health Products and Food Safety
	7	Talent Recruitment, Cultivation and Retention
Disclosure Topics	8	Integrity-Based Operation
	9	Corporate Governance
	10	Digital Transformation
	11	Labor Rights
	12	Occupational Health and Safety
	13	Access to Medicines
	14	Supply Chain Management
	15	Tax strategy
	16	Energy Management and Pollution Prevention
	17	Privacy Protection
	18	Packaging Material Management
	19	Information Transparency
	20	Customer Relationship Management
	21	Waste and Food Loss Management
	22	Remuneration and Benefits
	23	Environmental Strategy and Management System
Observational Topics	24	Geopolitical Conflicts
	25	Biodiversity
	26	Corporate Citizenship and Charity Activities
	27	Policy Impact



- 1. Material topics (sum of internal and external impact ≥ 24):** Significant positive or negative impact in the economic, environmental, and social (including human rights) dimensions for which the company should propose and adopt management approaches.
- 2. Disclosure topics (12 ≤ sum of internal and external impact < 24):** Information pertaining to such topics is partially disclosed in the report or on the website despite the fact that the assessed impact level does not reach the significance threshold since stakeholders still show considerable concern for relevant information
- 3. Observational topics (sum of internal and external impact < 12):** Topics with minor negative or positive impacts are listed for future observation, monitoring, and voluntary disclosure
- Issues with negative impacts that affect human rights and with serious circumstances are also included as material topics; issues with minor circumstances are included as disclosure topics or observational topics

Preface

1. Sustainability Performance

2. ESG Overview

3. Health Care

4. Corporate Governance

5. Safe Workplace

6. Social Inclusion

7. Environmental Protection

Appendix

Material Topic	Value Impact Hotspots			Assessment of Impact Level				Corresponding Report Chapter
	Upstream	Inside the Company	Downstream	To the internal of Microbio		To the external Environment/Society/Economy		
				Positive	Negative	Positive	Negative	
Regulatory Compliance		●	●	6	6	9	9	4.5 Regulatory Compliance
Intellectual Property Management		●		9	6	9	9	4.7 Intellectual Property Rights Protection
Cyber Security		●		9	9	9	9	4.6 Cyber Security
Innovation Management		●		9	9	9	9	3.1 Innovative Drugs Research and Development 3.4 Health Product R&D and Safety
Climate Strategies	●	●	●	6	6	9	6	7.2 Climate Actions
Drugs, Health Products and Food Safety	●	●	●	9	6	9	3	3.3 Drug Safety 3.4 Health Product R&D and Safety 3.5 Food Quality and Safety
Talent Recruitment, Cultivation and Retention		●		9	9	9	3	5.2 Talent Development and Cultivation 5.3 Compensation and Benefits 5.5 Healthy and Safe Working Environment

Changes from the previous year:

1. Material Topics: None.
2. Disclosure Topics: For this year, the topic "epidemic" is removed; "Diversity and equality" is merged into the topic of "Labor Rights"; and the topic "Sustainable Marketing and Brand Awareness" is merged into "Customer Relationship Management"; the topic "Energy & Resource Management and Pollution Prevention" has been renamed as "Energy Management and Pollution Prevention"; the topic of "Leftover Food Management" has been renamed "Waste and Food Loss Management", and has been elevated from the section of Observation Topics to the section of Disclosure Topics together with the topic "Packaging and Packaging Material Management".
3. Observation Topics: Except "Packaging and Packaging Material Management" and "Leftover Food Management", which have been elevated to Disclosure Topics, the rest remains unchanged.

» Regular Reviews

We have formulated management approaches for seven material topics and plan priority actions in line with impact levels. Furthermore, we define indicators and targets for tracking implementation performance. We will persist in our efforts to gain a better understanding of stakeholder expectations toward the company through stakeholder engagement to facilitate assessments of positive effects and negative impacts of our products. Annual materiality assessments are not only disclosed in our sustainability reports but also on our corporate website in a prompt manner.

Material Topics	Positive Effect	Negative Impact	Corresponding SDGs	Corresponding report Chapter
Regulatory Compliance	<ul style="list-style-type: none"> Increased customer, employee, and investor trust and corporate reputation and decreased compliance risks Sound capital markets, fostering of a climate of corporate governance in the industry 	<ul style="list-style-type: none"> Damage to company reputation, loss of stakeholder trust, legal monitoring issues Losses caused to external investors, impacts on investment, and market turbulence 		4.5 Regulatory Compliance
Intellectual Property Management	<ul style="list-style-type: none"> Encouragement of innovation and enhanced operational performance Increased incentive for innovation and R&D investments 	<ul style="list-style-type: none"> Inability to protect IPR potentially resulting in decreasing R&D capabilities, operating losses, and declining market competitiveness Improper use of IPR poses a potential risk of choking competition and innovation 		4.7 Intellectual Property Rights Protection
Cyber Security	<ul style="list-style-type: none"> Increased system reliability and customer trust coupled with mitigated risks of financial losses Mitigated risks of data leakage, cyberattacks, and other forms of cybercrime 	<ul style="list-style-type: none"> Implementation and maintenance costs; system disruptions and information leakage resulting in operating and financial losses Loss of customer, investor, and stakeholder trust 		4.6 Cyber Security
Innovation Management	<ul style="list-style-type: none"> Increased corporate competitiveness, operational efficiency, customer satisfaction, and employee cohesion Improved patient health and decreased medical costs 	<ul style="list-style-type: none"> Failed R&D projects, inability to actively respond to industry trends due to resistance to internal reforms; innovation obstacles posed by legal or supervisory mechanisms Inability to satisfy medical needs 		3.1 Innovative Drugs Research and Development 3.4 Health Product R&D and Safety
Climate Strategies	<ul style="list-style-type: none"> Mitigation of climate risks and creation of business opportunities Reduced carbon emissions, improved air/water quality, enhanced climate resilience 	<ul style="list-style-type: none"> Increased operating costs, improper execution affecting operations and finances Inability to cope with and mitigate climate issues due to lack of climate strategies resulting in social, economic, and environmental impacts 		7.2 Climate Actions
Drugs, Health Products and Food Safety	<ul style="list-style-type: none"> Creation of profits, enhanced competitiveness Improved patient and public health and decreased medical costs 	<ul style="list-style-type: none"> Increased R&D and production costs, violation of pharmaceutical laws Inadequate drug safety controls affecting patient health and resulting in increased medical costs 		3.3 Drug Safety 3.4 Health Product R&D and Safety 3.5 Food Quality and Safety
Talent Recruitment, Cultivation and Retention	<ul style="list-style-type: none"> Enhanced employee skills and expertise resulting in increased retention rates Improved labor conditions and employment rates 	<ul style="list-style-type: none"> Increased operating costs and lack of employee skills and professionalism Inability to attract talent to the biotech industry 		5.2 Talent Development and Cultivation 5.3 Compensation and Benefits 5.5 Healthy and Safe Working Environment