

Sustainability | 2024 Report

Executive Summary



Message from CEO

2024 was a year of breakthroughs and achievements for Bora Pharmaceuticals. Guided by "Contributing to Better Health All Over the World," we made significant progress in financial performance, governance, product safety and quality, and displayed our commitment to the environment and talent development.

In terms of performance, we reached record highs in both revenue and earnings per share. Revenues totaled NT\$19.25 billion, a 35.5% increase YoY. Net income reached NT\$3.939 billion and EPS stood at NT\$38.69, marking two consecutive years of strong growth based on our unique competitive advantage as a CDMO operating under dual engines and with a deep bench in small molecules.

Following our Q4 2023 listing, we worked diligently in 2024 to meet the governance standards as a global market leader. We linked 10% of Management (Vice President and above) compensation to ESG performance, embedding sustainability into our core strategy. We also strengthened internal oversight by launching the independent whistleblowing platform Conduct Watch, underscoring integrity and compliance.

In 2024, Bora achieved 0 product recalls, a testimony of high safety and quality assurance standards as a genuine supply partner our clients can trust. Over 20 sites audit across at our global manufacturing network were successfully completed by regulators in the U.S., Europe, and Taiwan, affirming our robust systems and ongoing alignment with evolving standards and technologies.

On the environmental front, we remain committed to achieving net-zero emissions by 2050. In 2024, 8 major sites completed calculation of ISO 14064-1 GHG inventories and launched carbon reduction and resource recycling programs. Our Zhunan site alone reduced CO₂ emissions by 1,469.27 metric tons, a 5.08% sequential reduction based on growing production output, demonstrating strong execution in sustainability. In 2025, we plan to issue ESG action guidelines for all CDMO sites to help meet client expectations across the Bora network.

In terms of talent development and social inclusion, in 2024, we were honored to be recognized once again by HR Asia as the "Best Companies to Work for in Asia" and received the "WeCare Award". We firmly believe in cultivating a happy workplace and shall continue to improve employee well-being.

Looking ahead, Bora will focus on site integration and advancing net-zero efforts. In 2025, our Mississauga site in Canada will take the lead in SBTi adoption by setting carbon reduction targets on a scientific base, a critical step forward for our CDMO operations. By fulfilling our environmental and social responsibilities, our global expansions are built on a healthy and solid ground of sustainability.



Bobby Sheng Group CEO & Chairman

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Sustainability

- Sustainable Drug Supply
- Sustainable Environment
- Talent Development and Happy Workplace

Our Vision

Guided by the vision of “Contributing to Better Health All Over the World,” Bora established a Sustainability Committee in 2022 to align business strategy with long-term ESG goals. Rooted in pharmaceutical expertise, we aim to differentiate while creating positive impact across the industry. Our sustainability approach balances economic growth, social well-being, and environmental protection to achieve long-term value and responsible growth. We focus on 4 strategic pillars: • **Corporate Governance** • **Sustainable Drug Supply** • **Sustainable Environment** • **Talent Development and Happy Workplace**

Our Goals

	Short-term (2024-2025)	Mid-term (2026-2028)	Long-term (2026-2028)
E	<ul style="list-style-type: none">• Build EcoVadis compliant strategies and detailed roadmap to ensure Bora Group meets audit requirements of major global pharma clients.• Introduce SBTi (Science-Based Targets initiative) at the Canada site.• Commit to a net-zero emissions goal; conduct annual gap analysis and rollout energy saving audits of and carbon-reduction plans group-wide.• Complete GHG inventory and third-party assurance on group-consolidated basis.	<ul style="list-style-type: none">• Obtain ISO 50001 certification for the parent company and certain key subsidiaries with higher carbon emissions.• Obtain ISO 14001 certification and prepare for group-wide SBTi roadmap and carbon reduction trajectory.	<ul style="list-style-type: none">• Set group-wide supplier carbon reduction or chemical emission targets and assist our suppliers to achieve adherent actions. Achieve group-wide SBTi goals.• Promote the adoption of green process technologies.
S	<ul style="list-style-type: none">• Conduct employee engagement surveys.• Implement human rights due diligence exercise across operations.• Devise community engagement initiatives aligned with Bora's core pharmaceutical values and prepare for rollout plans.• Develop responsible marketing policies as Upsher-Smith's specialty pharma business expands.	<ul style="list-style-type: none">• Establish talent development and/or management trainee programs for key positions.• Create onboarding and corporate behavior SOPs for newly acquired facilities (Corporate Behavior & Governance).	<ul style="list-style-type: none">• Conduct group-wide sustainability and human rights risk assessments.
G	<ul style="list-style-type: none">• Continue to refine corporate governance executions.• Establish a comprehensive whistleblower and grievance mechanism.• Create standardized and internal audit integral procedure for compiling and verifying Sustainability Report.	<ul style="list-style-type: none">• Build group-wide risk management mechanisms.• Establish supplier sustainability audits and risk assessment schemes.• Adopt third-party cybersecurity risk assessment platforms.	<ul style="list-style-type: none">• Integrate ESG performance into supplier selection criteria.• Adopt ISO 27001 (Information Security Management System).

Recognition and Honors



Corporate Governance Performance

- Ranked in the top **6%–20%** in TWSE's Corporate Governance Evaluation among listed companies
- FTSE ESG rating of **3.5**, exceeding the inclusion threshold for the FTSE4Good Emerging Index



Sustainability Ratings

- Received MSCI ESG Ratings **Grade A**
- Mississauga site in Canada and Upsher-Smith earned Ecovadis “**Committed**” ratings



Innovation Excellence

- Winner of the 6th Presidential Innovation Award (Group Category – Service Innovation) as the **first pharmaceutical company** receiving the honor



Workplace Culture Recognition

- Honored **consecutively** by HR Asia's “Best Companies to Work for in Asia 2024” award



M&A Strategy Achievements

- **Dual recognition** at the Taiwan M&A Gold Awards: Most Representative Deal and Best Cross-Border M&A

Financial and Operational Performance

In 2024, the Group reported consolidated net revenue of NT\$19.245 billion, representing a 35% increase compared to the previous year. Consolidated net income after tax reached NT\$3.94 billion, with basic earnings per share (EPS) of NT\$38.69. This marks a 30% increase YoY.

Economic Value Distribution (NTD thousands)					
Composition		Description	2022	2023	2024
Direct Economic Value Generated (A)					
Operating Income		Net Operating Revenue	10,494,470	14,200,068	19,245,907
		Interest/Dividends/ Rental Income	20,534	2,846,459	167,937
Economic Value Distributed (B)					
Operating Costs		Costs incurred from operating activities	861,521	1,443,939	3,633,167
Employee Wages and Benefits		Salaries, Bonuses, Incentives, and Employee Benefits(including retirement benefits and insurance)	1,746,758	2,444,173	5,019,278
Payments to Providers of Capital		Interest Expenses and Dividend Payments	347,529	790,373	1,712,526
Payments to Government by Country		Taxes Paid (excluding deferred taxes)	381,545	1,720	65,131
Community Investments		Donations and Sponsorships	1,332	1,138	18,795
Economic Value Retained (A–B)			7,155,785	12,365,184	8,964,947

(Financial Status in NTD thousands)			
Financial Information	2022	2023	2024
Total Assets	22,761,215	25,052,005	45,598,934
Equity	5,140,456	11,765,811	15,011,565
Net Income	1,401,525	3,071,921	3,939,009
Basic Earnings per Share	18.52	30.20	38.69

Corporate Governance

Highlight Case

Linking Executive Compensation to ESG Performance

Bora has incorporated ESG performance into the compensation metrics for senior executives (Vice President level and above):

90% : Financial and operational performance

10% : ESG target achievement

This approach reinforces ESG implementation and reflects our commitment to transparent governance.



100%

Employees signed integrity statements

50%

Board seats held by Independent Directors

0

No major cybersecurity incidents in 2024

Conduct Watch

Independent platform entrusted for whistleblowing and grievance reporting

Sustainable Drug Supply

0

Product recalls due to adverse events in 2024

20+

Inspections passed globally with all sites being USFDA, EMA and TFDA complaint with no observations

96

Commercialized products in CDMO Business in 2024

89

ANDA accumulated at our pharma sales business unit



Highlight Case

Promise of Support™: Rare Disease Assistance Program

Bora's U.S. subsidiary, Upsher-Smith, launched the Promise of Support™ program to provide comprehensive support for patients and caregivers covered by our rare disease portfolio. The company has long promoted various donation initiatives and donated products equivalent to USD \$165,332 in 2024.

The program currently covers 3 self-developed products: Vigadrone® powder for oral solution, Vigadrone® tablets, and TORPENZ™ tablets. Through education, assistance and financial relief, the program helps patients overcome treatment barriers and reflects a patient-centered approach to care.

Sustainable Environment

Net-Zero Commitment

Bora Group is committed to achieving net-zero emissions by 2050

40%

Pure water recovery rate achieved at the Tainan site

0

No major occupational safety and health deficiencies reported in 2024

ISO 14064-1

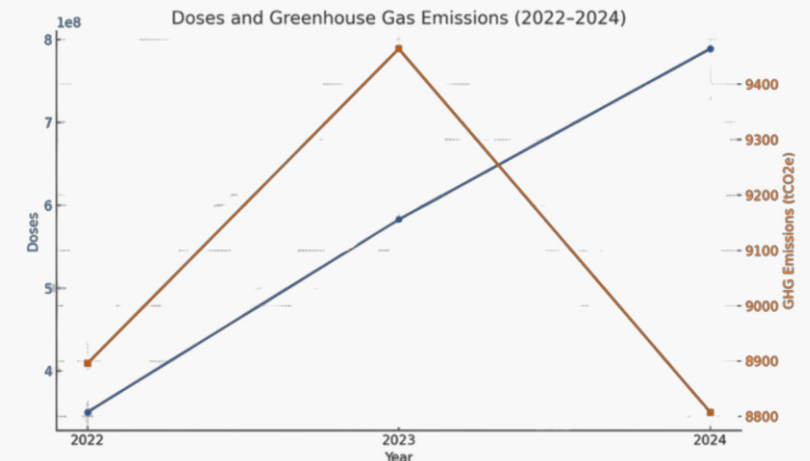
GHG inventory and verification conducted at 8 sites in 2024, with all sites expected to complete by 2025

Highlight Case

Zhunan Site – HVAC System Optimization

Despite a significant increase in production output, the Zhunan site successfully reduced greenhouse gas emissions by optimizing its HVAC system. Through adjusted airflow, reduced ventilation frequency, and improved cooling tower efficiency, the site achieved notable energy savings.

From 2022 to 2024, total doses shipped more than doubled, from 350 million to nearly 790 million, while GHG emissions, after peaking in 2023, dropped to levels even lower than in 2022. This reflects our ongoing commitment to scaling operations sustainably and improving carbon efficiency.



Talent Development and Happy Workplace



44.4%

Female managers in 2024

2,024
HR Asia

Awarded in 2024 Asia's Best Employer and Asia's Best Employer Caring

77%

2024 New hire retention rate in 2024

5.21

Million Public welfare. Bora increased its CSR spending by nearly NT\$3 million, supporting rare disease care.

Highlight Case

Talent Development

We design training programs aligned with the Group's strategic goals, offering diverse courses and dedicated annual training budgets based on job levels and competencies.

For example, the ZN site has launched a structured program to develop managerial talent and key roles. In 2024, over **40 employees** were nominated by their managers. Each participant receives a personalized development plan, supported by at least three coaching sessions and follow-ups.

Industry-Academia Collaboration

In parallel, Bora actively engages in industry-academia collaboration. In 2024, over **150 faculty** members and students from 4 universities visited to learn about pharmaceutical production and cGMP practices.

New Hire Composition (2024)

As Bora continues to grow through both strategic acquisitions and organic expansion, we consistently welcome a significant number of new employees each year. To support their successful integration and promote long-term engagement, we have established robust onboarding programs designed to help new hires embrace our organizational culture and core values.

New Hires Breakdown

Taiwan: 256 employees (60.13% under the age of 30)
Overseas: 286 employees (56.82% under the age of 30)
Total: 542 employees (325 male / 217 female)