










GRAPE KING BIO

# CH2 Product Liability

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# Sustainability Targets

Short-, Medium-, and Long-Term Goals and Current-Year Achievement Status	Sustainable Supply Chain Management	Product Liability	Food Safety
Progress achieved in 2025	<ol style="list-style-type: none"> <li>1. Significant supplier sustainability self-assessment survey response rate: 100%.</li> <li>2. Developed a diversified raw material sourcing plan with 57 items, exceeding the annual target of 50 items.</li> <li>3. Maintained a 100% annual evaluation rate (incoming inspection).</li> <li>4. SIMP supplier intelligent management platform online rate: 93.93%.</li> </ol>	<ol style="list-style-type: none"> <li>1. Developed several dietary supplements for maintaining body shape and fiber supplementation.</li> <li>2. Developed 3 new functional jelly products and leisure beverages.</li> <li>3. Major products have completed the use of plastic-free paper materials and recyclable packaging, in line with the sustainable plastic reduction policy.</li> <li>4. Proposed products targeting the different needs of cats and dogs.</li> <li>5. Implemented the development of eco-friendly plastic bottles, with ongoing testing and information evaluation.</li> <li>6. Planned to expand the use of flexible board printing packaging, FSC-compliant packaging, and 3 types of digitally printed aluminum foil.</li> </ol>	<ol style="list-style-type: none"> <li>1. FSSC 22000, ISO 22000, and HACCP system certification renewal has been completed in 2024.</li> <li>2. The new soft capsule and jelly production lines have completed FSSC 22000, ISO 22000, HACCP, and NSF GMP certification as planned in 2024, as well as the completion of GMP certification for health and nutrition supplements and secondary quality control certification.</li> </ol>
Short-term Targets for 2026-2027	<ol style="list-style-type: none"> <li>1. Sustainability risk assessment: Target the recovery rate of significant supplier sustainability self-assessment questionnaires reach 96% (by 2026) and 98% (by 2027).</li> <li>2. Strengthen Zero supply shortages by keeping stocked target of the supply chain: It is expected to complete 300 (by 2026) and 350 (by 2027) multi-source solutions of materials (based year 2020)</li> <li>3. Implement a comprehensive supplier evaluation system: 100% of suppliers in Tier-1 conduct annual regular evaluation.</li> <li>4. Continuously promote an intelligent multi-communication platform for suppliers, and make the online rate of suppliers reach 94%(by 2026) and 95%(by 2027).</li> </ol>	<ol style="list-style-type: none"> <li>1. Plan to develop 2-4 products for prevention and mitigation of various health problems faced by the public as part of our mission to safeguard public health.</li> <li>2. Plan to develop 1-2 functional snack foods to align with the growing trend of leisure-oriented health food products.</li> <li>3. Plan to optimize sustainable products that use plastic-free paper, recyclable materials, and raw materials, along with formulation designs that adhere to the spirit of the SDGs, embedding sustainability at the core of product development.</li> <li>4. Evaluate or replace current materials with more environmentally friendly materials such as FSC certified paper and vegetable-based inks for printing.</li> <li>5. Implement plastic reduction actions such as removing plastic liners from products, replacing plastic straws with feasible alternatives for PKL products, using lightweight PET bottles, and eliminating plastic fillings from capsule products.</li> <li>6. Our strategies to reduce the environmental impact of packaging across the company are as follows.                     <ol style="list-style-type: none"> <li>(1) Evaluation of aluminum-free foil alternatives to reduce the use of non-environmentally friendly materials.</li> <li>(2) Evaluation of plastic-free sealing solutions to minimize plastic consumption.</li> <li>(3) Evaluation of environmentally friendly desiccants to reduce plastic usage.</li> <li>(4) Evaluation of solvent-free aluminum foil technologies to mitigate environmental impacts associated with solvent use.</li> </ol> </li> </ol>	<ol style="list-style-type: none"> <li>1. Complete the TGA GMP certification audit and improvement assessment for the Pingzhen Factory.</li> <li>2. Update the TQF food safety system certification for the Pingzhen Factory to encompass both the TQF QM (Quality Management) and TQF FF (Functional Food) certifications.</li> <li>3. Expand the scope of the Level 2 Quality Control certification for the Pingzhen Factory to include the food additive manufacturing category.</li> </ol>
Mid-term Targets for 2028-2029	<ol style="list-style-type: none"> <li>1. Sustainability risk assessment: Target the recovery rate of significant supplier sustainability self-assessment questionnaires reach 99% to 99.5%.</li> <li>2. Strengthen Zero supply shortages by keeping stocked target of the supply chain: It is expected to complete 400 to 450 multi-source solutions of materials (based on the year 2020).</li> <li>3. Implement a comprehensive supplier evaluation system: Maintain 100% of suppliers in Tier-1 that conduct annual regular evaluation.</li> <li>4. Continuously promote an intelligent multi-communication platform for suppliers, and make the online rate of suppliers reach 96% to 97%.</li> </ol>	<ol style="list-style-type: none"> <li>1. According to a survey by the National Development Council, Taiwan is expected to become a super-aged society by 2025. We strive to help the elderly enjoy lifestyles of health and sustainability every day by developing products targeting common diseases among them, such as Alzheimer's disease, Parkinson's disease, or sarcopenia.</li> <li>2. Address health issues caused by the gap between haves and have-nots by designing affordable health supplements to enable people to maintain their health at an economical price.</li> <li>3. Evaluate the recyclability of aluminum foil, which is a material extensively used by our company, and additionally assess 100% paper-based packaging materials for stick packs and powder sachet packs.</li> <li>4. Plan product packaging reduction by eliminating outer boxes for capsule products.</li> <li>5. Increase the proportion of recycled materials used in packaging.                     <ol style="list-style-type: none"> <li>(1) Increase the use of environmentally friendly materials in products.</li> <li>(2) Enhance environmental sustainability by utilizing materials that feature lower carbon footprints, renewable sources, natural rubber, and reduced thickness.</li> </ol> </li> </ol>	<ol style="list-style-type: none"> <li>1. Optimize the allocation of internal and external inspection resources to optimize inspection procedures and enhance inspection efficiency.</li> <li>2. Maintain customer emotional relationship by consistently meeting customer requirements in food safety and quality management, creating mutual benefits.</li> </ol>
Long-term Targets for 2030 and beyond	<ol style="list-style-type: none"> <li>1. Sustainability risk assessment: Target the recovery rate of significant supplier sustainability self-assessment questionnaires reach 100%.</li> <li>2. Strengthen Zero supply shortages by keeping stocked target of the supply chain: It is expected to complete 500 multi-source solutions of materials (based on the year 2020).</li> <li>3. Implement a comprehensive supplier evaluation system: Maintain 100% of suppliers in Tier-1 that conduct annual regular evaluation.</li> <li>4. Continuously promote an intelligent multi-communication platform for suppliers, and make the online rate of suppliers reach 98%.</li> </ol>	<ol style="list-style-type: none"> <li>1. Plastic packaging does not decompose easily, which can lead to accumulation of plastic waste. We plan to replace current HDPE packaging materials with biodegradable packing materials to reduce usage of plastic containers.</li> <li>2. Continuously develop products aimed at current health needs of local consumers.</li> </ol>	<ol style="list-style-type: none"> <li>1. Continue to improve and refine food safety, quality verification system, and inspection center in line with international standards and the latest verification standards.</li> <li>2. Continuously stabilize product quality and provide consumers with higher quality and healthier products to improve Grape King Bio's brand image.</li> </ol>
Corresponding SDGs		  	  

Director of Manufacturing Division and General Manager of UVACO subsidiary  
**Mei-Ching Tseng**



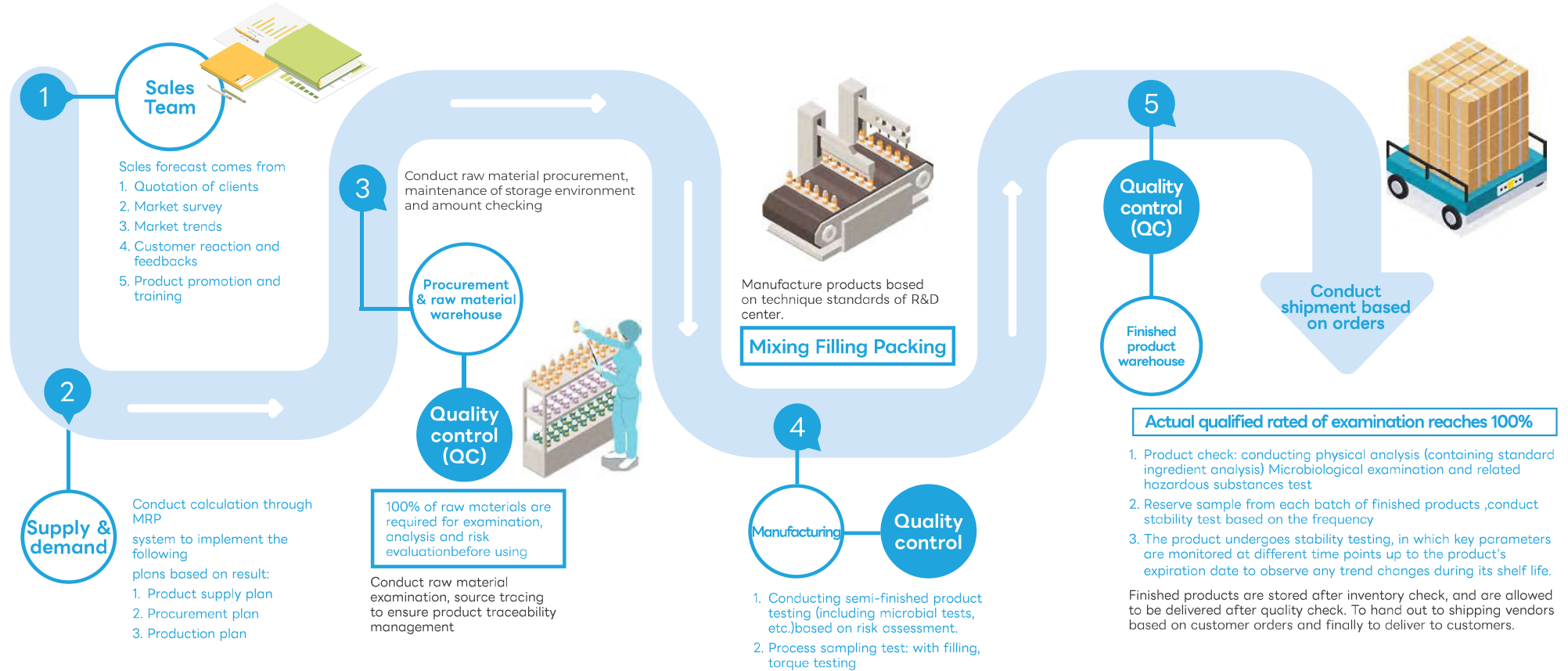
*Grape King Bio and UVACO prioritize and emphasize customer health and safety. We will continue to improve our food production systems to bring the best products to the public.*

Management Approach	Key issue-Product liability and safety	
Policies	Continuous innovation, pursuit of outstanding quality, implementation of social responsibilities, and ensuring customer satisfaction	
Commitments	Commit to providing consumers with healthy and high-quality products that embody our mission of "A health expert for the entire family."	
Targets	Short-term	<ul style="list-style-type: none"> <li>Continue to strengthen source management and complete traceability management for all products.</li> <li>Continuously promote food safety culture activities in accordance with international FSSC 22000 specifications.</li> <li>Establish a cGMP system at Zhongli Factory.</li> <li>Ensure that the software at Pingzhen Factory adheres to the requirements of the Australian TGA GMP system.</li> </ul>
	Mid-term	<ul style="list-style-type: none"> <li>Integrate external inspections to optimize inspection procedures and improve inspection efficiency.</li> <li>Ensure that the hardware at Pingzhen Factory adheres to the requirements of the Australian TGA GMP system.</li> <li>Establish an intelligent exception handling system and digital exception/customer complaint database to improve quality and processing efficiency.</li> </ul>
	Long-term	<ul style="list-style-type: none"> <li>Continue to improve and refine food safety, quality verification system, and inspection center in line with international standards and the latest verification standards.</li> <li>Continuously stabilize product quality and provide consumers with higher-quality and healthier products to improve Grape King Bio's brand image.</li> </ul>
Responsibilities	External responsibilities: Taiwan Food and Drug Administration (TFDA) Internal responsibilities: Food Safety Team, maintenance of various food safety management systems, maintenance of HACCP product plans, sanitation management procedures, and processing procedures for quality issues.	

Management Approach	Key issue-Product liability and safety	
Resources	<ul style="list-style-type: none"> <li>Systems: Extended TAF laboratory ISO 22000:2018 certification (accreditation no. 3388) to include fungi product line in addition to existing lactic acid product line.</li> <li>Equipment: Laminar flow cabinets, muffle furnaces, deformation depth gauges, microwave digestion pressure vessels, and laboratory renovation projects.</li> </ul>	
Specific performance	Passed 14 microbiological and chemical capability tests	



## Mass Production Product Maintenance Value Chain



Production lines are certified with ISO 22000 、HACCP 、NSF, GMP and FSSC 22000 standard through third-party verification.

In 2025, Grape King Bio invested NT\$24,054,872 in food safety management fees.

### Quality Assurance (QA)

The control unit is in charge of the food safety management system in Grape King Bio:

Based on ISO22000 manufacturing process , raw material exception analysis and customer complaint management, risk evaluation and analysis of production line and supply chain, to ensure suppliers and raw materials are in compliant with both legal and Grape King Bio's requirements for safety of ingredients.



Act Governing Food Safety and Sanitation and other laws and regulations ISO22000, FSSC22000, NSF GMP, TQF, and ISO/IEC17025 TAF certified laboratories

**Safety**  
Safety Management Hazard Analysis and Critical Control Points (HACCP)

**Health**  
Health Management Good Hygiene Practice (GHP)



When a recall occurs due to food hygiene and safety concerns, it may be reported on the news, and leave a bad impression on consumers. Therefore, Grape King Bio's product liability target to "incur zero product recalls due to concerns over product hygiene and safety in 2025." We hope to ensure food safety through rigorous control of all phases from procurement to sales, and 100% of our products have undergone food hygiene, food safety, and quality management procedures that encompass control of operating personnel, locations, facility hygiene, and quality assurance systems.

In 2025, Grape King Bio invested NT\$ 24,054,872 (0.23% of net revenues in 2025) in food safety management expense, including inspection fees, human resources, testing materials, equipment depreciation, certification fees, and other expenses. Management fees and expense ratios for each item are shown as follows:

Unit: Thousand NTD

Item	Expense (NTD)	Ratio
Human Resources	11,690,389	48.6%
Equipment	5,411,336	22.5%
Consumables	4,137,864	17.2%
External inspections and verifications	2,433,087	10.1%
Miscellaneous	382,196	1.6%
<b>Total</b>	<b>24,054,872</b>	



## 2.1 Sustainable Supply Chain

Supply Chain Director  
Ryan Chou



*Our supply chain focuses on controlling material quality, sustainability, and health at the source, and we fulfill our commitment to customers through rigorous supplier evaluations and audits.*

We revised our "Grape King Bio Supplier Code of Conduct" (please refer to the [LINK](#) for more information) and gradually required all suppliers to sign the Supplier Code of Conduct by adopting the following methods:

- (1) Official promotions and announcements
- (2) New suppliers are required to sign the Supplier Code of Conduct when signing contracts
- (3) Suppliers are required to sign the Supplier Code of Conduct when renewing contracts

We maintain product quality by ensuring that our values align with those of our suppliers.







We use our "Supplier Management Platform" to disseminate the Anti-Corruption and Anti-Bribery Policy to our suppliers. Suppliers are required to inform, monitor, and ensure that no corrupt or bribery-related activities occur within their business operations. Additionally, if a supplier becomes aware of any potential violations of this policy, we provide the following [anonymous channels](#) for reporting complaints:

Furthermore, we regularly manage and evaluate our suppliers, implementing a tiered approach based on their categories, which include (1) new suppliers, (2) existing suppliers, and (3) engineering contractors.

### 2.1.1 Procurement Strategy

#### Procurement Regulations

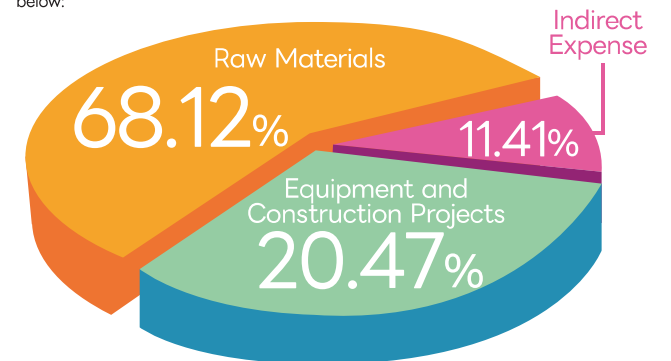
Procurement of all raw materials at Grape King Bio is required to comply with corporate procurement procedures committed to local procurement. We have established the following criteria to strengthen control of raw materials:

-  (1) Raw materials suppliers must be legally registered in the government food manufacturer registry system.
-  (2) Raw materials suppliers must be tested and approved by our R&D and relevant departments.
-  (3) Raw materials suppliers must provide comprehensive product information for analysis and comparison, and packaging and labels cannot be altered or replaced.
-  (4) Raw materials imported from foreign countries must be equipped with licenses and imported in their original packaging.
-  (5) Raw materials must be stored in accordance with regulations and relevant licenses must be procured.
-  (6) Evaluation procedures must be reimplemented upon the revision of relevant electronic information for raw materials.

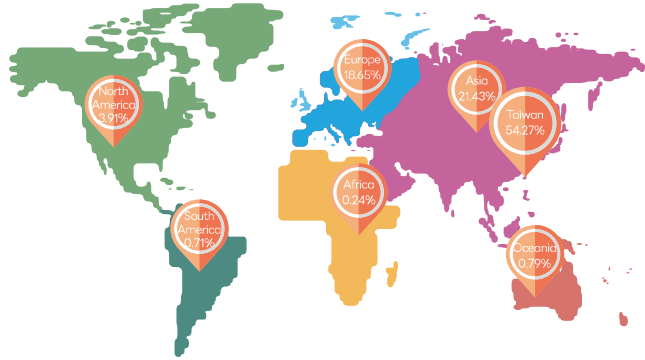
### Local and Sustainable Procurement

Grape King Bio prioritizes suppliers who are committed to development and procurement of green products, emphasize food safety and environmental protection, and protect labor rights. Additionally, in consideration of delivery costs and environmental issues, we strive to procure materials from domestic suppliers to reduce environmental impacts from the transportation processing order to reduce greenhouse gas emissions. In 2025, the local procurement ratio of raw materials of Shanghai Grape King Bio reaches 99%<sup>(Note1)</sup>. During the evaluation of equipment requisitions, a 'Significant Energy Use (SEU) Equipment Evaluation Form' is completed for various vendors to verify the types of energy used and energy consumption levels. The proportion of sustainable procurement accounted for 2.55% of total procurement spending, including materials such as SIG aluminum foil and FSC-certified products.

The distribution ratios of Grape King Bio's purchase amounts for 2025 are shown below:



We have enjoyed mutual growth alongside our supplier partners and are working together to expand the social responsibility benefits in our supply chain and operate our businesses responsibly. Our suppliers provide us with high-quality raw materials and help us jointly establish the Grape King Bio value and supply chain. Our map of raw material procurement sources<sup>(Note1)</sup> for 2025 is shown below (local procurement ratio was 54.27%):



Note1: Local suppliers are defined as suppliers that engage in direct transactions with Grape King Bio and its subsidiaries, and whose registered place of business is in the same country or region as the operating locations of Grape King Bio and its subsidiaries.

## Zero Supply Shortages

To maintain operations of Grape King Bio enterprises, we established preventive measures in advance and prioritized stability of supply chains. We first established internal demand, supply, and inventory management procedures, after which we assessed and verified which suppliers were located in areas exposed to epidemic risks, supplier inventory conditions, and the land, sea, and air transportation capabilities of our logistics providers. We also confirm our suppliers are able to provide timely deliveries, maintain supplier relationships built on mutual trust, and actively seek out alternatives and second or third suppliers to disperse our procurement risks and ensure flexibility.

Many supply chains successfully overcome the challenges brought about by the pandemic, but as all countries are gradually opening their borders and ushering in the post-pandemic era, we are still faced with a number of challenges, including prolonged supplier delivery times, increases in delivery costs, and transnational supply shortages, which have caused raw material costs to rise. Rising costs of order fulfillment, changing consumer demands, and increased returns and discarded products have all added to the challenges of effective inventory management. These factors, coupled with increasingly strict regulations, have heightened demand for enhanced quality, and quality issues have in turn raised supply risks. Therefore, the ability to obtain qualified raw materials has now become more important than shortening delivery times. To fulfill increasingly complex consumer expectations, supply chains still need to overcome the aforementioned difficulties and various customer-related challenges.

Grape King Bio established four main strategies to prevent supply shortages in 2025, including inspecting the delivery dates at source, deploying advanced procurement strategies, finding alternative sources, and developing diversified solutions. Targets for 2025:

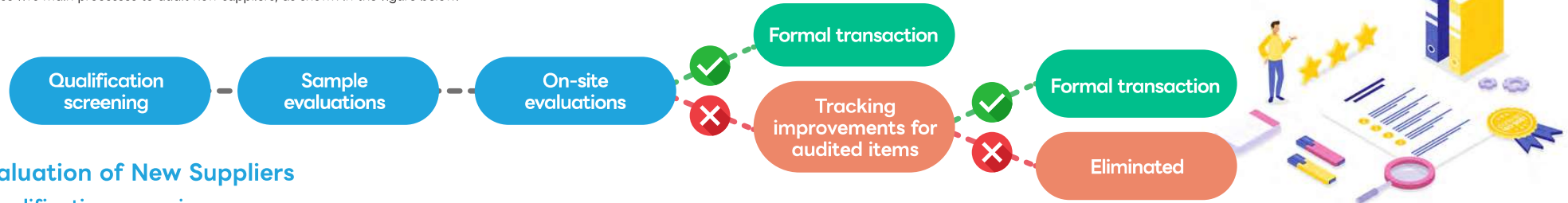
- (1) Target client order completion rate of 99%; actual achievement: 99.87%
- (2) Zero supply shortages at UVACO; actual achievement: no supply shortages.
- (3) Maintain 50 raw material reserve items; actual achievement: 57 items.
- (4) Target recovery rate of 95% for sustainability self-assessment surveys from significant suppliers; actual achievement: 100%.
- (5) Target SIMP system launch progress rate: 93%; actual achievement: 93.93%.

To enhance supplier collaboration and management alignment, and to promote sustainable product safety in response to the government's "Five-Point Food Safety Reform 2.0." Grape King Bio plans to produce online communication videos for suppliers in 2025. The videos will be tailored by supplier category and cover regulatory compliance, risk management, and quality and hygiene control, along with satisfaction surveys and feedback collection.



## 2.1.2 Audits of New Suppliers

We use five main processes to audit new suppliers, as shown in the figure below.



### Evaluation of New Suppliers

#### 1. Qualification screening:

We evaluate suppliers from multiple perspectives, including legality, compliance with factory sample specifications, quality management, and emphasis on food safety. Suppliers must submit relevant documents for evaluation, including business and factory registration certificates, as well as system certifications such as ISO 22000, ISO 9001, or HACCP. These documents are used to assess the soundness of the supplier's systems and plans.

#### 2. Sample evaluations:

Suppliers are required to provide product samples for inspection by our quality control unit to ensure product quality and safety.

#### 3. On-site evaluations:

Before entering into formal transactions with new suppliers, Grape King Bio conducts on-site evaluations through an interdepartmental team comprising procurement, quality control, manufacturing, and quality assurance personnel.

Our evaluation team conducts irregular audits and reviews on raw material suppliers, who are required to provide relevant documents such as factory management and control documentation, production history, analysis of product hazards or Certificates of Analysis (COA), and other information. We also conduct actual inspections of production and operation areas to evaluate ESG-related criteria such as renewable energy usage, occupational safety and health audits and training (including the most recent fire inspection records and fire drill attendance logs), occupational safety and health management procedures, business continuity planning (e.g., backup power supply in case of outages), status of mechanical equipment, quality and designs, raw material management, process control, finished product management, corrective actions for abnormalities, and customer complaint handling. In 2025, we conducted on-site evaluations of 18 new suppliers.

The results of new supplier evaluations conducted by Grape King Bio for 2025 are shown in the following table:

2025	Number of Suppliers Meeting the Evaluation Grade (by level)		Number of Suppliers Meeting the ESG Evaluation Grade (by level)	
	A	B	A	B
Raw Materials	A	2	A	2
	B	1	B	1
	C	0	C	0
Other Materials	A	5	A	4
	B	3	B	3
	C	0	C	1
Outsourcing	A	5	A	2
	B	2	B	1
	C	0	Temporarily excluded from evaluations	4
Total	18		18	

Grape King Bio only works with suppliers who meet our on-site evaluation criteria. Those who fail to meet the minimum requirements will be provide suggested improvements and required to take corrective actions. For detailed information, please refer to the Tracking improvements for audited items.

#### 4. Tracking improvements for audited items:

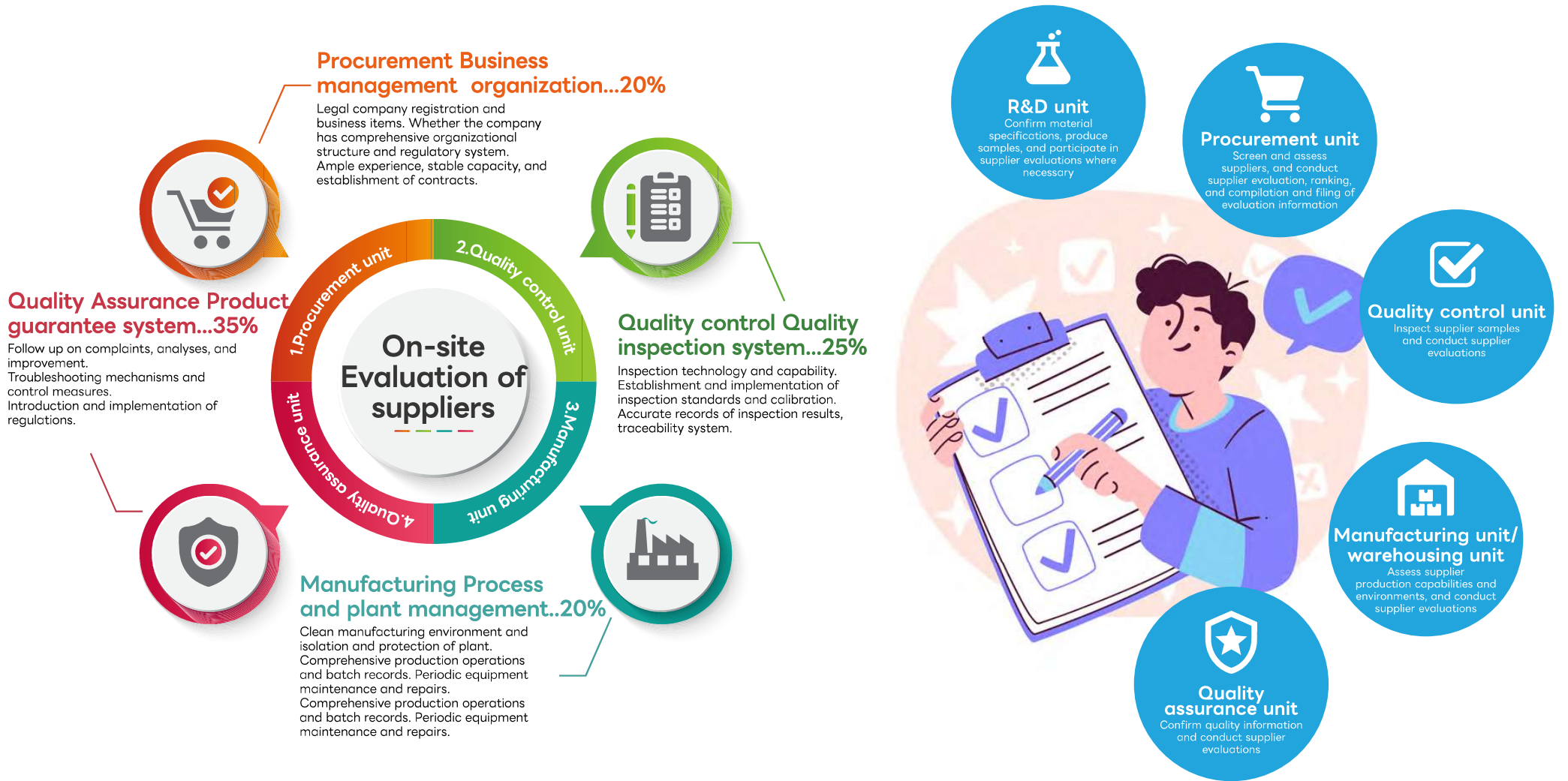
After conducting on-site evaluations, we ask suppliers to respond to and discuss our suggested improvements before conducting a second review of overall evaluation results and responses. We halt collaborations with suppliers who have major deficiencies or incompetencies until improvements are implemented.

After the new supplier has completed the initial on-site evaluation and become an existing supplier of Grape King Bio, we continue to conduct on-site evaluations at existing suppliers from time to time to ensure that the supplier maintains its internal quality management system, as well as other systems including environmental hygiene, food safety are effectively implemented, which is to prevent slackness and encourage continuous improvement among suppliers.

#### 5. At the time of contract signing:

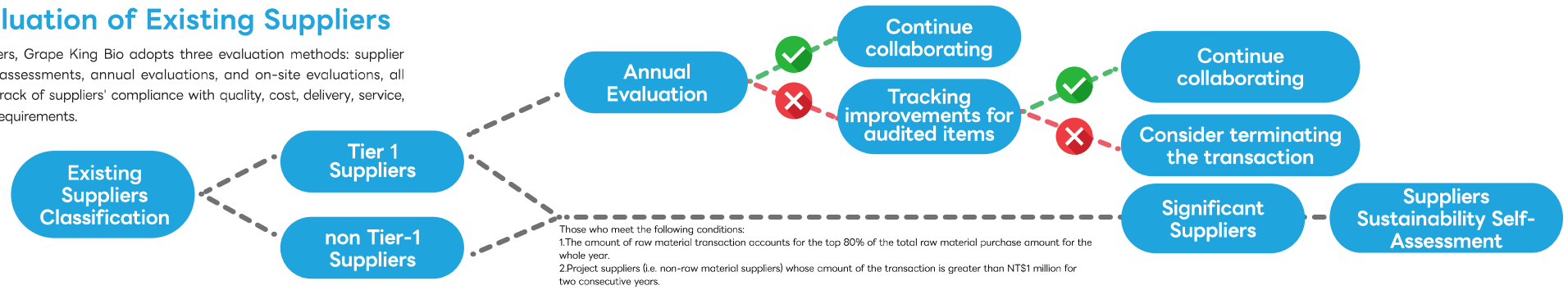
New suppliers are required to sign our "Supplier Code of Conduct" and "Supplier Integrity Commitment Letter" to ensure that they uphold sustainability commitments throughout their operations and production processes.

## Supplier evaluation team duties and responsibilities



### 2.1.3 Evaluation of Existing Suppliers

For existing suppliers, Grape King Bio adopts three evaluation methods: supplier sustainability self-assessments, annual evaluations, and on-site evaluations, all aimed at keeping track of suppliers' compliance with quality, cost, delivery, service, and sustainability requirements.



### 1. Supplier Screening

Our suppliers are categorized into raw material suppliers, outsourcing vendors, and project suppliers. Supplier screening is carried out based on various business aspects such as "whether the supplier directly transacts with our company" and "procurement amount," as shown in the following table:

Supplier Screening	2023	2024	2025
1.1 Total number of Tier-1 suppliers	220	220	225
1.2 Total number of significant suppliers in Tier-1	49	52	53
1.3 % of total spend on significant suppliers in Tier-1	56.5%	55.5%	65.97%
1.4 Total number of significant suppliers in non Tier-1	29	31	34
1.5 Total number of significant suppliers (Tier-1 and non Tier-1)	78	83	87

1. Tier-1 suppliers: Tier-1 suppliers are raw material suppliers who directly provide raw materials and other materials to our company with whom we had transactions in the previous year, and supplier evaluations are conducted every year.
2. Significant suppliers: We define significant suppliers as those whose raw material transaction amounts make up the top 80% of the total raw material procurement amount for the year, and project suppliers (namely, non-raw material suppliers) with transaction amounts more than NT\$ 1 million for two consecutive years.
3. Non Tier-1 Significant suppliers: Refers to significant suppliers other than the Tier-1 significant suppliers.

### Supplier Sustainability Self-Assessment

Our significant suppliers are required to complete a sustainability self-assessment questionnaire annually, which includes 39 questions covering areas such as labor and human rights, health and safety, environmental protection, code of ethics, and management systems.

#### Supplier Sustainability Self-Assessment Questionnaire Scoring Criteria for 2025

Aspect	Number of Questions	Percentage (%)	ESG Metrics	Description
Labor and Human Rights	7	18%	Social	Issues such as prohibition of discrimination, forced labor, child labor and inhumane treatment; respect for the right to freedom of association; and continuous improvement in addressing labor and human rights deficiencies are covered.
Health and safety	11	28%	Social	Issues such as safe operations, emergency response, work-related injury management, hazard control, equipment safety, clean facilities, safe dormitories, zero accidents, corrective actions, and ISO 45001 certification are included.
Environmental protection	11	28%	Environmental	Issues such as recording greenhouse gas emissions, environmental permits, resource conservation, hazardous materials management, waste disposal, air emission control, wastewater treatment, zero environmental violations, corrective actions, and ISO 14001 certification are encompassed.
Code of ethics	3	8%	Governance	Issues including zero tolerance for bribery, prohibition of improper benefits, and the establishment of whistleblowing procedures are covered.
Management systems	7	18%	Governance	Issues such as information disclosure, intellectual property protection, use of sustainable raw materials, personal data protection, environmental and social responsibility policies, policy communication, and the Supplier Code of Conduct are included.

In 2025, we distributed self-assessment questionnaires to 87 of our significant suppliers, achieving a 100% response rate.

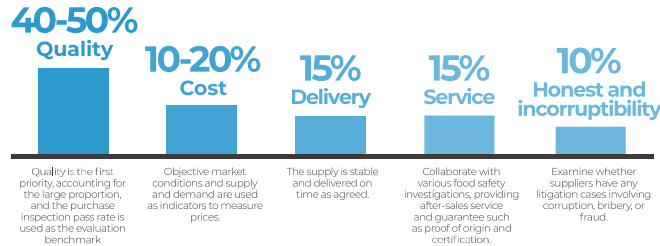
#### Results of Supplier Sustainability Self-Assessment for 2025

Total number of sustainability self-assessment completion for suppliers	87
Percentage of sustainability self-assessment completion for significant suppliers	100%



## 2. Annual Evaluations

Grape King Bio conducts regular annual evaluations of our Tier-1 suppliers, including raw material suppliers and outsourcing vendors, with whom we engage in transactions. Apart from the four main aspects including Q (Quality), C (Cost), D (Delivery), and S (Service), evaluations and scoring are based on anti-corruption and anti-bribery considerations which are incorporated in response to ISO 37001 in 2025. These aspects are also used as a basis for risk management. Companies that scored above 81 were deemed to be Class A (excellent) suppliers, those that scored between 65-80 were deemed to be Class B (qualified) suppliers, and those that scored less than 65 were deemed to be Class C (unqualified) suppliers. We prioritize on-site visits to existing suppliers that have had major abnormalities in quality and significant suppliers of raw materials. Of our 144 evaluation items, 21 are ESG-related evaluation items.



In 2025, we audited 214 raw material suppliers and achieved an audit ratio of 100%. The results of our rigorous evaluations revealed that 195 suppliers were Class A suppliers, 18 Class B suppliers, and 1 Class C supplier. A total of 213 high-quality suppliers qualified to continue working with Grape King Bio. The results of supplier audits conducted by Grape King Bio for the past three years are shown in the following table:

Year	2023	2024	2025	
			Grape King Bio	Shanghai Grape King
Total number of suppliers	220	218	214	209
Audited suppliers	220	218	214	104
Audit ratio	100%	100%	100%	70%
Class A	214	201	195	137
Class B	6	17	18	8
Class C	0	0	1	1
ESG Audit pass rate	100%	100%	100%	100%

\*Categorization: Suppliers with a score of more than 81 are classified as Class A (excellent) suppliers; suppliers scoring from 65 to 80 are classified as Class B (qualified) suppliers; and suppliers with a score of less than 65 are classified as Class C (unqualified) suppliers; no transactions are permitted with unqualified suppliers.  
 \* Notes on figures for 2025: If a vendor simultaneously supplied raw materials, other materials, and outsourced services, they were evaluated separately due to the differences in vendor attributes.

We will cease procurement from unqualified suppliers, provide assistance in the form of consultation and counseling, and set clear goals and timelines for improvement so that suppliers can improve their current conditions and meet Grape King Bio expectations. These evaluation cycles and counseling mechanisms facilitate early detection of potential problems as we work with our suppliers to continually improve and refine relevant issues.

## 3. On-site Evaluations

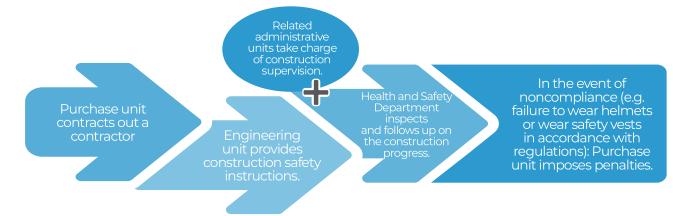
Our evaluation team conducts irregular audits and reviews on raw material suppliers, who are required to provide relevant documents such as factory management and control documentation, production history, analysis of product hazards or Certificates of Analysis (COA), and other information. We also conduct actual inspections of production and operation areas to evaluate ESG-related criteria such as renewable energy usage, occupational safety and health audits and training (including the most recent fire inspection records and fire drill attendance logs), occupational safety and health management procedures, business continuity planning (e.g., backup power supply in case of outages), status of mechanical equipment, quality and designs, raw material management, process control, finished product management, corrective actions for abnormalities, and customer complaint handling.

We conducted on-site evaluations of 43 existing suppliers in 2025. One other material supplier failed to pass our on-site evaluations and was therefore disqualified from collaboration. The results of supplier evaluation conducted for 2025 are shown in the following table:

2025		Number of Suppliers Meeting the Evaluation Grade (by level)		Number of Suppliers Meeting the ESG Evaluation Grade (by level)	
Supplier Types	Raw Materials	A	20	A	19
		B	4	B	4
		C	0	C	1
	Other Materials	A	11	A	8
		B	2	B	3
		C	1	C	3
	Outsourcing	A	3	A	2
		B	2	B	1
		C	0	Temporarily excluded from evaluations	2
Total		43		43	

## 2.1.4 Engineering Contractor Management

Grape King Bio adheres to government procurement regulations when selecting contractors through procurement evaluation, price comparison, or price negotiation procedures in an open and fair manner. We prioritize collaborations with domestic suppliers. When selecting contractors, we prioritize purchases of products and equipment with energy labels, water labels, and energy-saving properties. We first consider our needs in terms of specifications and functions, then assess transaction risks (including whether companies are legally registered and details of payment conditions) before commencing collaborations.



We have designed "Hazard Prevention Notices" for our contractors and implement a strategy that combines counseling, auditing, and dissemination as we actively work to provide safety management guidance to our contractors, strengthen promotion of work safety measures, and enhance worker awareness of labor safety prior to construction work within our factories to ensure that we maintain safety protections and labor safety in workplace environments. We evaluate contractor performance annually. The results are reported to the Occupational Safety and Health Committee and provided to the purchase units as a reference for contracting decisions. Excellent contractors are publicly recognized and prioritized for future collaboration, while those that fail to pass our evaluations are disqualified.

## 2.2 Food Safety and Responsibility

Director of R&D  
Division  
Sheng-Chieh Hsu



*Our food safety management system strictly manages achievement of quality objectives for all production lines to ensure that our products adhere to or even exceed regulatory requirements*

Deputy Director  
of Quality Control  
Department and  
Inspection Center  
Shu-Xing Yeh



### Product Liability Policies and Commitments

Grape King Bio commits to not using hazardous substances, with the well-being of the public as its cornerstone. Protection of public health is a foundation of Grape King Bio operations. We consider product liability as one of the most important operational and production components, which is why we have set rigorous quality and sanitation standards for all stages of production. We have formulated four major food safety policies: "Continue innovation, pursue excellent quality, implement social responsibilities, and ensure customer satisfaction." We hope to develop more high-quality products that adhere to factory-mandated annual quality targets. We also organize non-periodic charitable activities that give back to society, bring warmth to the public, and build customer confidence in Grape King Bio products.

### Responsible Marketing Policy

Grape King Bio upholds a responsible marketing approach. Our goal is to promote healthy lifestyles through clear labeling and responsible marketing, transparently conveying our product and nutrition information, and promoting our products according to strict guidelines, especially in the practices of marketing ethics, advertising, and sales. Our responsible marketing policy includes:

- Providing accurate and balanced information about products/services
- Refraining from exaggerating statements about environmental and social impacts
- Safeguarding the vulnerable group (such as children) in the market
- Avoiding the dissemination of false information about competitor products/services



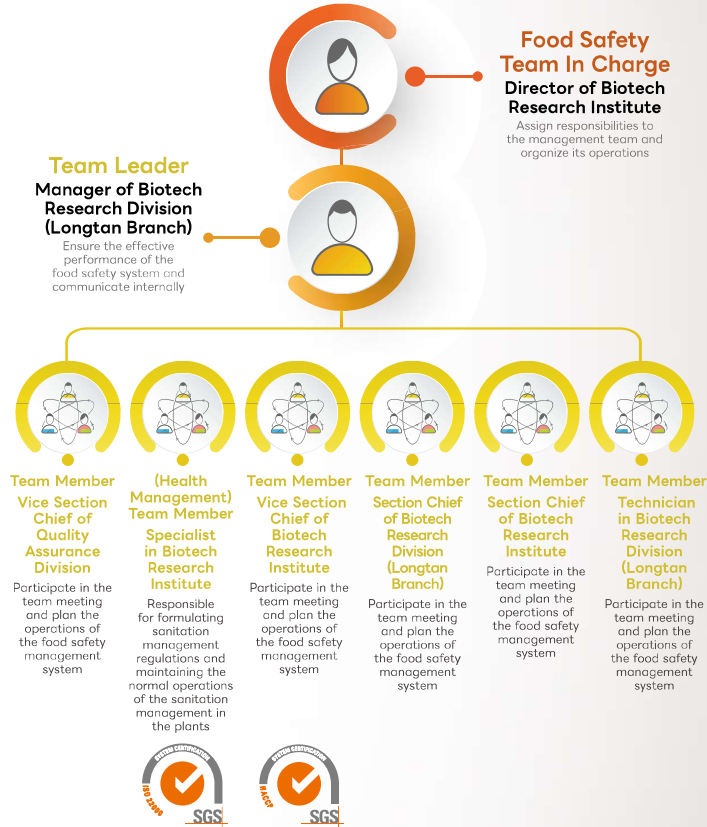
## 2.2.1 Systemic Food Safety Protections

### 1. Food Safety Management Organizations

The highest food safety management authority at Grape King Bio is our Chairman Andrew Tseng, and the director of our manufacturing division serves as the leader of our food safety team. Our organizational structure for food safety management is shown in the following figure:



The organizational structure at our Longtan Branch is shown below:

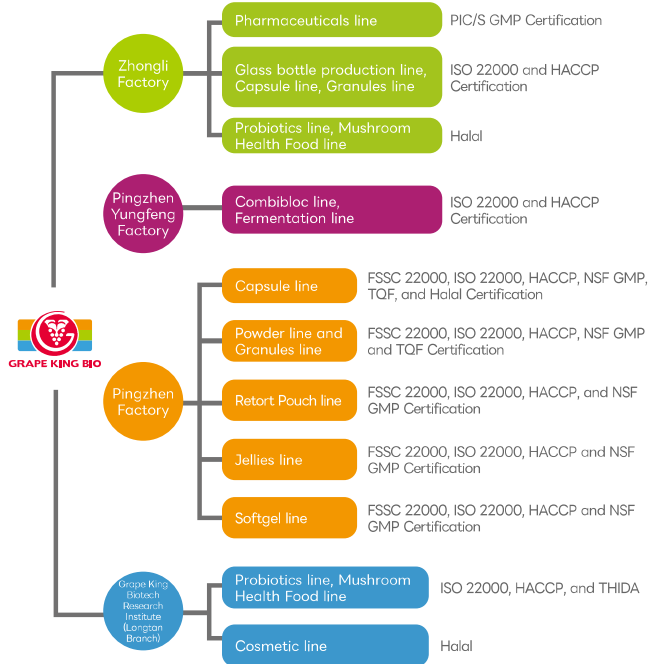


Our food safety management system requires relevant units to conduct timely reviews of target achievement rates every year. We convene one management review meeting each year. In 2025, we discussed a number of issues relating to achievement of production line quality targets, product recall simulations, adjustments in management systems, documentation updates, promotion of regulations, review of internal and external audits, sanitation monitoring results, and analysis on customer complaints; we also formulated relevant targets for the following year. In terms of food safety audits, dedicated personnel conduct monthly sanitation compliance inspections on production lines, and project teams conduct annual self-internal audits to inspect regulatory compliance of food safety management systems and PIC/S GMP and GDP compliance of pharmaceuticals.



## 2. System Implementations and Certifications

Grape King Bio received a pharmaceutical manufacturing license from the Ministry of Health and Welfare in October 2014. Management of raw materials starts from the manufacturing stage. Our pharmaceutical production lines have obtained PIC/S GMP certification, and our food production lines have obtained TQF certification, ISO 22000 and FSSC 22000 Version 6.0 food safety management certifications, NSF GMP certification, and Halal certification. Additionally, Grape King Bio has established an ISO/IEC 17025 TAF certified lab that ensures the stability of our manufacturing processes and maintains our quality management systems (QMS). Current systems implemented at Grape King Bio factories are shown in the following figure:



Pingzhen Factory, Zhongli Factory, Yungfeng Factory, and Longtan Branch have received ISO 22000, HACCP management system certifications; and our Pingzhen Factory has received FSSC 22000 Version 6.0, TQF and NSF GMP certifications. Together, these four factories contain production lines for 10 dosage forms. All

follow-up inspections of production lines were completed in 2025, achieving an inspection accomplishment rate of 100%. Furthermore, 100% of our products are produced by certified production lines, providing another guarantee of product quality.

## 3. Guidelines for Food Safety Labeling to Protect Vulnerable Groups

Grape King Bio rigorously controls the safety of produced foods. For groups that require special attention, such as infants, pregnant women, and breastfeeding mothers, our product development team first confirms requirements related to raw materials, dosage forms, and functions, then includes relevant warnings on product labels.

(1) Usage of raw materials: If public government websites carry a warning for a raw material, we will include the same on product labels. For example, our factories use *Anrodia cinnamomea*, and legal regulations require products which use this ingredient to carry the following warning: "Infants, pregnant women, and breastfeeding mothers intending to consume this product should consult a physician or healthcare professional."

(2) Dosage forms: Products meant for children or other specific users (such as gummy candies or jellies) will carry safety warnings.

(3) Functional requirements: Products are labeled as appropriate (for example, vegetarian, vegan, or lacto-vegetarian) after verification of formulations.

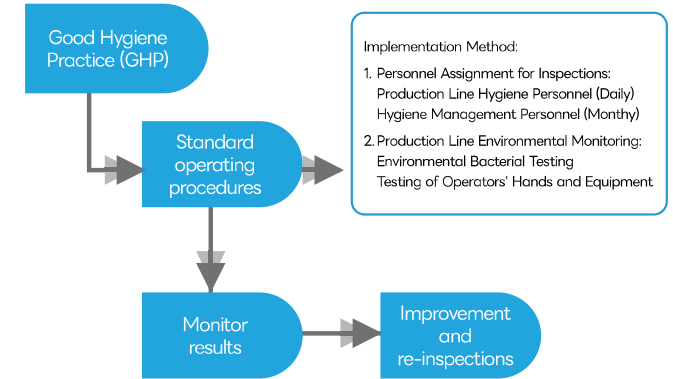
### 2.2.2 Food Safety Training

Grape King Bio's internal food safety training implementations adhere to government regulations. We also organize external training for employees to strengthen internal food health and safety measures. Additionally, we continue to disseminate knowledge of related regulations to entry-level employees through internal lecturers, our Quality Department promotes concepts related to sanitation, and hygiene management personnel from our manufacturing units receive training. We promote self-evaluation mechanisms and continue to make improvements and enhance quality.

## 1. Personnel Training and Inspections Aligned with Sanitation Regulations

(1) Based on GHP (Regulations on Good Hygiene Practice for Food)

Grape King Bio adheres to the "Regulations on Good Hygiene Practice for Food" and we provide training for new food personnel to ensure that they comply with sanitation and quality management requirements during production procedures. Our employees undergo annual food safety and sanitation training to strengthen their awareness of sanitation concepts, understanding of requirements, and voluntary hygiene management.



(2) Sanitation Inspections by Designated Personnel

Our Manufacturing Division designates hygiene management personnel to each production line to conduct daily sanitation inspections, while hygiene managers conduct monthly inspections.

(3) Monitoring of Production Line Environments:

We conduct periodic settle plate tests, as well as inspections of operator hands, machinery, and equipment. If our inspections reveal non-compliance items, we carry out immediate improvements and re-inspections to achieve an overall inspection compliance rate of 100% (including improvements). The results of annual inspections are analyzed and discussed during quality and sanitation meetings to facilitate improvements year over year so that we can continue to enhance product quality.

(4) Water quality inspections:

We conduct periodic water quality inspections at on-site water supply points to ensure compliance with regulations for water used in product and equipment cleaning.

## 2. Annual Food Safety Training Performance

(1) Systemic Training

Grape King Bio completed the training of first-line operators at Zhongli Factory, Yungfeng Factory and Pingzhen Factory in 2025. Our training covered basic GHP concepts and strengthened personnel understanding of food safety management systems to ensure that all products meet sanitation, safety, and quality requirements. In 2025, the total training hours amounted to 4,661 hours, with 642 participants.

	Regulated Personnel	Routine Training	Implementation at Factories
Food Handling Personnel	New recruited food handling personnel	Production and manufacturing; management of quality systems; sanitary regulations; and documentation control	New employees are required to complete training and are tested on quality systems, sanitary regulations, and documentation control. Managers in production and manufacturing units also provide training to new employees and test them on their knowledge. Training accomplishment rates were 100%.
	Current food personnel	Food safety, hygiene and quality management	All production line operators at Zhongli Factory, Yungfeng Factory and Pingzhen Factory completed food safety, sanitation management, and quality management training in 2025. Training accomplishment rates were 100%.
Food Safety Control Team	Dedicated hygiene management personnel for food manufacturing factories	8 hours of retraining every year	All hygiene management personnel at Zhongli Factory, Pingzhen Factory, Yungfeng Factory and Longtan Branch completed 8 hours of retraining in 2025. Training accomplishment rates were 100%.
	Food safety control system team members	12 hours of retraining every 3 years	All team members completed the required 12 hours of retraining every 3 years in 2025.

(2) Training for Hygiene Management Personnel

Our Zhongli Factory, Yungfeng Factory, Pingzhen Factory, and Longtan Branch each have one dedicated hygiene management person; all management personnel completed 8 hours of training in 2025.

(3) Organizational Food Safety Training

Grape King Bio actively participates in food safety activities organized by industry associations. We are a member of several food-related associations, including the Taiwan Quality Food Association, Taiwan Association for Food Science and Technology, and Taiwan Functional Food Industry Association, and our senior managers serve as directors for multiple associations. We continue to strengthen industrial food safety by working with various corporate organizations and by supporting and using association-formulated safety guidelines for processed foods and drinks. We also participate in industrial initiatives as part of our emphasis on food safety.

## 2.2.3 Product Quality and Safety Inspections

### 1. Inspection Center

Grape King Bio voluntarily establishes laboratories and operates according to ISO/IEC 17025 standards. Our inspection items include physical and chemical properties, compliance with sanitation regulations, and food safety factors. Our inspection technicians have received TAF certification and our laboratory personnel periodically take capabilities tests conducted by laboratories with third-party certifications to ensure that our inspection center adheres to the highest standards.

In 2025, the certified laboratories at Zhongli Factory and Pingzhen Factory successfully passed their annual audits. During the internal audit process, all technical aspects, including the quality system, equipment calibration, testing procedures, and document control, were found to be in compliance with TAF requirements. Through the continuous strengthening of internal audit mechanisms, implementation of personnel training, and participation in third-party proficiency testing and interlaboratory comparisons, we effectively mitigate operational risks. These efforts enabled our laboratories to maintain technical competence and data quality, ensuring that test results remain credible and capable of supporting both corporate decision-making and external requirements.

In 2025, the Zhongli Factory's certified laboratory (Certification No. 3129) added one certified test item: total lactic acid bacteria count. There are a total of 7 certified items, including 5 in the biological field and 2 in the chemical field, across both the Zhongli Factory and Pingzhen Factory.

## 2. Inspections of Raw Materials

### Inspection Processes for Incoming Raw Materials

We own two internationally accredited laboratories which strictly review inspection reports submitted by suppliers and we have also added a number of inspection items relating to food safety. For incoming materials that fail to meet our inspection standards, we request returns and refunds from our suppliers, reinspect new materials, and also urge our suppliers to propose corrective actions for preventing re-occurrence.



## Inspection Items and Frequencies

Our current inspection items include tests for residues of 410 pesticides, 9 plasticizers, 5 microbes, 4 heavy metals and Aflatoxin etc. We also adhere to the new law (microbiological tests for food) promulgated to evaluate product risks and have also established inspection frequencies for Staphylococcus aureus, Salmonella, and Listeria monocytogenes. Our inspection program exceeds government requirements and we conduct batch-by-batch inspections. We implement risk assessments following multiple batch inspections to adjust inspection frequencies, reduce equipment wear, and achieve a better balance between quality and inspection costs.



### Inspections of foods sold at our Tourist Factory

#### (1) Product inspection frequencies:

- Drinks:
  - 1-1 Cold drinks: Bimonthly inspections.
  - 1-2 Hot drinks: Quarterly inspections.
- Ice cubes: Monthly inspections.
- Ice products: Biweekly inspections from July to September, and monthly inspections for the rest of the year.
- Cooked foods: Quarterly inspections.

#### (2) Equipment test frequencies:

- Coffee machines: Quarterly inspections.
- Ice makers: Biweekly inspections from June to September, and monthly inspections for the rest of the year.

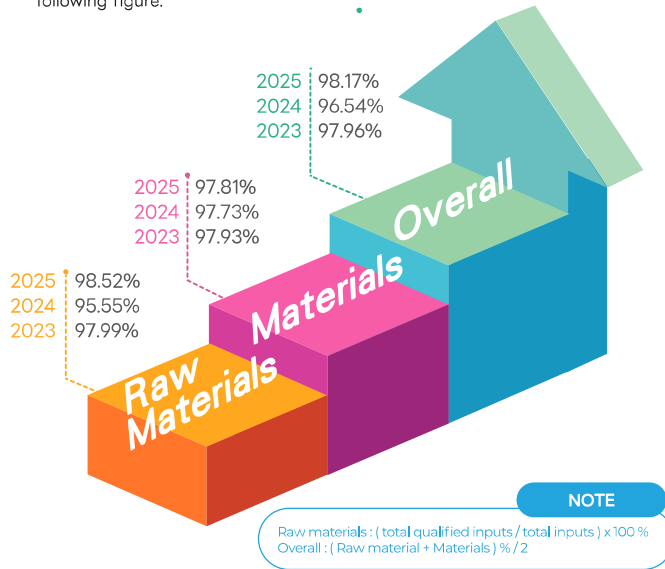
### Inspection items for food safety at Grape King Bio include the following categories:

Microbiological hazard inspections	Total Aerobic Plate Count, E.coli, Coliform, Enterobacteriaceae, Staphylococcus aureus, Salmonella, Mold & Yeast Count, Listeria monocytogenes, Pseudomonas aeruginosa, Pathogenic Escherichia coli, Bile tolerant gram-negative bacteria
Chemical hazard inspections	Phthalates, Heavy Metals, Total Aflatoxin, Ochratoxin A, patulin, 410 Pesticide Residue, Sulfur Dioxide, Deoxynivalenol and derivatives, and Ethylene Oxide, etc.
Physical hazard inspections	Appearance, Flavor taste, Particle size, Foreign material, Moisture and Water Activity inspections

### Inspection Results

Approval criteria for raw materials at Grape King Bio are more stringent than government regulations. This allows us to provide the strictest safeguards for our consumers. If our inspections of incoming materials reveal raw materials that fail to comply with our factory quality criteria, we will conduct reviews of said raw materials in accordance with laws and regulations.

Our inspection results for raw materials for the past 3 years are shown in the following figure:



Grape King Bio strictly controls the quality of products, using precision instruments to carry out a number of inspections, including physical and chemical properties, hygiene standards, food safety issues related inspections, in 2025 we performed the following product inspection results:

Item	Raw Material				Other Material
	Purchased raw materials	Biotechnology ferments	Manufacturing processing (premix)	Manufacturing processing (semi-finished products)	
Number of inspection pieces	2,499	1,554	172	2,692	3,241
Number of qualified pieces	2,462	1,529	171	2,688	3,167
Number of unqualified pieces	37	25	1	4	74

Note: Raw materials and other materials tests cover microbiological, chemical and physical hazard testing.

### 3. Quality Inspections and Targets

Quality is the foundation of all products, and only products with safe and dependable quality will be trusted by consumers. Grape King Bio has established specific quality targets for continued follow-up and management to ensure stable quality and to protect customer interests. The following table shows the target achievements that have all been met in 2025:

Factory	Item	Targets	Achievement Status
Zhongli Factory	Defective labeling rate for large glass bottles	Below 0.60%	0.18%
	Defective filling rate for capsules	Below 0.25%	0.05%
	Defective packaging rate for granule formulations	Below 1.80%	1.72%
Pingzhen Factory	Defective filling rate for capsules	Below 0.30%	0.05%
	Defective packaging rate for granule formulations	Below 1.80%	1.57%
	Defective packaging rate for powder formulations	Below 1.80%	1.47%
Yungfeng Factory	Defective filling rate for retort pouch line	Below 1.80%	0.88%
	Defective sealing rate for combibloc packaging	0.0020%	0.00011%
Longtan Branch	Fermentation line batch failure rate	Below 4.0%	0%
	Annual tank failure rate	Below 3.0%	0.03%
Longtan Branch	Defective packaging fill rate	Below 0.5%	0%

### 4. Assurance of Product Safety

Grape King Bio continually monitors potential quality changes that may occur during product sales periods to ensure that we provide excellent products held to the highest standards. We work to prevent possible hazards to human safety, health, the environment, and our products. We constantly and rigorously verify and audit product functionality, consumption methods, manufacturing processes, final product forms, and intake volumes to ensure product quality and safety. We strive to achieve full customer satisfaction both now and in the future.

Grape King Bio provides capsule, powder, granule, glass bottle, combibloc, retort pouch (Aseptic filling packaging), soft capsules and jelly products. All products have to pass through multiple checks at the raw material, semi-finished product, end product, and packaging and labeling stages, and products can only be delivered after we have ensured that they are error-free. We aim to lower our potential risks of product recalls to zero. We also increase product inspection quantities, items, and frequencies (including bottle labels and printed adhesive seams for boxed products) for clients with stricter packaging requirements. Current certification systems adopted by Grape King Bio include ISO 22000, FSSC 22000, NSF GMP, and TQF standards. System regulations also contain requirements relating to product safety, such as physical hazards (sieving, metal detection, X-ray inspections, and others). The costs incurred due to recalls and the recall expenses for the year 2025 are both NT\$ 0. Grape King Bio aims to meet the goal of "zero recalls due to quality or sanitary concerns in each year" by maintaining the effectiveness of the overall quality system through collaboration between the quality management unit and cross-functional teams.

In 2025, Grape King Bio had no violations of product and service health, safety, or labeling regulations. The number of product lines recalled is zero, and both the number of product removals and the total weight of products removed are zero in 2025.

	2023	2024	2025
Number of product lines recalled	0	0	0
Recall Expenses	0	0	0



## 2.2.4 Tracking and Compliance Management

Management Approach	Key issue- Responsible Marketing and Labeling	
Policies	<ol style="list-style-type: none"> <li>Maintenance of a youthful, international, and sustainably managed brand image.</li> <li>We have established the "Grape King Bio Responsible Marketing Policy", committing to the use of accurate labeling and responsible marketing to promote healthy lifestyles and transparently communicate product and nutritional information.</li> </ol>	
Commitments	We commit to the public as "a health expert for the entire family," promoting our products according to strict guidelines, particularly in ethical marketing, advertising, and sales practices.	
Targets	Short-term	Keep striving to be "a health expert for the entire family" by providing the public with healthy and safe products and consistently promoting our image.
	Mid-term	Establish a promotional policy and brand image focused on responsible advertising, sales, and accountability labeling in response to the ESG trend.
	Long-term	
Responsibilities	External responsible authorities: local health bureaus and the Taiwan Food and Drug Administration.	
Resources	Internal communications and collaborations: We utilize a cross-departmental review mechanism. The Innovation and R&D Center, Business Units, Quality Assurance Department, Product Planning Section, and Marketing Planning Department jointly review product labeling compliance and repeatedly proofread. Meanwhile, the Legal Department and Digital Development Department provide self-training resources for responsible personnel, including marketing staff.	
Specific performance	In 2025, zero advertising penalties occurred.	

## 1. Food Tracking and Tracing System

In response to government policies requiring food manufacturers to establish food tracking and tracing systems, we log product information to the government tracking system every month. This not only strengthens our self-management but also makes it easy to quickly and completely track products in the event of a food safety incident.

## 2. Food Business Registration Platform

We support the "Food business registration platform" established by the government and work to register our products within the mandated time periods in accordance with regulations, thus ensuring that the government and consumers can obtain clear information from Grape King Bio. Our registered information is shown in the table below:



Food Manufacturer Registry Information			
Registration Category	Food Manufacturer Registration Number	Registered Name	Registered Address
Company/ Business Registration	H-111880517-00000-6	Grape King Bio Ltd.	No. 402, Sec. 2, Jinling Rd., Pingzhen Dist., Taoyuan City
Factory/ Manufacturing Site	H-111880517-00003-9	Grape King Bio Ltd. Pingzhen Jinling Factory	No. 402, Sec. 2, Jinling Rd., Beixing Vil., Pingzhen Dist., Taoyuan City
Catering Business	H-111880517-00006-2	Grape King Bio Ltd. Tourist Factory	No. 402, Sec. 2, Jinling Rd., Pingzhen Dist., Taoyuan City
Retail Business	H-111880517-00004-0	Grape King Bio Ltd.	No. 402, Sec. 2, Jinling Rd., Beixing Vil., Pingzhen Dist., Taoyuan City
Retail Business	H-111880517-00002-8	Grape King Bio Ltd.	No. 60, Sec. 3, Longgang Rd., Zhongli Dist., Taoyuan City
Factory/ Manufacturing Site	H-111880517-00001-7	Grape King Bio Ltd.	No. 60, Sec. 3, Longgang Rd., Zhenxing Vil., Zhongli Dist., Taoyuan City
Factory/ Manufacturing Site	H-111880517-00007-3	Grape King Bio Ltd. Longtan Factory	Hsinchu Science Park No. 68, Longyuan 1st Rd., Longtan Dist., Taoyuan City
Company/ Business Registration	H-128113878-00000-3	Grape King Bio Ltd. Longtan Branch	No. 68, Longyuan 1st Rd., Longtan Dist., Taoyuan City
Factory/ Manufacturing Site	H-128113878-00001-4	Grape King Bio Ltd. Longtan Branch	No. 68, Longyuan 1st Rd., Longtan Dist., Taoyuan City
Factory/ Manufacturing Site	H-111880517-00011-8	Grape King Bio Ltd. Yungfeng Factory	No. 8, Gongye 1st Road, Yungfeng Village, Pingzhen District, Taoyuan City

## 3. Internal Tracing Management Mechanisms

### Tracing raw materials

All raw materials used at Grape King Bio are subject to batch number management, enabling immediate traceability to their sources. We conduct two simulation drills each year (once every six months) to ensure the effectiveness of our track-and-trace system.

Our factories conduct at least two recall simulation drills each year in accordance with the "Finished Product Recall and Disposal Procedures." The manager or head of our food safety team is responsible for convening related units to participate in drills. Recall procedures are based on different recall classes, and we retain records for all drills. We completed four drills during April, June, November and December of 2025, each of which was participated by 6-10 personnel.

Grape King Bio tracks items listed on the EU REACH Substances of Very High Concern (SVHC). Of the 240 listed items, only "acrylamide" is produced when raw materials are processed at high temperatures, and this is strictly inspected and controlled by Grape King Bio in accordance with the "Reference Guidelines for Acrylamide Levels in Foods" of the Food and Drug Administration. Annual sales revenues for related products were NT\$84,019 thousand dollars.

### Systemic internal traceability management

Grape King Bio has established an internal SAP system and voluntary tracking management mechanism which adheres 100% to the "Product Identification and Tracking Management Procedures." Current mechanisms encompass the products manufactured by the 10 food production lines at Zhongli Factory, Yungfeng Factory, Pingzhen Factory, and Longtan Factory, 100% of which can be managed through the product identification and tracing mechanism.

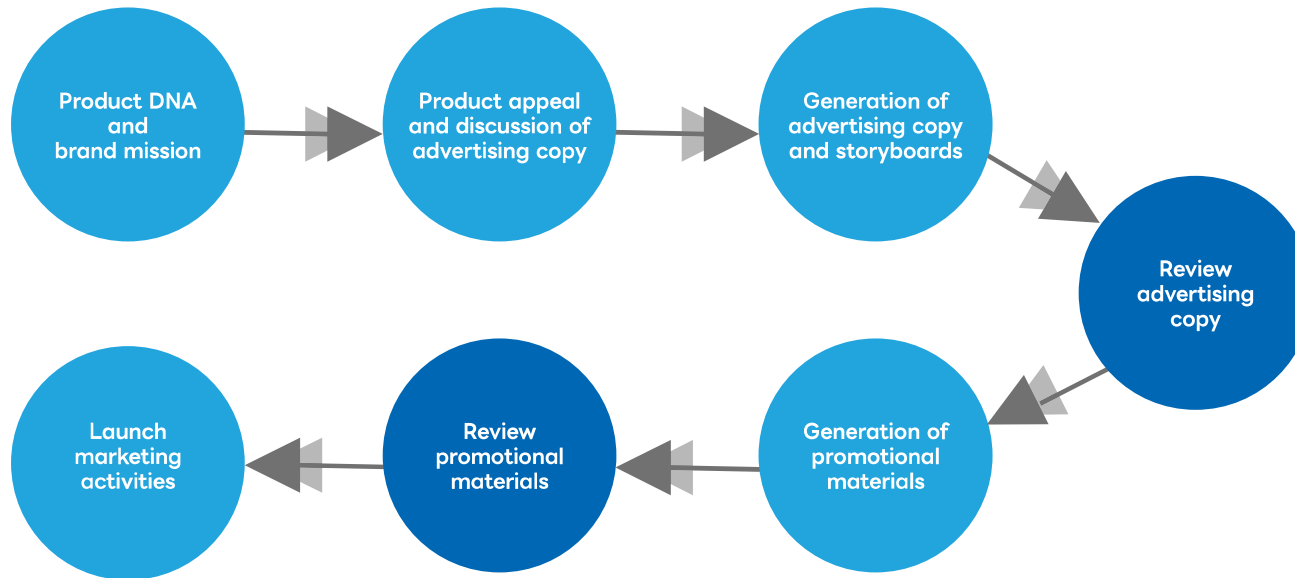
## 4. Management of Product Advertising and Marketing

Upholding the philosophy of "A health expert for the entire family," Grape King Bio deeply values the hard-earned trust of our consumers. We have established the "Grape King Bio Responsible Marketing Policy," dedicating ourselves to fostering healthy lifestyles through accurate labeling and responsible marketing while transparently conveying product and nutritional information. Our product promotions strictly adhere to rigorous guidelines, with a specific focus on ethical marketing, advertising, and sales practices. To ensure consumers experience our integrity and dedication, we have established internal management procedures tailored to meet their needs and minimize the risk of legal violations.

We strictly abide by the Act Governing Food Safety and Sanitation and the Health Food Control Act. Our product review processes are carried out using different procedures at different stages.

- **Product labeling review stage :** Joint review of labeling compliance, which includes proofreading of drafts and confirmed content to reduce errors and maintain the positive images of our products. Internal reviews of product labels are jointly conducted by related units using the BPM system. The Innovation and R&D Center, Business Unit/Division, Quality Assurance Department, Product Planning Section, Biotech Research Institute, and Legal Department periodically review the legal compliance of product labels and proofread drafts and confirmed content to reduce errors and maintain the positive images of our products.
- **Advertising copy review stage :** Joint review of related advertisements and advertising copy to ensure compliance with "Regulations Governing of Criteria for the Label, Promotion and Advertisement of Foods and Food Products Identified as False, Exaggerated, Misleading or Having Medical Efficacy" to reduce the number of violation incidents.

We work to demonstrate our sincerity and attentiveness in our advertisements. We have established an internal management process to handle consumer needs and reduce the possibility of legal violations. All copies on advertisements, websites, or promotional materials is 100% reviewed by the Innovation and R&D Center, Business Unit/Division, Quality Assurance Department, Product Planning Section, and Marketing Planning Department; these units also provide suggestions on ad content. Finally, before the materials are launched, the Legal Department conducts a review of acceptable wording according to government standards to reduce the risk of legal violations.



## Grape King Bio Product Packaging Labeling Management and Examples

Grape King Bio's product packaging labels adhere to regulatory requirements, and we continue to review and update our regulations as needed. Our regulations encompass complete labeling of general raw materials and food additives, nutritional labeling on food packaging, allergen labeling, genetically modified food labeling, fungal product labeling, health food labeling, and warning messages to provide our consumers with necessary awareness and information when purchasing products.

- 1 Fungal product labeling—clearly specifying the parts used, scientific names and cultivation methods of fungi
- 2 Complete labeling of general raw materials and food additives
- 3 Nutrition facts labelling
- 4 Health food labelling
- 5 Allergen labeling
- 6 Warning messages and consumption precautions



## 2.3 Sustainable Products

Management Approach	Key issue- Responsible Marketing and Labeling	
Policies	We combine core capabilities, external research, and innovation units to develop unique Grape King Bio functional materials or formulations in response to consumer demands and market trends. This approach aims to provide the public with health supplements at affordable prices, thereby enhancing the health and well-being of the population.	
Commitments	Commitment to ensuring product safety, quality, and regulatory compliance.	
Targets	Short-term	<ul style="list-style-type: none"> <li>● Focus on high-perceived functional benefits such as gastrointestinal health, metabolic regulation, and sleep and stress support in response to rapidly evolving market demands, and incorporate quantifiable indicators and consumer-friendly claims to accelerate commercialization and sales conversion.</li> <li>● Concentrate on the mass production development and scientific validation of Taiwanese AKK isolated strains to capitalize on growing overseas demand for next-generation probiotics (NGP), particularly in the early-stage Asian market.</li> <li>● Plan to develop 2-4 products for prevention and mitigation of various health problems faced by the public as part of our mission to safeguard public health.</li> </ul>
	Mid-term	<ul style="list-style-type: none"> <li>● According to a survey by the National Development Council, Taiwan is expected to become a super-aged society by 2025. We strive to help the elderly enjoy lifestyles of health and sustainability every day by developing products targeting common diseases among them, such as Alzheimer's disease, Parkinson's disease, or sarcopenia.</li> <li>● Address health issues caused by the gap between haves and have-nots by designing affordable health supplements to enable people to maintain their health at an economical price.</li> <li>● Prioritize systemic health benefits, such as the gut-metabolism-immunity and muscle and body composition management, and establish market differentiation through clinical trials and global regulatory compliance to support cross-category product applications and international expansion.</li> </ul>
	Long-term	Continuously develop products aimed at current health needs of local consumers.
Responsibilities	External responsible authorities: Taiwan Food and Drug Administration, Taoyuan Department of Public Health	
Resources	In 2025, our Biotech Research Institute newly hired 1 employee with a graduate degree; the Innovation and Research Center newly hired 5 employees with a graduate degree.	
Specific performance	<p>Developed and planned several new health products at affordable prices to help the public prevent and mitigate health-related issues. Awards:</p> <ol style="list-style-type: none"> <li>1. Honored with the Outstanding Company of the Year at the Taiwan BIO Awards from the Taiwan Bio Industry Organization.</li> <li>2. Kang Er Dong Pro &amp; Prebiotics was honored with the Innovation of the Year at the Taiwan BIO Awards from the Taiwan Bio Industry Organization.</li> <li>3. Grape King Hericium erinaceus mycelium powder won Innovation Award (Applied Biotechnology Group), Taipei Biotech Awards Bronze Award.</li> <li>4. Probiotics King Flagship EX400 won TALAB Innovative Product Award - Superior Award.</li> <li>5. Functional Lactobacillus Plantarum GKM3® won the 21st National Innovation Award - Enterprise Innovation Category.</li> <li>6. Hericium Erinaceus mycelium powder was awarded a Bronze medal of National Biotechnology and Medical Care Quality Award - Nutritional Health Food Category/Special Functional Health Ingredients Group.</li> <li>7. Continued to extend the efficacy of key materials such as Lactic acid bacteria, Fungal alternative protein material, Hericium Erinaceus, Hirsutella sinensis, and others.</li> </ol>	

Grape King Bio continues contributing to society and the environment through product development. We hope that every one of our products can be provided to the market at affordable prices to bring nutritional value to our consumers. We also continue to improve our product packaging. At present many of our products use lightweight packaging materials to reduce resource consumption. Currently, we have implemented a bottle recycling program for more than 30 products. Recycled bottles are transferred to waste treatment companies for decomposition into pellets for further use. We hope that development of sustainable products can help Grape King Bio shoulder its brand responsibilities and provide better products to our consumers.








Grape King Bio is committed to animal-friendly testing policies and we strive to reduce our number of animal experiments. At present, the majority of our experiments are conducted through cell testing for the purpose of obtaining reliable data, and we work to avoid testing on live animals within the scope of regulatory compliance to reduce the discomfort and pain suffered by animals. We hope that these actions enable us to co-exist with the earth as well as reduce emotional burdens for animal lovers when buying our products.

Additionally, we care about the health of vulnerable groups and have established a Tourist Factory in Taoyuan to give back to the community and the public. We provide affordable products so that those in need can purchase Grape King Bio health products at economical prices.



## 2.3.1 Product Nutrition

The nutrients contained in Grape King Bio products have all been designed according to product positioning and customer requirements. The following are some examples of our most popular products:

Product	Comebest Range	PowerBOMB Energy Drink	Probiotics King (Granule)	Sliim Probiotics King	Deluxe Antrodia King	Marigold Lutein Powder	Kombucha
Product Image							
Target Customers	Blue-collar workers, white-collar workers	Students, white-collar workers	All age groups	Weight loss group	Liver protection, blood pressure regulation group	Students, Office workers	Student group, office workers
Nutrients	Inositol, taurine, caffeine, B vitamins, amino acids, minerals	Taurine, caffeine, inositol, Vitamin C, B vitamins	Probiotics, prebiotics, pineapple enzyme	GKM probiotics	Antrodia camphorata mycelium	Aristotelia chilensis extract, marigold extract, freeze-dried lactic acid bacteria, red algae extract	Kombucha fermentation liquid, pineapple enzyme, lactic acid bacteria fermentation filtrate
Effects	Boosts energy, nutrient supplementation	Boosts energy, nutrient supplementation	Promote bowel regularity and boost metabolism	Not easy to form body fat	Liver protection, blood pressure regulation	Eye care for bright, comfortable, vision	Promote bowel regularity and boost metabolism

Grape King Bio has taken into account the health conditions of the product user. This year, we completed the development of sugar-reduced beverages by optimizing formulations to lower sugar content while maintaining both flavor and functionality. Products like the Kombucha Double Fiber Drink and the Marigold Lutein Essence Jelly have been optimized and upgraded with a low-sugar formula. Looking ahead to next year, we plan to further develop sugar-free beverage products and concurrently evaluate the feasibility of sweetener-free formulations. This initiative aims to address the market demand for beverage options with "lower burden and fewer additives," aligning with the growing health awareness among the public. For the "low-sodium/reduced-sodium" issue that is frequently highlighted in public health discussions, such concerns primarily arise from the health risks associated with the high sodium content commonly found in processed foods or ready-to-eat products.

Our products are functional health foods, and their formulation design is centered on active ingredients and nutritional supplementation. Sodium is not added during the production process for seasoning or preservation purposes; therefore, our products inherently do not involve issues related to high sodium intake.

By contrast, we focus our R&D resources on health issues that are more closely aligned with the nature of health foods, such as gut health, sleep management, nutrient supplementation, and overall physiological function regulation. From the source, formulations are designed to be streamlined, necessary, and compliant with safety and regulatory requirements. This product strategy is based on an assessment of differences in product categories and their substantive health impacts, aiming to respond to consumer needs in a more appropriate and effective manner.

Furthermore, in line with the current international trend toward the snackification of health food, we are developing various types of snacks, drinks, and brewing bags enriched with functional ingredients. The aim is to provide health support while people are enjoying snacks. Products currently under development include functional jellies, functional gummies, and other functional snacks.

## 2.3.2 Green Product Packaging Design

Grape King Bio has long been committed to using lightweight packaging made with environmentally friendly materials that help to reduce environmental damage.

### 1. FSC Paper Materials

Super Sliim Turmeric Complex Max, UVACO foil package series of products and OEM 16 products have used Forest Stewardship Council (FSC™) certified green pulp for packaging production. The FSC-certified products mentioned above account for 33% of the total procurement value of all paper and aluminum foil packaging products purchased by Grape King Bio Ltd. This ensures that the paper source comes from legally and correctly managed forests, thus avoiding over-deforestation. Our pulp usage reduced by approximately 15%.

### 2. Soy Ink Printing

Super Sliim Turmeric Complex Max uses soy ink printing, which reduces fossil fuel consumption, volatile organic compound (VOCs) emissions and air pollution. Soy is a renewable plant resource. Planting soy helps maintain carbon balance and protects the soil. Soy has excellent biodegradability, can quickly decompose in the natural environment, and reduces pollution to soil and water sources, and reduces pressure on landfills.

### 3. Plastic Reduction Action

Evaluations are being made for PET bottle lightweighting to decrease plastic use. The plan is to reduce plastic by 29% per bottle. We have reduced the use of disposable plastics in Grape King capsule products. Plastic bottle consumption decreased by approximately 20% compared to the previous year, effectively lowering resource consumption and environmental impact.

### 4. Development of Eco-Friendly Alternative Packaging to Aluminum Foil

In response to the limitations of conventional aluminum foil packaging in terms of recyclability and environmental impact, we have invested in the development of a new eco-friendly alternative packaging material. By eliminating the aluminum foil layer and replacing it with high-polymer materials to achieve the required functionality, we are able to maintain barrier performance and product stability. This approach avoids the use of organic solvents, thereby reducing the risk of residual organic substances and enhancing both packaging safety and environmental friendliness.

## 5. Introduction of Eco-Friendly Desiccants

In terms of auxiliary packaging materials, we have promoted the development and adoption of eco-friendly desiccants, replacing traditional chemical desiccants with natural bentonite. While maintaining the necessary moisture-absorption efficacy, this initiative enhances the natural composition and ease of disposal of the materials, reduces potential impacts on the environment and end users, and strengthens the overall sustainability performance of the packaging system.

## 6. Development of Plastic-Free Sealing Labels

We have also advanced the design and application of plastic-free sealing labels. Through material selection and structural adjustments, plastic-related components have been eliminated. Without compromising packaging integrity, ease of use, or quality stability, this initiative tangibly supports our plastic reduction efforts and aligns with the growing trend toward eco-friendly and sustainable packaging.

### Percentage of Packaging Materials by Weight in 2025

Packaging Materials	Total purchased weight (metrics tonnes)	Recycled Material percentage (% of total purchased weight)	Certified Material percentage (% of total purchased weight)
Wood/Paper fiber packing	2,338.49	0%	0%
Metal (e.g. aluminum or steel) packaging	11.54	0%	0%
Glass packaging	0.15	0%	0%

### Percentage of Plastic Packaging by Weight in 2025

	Indicators	Metrics	2025
A.	Total weight of all plastic packaging	tonnes	44.68
B.	Percentage of recyclable plastic packaging	% of the total weight	0.00045%
C.	Percentage of compostable plastic packaging	% of the total weight	0%
D.	Percentage of recycled content within the plastic packaging	% of the total weight	0%

