Innovent
信达生物制药

環境、社會及管治報告 · 2021

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Innovent Biologics, Inc. 信達生物製藥 | Stock Code 股份代號:1801

(Incorporated in the Cayman Islands with limited liability) (於開曼群島註冊成立之有限公司)

Contents

Management's Statement

The year 2021 marked the 10th anniversary of the founding of Innovent Biologics. Looking back at the ten-year journey, Innovent Biologics has always adhered to the mission of "to develop and commercialize high-quality biopharmaceuticals that are affordable to ordinary people" and the belief of "Start with Integrity, Succeed through Action". We have continued to explore the biopharmaceutical industry to illuminate hope for patients, grow together with partners and contribute to the human health cause and environmental sustainability.

At the starting point of the new decade, facing the pandemic and the complex external environment, we recognize our responsibilities and have made sustainable development an important strategic objective in line with our mission and vision. We have upgraded and promoted our environmental, social and governance (ESG) work in a more comprehensive manner, and the ESG concept has been gradually integrated into all aspects of our daily operations and management. We have continuously improved our ESG governance system and management mechanism by incorporating ESG work into the scope of responsibilities for the Audit Committee which will be directly supervised by the Board of Directors. We have established a special ESG working group, identified more than 20 key ESG issues, set clear targets and reported to the Audit Committee on a regular basis. We have also established an ESG assessment system and continued to advance our ESG management.

We strategically focus on the growth strategy of global innovation. By implementing our mission from the outset, we have successfully created a leading fully-integrated platform in China which boasts drug research and development, manufacturing and commercialization capabilities, and transformed ourselves into a biopharmaceutical company from a biotech company. We have built a robust pipeline of 32 valuable assets in the fields of cancer, metabolic, autoimmune disease and other major therapeutic areas, with 7 products successfully launched, 4 of which are included in NRDL. In particular, TYVYT® is the only PD-1 inhibitor whose four indications including 1L non-squamous NSCLC, 1L squamous NSCLC, 1L HCC and cHL are included into the NRDL. Owing to its advancement in the industry and its social and economic benefits, TYVYT® also won the "China Patent Golden Award", the highest award in China's IPR field. In the next decade, the Company will adhere to the development strategy of "driven by innovation, developed through globalization", continue to increase R&D investment, and develop more innovative drugs to benefit patients around the world based on unmet clinical needs. Innovent Academy, the Innovation engine of Innovent, has attracted world-renowned scientists, which enables it to build a strong talent team, and it is committed to form a world-class team of immunology, protein antibody engineering and ADC. 80 innovative projects with global rights have been launched to continuously deliver innovative products to the product line. We also established an R&D center in the U.S. and expanded the outstanding team and platform for global drug discovery, development, registration and application. A number of overseas projects are under research and development, aiming to benefit more and more patients in the worldwide.

High quality is our commitment to patients and also the "postcard" of Innovent. Innovent has established state-of-the-art manufacturing facilities designed to, built with, and operating at international GMP standards developed by the NMPA, the US FDA and the EMA, with production lines passed multiple NMPA reviews and the GMP review required by multinational pharmaceutical partners. We have established an end-to-end quality management system that conforms to the requirements of Chinese and international standards, covering the whole life cycle from product development, technology transfer, commercialized production and product withdrawal. The Company has also established a quality indicator system adapted to commercial operations to continuously monitor and improve the Company's performance with respect to quality management. We pay attention to quality culture construction, constantly strengthen training, and continue to be a benchmark for industry quality. During the pandemic, our drugs were delivered to patients normally thanks to high-quality and efficient production operations and supply chain management. We achieved success rate in each batch of drug substance manufacturing of 100% throughout the year 2021. Innovent was awarded the "2021 Suzhou Mayor Quality Award" for its excellent quality management and the significant economic and social benefits achieved by it.

Management's Statement

Compliant operation is an important cornerstone of our development. The Company, highly concerned with business ethics management, formulated and upgraded several relevant systems and enhanced trainings in 2021. The senior management team of the Company took the lead to establish the Compliance Management Committee and upgraded the Compliance Committee System, so as to regularly conduct comprehensive review and audit on the current status of compliant operation and management within the Group for identifying and addressing risk areas. Upholding the principles of integrity, fairness, openness and transparency, the Company takes a "zero tolerance" attitude to corruption and is committed to creating an honest and clean corporate culture through promoting integrity and compliance of staff throughout business operations. In 2021, the Company arranged 100 trainings on compliance, covering all staff and directors. We also emphasize business ethics management in our supplier selection and audit requirements with relevant terms included in contracts. The Audit Committee of the Company is responsible for regular consideration and supervision on matters relating to our business ethics, including the development and execution management of policies on business ethics, investigation of reports and follow-up accountability actions before reporting to the Board.

We stick to lean operation and green and sustainable development strategy. To protect the ecological environment and minimize the impact on it for the sake of our own surviving, we accelerated the construction of environmental management system by actively exploring low-carbon environmental protection measures, keeping improving resource utilization and emission management and promoting environmental protection culture and awareness, aiming to build an energy-efficient and environment-friendly green enterprise. We actively responded to the national calls to achieve dual carbon reduction goals by setting our own, i.e. reducing 10% of GHG emissions per production unit by 2030, as well as formulating concrete plans, to deal with climate change. Besides, we also put forward goals for reducing water and energy consumption and wastes generation. In addition, the Company is practicing the concept of lean operating management. Specifically, we upgraded all procedure systems and reformed the management of each functional segment with corresponding lean operating goals and implementing measures set in place to increase efficiency while reducing costs. Thereby, our corporate operating management model can be transformed to a green, high-efficient and sustainable one.

We have been creating an equal, diverse, open, transparent and inclusive working environment and practicing social welfare. While maintaining integrity and innovation and further expanding our business, we are also committed to providing employees with equal employment and development opportunities and advocating diversity. In 2021, female employees accounted for more than 50% of the Company's employees around the world, with more than 100 employees of various nationalities. Following the principle of "people first and giving hard-working employees the success they deserve", we strive to make Innovent a development platform for all employees to realize their personal values and ideals, thereby achieving the organic unity of employee growth and enterprise development. Our various policies, a series of employee care activities and training have also enhanced employees' sense of belonging and happiness. At the same time, Innovent is also carrying out extensive public welfare activities and actively giving back to the society. Adhering to the principle of "patient-centered" and caring about patients and their families, we have initiated or attended various patient rescue programs such as "TYVYT® Health and Poverty Alleviation Charity Campaign", the "Ai You Xin Sheng" Patient Assistance Program and "Shu Xin Ke Yi" Tumor Immunotherapy Patient Rescue Program. In respond to the torrential rain in Henan, we donated emergency relief materials to Henan in a timely manner. During the COVID-19 pandemic, the Company has endeavored to ensure safe production and timely supply of medicines to patients, take good care of employees and their families, and actively sent volunteers to serve the community. We hope to do our best to fulfill the mission of "being an enterprise with a strong sense of social responsibility".

Management's Statement

We have been pursuing the common development of society and enterprise. In the next decade, we will stick to our original aspiration, adhere to the principal of innovation and globalization, and strive to become a world-class biopharmaceutical company. In joint hands with our partners, we will fulfill our social mission, and speed up our efforts to improve the quality of human life, so that more and more patients around the world can enjoy the health outcomes brought about by scientific and technological progress!

Dr. De-Chao Michael Yu
Chairman and CEO

About This Report

Reporting Period

The reporting period is from 1 January 2021 to 31 December 2021 (the "Reporting Period"), with some information tracing back to earlier years or extending to 2022.

Entities Covered

The entities covered in this Report include Innovent Biologics, Inc. (信達生物製藥), Innovent Biologics (HK) Limited (信達生物製藥(香港)有限公司), Innovent Biologics (Suzhou) Co., Ltd. (信達生物製藥(蘇州)有限公司), Innovent Biologics Technology (Suzhou) Co., Ltd. (蘇州信達生物科技有限公司), Innovent Biologics Technology Co., Ltd. (信達生物科技有限公司), Shanghai Xinsheng Biotechnology Branch of Innovent Biologics (Suzhou) Co. Ltd. (信達生物製藥(蘇州)有限公司上海信聖生物科技分公司), Beijing Biotechnology Branch of Innovent Biologics (Suzhou) Co. Ltd. (信達生物製藥(蘇州)有限公司北京生物科技分公司), Innovent Biologics (USA) Inc. (信達生物製藥(美國)公司) and Innovent Biologics (Europe) Inc. (信達生物製藥(歐洲)公司).

Preparation Basis

This Report is compiled with reference to the "Environmental, Social and Governance Reporting Guidelines" as set out in Appendix 27 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The contents of this Report were prepared according to a set of systematic procedures. The procedures include: identifying and prioritizing important stakeholders, identifying and prioritizing major ESG issues, formulating the ESG Report's coverage, collecting relevant materials and data, preparing the Report based on information and examining report data.

Sources of Information

The qualitative and quantitative information adopted in this Report comes exclusively from public information, internal documents and relevant statistics of Innovent.

Pronominal Reference

For the sake of easy presentation and reading, "Innovent Biologics, Inc." is alternatively referred to as "Innovent", "Innovent Biologics", the "Company", "we" or "us" in this Report.

Reliability Assurance

As confirmed by the management, this Report was approved by the Board of Directors (the "Board") on 30 May 2022. The Company guarantees that the contents of this Report do not contain any false statements, misleading representations or material omissions. We undertake to accept responsibility for the contents of this Report as to its authenticity, accuracy and completeness.

Mode of Release

This Report is released as online edition, which can be retrieved and downloaded from the websites of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk) and Innovent (http://innoventbio.com/#/).

Board Statement

Innovent is aware of the importance and necessity of sustainable development to the Company and has been continuously improving the Company's sustainability governance system and mechanism, integrating sustainability requirements into the Company's operation and management, and striving to continuously create value for patients, employees, shareholders and society. The Board attaches great importance to the Company's ESG management and sustainability performance. As the highest accountable body for the management and public disclosure of ESG issues, the Board plays a leading and supervisory role and accepts full responsibility. The Audit Committee of the Board is responsible for assisting the Board in reviewing the Company's ESG-related strategies, objectives and management practices, coordinating the resources required for sustainability objectives, overseeing the achievement of strategic sustainability objectives, reviewing ESG practices and progress, and reporting to the Board on ESG matters.

We focus on the expectations and aspirations of our internal and external stakeholders, and maintain close and adequate communication with stakeholders by actively broadening communication channels and conducting various communication activities to identify and assess important ESG issues, which are discussed and reviewed at Board meetings. Based on the external macro environment, industry development trends and our own development strategies, the Board discusses and identifies the Company's ESG risks and opportunities, and makes decisions on key ESG management activities and projects for the year. During the Reporting Period, we identified potential risks and opportunities arising from climate change on the Company's future operations, assessed the likelihood and impact of such risks and opportunities, and formulated targeted response plans and initiatives. In addition, we have set environmental targets and initiated various green and low-carbon initiatives in response to China's "2030 Carbon Peak, 2060 Carbon Neutral" strategy. In the future, we will continue to monitor and review the achievement of our ESG targets, continuously optimise our ESG management path and expand our investment in sustainable development, so as to actively realise the long-term sustainable and quality development of the Company with increasingly sound ESG management and rich ESG practices.

Response to the ESG Reporting Principles of the Stock Exchange

Principle of materiality: In accordance with the regulatory requirements including the "Environmental, Social and Governance Reporting Guidelines" of the Stock Exchange, the Company communicated and exchanged with the stakeholders in different ways to discuss the topics disclosed in the ESG reports of peer companies through benchmarking, and finally identified and selected material issues of sustainable development.

Principle of quantitative: The Company established an ESG indicator management tool covering each department, regularly quantified key indicators including all "environmental" categories and part of "social" categories in the ESG Reporting Guidelines and consolidated such indicators at the end of the year for disclosure purpose.

Principle of consistency: This Report has similar disclosure scope with that of the annual report of the Company, and adopts consistent disclosure statistical methods.

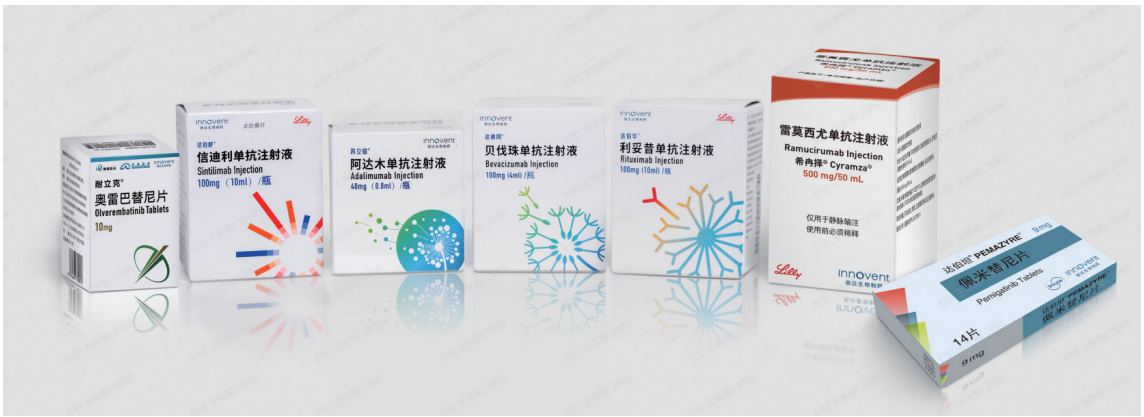
About the Company

Profile

Background

Founded in 2011, Innovent is committed to the development, production and sales of innovative drugs for the treatment of major diseases such as tumors. The shares of Innovent were listed on the main board of the Stock Exchange on 31 October 2018 (stock code: 01801). Ever since its inception, Innovent has been recognised for its fruitful innovations and internationalized operating model, which set it aside from many other biopharmaceutical companies. A product chain of 32 new drug products has been established, covering various diseases such as tumors, metabolic diseases and autoimmunity. Among which, 7 assets were accepted into the National Major New Drugs Innovation and Development Program. The Company has 7 products that have been approved for marketing in China, namely, TYVYT® (sintilimab injection), BYVASDA® (bevacizumab biosimilar injection), SULINNO® (adalimumab biosimilar injection), HALPRYZA® (rituximab biosimilar injection), PEMAZYRE® (pemigatinib oral inhibitor) and Olverembatinib (BCR-ABL TKI) and CYRAMZA® (ramucirumab), 1 asset under NMPA NDA review, 5 assets in Phase 3 or pivotal clinical trials, and additional 19 molecules in clinical studies. In December 2021, TYVYT® was the only one to receive approval for four indications including 1L Nsq NSCLC, 1L sqNSCLC, 1L Liver Cancer, and Hodgkin's Lymphoma, and included into NRDL as a PD-1 inhibitor product.

Thus far, Innovent has established high-end biopharmaceutical industrialization bases following GMP standards developed by the NMPA, the US FDA and the EMA, with industrialized production lines passing the GMP review required by multinational pharmaceutical partners. Furthermore, we have set up a world-class professional team including over 100 returning experts for high-end biopharmaceutical development and industrialization. Based on our independent innovative products, we have established strategic cooperation with Eli Lilly in various fields, which helps to introduce Chinese innovative products into the global market, with total amount exceeding US$2.5 billion, ranking first in many aspects in China.

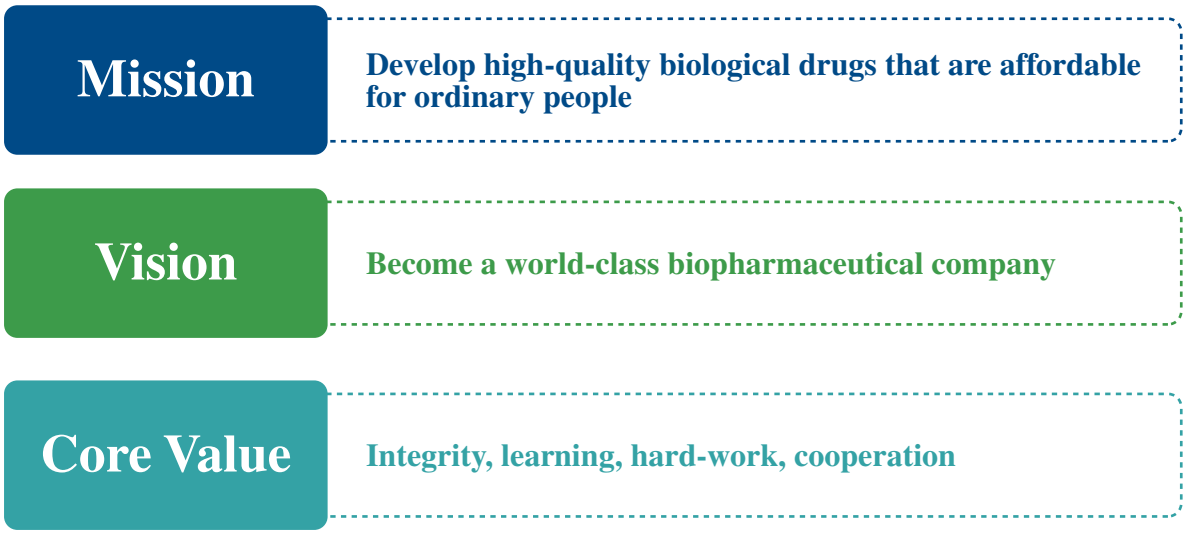


Innovent's marketed products

About the Company

Corporate Culture

"Start with Integrity, Succeed through Action" – developing high-quality biological drugs that ordinary people can afford has always been our mission. Led by the development strategy of "driven by innovation, developed through globalization" and by giving emphasis on unmet clinical needs, we are committed to bringing benefits to patients around the world with our self-developed quality innovative drugs. We also hope Innovent will serve as a platform where people can pursue their dreams and work together to make the course of "saving lives" a great success. As its globalisation deepens, the Company will have a more diversified, open, transparent and inclusive culture and is sparing no efforts in building a "wonderland for scientists".



About the Company

2021 Milestones

February 2021	The second indication for the treatment of non-squamous non-small cell lung cancer without EGFR mutations or ALK gene rearrangements in combination with pemetrexed and platinum chemotherapy was approved in China
June 2021	The third indication for the first-line treatment of unresectable locally advanced or recurrent squamous non-small cell lung cancer in combination with gemcitabine and platinum chemotherapy was approved in China
June 2021	Pemazyre® (pemigatinib) was granted approval for market launch by the Taiwan Food and Drug Administration (TFDA)
June 2021	TYVYT® (sintilimab injection) was granted fourth indication approval in China for first-line treatment of advanced HCC in combination with BYVASDA® (bevacizumab injection)
July 2021	The results of the study on the first-line treatment of advanced HCC with TYVYT® in combination with BYVASDA® was published on the cover of The Lancet Oncology
November 2021	As China's first third-generation BCL-ABL TKI developed for the treatment of TKI-resistant CML, Olverembatinib was released in China with official approval
December 2021	TYVYT® was the only one to receive approval for four indications including 1L Nsq NSCLC, 1L sqNSCLC, 1L Liver Cancer, and Hodgkin's Lymphoma, and accepted to the NRDL in China as a PD-1 inhibitor product

ESG Performance of 2021

Compliance Operation: Responsible Corporate Governance

- Governance structure: ESG are added into the scope of duties of the Audit Committee and is under direct supervision of the Board
- Engagement in anti-corruption trainings of the Board and all employees: 100%
- Trainings on compliance: 100+
- Corruption cases referred to judicial department: 0
- Major ESG issues: 20+

Commitment to Innovation: High-quality Drug Development

- Research and development expenses as of the end of the Reporting Period: RMB2,116 million
- TYVYT® won the "China Patent Golden Award"
- Three major indications of TYVYT® received approval, and four indications were successfully accepted to the new medical insurance catalog
- High-quality innovative product pipelines: 32
- Global innovation engine-Innovent Academy: 80 new projects were launched
- Innovent won the "2021 Suzhou Mayor Quality Award"
- Batch success rate in drug substance manufacturing with excellent operations: 100%

About the Company

"People First": A Warm-hearted Corporate Citizen

- Outstanding Enterprise with Harmonious Labor Relations in Jiangsu Province
- Total number of employees around the world: 5,568
- Percentage of female employees around the world: 50%+
- "Innovent Academy" special trainings for all employees: 160+
- Coverage of employee trainings: 100%
- Funds invested in public welfare: RMB204.6 million
- Number of volunteers: 298

Ecological Harmony: Sustainable Green Business Operation

- Reduction target of fresh water consumption per production unit per year (by 2030): 5%
- Reduction target of energy consumption per production unit per year (by 2030): 5%
- Reduction target of greenhouse gas emissions per production unit per year (by 2030): 10%
- Fulfillment in compliant handing of waste and waste water: 100%

I. Compliance Operation: Responsible Corporate Governance

Innovent believes that compliance operation is the foundation for a long-term stable development of the business. We have established a sound corporate governance framework, continuously consolidated the foundation of compliance operation, continued to promote the organic integration of ESG management and its own business development, and effectively safeguarded the legitimate rights and interests of all stakeholders and created multiple values for them, thereby contributing to its own high-quality sustainable development.

1.1 Corporate Governance

Upholding its mission of "developing high-quality biological drugs that ordinary people can afford", Innovent has established a sound corporate governance framework, promoted the construction of corporate governance system and governance capacity, consistently improved its corporate governance practices, thereby creating a well-organised, highly efficient and well-coordinated modern enterprise operating based on a clear division of responsibilities and power.

Functions of the Board

Innovent has established the Board as the Company's primary decision-making body responsible for leading the formulation of the Company's strategic development targets, supervising the business development, making major decisions and promoting the ESG work to protect the long-term interests of the Company and its shareholders, in compliance with the corporate governance code as set out in Appendix 14 to the Listing Rules and other relevant laws and regulations. The Board has established four committees, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee, and the Strategy Committee for overseeing and guiding particular aspects of the Company's affairs and regularly reporting to the Board. Please refer to the section headed Corporate Governance Report in the Annual Report 2021 for details of the work progress of the Board and the committees in 2021.

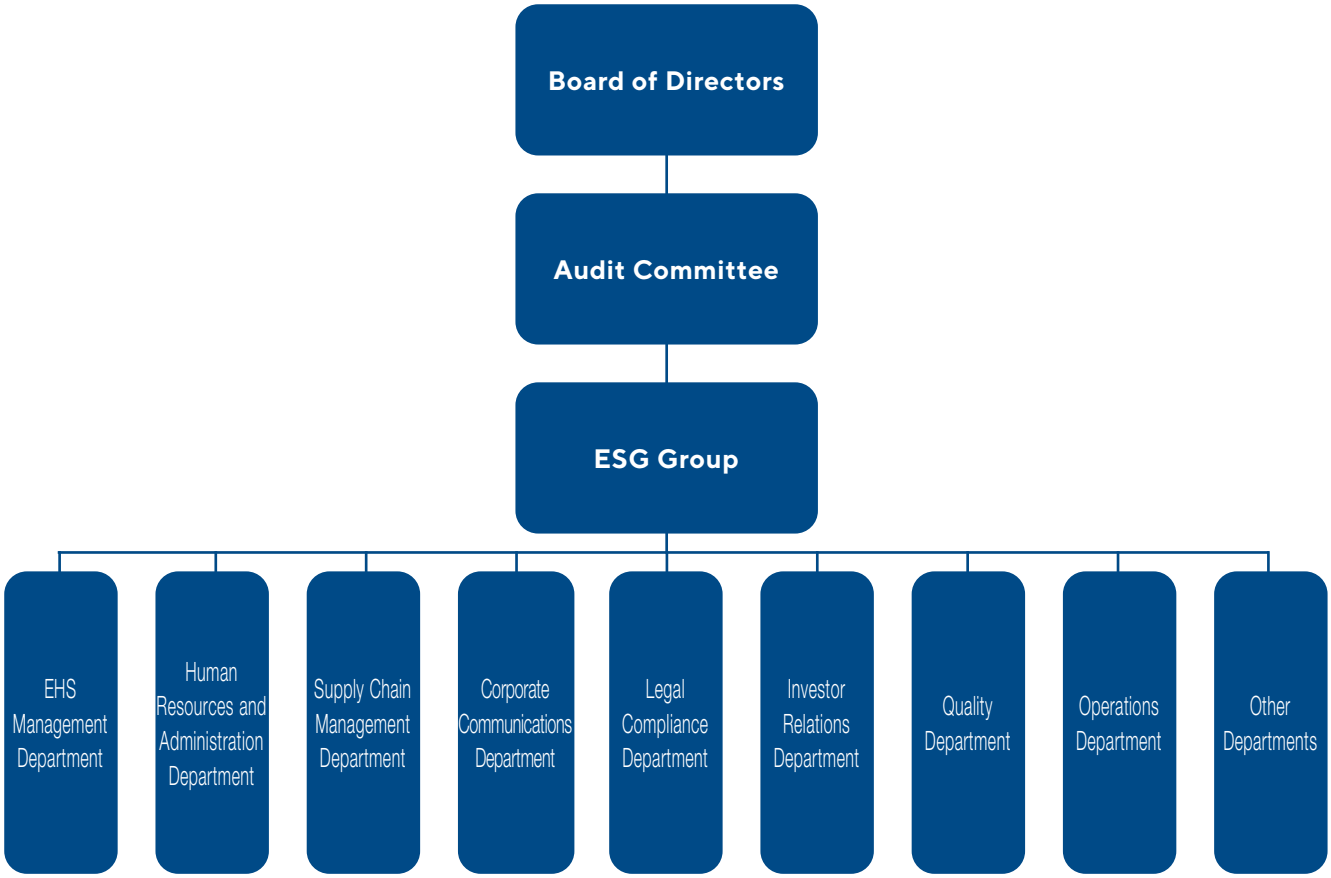
As regards the composition of the Board, the Company seeks to achieve Board diversity through the consideration of a number of aspects, including but not limited to, gender, age, culture, educational background, professional qualifications, skills, knowledge, and industry and regional experience. During the Reporting Period, the Board comprised six directors, including two executive directors, one non-executive director and three independent non-executive directors. The Board at all times meets the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors representing one-third of the Board.

ESG Governance

In order to strengthen ESG governance capability and ensure the effectiveness of ESG management, the Company has established a top-down ESG governance framework, which consists of three levels, namely, the Board, the Audit Committee, and the ESG Group, with clear and coordinated division of responsibilities.

I. Compliance Operation: Responsible Corporate Governance

As the highest responsible organisation and decision-making body for ESG matters, the directors of the Company are mainly responsible for the consideration and approval of various ESG matters, including ESG-related strategies, approaches, goals, and policies (including inclusive healthcare), monitoring and reviewing ESG performance and the progress of related goals, reviewing and evaluating ESG-related risks and materiality (including supervising the business ethics management), reviewing and approving public disclosures of ESG matters. As the management body of ESG matters, the Audit Committee is mainly responsible for assisting the Board in formulating the ESG-related strategies, goals and approaches (including inclusive healthcare) of the Company, monitoring the implementation of ESG policies and achievement of ESG goals, reviewing and supervising ESG practices (including supervising the business ethics management), and reporting to the Board on ESG matters. The Company has an ESG working group (the "ESG Group") as the executive body that is tasked with the coordination and management of ESG-related activities, communications within the Company, and ESG information disclosure. The ESG Group covers all the key units such as the EHS (Environment, Health and Safety) Group of the engineering department, human resources and administration, supply chain management, investor relations, corporate communications, legal affairs, compliance, internal audit, quality, manufacturing, R&D and commercialisation. It communicates with stakeholders through meetings, surveys, and interviews, etc. to evaluate and respond to ESG-related risks and requirements, regularly reports to the Audit Committee on the progress and results of ESG governance activities, and continuously promotes improvement of ESG governance based on the Audit Committee's feedback.



ESG governance framework at Innovent

I. Compliance Operation: Responsible Corporate Governance

1.2 Compliance Operation

Compliance operation is an important factor that secures our development. The Company insists on abiding by laws and regulations under the governance structure with stable, prudent and effective supervision. Strictly abiding by laws and regulations such as the "Company Law of the People's Republic of China" (《中華人民共和國公司法》), and "Securities Law of the People's Republic of China" (《中華人民共和國證券法》), it newly established and updated a number of relevant systems and strengthened the training for all employees. The compliance department, internal audit department and legal department of the Company are the daily supervision departments responsible for securing compliance operation and management of the Company, and carry out their related works in terms of developing various systems and processes of the Company, training, routine audit of business activities and processing findings. Meanwhile, the Compliance Management Committee of the Company has been established and led by the key executives; the members of the committee consist of compliance, internal audit, legal affairs, finance, IT, IPR management, EHS and quality functions. We have also updated the Compliance Committee System (《合規委員會制度》), pursuant to which such committee regularly and comprehensively reviews and audits the status quo of compliance operation and management of the Group, identifies and solves risks and implements measures, and continuously optimises relevant processes and systems to implement the closed-loop management of the whole process of compliance work, so as to ensure efficient compliance operation of the Company. The Audit Committee of the Board of the Company is responsible for compliance supervision. The Compliance Committee reports the current status and work plans of the Company's compliance work to the Audit Committee on a semi-annual basis. In the meantime, the Company engages Deloitte to conduct compliance audits semiannually and report to the Audit Committee, which then reports the compliance supervision of the Company to the Board every half year. The Company continues to strengthen the construction of an incorrupt culture by strengthening the code of conduct for employees and strictly preventing the occurrence of corruption incidents, so as to create a compliant and transparent operating environment, maintain stable and sustainable development, and create long-term and stable returns for shareholders.

I. Compliance Operation: Responsible Corporate Governance

Business Ethics Management

The Company adheres to the business values of integrity, fairness, openness and transparency, and win-win cooperation. Strictly abiding by laws and regulations and normative requirements such as the "Supervision Law of the People's Republic of China" (《中華人民共和國監察法》), "Anti-Money Laundering Law of the People's Republic of China" (《中華人民共和國反洗錢法》), "Anti-Unfair Competition Law of the People's Republic of China" (《中華人民共和國反不當競爭法》), and "Opinions on Several Issues Concerning the Application of Law in Handling Commercial Bribery Criminal Cases" (《關於辦理商業賄賂刑事案件適用法律若干問題的意見》), it maintains "zero tolerance" for corruption, and implements the requirements of promoting employees' compliance with integrity and regulations during the whole process of its operation, so as to create a corporate culture of honesty and integrity. The Audit Committee of the Company is responsible for reviewing and supervising the Company's business ethics related matters, including business ethics policy formulation and implementation management, reporting investigation and accountability, and reporting to the Board. The internal audit department of the Company carries out the routine audit of each segment and operation and management activities within the Group, involving all aspects of business ethics management, and reports to the Audit Committee every quarter. At the same time, the Company engages Deloitte to conduct external financial audits on operation and management activities semiannually, which covers business ethics management, compliance of R&D, manufacturing and commercial operation activities, and compliance of behaviours of managers and employees, and reports to the Audit Committee every half year.

The Company has formulated a series of business ethics policies such as the "Code of Conduct for Compliance" (《合規行為準則》), "Policies for Conflict of Interest of Innovent" (《信達生物利益衝突政策》), "Management Regulations of Due Diligence on Suppliers" (《供應商盡職調查管理規程》), "Policies for Interactions between Innovent and Patients" (《信達生物與患者交往政策》), "Funding and Donation Policy of Innovent" (《信達生物資助與捐贈政策》), "Policies for Expert Management and Service Fee Payment" (《專家管理及服務費支付政策》), "Operating Standards for Unannounced Inspections" (《飛行檢查操作規範》), "Policies for Interactions with Non-Profit Organisations" (《與非營利性機構交往的政策》), "Policies for Interactions with Medical and Health Professionals and Government Officials" (《與醫療衛生專業人士及政府官員交往的政策》), and "Guidelines for Distribution of Commercialized Samples" (《商業化樣品發放指引》), so as to regulate all business operations of the Company in terms of integrity with high standards of business ethics, and promote employees and stakeholders to comply with business ethics and professional ethics. Among them, the "General Rules of Compliance" (《合規總則》) regulates the code of conduct in the daily operation for all the Company's employees, directors, shareholders and all employees of affiliated companies, and clearly stipulates that various forms of corruption and bribery must be avoided in business operations. It requires all employees of the Company to comply with legal and ethical standards when interacting with various stakeholders, and not to take any improper means. Leaders at all levels of the Company have the responsibility to supervise employees' compliance behaviors and provide guidance if necessary. "Management Regulations of Due Diligence on Suppliers" apply to the Company, its subsidiaries and third-party suppliers, and stipulate due diligence procedures to ensure transparency in business decisions and practices, and avoid or reduce transaction risks caused by corruption. "Policies for Expert Management and Service Fee Payment" clearly define the nomination, application, review, rating, and approval of expert speakers who provide professional services, external speeches or labor services for the Company, as well as the processes and standards of application, payment, and management of labor payment. "Operating Standards for Unannounced Inspections" help supervise sales staff to strengthen their awareness of compliance, prevent corruption risks, and ensure the authenticity and compliance of meetings.

During the Reporting Period, there were no transfer of corruption lawsuits to the judicial authorities.

- **Complaints and Reports**

  In order to effectively protect the Company's integrity construction and strengthen the supervision role of internal and external personnel, the Company encourages individuals and units to report violations of laws and regulations in real names in accordance with the law. The report acceptance department will give priority to real-name reports, and give timely feedback on the acceptance status and processing results. No department or individual of the Company may block or suppress the whistleblowers' report and the witnesses' truthful testimony under any pretext.

- **Protection of the Whistleblowers**

  The legitimate rights and interests of any individual and unit who report legal and regulatory violations to the report acceptance department in accordance with the law are protected by the Company. The Company holds a "zero tolerance" attitude towards retaliation, and continuously improved the whistleblower protection mechanism for protecting the personal safety of whistleblowers. During the Reporting Period, the Company formulated the "Whistleblower and Witness Protection Policy" (《舉報人證人保護政策》) in accordance with relevant national laws and regulations and the Company's rules and regulations, which specified that the report acceptance department must strictly keep the contents of the report and the information of the whistleblower confidential. Besides, various forms of retaliation against the whistleblower and the witness, as well as any infringement of the legitimate rights and interests of the whistleblower and the witness shall be strictly prohibited. Once acts such as various forms of retaliation against the whistleblower and his/her relatives and the witnesses are verified, the Company will impose severe punishments on the relevant retaliation implementers and pursue liabilities in accordance with the relevant provisions of the Company, and if constituting a crime, the relevant retaliation implementers shall be handed over to the judicial authorities to hold criminally liable in accordance with the law.

- **Investigation and Accountability**

  The Company has established an investigation department specifically for possible violations of laws and regulations, aiming to effectively isolate and prevent fraud through the construction of the internal control system, and to enable effective resolution of relevant investigations and evidence collection for cases of fraud, including disciplinary treatment of employees involved, civil, administrative and criminal judicial treatment, as well as the handling of contracts with corresponding counterparties. During the Reporting Period, the investigation department of the Company handled a total of 19 cases, with the types of cases including information security and protection of trade secrets, commercialization, procurement process, mismanagement, and violation of safety production process.

  In addition to case acceptance, investigation and handling of disciplinary violations by the employees, the Company will pursue liabilities for those responsible in accordance with the "Reward and Punishment Management Ordinance" (《獎懲管理條例》). In addition to the accountability of the personnel, the Company will also conduct an in-depth analysis of the causes of the risks; clarify the reason of the risks and the remaining defects in the system and process, to explore countermeasures and improvement measures. After collective deliberation and discussion by the management, the results will be given to the relevant business departments, which will be ordered and urged to rectify the situation within a time limit.

I. Compliance Operation: Responsible Corporate Governance

- **Promotion, Implementation and Education**

The Company focuses on the construction of compliance culture and compliance training and education, actively carrying out business ethics education and training as well as ideas transmission for all employees (including regular employees and part-time employees) and contractors. The Company requires that each of its employees shall receive online compliance training on their first day of working at the Company. Through building a series of educational channels covering case alert publication, internal audit mailboxes for all employees, push to all employees on Ding Talk, "Innovent Employees" (《信達人》) submission, and employee lectures, the Company actively carries out various integrity and compliance education activities such as annual fraud summaries, festive anti-corruption publicity, audit questionnaire surveys, engineering case propaganda, and international anti-corruption day, promoting full coverage of integrity training, striving to enhance the compliance awareness of all employees, and building an upright and honest employee team.

During the Reporting Period, the Company organized a range of compliance trainings for directors and all employees with a coverage rate of 100% and compliance appraisal pass rate of 100%. The Company conducted 95 offline compliance training sessions with a total of 6,610 participants and 5 online compliance training sessions with a total of 14,144 participants. Special training on anti-corruption and whistle-blowing policies was carried out for all members of the Board, focusing on the Company's anti-corruption and whistle-blowing policy theories and warning cases in the industry. Special training on anti-fraud was also conducted for all employees to analyze the theories of fraud, common frauds in the Company, warning education cases, how to maintain integrity and self-discipline, etc. We also conducted warning education on disciplinary violations that had occurred in the Company, and emphasized that the Company's "high tension line" and "red line" should never be touched. In addition, during the Mid-Autumn Festival in 2021, the Company also launched an integrity culture construction with the theme of integrity and honesty promotion of Innovent employees, and produced relevant posters for company-wide promotion, so as to promote all employees to spend the festival with integrity during the Mid-Autumn Festival.

Protection of Trade Secrets

The Company has introduced the "Confidentiality Management Regulations" (《保密管理規定》), "Basic Code of Confidential Conduct for Innovent Employees" (《信達人保密行為基本守則》), "Information Disclosure Management Regulations" (《信息披露管理規程》), "Regulations on the Classification of Trade Secrets" (《商業秘密等級分類規定》), "Implementation Rules on the Punishment of Employees Violating the Confidentiality Policy" (《員工違反保密制度懲處實施細則》), etc. to provide all employees with specific and clear guidelines for handling confidential information, requiring that all employees shall observe and execute confidentiality and no employee shall disclose or divulge the Company's trade secrets in any form. The Company provided technical support for its information security management with information security technology architecture, including trade secret information leakage prevention, infrastructure attack and intrusion prevention, IT authority control, etc. We added an approval procedure when documents were sent out, which required the first-level leader of the department involved to approve. We also added an applicant undertaking in the application process for sending out all documents and popped up a pop-up box prompt when sending out, printing or uploading documents, requiring employees to abide by the relevant confidentiality policies. Our inspection department organised irregular confidentiality inspection activities and the audit department also conducted information security and confidentiality audits for employees, so as to ensure the security of our trade secrets.

During the Reporting Period, the Company conducted comprehensive training on information security and trade secret protection for all departments' confidential information security officers, which included the definition of trade secrets, the classification of trade secrets, the classification regulations of different trade secret levels in each department, the introduction of the Confidentiality and Information Security Committee, the requirements of daily confidential conducts, case education, etc. In addition, the Company also launched the "Information Security and Trade Secret Protection" (《信息安全與商業秘密保護》) course on the E-learning platform and required all employees to participate in the study to enhance their awareness of confidentiality and urge all employees to strictly abide by relevant regulations. The coverage ratio of staff training was 100%.

1.3 Supply Chain Management

The Company is committed to building a responsible supply chain by continuously optimising and improving the supplier management system, strengthening supplier compliance management, adhering to a compliant and efficient procurement model and preventing supply chain risks, so as to establish a close, solid, honest, transparent, mutually beneficial and win-win relationship with suppliers. The Company places great emphasis on the business ethics management and the status quo of ESG of suppliers, which will be included in the selection and audit of suppliers.

The Company has strictly abided by relevant laws and regulations such as the "Bidding and Tendering Law of the People's Republic of China" (《中華人民共和國招標投標法》) and "Regulation on the Implementation of the Bidding and Tendering Law of the People's Republic of China" (《中華人民共和國招標投標法實施條例》), and has introduced policies such as "Procurement Management Process" (《採購管理流程》), "Supplier Management Process" (《供應商管理流程》), "Regulations on Supplier Operation Management" (《供應商操作管理規程》), "Regulations on Supplier EHS Audit Management" (《供應商EHS審計管理規程》), "Regulations on Engineering Project Bidding Management" (《工程項目招標管理規定》) and "Service Bidding Management Process" (《服務類招標管理流程》) to ensure that our procurement practices were compliant and the products we purchased met the requirements of product quality and safety of the Company. The Company actively promoted the construction of procurement information technology and established the whole lifecycle management process of suppliers covering the whole process of supplier access, supplier performance management, supplier classification, supplier enhancement, supplier exit and supplier information update. The Company has established in-depth cooperative relations with suppliers by continuously optimising supply resources through the improvement and standardisation of access management, classification and strategy, performance assessment and laddering supplier exit mechanism, so as to achieve mutual trust and benefits.

I. Compliance Operation: Responsible Corporate Governance

Qualification Examination and Acceptance Review

We have established a strict supplier qualification examination and acceptance review process and formulated the "Supplier Due Diligence Management Procedures" (《供應商盡職調查管理規程》). During supplier acceptance review, we draw up a list of suppliers, and performed background checks (including but not limited to legality, qualification and background, penalty records, trust-breaking records, litigation records, potential commercial conflicts of interest, negative news, etc.) on the suppliers included on the list to ensure that they meet the procurement quality, after-sales and delivery date requirements, and there is no any record of regulatory violation or dishonest conduct. In addition, the Company takes into account the suppliers' ESG performance and ESG risk management capabilities as selection criteria. Priority is given to ISO 9000 and ISO 14001 certified suppliers. For a new prospective supplier, it is required by the Company to offer a due diligence questionnaire conducted by a third party and proof of business registration, and to enter into the "Letter of Integrity Commitment" (《廉潔承諾書》) and the confidentiality agreement. In addition, the internal supervision body such as quality compliance and audit department and EHS of the Company shall conduct on-site audits at the operating sites on raw material suppliers on the basis of procurement business.

Appraisal and Evaluation

According to the importance, influence and substitutability of supply, the Company categories suppliers into high, medium and low levels, and conducts on-site appraisal once or twice a year for medium and senior listed suppliers of key material by special personnel assigned by the quality compliance and audit department, with established KPI assessment indicators regarding the suppliers' quality, cost-effectiveness, delivery, service, technology, ESG performance, etc.. The Company communicates with the suppliers to provide feedback on their performance through monitoring and evaluation of suppliers' supply capability, quality and enthusiasm, and then timely adjusts strategies and plans on suppliers based on the feedback results to motivate existing suppliers to improve their enthusiasm in terms of supply quality and delivery timeliness, provides targeted trainings to suppliers to ensure the safety and quality of products, and increases cooperation with outstanding suppliers. High-performing suppliers are listed as strategic suppliers, and the Company communicates with suppliers failing the performance appraisal promptly to supervise them in making rectifications and assist them for improvement; suppliers with serious ethical issues or found in violation of the regulations are blacklisted and permanently disqualified from collaborating with the Company.

Integrity Supply Chain

The Company is highly concerned about the compliance and transparency of the cooperation process with suppliers, and is committed to achieving coexistence through fair transactions based on mutual trust and respect. The Company has established a code of conduct for procurement business, strengthened policy promotion and training, clarified the warning line in the procurement business process, encouraged and required suppliers to maintain integrity and self-discipline, and eliminated any violation of business ethics. The Company provides unimpeded whistle-blowing channels for suppliers to encourage them to report violations of business ethics and fraudulent acts, and actively creates a transparent procurement environment.

In 2021, Innovent had a total of 878 suppliers, including 53 suppliers operating overseas and in Hong Kong, Macau and Taiwan.

Indicators		Unit	2021
Number of suppliers by geographical region	Eastern China		654
	Southern China		24
	Central China		18
	Northern China		113
	Northwest China		1
	Northeast China		5
	Southwest China		10
	Outside China (including Hong Kong, Macau and Taiwan)		53
Number of suppliers by type	Materials		202
	Fixed assets		184
	Engineering		162
	Research and development		68
	Clinical		76
	Regular		186

Agile Supply Chain and Secure Supply Assurance

The Company has been creating an agile, efficient and secure global supply chain management and logistics system to withstand different risks. We have connected to various domestic ports for import and export to ensure smooth import and export and have had dual sources of key materials and achieved remarkable results in localisation of key materials. We are also strengthening the construction of integrated supply chain informatisation to combine the SAP system with manufacturing, clinical, commercial and other professional information systems, thereby efficiently integrating the purchasing, warehouse, manufacturing, clinical and commercial information flows and increasing the flexibility and security of supply chain management.

In addition, the M2 manufacturing facility of the Company has been put into operation, which has 12 production lines for 3,000L stainless steel bioreactors and expands our production capacity from 24,000L to 60,000L. The manufacturing facility consists of three bases, namely M1a, M1b and M2. The Company have dual-line production capacity for all its core products, which significantly improves its risk-resistance capacity. During the Reporting Period, although the external environment was affected by the pandemic, there was sufficient supply of raw materials for all kinds of products of the Company, with clinical and commercialised drug supply assurance fully achieved. Thanks to the agile and efficient logistics system, our drugs can be accessed by patients in a timely manner.

I. Compliance Operation: Responsible Corporate Governance

1.4 Communication with Stakeholders

The Company is committed to jointly building a well-cooperation and multi-benefit relationship with stakeholders, and strives to drive the win-win cooperation situation and maximize the value. The Company has actively established all-round and multi-level communication channels with stakeholders, fully listened to the advices and feedbacks form stakeholders, taken into account their expectations and demands, and incorporated their opinions into its strategic decision making and management measures optimisation, so as to enhance its operation standard, stimulate its sustainable development and enhance the understanding and support of stakeholders to the Company.

Stakeholders	Material issues of concern	Communication and response methods
Shareholders	Compliance operation Corporate governance improvement Information disclosure transparency International strategic partnerships	Execution of related policies Strengthening anti-corruption campaign Efficient operating system Strengthening corporate governance Convening general meetings Improving communication with investors Regular information disclosure Partner-platform optimisation
Client	Product quality control Innovation R&D platform Customer service IPR protection International strategic partnerships	Establishment of a sound quality management system Improving production capacities Enhancing R&D and innovation capabilities Customer interest-driven operations Customer satisfaction survey Rigorous Intellectual property ("PR") protection Partner-platform optimisation
Employees	Staff care Occupational safety and health Staff competence development Employment policy Remuneration and benefits system	Corporate culture construction Establishment of staff communication mechanism Increasing staff benefits Staff equity incentives Health and safety support for laws and employees Conducting staff training Fair employment Remuneration system rationalisation Reasonable promotion routes
Government	Compliance operation Information disclosure transparency Environmental protection Emission management Energy conservation & consumption reduction	Execution of related policies Strengthening anti-corruption campaign Regular information disclosure Compliance with environmental laws and regulations Emission reduction Conservation of resources

Stakeholders	Material issues of concern	Communication and response methods
Suppliers	Procurement management Compliance operation	Enhancing procurement management Execution of related policies Strengthening anti-corruption campaign
Community & the public	Promoting local employment Public welfare and charity Environmental protection Emission management Energy conservation & consumption reduction	School-enterprise partnerships Charitable events Compliance with environmental laws and regulations Emission reduction Conservation of resources

1.5 Identification of Material Issues

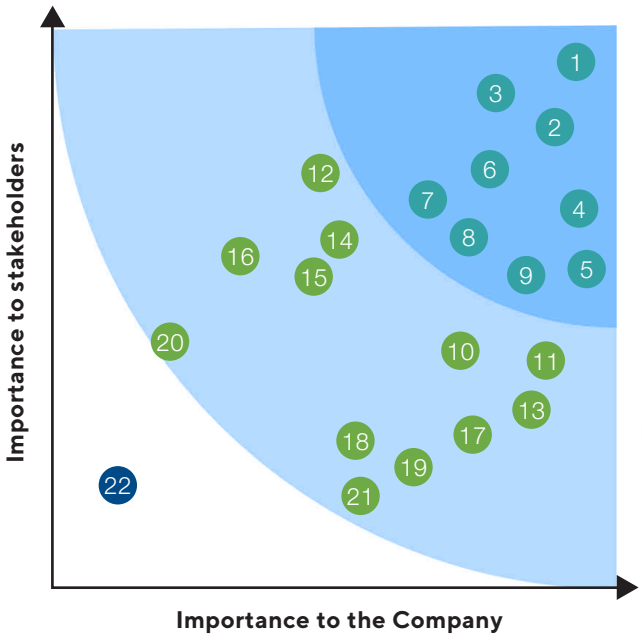
Innovent regards the expectations and requirements of stakeholders as an important factor for enterprises to formulate ESG governance. During the Reporting Period, the Company ranked and analyzed the importance of ESG issues from two dimensions of impact on corporate sustainability and impact on stakeholders through policy research, media analysis and industry benchmarking, to fully understand the expectations and suggestions of stakeholders, and used them as an important basis for the ESG management of the Company. We have identified nine issues with high importance, twelve with medium importance and one with low importance. Among them, the highly important ESG issues constitute an important part of the content of this report, and the Company will make targeted responses and detailed disclosures in this report.

- Through daily communication with and feedback from stakeholders, external policy research, peer benchmarking analysis and industry trend survey, and based on our own business development strategy and characteristics, we identify the ESG issues that reflect the economic, environmental and social impact of the Company's business or influence stakeholders' assessment and decision-making toward the Company.
- We conduct stakeholder research and interviews to analyse the major concerns of stakeholders in daily communication and feedback and understand the priority issues of concern to various stakeholders and form a material issue analysis matrix.
- Combined with strategic planning and business policy, we verify and confirm the preliminary assessment results of issues.The materiality matrix will be submitted to the management and approved by the Audit Committee and the Board to confirm the materiality and impact of the identified issues. We will faithfully reflect the Company's performance on relevant issues in the report.

Material issues analysis process

I. Compliance Operation: Responsible Corporate Governance

Material Issues Analysis Matrix of 2021 ESG Report



High importance

1 Product quality
2 R&D and Innovation
3 Benefiting patients
4 Corporate governance
5 Regulatory compliance
6 Occupational health and safety
7 Staff training and development
8 Inclusive medical
9 IPR protection

Medium importance

10 International strategic partnerships
11 Staff care
12 Staff remuneration and benefits
13 Business ethics and anti-corruption
14 Transparent operation
15 Supply chain management
16 Emission management
17 Use of energy
18 Use of water resources
19 Employment policy
20 Response to climate change
21 Public welfare and charity

Low importance

22 Promoting local employment

II. Commitment to Innovation: High-quality Drug Development

Sticking to our mission – "developing high-quality biological drugs that people can afford", and following the clear innovation and global development strategy, Innovent has been continuously promoting the R&D innovation, business planning, global layout and strategic cooperation, in order to ensure effective IPR protection and drug quality control, improve customer service and create high-value product chain.

2.1 Innovating the R&D Ecosystem

In pursuit of innovation and globalization, the Company has accelerated the global R&D innovation, continuously improved the capability of R&D and innovation and promoted the transformation of innovative achievements by determining key R&D directions, developing R&D and innovation platforms and strengthening the building of R&D team, with an aim of meeting patients' unmet needs by providing innovative drugs with high quality for patients around the world.

We constantly increase the investment in the research and development. During the Reporting Period, we totally invested RMB2.116 billion in the research and development with a YoY increase of 23.2% as compared with last year.

Key R&D Directions

The Company has deepened the pipeline planning, promoted the sustainable development in oncology, autoimmune, ophthalmology and metabolism R&D, and further focused on the fields with unmet clinical needs based on coverage of high-incidence oncology populations. In addition, it has constantly developed product candidates with global equity, exploring the innovations in targets, mechanism and technology.

Tumors	Autoimmune diseases	Metabolic diseases	Fundus diseases
• Tumor is one of the major diseases that severely endanger human health, and anti-tumor drugs are the foremost development field of Innovent. Assets under research and development include: IBI301(HALPRYZA®), IBI305(BYVASDA®), IBI308(TYVYT®), IBI310 (CTLA-4), IBI188 (CD-47), IBI110 (LAG-3), IBI322 (PD-L1/CD47), etc.	• Disorders of the body's immune system that attack itself can lead to a variety of autoimmune diseases such as ankylosing spondylitis, rheumatoid arthritis and systemic lupus erythematosus. Innovent is devoted to developing a variety of immune therapeutic antibodies to help patients alleviate their illnesses. Innovent's assets under research and development include IBI303(SULINNO®), IBI353 (PDE4), IBI112 (IL-23 p19), IBI314 (SARS-CoV2 S), etc.	• With economic development, modernization of lifestyle and aging of society, metabolic diseases such as cardiovascular diseases, diabetes, obesity, fatty liver and osteoporosis have become chronic diseases that severely impair people's health. In response to the above unmet clinical needs, Innovent's assets under research and development include IBI306, IBI362, etc.	• With a wide range of diseases, complex causes and variable conditions, fundus diseases can result in visual impairment or even blindness. Age-related macular degeneration and glycosuria are serious fundus diseases and are the main reasons for the blindness of the adults in the world. Innovent's assets under research and development include IBI302, etc.

II. Commitment to Innovation: High-quality Drug Development

R&D, Innovation and Industrialisation Platform

The Company pays due attention to the innovation and R&D of new drugs and development of related technology platforms, and has built a high-quality technology platform that runs through the entire cycle of bio-innovative drug development, encompassing platforms for initial research, pharmaceutical development and industrialization, clinical development, commercialization, etc. In the meantime, we completed the integration and optimisation of platforms, forming an efficient operation system. The fully integrated platform facilitates seamless collaboration between different functional teams in all key aspects of the drug development process, thereby laying a solid foundation for Innovent to continuously produce innovative drugs, and constantly expanding the boundary of innovation.

New drug research platform. The Company is committed to reaching world-class levels in antibody protein engineering, immunology and ADC. We have set up an advanced therapeutic monoclonal antibody R&D system, including an antibody discovery technology platform for hybridoma, phage display and yeast display, an antibody optimisation platform for antibody humanization, affinity maturation and Fc modification and an antibody evaluation platform for in-vitro activity evaluation, in-vivo efficacy evaluation and drug formation analysis. We have also established our own platform for novel antibodies such as bispecific antibodies, multi-specific antibodies, nano-antibodies, ADC/ISAC, protein engineering and protein science, and cancer biology area, and have launched over 80 new projects covering immunology, ADC/ISAC, multi-specific antibodies, T/NK Engager, Cytokine fusion, Pro-drug and Polymeric IgG. A robust novel pipeline has been built to continuously deliver innovative candidate molecules for product lines and to provide innovative drugs for patients' disease treatment.

Clinical development platform. Innovent has also established a complete clinical research operation and product development platform for the development of innovative drugs, covering from phase I to phase III clinical trials, as well as supporting post-marketing studies in phase IV. It covers various functional sections ranging from clinical medicine, clinical pharmacology, clinical trial management, data management and biostatistical analysis, pharmacovigilance to registration and filings. Furthermore, the Company has completed the upgrading of the end-to-end electronic management system to ensure the high-quality and highly efficient standard international operation of the R&D team. After the accumulation of clinical drug development experience, frequent communication with regulatory authorities and clinical audit experience, the Company's product development platform has become mature, and the overseas product development platform has also been gradually established, laying a foundation for the Company's globalisation.

Production and quality platform. Following the concept of "Quality by Design" (QbD), the Company has established a complete set of industrialization-oriented process development, quality research and commercialization platforms covering all related operations, including new drug candidate molecule drugability evaluation, development of antibody high-expressing cell lines, cell culture, development and amplification of purification and preparation production processes, macromolecular protein drug quality research, production technology transfer and commercial production.

The Company has established high-end biopharmaceutical industrialization bases following GMP standards developed by the NMPA, the US FDA and the EMA. The bases with a floor area of 93,000 square meters are in line with the construction standards of industrialized production lines, while also equipped with leading domestic and international processing equipment, analytical instruments, water for pharmaceutical use, clean air-conditioning, public system, online monitoring system, and other equipment and facilities. During the Reporting Period, the Company significantly expanded our production capacity from 24,000L to a total of 60,000L production capacity with one of the largest production capacities of stainless steel in China, in order to support our production needs for both our commercial products and clinical stage candidates in the pipeline. The 60,000L production capability is consisted of the first manufacturing facilities (M1a) equipped with six 1,000L disposable reactors, the second manufacturing facilities (M1b) equipped with six 3,000L stainless steel bioreactors, and manufacturing facilities (M2) equipped with twelve 3,000L stainless steel bioreactors.

II. Commitment to Innovation: High-quality Drug Development

R&D and Industrialisation Team Building

The Company has constantly promoted the development of high-quality drugs, and established comprehensive R&D and innovation system with top R&D platforms and teams. It has set up a product R&D and industrialisation team with over 2,000 employees, empowering us all necessary R&D and industrialisation capabilities for product development including search for new molecules from therapeutic targets, development of cell lines, amplification of processes, product analysis, product manufacture, quality control and clinical research.

The Company has established the Scientific Advisory Board composed of three top experts in the life science field to share cutting-edge professional academic research concepts to the Company and offer scientific suggestions and guidance for the strategy and directions of preliminary drug discovery and clinical development. Meanwhile, the Company has also set up CMC Advisory Board, to offer professional suggestions on the strategy formulation, technology upgrading, lean operation and efficient investment, and guarantee more effective corporate strategy implementation in the CMC section of Innovent.

The Company has actively developed the drug discovery engine, Innovent Academy, to pursue science and innovation and focus on the development of new drugs, aiming to build a world-level antibody protein engineering, immunology and ADC platform and team. In 2021, Innovent Academy has attracted many outstanding talents from the world, the talent team has doubled, and the overall talent quality and quantity have greatly improved. In order to fulfil the goal of developing globally-significant and innovative drugs, Innovent Academy has launched over 80 novel molecules and successfully delivered seven new molecules to the CMC stage. The Company continues to deliver certain innovative drug candidates to the IND stage each year and has successfully delivere seven candidate drugs into investigational new drug (IND) stage in 2021, all of which have the global potential and proprietary under the MoA spanning from cancer, metabolism, immunology, and ophthalmology area.

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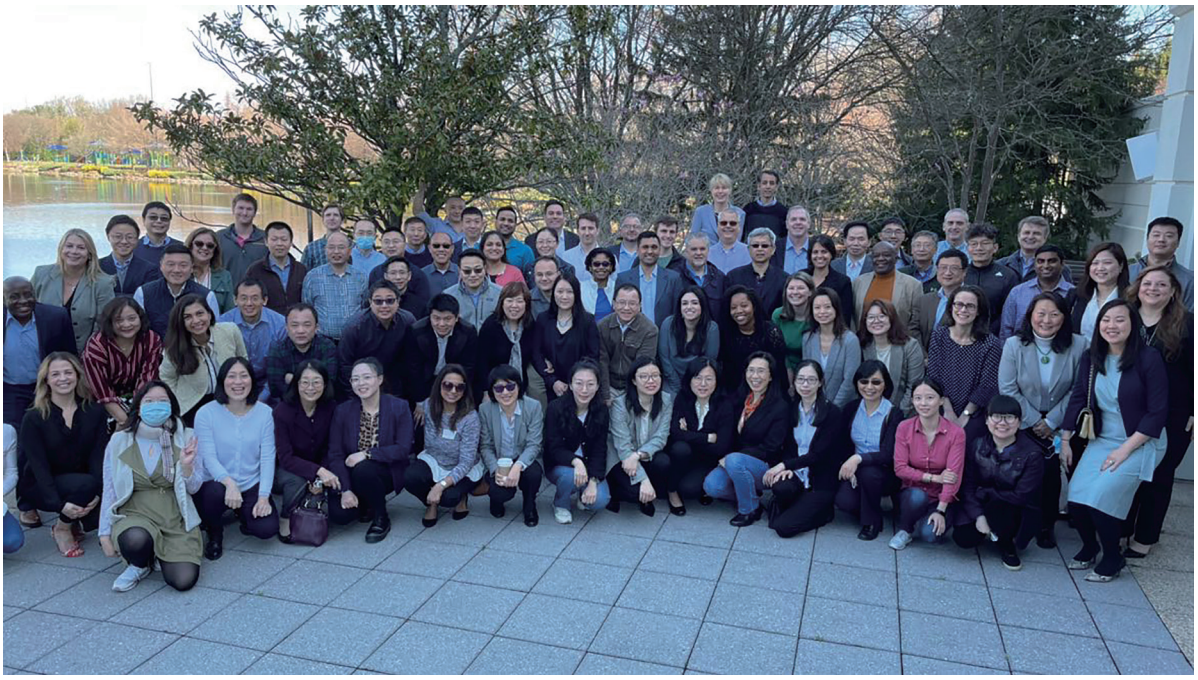
INNOVENT GUOQING ACADEMY

With an aim of realizing the strategic objective of globalisation, the Company has actively expanded the overseas market, with the U.S. R&D Center – Innovent US put into operation, to set up the world-leading technical platforms, explore new therapeutic targets and mechanisms and accelerate the transformation of scientific achievements. In addition, the Company has constantly recruited R&D professionals across the world, and expanded our clinical development and drug administration affairs team globally. The Company is found by a science-driven R&D team, which on one hand continues to attract global professionals, and on the other hand, will ensure that we can fully leverage our strong execution in innovative drugs research and clinical development to accelerate the R&D for global innovation. As of the end of the Reporting Period, Innovent had built an overseas R&D team with nearly 100 members, and preliminarily established complete overseas development and registration system.

II. Commitment to Innovation: High-quality Drug Development



Innovent's overseas R&D team

Benefiting from the development and growth of the innovative D&D platform – Innovent Academy, clear global development and research strategies and experienced global product development teams, the map of our businesses and R&D is rapidly expanding from the China market into the global market.

II. Commitment to Innovation: High-quality Drug Development

Transformation of Innovative Achievements

Adhering to the principle of "patient-centered operations with innovation and quality regarded as the fundamental priorities" and focusing on the unmet needs of the patients, the Company has ramped up investment in innovations and research. A product chain of 32 new drug products has been established, covering various diseases such as tumors, metabolic diseases, autoimmunity and ophthalmology. Among them, 7 products have been approved for marketing, 1 asset under the NMPA's review, 5 products have entered phase III or pivotal critical trials, with clinical studies started for other 19 new products.

BCMA CAR-T, a candidate jointly developed by Innovent and IASO Bio, has been granted "Breakthrough Therapy Designation" by the NMPA for the indication of relapsed or refractory multiple myeloma (R/R MM); this therapy also received the "Orphan Drug Designation" (ODD) by the US FDA. IBI310 (CTLA-4), which was developed by the Company, was granted Breakthrough Therapy Designation by the NMPA for the treatment of cervical cancer in combination with sintilimab. The marketed product ramucirumab has been included in the grade I recommendation for gastric carcinoma diagnosis and treatment guidance by the Chinese Society of Clinical Oncology (CSCO); and the marketed product NAILIKE® (Olverembatinib) has been included in the recommendation of guidance by the Chinese Society of Clinical Oncology (CSCO), and selected for the Important Medical Advances in China 2021 (《中國 2021 年度重要醫學進展》).

A number of clinical products of the Company's pipelines released data for the clinical study on top international academic journals and conferences, winning industry recognition:

- In April 2021, we published the Phase III clinical study results of TYVYT® (sintilimab injection) for the second-line treatment of squamous NSCLC at the 2021 American Association for Cancer Research (AACR) online annual meeting;
- In June 2021, the clinical study results of the first-line treatment of advanced HCC with TYVYT® (sintilimab injection) in combination with BYVASDA® (bevacizumab injection) was published on The Lancet Oncology;
- In June 2021, we released the Phase I clinical study data of IBI362, GLP-1R/GCGR dual agonist for obese or overweight people in China at the 81st Scientific Sessions of American Diabetes Association (ADA) in 2021;
- In June 2021, we made an oral presentation on the study results of fully human BCMA CAR-T (IBI326) for the treatment of Relapsed and/or Refractory Multiple Myeloma; at 2021 European Hematology Association annual meeting (EHA). The study results of such fully human BCMA CAR-T also received highlight review of Blood, a magazine of American Society of Hematology;
- In June 2021, several clinical study results were published at the American Society of Clinical Oncology (ASCO) 2021 Annual Meeting, including the ascending-dose Phase Ia/Ib study results of IBI110 (anti-LAG-3 monoclonal antibody) for patients with advanced solid tumors, the Phase 1 study results of Pemigatinib for advanced solid tumors in China, Phase 1b initial study results of sintilimab in combination with fruquitinib for advanced colorectal cancer, and initial results of clinical Phase 2 clinical study of Taletrectinib for ROS1 fusion positive NSCLC;

II. Commitment to Innovation: High-quality Drug Development

- In August 2021, the results of the Phase Ib clinical study of Innovent IBI362 in Chinese participants with overweight or obese titled Significant Weight Loss and Multiple Metabolic Benefits were released in E-Clinical Medicine, a sub-journal of Lancet;

- In August 2021, a paper regarding the long-term survival results of sintilimab for first-line treatment of Nsq NSCLC and biomarker was published in the Journal of Thoracic Oncology;

- In September 2021, the interim results of the Phase 3 clinical study of sintilimab in combination with chemotherapy for the first-line treatment of esophageal squamous carcinoma (ORIENT-15) were announced in the form of an oral presentation at the 2021 Annual Meeting of European Society for Medical Oncology (ESMO);

- In September 2021, the interim results of the multicenter randomized controlled Phase 3 clinical study of sintilimab injection in combination with chemotherapy for the first-line treatment of gastric or gastroesophageal junction adenocarcinoma (ORIENT-16) were announced in the form of an oral presentation at the 2021 Annual Meeting of ESMO;

- In September 2021, the results of the Phase 2 study of Pemigatinib in patients with advanced cholangiocarcinoma in China were released at the 2021 Online Annual Meeting of ESMO;

- In September 2021, AnHeart Therapeutics released the interim data of the Phase 2 portion of TRUST trial of Taletrectinib for ROS1 positive NSCLC in the form of a conference keynote presentation at the 2021 Annual Meeting of CSCO;

- In November 2021, the first interim analysis results of the Phase 3 clinical study of ORIENT-31 for TYVYT® (sintilimab injection) in combination with BYVASDA® (bevacizumab biosimilar injection) and chemotherapy for patients with EGFR-mutated NSCLC that failed EGFR-TKI treatment were released at the 2021 Online Thematic Meeting of ESMO;

- In November 2021, the Phase Ib clinical results of IBI302, the world's first-inclass ocular anti-VEGF/anti-complement dual-targeting drug for neovascular age-related macular degeneration, were released at the Annual Meeting of American Academy of Ophthalmology;

- In November 2021, we published the pre-clinical results of IBI319 (PD-1/CD137 bispecific antibody) in Nature Communications;

- In December 2021, the latest clinical data of IBI326 (BCMA CAR-T) were released in the form of an oral presentation at the Annual Meeting of ASH;

- In December 2021, the results of the Phase Ib clinical study of IBI362 (GLP-1R/GCGR dual agonist) in patients with Type 2 diabetes in China were released at IDF 2021;

- In April 2022, clinical study of the international multicenter ORIENT-15 of sintilimab in combination with chemotherapy for the first-line treatment of esophageal squamous carcinoma was published in the British Medical Journal (BMJ), one of the world's top four comprehensive journals;

- In April 2022, preliminary results of the Phase I clinical study of IBI322 (PD-L1/CD47 bispecific antibodies) in subjects with advanced malignancies who have failed standard therapy, were released at the 2022 AACR Annual Meeting;

- In April 2022, the results of Phase III clinical study of a PCSK-9 inhibitor (IBI306) for the treatment of Chinese heterozygous familial hypercholesterolemia, were released at the 2022 American College of Cardiology (ACC);

- In May 2022, the results of a pharmacoeconomic study of sintilimab injection in combination with chemotherapy, versus carrilizumab in combination with chemotherapy, for the first-line treatment of unresectable locally advanced or metastatic Nsq NSCLC were published in the international journal, Journal of Medical Economics (JME). The results of a pharmacoeconomic study of sintilimab injection in combination with bevacizumab, versus sorafenib, for the first-line treatment of unresectable or metastatic hepatocellular carcinomas without prior systemic therapy were published in the internationally recognized journal, Advances in Therapy (AIT).

Case: The clinical efficacy of TYVYT® was validated in the first-line treatment for five major types of cancer

With the randomized controlled multicenter phase III clinical study of the combination of TYVYT® for chemotherapy as first-line therapy of gastric or gastroesophageal junction adenocarcinoma meeting primary endpoint, currently, TYVYT® has become the only PD-1 inhibitor whose clinical efficacy has been validated in the first-line treatment of indications of five major cancers including 1L Nsq NSCLC, 1L squamous NSCLC, 1L liver cancer, 1L esophagus cancer and 1L gastric cancer. The first-line treatment of such five major types of cancer has been included in the Guideline of Chinese Society of Clinical Oncology (CSCO). Results of several clinical studies of TYVYT® have been published on the international medical magazines such as the sub-journal of Lancet, ESMO Open and BMJ.

Promotion of Industrial Development

As the leading biopharmaceutical company in China, Innovent strives to promote the continuous progress of the technical level of the industry. We have actively attended various academic seminars, and studied the key and forward-looking technical problems in the development of the biopharmaceutical industry with excellent peers, in order to constantly promote the industrial development. During the Reporting Period, we closely cooperated with Eli Lilly in nearly 40 projects including the annual academic conference of the International Cancer Center, summary of lung cancers in 2021, and the Congress of Molecular Targeted Therapy of Oncology in China and other large-scale academic conferences.

II. Commitment to Innovation: High-quality Drug Development

Case: Innovent hosted Multi-disciplinary Summit Forum on Autoimmunity

On 20 March 2021, "Autoimmunity for Future"—the Multi-disciplinary Innovative Development Summit Forum on Autoimmunity of Innovent was held in Chengdu, Sichuan. On 31 July 2021, Innovent Immunity Summit Forum East Sub-Forum was held in Hangzhou. Hundreds of experts and scholars in the rheumatism and immunity field gathered here to acquire the cutting-edge information, discuss about hot topics, and promote the innovative development of multi-disciplinary autoimmunity in China through academic interaction.

Innovent attaches great importance to the strategic deployment of technical standards, and collaborates with governments and market insiders to facilitate the promulgation of relevant policies, and promotes the standardised, healthy and orderly development of the life science industry. During the Reporting Period, one employee recommended by the Company was successfully elected to be the NPC member of Suzhou Industrial Park while one to be the member of CPPCC Suzhou Municipal Committee, continuously voicing for the biopharmaceutical industry.

Attended the special session of provincial government for the pharmaceutical industry on 21 December 2021, and promoted the promulgation of the "Action Plan on the Promotion of Usage of Innovative Medical Instruments and High-quality Development of the Pharmaceutical Industry by Optimising the Review and Approval Procedure (2022-2024)" (《關於優化審評審批服務推動創新藥械使用促進醫藥產業高質量發展的行動方案(2022-2024年)》).

Attended several government conferences, including the Symposium on the Development of the Pharmaceutical Industry held by the Provincial Department of Industry and Information Technology on 18 November 2021, the U.S. Entity List Symposium held by the National Development and Reform Commission on 23 December 2021 and the Symposium of Private Entrepreneurs of Suzhou City on 30 December 2021, to appeal for the concern for the safety in the upstream and downstream supply chain of the biopharmaceutical industry, and promote the promulgation of the "Development Planning of the Pharmaceutical Industry in the 14th Five-year Period" (《「十四五」醫藥工業發展規劃》) and the "Three-year Action Plan on the Supply Chain Improvement and Extension of the Biopharmaceutical and Health Industry of Suzhou City (2021-2023)" (《蘇州市生物醫藥及健康產業強鏈補鏈三年行動計劃(2021 –2023)》).

Repeatedly appealed for the release of relevant policies at government symposiums by learning from the supportive policies on the entry of innovative drugs into hospitals in Nanjing, Hangzhou and Jinan, promoted the promulgation of the "Promotion and Application Category of Innovative and Famous High-quality Products in the Biopharmaceutical and Health Industry of Suzhou City" (《蘇州市生物醫藥及健康產業創新名優產品推廣應用目錄》), and promoted local hospitals to have preferential usage of the drugs in the category.

Actively promoting the promulgation of relevant policies

Adherence to R&D Ethics

The Company abides by R&D ethics and relevant national and Jiangsu provincial regulations on the management of experimental animals, and conducts animal experiments with reference to international standards to ensure effective regulation of experimental animal standards. Innovent has an SPF (Specific-Pathogen-Free) grade experimental animal center. In 2019, the Company passed the onsite evaluation and appraisal conducted by third-party experts following an expansion of the experiment center, and obtained the "Experimental Animal Use Permit" (《實驗動物使用許可證》) issued by the Jiangsu Provincial Department of Science and Technology. The Company appointed animal management supervisor, veterinarians and technicians in the experimental animal center to take charge of mouse breeding, maintenance and disinfection of facilities and equipment at the animal center, and other routine tasks.

The Company formulated the supporting policy documents and administrative measures such as the "Regulations on the Administration of Experimental Animals of Innovent Biologics (Suzhou) Co., Ltd." (《信達生物製藥(蘇州)有限公司實驗動物管理條例》), "Regulations on the Work of Innovent Experimental Animal Ethics Committee" (《信達實驗動物倫理委員會工作條例》), "Detailed Rules on the Use of SPF Animal Rooms" (《SPF動物房使用細則》), "Standard Operating Procedure of Breeding and Management of Experimental Animal" (《實驗動物飼養管理的標準操作規程》), "Standard Operating Procedure of Reception and Quarantine of Experimental Animal" (《實驗動物接收檢疫的標準操作規程》) and "Standard Operating Procedure of Clinical Observation and Records of Experimental Animal in Experiments" (《實驗期間實驗動物的臨床觀察與記錄的標準操作規程》) in accordance with the guiding opinions specified in the "Regulations for the Administration of Affairs Concerning Experimental Animals" (《實驗動物管理條例》), "Administrative Measures of Jiangsu Province on Affairs Concerning Experimental Animals" (《江蘇省實驗動物管理辦法》), and the "Code of Ethical Conduct Concerning the Well-being of Experimental Animal" (《實驗動物　福利倫理工作規範》), and set up an experimental animal management committee and ethics committee; we tightened up the management of experimental animals and animal experiments during pharmacological experiments involved in innovative drug R&D, and safeguarded the ethics welfare of experimental animals, while ensuring effective regulation of experimental animal management, ethical review and supervision.

2.2 IPR Protection

The Company strictly abides by the "Patent Law of the People's Republic of China" (《中華人民共和國專利法》), "Trademark Law of the People's Republic of China" (《中華人民共和國商標法》) and other relevant laws and regulations and the implementation regulations thereof, and formulated a number of internal management documents such as the "Innovent Handbook on Intellectual Property Management" (《信達生物知識產權管理手冊》), "Measures on Patent Infringement Risk Management and Control" (《專利侵權風險管理控制辦法》), "Operating Procedures for Internal Audit of Patent Applications" (《專利申請內部審核操作流程》), "Standard Operating Procedures of Whole-process Protection of Trademark, Copyright, Domain Name and Design" (《商版域及外觀設計全流程保護規程》), "Trademark Rights Protection Policy" (《商標維權制度》) and "Rules on Review of Intellectual Property Rights of External Documents" (《外發文件知識產權審核規則》), consistently deepening intellectual property rights (IPR) protection and management to ensure that R&D findings are put into practical use with high efficiency.

II. Commitment to Innovation: High-quality Drug Development

The Company set up an intellectual property management department to take charge of IPR application, acquisition, use and routine management, so as to tighten up IPR management. The Company issued policy documents to clarify the management policies, objectives and functions of IPR protection, and introduced a special IPR management system to continuously promote the standardisation, flow and regularization of IPR management operations. As of the end of the Reporting Period, the Company had obtained certificates on IPR management system for four consecutive years. We introduced characteristic data banks and set up special talent teams through building the complete IPR platform. The Company continuously consolidated the IPR basis, focused on the pre-approval procedures of products, formal approval, entry into CMC and clinical test, and final product launch in close combination with R&D programs, explored technical innovations and conducted patentability evaluation of programs, ensuring IPR protection during the life cycle of the whole program.

Case: TYVYT® won the China Patent Golden Award

On 25 June 2021, the highest award in China's IPR field-China Patent Golden Award was granted to Innovent's PD-1 antibody Sintilimab Injection (TYVYT®), which reflected the advancement of the patent technology in the industry and its social and economic benefits. The PD-1 antibody was the only one winning the golden award in the biopharmaceutical field of Jiangsu Province during the appraisal of China Patent Award. In addition, the Company established a great many peripheral patents of the compound patent including formulations and prescriptions, drug combination, indications and biomarkers, realizing accurate positioning from technical innovation to patent layout with a tight protection net. As of the end of the Reporting Period, TYVYT® had obtained over 70 patents in more than 20 countries including China, US, Europe, Japan and Korea and other countries and regions.

II. Commitment to Innovation: High-quality Drug Development

The Company carried out online and offline training in order to enhance the awareness of IPR laws and regulations of R&D staff and technical managers and tamp the IPR protection awareness of employees. During the Reporting Period, the Company held 62 IPR training activities covering laws and regulations, patent retrieval, patent application and IPR process, as well as R&D technology training by scientists from the Innovent Academy. Meanwhile, the Company launched IPR courses to all the employees through internal training E-learning platform to deepen their understanding of IPR-related work and enhance their IPR awareness.

While protecting our own IPR, the Company fully respects the research findings of other organisations and individuals, and performs regular IPR analyses through patent search and novelty search, with search analysis reports prepared to avoid infringing on IPR or patents of other parties. During the Reporting Period, the Company was not involved in any lawsuit or disputes related to infringement on IPR of other parties.

As of the end of the Reporting Period, the Company applied for 224 patents, 811 trademarks, 15 registered copyrights, and 23 registered domain names in China, as well as 277 patents and 114 trademarks abroad.

Date	Award	Presented by
January 2021	Excellent Patent Award in Suzhou	Suzhou Municipal People's Government
January 2021	Professional, Unique and Superior New Products of Jiangsu Province	Department of Industry and Information Technology of Jiangsu Province
May 2021	Business Management Prize of the Pharmaceutical Industry in the "13th Five-year Period" – Outstanding Enterprise in Terms of Innovative Development	China Association of Pharmaceutical Management
May 2021	Top Brand Enterprise of "Made in Suzhou"	Bureau of Industry and Information Technology of Suzhou City
June 2021	TYVYT honored with China Patent Golden Award	China National Intellectual Property Administration and World Intellectual Property Organisation
July 2021	Advanced Group of IPR Protection of Suzhou City	Suzhou Municipal People's Government
July 2021	Outstanding IPR Contribution Award of Suzhou Industrial Park	Innovation Committee of Suzhou Industrial Park
September 2021	Top 100 Innovative Private Enterprises of Jiangsu Province	Jiangsu Federation of Industry and Commerce and Jiangsu Provincial Research Institute of Sci-tech Development Strategy

2.3 Drug Quality Assurance

Drug quality and safety are at the core of what we do at Innovent. The Company formulated a series of internal management policies such as the "Quality Risk Management Protocols" (《質量風險管理規程》), "Quality Handbook" (《質量手冊》) and "Master Factory Document" (《工廠主文件》) in strict accordance with the "Law of the People's Republic of China on Drug Administration" (《中華人民共和國藥品管理法》), "Administrative Measures for Drug Registration" (《藥品註冊管理辦法》), "Administrative Measures for Drug Production Supervision" (《藥品生產監督管理辦法》), "Pharmaceutical Production Quality Management Practices" (《藥品生產質量管理規範》) and other relevant laws and regulations, seeking to continuously tighten up drug quality management.

Innovent was awarded the 2021 Suzhou Mayor Quality Award

Quality Management System

The Company has established an end-to-end quality management system that conforms to the requirements of international and national standards, covering quality system, production operation, laboratory control, material management, equipment and facilities, and data reliability in the whole life cycle from product development, technology transfer, commercialized production and product withdrawal. The Company has also established a quality indicator system adapted to commercial operations to continuously monitor the Company's performance with respect to quality management. In 2021, the Company passed GMP compliance inspection by Jiangsu Provincial Drug Administration for twice and secured GMP compliance announcements for its two launched products (subject to change after the launch).

Improvement in quality management regulations

II. Commitment to Innovation: High-quality Drug Development

The Company constantly optimised the quality management capability, and reviewed the GMP quality management system and product quality on a quarterly basis, covering product quality, key performance indicators related to GMP regulations, quality system, material management, production and testing management, as well as internal and external audit. In addition, through the review of materials, the Company took corresponding actions against the adverse trends of relevant systems and constantly enhanced the quality management system and product quality of plants, for instance, establishing a quality board to visualize relevant activities of the quality system and optimising the relevant procedures of material management.

In 2021, the Company completed its structure-optimizing project for GMP system documentation, which optimized documents repeated and without clear hierarchy in the system, differentiated the associations between policy documents, standard management protocols and standard operation protocols, reduced redundant documents by combination and consolidation, and adjusted levels of unreasonable documents. By optimization, the number of standard management protocols within GMP system was reduced from over 300 to approximately 120. After the optimization, the standard management protocols in the structure of the quality system documentation are of clearer levels, more propriate hierarchy and more relevant content in terms of meeting actual work needs and can better suit the Company's business development and comply with the requirements of international laws.

From June 2020 to June 2021, we conducted targeted gap analysis and quality improvement and optimization programs in relation to the requirements of the GMP laws, pharmacopoeia and relevant guidelines in the US market. This gap analysis used more than ten regulations and guidelines as benchmarks, including the prevailing FDA GMP regulations and guidelines in relation to drugs and biological products, the FDA data security regulations and guidelines, the FDA sterile drug guidelines, the guidelines on compliant programs and took reference from the industry-leading guiding opinions from organizations like ICH and PIC/S. With the engagement of Lachman, a consultancy company well-known in the industry, we conducted 1 in-depth gap analysis by simulated audit, during which we identified 161 improvement opportunities and carried out over 200 optimization and improvement activities accordingly.

The Company has set up a dedicated clinical R&D team to tighten up product quality control, ensuring that our products conform to strict quality requirements, and that all the products pass the quality checks before they are applied in clinical trials and commercialized. The R&D team is required to follow the relevant laboratory management procedures, and record all the tests performed clearly to ensure traceability. The Product Development Committee reviews relevant data during the drug development process to ensure data authenticity and drug quality and safety. The Company established a complete set of process development and quality research platforms covering all related operations, including new drug candidate molecule drugability evaluation, development and amplification of purification and preparation production processes, drug quality research, and production technology transfer, to consistently improve drug production processes and product quality.

Upgrade of Production Processes

The Company established a well-developed process development technology platform, and made major breakthroughs in a number of key generic technologies that limit the development of the biopharmaceutical industry. On the basis of the existing process development technology, we continuously optimised production processes, enhanced production efficiency, reduced production cost, and improved product quality.

II. Commitment to Innovation: High-quality Drug Development

Case: Innovent adopted continuous flow production processes

In order to solve the prominent problems of low efficiency, high cost and others in producing biotech drugs, the Company took the lead in adopting the continuous flow production processes. In terms of upstream process development, Innovent has set up the technology platform for high-density cell preservation, N-1 perfusion high-density inoculation and perfusion processes, and made successful applications in the project development, connecting with the downstream affinity chromatography, and realizing preliminary upstream and downstream connection. Meanwhile, we have also established pilot-scale perfusion production line, and used production samples in the amplification of perfusion processes, preparation of toxicology samples and Sino-US IND application, which realized high automation, greatly enhanced production efficiency, and reached the leading technical level in China.

Case: Innovent developed proprietary culture media

As the prerequisite raw materials for the production of antibodies and recombinant protein drugs, the cell culture media accounts for 20% of the total cost of commercialized production. In order to lower the high cost, the Company developed a type of proprietary chemically defined fed-batch culture media, and established the co-relation between protein yield, quality and relevant elements of culture media with the statistical method according to the cell metabolic pathway and protein synthesis path, and optimised the components of existing proprietary culture media. Currently, it has been applied in several INDs and commercialization programs. As of the end of the Reporting Period, the culture media in over 80% of the tested program proved to be not inferior than the imported culture media in terms of output and quality, which greatly reduced the cost, enhanced stability of the supply chain, and offered high-quality biological drugs that are more affordable.

Case: Innovent established a development platform for CHO cell expression system

CHO (Chinese hamster ovary) cell expression system is the key raw material used for the development and production of recombinant therapeutic protein, used to produce nearly 70% recombinant therapeutic protein, and therefore enjoys large market scale. In order to solve the problem of great dependence on overseas commercialized production by domestic enterprises and high production cost of drugs, the Company actively promoted the multi-level and multi-angle independent CHO expression system development platform. During the Reporting Period, the Company independently completed the initial screening of CHO host cells, with the protein expression quantity reaching the advanced level in the industry. Innovent will further promote the development of independent CHO expression system with stable and good performance, break through the technical barriers of key raw materials, reduce the production cost of antibody drugs, and improve the market competitiveness of target products in future.

II. Commitment to Innovation: High-quality Drug Development

Quality Culture Construction

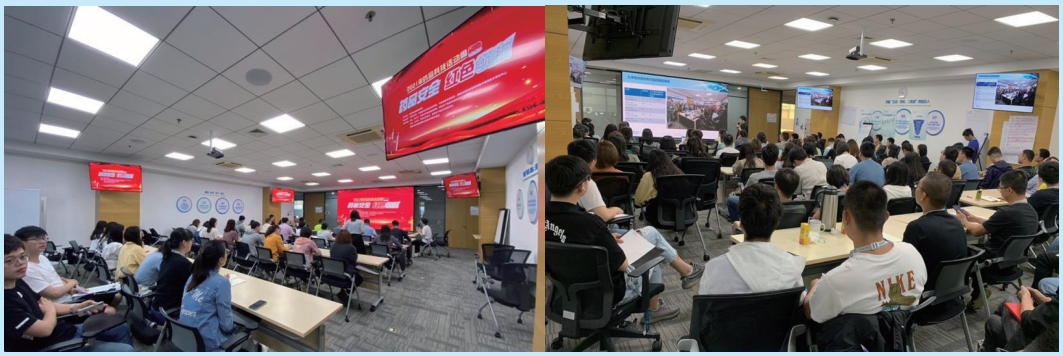
Product quality depends on the employees' quality consciousness and operation and regulation level. The Company believes that the strong corporate quality culture construction is an important measure to effectively ensure the safety and quality of products. The specific quality red line and punishment mechanism for violation were in place, and relevant quality training was actively conducted covering sterility assurance, environmental control, microorganism control, personnel hygiene, plant and facilities, data reliability, sharing of domestic and foreign laws and regulations knowledge and auditing experience, deviation and changes, which enhanced employees' quality awareness and guaranteed their behavior and operation during production complies with relevant regulations. During the Reporting Period, the Company organised nine sessions of training, attended by over 7,000 attendance. In addition, the Company also organised various offline training courses covering deviation, CAPA (corrective and preventive actions) case sharing, operation and technological processes, GDP (Good Documentation Practice) training, and relevant contents of sterility & microorganism. During the Reporting Period, the Company organised over 660 sessions of training in total.

Relevant quality training by Innovent

II. Commitment to Innovation: High-quality Drug Development

Case: Innovent held "Drug Technology Week"

At the beginning of June 2021, the Company held "Drug Technology Week" with the theme of "Medication Safety and Party History Education" and "Drug Safety and Technology-based People Benefits", with an aim of strengthening the safe medication knowledge from the aspect of drug safety and medication safety. The Company held the annual training of "production knowledge related to drug safety", shared the medication safety of the listed product of Innovent "TYVYT®", and popularized the medication safety knowledge of common diseases by integrating online and offline modes. Meanwhile, leaflets, posters and electronic screen in the hall of the Company were utilised to publicize this activity among all the employees, and make every employee the supporter, participant, supervisor, defender and beneficiary of safe medication. We constantly enhanced the employees' scientific cognition of drug safety, tried to build a favorable environment for medication safety, and achieved the joint development, governance and usage of drug safety at a higher quality and level. As of the end of the Reporting Period, nearly 300 people participated in this activity.



Case: Innovent organized an ambassadorial mission for quality culture to promote the building of quality culture

In September 2021, in order to raise our employees' awareness of quality, and create an environment and atmosphere where quality culture can be heard, saw, felt and deemed as a kind of conduct code by all employees, we sticks to manufacturing high-quality products to protect patients' lives. Besides, the Company specifically organized an ambassadorial mission for quality culture which served as a bridge for quality culture communication and dissemination and helped the implementation of quality culture programs in departments, delivering the seeds of quality culture to every department and every employee.

Quality culture ambassadors duly authorized

Meeting for launching quality culture programs

Case: Chief Quality Officer as the lecturer interpreted domestic and foreign laws and regulations to promote management cadres' compliance awareness and capacities

In December 2021, Dr. Qiu Zhi Hao, Chief Quality Officer of Innovent, acted as the lecturer to deliver courses to our management cadres from the department of quality and the department of production, during which he interpreted in details the quality supervision requirements on biopharmaceutical products of domestic and foreign laws and regulations and shared management practices from many first-class global biopharmaceutical companies in order to further management cadres' understanding of relevant laws and regulation and promote them to continuously optimize and improve the Company's production and quality management with the management practices from first-class global pharmaceutical companies as benchmarks.

2.4 Improving Customer Service

Adhering to its business philosophy of "focusing on customer service", Innovent has continuously improved customer service mechanisms, and taken various measures to ensure highly efficient and high-quality customer service, revolving around enhancement of the responsible marketing, privacy protection, improvement of after-sales services and accessibility of our drugs.

Commercial Sales Platform

The Company is consistently improving the established commercial sales platform, which covers marketing, sales, supplier selection, channel management and medical issue management, and continuously promoting the coverage of broader channels and establishment of more professional commercial teams. As of the end of the Reporting Period, Innovent established a commercial team of nearly 3,000 members, covering more than 5,000 hospitals.

II. Commitment to Innovation: High-quality Drug Development

Responsible Marketing

The Company strictly abides by the "Advertisement Law of the People's Republic of China" (《中華人民共和國廣告法》) during the promotion and marketing process, prohibits the exaggerated or false publicity, and protects the transparent sales promotion environment. The Company strictly standardises the operation procedures of the sales business with the Process Guidance on Promotion and Educational Material (《推廣和教育材料流程指引》) in place and offers guidance and restrictions on the whole sales process through system implementation. During the Reporting Period, the Company carried out 11 audits of commercial activities and donations for all salespersons, including exit audits for personnel of commercialization segment, audits of commercialization expenses, audits of sales flow and audits of various donation programs. In order to further strengthen the sales management, the Company actively organised various marketing training during the Reporting Period, and held seminars on existing cases in the corporate or department meetings respectively in February, June, August and September, in order to acquaint all the employees with the management measures and handling schemes of the Company in terms of responsible marketing, and effectively strengthen the responsible marketing awareness and comprehensive quality of all the employees through training. In the meantime, the Company has formulated the Company Information Reporting System (《公司信息報送制度》), Regulations on the Management of News Communication (《新聞傳播管理規程》) and Regulations on Information Disclosure Management (《信息披露管理規程》), and provides trainings for all employees through E-Learning and on-site manner. It has set strict requirements and approval process of taking leave for attending meetings by employees and disclosure and dissemination of material contents, while places emphasis on responsible product promotion, with exaggeration and false advertising being strictly prohibited. The implementation process shall be supervised by the corporate publicity department and legal department, and the audit department is responsible for routine audits.

Protection of Customer Information

The Company attaches great emphasis to the protection of customers' confidential information. On the basis of compliance with relevant laws and regulations, Innovent introduced a series of management standards and operation procedures including the "Domestic and Foreign Data Transmission Management System" (《境內外數據傳輸管理制度》), "Standard Operating Procedure of Global Data Privacy of Clinical Study" (《臨床研究全球數據隱私SOP》), "Standard Operating Procedure of Global Data Privacy of Human Resource" (《人力資源全球數據隱私SOP》), "Standard Operating Procedure of Global Data Privacy of Sales and Marketing" (《銷售與營銷全球數據隱私SOP》), "Data Processing Policy" (《數據處理政策》) and "Date Use Approval and Management System of Human Genetic Resources" (《人類遺傳資源數據使用審批管理制度》) to provide guidance for staff members to use information assets in a reasonable and safe manner, avoid leakage of customer information, continuously improve the standard of information security management practices of the Company, and ensure the standardised and legal R&D, clinical and commercial activities of the Company. During the Reporting Period, we continuously improved the information security system, updated the "Information Security Management Regulations of Innovent" (《信達生物信息安全管理規定》), further expanded the coverage of the information security management of Innovent, and strengthened the primary responsibility of persons in charge of departments in the information security management and activities of the Company.

The Company broke down the core data protective measures into the aspects of access subject, network, terminal and application in combination with the data life cycle management according to the information security management strategies for the safety zones of different businesses. Meanwhile, in order to identify the possible risk of data leakage during usage and flow, we planned the implementation of eight technical programs, i.e. data leakage prevention system (DLP), VPN remote access, controlled access to cloud office desktop, access to corporate emails via mobile terminal security sandbox, security reinforcement of computer terminal (application and interface management), IT operation and maintenance bastion host, security log big data platform and cloud document management platform. Through the above efforts, we effectively realized compliance, security and controlled management of the data access subject, data and data access channel. Meanwhile, we also realized the perception and response to the abnormal flow of sensitive data in combination with the comprehensive analysis on the security log big data, which effectively enhanced the protection of core data and traceability of security incidents.

The Company conducts regular data and information security audits to ensure the confidentiality and integrity of project documents, as well as standardised retrieval and use of employee information. We engage a third-party consulting company to carry out test and verification of the measures taken for the information security, and develop special enhancement efforts in combination with the risk points discovered. Meanwhile, the Company also cooperates with external professional security companies to carry out penetration testing and data traffic analysis, identify surrounding attack risks, and prevent the malicious activities in the intranet.

The Company requires sales personnel to abide by the "Basic Code of Confidential Conduct for Innovent Employees" (《信達人保密行為基本守則》), collect and use the personal information of patients, medical professionals or employees reasonably and legally, inform them of the purpose and specific items of the information collected, and reserve their right to refuse to provide personal information. Employees are also required to take effective measures to protect information security during their reasonable use of confidential information, ensuring that colleagues are authorised to access personal information only on a need-to-know basis. Such information shall not be disseminated in any form to ensure effective protection of confidential information.

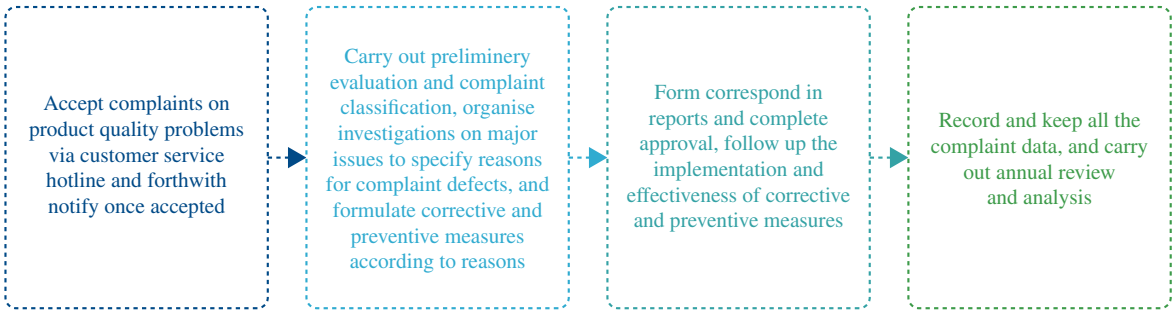
The Company focuses on the enhancement of employees' information security awareness. We enhance employees' awareness and capability of information security and privacy protection by organising information security training courses and online tests for all the employees, developing online posters for key safety points that may be easily encountered and neglected, and issuing warnings and cautions on external security risks. In addition, the Company also actively conducts offline special training on the business prohibitions to elaborate on the key points of its information security management and popularize the information security knowledge, so as to protect customers' privacy security.

Complete After-sales Service

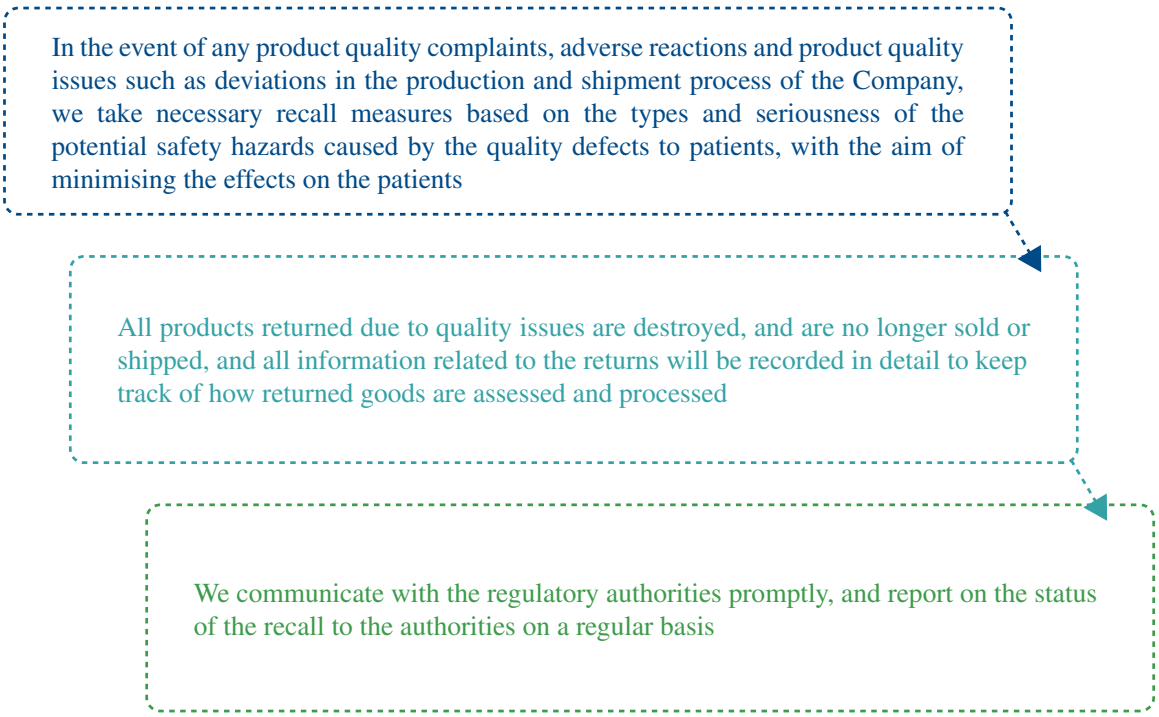
The Company believes that after-sales customer feedback is an important impetus to the continuous improvement of products and services by the enterprise. In order to ensure the quality of after-sales service, the Company has formulated complete after-sales service processes, and guaranteed customers' service experience.

- ### Complaints and Recalls

  The Company highly focuses on customer complaints and feedback, and the Quality Department has established management policies such as the "Product Complaint Management Regulations" (《產品投訴管理規程》), the "Recall Management Regulations" (《召回管理規程》), and the "Regulations on the Management of Returns of Goods" (《退貨管理規程》). We promptly obtain and actively handle customers' complaints by smoothening complaint channels, optimising complaint mechanism, strengthening complaint analysis, standardising the acceptance, handling and communication of product quality complaints, which constantly enhance the customer service quality. The Quality Department of the Company is the responsible department to handle customers' complaints. Meanwhile, the Company specifies the product recall procedures, standardises product return assessment and management mechanism, and carries out reports and investigations on adverse drug reactions in cooperation with customers in a prompt and effective manner. Based on the collected feedback on product information, we continuously optimise and upgrade the experience of using our products.



Handling mechanism of product quality complaints



Product recall procedures

During the Reporting Period, the Company did not make any product recalls, and received a total of 45 product complaints, all of which have been investigated and closed.

II. Commitment to Innovation: High-quality Drug Development

- ## Enhancement of Customer Satisfaction

The Company has always maintained routinized communications and close connections with customers, and established multi-level and three-dimensional customer service communication channel, in order to maintain adequate communication and exchange with customers, constantly improve product experience, and enhance customer satisfaction.

Case: Innovent added prefilled syringe of SULINNO®

SULINNO® is a type of recombinant humanized anti-tumor necrosis factor-α (TNF-α) monoclonal antibody developed by Innovent, and a biosimilar of adalimumab injection. In order to facilitate the medication of patients, the Company added the prefilled adalimumab syringe on the basis of the former vial, integrating the injection syringe and drug packaging container. Meanwhile, SULINNO® prefilled injection can reduce the pain by 40%, lessen the puncture force of subcutaneous injection, and prevent the occurrence of bleeding on the injection part. On 23 August 2021, SULINNO® prefilled syringe was approved for launch by the National Medical Products Administration (NMPA). On the basis of unchanged active ingredients, contents, curative effects and safety, it integrated convenience, safety and efficiency, and comprehensively enhanced the treatment experience of patients. Meanwhile, it brought true benefits to patients with the same price as the vial.

Case: Innovent added the concentration of IBI362 injection

IBI362 injection is a dual glucagon-like petide-1 (GLP-1) and glucagon receptor (GCGR) agonist with potential curative effects in the diabetes, obesity and non-alcoholic steatohepatitis (NASH). In order to solve the problem of several times of injection by patients using high-dose drugs, we have newly developed three products with high concentration (0.5ml:4mg/0.5ml:6mg/0.5ml:9mg) on the basis of the former three specifications (0.5ml:1.5mg/0.5ml:2mg/0.5ml:3mg), which reduced the number of injection times by patients, improved patients' medication experience, and brought benefits to more patients.

- ## Improving Drug Accessibility

With a view to benefiting a maximum number of patients, and providing more patients with affordable and accessible drugs with high quality, Innovent has committed itself to improving the availability of medicines, and ultimately making life more enjoyable for patients. During the Reporting Period, the Board included the drug accessibility into the decision-making scope, and designated the Audit Committee to supervise the implementation of the inclusive medical treatment.

We proactively responded to the appeals made by government agencies at various levels to solve the drug expenditures of the patients, assisted with the implementation of medical insurance policies in different regions, and successfully continued with the inclusion of TYVYT® in the National Reimbursement Drug List with an active price reduction by 62% at the end of 2021, achieving further penetrating into the market and allowing patients in the less developed areas to use affordable monoclonal antibody drugs for the treatment of tumors, so that they can equally access to the health benefits of technological advancements. In 2021, TYVYT® was accepted for medical insurance disbursement in over 400 cities across the country, covering more than 1,000 pharmacies and above 4,500 hospitals. It was the first PD-1 monoclonal antibody product ever accepted to the NRDL, and the treatment cost of TYVYT® is below RMB37,000 per patient per year.

II. Commitment to Innovation: High-quality Drug Development

Case: TYVYT® was reincluded into NRDL with newly increased three first-line indications including lung cancer and liver cancer

On 3 December 2021, TYVYT® had its three indications such as lung cancer and liver cancer included into the Class B of the "Drugs Catalogue for the National Basic Medical Insurance, Work-related Injury Insurance and Maternity Insurance (2021)" (《國家基本醫療保險、工傷保險和生育保險藥品目錄(2021年)》) ("NRDL"). TYVYT® is the only PD-1 inhibitor whose four indications including 1L non-squamous NSCLC, 1L squamous NSCLC, 1L HCC and cHL are approved and included into NRDL, as well as the PD-1 inhibitor brand with the widest coverage of medical insurance. The inclusion into NRDL enhanced the accessibility of the high-quality anti-cancer immunotherapy, and alleviated financial burden for cancer patients and their families.

In order to alleviate financial burden caused by the disease treatment for the families, the Company actively attended various patient rescue programs such as "TYVYT® Health and Poverty Alleviation Charity Campaign", the "Ai You Xin Sheng" Patient Assistance Program and "Shu Xin Ke Yi" Tumor Immunotherapy Patient Rescue Program, in order to provide drug assistance and support for eligible patients in a more convenient manner, relieve the patients who will become impoverished due to illness and improve the drug accessibility.

Case: Innovent established the TYVYT® Health and Poverty Alleviation Charity Campaign

In order to develop high-quality biological drugs that more patients can afford, the Company and the Cancer Foundation of China initiated a public health and poverty alleviation campaign to provide free TYVYT® to patients receiving subsistence allowance who met the eligibility requirements, and helped low-income patients receive advanced treatment.

II. Commitment to Innovation: High-quality Drug Development

Case: Innovent sponsored "Ai You Xin Sheng" Patient Assistance Program

"Ai You Xin Sheng" Health Autoimmune Disease Patient Assistance Program focused on nearly 20 million Chinese autoimmune disease patients with low income or receiving subsistence allowance, providing patients with long-term, standard and effective drug treatment through drug donations to make life more enjoyable and hopeful for them. The program will help more autoimmune disease patients with low income or economic difficulties, and offer humanistic care of "available medical treatment and drugs".

II. Commitment to Innovation: High-quality Drug Development

Case: Innovent participated in the "Shu Xin Ke Yi" Tumor Immunotherapy Patient Rescue Program

In January 2021, the Company responded to Beijing Health Alliance Charitable Foundation's appeal to provide medical aid to cancer patients who have become impoverished due to illness, and raised Sintilimab Injection (TYVYT®) for patients who cannot afford the treatment through "Shu Xin Ke Yi" Tumor Immunotherapy Patient Rescue Program. As of the end of the Reporting Period, 321 pharmacies in 147 cities in 32 autonomous regions, municipalities and provinces participated in the program, benefiting more than 100,000 patients, and accumulatively donating over 700,000 doses of TYVYT®. The remote cities and provinces such as Xinjiang, Inner Mongolia, Hainan and Tibet were covered by pharmacies in the program, which provided convenient all-in-one drug donation service for patients in various regions, and enhanced the drug accessibility.

Three of our marketed biosimilar drugs, namely BYVASDA® (bevacizumab biosimilar injection), SULINNO® (adalimumab biosimilar injection) and HALPRYZA® (rituximab biosimilar injection), were also included in NRDL, which provided more treatment choices while enhanced the accessibility for patients. PEMAZYRE® (pemigatinib oral inhibitor), a product co-developed with Incyte was approved in mainland China, Hong Kong and Taiwan of China as the first small molecule oral inhibitor targeted cholangiocarcinoma with a GFR2 fusion/rearrangement in the world, and was included in the reimbursement catalogue for specific drugs of Medicare (惠民保) of Beijing, Shanxi, Inner Mongolia and Qingdao, which will ease the patients' financial burden and relieve their treatment pressure. In order to accelerate the launch of drugs to benefit domestic patients, we overcame many difficulties during the pandemic to effectively promote the process of importing PEMAZYRE® into China after it was approved.

II. Commitment to Innovation: High-quality Drug Development

In active response to the national appeal for registration and R&D of rare diseases, Innovent promoted the ecosystem construction of diagnosis and treatment of rare diseases, striving to enhance the accessibility of innovative treatment drugs to rare disease patients. Our IBI306(PCSK9) is under development for indications of the rare disease of homozygous hypercholesterolemia; TYVYT® received the "Orphan Drug Designation" by the US FDA for two items including treatment of esophagus cancer and T-cell lymphoma, it also received "Orphan Drug Designation" in Europe for the treatment of peripheral T-cell lymphoma; and the candidate product of BCMA CAR-T that co-developed with IASO Bio received "Orphan Drug Designation" by the US FDA and was granted "Breakthrough Therapy Designation" by the NMPA of China.

Case: The candidate of BCMA CAR-T developed jointly with IASO Bio received the Orphan Drug Designation by the FDA

On 14 February 2022, Innovent and IASO Bio jointly announced that the fully-human B-Cell maturation antigen-specific CAR-T injection jointly developed by the two companies formally received the Orphan Drug Designation by the Office of Orphan Drug Development of FDA to be used for the treatment of relapsed and/or refractory multiple myeloma. At the same time, the therapy was also included by the Center for Drug Evaluation, NMPA into the category of "breakthrough treatment drug". The certification marked a milestone in the devotion to development of more effective BCMA-targeted CAR-T therapy with stronger existence, and enhancement of accessibility of innovative medical drugs in the treatment of multiple myeloma.

2.5 Strengthening International Cooperation

Sticking to the internationalized operating model, Innovent has adopted a development strategy of "Four Internationalizations", and world-class professional team for high-end biopharmaceutical development and industrialization leveraging on its exceptional innovation capabilities and achievements. We have also established strategic cooperation with the world's top pharmaceutical companies such as Eli Lilly, Roche, Adimab, Incyte, MD Anderson Cancer Center and Hanmi (South Korea), which enables us to continuously develop highly competitive products oriented toward international markets, achieving comprehensive collaborations covering biopharmaceutical R&D, registration, production and sales. The development model of Chinese biopharmaceutical companies has been innovated as a result.

The Company actively promoted the internationalization and inclusive healthcare, made key layout of biosimilars such as BYVASDA®, SULINNO® and HALPRYZA® to enter the emerging markets and developing countries, had close cooperation with local companies in the drug promotion, participated in fair competition, and helped establish the production standards for biosimilars. Meanwhile, we fixed prices lower than those of the local original drugs with full consideration of the local economic development, striving to offer quality and affordable drugs for more patients all over the world. Our New Drug Application (NDA) for BYVASDA® (bevacizumab biosimilar injection) has been accepted by Badan Pengawas Obat dan Makanan ("BPOM") and is scheduled to be approved for listing in 2022. The Company has signed a cooperation agreement with Etana to authorize it to commercialize our products in Indonesia for the benefit of local patients.

On 1 June 2021, Innovent entered into an agreement with AnHeart Therapeutics to jointly develop and commercialize tyrosine kinase inhibitor, taletrectinib. A similar targeted treatment drug with the greatest potential was added during the cooperation, which further consolidated the layout of Innovent in the cancer field.

On 29 June 2021, Innovent announced a strategic partnership with Synaffix on antibody-drug conjugate (ADC), and entered into a non-exclusive, target-specific license agreement to contribute to a more powerful and extensive layout of Innovent in the ADC treatment.

On 6 July 2021, Innovent entered into cooperative partnership on clinical study with Laekna to conduct a clinical study on the combined treatment of Innovent's Sintilimab Injection with Laekna's pan-AKT kinase inhibitor – Class I new candidate, afuresertib (LAE002), in the clinical development phase, in order to actively explore more indications and combination therapy.

On 14 July 2021, Innovent entered into strategic collaboration with Ascentage Pharma. The collaboration aimed to accelerate the development of innovative drugs in China, including commercialized promotion of BCR-ABL inhibitor, Olverembatinib, in China, the collaborative clinical development of anti-CD20 monoclonal antibody, HALPRYZA® (rituximab biosimilar injection), and anti-CD47 monoclonal antibody, letaplimab and Bcl-2 inhibitor, lisaftoclax, as well as the equity investment in Ascentage Pharma.

On 27 August 2021, Innovent entered into strategic collaboration with Bolt to research and develop three anti-cancer therapeutic immune-stimulating antibody conjugate (ISAC) candidates, in order to speed up the development of similar best treatment drugs of several cancers, and benefit more patients.

On 2 September 2021, Innovent entered into global strategic cooperation with GenFleet Therapeutics, obtaining the right for development and commercialization in China and the option in rights for global development and commercialization of GenFleet Therapeutics's candidate, GFH925 (KRAS G12C inhibitor) targeted for the cancerogenic gene KRAS G12C of lung cancers and other solid tumors as an exclusive partner, which further enhanced the full coverage of the Company in the major tumor field.

On 28 September 2021, Innovent entered into strategic cooperation with UNION Therapeutics to introduce the next-generation PDE4 inhibitor used for treatment of inflammatory skin disease, which further strengthened the layout of Innovent in the autoimmunity field.

In February 2022, Innovent successfully moved one novel cell therapy asset into the first-in-human clinical study, that is discovered based on the first-in-class technology platform collaborated by the Company and Roche Group. This represents an excellent example of unveiling extra value of novel technologies through leveraging the technology advantages of both parties and proves the Company's capability to cooperate with world-leading pharmaceutical companies on technology basis.

In March 2022, Innovent expanded strategic partnership with Lilly to obtain the sole commercialization right of Cyramza® (ramucirumab), the seventh candidate launched to the market and one NDA stage candidate, Retsevmo® (selpercatinib) in mainland China, and exclusive right of priority negotiation for future commercialization of the advanced clinical pipeline Pirtobrutinib (BTK inhibitor) in mainland China.

2.6 Deepening School-enterprise Partnerships

Innovent has always prioritized the recruitment of young talented technology professionals, actively conducted external technical exchange, promoted the collaboration between enterprises, higher education institutions and research institutes, integrated resources from several parties such as universities, society and enterprises, and enhanced the scientific research level and promoted industrial development, in order to jointly build an open, healthy, cooperative and mutual-beneficial innovative ecology.

Innovent has established strategic partnerships with many prestigious domestic and foreign universities, including Sichuan University, Sun Yat-sen University, Hanyang University (South Korea), Institute Pasteur of Shanghai (Chinese Academy of Sciences), and the Shanghai Institute of Organic Chemistry (Chinese Academy of Sciences), and launched R&D bases such as the Suzhou Antibody New Drug Development Industrialization Engineering Technology Research Centre and Innovent-Sichuan University Biotechnology Drug R&D Centre. During the Reporting Period, Innovent entered into a school-enterprise cooperation agreement with Xuzhou Vocational College of Bioengineering to offer practical training opportunities for outstanding students, and play an important role in facilitating collaboration between enterprises, higher education institutions and research institutes.

Case: Innovent entered into strategic cooperation with Jilin Tumor Hospital

On 17 July 2021, Innovent formally entered into strategic cooperation with Jilin Tumor Hospital in strategic cooperation research, establishment of innovative platforms, transformation of innovative achievements, and talent cultivation and exchange, in order to promote the scientific research and cultivation of scientific research talents, jointly promote the industrial technology innovation and transformation of innovative achievements, further develop tumor treatment and benefit more patients.

II. Commitment to Innovation: High-quality Drug Development

Case: Innovent welcomed experts from Shanghai Pulmonary Hospital

On 24 May 2021, experts from Shanghai Pulmonary Hospital visited the manufacturing workshop of the Company, and the two parties conducted in-depth discussions about promoting new drug R&D cooperation, which further expanded the scope of hospital-enterprise cooperation, focused on industrial demands, deepened mutual cooperation, implemented international cooperation programs, and realized mutual benefits. In future, we hope to establish the personnel and program linkage mechanism for mutual exchange and learning, thereby inspiring new ideas, generating new driving force, and promoting the rapid development of disciplines and the enterprise.

III. "People First": A Warm-hearted Corporate Citizen

Innovent acknowledges that the talent development is an important driving force for business development and is therefore committed to building an equal, inclusive and harmonious career development platform for employees, creating a friendly and warm working atmosphere, attaching importance to the protection of employees' interests, so as to provide a safe, comfortable and healthy working environment for employees. Meanwhile, Innovent adheres to its original aspiration of feeding and giving back to the community, actively practicing corporate social responsibility and contributing to the development of society.

3.1 Protection of Employees' Interests

Innovent continues to improve its talent management system, and strives to ensure that every employee enjoys equal legal rights in terms of employment, compensation and benefits, training and development as well as human rights, and also pays attention to the physical and mental health of employees, so that every employee can grow together with the Company while realizing their own values.

Regulatory Compliance in Recruitment Operations

The Company strictly abides by the "Labor Law of the People's Republic of China" (《中華人民共和國勞動法》), the "Labor Contract Law of the People's Republic of China" (《中華人民共和國勞動合同法》), the "PRC Social Insurance Law" (《中華人民共和國社會保險法》) and other relevant laws and regulations of the countries and regions where it operates, and has introduced series of internal rules and regulations, including the "Employee Handbook" (《員工手冊》) and "Recruitment Management Process" (《招聘管理流程》), so as to effectively safeguard employees' legitimate rights and interests.

Meanwhile, the Company has set up a core team of HR experts to standardise the workflow for handling employment-related incidents, with communicating procedures in place covering all aspects of incident management from accident prevention to post-incident handling. In addition, we firmly guarantee equal pay for equal work for both men and women, strictly prohibit child labour, forced labour and other forms of labour disputes, and take zero tolerance towards any form of unethical behaviour such as discrimination, intimidation, harassment, violence and violation of personal dignity. Moreover, we provide equal and diversified career paths for employees and undertake that the implementation of all employee-related policies will not be linked to personal status such as gender, ethnicity, age, physical condition, marriage to ensure that all employees have access to open, fair and impartial employment opportunities.

The Company has established diversified recruitment channels covering network recruitment, internal recommendation, Headhunting, campus recruitment, social recruitment, etc., among which internal recommendation is the main channel, accounting for 53% of the total recruitment in 2021, which reflects the employees' strong recognition of the brand the Company as employer and high recognition of its culture.

III. "People First": A Warm-hearted Corporate Citizen

Case: Offline promotion in Innovent's Shanghai office

In December 2021, the Company held an offline promotion activity in its Shanghai office with the slogan of "everyone can be a talent scout by internal recommendation" and established a reward mechanism for internal recommendation partners to encourage employees to actively introduce outstanding talents. A total of 282 participants involved in this activity.

As of the end of the Reporting Period, the number of employees of the Company was 5,398, with the labour contract signing rate of 100%. There were no incidents of child labour, forced labour, harassment and discrimination during the Reporting Period.

III. "People First": A Warm-hearted Corporate Citizen

Workforce of Innovent in 2021

Categories		Unit	2021
By gender	Male employees	person	2,762
	Female employees	person	2,806
By employment type	Full-time employees	person	5,568
	Part-time employees	person	0
By age	30 years old and below	person	2,867
	31 to 49 years old	person	2,646
	50 years old and above	person	55
By geographical region	Suzhou	person	2,033
	Beijing	person	255
	Shanghai	person	480
	Others	person	2,800
By rank	Senior management	person	53
	Middle management	person	982
	General staff	person	4,533

Employee turnover of Innovent in 2021

Categories		Unit	2021
Number of employee turnover by gender	Male employees	person	585
	Female employees	person	546
Number of employee turnover by age	30 years old and below	person	610
	31 to 49 years old	person	517
	50 years old and above	person	4
Number of employee turnover by geographical region	Suzhou	person	415
	Beijing	person	75
	Shanghai	person	125
	Others	person	516
Employee turnover rate by gender	Male employees	%	21
	Female employees	%	19
Employee turnover rate by age	30 years old and below	%	21
	31 to 49 years old	%	20
	50 years old and above	%	7
Employee turnover rate by geographical region	Suzhou	%	20
	Beijing	%	29
	Shanghai	%	26
	Others	%	18

Remuneration and Staff Benefits

On the basis of strict compliance with the regulations on wage stipulated by the relevant laws in each region where it operates, Innovent has established a fair, impartial, rationalised, competitive and comprehensive remuneration and staff benefits management system, covering remuneration and staff benefits, performance and recognition, work and life, and other aspects, such as making contributions to social insurance and the housing provident fund for employees, supplemented with commercial medical and accident insurance, and providing physical checkups for all employees who have worked at the Company for more than one year. In addition to national legal holidays, the Company also provides paid annual leave, Innovent leave and other various holidays, offers employees holiday, birthday points-based staff benefits through points-based platform, and provides employees transportation, communication, meal and other types of subsidies. In order to fully cater for the diversified dietary preferences of employees from different countries and Chinese provinces, Innovent "Internet Celebrity" staff canteens serve a variety of different cuisines for employees to choose.

The Company annually reviews the existing remuneration and staff benefits system to carry out adjustment to compensation level, establish variable compensation on the basis of fixed compensation, and provide corresponding year-end rewards and corresponding promotion opportunities according to the annual performance of employees. At the same time, in a bid to retain and incentivise talents, Innovent also established an employee stock ownership plan and a restricted share plan whereby a certain percentage of shares will be granted to eligible employees in key positions and outstanding employees each year according to the plan and procedure approved by the Remuneration Committee and the Board.

Remuneration and Staff Benefits

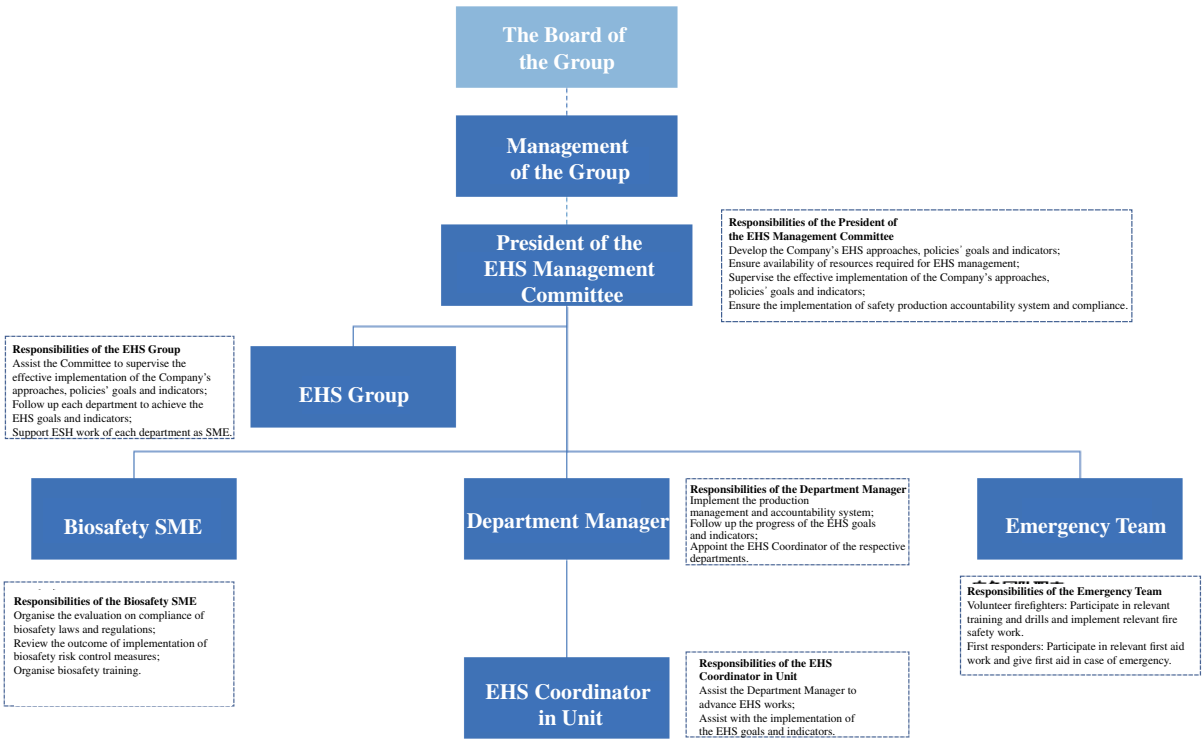
- Competitive compensation positioning
- Equity incentives
- Year-end and quarterly bonuses
- Retention bonus
- The highest percentage of the statutory social insurance and housing provident fund
- Paid annual leave and Innovent annual leave
- Transportation, communication and meal subsidies
- Supplementary medical insurance and physical checkup programme
- Holiday and birthday benefits

3.2 Staff Healthcare and Safety

The health and safety of our employees is one of the areas of great concern to Innovent. We strictly abided by relevant laws and regulations including the "Civil Code of the People's Republic of China" (《中華人民共和國民法典》), the "Safety Production Law of the People's Republic of China" (《中華人民共和國安全生產法》), the "Occupational Disease Prevention Law of the People's Republic of China" (《中華人民共和國職業病防治法》), and the "Workplace Occupational Hygiene Supervision and Management Regulations" (《工作場所職業衛生監督管理規定》), as well as relevant management measures including the "Measures for the Three 'Simultaneous' Supervision and Administration of Safety Facilities in Construction Projects" (《建設項目安全設施「三同時」監督管理辦法》) and the "Work Safety Administrative Regulations for Construction Projects" (《建設工程安全生產管理條例》). Based on the aforementioned, we rolled out internal management measures such as the "Environment, Safety and Occupational Health Management Handbook" (《環境、安全和職業健康管理手冊》), the "Occupational Health Management Handbook" (《職業衛生管理手冊》), the "Regulations on the Management of Labor Protection Supplies" (《勞動防護用品管理規程》), the "Regulations on the Management of Identification and Evaluation of EHS Laws and Regulations" (《EHS法律法規的識別與評價管理規程》), the "Procedures on the Screening, Identification and Control of Potential Hazards" (《隱患排查治理程序》), and the "Hazard Identification, Risk Evaluation and Risk Management Regulations" (《危險辨識、風險評價和風險管理規程》) to ensure the safety and health of employees and promote safety production.

Organisational Framework and Mechanisms of Occupational Health and Safety Management

The Board of the Company is the highest responsible body for EHS matters. The Company has set up an EHS Management Committee to guide all related work and protect the health and safety of the Company's employees by developing EHS strategies, reviewing EHS indicators, ensuring the use of relevant resources, and engaging specialist consultants. The Company has also established an EHS management system which adopted an operating model focusing on "planning, implementation, inspection and review". As a result, it was accredited by the regional government as a third-level standardised enterprise for work safety. Besides, a safety production accountability system was signed for implementation.



Structure of the EHS Management Committee

III. "People First": A Warm-hearted Corporate Citizen

Innovent has established an EHS management system featuring dual prevention and control mechanisms, focusing on the multi-layered safety risk management and control and the investigation and management of potential risks. We identified the distribution of main sources of hazards in the Suzhou headquarters, and divided the risks into four grades: low, normal, high and significant, and a four-color diagram for hazard identification was developed. We adopted targeted prevent and control measures for the risks in different grades, so as to rationalize the use of resources and establish a clear visual management. We also regularly investigated into potential risk factors to timely and properly manage and control high and significant risks. We implemented the closed loop seriously for relevant matters, and a long-term safety production management mechanism was established.

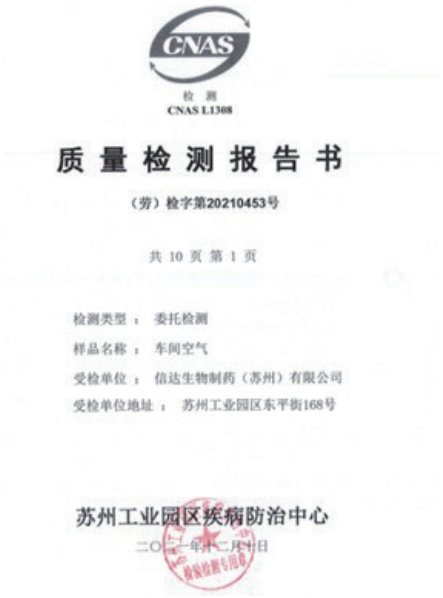
Four-color diagram for hazard identification

Occupational Health and Safety Management Measures

Employees' health and safety are one of the areas of high concern for Innovent. The Company implemented various measures to maximumly reduce and eliminate occupational hazards, so as to guarantee our employees' occupational health and safety. The Company also adopted corresponding safety management measures to arrange safety management operations from the perspective of safety analysis, occupational disease protection and periodic examination, chemical management, special equipment management, hypertoxic article management and fire management.

- ### Business Processes Safety Analysis

  The Company have adopted strict hazard and risk assessment measures (e.g. analysis before the implementation of new or modified processes and regular reviews and assessment of existing processes) regarding production processes to minimize safety risks. At the same time, the Company identifies and controls occupational disease hazards based on occupational disease hazard assessments, and engages professional third party to conduct tests and inspections on a regular basis. Employees working in these positions are informed of and warned against occupational disease risks, with related training provided on a regular basis to ensure that employees working in these positions have the ability to avoid the risk of occupational hazards. During the Reporting Period, the Company completed the occupational disease hazards on-site annual inspection and obtained a qualified inspection report from the third party.



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检 测
CNAS L1308

质 量 检 测 报 告 书

（劳）检字第20210453号

共 10 页 第 1 页

检测类型： 委托检测
样品名称： 车间空气
受检单位： 信达生物制药（苏州）有限公司
受检单位地址： 苏州工业园区东平街168号

苏州工业园区疾病防治中心

二〇二一年十二月十日

Occupational disease hazards on-site annual inspection report

- **Occupational Disease Prevention**

The Company has introduced policies such as the "Regulations on the Management of Labor Protection Supplies" (《勞動防護用品管理規定》) and the "Occupational Health Management Procedures" (《職業健康管理程序》). We work out lists of protection supplies for different types of operations, and provide production line staff with safety helmets, protective masks, air respirators, gas masks, working clothing, protective gloves and other suitable safety protective equipment, to ensure positively individual protects conducted by staff. We regularly engage qualified third-party organisations to carry out safety appliance tests to ensure that the performance of safety appliance meets the requirements and to avoid the risk of occupational health hazards caused by substandard safety equipment. The Company takes various measures to protect the health of our employees, such as introducing the "Administrative Regulations for Health Examination of Employees Directly Exposed to Drug Production" (《直接接觸藥品生產崗位人員健康檢查管理規程》), providing vaccination for all employees involved in new drug R&D activities, carrying out annual occupational health check, conducting annual filing of occupational health and preventing employees from working with illness. In addition, the Company also organises basic training on the use of labor protective supplies to improve our employees' awareness of safety operation while enhance their self-defensive ability.

Case: Training on proper wearing of personal supplies

During the Reporting Period, the EHS department of Innovent carried out training on proper wearing of personal protective equipment to enable each employee understand and master the knowledge of using protective equipment for their own job requirements to enhance their self-protection, protection of others and capacity to respond to emergencies.

III. "People First": A Warm-hearted Corporate Citizen

Summary report of occupational health check	Annual filing of occupational health	Safety appliance experiment report
		

- ## Management of Special-purpose Equipment

  The Company practically implemented the management of special-purpose equipment and introduced the "Regulations on the Management of Special-purpose Equipment/Special-purpose Operations" (《特種設備／特種作業管理規程》) to tighten up the management of equipment procurement, installation, acceptance inspection, registration, annual inspection, maintenance and scrapping activities, and the manufacturers for special-purpose equipment installation are required to possess the proper qualifications, and complete registration formalities. Relevant operators are required to possess special-purpose operation qualifications and receive relevant training, pass the necessary tests, obtain official certificates, and pass annual reviews. They must obtain the relevant certificates before starting work.

- ## Management of Hazardous Chemicals

  With a view to ensuring strict control of the procurement, storage, use and destruction of hazardous chemicals, the Company has introduced the "Regulations on the Management of Hazardous Chemicals" (《危險化學品管理規程》), the "Regulations on the Management of Hypertoxic Articles" (《劇毒品管理規程》), the "Quality Control Regulations on the Management of Hypertoxic Articles" (《質量控制劇毒品管理規程》) and other rules, and built dedicated chemical warehouses employing first-grade design standards, covering the storage of precursors, explosives, acid alkali, organic solvents, etc. Furthermore, employees working in connection with chemicals must obtain the certificate for "Operating Chemicals" (《化學品操作》) and pass the corresponding training and assessment. With a view to avoiding use of or exposure to hazardous chemicals by mistake, the Company has posted chemicals safety technical instructions, notification cards, warning signs, management policies, etc. in the storage areas for enquiry by staff as well as serving as a warning. In addition, relevant departments of the Company also strengthened the safety management of the use of hypertoxic chemicals. In particular, employees involved in the storage, operation, and emergency treatment of hypertoxic chemicals must receive regular training on the relevant laws and regulations, work safety, expertise and emergency response, and only those passing the corresponding assessments are qualified for the job.

The Company's chemicals warehouses are regularly inspected and supervised by government authorities in accordance with relevant national regulations, and the biosafety laboratories have also obtained the filing certificate in accordance with requirements.

Management of Biosafety Laboratory

生物安全实验室备案证书

单位名称：信达生物制药（苏州）有限公司创新实验室

单位地址：苏州工业园区东平街168号

法定代表人（负责人）：俞德超　　实验室负责人：韩鸿雅

实验室等级：BSL-2

登记号：SZ2022012

发证机关（盖章）

2022年 1 月 22 日

备案有效期：2022年 1 月 22 日至 2024年 1 月 21 日

Biosafety Laboratory Filing Certificate

- ## Fire Safety Management

The Company organises company-wide firefighting drills twice a year to enhance employees’ awareness of the importance of firefighting, improve their ability to respond to emergencies, and familiarise themselves with the Company’s firefighting facilities, exit passageways and fire prevention policy. During the Reporting Period, the Company has organised activities such as work-safety month, firefighting fun games, training on the use of firefighter, and help employees acquire an understanding as to how the firefighting and safety equipment works and their uses through these cultural activities, thereby improving their survival skills, reinforcing the fire safety principle of “combining fire prevention and firefighting, while giving top priority to fire prevention” among staff members.

Fire Safety Training and Cultural Activities

- **Safety Checks and Training**

The Company has constantly stepped up safety inspection efforts, and carried out regular joint inspections targeting high-priority areas and potential risk factors to effectively prevent and deter various safety accidents. We arranged safety training courses at three levels (i.e. company/department/post-level) for new employees in accordance with different job requirements, while EHS-related officials and managers, special-purpose equipment operators and employees involved in special-purpose operations shall be responsible for firefighting, emergency response and providing training.

Traffic Safety Training

During the Reporting Period, there are no work-related accidents. In the recent past three years, particulars on work-related injuries and fatalities of the Company are as follows:

Innovent 2019-2021 Work-Related Injuries and Fetalities

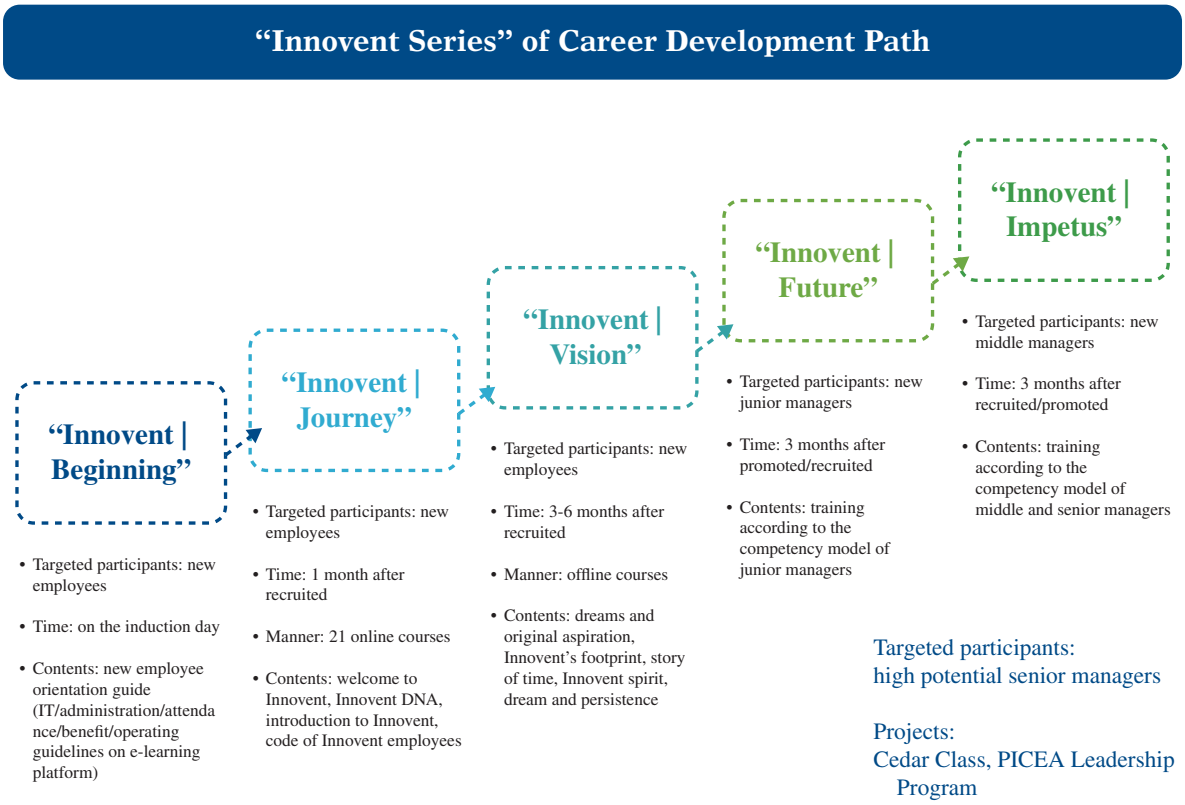
Category	Unit	2019	2020	2021
Number of work-related fatalities	person	0	0	0
Rate of work-related fatalities	%	0	0	0
Lost days due to work injury	day	0	0	52

3.3 Helping Employees Grow

Innovent understands that the development of employees is the key to the continuous growth of the Company. Therefore, the Company constantly improves the training system, optimises the employee development system, broadens the promotion channels for its employees, and provides them with opportunities for continuous growth, so as to help them develop.

Staff Training

The Company has formulated internal systems such as "Training Management Policy" (《培訓管理制度》), "Management System for In-service Staff Education" (《在職員工學歷教育管理制度》), "Innovent Internal Instructor System" (《信達內部講師體系》) and "E-Learning Platform Management System" (《E-Learning平台管理制度》). Based on the strategic requirements and the demands for future business development, we adopted a diversified training mode of "online + offline" to cultivate talents and comprehensively improve the professional skills and management skills of the existing employees. Innovent has established an internal talent training system covering various aspects such as leadership development, expert talent training, professional skills, operational skills, corporate culture and new employee training, as well as the "Innovent Series" of career development path, aiming to help employees realize their personal growth and dreams, build a talent ladder, and provide talents of all kinds for the Company to promote its sustainable development.



"Innovent Series" of Career Development Path

III. "People First": A Warm-hearted Corporate Citizen

The Company has established "Innovent Academy" and "Innovent Lecture Hall" to create abundant training opportunities for employees, which not only motivates employees, but also contributes to the development of the Company. In line with the Company's strategic development, Innovent Academy has divided its programs into Staff Development Academy, Senior Manager Academy and Commercialization Academy. Each Academy customizes training programs to meet the different needs of employees and team performance improvement. All programs are subject to whole process management covering from training needs research – program design – training implementation – training evaluation.

In 2021, Innovent Academy held a total of 162 special training sessions, including 3 academies and 9 programs that cover all employees. For each training program, post-training examinations and satisfaction feedback were conducted, in which the examination pass rate of "Innovent | Vision" series was 100% and the satisfaction rate of trainees was over 90%. For the senior managers series, the examination pass rate of "Innovent | Future" series was 100% and the satisfaction rate of trainees was about 88%. For the commercialization team series, the examination pass rate was 100% and the satisfaction rate of trainees was over 90%.

Innovent Academy's Trainning Programs in 2021

Training programs	Numbers of events
"Innovent | Vision"- Corporate Culture	25
"Innovent | Vision" I	18
"Innovent | Vision" II	7
"Innovent | Future" I	11
New Future II	5
"Wolf Warrior Camp"	5
Fresh Graduate Program	2
Staff Training	6
Live Webcast	83
Total	162

Numbers of Employees Covered by Innovent Academy's Training Programs

Training programs	Employees covered
"Innovent | Vision"- Corporate Culture	2,994 persons
Fresh Graduate Training Camp	218 persons
Innovent Lecture Hall	3,356 persons
"Innovent | Vision" I	1,473 persons
"Innovent | Vision" II	199 persons
"Wolf Warrior Special Training Camp"	200 persons
"Innovent | Future" I	417 persons
"Innovent | Future" II	150 persons
"Wolf Warrior Weekly Success"	14,078 person-times
Cedar Class	149 person-times
PICEA Leadership Program	114 person-times

III. "People First": A Warm-hearted Corporate Citizen

Case: "Wolf Warrior Camp"

The Company launched the Innovent "Wolf Warrior Camp" program, which created an innovative model of commercialization training through the combination of teaching and practice with agile iteration, helping employees quickly solve problems in the actual workplace, thus successfully creating a training model of "training with practice". During the Reporting Period, we organised 6 "Wolf Warrior Special Training Camp", during which 95 cases were selected and 50 guest lecturers were trained, and held 34 "Wolf Warrior Weekly Success" activities, during which 36 guest lecturers were trained, with registered attendance of 16,578 and the scores of trainees satisfaction over 80.

Case: "PICEA Leadership Program"

The PICEA Leadership Program offered by Innovent is a training program for middle managers with high potential. Guided by enhancing middle managers' understanding of the Company's strategies and the Innovent culture, the PICEA Leadership Program assists middle managers to improve their leadership skills and cultivates those with high potential in Innovent to become successors qualified for senior management positions. The PICEA Leadership Program closely follows the managers' capability model, lays a solid foundation, expands vision, and focuses on practice. It includes systematic learning of leadership workshops and frequent face-to-face communication with senior executives. Through the monthly interaction between the tutors as "Guardian Angels" and the learners, the PICEA Small Workshop and other forms, it is promoted the communication and exchange of what the learners have learned, thought and considered. The training program has produced 4 classic manager courses, 10 management cases and several Innovent lecturers.

Case: "Innovent | Vision" – A Corporate Culture Camp for New Members

In 2021, the Company upgraded the training program for new employees, from a one-day course that promotes Innovent culture to a customized 2.5-day corporate culture camp that comprises of 5 parts, namely "Building Original Aspiration, Innovent's Footprint, Story of Time, Innovent's Spirit, and Vision & Persistence". Each part is designated to carry out in an interactive and immersive teaching mode, so that new employees would acquaint themselves with Innovent and understand Innovent culture and the spirit of Innovent people as fast as possible. During the Reporting Period, the new employee training under "Innovent | Vision" covered 2,994 employees, with a total of 25 training sessions. According to the survey, the improvement degree of new employees' understanding of Innovent culture reached 96.7%.

During the Reporting Period, E-learning, the online learning platform of Innovent, launched further iteration and updated several functions, which would be able to undertake more training to meet the learning needs of employees in various forms. In the post-pandemic era, training programs can be diversified through seamless integration with "online + offline" learning methods. As of the end of the Reporting Period, the total courses on E-learning online learning platform reached 2,452, and the number of learners during the Reporting Period reached 5,384, with a learning rate of 96.59%.

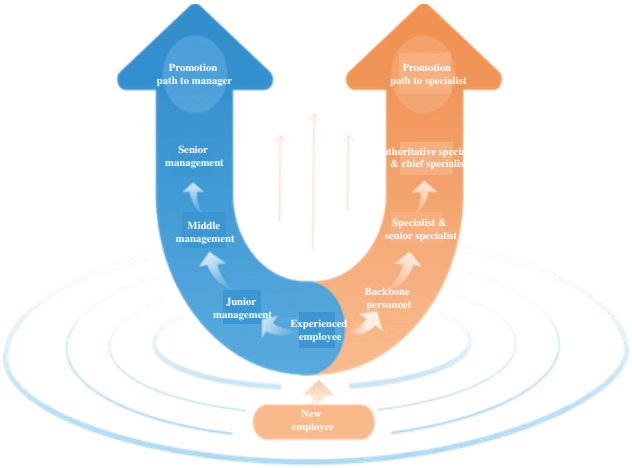
During the Reporting Period, the coverage rate of employee training reached 100%, details of which is as follows:

Number of employees trained and training hours of Innovent in 2021

Category		Unit	2021
Number of employees trained by gender	Male	person	2,692
	Female	person	2,706
Number of employees trained by rank	Senior management	person	53
	Middle management	person	982
	General staff	person	4,363
Total training hours by gender	Male	hour	147,354
	Female	hour	136,494
Total training hours by rank	Senior management	hour	2,343
	Middle management	hour	53,972
	General staff	hour	227,533
Average training hours by gender	Male	hour	54.74
	Female	hour	50.44
Average training hours by rank	Senior management	hour	44.21
	Middle management	hour	54.96
	General staff	hour	52.15

Promotion and Development

Innovent continuously regulates the staff promotion mechanisms with due attention paid to employees' overall competence and their acceptance of corporate values, thus ensuring fair, impartial and open competition within the Company. The Company offers employees the "manager + specialist" two-pronged promotion paths, with a clear promotion channel and rules established for each path to help employees reach their full potential and promote the Company's sustainable development.



Two-pronged Promotion Paths

Through a sound performance evaluation system and various incentive methods, such as annual evaluation, sales ranking award, key talent retention plan, etc., the Company enables employees to achieve recognition and reach their full potential while achieving steady growth of personal income.

In addition, Innovent has set up incentives for R&D personnel, especially for the world's first products, set up rewards for publication of articles, and given priority to R&D personnel recommendation for applying for talent programs. All employees are encouraged to improve their education (such as in-service master, doctor, etc.) and further study, and relevant tuition support will be provided by the Company to qualified employees.

3.4 Staff Care

At Innovent, we attach great importance to the work-life balance of employees by strengthening humanistic care for employees in terms of their democratic management and daily cultural life, so as to continuously improve their happiness and sense of achievement.

Staff Democratic Management

Innovent values the voices of its employees, respects their opinions and suggestions, and has established various communication channels. We uphold the principles of open, transparent and honest communication to promote communication and interaction among colleagues and departments, and between employees and the Company.

The Company has developed a sound internal interaction mechanism, creating a communication atmosphere and culture characterised by information transparency and positive interactions. By organising seminars, staff meetings and communication and exchange meetings within each business unit, the Company provides an offline interactive platform for employees to express their suggestions and feedback. During the Reporting Period, the Company received 492 suggestions and 27,356 inquiries from employees, and all suggestions and inquiries were given feedback and handled in a closed-loop manner by the responsible persons after review. Meanwhile, to encourage employees to contribute their suggestions, the Company also offered bonuses to employees whose suggestions have been accepted by the management. In addition, the Company has set up a channel for employee complaints and performance grievances, and established a handling process and management mechanism. The relevant departments will uphold the principle of fairness and impartiality to investigate, handle and give feedback to employees to protect their legitimate rights and interests.

III. "People First": A Warm-hearted Corporate Citizen

Innovent Builds "I Have Something to Say" Online Communication Platform for Employees

Help Desk

- Processing queries and applications related to personal matters such as catering, accommodation, travels, leaves of absence, attendance, housing provident fund and office work

Cloud Community

- A platform for employees to share their feelings, interesting stories or experiences that inspire positive energy

Staff Suggestions

- Employees can put forward useful suggestions to the Company or other departments based on what they see and experience at work

Complaints and Whistle-blowing

- Employees can lodge complaints or reports against inappropriate behavior in the organisation

Writing to the Chairman

- Employees can put forward suggestions regarding the Company's management practices, or report serious disciplinary offenses

Case: Innovent held Staff Communication Conference in 2021

In April 2021, Innovent organised a staff communication meeting, where Management shared with staff members the business achievements made in 2020 and work priorities and the development plan for 2021, and answered questions of major concern among employees, informing them of the Company's latest developments and future strategic plans.

Case: Innovent held new employee seminars and manager seminars

Each business unit of the Company held regular employee seminars with different themes according to its business requirements. New employee seminars aim to help new employees sort out their communication channels during their "confusion period" by getting to know, understanding and supporting them, and establish the feedback mechanism to facilitate their integration into the Company. At the manager seminars, we regularly invited front-line supervisors to communicate the fluctuating factors in team stability, striving to break the management barriers of each group, learn from the excellent management and communication methods, and help teams to complement each other's strengths and weaknesses in order to promote overall development and stability. We promoted Innovent's culture through each seminar, so that our employees can share the same "Innovent's spirit".

Cultural Activities

Innovent attaches importance to the physical and mental health of its employees and advocates the work-life balance of employees. We carried out various activities to enrich their spare time and set aside special funds for team building activities across departments. During the Reporting Period, the Company organised nearly 300 activities, including the celebration for the 10th anniversary of the founding of the Company, the commendation meeting, Family Day, meetings of pre-determined "target" employees, staff birthday parties, tea parties and team building activities.

Case: Celebration for the 10th anniversary of the founding of Innovent

The year 2021 marked the 10th anniversary of the founding of Innovent. Looking back at the ten-year journey, Innovent has adhered to the original intention of creating drugs for the people, and has continued to explore the biopharmaceutical industry to illuminate hope for patients. On 26 September 2021, under the theme of “Seeking Future with Love”, Innovent held its 10th anniversary celebration in Suzhou, including the “Welcome Home” event, the “Science Makes Life Better” sharing session, and the “Create A Beautiful Life Together” celebration party, which integrated technology and charity to create a new social look of technology for good.

III. "People First": A Warm-hearted Corporate Citizen

Case: Innovent launched "Family Day" activities

In July 2021, more than 1,000 of Innovent's employees and their relatives and friends gathered at the Innovent Suzhou Park for a fun family day. The family day covered a variety of activities including performances, science experience, parent-child interaction, and fun activities. While the employees shared a wonderful time with their families, their family and friends also got closer to Innovent and learned more about the special business of pharmaceutical manufacturing.

Teambuilding activity at Nianhuawan Town

III. "People First": A Warm-hearted Corporate Citizen

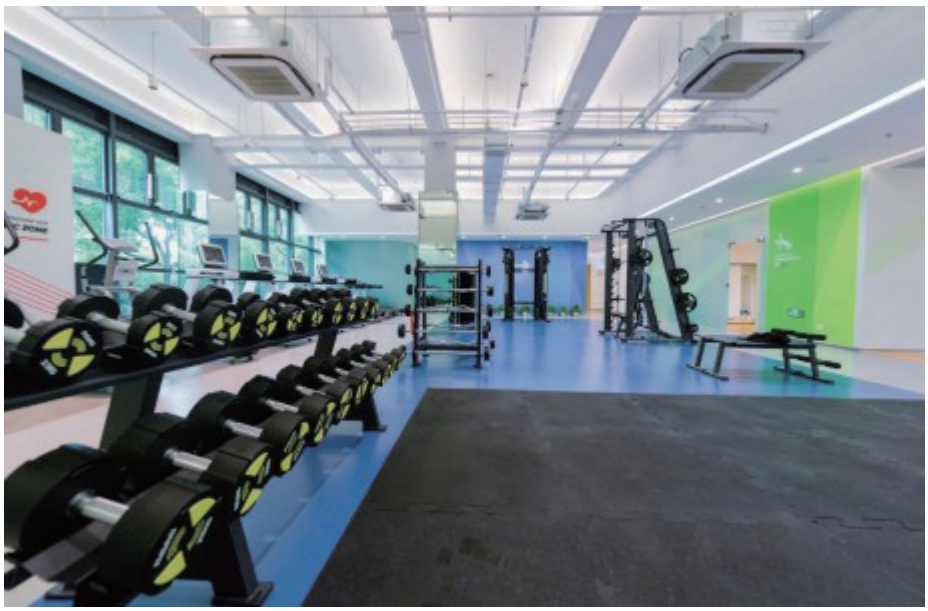
Innovent pledge meeting and teambuilding activity at Yangcheng Lake

The overseas team of Innovent Biologics for the offline meeting in Maryland, U.S.A.

III. "People First": A Warm-hearted Corporate Citizen

Staff Care

Innovent always regards employees as an important part of the Company, and expresses its care for employees with practical actions through high-quality cultural and sports facilities and a series of holiday activities for employees on a regular basis every year. The Company has set up Innovent Fitness Club, which is open to all employees, including gym, yoga room, table tennis room and other projects. The fitness club has professional fitness coaches stationed every week to provide employees with professional guidance on fitness, fighting, dance, yoga, etc. In addition, the Company also set up nursing areas, teahouse, reading room and Internet Celebrity staff canteens, to provide employees with a warm and comfortable working environment and meticulous humanistic care.



Innovent Fitness Club

Innovent Fitness Club-Yoga Class

III. "People First": A Warm-hearted Corporate Citizen

During the Spring Festival in 2021, Innovent organised New Year's Eve dinner, DIY sugar-coated hawthorns and lanterns and other folk activities for employees staying in Suzhou during the Spring Festival. During the Lantern Festival, the Company also launched a series of diverse and exciting activities such as guessing lantern riddles and eating festive food to enjoy the festive atmosphere with employees in Innovent.

Employee Celebration for the Spring Festival and Lantern Festival

III. "People First": A Warm-hearted Corporate Citizen

On the Mother's Day, Innovent organised Mother's Day Caring Activities to express its sincere respect to the employees in motherhood and wish them all the best.

Mother's Day Caring Activities

During the Dragon Boat Festival in 2021, Innovent held a level-breakout activity of "Weaving String Bracelets and Making Rice Dumplings", which reminded the employees of their childhood, to experience the Chinese culture and enjoy the wonderful festive time together.

Making Rice Dumplings during the Dragon Boat Festival

III. "People First": A Warm-hearted Corporate Citizen

On the occasion of the Mid-Autumn Festival in 2021, Innovent shared the joy of the festival with employees by preparing delicious moon cakes for them and inviting folk artists to draw sugar paintings at the door of the Company's canteens.

Mid-Autumn Festival Celebration

During Christmas 2021, the Company's canteens prepared abundant Christmas themed food for employees, and there was cute Santa Claus on the site to send small gifts for a limited time, allowing the employees to appreciate the diversified festival culture and enjoy the different festive atmosphere.

Christmas Events

The Company's support and care for employees have also been recognized from all walks of life. During the Reporting Period, Innovent was awarded the Outstanding Enterprise with Harmonious Labor Relations in Jiangsu Province.

3.5 Contribution to Social Undertakings

Staying true to its mission, Innovent cares about patients, actively contributes to the society, promotes regional development and devotes itself to social welfare while achieving its own development. Adhering to the belief of "developing high-quality biological drugs that people can afford", Innovent continued to carry out poverty alleviation through healthcare services, capacity building of primary medical practitioners and charitable donation activities, so as to contribute to the development of the society.

Innovent's social welfare investment in 2021

Indicator	Unit	2021
Capital investment of public welfare	RMB100 million	2.046
Time investment of public welfare	Hour	2,768
Number of volunteers	Person	298

The Company always cares about the development of primary public health undertakings, insists on empowering the medical and nursing capabilities of primary healthcare practitioners, and improves the diagnosis and treatment level of primary healthcare workers to better benefit the majority of patients.

Case: Tumor Immune Diagnosis and Treatment Standardised Training at Primary Levels

During the Reporting Period, the Company cooperated with the Medical and Health Science and Technology Development Research Center of the National Health Commission to launch the "Healthy China 2030" – "Tumor Immune Diagnosis and Treatment Standardised Training at Primary Levels" of the Tumor Health Program. This program provided tumor prevention and treatment guidance and advanced academic knowledge to primary hospitals through various training forms such as oncologists going to the grassroots, online and offline lecture tours, etc., with an aim to promote the diagnosis and treatment level of tumor immunity practitioners at primary levels, and provide more standardised medical services for patients.

III. "People First": A Warm-hearted Corporate Citizen

Innovent not only escorts the health of patients, but also upholds the great love of doctors, cares about the people in the disaster area, and continues to convey kindness and love to the society. During the Reporting Period, Henan suffered from severe floods. After the disaster occurred, the Company immediately set up the "Henan Disaster Emergency Response Team", donated emergency relief materials to a number of hospitals in critical condition, and distributed condolence money to our employees in seven cities seriously affected by the disaster.

Case: Donated Emergency Relief Materials to Henan

In order to help the medical staff of the hospitals seriously affected by the disaster and ensure the supply of daily necessities, the Company learnt about the material needs of medical institutions in many places in Henan Province from various aspects, mobilized materials across the country at the first time and purchased urgently needed living support materials for hospitals, including drinking water, instant food and disinfect items, which had been successively delivered to major hospitals, helping them tide over those difficulties.

IV. Harmony and Efficiency: Sustainable Green Business Operations

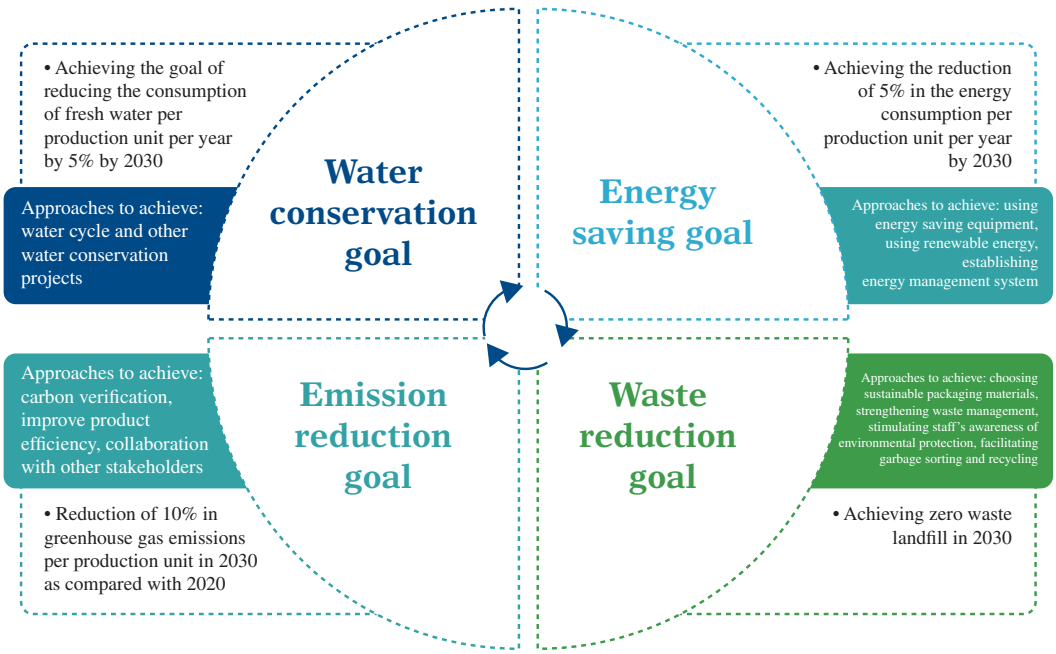
Upholding the concept of green development, Innovent actively responds to the call for clean and low-carbon, and continuously increases investment in environmental protection by continuously optimising the resource utilisation management and vigorously promoting the energy conservation and emission reduction projects, so as to minimise the impact on the ecological environment, thereby achieving the harmonious development of enterprises, society and environment, and jointly caring for the beautiful blue planet.

4.1 Tightening Environmental Management

Adhering to the green environmental protection concept of harmonious coexistence between human and nature, the Company attaches importance to the impact on environment during its operation, strictly abides by the "Environmental Protection Law of the People's Republic of China" (《中華人民共和國環境保護法》), "Environmental Impact Assessment Law of the People's Republic of China" (《中華人民共和國環境影響評價法》) and other laws and regulations as well as the relevant environmental regulations of the places where it operates. By formulating the "EHS Management Handbook" (《EHS管理手冊》), "EHS Internal and External Environmental Analysis and Management Procedures for Risks and Opportunities" (《EHS內外部環境分析及風險機遇管理程序》), "Management Procedures for Identification and Evaluation of EHS Laws and Regulations" (《EHS法律法規的識別與評價管理程序》), "Management Procedures for EHS Events" (《EHS事件管理程序》), "Management Procedures for EHS Targets and Programs" (《EHS目標及方案管理程序》) and other institutional documents, the Company standardises the management and constraint of production and operation, and continuously improves its own environmental management level, striving to create a resource-saving and environment-friendly green enterprise.

Environmental Target Management

In order to continuously and effectively carry out environmental management work, improve environmental management performance and achieve quantitative control and continuous improvement of the environmental objectives, the Company fully studied the external policy and guidelines as well as the industry development trends, and has formulated environmental goals for water conservation, energy saving, waste reduction, emission reduction, etc., in conjunction with its own actual business operations and strategic development planning, which clarified the approaches and core practices for achieving the goals. On the above basis, the Company assigns each environmental target and task to each relevant department, actively promotes the action of relevant departments, and strengthens the tracking and follow-up as well as feedback evaluation of the progress of achieving the goals.



IV. Harmony and Efficiency: Sustainable Green Business Operations

Environmental Management System

The Company continues to promote the construction of ISO 14001 environmental management system, laying a solid foundation for environmental management for green operations. As of the end of the Reporting Period, the Company has completed the preparation of environmental management handbook, identified the environmental factors with significant impacts and clarified various environmental emission indicators, with a plan to pass the external audit and obtain the environmental management system certification within 2022.

Environmental Performance Management

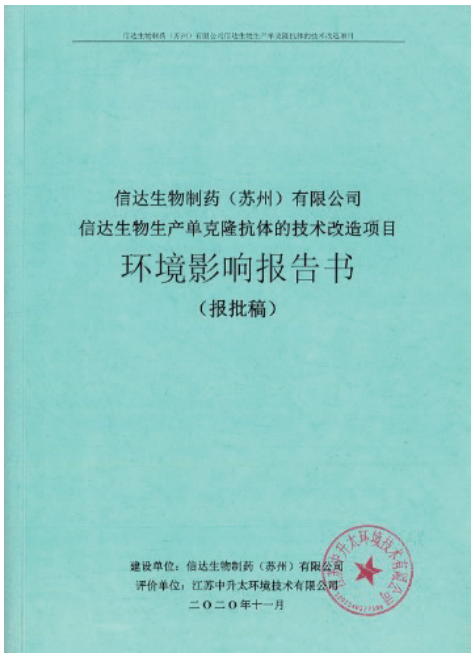
The Company attaches great importance to environmental performance and establishes an appraisal system for EHS performance compliance, so as to incorporate the environmental performance into 5% of the remuneration consideration for senior management, while incorporate the environmental violations and the energy consumption cost performance per unit product into the assessment category for the head of the production, engineering, quality and supply chain departments. Meanwhile, our staff shall take corresponding responsibilities on the level of position and the entire staff shall be covered, so as to enhance the attention of the whole staff to the environmental indicators, thereby motivating our staff to actively perform their duties of environmental protection.

Environmental Emergency Management

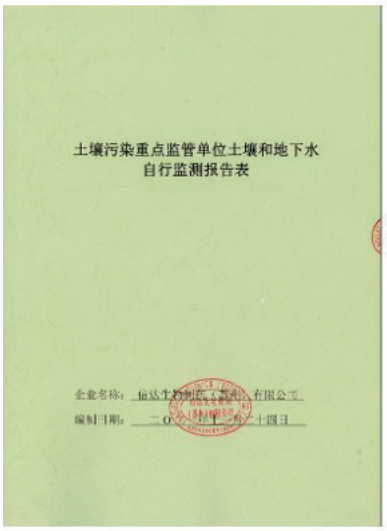
In order to prevent environmental pollution and enhance environmental risk management capabilities, the Company has compiled internal systems such as "Emergency Response Management Procedures" (《應急相應管理程序》), "Risk Identification and Management Procedures" (《隱患排查治理程序》) and "EHS Incident Management Procedures" (《EHS事件管理規程》) according to the "Measures for the Administration of Emergency Environmental Accidents" (《突發環境事件應急管理辦法》), "Measures for the Administration of the Environmental Incidents Emergency Plan of the Enterprise (for Trial Implementation)" (《企業事業單位突發環境事件應急預案備案管理辦法(試行)》) and other laws, regulations and policy requirements. In addition, the Group actively carried out risk assessment of environmental emergencies to improve risk prevention and control measures for environmental emergencies, formulate emergency plans for environmental emergencies, organise comprehensive emergency drills for public health emergencies, chemical spills and pressure pipeline incidents, so as to reduce the environmental impact of emergencies and continuously improve our EHS risk management and response capabilities.

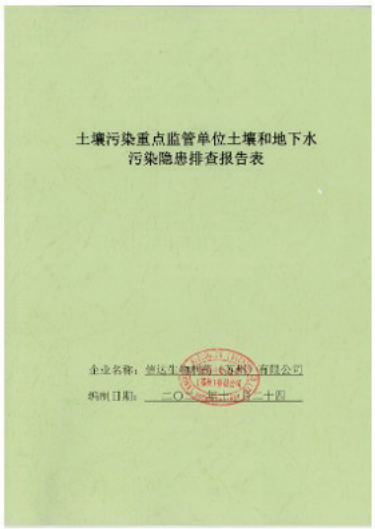
Environmental Impact Audit

The Company has formulated the "Management and Review Procedures" (《管理評審管理程序》) and "Internal Audit Procedures of EHS Management System" (《EHS管理體系內部審核程序》) and actively carried out EHS audits to ensure that the Company's production and operation comply with environmental regulations and requirements. The Company regularly engages qualified inspection agencies to conduct environmental inspections and assessments. During the Reporting Period, the Company has completed emissions monitoring, including wastewater monitoring, wastewater, exhaust gas and environmental noise test at plants, soil and groundwater monitoring, and environmental impact assessment of the technical transformation project of monoclonal antibody. In addition, the Company has actively engaged a third party to conduct a Pharmaceutical Supply Chain Initiative (PSCI) audit, which is scheduled to be completed in 2022.


信达生物制药（苏州）有限公司
信达生物生产单克隆抗体的技术改造项目
环境影响报告书
（报批稿）
建设单位：信达生物制药（苏州）有限公司
评价单位：江苏中升太环境技术有限公司
二〇二〇年十一月

Environmental Impact Report for the Technical Modification Project of Production of Monoclonal Antibody Product


土壤污染重点监管单位土壤和地下水
自行监测报告表


土壤污染重点监管单位土壤和地下水
污染隐患排查报告表

Soil and Groundwater Contamination Monitoring Report

4.2 Resource Conservation

The Company pays close attention to the efficient use of resources and energy, and establishes a sound energy resources management system while strictly complying with the Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》), the Water Law of the People's Republic of China (《中華人民共和國水法》) and other relevant laws and regulations, so as to continuously improve the comprehensive use efficiency of energy resources.

Water Resources Management

The water resources used by the Company in the production and operation process are supplied by the municipal water. The Company insists on saving water resources in the areas of process water, cleaning water, condensing water and domestic water, and advocates water conservation, multiple use and recycling of water resources. In 2021, the Company started the renovation of the wastewater treatment station to reuse the water produced in the process of the RO to the M1 cooling tower. Through the renovation technology, the secondary recycling of water resources was realised and the production of wastewater in the treatment process was reduced. At the same time, the Company conducted leak tests on pipe network of the entire plant, replacing and repairing the defective pipes in a timely manner to ensure that there was no leakage and to reduce water wastage.

Water Resources Conservation Project of Innovent in 2021


管道 CCTV（闭路电视系统）
检 测 报 告
工程名称：信达生物制药（苏州）有限公司非 NP 废水管道检测
工程编号：20211026
工程地点：东平街 168 号
委托单位：信达生物制药（苏州）有限公司
检测单位：苏州万家乐环保工程有限公司
检测日期：2021 年 10 月 26 日至 2021 年 10 月 27 日
报告编号：20211030
报告总页数：共 372 页（不含此页）
2021 年 10 月 30 日
管道 CCTV（闭路电视系统）
检 测 报 告
工程名称：信达生物制药（苏州）有限公司 NP 废水管道检测
工程编号：20211025
工程地点：东平街 168 号
委托单位：信达生物制药（苏州）有限公司
检测单位：苏州万家乐环保工程有限公司
检测日期：2021 年 10 月 25 日
报告编号：20211026
报告总页数：共 189 页（不含此页）
2021 年 10 月 26 日
信达生物制药（苏州）有限公司
生产废水管网维修报告
（非氮磷一）
2022 年 01 月 20 号

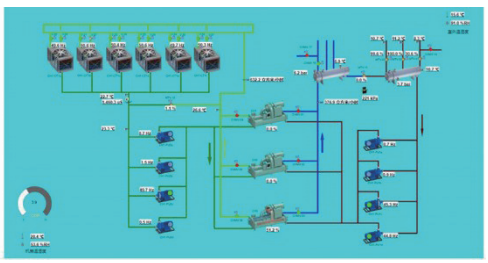
Plant-wide Network Inspection Report

Water Resources Utilisation of Innovent in 2021

Indicator	unit	2021
Total water consumption	Cubic metres	649,650
Water consumption per capita	Cubic metres/person	120.35

Energy Management

In strict compliance with the requirements of the Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》), the Company supported the development of low-carbon energy, enhanced energy utilisation efficiency and improved the energy management system, and implemented standardised and systematic energy-saving supervision and management, so as to promote a well-coordinated and sustainable development of the economy and society. In 2021, the Company optimised the design of air-conditioning rooms, which had been transformed into efficient plant rooms and after the transformation, the energy-efficiency ratio has been enhanced to 5.0 from 3.5, the energy efficiency increased by 42.8% and the energy consumption of buildings decreased by 11.8%. Meanwhile, the Company also carried out the project of modification of energy-saving lamps to retrofit the underground garage and laboratories by LED-type lighting fixtures, and promoted the use of energy-saving lamps for all new projects, thus achieved a systematic energy saving and consumption reduction by focusing on production processes and equipment.



M2 plant room transformation project

Energy resource utilisation of Innovent in 2021

Indicator	Unit	2021
Electricity	MWh	43.20
Electricity per capita	MWh/person	0.008
Heat	KJ	144,857,500,000
Heat per capita	KJ/person	26,835,402
Natural gas	0'000 standard m^3	2.80
Natural gas consumption per capita	0'000 standard m^3/person	0.0005
Comprehensive energy consumption [1]	Tons of standard coal	4,978.65
Energy consumption density	Tons of standard coal/person	0.92
Conversion of electricity for energy consumption	MWh	40,509.74
Conversion of electricity for energy consumption density	MWh/person	7.50

[1] The comprehensive energy consumption is calculated based on the General Principles for Calculation of the Comprehensive Energy Consumption (《綜合能耗計算通則》) (GB/T2589-2020) issued by the State Administration for Market Regulation (國家市場監督管理總局) and the State Standardization Administration (國家標準化管理委員會).

Greenhouse gas (GHG) emissions of Innovent in 2021

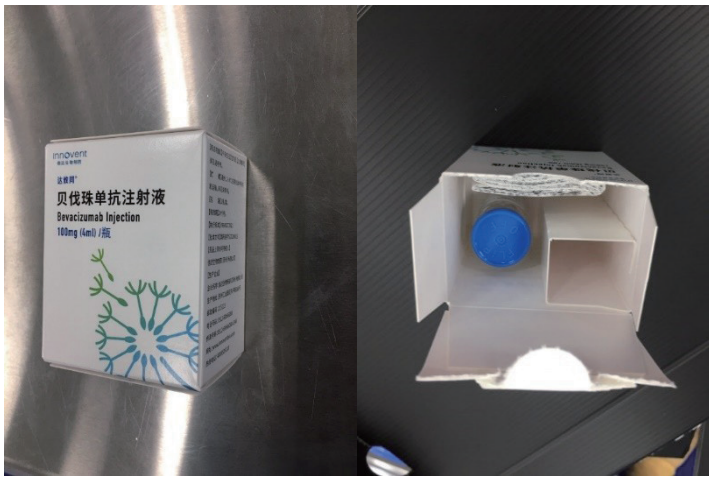
Indicator	Unit	2021
Scope 1: Direct GHG emissions [2]	Tons of carbon dioxide equivalent	60.54
Density of direct GHG emissions	Tons of carbon dioxide equivalent/person	0.01
Scope 2: Indirect GHG emissions [3]	Tons of carbon dioxide equivalent	15,934.33
Density of indirect GHG emissions	Tons of carbon dioxide equivalent/person	2.95
Total GHG emissions	Tons of carbon dioxide equivalent	16,025.26
Density of total GHG emissions	Tons of carbon dioxide equivalent/person	2.97

[2] Direct (scope 1) GHG emissions is calculated based on the IPCC Guidelines for National Greenhouse Gas Inventory 2006, 2019 Revised Edition (《IPCC2006年國家溫室氣體清單指南2019修訂版》)issued by the Intergovernmental Panel on Climate Change (IPCC).

[3] Indirect (scope 2) GHG emissions is calculated based on the Average Carbon Dioxide Emission Factors of China's Regional Power Grid in 2011 and 2012 (《2011年和2012年中國區域電網平均二氧化碳排放因子》) issued by the National Development and Reform Commission.

Packaging Material Management

The Company actively promotes the using of recyclable materials, and packing products in a recycled manner is encouraged to reduce the consumption of packaging materials. Currently, the packaging materials involved in the Company's products mainly includes glass bottles, stainless steel prefilled syringes, cartons and other recyclable materials, without plastic products.



Drug packaging

Packaging material utilisation of Innovent in 2021

Indicator		Unit	2021
Packaging materials	Small box	Ton	27.77
	Carton	Ton	53.71
Total consumption of packaging materials		Ton	81.48
Packaging material consumption density		Ton/person	0.02

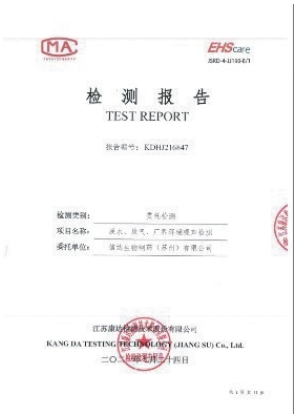
4.3 Reducing the Impact of Emissions

The Company has strictly abided by the "Soil Pollution Discharge Law of the People's Republic of China" (《中華人民共和國土壤污染排放法》), the "Water Pollution Prevention Law of the People's Republic of China" (《中華人民共和國水污染防治法》), the "Regulations on the Administration of Pollutant Discharge Permits" (《排放污染許可管理條例》), the "Air Pollution Prevention Law of the People's Republic of China" (《中華人民共和國大氣污染防治法》) and other relevant environmental laws and regulations as well as local environmental policies, and also introduced internal policies such as the "Waste Management Regulations" (《廢棄物管理規程》), the "Wastewater, Exhaust Gas and Noise Management Regulations" (《廢水、廢氣和噪音管理規程》) and the "Environmental and Occupational Health and Safety Monitoring and Measurement Control Management Procedures" (《環境和職業健康安全監視測量控制管理程序》) to continuously improve the standard management of wastewater, exhaust gas and waste, while actively promoted emission reduction to limit the adverse impact on the environment during the cause of our operations to the greatest extent.

IV. Harmony and Efficiency: Sustainable Green Business Operations

Exhaust gas Management

The Company efficiently filters exhaust gas generated from different sources at various stages of production, and discharges it after ensuring the removal of nitrogen oxides, sulfur oxides and atmospheric particulates to avoid air pollution. At the same time, the Company performs environmental monitoring of the exhaust gas discharged on a regular basis to ensure the satisfaction of the current effective environmental laws and regulations.


检 测 报 告
TEST REPORT

Environmental monitoring report on wastewater, exhaust gas and plant boundaries

Wastewater Management

The Company has a wastewater treatment plant at the end of the treatment process that performs harmless treatment on domestic sewage and discharges it into the municipal sewage pipeline after ensuring the treated wastewater meets the discharge requirements. In 2021, the Company strengthened the management of wastewater generated from research and production activities, and actively optimised the treatment process. Low pH treatment technology is in consideration first in the development of virus removal process, while SD treatment is considered only when molecular stability is at question, in order to reduce the pressure on wastewater treatment. In addition, the Company strives to cut the use of phosphoric acid solution as much as possible in the process development to reduce eutrophication of water bodies and avoid the negative impact of wastewater discharged on the surrounding environment and people's health.


检 测 报 告
TEST REPORT

Environmental monitoring report on wastewater

Wastewater discharged by Innovent in 2021

Indicator		Unit	2021
Wastewater	Domestic wastewater	M^3	42,300
	Industrial wastewater	M^3	139,920
COD		M^3	12.85

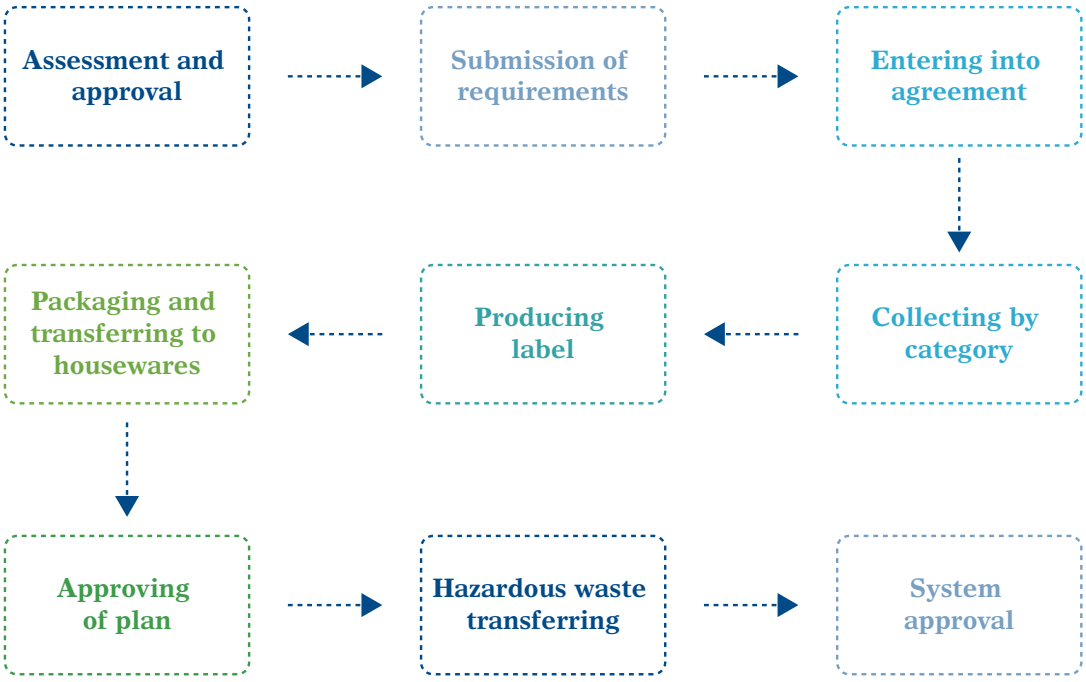
Solid Waste Management

The Company has introduced internal policies such as the "Waste Management Regulations" (《廢棄物管理流程》) and the "Regulations on the Management of Hazardous Chemicals" (《危險化學品管理規程》) to harmonize and standardise waste collection and treatment procedures, ensuring that waste discharge meets relevant discharge requirements set by the state. General waste produced by the Company is categorized, recycled, stored and disposed of by relevant departments in accordance with the administrative requirements of the local governments, before it is treated by the sanitation company on a regular basis. At the same time, the Company is committed to reducing the discharge of general solid waste in other areas, such as cleaning and sterilizing certain materials in the laboratory after recycling, so as to achieve the secondary use of materials and reduce the pressure of general solid waste treatment.

Solid waste discharged by Innovent in 2021

Indicator	Unit	2021
Total Hazardous waste	Ton	564
Total Non-hazardous waste	Ton	438
Hazardous waste emission intensity	Ton/person	0.10
Non-hazardous waste emission intensity	Ton/person	0.08

Regarding hazardous waste management, the Company strived to minimize environmental pollution by reducing the generation of hazardous wastes through optimising production processes. The Company has formulated the "Regulations on the Management of Hazardous Chemicals" (《危險化學品安全管理規程》), which established the management process of hazardous waste and the prevention and control responsibility system covering the whole life cycle. Therefore, the details of hazardous waste, such as the type, quantity, procurement, transportation, destination, storage, utilisation and disposal, has been traced and recorded for the whole procession, and through the management and supervision thereof at all times, the Company has achieved effective management of hazardous waste disposal. In terms of the storage and management of hazardous chemicals, the Company has taken a series of measures to prevent risks from environment, such setting up bulletin boards and posting chemical safety technical instructions, equipping fire hydrant boxes, setting up explosion-proof cameras at storage locations and key positions for real-time supervision, posting safety warning signs, equipping electrostatic dischargers and so on. Regarding the disposal of hazardous waste, the Company strictly implemented the following of standardised treatment, i.e. collecting by production department by classification and transferring to the required temporary storage area for hazardous waste, then taking over by qualified third-party enterprise regularly for harmless treatment.



The whole process of disposal of hazardous chemicals

Noise Pollution Management

The Company had installed sound insulation boards near fans and other noisy equipment to reduce noise pollution generated. The Company also ensures adequate distance between its production sites and the surrounding residential areas, and strictly manages working hours to minimise noise pollution caused to local residents during the production operations.

4.4 Response to Climate Change

Against the background of global warming, as meteorological disasters such as strong winds, cyclones, floods, and torrential rains occurs more and more frequently, the ripple effects, such as power supply interruption and urban waterlogging, will bring a certain degree of risk and impact to the normal operation of the Company. In order to cope with the impact of climate change, the Company had developed various internal systems and regulations to actively identify the risks and opportunities stemming from climate change, such as the "Hazard Identification, Risk Evaluation and Risk Management Procedures" (《危險辨識、風險評價和風險管理程序》), "EHS Internal and External Environmental Analysis and Management Procedures for Risks and Opportunities" (《EHS內外部環境分析及風險機遇管理程序》), "Rules on Analysis and Identification of Environmental Factors and Risk Evaluation Management" (《環境因素分析識別與風險評價管理規程》). Currently, the Company has identified the following extreme climate risks: thunderstorm, typhoon, extreme cold, high temperature, flood and earthquake, and makes responses in accordance with the "Special Emergency Response Plan for Extreme Weathers" (《極端災害天氣專項應急預案》) and "EHS-B-015-V1.0 Emergency Response Management Procedures" (《EHS-B-015-V1.0應急響應管理程序》), with corresponding facilities and equipment and training personnel in place. We also provide advance warning and communication for extreme weather, and carry out preventive inspection.

IV. Harmony and Efficiency: Sustainable Green Business Operations

During the Reporting Period, the Company also prepared additional "Emergency Plans for Environmental and Safety Incidents" (《突發環境和安全事件應急預案》), including environmental risk assessment reports, resource investigation reports for environmental emergency, and review opinions on environmental emergency plans, to strengthen early warning and prevention regarding to identified climate change risks as well as develop emergency drill plans for various situations.


EHS Newsletter No. 202120

innovent 信达生物制药

台风"烟花"EHS提醒

亲爱的同学们:

大家好!

苏州市气象台2021年07月25日08时29分续发台风橙色预警信号:受今年第6号台风"烟花"影响,预计未来24小时,我市大部分地区将出现10级以上、江南水面12级的大风。

受台风"烟花"影响,据中央气象台7月25日12时30分发布台风登陆消息:今年第6号台风"烟花"的中心已于今天中午12点30分前后在浙江省舟山普陀沿海登陆,登陆时中心附近最大风力13级(38米/秒),中心最低气压为965百帕。预计"烟花"将穿过杭州湾,于今天晚上在浙江嘉兴到江苏沿东一带沿海再次登陆(台风级,12级,33-35米/秒)。

据气象专家介绍,台风"烟花"具有路径复杂、影响范围广、风雨叠加、登陆前后上维持时间长、累计雨量大等特点。EHS在此提醒:

1、大家出行前,密切关注所在地及目的地天气状况(中国气象局http://www.cma.gov.cn/),保护自身及财产安全。
2、关注航班、列车调息发布,积极调整差旅和活动计划。
3、检查、清理厂区雨水排水系统,地下室区域排污泵正常。
4、检查防汛物资:移动抽水泵、沙袋、排涝等工具具备到位
5、关好门窗,检查门窗是否密固,及时将室外的晾晒衣架收入室内,尤其是楼顶的杂物,并且将易被风吹动的物品加固。
6、备好备好手电、食物、饮用水、常用药品等以备急需。
7、不要在下大雨时骑自行车或开车,尽量避免去湖在积水中行驶。
8、在室外不要在大树底下避雨,不要拿着金属物品及拨打手机,以防雷击。
9、受影响区域的员工是否在家办公或者取消相关业务行程(需要部门负责人与HR决定),并且出行需要时刻保持与直线负责人的沟通。
10、遇到紧急情况可直接拨打应急电话:199 5118 4393/0512 62950829。

感谢您的支持与配合!

Phone: +86 199 5118 4393 EHS_Service@innoventbio.com 江苏省苏州市东平街168号

Posting a Weather Safety Alert

Meanwhile, the Company practiced the "green office" principle in its daily office operating and corporate culture construction. The Company had formulated a series of practical measures to reduce office energy consumption and create a green and low-carbon working environment, such as developing an annual energy conservation plan, installing insulating glass to improve the constant temperature effect in office buildings, reducing the intensity of air conditioning to achieve a substantial savings in power consumption, requiring employees to print double-sided wherever possible, organizing domestic waste classification, encouraging virtual conference calls, prohibiting the use of disposable paper cups and so on. Furthermore, the Company also guided its employees to develop an economical, moderate, civilized and healthy lifestyle by starting from those trivial and private matters, which will ultimately benefit the construction of ecological civilization and environmental protection.


EHS Newsletter No. 202115

innovent 信达生物制药

生活垃圾分类

亲爱的同学们:

大家好!

近年来,苏州市深入贯彻习近平总书记关于垃圾分类工作系列重要指示批示精神,坚持把垃圾分类工作作为一项重要工作来抓,积极探索"大分流、细分类"的顶层设计,着力推动城乡统筹、同城同步同发展,加快构建生活垃圾分类全程分类体系,取得了阶段性进展和成效。

《苏州市生活垃圾分类管理条例》已于2020年06月01日正式实施,条例将苏州市生活垃圾分为可回收物、有害垃圾、厨余垃圾、其他垃圾四类。

同时公司也在积极相应独墅湖科创区管委会的号召,并于2021年07月01日起,做好生活垃圾分类。

让我们行动起来吧,为推动苏州高质量发展走在前列、建设"现代国际大都市、美丽幸福新天堂"做出新的更大贡献。

《苏州市生活垃圾分类管理条例》相关罚则

苏州市生活垃圾分类工作领导小组办公室

垃圾分而置之,利于分而治之

Phone: +86 199 5118 4393 EHS_Service@innoventbio.com 江苏省苏州市东平街168号

Tips for Domestic Waste Classification

Tips for Walking instead of Using Elevator

Appendixes

Index Tables

Environmental, Social and Governance Areas, General Disclosures and Key Performance Indicators (KPIs)			Section
Environmental	A1: Emissions		
	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Reducing the Impact of Emissions
	A1.1	The types of emissions and respective emissions data	Reducing the Impact of Emissions
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Tightening Environmental Management
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Reducing the Impact of Emissions
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Reducing the Impact of Emissions
	A1.5	Description of emissions target(s) set and steps taken to achieve them	Tightening Environmental Management
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	Tightening Environmental Management

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Environmental, Social and Governance Areas, General Disclosures and Key Performance Indicators (KPIs)		Section
A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Resource Conservation
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	Resource Conservation
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Resource Conservation
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	Resource Conservation
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	Resource Conservation
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Resource Conservation
A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	Resource Conservation
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Resource Conservation
A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Response to Climate Change
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Response to Climate Change

Environmental, Social and Governance Areas, General Disclosures and Key Performance Indicators (KPIs)			Section
Social	B1: Employment		
	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare.	Protection of Employees' Interests Staff Care
	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region	Protection of Employees' Interests
	B1.2	Employee turnover rate by gender, age group and geographical region	Protection of Employees' Interests

Appendixes

Environmental, Social and Governance Areas, General Disclosures and Key Performance Indicators (KPIs)		Section
B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Staff Healthcare and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	Staff Healthcare and Safety
B2.2	Lost days due to work injury	Staff Healthcare and Safety
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Staff Healthcare and Safety
B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Helping Employees Grow
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	Helping Employees Grow
B3.2	The average training hours completed per employee by gender and employee category (e.g. senior management, middle management)	Helping Employees Grow
B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Protection of Employees' Interests
B4.1	Description of measures to review employment practices to avoid child and forced labour	Protection of Employees' Interests
B4.2	Description of steps taken to eliminate such practices when discovered	Protection of Employees' Interests

Environmental, Social and Governance Areas, General Disclosures and Key Performance Indicators (KPIs)		Section
B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
B5.1	Number of suppliers by geographical region	Supply Chain Management
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored	Supply Chain Management
B5.3	Description of practices for indentifying environmental and social risks for each stage of the supply chain, how they are implemented and monitored.	Supply Chain Management
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, how they are implemented and monitored.	Supply Chain Management
B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Innovating the R&D Ecosystem IPR Protection Drug Quality Assurance Improving Customer Service
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Drug Quality Assurance
B6.2	Number of products and service related complaints received and how they are dealt with	Improving Customer Service
B6.3	Description of practices relating to observing and protecting intellectual property rights	IPR Protection
B6.4	Description of quality assurance process and recall procedures	Drug Quality Assurance
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Improving Customer Service

Appendixes

Environmental, Social and Governance Areas, General Disclosures and Key Performance Indicators (KPIs)		Section
B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Compliance Operation
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Compliance Operation
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Compliance Operation
B7.3	Description of the anti-corruption training provided to directors and employees	Compliance Operation
B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Contribution to Social Undertakings
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Contribution to Social Undertakings
B8.2	Resources contributed (e.g. money or time) to the focus area	Contribution to Social Undertakings

Appendixes

2021 Statistical Tables

Environmental data statistics			
Category	Name	Unit	2021
Greenhouse gases	Scope 1: Direct GHG emissions	Tons of carbon dioxide equivalent	60.54
	Density of direct GHG emissions	Tons of carbon dioxide equivalent/ person	0.01
	Scope 2: Indirect GHG emissions	Tons of carbon dioxide equivalent	15,934.33
	Density of indirect GHG emissions	Tons of carbon dioxide equivalent/ person	2.95
	Total GHG emissions	Tons of carbon dioxide equivalent	16,025.26
	Density of total GHG emissions	Tons of carbon dioxide equivalent/ person	2.97
Waste	Discharge of hazardous waste	Ton	564
	Hazardous waste per capita	Ton/person	0.10
	Innocuous waste	Ton	438
	Innocuous waste per capita	Ton/person	0.08
Wastewater	Discharge of domestic Wastewater	m^3	42,300
	Discharge of industrial wastewater	m^3	139,920
COD	/	Ton	12.85
Energy	Electricity	MWh	43.20
	Electricity per capita	MWh/person	0.008
	Heat	KJ	144,857,500,000
	Heat per capita	KJ/person	26,835,402
	Natural gas	0'000 standard m^3	2.80
	Natural gas per capita consumption	0'000 standard m^3/person	0.0005
	Nitrogen total consumption	0'000 standard m^3	16.90
	Oxygen total consumption	0'000 standard m^3	3.30
	Comprehensive energy consumption	Tons of standard coal	4,978.65
	Energy consumption density	Tons of standard coal/person	0.92
	Conversion of electricity for energy consumption	MWh	40,509.74
	Conversion of electricity for energy consumption density	MWh/person	7.50

Appendixes

Environmental data statistics			
Category	Name	Unit	2021
Water consumption	Water Consumption	m^3	649,650
	Water consumption per capita	m^3/person	120.35
Packaging material	Carton	Ton	53.71
	Small box	Ton	27.77
	Total consumption of packaging materials	Ton	81.48
	Packaging material consumption density	Ton/person	0.02

Social data statistics			
Category	Name	Unit	2021
Employee structure	Total number of employees	Person	5,568
Total number of employees/by gender	Male	Person	2,762
	Female	Person	2,806
Total number of employees/by employment type	Full-time employees	Person	5,568
	Part-time employees	Person	0
Total number of employees/by age	30 years old and below	Person	2,867
	31 to 49 years old	Person	2,646
	50 years old and above	Person	55
Total number of employees/by region	Suzhou	Person	2,033
	Beijing	Person	255
	Shanghai	Person	480
	Others	Person	2,800
Total number of employees/by rank	Senior management	Person	53
	Middle management	Person	982
	General staff	Person	4,533
Number of employee turnover/by gender	Male	Person	585
	Female	Person	546
Number of employee turnover/by age	30 years old and below	Person	610
	31 to 49 years old	Person	517
	50 years old and above	Person	4

Appendixes

Social data statistics			
Category	Name	Unit	2021
Number of employee turnover/by region	Suzhou	Person	415
	Beijing	Person	75
	Shanghai	Person	125
	Others	Person	516
Employee turnover rate/by gender	Male	%	21
	Female	%	19
Employee turnover rate/by age	30 years old and below	%	21
	31 to 49 years old	%	20
	50 years old and above	%	7
Employee turnover rate/by region	Suzhou	%	20
	Beijing	%	29
	Shanghai	%	26
	Others	%	18
Work injury and work-related deaths	Number of injured workers	Person	0
	Number of work-related deaths	Person	0
	Number of working days lost due to work injury	Day	52
Total number of trainees/ by gender	Male	Person	2,692
	Female	Person	2,706
Total number of trainees/ by rank	Senior management	Person	53
	Middle management	Person	982
	General staff	Person	4,363
Employee training percentage/by gender	Male	%	100
	Female	%	100
Employee training percentage/by rank	Senior management	%	100
	Middle management	%	100
	General staff	%	100
Total number of hours of employee training/by gender	Male	Hour	147,354
	Female	Hour	136,494
Total number of hours of employee training/by rank	Senior management	Hour	2,343
	Middle management	Hour	53,972
	General staff	Hour	227,533

Appendixes

Social data statistics			
Category	Name	Unit	2021
Average hours of employee training/by gender	Male	Hour	54.74
	Female	Hour	50.44
Average hours of employee training/by rank	Senior management	Hour	44.21
	Middle management	Hour	54.96
	General staff	Hour	52.15
Supplier	Eastern China	Unit	654
	Southern China	Unit	24
	Central China	Unit	18
	Northern China	Unit	113
	North West	Unit	1
	North East	Unit	5
	South West	Unit	10
	Outside China (including Hong Kong, Macau and Taiwan)	Unit	53
Customer complaints	Product and service complaints	Case	45
	Safety and health-related recalls percentage	%	0
Anti-corruption	Number of corruption cases	Case	0
	Anti-corruption trainings	Times	100
	Number of anti-corruption training participants	Person	5,645
	Total training hours of anti-corruption training	Hour	150
	Hours of anti-corruption training per employee	Hour	2.0
Social welfare	Capital investment of public welfare	RMB100 million	2.046
	Time investment of public welfare	Hour	2,768
	Number of volunteers	Person	298

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