

## **Mycenax Biotech Inc.**

### **Water conservation or other waste management policies**

#### **1. Waste Management Policy**

- (1) 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.
- (2) 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, we provide enhanced waste management training for new employees, making every effort to minimize the potential environmental impact of the production process.
- (3) 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.
- (4) **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 2024, the total amount of waste disposed of is approximately 24.04 tons (8.64 tons of hazardous industrial waste and 15.40 tons of non-hazardous industrial waste).

Item	2023 (Base Year)	2024 (As of November 2024)"
Hazardous waste (tons)	5.83	8.64
Non-hazardous waste (tons)	5.68	15.40
Total	11.51	24.04
Annual Revenue (NTD Million)	652.62	634.27
Waste Generation Intensity (Tons/NTD Million)	0.018	0.038

## 2. Water Resource Management Policy

(1) 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 pharmaceutical processes on clean water resources, Mycenax places great importance on water resource management. All regional sites use municipal water sources, with the overall water usage structure primarily focused on processed water, supplemented by domestic water use.

(2) The calculation scope of Mycenax 's water usage includes the Taipei office and laboratory, Zhubei headquarters and laboratory, and the GMP Plant 1 and 2 in Zhunan. As of 2024, the total tap water consumption is 45,469 tons. Based on the water usage statistics from 2023, estimated according to the number of operating days, it can be observed that even with the official launch of the filling line at GMP Plant 2, the average monthly water consumption has slightly decreased this year. This demonstrates that environmental awareness directly impacts energy-saving results. Mycenax will continue to strive to implement water-saving actions in every aspect of production and operations.

Item	2023 (Base Year)	2024 (As of November 2024)"
Water Usage (Tons)	56,624	45,469

(3) **Wastewater Management:** Mycenax follows the Water Pollution Control Act and related regulations, ensuring that wastewater is properly treated and monitored, with final discharge meeting the effluent standards. Additionally, for the biological wastewater at the two GMP Plant in the Zhunan, pH adjustments and microbial treatments are applied, followed by filtration through the MBR treatment system. This process improves wastewater treatment efficiency and reducing the concentration of discharge parameters such as COD, BOD, and SS.

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 and Control:** Regular testing is conducted to ensure that wastewater discharge meets the effluent standards of the science park's sewage treatment plant.

- Every six months, we commission a qualified testing company to conduct manual sampling and testing of wastewater. The test results, along with the operation and usage status of the pollution control facilities, are reported online as required by 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, 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.

### 3. Reduction and Management

- (1) Estimate waste output in advance based on production and inventory schedules, and follow the principle of maximizing resource recovery rates. Sort recyclable materials for reuse to achieve the goal of reducing waste generation.
- (2) Continue promoting education and propaganda on water conservation and waste sorting to achieve waste reduction.