# Mycenax Biotech Inc.

## Water conservation or other waste management policies

1. Waste Management

(1) Waste Management Policy

A. Mycenax regularly compiles statistics on the amount of general industrial waste and hazardous industrial waste generated, and continuously tracks the disposal flow of waste from the point of removal. In addition to ensuring that there are no abnormal increases in waste output, we also comply with regulations that require proactive monitoring of waste disposal routes, to prevent any waste from being improperly disposed of.

B. In accordance with the Waste Disposal Act and related regulations, Mycenax strictly implement waste classification, collection, storage, and management. We entrust qualified waste disposal and treatment vendors to handle the transportation, treatment, and recycling of waste. In doing so, we fulfill our sustainability responsibilities while achieving the goals of improving environmental hygiene and safeguarding public health. Currently, Mycenax has approximately 10 personnel with qualifications in waste management, and each plant has designated personnel in accordance with legal requirements to manage this business. Furthermore, we ensure the implementation of internal regulations in daily operational management standards. In addition, Training to enhance waste management is arranged periodically for both new hires and current employees, aiming to minimize potential environmental hazards resulting from the production process through the utmost initiative.

C. In view of the growing trend of promoting circular economy concepts and sustainable innovation thinking, we aim to identify areas for resource conservation through a product's entire life cycle assessment. This not only reduces toxic and harmful waste but also minimizes the negative social impacts throughout the product's life cycle. Additionally, Mycenax will adopt the "Circular Economy Promotion Plan" as a strategy, implementing the principles of waste reduction, maximizing utilization, material recycling, and repair. We will rethink and redefine these principles to ensure resources are more efficiently recycled, with the goal of addressing resource scarcity and waste pollution at the source, optimizing the implementation of the circular economy concept.

(2) Waste Disposal Situation in the Last Two Years:

The waste generated at all Mycenax's facilities is categorized and stored according to the Environmental Protection Administration's waste codes, and legally authorized disposal vendors are commissioned for cleaning and treatment. As of the end of November 2025, the total amount of waste disposed of is approximately 31.50 tons (10.92 tons of Hazardous Industrial Waste and 20.58 tons of General Industrial Waste).

| Item | 2024 (Base Year) | 2025 (As of November 2025) |
|---|---|---|
| Hazardous Industrial Waste (tons) | 9.0649 | 10.9169 |
| General Industrial Waste (tons) | 17.3700 | 20.5800 |
| Total | 26.4349 | 31.4969 |
| Annual Revenue (NTD Million) | 683.92 | 612.93 |
| Waste Generation Intensity (Tons/NTD Million) | 0.0386 | 0.0513 |

2. Water Resources

(1) Water Resource Management Policy

A. In recent years, extreme weather events caused by climate change have intensified the uncertainty of global rainfall patterns. Due to Taiwan's terrain, rainfall quickly flows into the ocean, leading to rapid changes in the water environment. As a result, alternating droughts and floods have become more frequent, and the risks of water disasters and shortages have increased. The competent authorities have adopted multiple strategies, such as increasing supply, conserving resources, optimizing scheduling, backup measures, and management. They also require businesses to make efforts to save water and improve water efficiency across all facilities. Given the high reliance of the pharmaceutical manufacturing process on clean water resources, Mycenax places great importance on water resource management. All regional sites utilize tap water as their water source, and the overall water consumption structure is primarily composed of process water, supplemented by domestic water.

B. Mycenax complies with the Water Pollution Prevention and Control Act and related subsidiary regulations, and through proper collection, treatment, and inspection control of waste (sewage) water, ensures that final discharges meet the effluent standards to strive for minimizing negative environmental impacts. Furthermore, for the process wastewater from the two GMP plants in the Zhunan area, wastewater treatment efficiency is enhanced through pH adjustment and microbial treatment, followed by MBR tank membrane filtration, while simultaneously reducing the concentrations of COD, BOD, and SS in the waste (sewage) water.

a. Wastewater Treatment: GMP Plant 1 and Plant 2 each have wastewater treatment facilities with a daily processing capacity of approximately 48 tons and 100 tons. After treatment, the wastewater from both facilities meets the discharge requirements of the Zhunan Sewage Plant.

b. Inspection & Control: Ensure that raw water and waste (sewage) water discharge meets the discharge standards of the Science Park wastewater treatment plant through periodic testing.

- Commission certified inspection companies semi-annually to conduct manual sampling and testing of raw water and waste (sewage) water, and perform online filing of water quality test results and the operation and usage status of prevention facilities in accordance with regulations.
- The Factory Dept. regularly measures the effluent water quality to ensure it meets discharge standards.

c. Wastewater Discharge: The treated wastewater is collected and processed by the Zhunan Park

Sewage Treatment Plant. The wastewater treatment fee is paid based on the discharge volume and water quality.

d. inspection by the competent authorities

- Twice a month at least, irregular sampling of effluent is conducted to test for pH, temperature, conductivity, COD, BOD, and SS, ensuring compliance with the collection standards.
- Irregular monthly inspections are conducted on water use permits and related record forms to ensure our facilities are free of violations. Additionally, the wastewater discharge reports and the operation of wastewater facilities are reviewed.

(2) Our water consumption tracking includes offices and laboratories in Taipei and Zhubei, as well as GMP Plants I and II in Zhunan. As of late 2025, total water consumption reached 50,272 tons. This upward trend aligns with increased production capacity and the activation of the Plant II filling line, which necessitates higher frequency and stricter requirements for equipment and environmental cleaning.

| Item | 2024<br>(Base Year) | 2025<br>(As of November 2025)" |
|---|---|---|
| Water Usage (Tons) | 51,272 | 50,272 |

3. Reduction

(1) Mycenax promotes a culture of water conservation, waste reduction, and resource recycling and reuse among its colleagues through education and training.

(2) Waste Reduction Measures:

- Waste Reduction: Estimated waste output based on production scheduling and inventory planning; maximized resource circulation and recycling by sorting high-value materials for reuse to achieve waste reduction goals.

(3) Water Reduction Measures:

- A water usage plan is established for the manufacturing processes. Water usage patterns are reviewed across the entire process flow to evaluate the relationship between water volume, operating hours, and production flow at each water consumption point, thereby analyzing water usage differences during production.
- Piping facilities are regularly inspected, and cost-effective, durable, easy-to-maintain, and compatible high-efficiency water-saving devices are used.
- The water conservation mechanism is continuously optimized and maintained for effectiveness through real-time monitoring systems, early warning mechanisms, and regular testing.
- Water recycling systems are introduced, including rainwater storage measures in the plant area, Ultrafiltration (UF) membrane technology within processes, and RO (Reverse Osmosis) wastewater recovery for the air conditioning system, among others.