

Mycenax Biotech Inc.

Greenhouse Gas Reduction Management Policy

1. Mycenax uses greenhouse gas (GHG) inventory management as a means of improving carbon emissions and managing GHG emissions. We prioritize understanding the industry supply chain context to confirm the process map, measuring the entire process from raw material acquisition, production, and transportation to final waste disposal. Mycenax assesses the direct or indirect environmental impact at each stage and aims to achieve carbon reduction by selecting alternative energy sources or methods to reduce carbon emissions.
2. To more accurately reflect the proportion of greenhouse gas emissions from various operations, Mycenax has redefined the scope of its GHG inventory in accordance with "ISO 14064-1:2018" and will use data collected after 2023 as the basis for discussions on carbon reduction targets.

3. Greenhouse Gas Inventory Results :

The emissions for 2024 are shown in the table below. The main emissions come from Category 1 and Category 2, amounting to 630.74 tons of CO₂e and 3,566.27 tons of CO₂e, respectively, accounting for 15.03% and 84.97% of the annual greenhouse gas emissions. It can be observed that Mycenax's greenhouse gas emissions are predominantly from purchased electricity.

Greenhouse Gas Emission Types.			2023 (Base year)	2024 (As of Nov. 2024)
Scope 1	Category 1	Diesel, NG, Refrigerants, CO ₂ fire extinguishers (tons CO ₂ e)	241.81	630.74
Scope 2	Category 2	Purchased electricity (tons CO ₂ e)	3,906.60	3,566.27
Scope 3	Category 3~6	Other indirect greenhouse gas emissions (tons CO ₂ e)	Immaterial	Immaterial
Total Emissions (tons CO ₂ e)			4,148.41	4,197.02
Annual Revenue (NTD Million)			652.62	634.27
Greenhouse Gas Emissions Intensity (tons CO ₂ e/NTD Million)			6.36	6.62

- (1) This is primarily attributed to the strict control of temperature and humidity conditions required during the drug development and production process, which leads to a high demand for electricity. However, to minimize the environmental impact, Mycenax has been gradually implementing energy-saving plans and requires relevant departments to cooperate in making improvements. The goal is to achieve energy conservation, improve energy efficiency, and simultaneously reduce indirect greenhouse gas emissions.
- (2) According to the annual electricity consumption statistics, the electricity usage in 2023 was 7,920,859 kWh, while in 2024 it was 7,219,179 kWh, showing a slight increase. This increase is due to the official launch of the GMP Plant 2 and the fill-finish line in 2023 and 2024, respectively, resulting in a small overall increase in electricity consumption.

Item	2023 (Base year)	2024 (As of Nov, 2024)
Electricity Consumption (kWh)	7,920,859	7,219,179
Annual Revenue (NTD Million)	652.62	634.27
Electricity Intensity (kWh/NTD Million)	12,137.02	11,381.87

Note: To reflect the Mycenax 's electricity consumption more accurately, the calculation scope of electricity usage has been redefined (including the Taipei office and laboratory, Zhubei headquarters, and Zhunan GMP Plant 1 and 2).

4. Reduction Measures and Management

- (1) Regular maintenance of equipment is carried out to maintain operational efficiency and prevent energy loss.
- (2) Temperature regulation is implemented in non-production and R&D areas to reduce energy consumption of the chiller units.

5. Plans for Strengthening Energy Conservation Initiatives Starting in 2025

To promote energy-saving measures throughout Mycenax, the following initiatives will be implemented in daily operations: turning off lights when not in use, ensuring computers are powered off after work, turning off lights in unused office areas, turning off lights for one hour during lunch breaks, and avoiding the use of elevators for areas below the third floor. In the future, continuous promotion of energy-saving and carbon reduction measures will be implemented to achieve the goal of reducing greenhouse gas emissions, as outlined below:

- (1) Develop relevant regulations and guidelines for greenhouse gas inventory management for all employees to follow and regularly review Mycenax’s carbon emissions and discuss reduction targets.
- (2) Use energy-efficient lighting, appliances, and mechanical equipment, and conduct regular maintenance to improve operational efficiency and reduce energy consumption.
- (3) In alignment with the COP28 cooling and refrigeration carbon reduction initiative, the temperature in non-production areas, such as offices, lobbies, and dining/rest areas, will be set to the optimal temperature via central air conditioning to promote correct electricity usage habits and avoid unnecessary energy consumption due to excessively low temperatures. Additionally, for cooling equipment, environmentally friendly refrigerants or new, eco-friendly refrigerants will be chosen to replace high global warming potential gases, contributing to climate resilience.