药明康德
WuXi AppTec

2022 Environmental, Social and Governance Report

Contents

About this Report

Overview

This report is the fifth environmental, social and governance (hereinafter referred to as "ESG" as appropriate) report issued by WuXi AppTec Co., Ltd. ("WuXi AppTec", "the Company", "we") and reflects the performance of the Company and its subsidiaries in ESG. This report is an annual report covering the work for the financial year from January 1, 2022 to December 31, 2022 (the "Reporting Period"), with some associated information that may be retroactive outside of the Reporting Period.

Reporting Methodology

This report has been prepared in accordance with *Appendix 27 of The Listing Rules-Environmental, Social and Governance Reporting Guide (ESG Guide)* of The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Stock Exchange"). At the same time, the Company's ESG report is prepared in accordance with the guidelines of the Global Reporting Initiative's *Sustainability Reporting Standards 2021 (GRI Standards 2021)*, and aligns with the *United Nations Sustainable Development Goals (SDGs)*. We also take into account the relevant requirements of the *Sustainability Accounting Standards Board (SASB)* and the *10 principles of the U.N. Global Compact (UNGC)*. The report is compiled based on the Company's current level of development and the actual situation of ESG.

Scope and Boundary

The policies and data presented in this report covers the Company and its subsidiaries, which is consistent with the annual report. The currency used in the report is CNY. All the information and data disclosed in the report are based on the Company's statistic report and relevant documents. The board of the directors of the Company (the Board of Directors) is responsible for the truth, accuracy and completeness of the report content and ensures that there are no misrepresentations or misleading statements in the report.

Report Verification

WuXi AppTec commissioned TÜV SÜD Certification and Testing (China) Co., Ltd. to provide independent verification for this report and a verification statement is attached. Please see Appendix V for details.

Report Language

The report is drafted in Chinese and English. In case of discrepancies between the two versions, the English version shall prevail.

Confirmation and Approval

This report was approved by the Board of Directors on March 20, 2023 after confirmation by the ESG Committee.

Message from the Chairman and CEO

Dear Stakeholders,

I am honored to share this year's Environmental, Social and Governance (ESG) Report with you.

At WuXi AppTec, everything we do is driven by our commitment to enabling innovation for a healthier world. As the world continues to face uncertainties related to the COVID-19 pandemic and other global health challenges, collaboration and commitment to patients unite us all in these evolving times. Over the past year, we remain focused on leveraging our robust supply chain network to support our more than 5,950 customers' lifesaving work, including COVID-19 therapeutics. We also remain committed to prioritizing the health, safety and well-being of our employees, customers, suppliers, and partners. I am very proud of what we have achieved together.

In 2022, we continued to integrate ESG priorities in all aspects of our business operations. We increased investments in eco-conscious technologies, including green chemistry, so that we can grow our business sustainably; we reduced our carbon emissions intensity by 17.3%, energy consumption intensity by 19.0%, and water consumption intensity by 23.4%; and our various global forums and philanthropic initiatives have become meaningful ways for us to connect and give back to the community and patients around the world. I am deeply grateful for our partners and their collaboration on many of these initiatives.

As a result of our efforts, WuXi AppTec has been recognized for our ESG progress and impacts over the past year. We were included in the 2022 Dow Jones Sustainability World Index and the Dow Jones Sustainability Emerging Markets Index, ranked by Sustainalytics in the Top top 2% in the global pharmaceutical industry with a "Low Risk" rating, received a leadership level of "A-" in the CDP Climate Change rating, and reaffirmed in our "AA" ESG rating by MSCI. They are a testament to our employees' commitment to sustainabillity. We look forward to continue building on this foundation moving forward.

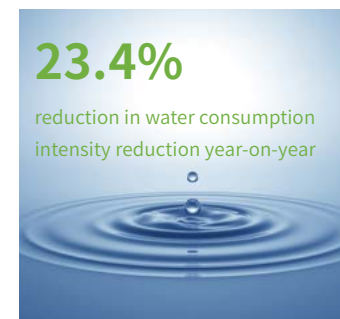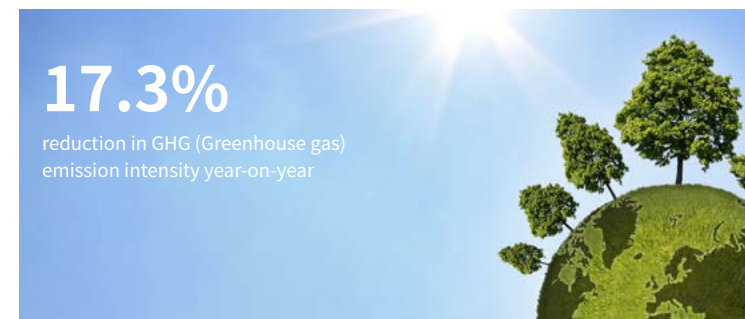I invite you to read this report to learn more about our ESG work and vision. As we continue to advance our sustainability strategy, we take pride in embracing our responsibilities to our stakeholders, the communities where we work, and our world. Together, we can build towards a healthy and sustainable future where "every drug can be made and every disease can be treated."

Ge Li, Ph.D.
Chairman and CEO of WuXi AppTec

2022 Performance and Highlights

27 audits conducted on business ethics

100% passed regulatory authority inspections and clients' audits with no major findings

44,361 employees in total

54% female employees

73% main operation sites obtained **ISO 45001** Occupational Health and Safety Management System certification

1,503,314CNY for global philanthropy

87% of main operating sites obtained the **ISO/IEC 27001** Information Security Management System certification

No major findings from clinical research system audits

95% customer satisfaction rate

17.3% reduction in GHG (Greenhouse gas) emission intensity year-on-year

Revenue increased by **71.84%**

70 key suppliers participated in ESG audits

19.0% reduction in energy consumption intensity reduction year-on-year

23.4% reduction in water consumption intensity reduction year-on-year

73% main operating sites obtained **ISO 14001** Environmental Management System certification

2022 ESG Honors

MSCI

Received AA rating for a second consecutive year

Sustainalytics

Evaluated as"Low Risk" in 2022

2022 "ESG Industry Top Rated" Company

DJSI

Included in the 2022 Dow Jones Sustainability World Index

Included in the 2022 Dow Jones Sustainability Emerging Markets Index

CDP

"A-" in the CDP Climate Change rating
2022 CDP "Environmental Leadership Award"

EcoVadis

Three sites from WuXi AppTec received EcoVadis Silver Awards for Business Sustainability Rating

About
WuXi AppTec

Our Business

Our Governance

Our Stakeholders

About WuXi AppTec

As a global company with operations across Asia, Europe, and North America, WuXi AppTec provides a broad portfolio of research and development (R&D) and manufacturing services that enable the pharmaceutical and healthcare industry around the world to advance discoveries and deliver groundbreaking treatments to patients. Through its unique business models, WuXi AppTec's integrated, end-to-end services include chemistry drug CRDMO[1], biology discovery, preclinical testing and clinical research services, and cell and gene therapies CTDMO[2], helping customers improve the productivity of advancing healthcare products through cost-effective and efficient solutions. During the Reporting Period, WuXi AppTec's open-access platform is enabling more than 5,950 active customers from over 30 countries to improve the health of those in need–and to realize the vision that "every drug can be made and every disease can be treated."

Our Business

Our business divisions and specialties include WuXi Chemistry, WuXi Testing, WuXi Biology, WuXi ATU[3], and WuXi DDSU[4]. This integrated, open-access platform helps our customers lower the barriers of development and expedite their delivery of new medicines to patients globally.

Revenue increased by	Net profit attributable to the owners of the Company increased by
71.84%	**72.91%**

Capacity and Capabilities Enhancement

Our principle of "enabling innovation" plays a significant part in the way we design, offer and deliver our services, enabling us to deploy our latest know-how and capabilities whenever possible to fulfill our customers' demands and empower them to transform ideas into reality. In the past few years, with the continuous emergence of new technologies, new mechanisms of action and new therapeutic modalities, the global healthcare industry has developed rapidly. Looking forward, we will continue to invest in building new capabilities related to new modalities, to capture new business opportunities and help our global partners to bring ground-breaking medicines and treatments to patients in need. Our global capacity expansion is in progress to support strong future growth. We will continue to invest 9-10 billion CNY annual capital expenditure in 2022-2024 to maintain high growth momentum.

Business Segments	New Modalities Business Highlights	Capabilities					
		Nucleic Acid-Based Modality (Oligo/RNA/ASO)	Peptide	Novel Small Molecule / Target Protein Degradation	Novel Antibody and Conjugated Modality	Cancer Vaccine / Protein / Oncolytic Virus / CRISPR	Cell and Gene Therapies
WuXi Chemistry	· Triple revenue to CNY 1.5 billion · Double growth for oligo & peptide D&M clients and molecules	✓	✓	✓	✓		
WuXi Testing	· Revenue grew ~60% YoY · Number of projects grew >70% YoY	✓	✓	✓	✓	✓	✓
WuXi Biology	· Revenue grew >70% YoY · Revenue contribution to WuXi Biology rose from 14.6% in 2021 to 20.5%	✓	✓	✓	✓	✓	✓
WuXi ATU	· 67 projects from pre-clinical to Phase III stage, and 2 projects just filed for BLA						✓
WuXi DDSU	· 15 projects in pre-clinical stage, and multiple projects expected to file IND in 2023	✓	✓	✓	✓		

*Data coverage of the table above: First to third quarter of 2022

Our Governance

Our Commitment

Sound governance structure is widely regarded as a cornerstone of sustainable corporate development. WuXi AppTec is committed to promoting accountability of the Board and our senior management, and increasing corporate transparency through the responsible corporate governance that is derived from our values. We believe that corporate governance best practices can provide accountability, protect the rights and interests of shareholders and enhance corporate value.

Corporate Governance

In our corporate governance structure, four committees have been established under the Board of Directors, i.e., the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee, and the Strategy Committee. As the core structure of corporate governance, the Board of Directors oversees our management, formulates strategy and supervises its implementation, inspects the Company's operational and financial performance, and ensures a well-established system of internal controls and risk management. Specific matters are delegated to the four committees for detailed attention on operation and management. All stakeholders can download the terms of reference for the Board of Directors and committees from the Hong Kong Stock Exchange website or access the *WuXi AppTec Co., Ltd. Articles of Association* from our website.

To continuously promote compliance, we enhance professional skills, and update legal and regulatory documents routinely for the Directors. All Directors are also encouraged to participate in compliance trainings covering corporate policies, codes of conduct, operating rules in the securities market, etc. During the Reporting Period, the Board of Directors have attended 29 compliance training sessions.

Board of Directors

- Audit Committee
- Remuneration and Appraisal Committee
- Nomination Committee
- Strategy Committee
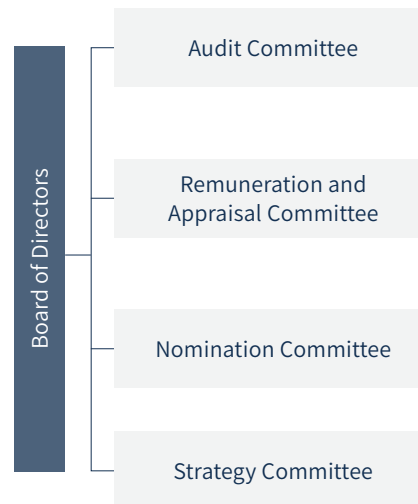
Board Diversity

We believe that diversity adds value to the Board by infusing various perspectives and experiences and leading to better decisions. The *Board Diversity Policy* has been established together with our *WuXi AppTec Co., Ltd. Articles of Association* and other related regulations to build a diverse Board. When selecting board members, we recruit for excellence and diversity. A range of diversity metrics (including but not limited to gender, age, cultural background, and ethnicity) are incorporated into the selection criteria. Factors such as educational background, professional experience, skills, knowledge, and length of service are weighted and balanced.

At the end of the Reporting Period, our Board of Directors was composed of six executive Directors, two non-executive Directors, and five Independent non-executive Directors, with two seats held by female Directors. All current 13 Directors are experienced professionals specializing in biological science, chemistry, risk management, accounting, law, etc. Approximately half of our Directors hold doctoral degrees.

Background of the Board
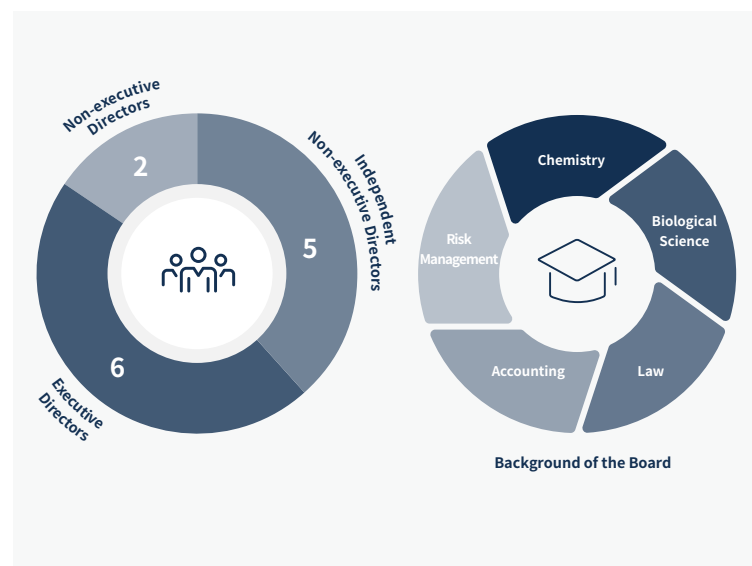
Type	Name	Gender	Tenure	Expertise			
				Industry Professionals[5]	Risk Management	Accounting	Law
Chairman, Executive Director, Chief Executive Officer	Ge Li	Male	5	✓			
Executive Director, Vice Chairman, Global Chief Investment Officer	Edward Hu	Male	5	✓		✓	
Executive Director, Co-chief Executive Officer	(Steve) Qing Yang	Male	2	✓			
Executive Director, Co-chief Executive Officer	Minzhang Chen	Male	1	✓			
Executive Director, China Chief Operating Officer, Executive Vice President	Zhaohui Zhang	Male	5	✓			
Executive Director, Senior Vice President	Ning Zhao	Female	5	✓			
Non-executive Director	Xiaomeng Tong	Male	5			✓	
Non-executive Director	Yibing Wu	Male	5		✓		
Independent Non-executive Director	Jiangnan Cai	Male	5	✓	✓	✓	
Independent Non-executive Director	Yan Liu	Female	5				✓
Independent Non-executive Director	Hetong Lou	Male	5			✓	
Independent Non-executive Director	Xiaotong Zhang	Male	5				✓
Independent Non-executive Director	Dai Feng	Male	4	✓			

Risk Management

We believe that good corporate governance practices are vital for risk management. Governance includes broad risk oversight by the Board and its committees. The Board has delegated primary responsibility for the oversight of risks that we face to the Audit Committee of the Board of Directors. The Audit Committee reviews the internal control policy regularly, supervises the internal audit policy and its effectiveness, and evaluates the work of external audit institutions. The heads of business units report to the Board of Directors on short to long term financial performance and goals, and assess portfolio growth opportunities and potential emerging risks. At the same time, the Board of Directors has delegated other committees (such as the ESG Committee) to carry out risk management in their areas of expertise.

In our regular risk identification and assessment process, risk owners identify all major existing or potential risks in the areas of compliance, operations and business continuity, according to the nature of the business and experts' opinions, and determine the management priorities based on the impact and likelihood. We authorize internal departments and external consultants to supervise key risk management and conduct audits. We also incorporate key performance indicators (KPIs) of risk management into individual performance review to ensure its effectiveness.

We have a company-wide risk management platform in place to register all the risk incidents into the platform to ensure the traceability and operability of risk management. The lessons learned could enhance our risk awareness and also be shared within the Company. We have developed a series of risk management procedures at the site

level and delegated the responsibilities of overall risk control to at least one person in every department. In addition, various risk response drills are conducted on a regular basis and a recovery plan is in place to ensure seamless execution of emergency response measures and successful risk control. We implement our corporate risk control strategy and designate back-up operation sites with similar manufacturing and development functions under certain circumstances to guide the business activities.

With a focus on emerging risks and existing risks, we supervise the implementation of risk management solutions by the relevant committee, and test the effectiveness of risk management under extreme scenarios using stress testing[6], cross testing, etc. to identify problems and make corresponding improvements. In addition, risk owners will conduct research on new regulations and policies, and will consult external experts for interpretation and training to ensure compliance and mitigate the risks to an acceptable level.

WuXi AppTec involves employees in the construction of risk management culture, and establishes a culture of responsibility, integrity and honesty. We conduct regular risk management trainings and audits across relevant departments. In addition, we offer recognition, rewards and promotion to employees who make significant contributions in risk identification and management.

Business continuity management is an important part of comprehensive risk management. With a robust governance structure, WuXi AppTec has developed a solid Business Continuity Plan (BCP) and established company- and site-specific business continuity policies to ensure that business continuity management is integrated into all aspects of our work. We regularly conduct business continuity risk assessments and develop contingency and recovery strategies based on risk levels, covering compliance (please see chapter *"Being A Responsible Citizen"* for details), information security (please see chapter *"Information Security and Protection"* for details), supply chain (please see chapter *"Supply Chain Management"* for details), employee safety (please see chapter *"Our Workplace"* for details), etc., to increase our business resilience and provide sustained support that will contribute to our customers.

Our Stakeholders

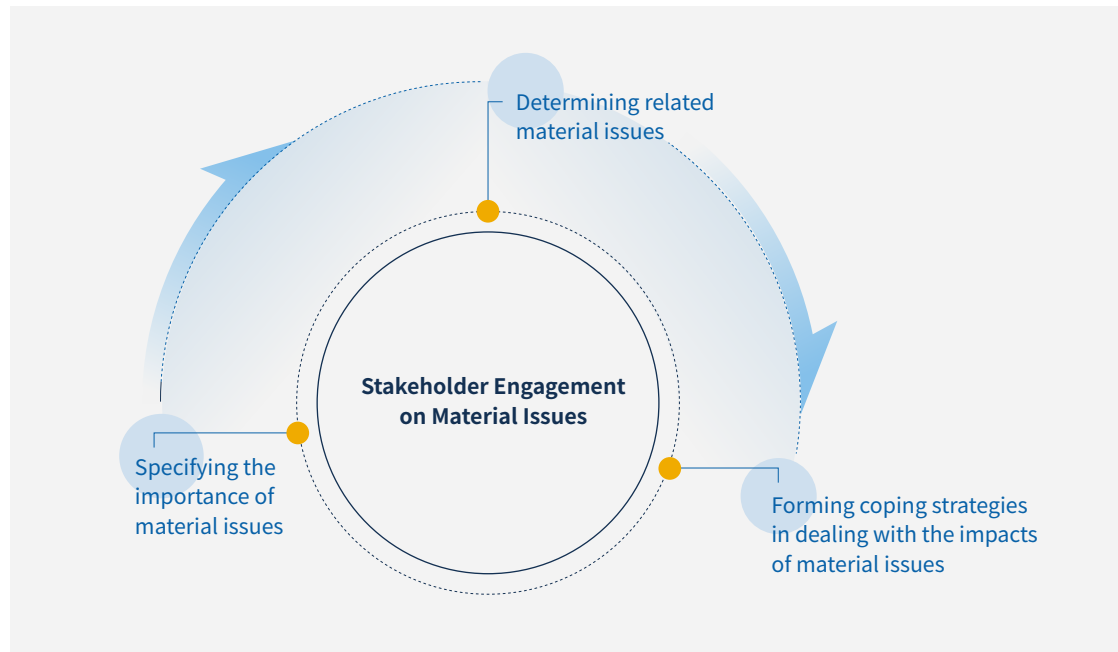## Stakeholder Identification

WuXi AppTec is committed to being a responsible corporate citizen who continues to bring value and positive impact to society. We highly value our stakeholders and treat their expectations as an important element in formulating our ESG strategy and management. After identifying our businesses and operations and analyzing industrial experience and practice, our key stakeholders have been identified as government and regulators, customers, shareholders and investors, employees, contractors, suppliers, partners, local communities and the general public, and the natural environment. In addition, we have established communication channels for stakeholders to express questions or concerns.

Categories	Stakeholders	Issues of interest	Communication channels and mechanisms
Government and Regulators	Ministries, local government, securities supervision and regulatory agency, agencies in market supervision, emergency management, ecological environment, taxation, customs, etc.	Emissions management Contribution to community Anti-corruption Climate change Energy management Environmental management Resources management Health popularization	Organization visits Official document exchange Policy implementation Information disclosure
Customers	Health care industry companies, start-ups, research institutions, scientists, entrepreneurs, hospitals and doctors in the healthcare industry	Intellectual property protection Information security and protection Quality management and service guarantee Anti-corruption Responsible marketing Sustainable procurement	Customer audits Technology seminars Customer service hotline Customer satisfaction surveys

Categories	Stakeholders	Issues of interest	Communication channels and mechanisms
Shareholders and Investors	Investors and institutions that invest in the Company's equity and debt, and rating institutions	ESG strategy and management Risk management Capacity and capabilities enhancement	Shareholders' meetings Information disclosure Roadshows
Employees	The Company's employees	Employee development Compensation, benefits and well-being Occupational health and safety (OHS) Diversity and inclusion (D&I)	Policy releases Management meetings and employee meetings Internal online communication platform Employee trainings Employee activities Employee Management Committee
Contractors	On-site contractors	OHS Resources management	On-site communications Contractor trainings
Suppliers	Suppliers of raw materials (such as experimental reagents) and equipment	Sustainable procurement	Supplier assessments Supplier communications and trainings
Partners	Industry associations	Industry-wide collaboration	Routine communications and visits Industrial forums
Local Communities and the General Public	The communities where the operations are located, non-governmental organizations, social groups, media, etc.	Community relations Health popularization	Volunteer services Community events Visits and interviews
Natural Environment	Natural environment that is impacted by our business operations	Emissions management Climate change Energy management Environmental management Resources management	Regular inspections and monitoring

Stakeholder Engagement

We value the viewpoints of stakeholders in improving our public response to the key risk factors which impact our business development. We strive to forge better relations with our stakeholders through proactive and regular dialogues and cooperation. Through our communication channels, including online and offline meetings, face-to-face interactions, interviews and opinion surveys, feedback is collected to develop relevant improvement actions.

Determining related material issues

Stakeholder Engagement on Material Issues

Specifying the importance of material issues

Forming coping strategies in dealing with the impacts of material issues

To improve information transparency and facilitate communications with our stakeholders, relevant materials such as financial reports and announcements are regularly updated on our company website[7]and other official channels. The *WuXi AppTec Information Disclosure Policy* has been designed to standardize the public information access process.

Materiality Assessment

We fully recognize the significance of the impact of environmental, social and economic to the Company and stakeholders, and are actively identifying and prioritizing various material issues. The ESG Committee is authorized by the Board of Directors to sign off the results of the annual review. We integrate ESG risk management related to each material issue into the Company's risk management process and keep improving our management to ensure that negative impact of materiality on stakeholders is minimized and their interests are fully protected.

During the Reporting Period, we have identified and summarized 21 ESG priority issues with reference to the _ESG Guide_ published by the Hong Kong Stock Exchange and the _GRI Standards 2021_, following the principle of double materially and taking into account the materiality on financial performance and impact of each issue. The impact analysis of the viewpoint survey has been prioritized and resulted in the materiality assessment after combining the input from specialists, referencing peer performance and seeking feedback from our management, investors and employees. The 21 prioritized issues are categorized into five groups including Corporate Governance and Ethical Operation, Products and Services, Employees, Environment, and Community, and a materiality matrix has been formulated. No modification has been made to the materiality list compared to last year.

Identify materiality

The material issues are identified according to the changes in the internal and external environment. We refer to the information from social media and industry organization while consulting stakeholders about the insights.

Prioritize materiality

We rank the material issues identified based on experts' suggestion, peer experiences, feedback from our management, investors and employees. We also weigh the severity, likelihood of occurrence and mitigation capability of both negative and positive impacts led by material issues to determine each issue's significance

Approve materiality

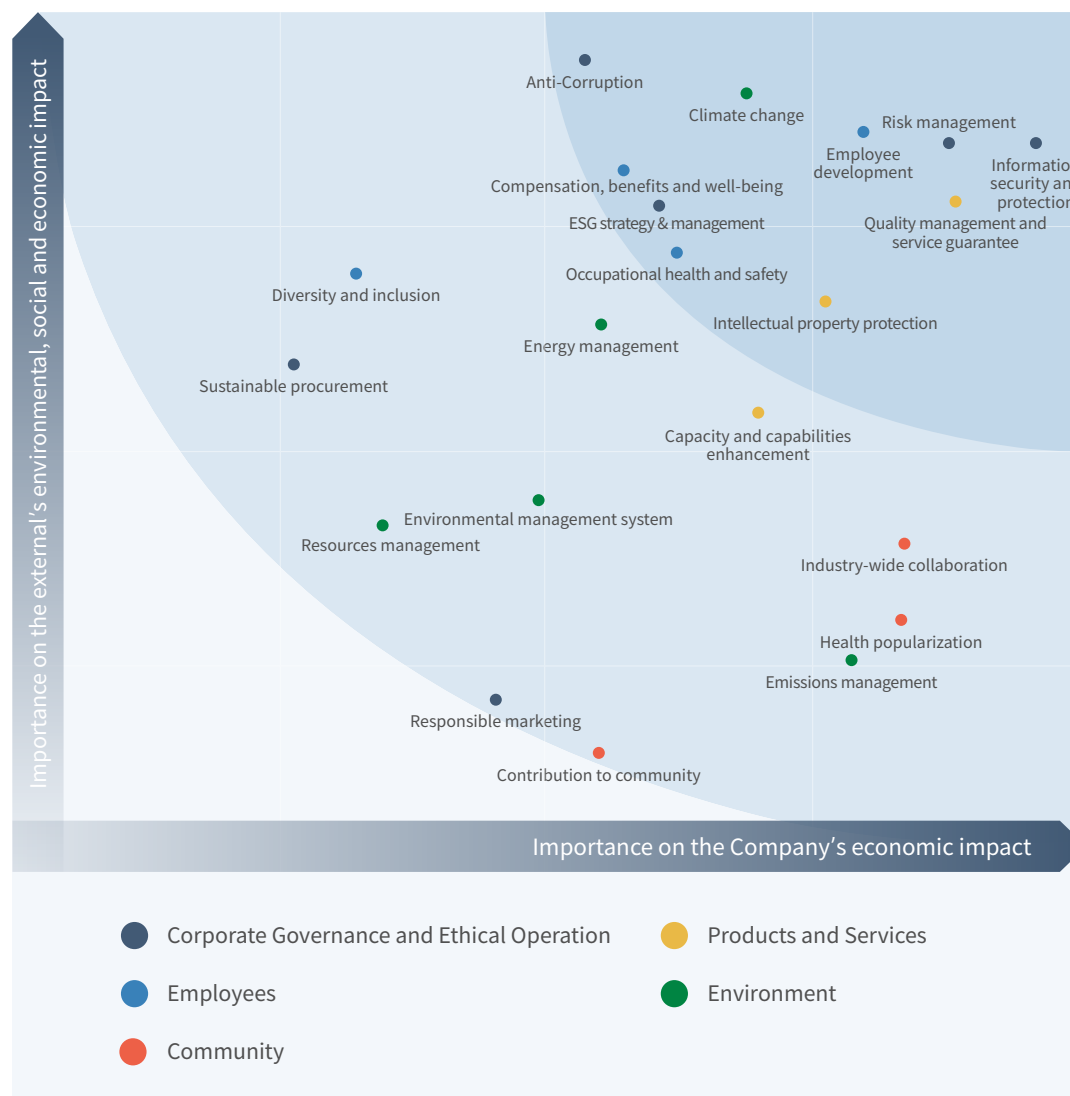The materiality matrix is approved and reviewed regularly by the Board of Directors.

Manage materiality

To avoid and mitigate the negative effects while expanding the positive impacts of material issues, we regularly review and improve our internal management system to ensure its effectiveness.
Internal and external stakeholders' opinions are also intergrated while formulating the mitigation plan.

For each material issue of high importance identified, we have examined the corresponding impacts relevant to our internal and external stakeholders.

Category	Materiality with high importance	Materiality with medium importance
Corporate Governance and Ethical Operation	Anti-corruption Information security and protection Risk management ESG strategy & management	Sustainable procurement Responsible marketing
Products and Services	Quality management and service guarantee Intellectual property protection	Capacity and capabilities enhancement
Environment	Climate change	Energy management Environmental management Resources management Emissions management
Employees	Employee development Compensation, benefits and well-being Occupational health and safety	Diversity and inclusion
Community	/	Industry-wide collaboration Health popularization Contribution to community

Importance on the external's environmental, social and economic impact

Importance on the Company's economic impact

- Anti-Corruption
- Climate change
- Risk management
- Employee development
- Information security and protection
- Compensation, benefits and well-being
- ESG strategy & management
- Quality management and service guarantee
- Occupational health and safety
- Diversity and inclusion
- Intellectual property protection
- Energy management
- Sustainable procurement
- Capacity and capabilities enhancement
- Environmental management system
- Resources management
- Industry-wide collaboration
- Health popularization
- Emissions management
- Responsible marketing
- Contribution to community

● Corporate Governance and Ethical Operation   ● Products and Services
● Employees   ● Environment
● Community

ESG Strategy & Management

ESG Strategy

ESG Governance Structure

Board of Directors ESG Statement

ESG Strategy

As society is facing increased environmental and social challenges such as climate change, health crisis, and poverty, WuXi AppTec is highly aware of these challenges and is dedicated to acting as a responsible corporate citizen. While ensuring the steady growth of our business, we also aspire to contribute to the well-being of humankind. We aim to build the most comprehensive capability and technology enabling platform in the global healthcare industry to lower the barriers of R&D, and expedite the discovery and development of new medicines for patients around the world, while striving to develop sustainably and to enhance long-term values for our employees, customers, and communities. Our ESG strategy is also aligned with the _United Nations' Sustainable Development Goals (SDGs)_. Our ESG priorities and commitments are demonstrated as follows:

Our Vision

"Every drug can be made and every disease can be treated" by building an open-access platform with the most comprehensive capabilities and technologies in the global healthcare industry.

Our Mission

Continue building an open-access capability and technology platform to enable anyone and any company to discover and develop pharmaceuticals and healthcare products to benefit patients.

Our ESG Value

Benefiting global patients by building an enabling platform to empower customers around the world to develop new drugs. Work with all sectors to promote social and environmental sustainability through responsible operations.

Sustainability Strategy

Priority topics	Goals and commitments	Our actions	Link to SDGs
Being a responsible citizen	· Assess and address major business ethical risks. · Uphold high standards of business ethics in supply chain management, clinical research, and in overall business interactions. · Maintain a 100% signature rate of the Integrity Behaviors Requirements by WuXi AppTec management.	· Under the oversight of the Board, we thoroughly implemented the *Code of Business Conduct* that covers a wide range of business ethics practices, and provided ongoing training related to ethical standards to all employees, including part-time employees and contractors. 100% of our management signed the Integrity Behaviors Requirements. · To further strengthen our business ethics management, internal and external audits were conducted, and we maintained an effective whistleblowing channel.	3 GOOD HEALTH AND WELL-BEING 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Supporting our customers	· Provide quality, reliability, and value in our products and services with a commitment to continual improvement and meeting regulatory requirements and customer expectations. · 100% of our key suppliers participated in an ESG training and audit.	· We developed and followed our quality management system covering our quality management system across the full product life cycle and incorporating the principle of "Put Customers First" to our work to deliver trusted service. · We are committed to working with suppliers to build transparent and robust responsible sourcing relationships and to conduct ESG training and audits for all key suppliers.	3 GOOD HEALTH AND WELL-BEING 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Protecting our planet	· Achieve 25% GHG emission intensity reduction by 2030 compared to the 2020 baseline, · Achieve 25% energy consumption intensity reduction by 2030 compared to the 2020 baseline. · Achieve 30% water consumption intensity reduction by 2030 compared to the 2020 baseline. · Strive to be landfill free for all productive hazardous waste by 2030.	· Optimize energy efficiency and reduce GHG emissions through the perspective of overall energy management, technology upgrade and innovation and procurement of green electricity. · We strive to reduce water usage and promote water reuse. · We strive to avoid landfilling hazardous waste and adopt green chemistry to reduce generation of hazardous waste at the source.	6 CLEAN WATER AND SANITATION 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION
Empowering our community	· Promote an equal and fair working environment for all staff within our operations, throughout hiring, career development, and promotion. · Put no harm to employees as priorities. · Launched a new program to build 3,000 health stations in 2022 to 2024.	· We proactively create a supportive and health workplace for our employees through the career development of their employment and positively impacting our communities in four areas where we have the most capabilities and resources and can meaningfully contribute to creating social impacts.	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH

ESG Governance Structure

Enabled by our ESG Committee that supervises relevant strategies, policies, and performance, our ESG strategy is effectively integrated into each department and key business process. Following the *ESG Committee Charter* *(hereinafter referred to as* the *Charter)*, the Committee reports to the Board of Directors regularly. The *Charter* details the constitution, reporting procedures, responsibilities and permissions as well as authority and powers of our ESG Committee, providing policy guidance for ESG oversight, implementation, and development. In order to implement the Committee's plans, we established an ESG office that is supported by departmental working groups to conduct ESG activities.

Board of Directors

ESG Committee

- · Supervise the formulation of the Company's ESG vision, strategies, and policies
- · Supervise the implementation of the Company's ESG vision and strategies
- · Supervise the expenditure on ESG work
- · Supervise ESG external communication policies
- · Other responsibilities

ESG Office and Working Team

- · Assist the ESG Committee with formulating the Company's ESG vision, strategies, policies, and ESG management goals
- · Collect, report and disclose ESG performance with indicators and initiatives
- · Promote the implementation of ESG projects and build the Company's exclusive ESG brand

Relevant Department

- · Jointly responsible for the implementation of relevant policies and programs to achieve the ESG goals

To monitor and review ESG strategy implementation, we regularly hold committee meetings to review ESG priorities and progress. During the Reporting Period, we organized four ESG Committee meetings, during which we reviewed and reflected on our new ESG policies, materiality assessment and the progress toward our environmental targets for energy comsumption, carbon emissions, waste management, and water comsumption, along with other material ESG issues. Additionally, we provided ESG training to all employees so they can better understand how our ESG strategies are incorporated into day-to-day operations.

The effectiveness of our ESG strategies is demonstrated through defined indicators that have been verified by an independent third-party to ensure completeness and accuracy. Since 2019, we have incorporated ESG performance indicators into the compensation system of relevant senior management teams. Guided by our internal policies, their contributions to our ESG commitments and progress are assessed annually and recognized with incentives.

Board of Directors ESG Statement

Responsibilities of the Board of Directors

The Board of Directors is responsible for directing, monitoring, and reviewing WuXi AppTec's environmental, social, and governance-related work, and authorizes the ESG Committee to manage ESG-related strategies, targets-setting, policies-making, and overall implementation. The ESG Committee is composed of a minimum of four members, including a minimum of one executive. The members of the ESG Committee are nominated by the Chairman and elected by the Board of Directors.

ESG Transaction Execution

The ESG Committee shall meet at least four times a year to discuss and review the ESG objectives, performance, and emerging ESG trends. The Committee also coordinates company resources to support relevant ESG plan implementation and reports any proposed action plans to the Board for approval.

At the implementation level, WuXi AppTec's ESG office and ESG working group jointly coordinate the engagement of all relevant departments and assure the effective implementation of relevant policies and objectives. Day-to-day management of the Company's ESG affairs is delegated to the ESG office by the ESG Committee. To improve the Company's ESG performance, the ESG Committee also grants necessary authority to the ESG working group to perform the relevant duties and implement our sustainability strategy in the daily work of each functional department.

ESG Risk Management

In order to effectively prevent and control potential risks that may hinder the sustainable development of WuXi AppTec, the Board of Directors leads and guides the management of daily operations, monitors the operational and financial performance by formulating strategy and regularly monitoring its implementation, and ensures that the Company has a sound internal control and risk management system in place for effective implementation of the ESG strategy.

Priority ESG Topics

WuXi AppTec identifies, evaluates and follows up on the key ESG focus issues raised by our stakeholders. We have established stable and transparent communication channels and feedback mechanisms with various stakeholders and have authorized an independent third party to conduct a materiality assessment every two years to further understand the concerns and expectations of the stakeholders. During the Reporting Period, based on the ESG issues that our stakeholders are focusing on, the ESG Committee ranked their priority and urgency through workshops and finalized WuXi AppTec's 2022 ESG key issues, ESG goals and commitments, and the related content to supervise and manage accordingly.

Being A Responsible Citizen

As a responsible business, we serve the long-term interests of our stakeholders, and act with integrity and high ethical standards. Our sustainable development is solidified by integrating our company values, regulatory requirements, external initiatives, international guidelines, and customer expectations.

Anti-Corruption

Ethics in Research and Development

Information Security and Protection

Why It Matters

"Adhering to ethical business standards means fully protecting the rights and interests of all stakeholders and providing a transparent and reliable environment for internal and external partners to conduct business activities. This is not only the basic responsibility of every company, but also the cornerstone of a thriving industry.

As one of WuXi AppTec's core values, integrity serves as a guideline for everything we do. Since our founding, we have pursued best practices for ethical business conduct, going above and beyond compliance requirements. We strictly adhere to applicable laws and regulations and prohibit any unlawful conduct. In addition, we foster an ethical business culture that encourages every employee and all our partner to act with integrity and advocates for continuous improvement."

Sustainable Development Goals

3 GOOD HEALTH AND WELL-BEING

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Our Governance

To reinforce awareness and accountability at all levels of our daily operations, our Board of Directors authorizes the ESG Committee to oversee the Company's business ethics compliance program. Functional departments are responsible for risk assessment, standards and policy development, audits, investigations, and improvements related to business ethics. We have also established an independent Compliance Department that reports to the Audit Committee. It oversees the Company's internal policies development, evaluates the effectiveness of our internal controls and supports the continuous improvement of our compliance management system.

Our Approach

Our *Code of Business Conduct*, approved by the ESG Committee, provides the overarching ethical requirements and guiding principles for our employees (including part-time employees), board members, suppliers, contractors, partners, as well as those affiliated with our subsidiaries. We take a zero-tolerance approach against business ethics violations, and corresponding disciplinary actions will be taken to address any confirmed misconduct. To ensure the implementation and effectiveness of the *Code of Business Conduct*, we have implemented a series of management initiatives to actively manage any potential business ethics risks in our operations.

Key business ethics initiatives:

- Conduct annual compliance training and examination for all employees (including part-time employees) and contractors
- Integrate indicators of business ethics into employee performance and remuneration
- Regularly review and update our *Code of Business Conduct* to ensure its effectiveness and implementation
- Conduct audits of business ethics across all business lines, along with supplier audits, annual external audits, and internal audits
- Develop and implement continual enhancement plans based on audit results

2022 Performance

- **99.49%** training completed on business ethics and anti-corruption
- **27** audits conducted on business ethics
- **No major findings** from clinical research system audits
- **87%** of main operating sites obtained the ISO/IEC 27001 Information Security Management System certification

Please see *Performance Table* for details

Our Culture of Business Ethics

We engage employees of all levels in building an ethical business culture. This begins at the top, and all leaders and managers are expected to create and maintain a workplace where responsible behaviors and conduct are upheld and encouraged. To ensure that this ethical culture permeates through all levels of the Company, trainings and communications on our ethical standards are provided for all personnel, including part-time employees and contractors.

Our training courses are also designed to be role-specific, and all employees are required to pass the compliance course. Our training materials are translated into the local official languages of our sites to ensure that our ethical standards are understood by all.

Put Customers First
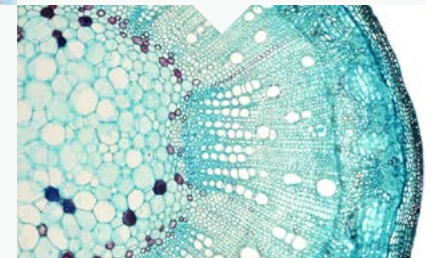
Strive for Excellence

Demonstrate Integrity

Execute for Results

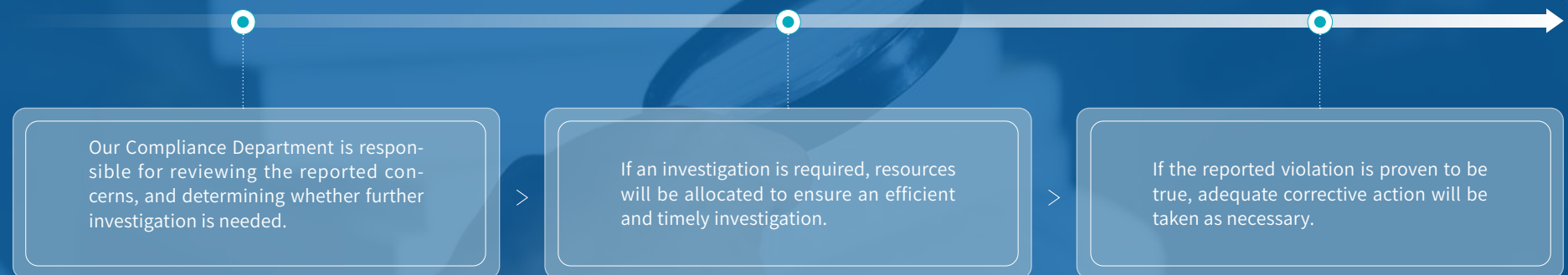**Embrace Change and Innovation**

Pursue Collaboration and Teamwork

Our Reporting and Investigation System

Another key aspect of our ethical culture is our unwavering commitment to build an "open door" environment where reporting channels are well-maintained. Our employees are encouraged to speak up and report misconduct or concerns that contradict our ethical standards or violate laws, and the identities of the whistleblowers are protected from potential retaliation.

To maintain an effective reporting mechanism, our *WuXi AppTec Report and Investigation Policy clearly* defines our reporting requirements, scope, investigation process, and whistleblower protection measures. To encourage employees to speak up with ease, reporting can occur anonymously through various open and transparent channels. We have established an online platform for the employees and those who deal with the Company to raise any concern on non-compliance to the Audit Committee and Compliance Department in an anonymous and confidential manner. In addition to our self-run reporting channel, WuXi AppTec also involves third-party agencies to receive and handle reports, which ensures independence and fairness in handling.

| Our Compliance Department is responsible for reviewing the reported concerns, and determining whether further investigation is needed. | If an investigation is required, resources will be allocated to ensure an efficient and timely investigation. | If the reported violation is proven to be true, adequate corrective action will be taken as necessary. |

The Investigation Process of Reported Concerns

We also have a strict non-retaliation policy in place to prohibit retaliation against anyone who voices concerns. Senior management is accountable for the implementation of the policy and the formation of an open and inclusive environment, which ensures that no one is subject to retaliatory actions such as discrimination and unfair judgment on job performance.

Measures to prohibit retaliation:

- Our reporting website and hotline do not track the phone number or identification of the whistleblowers.

- Conversations and investigations regarding the reports occur privately with the whistleblowers.

- A person who experiences retaliation can report it to our investigations team, and disciplinary actions are taken for concerns that can be substantiated.

Anti-Corruption

Our Commitment

Anti-corruption is at the forefront of all of our interactions. We strictly prohibit any form of bribery and corruption and hold our business partners to the same high standards. We fully comply with the anti-corruption laws of every country and region in which we operate.

Management Approach

Our *Code of Business Conduct* includes detailed requirements on anti-corruption for both our employees and business partners. Additionally, we have devised formal policies including the *Anti-Corruption Policy of WuXi AppTec* and the *WuXi AppTec Integrity Requirements and Code of Conduct for Management* that are consistent with relevant laws and regulations covering all employees. These internal policies explicitly prohibit bribery, illegal kickbacks, and non-compliant business gifts etc., and provide further details and operating guidance on acceptable behaviors and approval procedures for employees and management. We also require all management to sign the *WuXi AppTec Integrity Requirements and Code of Conduct for Management* to reinforce their responsibility and accountability for upholding these standards. During the Reporting Period, the signature rate of the *WuXi AppTec Integrity Requirements and Code of Conduct for Management* by WuXi AppTec management was 100%.

Every year, the Internal Audit Department reviews our internal control system to detect and mitigate any risk of bribery and corruption. The department reports directly to the Audit Committee on such risks, breaches, and their mitigation measures. The internal audit workflow starts with self-inspection at departmental level. Corruption risks are identified and assessed specifically to the nature and business operations of each department or location, while also taking into account information reported by whistleblowers and results from the Conflict of Interest Declaration Forms that our employees are required to fill out. An annual internal audit is conducted by the Internal Audit Department within all operations to validate the effectiveness of our anti-corruption policies and compliance system. Based on the audit results, we continuously improve our systems and policies, and report to the Audit Committee on the progress of implementation.

Third-party audits are conducted every year to provide an independent review of the Company's business ethics in accordance with *The Basic Standard for Enterprise Internal Control* (Company Sarbanes-Oxley Act, C-SOX). In addition, we have set up strict due diligence procedures requiring our business partners to identify potential business ethics-related risks (including bribery, illegal profits, theft of trade secrets etc.) in the supply chain, mergers and acquisitions, and other business processes, and rectify the investigation findings in a timely manner.

During the Reporting Period, we had no major lawsuits[8] regarding corruption or unfair competition.

Trainings and Communications

During the Reporting Period, we provided training on anti-corruption and conflict of interest for all employees to reinforce our internal policies and enhance awareness. In addition to training, we clearly communicate our anti-corruption policies and procedures to all employees on a regular basis, via various forms including emails and our intranet pages. We also provided dedicated training on anti-corruption and anti-bribery for board members, ensuring that they have the capacity to handle different ethical risks and meet all compliance requirements.

2022 Anti-corruption and Compliance Training for Board Members

In December 2022, we partnered with an external organization to offer anti-corruption and anti-bribery training for all board members. The training introduced the current anti-corruption landscape, such as the *U.S. Foreign Corrupt Practices Act (FCPA)* and the *UK Bribery Act*, and their implications to company's anti-corruption risk management, ensuring that management are informed about the global regulatory system and the latest risk management practices.

WuXi AppTec conducted

27 audits

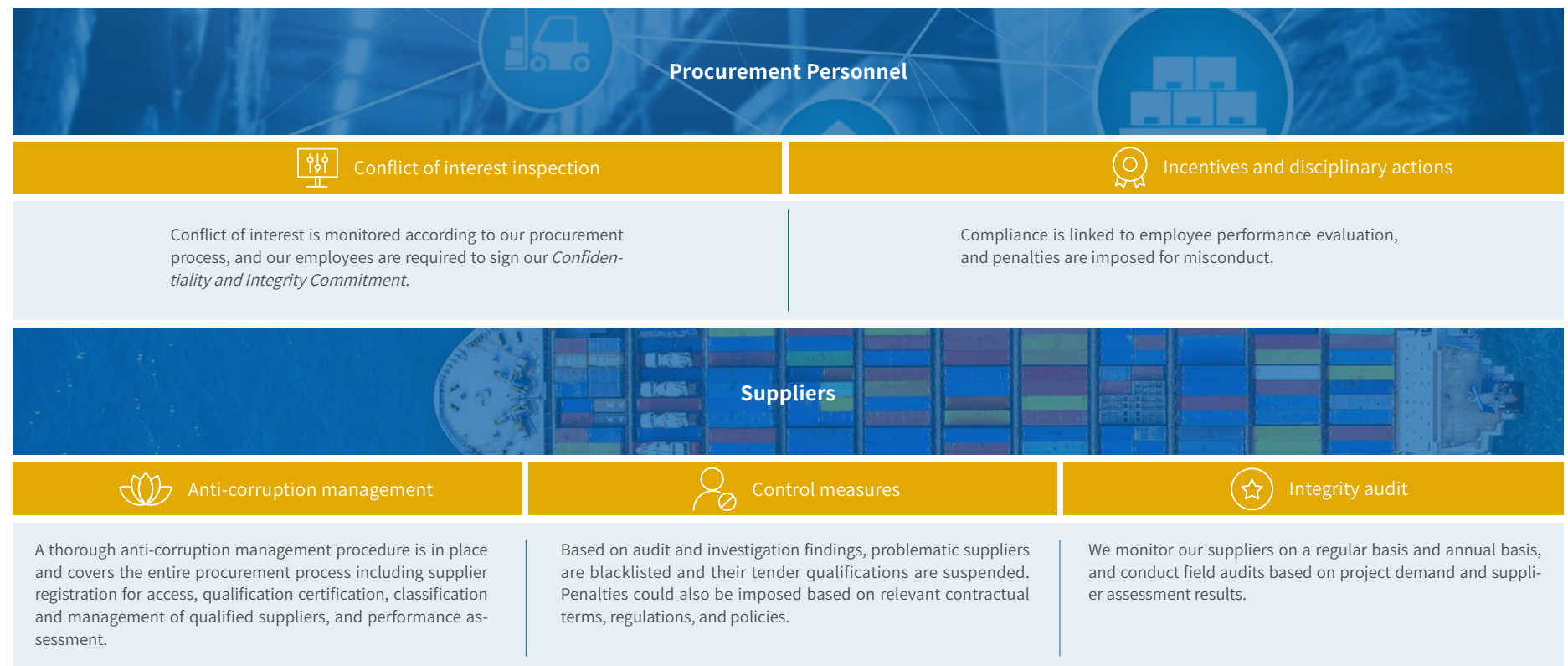specific to business ethics during the Reporting Period

Supply Chain Integrity

In addition to our commitment to honesty and integrity, we prioritize an ethical and reliable value chain. We require our suppliers to operate in accordance with all applicable laws and regulations of the communities in which we operate, including but not limited to anti-corruption, anti-bribery, and conflict of interest, as described more comprehensively in our *Supplier Code of Conduct*. Meanwhile, we established a comprehensive framework of policies,

which provides guidance for the training and audits of supplier business conduct. To ensure continuous monitoring of supply chain risks, we have various working groups to review and supervise supply chain matters, such as financial audits, compliance audits, engineering audits, and anti-fraud investigations. A delegate team manages potential risks of corruption and conflicts of interest, preventing corruption or bribery in the procurement process.

We also ensure that integrity is embedded in our interactions with third parties, and specific requirements are established for both internal procurement staff and suppliers.

Procurement Personnel

Conflict of interest inspection	Incentives and disciplinary actions
Conflict of interest is monitored according to our procurement process, and our employees are required to sign our *Confidentiality and Integrity Commitment*.	Compliance is linked to employee performance evaluation, and penalties are imposed for misconduct.

Suppliers

Anti-corruption management	Control measures	Integrity audit
A thorough anti-corruption management procedure is in place and covers the entire procurement process including supplier registration for access, qualification certification, classification and management of qualified suppliers, and performance assessment.	Based on audit and investigation findings, problematic suppliers are blacklisted and their tender qualifications are suspended. Penalties could also be imposed based on relevant contractual terms, regulations, and policies.	We monitor our suppliers on a regular basis and annual basis, and conduct field audits based on project demand and supplier assessment results.

Ethics in Research and Development

Our Commitment

Research and development ethics is highly relevant to our business and our role as a responsible corporate citizen. WuXi AppTec strictly complies with the relevant laws and regulations of the communities in which we operate, as well as global ethical standards, such as the *Helsinki Declaration*. We promote moral and social values in enabling clients' research and development, which encompass protections for the rights of research subjects and animal welfare.

Management Approach

WuXi AppTec established a Compliance Committee and assigned dedicated departments to supervise and manage our clinical studies through standardized procedures. This Committee ensures that the clinical trials we undertake for clients' can only be conducted after obtaining approvals from relevant national authorities.

We follow a rigorous process for every stage of drug development undertaken for our clients to uphold the industry ethical standards, and we hold all our suppliers to the same standards if any collaboration is involved. To standardize and regulate this process, we have developed approximately 200 policies and documents. With our patient-oriented principle, specific measures under these policies are implemented for each stage of the clinical research process to protect the rights of the clinical trial subjects.

Pre-Clinical

Conduct pre-research on clinical trials of all new drugs. Only when research indicates that the drugs are safe and manageable can drug clinical trials be conducted in humans.

Subject Enrollment

Specify detailed inclusion and exclusion criteria, exclude groups with specific safety risks, and establish a privacy protection process to fully protect participants' rights.

Adverse Event Management

Develop contingency plans for emergencies, continuously monitor and promptly report all adverse events occurred during the clinical trial, and apply medical treatments as needed.

Clinical Studies

While helping our clients expedite the delivery of new medicines to patients globally, we also attach great importance to ethical compliance during clinical studies. We apply a series of stringent and globally accepted legal, ethical, and scientific standards to protect the rights of the participants and other stakeholders involved.

Regularly Review

Regularly review trial plans. Track and review the processes of informed consent form signing, subject recruitment, and protocol deviation.

Ongoing Communications

Maintain close communication with those involved in the execution of clinical trials. Pay close attention to patient safety and provide solutions in a timely manner.

Protecting subjects' rights, which consists of their right to know, willingness, and privacy, is a key focus area of our clinical ethics management.

WuXi AppTec Protects the Following Subjects' Rights:

Right to know	Willingness	Privacy
Informed consent is key to protecting the subjects' right to know. Following global ethical practices, we ensure that the subjects understand the characteristics and processes of the clinical trials. Informed consent forms must also be approved by the relevant health authorities, the Independent Ethical Review Committee of the applicable sites, and the GCP[9]office.	Subjects make their own, informed decisions to participate, and they have the right to withdraw from the study at any time.	The privacy of the subjects is also strictly protected in accordance with industry regulations in every stage including data collection, utilization, and storage. Please see chapter "*Information Security and Protection*" for details on privacy protection.

We regularly conduct trainings on regulation or standard operating procedures (SOPs) updates and hold compliance meetings to keep our clinical research employees accountable and up to date with the latest regulatory requirements. We regularly re-evaluate the compliance training results and performance of the clinical research employees to ensure continuous enhancements to their awareness of and capabilities in clinical research ethics.

Clinical Trials Risk Control

To mitigate the ethical risks associated with clinical research, we have a risk management process in place to assess risks prior to research, closely monitor any incident that violates the ICH-GCP[10] or other clinical research regulations and conduct compliance inspections to uncover potential misconduct.

In the event of major non-compliance, the project manager and sponsor will be notified promptly to find a solution in the shortest possible time and ensure that the safety and rights of the subjects are not affected. For major adverse drug reactions, we will notify the sponsor and the health authorities in a timely manner in accordance with relevant laws and regulations. Meanwhile, we will closely communicate with the research doctor and the research site to ensure that the subjects receive the most appropriate treatment and care in time to minimize the impact of adverse reactions, and we will follow up on adverse events until the reactions are stabilized. We also keep a reporting channel open for the trial participants to uncover any possible violations during the trial.

Our clinical study procedures are regularly audited by Quality Assurance and inspected by relevant regulatory authorities and customers to verify compliance with applicable laws and guidelines and continuously improve our clinical research procedures. We are also committed to regularly auditing collaborative trials to ensure that the same ethical standards are upheld. During the Reporting Period, WuXi Clinical conducted 10 internal audits on the compliance, safety, effectiveness, and ethics of its clinical trial system. It also accepted 14 quality audits at the request of customers and 3 audits on contracted projects from regulatory authorities, with no major findings in clinical quality or ethics.

Animal Welfare

Animal studies play a vital role in the search for new and improved medicines. WuXi AppTec pays attention to societal and ethical concerns for animal welfare and is committed to the responsible use of research animals. We aim to uphold the highest ethical and scientific standards for animal care, conduct animal testing with necessary licenses, and implement an Animal Care and Use Programs guaranteed by a clear work structure and our stringent policies, standards, and mechanisms. During the Reporting Period, we remained certified by *AAALAC*[11] International and were granted permits for the use of laboratory animals from the provincial/municipal Commissions for Science and Technology of China, and the U.S. Public Health Service Animal Welfare Assurance.

Management Approach

We established an Institutional Animal Care and Use Committee (IACUC) that includes an institutional officer, attending veterinarian, scientific and non-scientific members, non-affiliated members from the community, and representatives from WuXi AppTec's EHS (Environment, Health and Safety) and Compliance Departments. The IACUC oversees all aspects of animal care and use conducted in the Company and secures corporate resources for the discharge of its responsibilities and animal welfare. The IACUC is also responsible for devising all SOPs and guidelines for animal welfare and use. It reviews and approves all the Animal Use Protocols (which are mandatory prerequisite for any animal procedures) and conducts an annual review of the Animal Care and Use Programs and the animal facilities, trainings on animal welfare and the ethical use of laboratory animals, and reviews and assesses qualification of animal vendors. Additionally, the IACUC conducts investigations of any issues related to animal welfare.

With the oversight of IACUC, we established a policy for pre-clinical pharmacology, an animal use management system, and compliance review mechanisms. Additionally, to continuously monitor the animal testing process, we have an Management Information System (MIS[12]) in place that collects key metrics and detect anomalies to help us track animal use and identify potential alternatives.

Measures to Improve Animal Care

We actively look for measures and practices that could optimize the research process and improve the lives and well-being of animals:

○ Plans to reduce, refine, and replace animal involvement: We uphold the principles of the '3R'[13] – Reduction, Refinement, and Replacement of animals in research, which helps us reduce animal use in our R&D processes. To substantially reduce animal use in our work, we have invested in developing alternatives to animal testing.

○ Cultivate a culture of care: To foster a culture of care, we conducted regular trainings on ethical animal use and regulatory compliance to increase employee awareness of animal care and welfare.

○ Hold suppliers to the same standards: We also require our animal testing suppliers to comply with global animal welfare standards and treat animals in a humane manner, as outlined in the *Supplier Code of Conduct*.

Institutional Official

Receives, investigates and addresses all animal welfare compliance issues.

Institutional Animal Care and Use Committee

Continuously assess and monitor practices of animal care and use, including project approval, post-approval monitoring, and review of animal facilities and use plans.

Attending Veterinarian

Operate and manage specific non-clinical animal tests according to relevant test guidelines and specifications.

Animal Care and Use Program

Information Security and Protection

Our Commitment

At WuXi AppTec, information security is taken seriously, especially with respect to cybersecurity, privacy protection, and intellectual property protection. We strive to implement the high level of information security standards to protect our business and the rights of our stakeholders.

Cybersecurity

Given unprecedented growth in cyber threats worldwide, we have identified business information security as one of our top priorities. To effectively protect our business, networks, and systems from potential cyber security issues, we have established comprehensive internal policies and processes and applied enhanced cybersecurity technologies and infrastructures, with the oversight of our executive management and the Board of Directors.

Our Management Approach

Our Information Security Management Committee, led by our CEO, is responsible for overseeing cybersecurity development and implementation, annual budget planning, and responses to material cyber threats and incidents. Our Information Security Working Group routinely monitors security risks, ensures internal compliance with all applicable policies and procedures, and reports to the Information Security Management Committee on a regular basis.

Our internal cybersecurity policies are the foundations of our cybersecurity practices. Our policies are based on relevant international standards and regulations, such as ISO/IEC 27001 Information Security Management System certification, which standardizes our management framework in both technical and procedural dimensions. Based on our comprehensive cybersecurity policy, we built management processes and procedures to defense security threats.

- Cyber risk identification: To identify ongoing threats and take timely measures, we established a cybersecurity monitoring system. We have procedures in place to identify security incidents at different risk levels. Identified risks are classified into five categories and preventive measures are implemented according to the potential consequences and impacts.

- Cyber incident responses: We established formal incident emergency plans to strengthen the Company's preparedness for potential cyber-attacks. The information security service team organizes drills for various cyber emergencies at least once a year, ensuring the effectiveness and enforceability of the emergency plan.

- Cyber risk reporting: We published a clear and open escalation process for employees and third parties to report any suspicious information security incidents by telephone or email to the information security service team, which ensures timely reporting of identified risks to management.

Cybersecurity Measures

Cybersecurity is an ongoing commitment for WuXi AppTec. During the Reporting Period, we reinforced the cybersecurity of our business assets with a robust system to protect our network, systems, and facilities in all operations. We run internal audits to ensure effective cyber controls. In addition, our system is verified by external parties, including our customers, through regular third-party penetration tests. No major findings of cybersecurity incidents or business information leaks were found from 30 IT audits from the clients during the Reporting Period. In addition, our information security management framework was further bolstered with 11 additional operating sites obtaining the ISO/IEC 27001 Information Security Management System certification, bringing the percentage of WuXi AppTec certified main operating sites to 87% during the Reporting Period.

A wide range of measures are taken to enhance cybersecurity at WuXi AppTec, including cyber defense system enhancement, physical site access control, and strict management of our suppliers. Among these enhancement measures, we emphasize on cybersecurity trainings and audits.

◉ **Training and Awareness Initiatives：**

Every employee receives trainings on regular information security and completes annual compliance and information security exams to bolster their understanding of cyber risks and to strengthen their ability to identify and report relevant threats. During the Reporting Period, we also provided additional training for key roles, e.g. anti-phishing training for the Marketing and Financial Departments.

◉ **Information Security Audit：**

In response to the security management requirements of our customers, we conduct regular internal audits based on the ISO/IEC 27001 to ensure our data security, data center management, and the effectiveness of general control processes.
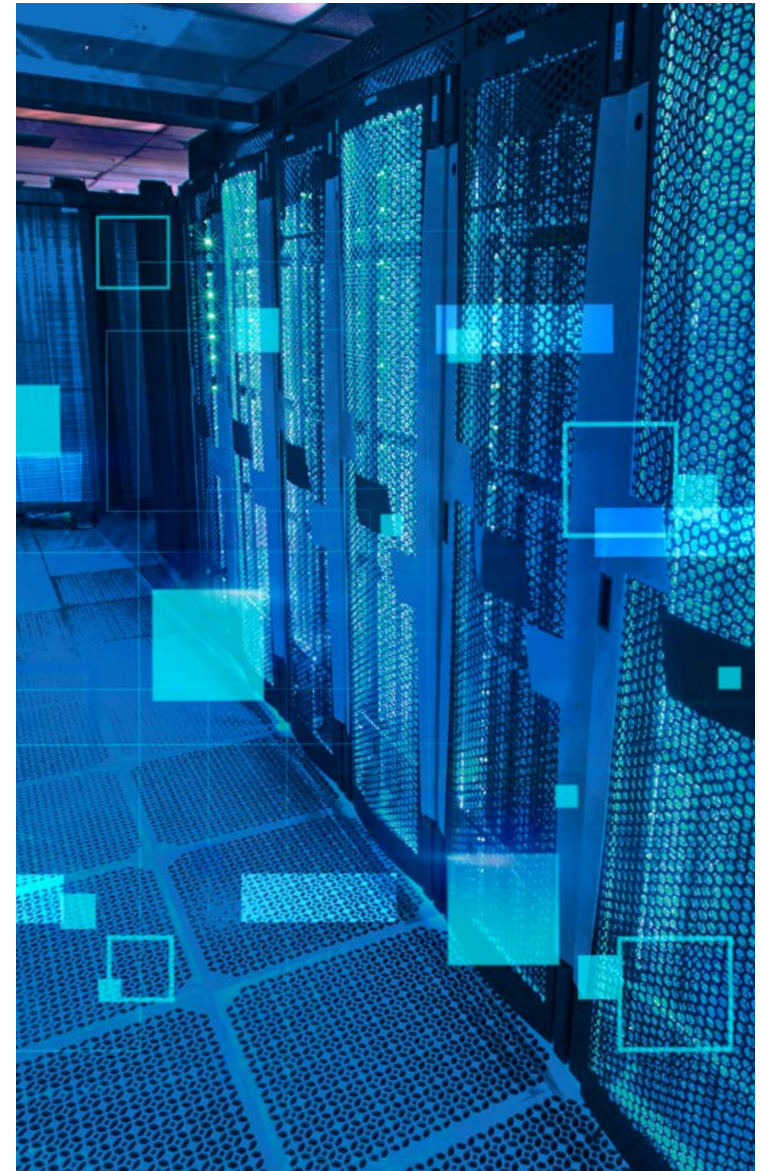
Privacy Protection

Protecting the privacy of those who entrust us with their personal information and holding ourselves accountable for the safety of their data are vital to our business ethics. We are committed to complying with the privacy protection requirements stipulated by the relevant international laws and regulations of the countries in which we operate. We developed a thorough data privacy management system with robust governance and effective measures to keep private data secure throughout the whole data lifecycle.

Privacy Protection Governance

WuXi AppTec's comprehensive privacy protection measures are backed by a robust governance structure, where the Chief Operating Officer and the Co-Chief Executive Officer jointly lead business unit (BU) and operation unit (OU) heads as the leading group. We have formed a privacy protection working group, led by the IT Department and supported by multiple other departments. The working group is responsible for developing policies, establishing a risk management system, and encouraging self-inspection, compliance monitoring, and risk reporting for privacy protection. To ensure effective governance throughout the organization, the working group reports the results of its data privacy management system to the leading group biannually and verifies its effectiveness in collaboration with the Internal Audit team.

Management Approach

Privacy protection in our industry is faced with multiple levels of complexity as a result of various legal requirements and industry requirements, in addition to the demands and expectations of clients, healthcare professionals, and other third parties. In response, the scope of our privacy protection policies is extensive and specific to each type of stakeholder and scenario as summarized below:

Our privacy data management is tailored to various business scenarios that involve (including but not limited to)

Clinical research subjects and HCP[14]	Employees and their families	Forum/conference participants
On-site visitors and contractors	Security cameras and facial recognition devices	Employees who handle personal data
Personal information collection consent	Data encryption	Information obtained through third parties
Personal information export plan and assessment		

We prioritize ensuring that all information is sourced legally, which entails obtaining individual consent if sourced directly and checking for consent if sourced through a third party. It is important that we fully respect individuals' right to know, access, correct, or delete their personal information. We carefully assess the necessity of the personal data that we obtain, minimize the scope of access, limit the time period for which we store the data, and delete any unnecessary data in a timely manner.

Privacy Protection Measures

During the Reporting Period, we developed and issued the *Policy on Data Security and Personal Information Protection* and implemented the related SOPs across our operating sites. These management measures are further categorized by the type of data and scenarios involved, each with detailed privacy protection requirements to ensure thorough privacy management.

To enhance the effectiveness and awareness of privacy protection across the Company, employees who work with private data are required to sign a privacy policy and are subject to strict access controls, modification permissions, and handover controls. When employees leave the Company or transfer to other positions, they are required to properly hand over or delete the relevant private data. Meanwhile, the suppliers involved with private data handling are also required to sign data compliance agreements as a part of our contract with them.

As part of our cyber incident response plans, private data protection is also covered by our annual cyber incident drills and emergency response plans to enhance our preparedness and agility in the event of a breach.

Data Security and Privacy Protection Training

During the Reporting Period, WuXi AppTec organized a training focused on data security and privacy protection that was attended by our employees. The training introduced the laws and regulations related to data security and privacy protection and how they apply to the various business scenarios of WuXi AppTec. All employees were required to take and pass an exam after the training, and their awareness of data security and privacy protection was reinforced.

At our sites in Europe and the United States, we conducted a training on *General Data Protection Regulation (GDPR)*. The covered topics included how to minimize data breaches, what to do in the event of a breach, types of data that are classified as 'sensitive' and 'personal', considerations needed when dealing with personal information, and employees' responsibilities in relation to these data protection principles.

Intellectual Property Protection

WuXi AppTec applies industry best practices to all operational sites worldwide through a comprehensive intellectual property management and infringement liability system that is compliant with global standards.

Our Management Approach

The CEO is ultimately responsible for intellectual property management, including developing intellectual property guidelines and goals, overseeing management structure effectiveness, ensuring management responsibilities at all levels, and granting authorization. Under the supervision of the CEO, our OIPR[15] leads the implementation of the intellectual property management system and coordinates with relevant departments including Legal Affairs, Government Affairs and Policy Research, and Internal Audit to ensure full compliance.

We have established strong policies and management procedures for intellectual property. Supervised by the CEO, the Company's management reviews the propriety and effectiveness of our intellectual property management performance at least once a year. The review outputs are used to guide continuous improvements that are executed by relevant departments.

Intellectual Property Protection Measures

We implement comprehensive measures to protect intellectual property from both internal and external threats, addressing key areas including employee management, facility management, infrastructure and data management, device and software management, account and document control, project information management, and material management. We have also established an early warning mechanism that identifies and continuously monitors potential infringements and takes preventive measures towards the identified risks.

We enforce a zero-tolerance policy towards any infringement of intellectual property rights. In cases of dispute or infringement, OIPR reports to the relevant BU leaders, Legal Affairs Department, and other relevant departments for a comprehensive investigation and evaluation. We have judicial protection of intellectual property rights and dispute resolution mechanisms to protect ourselves and our customers from harm. During the Reporting Period, we were not involved in any major lawsuits regarding intellectual property.

> We seek to enable innovation for our global partners. We are honored to have earned their trust, and we recognize that intellectual property is of the utmost importance. We are committed to protecting customers' intellectual property with our founding principles of integrity, world-class security, zero-tolerance policies, and relentless pursuit of justice against any criminal act. This is our highest priority, and we must hold ourselves accountable. We are determined to earn the trust of our partners by committing to success together.
>
> —— Ge Li, PhD,
> Chairman and CEO

Supporting Our Customers

The pharmaceutical industry plays an important role in advancing global healthcare solutions to save lives. Improving the efficiency of drug development and production is critical to this process. To meet ever-evolving demands, we are committed to providing high quality services and ensuring an excellent customer experience.

Customer Experience

Excellent Quality

Supply Chain Management

Why It Matters

The United Nation's policy brief[16] asserts that, "underinvestment in health care can devastate societies and economies. COVID-19 has highlighted that a robust healthcare system and affordable access to pharmaceutical resources are essential for everyone".

WuXi AppTec aims to help our partners lower the barriers of R&D and expedite the discovery and development of new treatments for patients globally. We understand the importance of R&D and manufacturing services and are committed to striving for excellence by providing high-quality products and services to our customers. Additionally, we actively promote the development of our value chain and share our corporate values and resources with our suppliers to improve the quality of our supply system. We aim to promote the establishment of a responsible supply chain, and collaborate with our partners to build a strong foundation for the global healthcare industry.

Sustainable Development Goals

3 GOOD HEALTH AND WELL-BEING

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Our Governance

WuXi AppTec's Board of Directors, the highest governing body for products and services' quality, regularly reviews policies and performance and ensures consistent enforcement and monitoring by management systems. Our business departments work together to continuously advance our service and supply chain management. At WuXi AppTec, we actively involve every employee in the quality management so we can provide a reliable collective assurance to customers.

Our Approach

Excellent quality and service is fundamental to empowering our customers. WuXi AppTec adheres to quality standards to ensure that the quality of its products and services meet international industry standards, certification standards, regulatory requirements and customer requirements. We have established a series of systematic management standards and processes that meet the Company's needs, such as our quality management system, customer service response system, and supplier management system, to continuously enhance management protocols and efficiencies.

WuXi AppTec adheres to the principle of "Put Customers First" and continues to improve the quality of our products and services based on customer needs. We share our principle of "Strive for Excellence" with our partners to build a robust, high-quality supply chain and create sustainable business value for our customers.

2022 Performance

- **100%** passed regulatory authority inspections and clients' audits with no major findings
- **95%** customer satisfaction rate
- **70** key suppliers participated in ESG audits

Please see *Performance Table* for details

Looking Forward

With evolving external demands and regulatory standards, WuXi AppTec continues to prioritize "Put Customers First" at the forefront, along with regular reviews of our management standards and systems to ensure we meet our customers' needs. We know value chain transformation requires resources and continued investment, thus improving a sustainable supply chain will be our long-term goal. We will continue to expand the scope of our supplier audits to provide sustained support that will contribute to our customers.

Customer Experience

Our Commitment

At WuXi AppTec, every step is driven by our vision: Every drug can be made and every disease can be treated. We are committed to leveraging our strengths to provide excellent services to our customers to expedite the discovery and development of new treatments for patients around the world. During the Reporting Period, we have collaborated with more than 5,950 active customers worldwide to enhance human health and well-being through technology and innovation.

Why It Matters

WuXi AppTec builds long-term relationships with clients and provides an exceptional service experience. Our customers recognize us for our excellent project management, people and culture. This includes appreciation for our timely deliveries, high-quality service, and prompt responses. We utilize an agile approach with a clear governance structure in our projects. Customers remain the focus of our operations. Our efficient operations and feedback model allows us to quickly understand customers' needs and feedback, and sufficiently guarantee the reliability and punctuality of our service.

How Do We Ensure Satisfaction

Building trust and credibility with our customers is core to the success of the Company. Our focus on customers is supported by our dedicated departments who work to understand customer needs and continuously improve customer satisfaction. With our *Measures of WuXi AppTec Customer Service*, we have established a comprehensive customers relationship management mechanism and a service response system as well as incorporating relevant KPIs into the performance evaluations. By adhering to our core values of "Doing the Right Thing, Doing It Right", we are committed to continually improving the quality of our customer service, even as the pharmaceutical and health industry around the world continue to change.

- ⊙ Standardize and establish a clear, orderly, timely, and efficient customer service management system
- ⊙ Follow our principle of "Put Customer First" to continuously create value for customers and improve customer satisfaction
- ⊙ Systematically assess, identify and prevent the risk of customer complaints, and track and supervise the investigation, handling, and accountability of customer satisfaction crisis

WuXi AppTec Customer Service System

Listening to Our Customers

From our customer satisfaction surveys, we obtain customer's feedback to ensure the excellent service and the higher satisfaction. We regularly collect feedback through our interactions with the customer. Feedback is analyzed and summarized to introduce any necessary corrective measures.

The Company deeply values customer feedback and has established a comprehensive procedure to address customer concerns. We provide our customers with multiple channels for service complaints (including hotlines and email). All complaints will be responded to rapidly. Complaints will be recorded, comprehensively analyzed, reviewed, and summarized. In addition, post-event surveys are conducted to further track our customers' experience for continual improvement.

Initial phase

To understand customer needs

Middle phase

To meet customer expectations

End phase

To guarantee satisfactory delivery

Lifecycle Satisfaction Surveys

95% customer satisfaction rate

Training and Awareness

The Company provides specialized customer service trainings to improve employees' abilities and ensure an excellent customer experience. We ensure that every employee is fully aware of the company's customer service guidelines and requirements. We provide our employees with comprehensive guidance covering ethical behavior, quality control, etc., to enhance overall customer service abilities (please see chapter "*Excellent Quality*" for details on employee training).

Our Commitment to Responsible Marketing

The Company strictly abides by all applicable marketing laws, regulations and industry codes of our operation sites. We have established a review of marketing materials and a monitoring procedure for responsible marketing, where due diligence is conducted at all levels of the marketing team and by which all marketing materials must be approved by authorized management personnel at the Company before release.

During the Reporting Period, we did not find any marketing-related violations within the Company's operations.

Excellent Quality

● Our Commitment

"WuXi AppTec will provide quality, reliability and value in our products and services with a commitment to continuous improvement and meeting current regulations ensuring customer satisfaction."

—— Ge Li, Ph.D. Chairman and CEO of WuXi AppTec

Why It Matters

WuXi AppTec is dedicated to building an open-access capability and technology platform to enable our customers to discover and develop pharmaceuticals and healthcare products that benefit patients and advance the global pharmaceutical and healthcare industry. Medical products and treatments are delivered directly to patients. Therefore, the quality of our products or services cannot be compromised. Our R&D and manufacturing services maintain high quality standards to meet the expectations of customers, patients, and caregivers. We use our scientific expertise to guarantee quality at every step of development and manufacturing, in line with global regulatory requirements.

How Do We Ensure Quality

Our quality management system (QMS) covers the full product lifecycle. It defines our quality standards and helps the Company coordinate and direct our business activities to meet customer demands and regulatory requirements to improve our effectiveness and compliance on a continuous basis. Supported by our senior management, all staff work together to ensure the effectiveness and regulatory compliance of our QMS. The Quality Unit, an independent department, manages systems for quality assurance, quality control, quality compliance, etc. Each division or subsidiary has its own specific QMS, yet all embody our four pillars:

Quality Risk Management

Quality risk management (QRM) is a continuous process of minimizing risks to product quality throughout the life cycle. With scientific knowledge and experience, WuXi AppTec leverages risk communication channels and risk management tools to identify risks through a risk assessment process to reduce or even accept risks. We also conduct a risk re-assessment cycle through a risk review process and ultimately links to patient protection. For more details, see the quality risk management flowchart.

Initiate Quality Risk Management Process

Risk Assessment

Risk Identification

Risk Analysis

Risk Evaluation

Unacceptable

Risk Control

Risk Reduction

Risk Acceptance

Output / Result of the Quality Risk Management Process

Risk Review

Review Events

Risk Communication

Risk Management Tools
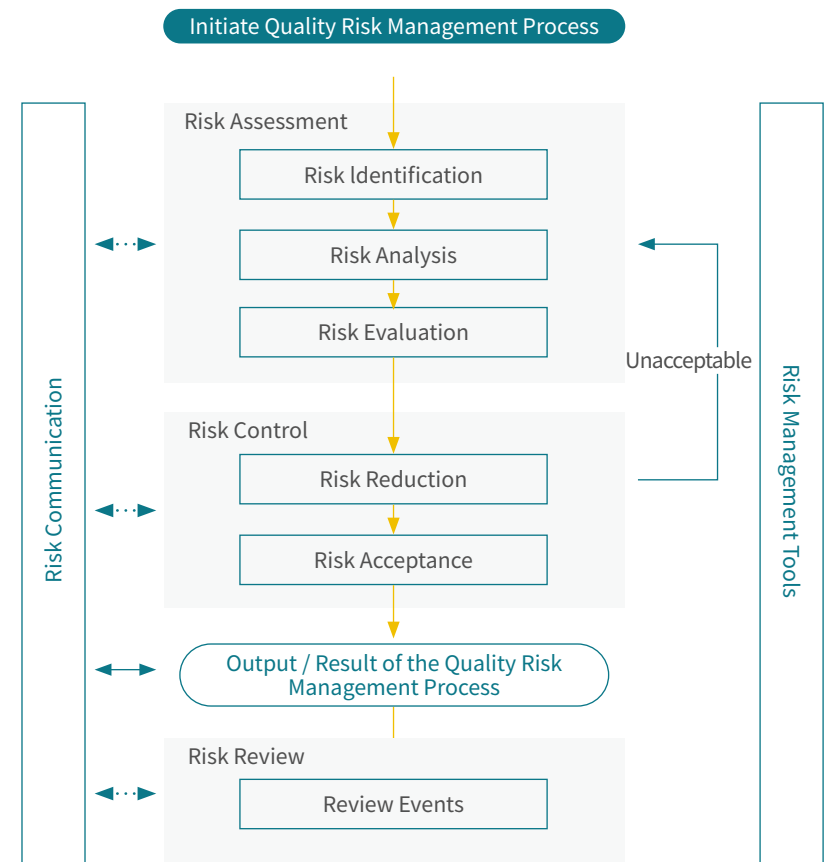
Quality Risk Management Flowchart

Quality Control

The Quality Control (QC) system is the cornerstone of how we verify the quality of our products and services. With our strict quality control criteria and methodology, the Company conducts testing on our deliveries to ensure that they meet the predefined quality standards and customer requirements.

Personnel Training: The Company has established a comprehensive recruitment plan that precisely defines the hiring criteria for each position to ensure that employees are able to fulfill all their job responsibilities. We also provide systematic trainings for our employees, including pre-training, skill training, QSM training, annual refresher training, etc.

Equipment Management: The Company's systematic equipment management system ensures equipment reliability, such as equipment qualification, maintenance, calibration, etc.

Sample Management: We developed a systematic sample management system to make sure that each sample is representative of the batch and that the sample package and storage conditions do not compromise the testing result.

Method Validation: A scientific method validation and verification ensures the accuracy and precision of testing results.

Annual Trainings on GMP

During the Reporting Period, we conducted GMP training for quality-related employees at each manufacturing site to ensure that they understand and comply with the company's quality management system. We also carried out regular GMP-related knowledge dissemination and raised the quality awareness and level of our employees.

Quality Review

Quality review that consists of a QMS review and a product review is a crucial component of our quality management system, as it evaluates the product and system performance to continuously improve our quality.

QMS review (or management review) covers key elements of a QMS system, such as training, raw material supply, equipment and facilities, internal and external audits, deviation, and change control. Through review meetings and reports, the Company evaluates the key QMS quality performance and takes all necessary measures to improve the QMS.

Product review (or process performance qualification) is a key component of the QMS review. It covers the entire lifecycle of a marketed pharmaceutical product, such as purity, assay, complaint, recall, non-conformance, deviation, and change control. Through reviewing the report, we evaluate the product quality performance and take all necessary measures to improve product quality.

Quality Audits

The Company has a mechanism to assess the internal QMS performance and external regulatory compliance. Our independent Quality Unit is responsible for organizing internal self-inspection, hosting external client audits and regulatory inspections, and addressing findings by taking necessary actions to improve our QMS and product quality.

As we provide an end-to-end enabling platform from research to manufacturing, from pre-clinical study to clinical study, from drug substance to drug product, all our operations follow international regulations and industry practices. In compliance with the rules of global regulatory bodies and customer feedback, we maintain high quality standards. During the Reporting Period, the Company has hosted inspections from client quality audits for over 400 times and 56 times from regulatory agencies or independent third parties, and received 100% pass rates for 2022 with no major findings.

Raw material quality and supplier qualifications play an important role in ensuring product quality and a sustainable supply chain. WuXi AppTec has established a set of standards for supplier qualifications, including supplier selection, evaluation, and performance review. We visit or audit our key suppliers regularly to assess their supply sustainability and quality. In addition, we actively help our suppliers to improve their QMS for a sustainable win-win partnership in the ecosystem.

How Is Our Quality Regulated

The Company adheres to world-class standards for health and safety of our products and services. As a widely recognized global enabling platform, we apply a strict international GxP[19] system to ensure that we meet global regulatory requirements. Our manufacturing sites are strictly managed under the international cGMP quality system. Our R&D sites are managed under ISO quality standards to ensure the quality of products and services .
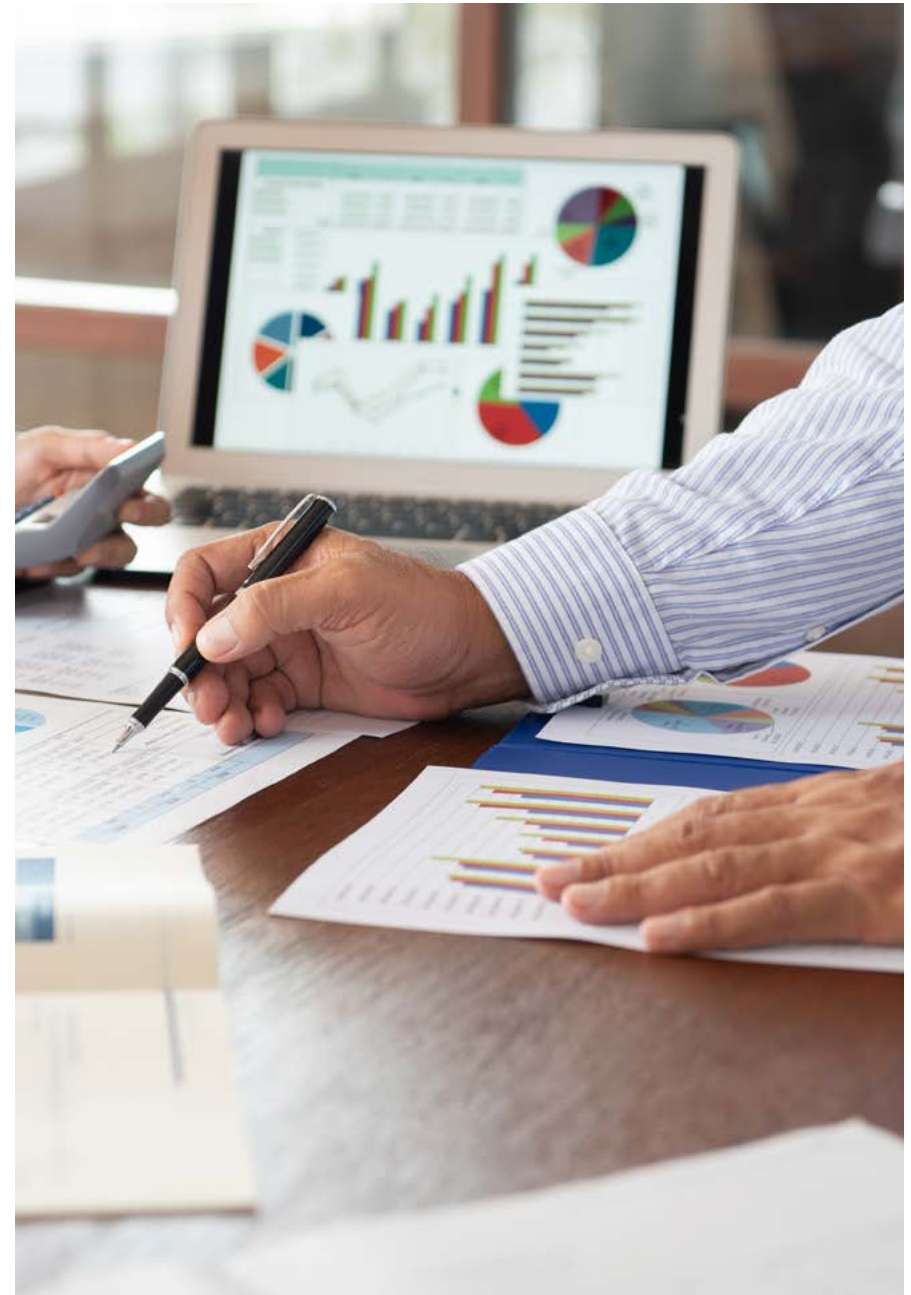
Supply Chain Management

Our Commitment

As a comprehensive and integrated open-access capability and technology platform, WuXi AppTec helps customers improve the productivity of advancing healthcare products to improve the lives of patients. A robust and sustainable supply chain is the foundation of our excellent service for customers. We aim to ensure that our sourcing practices and supplier relationships are responsible, transparent, and collaborative.

Supply Chain Governance Structure

We have designed a multi-layered governance structure to oversee and manage our supply chain-related activities to minimize supply chain related risks. Our Supply Chain Management Department reports directly to the Company's Chief Operating Officer and is responsible for coordinating and reviewing supply chain related issues including import and export, procurement, and logistics, etc. ESG considerations are embedded into the supplier entry and management processes to ensure supply chain robustness and sustainability. We setup an independent cross-functional team including Procurement, Compliance and EHS Departments as well as Business Units. By defining the responsibilities of each department clearly, we identify and evaluate environmental and social risks in the supply chain.

Supply Chain Management Approach

After identifying risks related to supply chain, we developed our *Supplier Code of Conduct*, which serves as a guideline for our suppliers. It focuses on seven aspects: laws and regulations, business ethics, quality management, labor standards, OHS, environmental protection and R&D ethics, and reporting channels. In addition, we manage our supply chain on four core aspects: supplier risk assessment, monitoring and evaluation, audit and capacity building.

A robust supply chain is critical to business continuity. Thus, we developed a dual sourcing strategy for the procurement of important raw materials to ensure a stable supply and at least two suppliers for one specific category of materials as well as a variety of backup suppliers in our supplier pool.

For those qualified suppliers, regular risk monitoring and evaluations are carried out. Self-assessments and online system scoring are required for qualified suppliers in order to analyze key factors such as sourcing locations, performance, potential continuity, and security risks.

We conduct annual audits for suppliers, and work with suppliers to create a CAPA[18] based on the audit results. Suppliers are required to take actions to address issues observed in a timely manner to achieve compliance. In addition, to empower quality awareness and quality management capabilities across the value chain, we proactively collaborate with our customers and support them to deliver quality trainings, coaching and audits covering critical and non-critical suppliers multiple times every year.

The supplier risk assessment eliminates suppliers with potential risks. When selecting qualified suppliers, we evaluate them based on their business capability and financial credit factors and apply grading and classification management mode to ensure the effectiveness of risk identification and control. All qualified suppliers are categorized as critical or non-critical. Critical suppliers who have great potential impact on our business are defined after considering the following factors:

- Supply chain spend value
- Significance to our business continuity
- Potential influence on the safety and performance of our products and services

Sustainable Procurement

WuXi AppTec has embedded ESG factors into our supplier entry and management process, a core part of managing a sustainable supply chain. We have developed policies and proactively take measures on supply chain ESG management to ensure our suppliers are socially and environmentally friendly.

Supply Chain ESG Risk Assessment

When selecting suppliers, we take various ESG factors into consideration to obtain insight into the suppliers' sustainability performance. During the Reporting Period, we launched a database tool developed by a third party to screen potential ESG risk, including EHS, compliance issues etc. Critical suppliers are our major concern, but we also assess non-critical suppliers that operate in high ESG risk industries or regions. Any major controversy identified and verified will result in contract termination.

During the Reporting Period

70

critical suppliers participated in ESG audits

Supply Chain ESG Evaluation and Audit

WuXi AppTec has established a thorough ESG audit system covering the various material categories. More than 150 critical suppliers covering 50% of suppliers by procurement spending have been included in the current ESG evaluation process. Our supply chain management team conducted audits every two years, in coordination with our Business Units, on labor rights, employment compliance, OHS, environmental protection, anti-corruption, etc. to promote and improve the ESG evaluation outcomes. To enhance the reliability of the audits, we also commissioned a third party to conduct onsite audits for critical suppliers. Moreover, for suppliers unable to do an onsite audit, online audits were conducted as an alternative. Suppliers are required to submit a questionnaire and provide their ESG related policies and documents, including certification, permit and emission monitoring reports, to our supply chain management team for assessment.
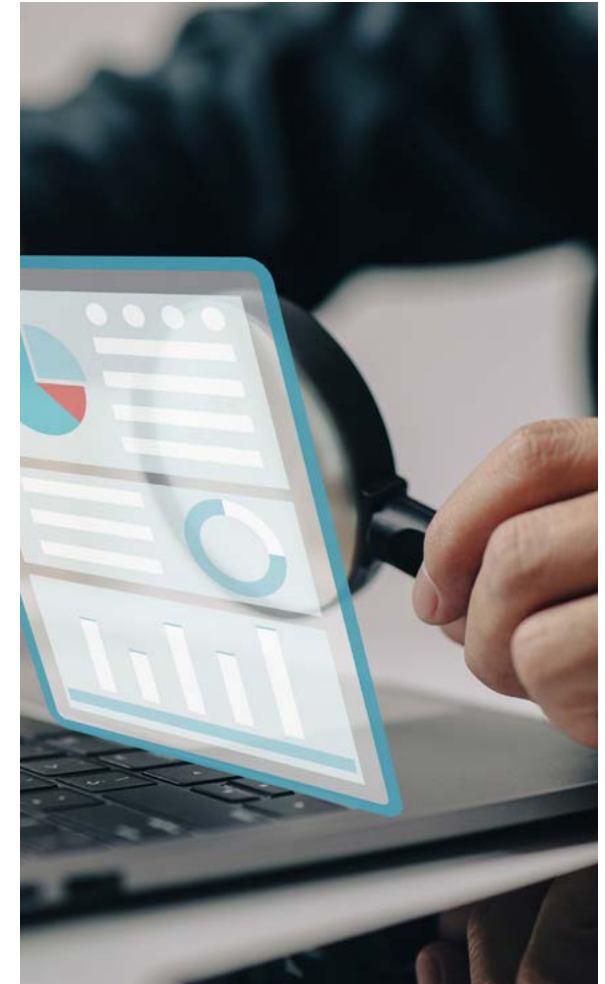
Supply Chain Collaboration

While strengthening internal management, we also recognize the importance of industry cooperation. WuXi AppTec is committed to work closely with critical suppliers through our *Supplier Code of Conduct* and aligning with *the Ten Principles of the United Nations Global Compact*[19] and the PSCI[20] Principles for *Responsible Supply Chain Management*[21] to build a sustainable supply chain with reliable sourcing and guaranteed product quality.

Building suppliers' capabilities is an essential factor in collaboration, not only for timely and high-quality delivery, but also in terms of sustainable performance. We have established a robust system to deliver trainings, workshops and conferences to our suppliers. A series of comprehensive courses, covering topics such as anti-corruption, quality management, OHS and environmental protection, etc., have been delivered on a regular basis. During the Reporting Period, we provided a total of 270 hours for suppliers.

Critical Supplier Conference

To further strengthen our partnership with partners across the supply chain, during the Reporting Period, WuXi AppTec organized a key supplier conference and took this opportunity to conduct trainings for suppliers. The training included sustainable procurement, supplier integrity and compliance, supplier EHS management, etc. ESG concepts and concerns were disseminated to suppliers, helping suppliers implement concepts such as environmental protection, integrity and compliance, health and safety into routine management behaviors, and helping the whole value chain to achieve sustainable development.
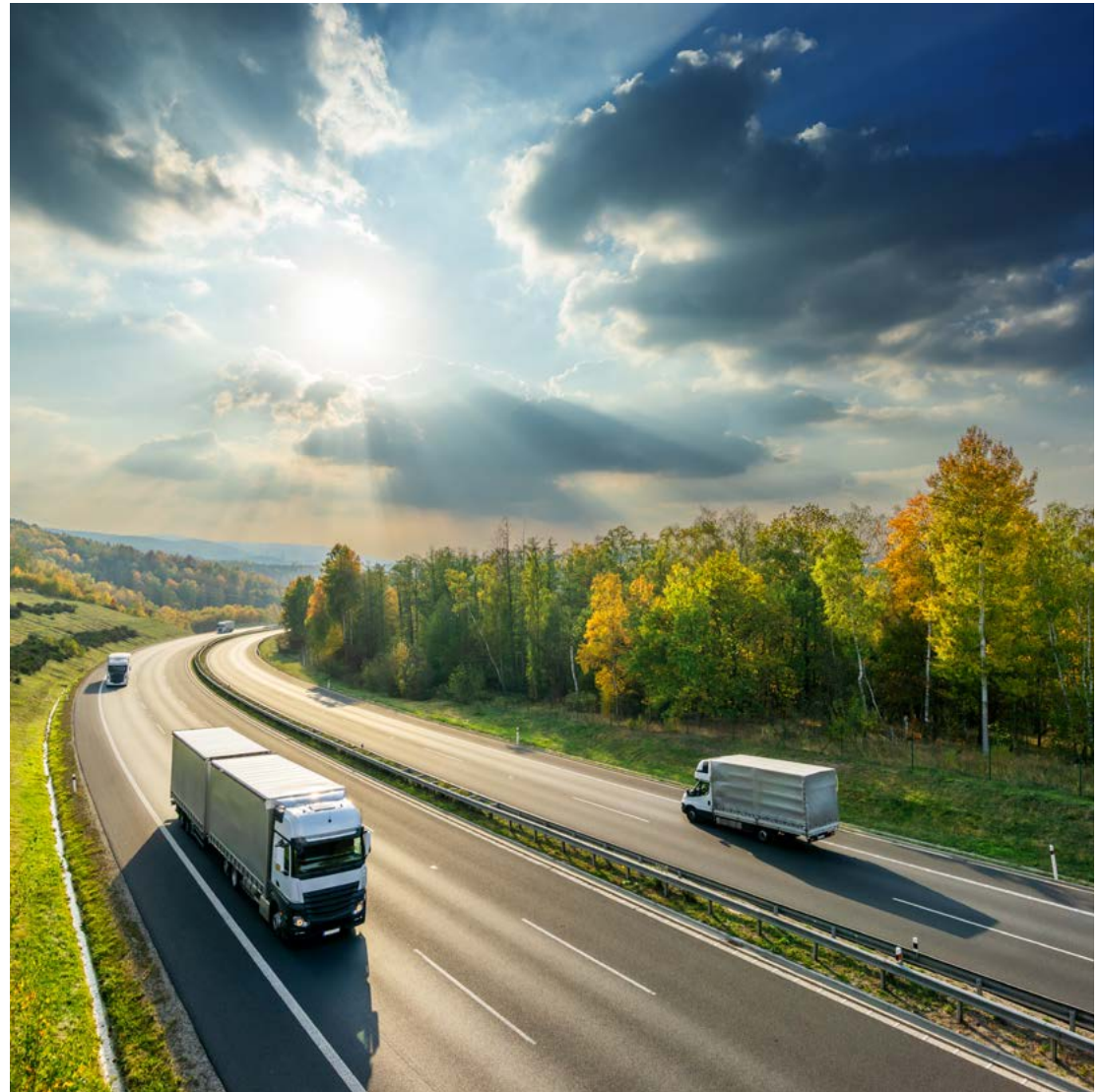
Protecting Our Planet

Humans and the planet are interdependent, with society and nature having a significant impact on one another. The consensus that human actions impact the planet has led to growing public acceptance of the need to reduce pollution, preserve and improve biodiversity, and transition to forms of renewable energy. We have a collective responsibility to create a more sustainable world.

Climate Change

Emissions Management

Resources Management

Why It Matters

"

The report[22] of the United Nations Environment Programme (UNEP) shows that transforming humankind's relationship with nature is the key to a sustainable future. Our economic, technological and social progress has exacted a toll on the earth's ability to support the human society. Every year, about a quarter of the global diseases originate from environment-related factors. Only a systematic transformation can improve the ability of the earth to support life and provide resources, as well as regulate climate, so as to create a sustainable future for all.

We believe that everyone should become a participant and beneficiary of protecting the earth. As a global corporate citizen, we have the ability and responsibility to actively promote environmental improvement, establish a sound environmental management system, and fulfill our corporate responsibility to the environment and society by practicing high standards of environmental protection.

"

Sustainable Development Goals

6 CLEAN WATER AND SANITATION

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

Our Approach

In order to ensure compliance with environmental management standards, we have actively adopted scientific methods to explore opportunities for mitigating climate and environmental pressure. We follow the relevant disclosure recommendations of the *Task Force on Climate-related Financial Disclosure (TCFD)*[23], comprehensively identifying the risks and opportunities of climate change, in order to formulate a strategy and action plan to combat them. At the same time, we practice technological innovation and management process optimization to achieve environmental and economic benefits via equipment upgrading and energy-saving technology. We have set various environmental management goals, and monitor their progress via evaluation and performance reporting.

Our Target

GHG Reduction Target:	Energy-saving Target:	Water-saving Target:	Waste Management Target:
25%	**25%**	**30%**	**Landfill-free**
GHG emission intensity reduction by 2030 compared to the 2020 baseline	energy consumption intensity reduction by 2030 compared to the 2020 baseline	water consumption intensity reduction by 2030 compared to the 2020 baseline	for all productive hazardous wastes by 2030

Looking Forward

Addressing climate change requires commitment. WuXi AppTec will establish a strategic plan for long-term management of renewable energy investments. We expect to further invest in renewable energy by, for example, strategically increasing our purchase of green electricity and selective installation of solar panels across our global sites. Furthermore, we will continue refining emission reduction plans with suppliers to ensure that they have resources to make these reductions. In the long term, we will also evaluate the feasibility of purchasing REC[24] /i-REC[25] and engage in carbon trading.

2022 CDP Environmental Leadership Award

Climate Change

Our Commitment

As one of the greatest threats to our planet today, climate change has the potential to cause significant disruption to companies and society at large. To safeguard our planet, we are focused on being part of the solution by seeking new strategies to make our business more sustainable. By harnessing innovative practices and honoring steps outlined in the *Paris Agreement*[26], we are making strides toward mitigating our environmental impact.

Executive level: We are committed to prioritizing actions that address climate change, including increasing the use of renewable energy, improving energy efficiency across operations, promoting innovation, and monitoring of carbon emissions.

Culture: We integrate low-carbon awareness into our corporate culture. Every employee is an activist of energy conservation and emission reduction, a practitioner of green office, a promoter of low-carbon production and a breakthrough in technological innovation.

Information disclosure: We promise to partner with our stakeholders to create positive changes across the entire value chain and to ensure transparency and openness in information disclosure. We support the TCFD recommendations regarding our climate-related financial information and have also participated in the *Climate Disclosure Project (CDP)*.[27]

GHG Reduction Target:

25%

GHG emission intensity reduction by 2030 compared to the 2020 baseline

Energy-saving Target:

25%

energy consumption intensity reduction by 2030 compared to the 2020 baseline

Why It Matters

Climate change is an environmental, social, and economic crisis. Our planet is more likely to experience even greater changes in the coming years due to carbon emissions produced by human activities in the past two hundred years. According to an IPCC[28] report, global warming of 1.5°C above pre-industrial levels will negatively impact organisms and ecosystems, as well as people and their wellbeing. To combat climate change, global leaders signed the *Paris Agreement* in 2015, committing to working together and taking ambitious efforts to limit the global temperature rise in this century to less than 2°C above pre-industrial levels. In November 2022, COP 27[29] was held in Sharm El-Sheikh, Egypt with a view to build on previous successes and acknowledged the value of multilateral, collective and concerted action can play an important role in addressing global climate change. As a responsible business, mitigating climate change is embedded in our strategy, and we are taking a long-standing responsibility to reduce our carbon footprint to the level required by the *Paris Agreement*.

Governance on Climate-related Risks

We pay close attention to climate change governance and continuously improve our internal management system. Our governance group on climate-related risks consists of the Board of Directors, an ESG Committee, an ESG Office, and working groups formed by ESG-related departments. Our climate-related risk management scope involves development, manufacturing, operations, and supply chains. Each major WuXi AppTec site has dedicated functional departments and responsible personnel for specific implementation.

We have adopted TCFD recommendations and corresponding measures to further improve the Company's ability to adapt and mitigate the impacts of climate change. To ensure these measures can be effectively implemented, we have incorporated quantitative indicators related to climate change that are factored into the performance evaluation and compensation of the ESG management personnel. We also evaluate the annual performance of relevant personnel, and recognize their contribution to the Company's ESG commitments and targets through an incentive mechanism.

Board of Directors ▶
- Develop strategy regarding climate-related risks and opportunities
- Monitor and review the effectiveness of the management approach

ESG Committee ▶
- Establish mechanisms to be informed of climate-related issues
- Assess, manage and monitor climate-related issues
- Review and approve climate-related targets and investment plans
- Track the execution and fulfilment of related performance targets

ESG Office and Working Groups ▶
- Identify risks and opportunities related to climate change
- Promote the implementation and execution of climate change risk management and climate-related strategies
- Coordinate different departments to facilitate their effective cooperation
- Provide analysis, recommendations and updates of climate-related issues
- Maintain effective data management system
- Determine and manage the cost and resources

Climate-related Risk Governance

Climate-related Strategy

Under our governance structure, we have formulated quantitative and qualitative targets to tackle climate change. *Climate Policy*[30] and *Report on Combatting Climate Change*[31] have also been published to formalize the Company's actions.

Scenario analysis, including RCP[32] 2.6 (IEA[33] B2DS[34]) and RCP 8.5 (IEA SDS[35]) scenarios[36], has been used to formulate strategic plans to enable flexible and robust responses to various future situations. To maintain the robustness of our climate-related strategies, we regularly adjust them in the short, medium, and long term based on the risks and opportunities identified in our current risk management system and strategic planning. For more information on our scenario analysis, please refer to our *Report on Combatting Climate Change*.

Short term

We carry out risk assessment and financial forecasting annually, and plan strategic development for the next 1-2 years, incorporating specific measures to address climate change in the short term.

Medium term

A medium term plan will be formulated every three years to propose a climate strategy aligned with policy trends, market development, customer demand, etc.

Long term

We set a long-term strategic direction, including an overall direction and goals to address climate change.

Climate-related Risk Management

Our ESG Office, together with our ESG working groups, promote and implement climate-related risk management throughout our business operations, including identifying, assessing, and managing climate-related risks and opportunities based on the TCFD recommended framework.

We have identified risks of physical and transition risks over the short, medium and long term, and opportunities related to energy sources, products and services. Physical risks include both acute and chronic risks, while transition risks contain policy, legal, technology, market, and reputational risks.

Climate-related Risks

Risk Type	Climate-related Risk		Potential Impacts	Time Dimension
Physical Risks	Acute risk	Increased severity of extreme weather events such as cyclones and floods	Extreme weather has an impact on the Company's business continuity	Short term
	Chronic risk	Rising average temperatures	The rise of average temperatures increases the operating costs of the Company's infrastructure and utilities	Long term
Transition Risks	Policy and legal risks	Requirements and supervision of existing products and services	Climate change policies become increasingly stringent, resulting in higher compliance costs	Short term
	Technology risk	Front-end cost of transition to low-carbon technology	Cost required to explore approaches to low-carbon operation, such as energy-saving technologies and operation systems, and investment in renewable energy	Medium term
	Market risk	Changing customer behavior	Customers pay more attention to the carbon footprint of the value chain and require the whole value chain to reduce carbon emissions	Medium term
		Increased cost of raw materials	Climate change affects the quantity of raw materials, with decreased supply leading to increased cost	
	Reputational risk	Increasing concerns about negative feedback from stakeholders	Stakeholders are increasingly aware of and concerned about global warming and the impacts of climate change, and resulting in heightened expectations for corporate to act to address this challenge	Medium term

Climate-related Opportunities

Opportunity Type	Climate-related Opportunity	Response Strategies	Time Dimension
Energy Sources	Emergence of new technologies	To cope with the volatility of the traditional energy market, WuXi AppTec will evaluate possibility of increasing the use of renewable energy to ensure business continuity	Medium term
Products and Services	Increase revenue by improving business competitiveness	As global climate change intensifies, customers are increasingly inclined to use environmentally friendly products and services and are placing greater demands on suppliers' ability to reduce emissions. WuXi AppTec's low-carbon initiatives will enhance the Company's competitiveness and brand image	Long term

In addition, we have integrated a climate-related risk management and monitoring system into the Company's overall risk management process. We have operationalized it through pilot projects to identify climate-related risks when making operational decisions.
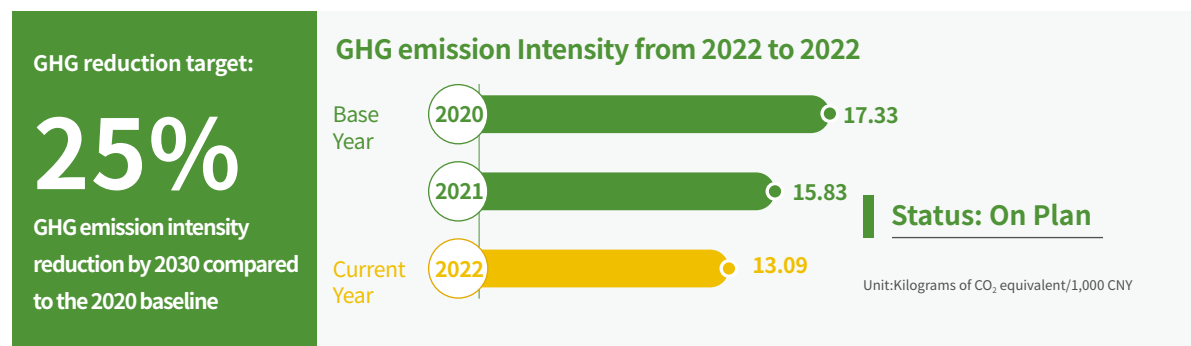
Tackling Climate Change

We have implemented the following measures related to carbon emission and energy conservation to cope with climate change to reduce impact of commercial activities on the environment.
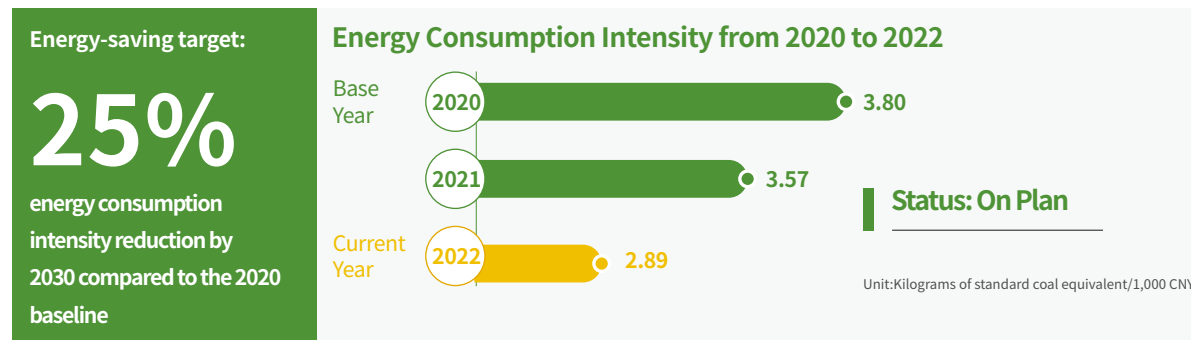
Carbon Emissions Measurement

In 2020 WuXi AppTec began to prioritize carbon emissions mapping and verification, implementing grading management methods in its carbon reduction responsibilities. The Board of Directors oversees our progress towards the Company's GHG reduction target and reports it on a quarterly basis, with the ESG office reviewing and evaluating the implementation and effectiveness of GHG reduction initiatives across our business. GHG emissions are calculated and presented in accordance with the _GHG Protocol_. At the same time, we have employed an ESG management system to regularly monitor and verify the data reported by our sites.
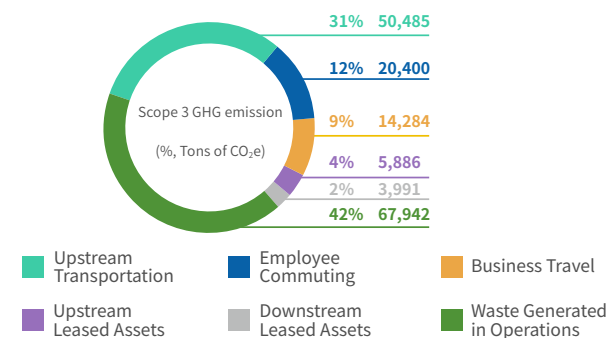
During the Reporting Period, our GHG emissions intensity is 13.09 kilograms of CO_2e/1,000 CNY.

GHG reduction target:

25%

GHG emission intensity reduction by 2030 compared to the 2020 baseline

GHG emission Intensity from 2022 to 2022

Base Year 2020	17.33
2021	15.83
Current Year 2022	13.09

Status: On Plan

Unit:Kilograms of CO_2 equivalent/1,000 CNY

During the Reporting Period, our energy consumption intensity is 2.89 kilograms of the standard coal equivalent/1,000 CNY.

Energy-saving target:

25%

energy consumption intensity reduction by 2030 compared to the 2020 baseline

Energy Consumption Intensity from 2020 to 2022

Base Year 2020	3.80
2021	3.57
Current Year 2022	2.89

Status: On Plan

Unit:Kilograms of standard coal equivalent/1,000 CNY

Scope 1 emissions come from stationary sources (e.g., diesel generators, natural gas, etc.), mobile sources (e.g., owned vehicles, etc.) and other production support facilities. Scope 2 emissions come from procurement of electricity and steam. Based on our GHG data, Scope 2 accounts for 96% of total emissions (Scope 1 and Scope 2) and electricity procurement is up to 84% of Scope 2 emissions. Thus, our carbon reduction measures are primarily coming from purchased electricity in Scope 2. We also work with our suppliers to reduce carbon emissions across the value chain.

Scope 3 GHG emission
(%, Tons of CO_2e)

31%	50,485
12%	20,400
9%	14,284
4%	5,886
2%	3,991
42%	67,942

- Upstream Transportation
- Employee Commuting
- Business Travel
- Upstream Leased Assets
- Downstream Leased Assets
- Waste Generated in Operations

Currently, our Scope 3 emissions mainly include upstream transportation, employee commuting, business travel, upstream leased assets, downstream leased assets and waste generated in operations.

Carbon Reduction Measures

Energy consumed during the R&D and manufacturing processes is one of the largest contributors to our GHG emissions. Thus, we focus on optimizing our overall energy management, technology upgrades and innovation, and the implementation of renewable energy.

Overall Energy Management

We have established an Energy Management Committee, in which we have regular discussions about controlling energy consumption. The Company has developed a general energy management SOPs as the overall guidance at site level. Based on this guidance, each site has established a standard operating procedure for facilities energy management, aiming to reduce energy consumption. In addition, energy saving activities are encouraged by internal management. We also welcome innovative ideas from employees as well as external expertise to help us further improve our energy management. Some sites have obtained ISO 50001 Energy Management System certification, and we are working to expand its coverage.

Technology Upgrades and Innovation

Improving energy efficiency has been embedded into the full cycle of our energy management. We prioritize energy-efficient equipment during procurement by considering their EEI[37] and we require our suppliers to disclose EEI in their proposals and quotes. In addition, frequency conversion mode is used in most electrical equipment to save energy. We reduce the energy consumption by upgrading our equipment and embracing technological innovation. To better manage energy efficiency, we have implemented an online monitoring system to track and analyze data for major sites to identify the abnormal energy consumption of each system and region in time, and guide the direction of future energy conservation and consumption reduction.

⊞ Waste Heat Recovery Project

The Wuxi city site in China installed energy-saving heat pipe in the fresh air treatment section of Heating Ventilation and Air Conditioning (HVAC) to ensure waste heat recycling. With the completion of the project in July 2022, an estimated 42,000 kWh of electric energy is expected to be saved annually.

The Changzhou site in China was equipped with heat recycling device for air compressors to recover waste heat from air compressors to the HVAC hot water system. With the completion of the project in December 2022, an estimated 2,600 t of steam is expected to be saved annually.

The Nantong site in China carried out the heat recovery transformation of the air conditioning heat pipe for eight air conditioning units in the animal room. The three-dimensional heat recovery heat pipe was used to improve the transmission quality of the working fluid to two to three times under the same pipe diameter, reducing the electric energy consumption of the air-cooled heat pump unit, and achieve high efficiency heat transfer. With the completion of the project in June 2022, we expect to save an estimated 700,000 kWh of electric energy annually.

The Changzhou site in China started operating VAR[38] to incinerate waste liquid. During the disposal process, high-temperature flue gas was used to exchange heat through a boiler to recover steam. During the Reporting Period, the VAR had reduced 98,000 tons of purchased steam.

⊞ Operation Mode Optimization Project

The Wuxi city site in China carried out off-stream operations for part of the air conditioning treatment system in the production area during a non-production period to optimize the operation mode. During the Reporting Period, a total of 80,000 kWh of electricity was saved at the Wuxi site. In addition, we replaced 23 old HVACs at the St. Paul site in the United States with newer ones, which helps increase efficiency approximately 15% to 20%.

Renewable Energy Adoption

We promote the use of renewable energy throughout our business. The use of renewable energy, such as wind, solar, geothermal, and tidal energy, is dependent on geographical locations and natural conditions. For areas with such geographical advantages, we will determine the feasibility of deploying our own renewable energy generating capability. Some sites also purchase green electricity to help further support our carbon reduction goals.

⊞ Low Carbon Manufacturing

Our Couvet site in Switzerland installed double glass façade and automated window blinds to respond to exterior temperatures and the natural solar exposition for heating and cooling. Solar panels, high yield dry transformers, cooling systems, heat recovery were achieved at the site to reduce energy consumption and local water electricity purchase was adopted to reduce carbon emissions. The reduction in CO2 emissions was reduced by 70% compared to a standard installation without these measures.

Emissions Management

Our Commitment

With the advancement of industrialization and urbanization, emissions from urban life and industrial production impact all facets of the global ecosystem, including humans. It is necessary that action be taken to enhance overall emissions management as soon as possible. We have a collective responsibility to create a more sustainable community. We prioritize environmental protective measures and work continuously to reduce the environmental impact of our business activities by following the laws and regulations in all operation sites, and by taking steps to strengthen environmental management and reduce emissions.

Waste Management Target:

Be landfill free

for all productive hazardous waste by 2030

Environmental Management System

WuXi AppTec has developed and standardized a systematic environmental management process with comprehensive management policies. We have standardized the environmental management process across the whole company to reduce the environmental impact of production activities, and to avoid potential risks caused by inappropriate management. Each site operates and implements projects in compliance with local requirements.

We have developed an inspection checklist based on our internal environmental management policy that specifies departmental responsibilities and daily, weekly, monthly, and annual inspection items. Regular external audits are conducted to improve our environmental management ability. Regular internal self-assessment and external inspection ensures the effectiveness of our environment management system.

During the Reporting Period, 73% main operating sites obtained ISO 14001 Environmental Management System certification.

Wastewater Discharge

The rapid development of modern industry has led to a sharp increase in the discharge of industrial wastewater. Therefore, we take a series of measures to control wastewater discharge. Our wastewater is mainly generated from urban sewage, circulated cooling systems, and development and manufacturing processes. We strictly abide by relevant laws and regulations to ensure that wastewater is discharged into the municipal pipe network after treatment and that water quality parameters are up to standard. Our wastewater discharge at every main site is monitored by EHS personnel and third-party personnel. Parameters frequently monitored for water quality include COD[39], ammonia nitrogen, and pH. Main treatment processes of on-site WWTP[40] include pretreatment, aerobiotic and anaerobic treatment, and sedimentation. We also have surveillance systems in place to monitor wastewater discharge and employ a qualified third party monitoring company to conduct regular wastewater testing. In addition, we designed emergency response plans for wastewater in each site and adopted a wastewater management approach regarding the discharge risk based on the current industry practice promoted by the PSCI.

Air Emission

We ensure the compliance of air emissions and make great efforts to reduce that. These emissions generated during manufacturing and development consist of VOCs[41], SO_2, NOx, particulate matter, etc. and are treated primarily by RTOs[42] and activated carbon adsorption devices to mitigate their impact on the environment. Proper sealing and LEV[43] are used to reduce fugitive emissions. In addition, a certified third-party authorized by WuXi AppTec, regularly conducts air emission testing for all main sites. Air emission online monitoring systems are installed at specific parts of sites according to local government requirements. Air emission management is enhanced, and its compliance supported, with the introduction of information technology.

Waste Management

Hazardous Waste Management

The hazardous waste of the Company refers to the waste with hazardous characteristics as determined by the laws and regulations of the place in which we operate, including laboratory waste liquid, waste organic solvent, waste activated carbon, sludge from wastewater treatment, biological waste from research and testing, and medical apparatus and instruments used for medical purposes. To mitigate our impact on the surrounding environment, we carry out strict controls from production and storage, to transportation and disposal. Our storage strategies strictly meet the requirements for the regions in which we operate. We follow our solid waste management procedure to ensure that our classification, labeling and recording are compliant with national regulations. Certified hazardous waste disposal agencies are commissioned to dispose of hazardous wastes in order to reduce risk as much as possible.

Precious Metal Recycling Project

In July 2020, WuXi AppTec launched a precious metal recovery project and encouraged all staff to participate to help reduce the amount of pollution in the environment. In recent years, we have improved the specific recovery process. New suppliers for heterogeneous catalyst recovery were developed to expand the scope of our recovery business, tracking the process of catalyst collection and use, and precious metals can be recovered to the maximum extent. Meanwhile, we entrust the third party to further process the metal into catalyst to achieve reuse. During the Reporting Period, we recovered approximately 385.5 kg of precious metals.

Driven by innovation, we are constantly exploring green technology and have adopted green chemistry practices, including continuous manufacturing as well as enzyme technology etc., to reduce hazardous waste at its source. We actively promote optimization and improvement by using chemicals with low/no toxicity to reduce process steps and hazardous wastes.

Continuous Manufacturing

WuXi AppTec has invested in continuous manufacturing since 2014, and now our end-to-end platform has more than 20 reaction categories and 25+ continuous manufacturing lines covering needs from pre-clinical to commercial projects. In 2022, we supported over 80 clients globally by applying continuous manufacturing in in over 250 projects and significantly reduced the amount of solvents, reagents and catalysts used in production to minimize the negative environmental impact.

In 2022, we have carried out several continuous manufacturing projects, such as: continuous manufacturing, for example:

In July 2022, we opened a new continuous manufacturing plant at our Changzhou site for large-scale API and advanced intermediate production. The new plant features 11 continuous manufacturing lines for pilot to commercial scale and resulted in a 50%+ increase in continuous manufacturing capacity compared with 2021.

In December 2022, we launched our first Continuous Manufacturing (CM) line for oral solids at our Wuxi City site, with our continuous manufacturing capability and capacity now covering both drug substance and drug product.

Implementation of continuous manufacturing for hydrogenation to replace the conventional batch approach, contributing to 20%+ decrease of precious metal usage on average for the applied projects during the Reporting Period.

Application of continuous distillation to replace the batch mode for solvent exchange decreased fresh solvent usage by 500+ metric tons in a single commercial project during the Reporting Period.

Enzyme Technology

Since 2013 WuXi AppTec has built a comprehensive biocatalysis platform that offers a one-stop solution for our clients, including enzyme screening, enzyme evolution, fermentation, process R&D and manufacturing. In 2022, our platform increased an in-house library with over 2,000 enzymes and 100,000 mutants, enabling rapid screening, and installed several 2,000L fermenters to support large-scale enzyme production.

During the Reporting Period we manufactured about 80 tons of key intermediates via enzymatic processes. This reduced the use of approximately 1,500 tons of organic solvents, resulting in a meaningful reduction in waste, helping significantly lower our environmental impact. For example, for a chiral amide synthesis in a phase II project, we successfully shortened the original 7-step chemical process to 1-step enzymatic reaction, boosting isolated yield dramatically and reducing organic solvent usage by 90%.
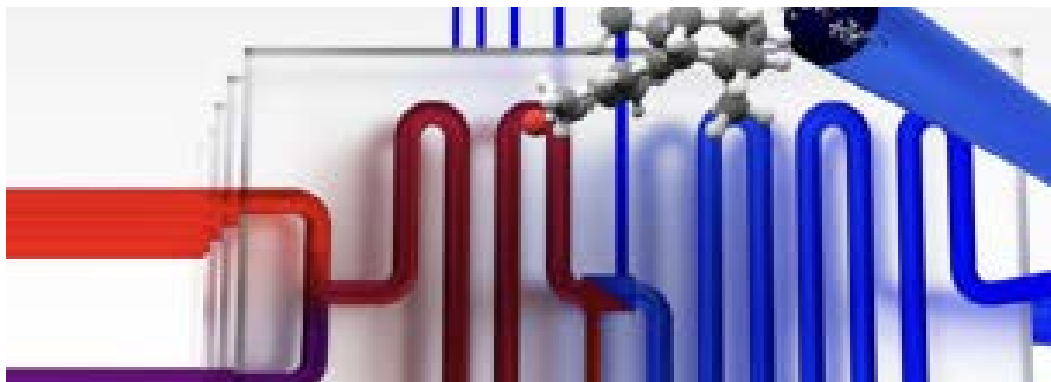
Non-hazardous Waste Management

Non-hazardous wastes generated on site include general industrial solid wastes and domestic wastes. We synchronize management and supervision of non-hazardous waste by employing a solid waste management procedure, which includes:

· Daily collection of domestic waste and periodic transportation to sanitation stations

· Regular cleaning of temporary storage areas, particularly for general industrial solid wastes

· Commission certified third parties to treat and recycle general industrial solid wastes

Special Event on World Recycling Day

On March 18th, our Couvet site in Switzerland conducted a special event for World Recycling Day, introducing the facility's diverse environmental protection measures and helping employees understand the measures taken to reduce waste, encouraging them to contribute to waste reduction. During the event, each colleague had the opportunity to get reusable cup made of 100% recycled materials and could participate in on-site clothing donation to help vulnerable groups in the local community.

Resources Management

As a comprehensive capability and technology enabling platform, WuXi AppTec's business operations have a limited dependency on water resources. However, it is still the responsibility of every corporate citizen to protect all our planet's resources. We take resource management seriously and continue to minimize the risks associated with our business operations to help achieve a harmonious coexistence between people and nature.

Water Stewardship

Water is the source of life. Protecting water resources is an indispensable part of sustainable economic and social development. By 2030, we are committed to becoming a water positive company and to achieving a 30% reduction in water consumption intensity compared to the 2020 baseline.

At WuXi AppTec, water is supplied by the municipal water system in most instances. It's widely used as an industrial coolant and for washing and cleaning. All major sites have established their own water management operating procedure to standardize water consumption and avoid unnecessary waste. An online water management system is used to collect usage data automatically and create a periodic report for use analysis. The system is also equipped with an alarm function to flag abnormalities. In addition, our major sites have established water-saving targets that are aligned with the Company's overall target to support water conservation efforts.

To get well-prepared for any potential water crisis, sites exhibiting water scarcity risk are identified and assessed based on the data of the World Resources Institute (*WRI*[44]). We prioritize water conservation for high-risk

sites and communicate and cooperate with local stakeholders, including regulatory authorities and business partners in the project's construction, expansion and reconstruction, to carry out commercial activities without damaging local natural resources and to promote water saving through collaboration. During the Reporting Period, our sites adopted the water recycling mode and worked in alignment with other companies to reduce water usage and maximize efficiency.

Water-saving Target:

30%

water consumption intensity reduction by 2030 compared to the 2020 baseline

Water Consumption Intensity from 2020 to 2022

Base Year	2020 — 0.16
	2021 — 0.15
Current Year	2022 — 0.12

Status：On Plan

Unit:Cubic meter/1,000 CNY
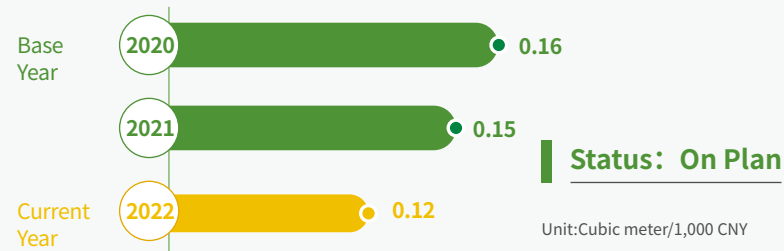
Every major site has taken a variety of actions to reduce water consumption and improve water use efficiency, including rainwater recycling, cooling water recycling and proportional valve precision control, etc.

No.	Location	Water risk level
1	Shanghai, China	High
2	Changzhou, Jiangsu, China	High
3	Taixing, Jiangsu, China	Low
4	Wuxi, Jiangsu, China	Low
5	Nantong, Jiangsu, China	Low
6	Changshu, Jiangsu, China	High
7	Nanjing, Jiangsu, China	Low
8	Suzhou, Jiangsu, China	High
9	Chengdu, Sichuan, China	Low
10	Wuhan, Hubei, China	Medium
11	Tianjin, China	High
12	Fangchenggang, Guangxi, China	Low
13	Guangzhou, Guangdong, China	Low
14	Philadelphia, Pennsylvania, US	Medium
15	Marietta, Georgia, US	Low
16	Mendota Heights, Minnesota, US	Medium
17	San Diego, California, US	High
18	Cranbury, New Jersey, US	Medium
19	Plainsboro, New Jersey, US	Medium
20	Munich, Germany	Medium
21	Oxford, UK	High
22	Couvet, Switzerland	Medium

Water Risk Map of WuXi AppTec

Condensate Return Water Recovery

WuXi AppTec attaches great importance to the protection of water resources and improving the local water utilization rate, particularly at sites located in areas of high-water risk. We carried out a condensate return water recycling project at our Tianjin site in China, recycling the condensate return water in the synthesis fume hood to the stainless-steel water tank through the PPR[45] pipe. It was then lifted to the water pump by the power system (energy-saving pump) for the replacement of the circulating water of the water pump and the roof collecting pump. With the completion of the project in July 2022, the water with an annual estimated 28,400 tons is expected to be saved at Tianjin site.

Rainwater Recycling Project

The Suzhou site in China formulated a rainwater recycling project to promote sponge technology and facilities. We aim to facilitate the recycling of rainwater.
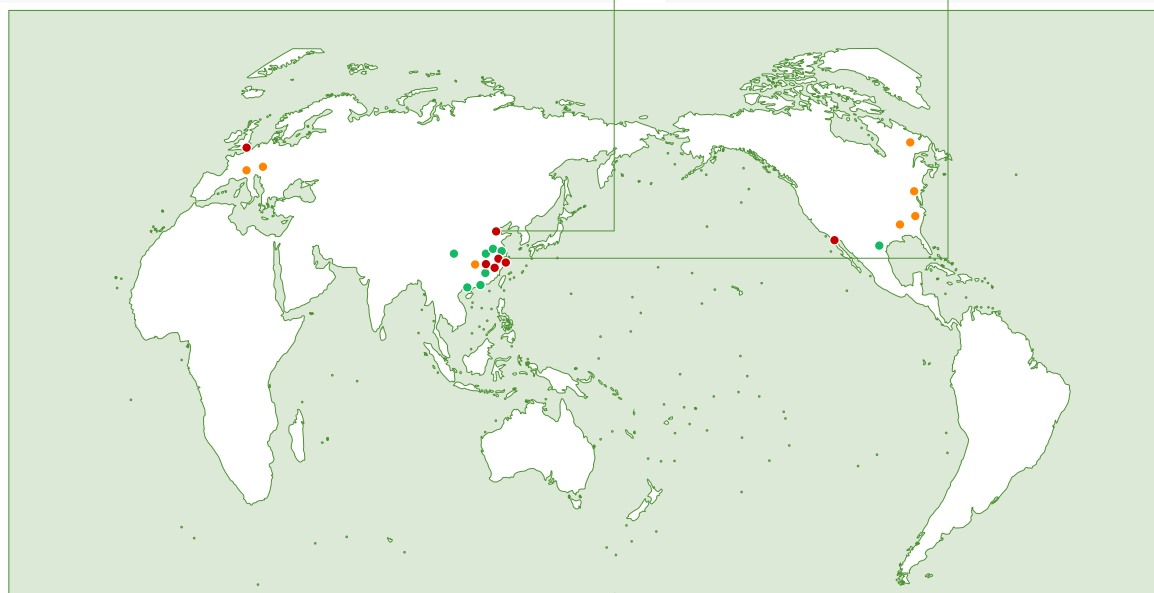
In addition to reducing water consumption and improving water use efficiency, regular inspections including water balance and pipeline leakage testing are carried out to ensure that the water systems function properly, avoiding potential waste. Our water system load is governed by internal policy to ensure essential water supply and stop overuse. We have also established an internal process to meet urgent needs by purchasing water from external supplies. During the Reporting Period, no significant water-related non-compliance occurred at our sites.

During the Reporting Period, we consumed 4,578,504 cubic meter of water.

Reusing Reclaimed Water

In September 2018, our Wuxi city site in China launched a project to reclaim and reuse water. After being treated by a third party, production wastewater from the surface cleaning of production equipment or laboratory utensils can be reused for non-production use, including cooling towers, greening, toilets, etc. The project not only realized zero discharge of production wastewater, but also reduced overall water consumption, lessening the environmental impact of the site. During the Reporting Period, the total amount of reclaimed water reached was 51,861 tons.

Packaging

Reducing the use of packaging and improving its efficiencies are the key to minimizing the impact on the communities in which we operate. We developed a packaging recycling process in which we utilize recycled materials to create new packaging for our products, without compromising the integrity of the finished packaging.

Project of Plastic Turnover Box

During the Reporting Period, our Wuxi city site in China started using reusable plastic turnover boxes in the process of material circulation in the factory. This project not only minimized the safety risks of using paper boxes during material transportation, but also significantly reduced the environmental impact of the site by eliminating the use of paper packaging materials.

Project of Reusing Received Styrofoam Boxes

Since its opening in 2020, our Natick, Massachusetts site in the United States has reused Styrofoam boxes it receives, sending the products with dry ice to the clients. This practice improves the utilization rate of packaging materials and saved at least 30% of new packaging materials.

Empowering Our Community

WuXi AppTec actively fulfills its social responsibilities through prioritizing employee development, health and safety and community support. Being a responsible employer, we actively promote a culture of diversity and inclusion (D&I), value contributions from our employees and support employee development to promote diversified business development and social prosperity. As a corporate citizen, we actively collaborate with stakeholders to integrate industry resources and create sustained value for our communities.

Our Employees

Our Workplace

Our Community

Why It Matters

> Good health and well-being are essential to build prosperous societies. Since the approval of the *UN Millennium Development Goals*[46], impressive progress has been made across the world on multiple aspects related to human well-being and public health. However, to achieve the health goals of the UN Global SDGs by 2030, global businesses still need to accelerate advancement, particularly in disease treatment and drug affordability.
>
> As a contributor to the global healthcare industry, WuXi AppTec is committed to helping build a brighter, healthier future for all. Externally, WuXi AppTec is continuously enhancing the capacity and capabilities of our open access enabling platform to help support our partners develop needed drugs. Based on its business development, the Company actively promotes the development of the healthcare industry and the improvement of public health. Internally, WuXi AppTec focuses on improving the employee experience through building an inclusive culture, creating a healthy and safe work environment, and empowering business development to benefit the communities in which we operate.

Sustainable Development Goals

3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH

Our Governance

WuXi AppTec has a well-established governance structure to empower our employees and the community. For example, we have designated relevant senior executives to be responsible for employee growth and development, health and safety, and community support. In addition, we have an Affirmative Action Officer who promotes D&I in our workplaces, business activities, and communities around company sites in the U.S. and Europe. At WuXi AppTec, we encourage everyone to participate in employee development, and engage in the workplace and community to positively impact our business operations and society at large.

Our Approach

WuXi AppTec actively engages with internal and external stakeholders to advance priorities related to employee growth and development, OHS, and community development. We communicate with local communities, regulators and partners to plan and implement programs that benefit our employees and communities, and have established quantifiable and regularly reviewed goals for employee development, health and safety, and community support to ensure that our processes meet the expectations of all stakeholders.

Our Target

Target		Status
Employee Diversity	WuXi AppTec commits that on average at least one candidate in the interview process for positions at the director level or above is diverse.	On Plan
Community Support and Contribution	WuXi AppTec plans to build 3,000 health stations over the course of three years (2022-2024), with an estimated donation of 10 million CNY in medical supplies and equipment that will benefit a rural population of 7.5 million.	On Plan

2022 Performance

- Percentage of our female employees is **54%**
- **73%** of main operating sites have obtained certifications of ISO 45001 Occupational Health and Safety Management System certification
- **1,503,314** CNY for global philanthropy

Please see *Performance Table* for details

Our Employees

Our Commitment

Our talented and passionate employees are one of our greatest assets and bring the Company's vision to life. As a customer-focused and innovation-driven enabling platform, we recruit talent globally and demonstrate our value and respect for every individual by creating an inclusive culture, supporting their careers long-term and taking care of their wellbeing.

Our Approach

A core tenet of employer value position is "Have Passion, Have Fun, Have a Career in WuXi AppTec". Following the principles of fairness, justice and openness, we actively work to create a positive working environment for our employees. We follow *the ILO Declaration on Fundamental Principles and Rights at Work*, as well as local regulations, to ensure that our employee management process meets global standards.

Our Target

Target		Status
Employee Diversity	WuXi AppTec commits that on average at least one candidate in the interview process for positions at the director level or above is diverse.	On Plan

Fostering Diversity and Inclusion

As an innovation-driven company, WuXi AppTec has both the capability and responsibility to champion D&I, which are crucial to fostering creativity and innovation. Our *Diversity, Equity & Inclusion Policy*[47] ensures compliance with D&I principles in hiring and career development within our company. WuXi AppTec has taken proactive steps to foster a culture of inclusion, e.g., assigning D&I training to all employees and organizing activities to raise awareness, including forums designed with a critical focus on unconscious bias, that are supported by relevant departments. We also regularly monitor performance around diversity to ensure the effectiveness of our practices, and report to the ESG Committee. During the Reporting Period, we consistently had no compliant issues of discrimination or harassment within our operations.

Attracting Talent

WuXi AppTec is dedicated to a recruitment strategy that attracts talent from around the globe to support long-term growth and innovation. We actively evaluate our workforce demand and applied strategic workforce planning. By identifying current workforce skills gaps and measuring recruitment demand, we continuously grow our talent pool and attract a diversity of employee candidates. WuXi AppTec has and continues to look for ways to reach potential candidates and invest in prospective talent, including:

Providing return offers to outstanding interns to join the Company as full time employees	Organizing campus recruitment events to promote opportunities for highly qualified graduates	Offering internal job transfer opportunities for our employees to help them reach their full potential

During the Reporting Period:

10,080	**2,122**	**358**
graduates obtained job positions	employees successfully internally transferred	disabled candidates obtained job positions

Our recruitment process and standards strictly comply with the laws and regulations of the regions in which we operate. The Company commits to aligning our operations with the Ten Principles of the *UN Global Compact (UNGC)*[48] and the *UNGC principles on human rights*[49]. We support a framework of "protect, respect, and remedy" and its due diligence principles. WuXi AppTec assesses our own business and the companies acting on our behalf, such as with supply roles, acquisitions and mergers, to identify potential compliance risks[50]. Our company has a grievance mechanism in place that can be utilized to raise any concerns.[51] Audits have been conducted to ensure our compliance with labor practices, and we actively engage and communicate with stakeholders such as regulators and customers to cooperate with their own audits.

Employees by region

- 4.3%
- 0.8%
- 94.9%

Legend:
- Asia
- America
- Europe and Middle East

Employees by education degree

- 17.5%
- 3.2%
- 26.7%
- 52.6%

Legend:
- Ph.D
- Master
- Bachelor
- Others

Employees by gender

- 45.6%
- 0.2%
- 54.2%

Legend:
- Male
- Female
- Unknown

Employees by age

- 34.7%
- 1.5%
- 0.4%
- 63.4%

Legend:
- <30
- 30-50
- >50
- Unknown

Employee Development

WuXi AppTec strives to foster a workplace culture of continuous learning and growth in our employee development practices. We work to help all employees develop their potential and provide them with access to new skills, expertise, capabilities, and influence. Based on the principles in our *Employee Development Policy*[52], the Company has developed structured trainings and programs covering the whole development process of our employees.

Onboarding ❯ Our warm-up training includes an intern training program for students worldwide and a new employee orientation for new hires to help them succeed in the first stage of their careers. These programs allow employees to build bonds and connections with each other and become accustomed to their new roles at WuXi AppTec.

Continued Growth ❯ We provide our employees with the knowledge and training required for their positions to help them successfully perform their job role and responsibilities. Compliance trainings, job-specific courses, and personal mentors are provided to every employee to help them navigate their career and expand their professional skill set. We also collaborate with external educational institutions to develop lectures and courses that provide professional and technical skills to employees.

Strive for Excellence ❯ We believe that all employees should have the opportunity to pursue excellence beyond core job requirements and to develop their unique strengths. Online learning resources and in-person training programs are available to employees to help them find suitable courses for upskilling or reskilling.

Industry Leader

Every employee at WuXi AppTec has a core journey, built to expand personal development as leaders and designed to integrate leadership skills, technology acumen, risk management awareness, etc. Our Leadership Development Programs (LDPs) is consisted of four pillars and offered to all levels of permanent employees. Inspired by the concept of "leaders who lead leaders", our LDPs empowers the next generation of leaders and industry influencers. During the Reporting Period, our LDPs helped 3,418 employees to explore their potential.

Elite Program	First Line Manager Development Program	Senior Leaders' Development Program	Successive Leaders' Development Program
For junior employees below the managerial level	For managers and directors	For director level and above	For employees at all levels
Aims to improve skill set and reach maximum potential	Aims to help junior leaders develop the required knowledge and skill set	Aims to build leaders' critical thinking and support the Company's success	Aims to improve skill set of successor to help them meet the position requirements

The development of employees requires not only abundant internal resources, but also the empowerment of external professional perspectives. WuXi AppTec actively provides employees with access to external educational resources to support them in achieving specialization in their fields and continuously improve their opportunities for career development.

External Joint Training Program

In order to introduce high-quality and professional resources, WuXi AppTec cooperates with external educational institutions based on business requirements to provide employees with targeted empowerment programs. During the Reporting Period, we conducted joint programs with external professional education institutions, such as the "Talent Testing and Training Program for High Priority Positions" and "Specialized Training for Employees' Vocational Skills", to provide different types of employees, such as general employees, management and senior management, with the knowledge and resources they need.

Educational Assistance Program

This program aims to help our employees when they choose to obtain official degrees and certifications from external educational institutions, which covers 100% permanent employees. After evaluation, employees are supported by the Company with reimbursement for tuition fees, leave approval, and learning resource sharing. In our North America and European operations, employees can receive up to $5,000 in financial support for getting a master's degree.

Promoting Our Employees

In our promote-for-performance philosophy, we believe exceptional employee performance makes a business great. Under our *Employee Promotion Management Policy*, all employees have access to fair, transparent, and equal performance reviews and promotions twice a year. A dual track career path towards technical and managerial roles is accessible to employees and offers equal promotion opportunities for employees in various fields.

We strive to create a supportive work environment for employees by helping them establish a target-oriented development plan with different types of performance reviews, including a 360-degree performance appraisal. In our performance reviews, employees set measurable targets agreed to by their line manager and obtain a multidimensional performance evaluation, which considers their holistic strengths, related to learning, leadership, execution, knowledge, and experience. With inputs from a variety of colleagues, including both direct and indirect supervisors, peers, and subordinates, each employee receives objective and accurate feedback, helping them further realize their potential.

Satisfaction Survey on Promotion Process

In order to understand employees' suggestions about the Company's promotion mechanisms and continuously optimize the quality of related work, we conducted a satisfaction survey on promotion mechanisms during the Reporting Period. This survey collected opinions and suggestions from employees in several dimensions, including promotion policy, promotion standards, post-promotion requirements, career development support and promotion experience. We analyzed the results and shared the experience and implemented special improvement plans for the suggestions. For example, we strengthened the training for employees after promotion to help them meet the professional requirements of their new positions.

Caring for Our Employees

Compensation

WuXi AppTec has a comprehensive compensation package consisting of fixed compensation, special incentives, short-term incentives, and long-term equity incentives to reward the contributions of our employees and attract, motivate, and retain talent. We routinely monitor and evaluate market trends and industry practices to ensure our compensation practices are competitive and agile.

The Company believes in equal pay for equal work, and pay equally based on position, performance and ability. We protect the rights and interests of our employees with relevant indicators being closely monitored. At WuXi AppTec, our employees with similar performance and experience expectations, and in equivalent roles, are paid equally.

Equal pay indicator	Difference between male and female employees (%)
Mean gender pay gap	**0.77%**
Median gender pay gap	**1.11%**

*The indicators coverage is over 75% and does not cover US and EU due to data privacy.

Benefits and Well-being

The Company aims to deliver comprehensive benefits that help employees feel empowered and engaged. We consider varying customs, practices, and legal requirements in our employee expectations across the world and take that into account when designing competitive benefits programs to attract, motivate, and retain our employees.

Health and Well-being	Financial Protection	Family and Personal Support	Work-life Balance
Medical examination and insurance	Retirement programs	Personal leave support	Staff clubs
Mental health care	Assistance Fund	Parental leave support	Holiday events
Business travel insurance	Transition housing	Work from home options	Team buiding events
	Outstanding Employee Children Scholarship Program	Flexible working hours	
	Commuting allowance	Nursing room	
		Break time for nursing	
		Barrier-free support	

Team Building Activities at WuXi AppTec's Couvet Site

Each year, our Couvet site in Switzerland holds a variety of team building activities to promote communication among employees, enhancing teamwork and deepening mutual trust. In the 2022 team building activity, employees from different departments of the Couvet site teamed up to play a series of meaningful games in a competitive manner. In these activities, the employees showed their unique skills and demonstrated a positive corporate culture.

Scholarship Program for Outstanding Employees' Children

Since 2019, we have established the "Outstanding Employee Children Scholarship Program", which provides 200,000 CNY scholarships each year to reward the children of outstanding employees with excellent academic performance, talent and integrity. In the 2022 award ceremony, the 20 children who won 2022 scholarship expressed their gratitude for this honor and shared their learning methods, as well as their aspirations and dreams for the future.

Engaging with Our Employees

WuXi AppTec actively engages with our employees and creates an inclusive workplace where everyone feels a deep sense of belonging. We support engagement through globally connected chat groups, communications from management, and other community-based events that promote workplace communication. Employees can also share their feedback or suggestions through our annual employee engagement survey. By leveraging employees' varied perspectives, we seek to value everyone and make continuous improvement.

Employee Engagement Survey and Enhancement

During the Reporting Period, our employee engagement survey in U.S. sites covered 81% of our employees. The survey included 25 indicators in four dimensions: company strategy, manager relationship, company culture, and engagement style, to provide a comprehensive understanding of employees' thoughts and needs. The survey results show that most employees highly recognize the Company's corporate culture and say they benefit from our learning atmosphere, business development, and commitment to technological innovation. At the same time, we learned that employees want more support in three areas: compensation, career development, and process & technology. Therefore, we launched the career development program and the salary adjustment program this year in response to employee feedback and to provide them with a better experience.

The Company has several channels designated for our employees to raise grievances at any time. WuXi AppTec responds to any grievances or violations as soon as they are reported through a formal channel. All alleged violations are taken seriously and investigated thoroughly with comprehensive measures of whistleblower protection in place (please see chapter on "*Being A Responsible Citizen*" for details on whistleblower protection). Feedback will be provided to the reporting individual in a timely manner. If the reported violation is proven to be true, corrective actions and penalties will be taken as necessary.

Our Workplace

🤝 Our Commitment

We believe that a safe and healthy workplace is a fundamental right of every person and imperative to any business. Driven by our priorities of zero-accident and zero-harm to employees, our management system and EHS policies collectively integrate compliance, governance, initiatives, procedures and resources to form a dynamic EHS management system. This helps promote a safe work environment and the health and well-being of our employees and onsite contractors.

73%
of main operating sites have obtained ISO 45001 Occupational Health and Safety Management System certification

Our Approach

The EHS responsibilities of the Company are governed at both the corporate level and facility level to ensure implementation of EHS-related regulations. Our EHS Management Committee consists of one company-level committee and three department-level committees, including chemistry safety, biology safety, and radiation safety. This governance structure ensures that our safety management system is implemented effectively and supervised at the highest levels of compliance.

Our *Environmental, Health and Safety Policy*[53] and *Position on EHS Management*[54] define standards for managing OHS throughout our operations. WuXi AppTec adheres to world-class standards of workplace safety through the OHS management system and protects personnel within its operations, including employees, contractors, targeted suppliers, and visitors. Our global R&D and manufacturing sites are encouraged to be ISO 45001 Occupational Health and Safety Management System certified by accredited third-party auditors. The OHS management system is also evaluated through internal inspections and audits, routine site inspections, performance evaluations, and external audits from regulatory organization and customers. Moreover, we regularly conduct OHS audits on critical suppliers to guarantee the effectiveness of our OHS system.

OHS Risk Management

The Company's OHS management system incorporates a prevention-first approach. Based on our *Measures for Management of Safety Risk Assessment*, we proactively use the lifecycle methods to carry out hazard and risk identification covering the whole business process and identify suggest preventative actions of associated impacts. This helps to establish effective OHS measures and generate action plans for risk elimination or mitigation. We also review the OHS risks of targeted suppliers regularly according to the standards and criteria defined in our *Supplier Code of Conduct*[55].

To further control OHS risks, it is vital to develop and implement an emergency plan familiar to staff. As a result, we integrate emergency planning into our operations-with regular reviews and emergency drills-to strengthen our rapid-response capability and minimize the impact of disruptive events.

Performance Evaluation and Continuous Improvement

Supported by the Company's EHS Committee, we set and regularly review quantifiable OHS targets and objectives to accurately track our progress toward OHS performance improvement. We conduct assessments of leading and lagging KPIs to ensure sites remain on track. Any deviations are further investigated to identify root causes and take corrective actions. Best practices, experiences, and lessons related to OHS are shared during each management review meeting.

To improve our OHS management system and work plan, we also incorporate OHS performance indicators in the appraisals of specific roles. We perform regular audits on targeted suppliers to ensure that their continuous OHS performance improvement is up to the standards of WuXi AppTec.

Health and Safety Awareness and Communication

Fostering a safety awareness and culture is imperative to create a safe and healthy workplace, helping to reduce safety hazards and potential risks at the source. Under our *EHS Training and Assessment Management System*, we provide role-specific trainings, emergency drills, and site-specific safety training to our employees and partners. We also conduct specialized OHS training for roles involving unique hazards to reinforce their health and safety awareness.

The Company communicates directly with our employees to uncover potential safety risks in a timely manner and champion transparency. We have established an OHS reporting system in which all employees can provide timely feedback and report any OHS-related misconduct or potential safety hazards, thus ensuring sound health and safety management within WuXi AppTec's operations. Any reports of OHS non-compliance are encouraged and investigated based on our *EHS Accident Report and Investigation Management System*. Root causes of potential non-compliance are analyzed to formulate corrective action plans. During the Reporting Period, no OHS-related violation was recorded, and there have been no fatalities in the past three years.

📄 Safety Month Campaign

During the Reporting Period, WuXi AppTec launched a Safety Month Campaign to further strengthen the safety awareness and capabilities of employees by holding on-site activities such as safety knowledge competitions and firefighting skills competitions. At the same time, we set up awards such as "Safety Star" and "Safety Team" to motivate employees in health and safety.

📄 Chemical Management

WuXi AppTec has established various safety management systems for chemicals, including the *Chemical Safety Management System*, and established a chemical management team to continuously monitor the use of regulated chemicals. We have established a comprehensive management mechanism, including chemical purchase, storage and transportation, use and waste disposal, and have defined the work standards for each step according to relevant corporate standards and regulations to ensure the safety. In addition, regulated chemicals such as highly toxic products need to be approved through the company management system before they can be applied. All chemical operators are required to receive EHS training and departmental training before they are allowed to begin work.

Our Community

Our Commitment

As a responsible corporate citizen, WuXi AppTec is steadfast in its commitment to enable our customers to develop and deliver medicines to patients more rapidly that will improve the lives of patients while also positively contributing to the communities in which we operate. We are dedicated to empowering our communities by leveraging our resources, technologies, and employee expertise.

" At WuXi AppTec, part of 'doing the right thing' is giving back and enriching the communities in which we operate. "

——Richard Connell Ph.D.
WuXi AppTec Senior Vice President
US/EU Chief Operating Officer

Our Approach

Engaging with the local community and contributing to our broad society is important to WuXi AppTec. By following the *Grant and Sponsorship Management Policy of WuXi AppTec* , we utilize our philanthropic efforts to actively serve the community. We continuously review and evaluate our community-focused contributions to take tangible steps and meet targets aimed at promoting a sustainable community.

Target		Status
Community Support and Contribution	WuXi AppTec plans to build 3,000 health stations over the course of three years (2022-2024), with an estimated donation of 10 million CNY in medical supplies and equipment that will benefit a rural population of 7.5 million.	On Plan

Principles: Community-focused	
Purpose: community-focused activities	Recipient
Disaster relief, poverty relief, assistance to the disabled and other social groups and individuals with special needs	Public welfare and philanthropic groups
Education, science, culture, healthcare, sports	Public welfare non-profit organizations
Environmental protection, public facility construction Other activities that promote social development	The recipient should have relevant credentials if the donation has a specific purpose

How We Contribute to Our Community

WuXi AppTec has clearly mapped out pathways for socially responsible action, focusing on four areas with the greatest potential for positive social impact.

Health and Science

Education

Humanitarian Aid

Industry-wide Collaboration

Health and Science

Rare diseases[56]

According to the WHO, there are 6,000 to 8,000 rare diseases in the world, with over 250 new diseases identified annually, affecting the lives of up to 400 million patients worldwide. Leveraging the power of science and global collaboration, WuXi AppTec hosted several online forums and educational programs to convene industry leaders and raise awareness about rare diseases and improve the attention of society to the rare disease, and joint with multiple parties to converge in rare diseases, promoting the rare disease diagnosis and treatment together.

WuXi AppTec Rare Disease Series, special session on Fragile X Syndrome

During the Reporting Period, WuXi AppTec and the FRAXA Research Foundation co-hosted a special session on Fragile X syndrome. This was the 10th session of WuXi AppTec's "Collaborations That Transform" Rare Disease Forum Series, with over 30 distinguished guests from industry, top academic institutions and patient advocacy groups gathering online to share insights. To tackle the challenges of rare diseases, we need the cooperation of the global ecosystem to achieve a future where "every drug can be made and every disease can be treated."

WuXi AppTec Rare Disease Awareness Concert 2022

February 28, 2022 marked the 15th International Rare Disease Day. WuXi AppTec, together with Beijing Illness Challenge Foundation and more than 40 rare disease advocacy organizations and volunteer groups, organized an online concert under the theme, "Share Your Colors." Guests from a range of countries and industries voiced support for the rare disease community using the universal language of music and conveyed a shared hope for the 400 million rare disease patients worldwide.

Public health

Global efforts are needed to ensure that people have an opportunity to live a healthy life. Resources, technology, and high-quality primary health care are fundamental to a thriving public health ecosystem. Our industry resources have been enabling our original intention and passion of benefiting patients. We are dedicated to leveraging the strengths of our industry to contribute to the sustainable development of public health with our vision "every drug can be made and every disease can be treated."

"Health Station" Campaign 2022

With the intention of helping patients, WuXi AppTec established Health Stations in primary care facilities with health monitoring equipment and epidemic prevention supplies. With the first Health Station established in 2021, the Company completed the construction of 30 stations in one year, providing basic medical services to more than 9,300 people and reaching 75,000 rural residents.

Building on the successes of the first phase, WuXi AppTec has set a new target to build 3,000 health stations between 2022 to 2024, with an estimated donation of 10 million CNY in medical supplies and equipment that will benefit 7.5 million rural residents. In the second phase, launched in July 2022, WuXi AppTec targeted 500 health stations and donated compressed air nebulizers, electronic blood pressure monitors, oximeters, forehead thermometers, and vision meter light boxes to support primary health institutions and healthcare professionals to improve their diagnoses and care.

Education

Education is strongly linked to sustainable, inclusive, and equitable economic growth and social development. At WuXi AppTec, we continue to contribute to youth education to improve its accessibility, quality and affordability.

> "
> I am pleased to represent WuXi AppTec at the benefit for the 2022 Biomedical Science Career Program (BSCP) 'Evening of Hope'. BSCP was established to close the equity gap for people of color and disadvantaged individuals. WuXi AppTec strongly supports efforts to create opportunities for young people of all races who wish to pursue a career in the bioscience, medical and public health industries
> "
>
> —Richard Connell Ph.D.
> Remarks at the 2022 Biomedical Science Career Program event
> WuXi AppTec Senior Vice President, US/EU Chief Operating Officer

Support for the STEM Development Program in Boston

Dr. Yan Chong Huangfu, a researcher at WuXi AppTec HitS Unit in Boston, is actively involved in the local STEM (Science, Technology, Engineering and Mathematics) talent development program. He is providing professional training and guidance to college students who are interested in pursuing careers in science and technology, encouraging them to learn across boundaries, focus on the frontiers of their disciplines, and develop a big-picture view of the industry. In addition to undertaking internships, interested students can enter the lab of their choice and participate in real-world projects to gain experience and build confidence for their future studies and career development.

Humanitarian Aid

The United Nations Office for the Coordination of Human Affairs, in their *Global Humanitarian Overview 2022*[57], estimated that 274 million people would need humanitarian assistance in 2022. It indicated "natural disasters, diseases and conflicts not only take a toll on people, but also tear apart the fabric of sustainable development while exacerbating regional poverty." We remain committed to supporting communities in humanitarian crises and natural disasters and contributing to public welfare.

Assistance for Cancer Patients

The MacMillan Cancer Foundation is one of the UK's largest charities providing support to cancer patients and their families. The Foundation encourages people to organize their own "coffee mornings" and donate the cost of a cup of coffee. OXGENE, A WuXi Advanced Therapies Company, has put a unique spin on this initiative by organizing regular staff gatherings at breakfast or "international luncheons" and combining them with baking competitions, giving global colleagues the opportunity to participate in a charity fundraiser to support cancer patients.

Disaster Relief

A magnitude 6.8 earthquake struck Luding County, Sichuan Province in China on September 5, 2022. After the earthquake, the Company immediately issued a call for donations to support those affected by the disaster. In just three days, 6,282 employees contributed 1,295,040 CNY. Combined with the Company's 1:1 matching donation, a combined total of 2,590,080 CNY to support areas affected by the earthquake.

Industry-wide Collaboration

Collaboration is at the heart of how we promote innovation and development in this industry. WuXi AppTec proactively facilitates industry-wide collaborations and educational programs to share disease knowledge and cutting-edge technologies, as well as to optimize treatment concepts, with industry partners. In doing so, we are committed to driving innovation and efficiency of drug production through increased R&D, as well as jointly improving the accessibility and affordability of medicines and solutions for patients.

WuXi Healthcare Forum 2022-Call to Action

WuXi AppTec is responding to the World Health Organization (WHO)'s critical initiative to tackle global health challenges and to collaboratively advance healthcare solutions. One example of this work is the WuXi Healthcare Forum 2022, which was successfully held from April 26 to 28, 2022. The virtual event attracted more than 8,000 participants from all over the world and gathered experts from top global healthcare institutions, heads of world-renowned NGOs, and industry leaders to discuss and share their insights on the development of the healthcare industry.

Performance Table[58]

Governance KPIs

	Unit	2021	2022
Business overview			
Year-on-year growth rate of revenue	%	38.50	71.84
Year-on-year growth rate of net profit attributable to owners of the Company	%	72.19	72.91
Business ethics and anti-corruption			
Training on business ethics and anti-corruption			
Percentage of board members covered by anti-corruption training	%	100	100
Number of anti-corruption trainings for board members	/	1	1
Training hours of anti—corruption per board member	Hours	1	1
Percentage of employees trained on business ethics and anti-corruption[59]	%	99.90	99.49
Training hours per employee on business ethics and anti-corruption	Hours	0.2	0.2
Business ethics and anti-corruption audit			
Number of audits conducted on business ethics	/	28	27
Penalties related to corruption			
Cost of fines, penalties or settlements in relation to corruption	CNY	0	0
IT security			
Number of IT audits from the clients	/	12	30
Responsible marketing			
Cost of fines, penalties or settlements in relation to marketing	CNY	0	0
Ethics in research and development			
Cost of fines, penalties or settlements in relation to clinical trials in developing countries	CNY	0	0

Environmental KPIs[60]

	Unit	2021	2022
Energy Type			
Purchased electricity	MWh	439,201.30	608,968.79
Purchased hot water	MWh	4,540.00	6,286.22
Purchased steam	Tons	180,379.00	267,378.72
Gasoline	Liter	133,786.70	138,011.02
Diesel	Liter	163,192.26	247,476.63
Natural gas	Cubic meter	7,209,706.04	8,968,036.37
Purchased green electricity	MWh	8,362.00	13,594.32
Solar power	MWh	178.00	205.18
Energy Consumption[61]			
Direct energy consumption	Tons of standard coal equivalent	9,497.05	11,698.72
Indirect energy consumption	Tons of standard coal equivalent	72,160.82	101,880.88
Total energy consumption	Tons of standard coal equivalent	81,657.87	113,579.60
Intensity of Energy consumption by revenue	Kilograms of standard coal equivalent CE/ 1,000 CNY	3.57	2.89
Greenhouse Gas Emissions[62]			
Total direct GHG emissions (Scope 1)[63]	Tons of CO_2e	15,310.02	19,453.58
Total indirect GHG emissions (Scope 2)	Tons of CO_2e	347,248.63	495,184.83
Total other indirect GHG emissions (Scope 3)[64]	Tons of CO_2e	128,937.00	162,988.00
Total GHG emissions（Scope 1,Scope 2 and Scope 3)	Tons of CO_2e	491,495.64	677,626.40
Total GHG emissions（Scope 1 and Scope 2)	Tons of CO_2e	362,558.64	514,638.40
Intensity of GHG emissions by revenue（Scope 1 and Scope 2)	Kilograms of CO_2e /1,000 CNY	15.83	13.09

	Unit	2021	2022
Wastewater Discharged			
Total wastewater discharged	Cubic meter	1,904,926.00	2,728,215.93
COD discharged	Tons	233.66	447.27
NH3-N discharged	Tons	11.06	10.61
Air Emissions			
Total air emissions	Cubic meter	21,613,150,263.00	28,417,182,146.78
Nonmethane hydrocarbons (NMHC) emissions	Kilograms	108,382.94	110,400.56
Hazardous Waste			
Total hazardous waste	Tons	46,882.66	82,630.11
Intensity of hazardous waste by revenue	Kilograms / 1,000CNY	2.05	2.10
Non-hazardous Waste			
Total Non-hazardous waste	Tons	6,674.00	11,966.12
Intensity of non-hazardous waste by revenue	Kilograms/ 1,000CNY	0.29	0.30
Water Resource			
Water consumption	Cubic meter	3,480,311.00	4,578,504.00
By water sources: municipal water supply	Cubic meter	3,460,306.00	4,526,643.00
By water sources: Reclaimed water from other enterprises or organizations	Cubic meter	20,005.00	51,861.00
Intensity of water consumption by revenue	Cubic meter / 1,000CNY	0.152	0.116
Packaging Material			
Total amount of packaging material used for finished product	Tons	6,334.20	155.91[65]
Intensity of packaging material used	Kilograms/1,000CNY	0.28	0.004

Social KPIs

	Unit	2021	2022
Quality & Service			
Number of products and services related complaints received	No. of items	0	0
Customer satisfaction	%	92	95
Customer complaint handling rate	%	100	100
Supplier			
Number of suppliers by geographical region			
Number of suppliers in Asia	No. of suppliers	4,671	5,031
Number of suppliers in America	No. of suppliers	1,460	2,080
Number of suppliers in Europe and Middle East	No. of suppliers	2,086	2,212
Number of suppliers in other areas	No. of suppliers	9	2
Suppliers ESG audit			
Number of key suppliers participating in the audit	No. of suppliers	225	70
Supplier training			
Number of suppliers trained	No. of suppliers	/	229
Total supplier training hours	Hours	/	270
Total supplier training hours on ESG (including business ethics)	Hours	138	205
Employee[66]			
Total number of employees	No. of people	34,912	44,361
Number of employees by gender			
Men	No. of people	16,193	20,213
Women	No. of people	18,694	24,037
Unknown[67]	No. of people	25	111

	Unit	2021	2022
Number of employees by age			
Below 30	No. of people	21,425	28,128
30 to 50	No. of people	12,816	15,403
Over 50	No. of people	671	663
Unknown[68]	No. of people	/	167
Number of employees by job position			
Non-management level	No. of people	33,074	39,445
Junior management level	No. of people		2,712
Middle management level	No. of people	1,444	1,824
Senior management level	No. of people	394	380
Number of employees by education degree			
Ph.D	No. of people	1,302	1,407
Master	No. of people	9,699	11,874
Bachelor	No. of people	17,432	23,316
Other education degrees	No. of people	6,479	7,764
Number of employees by region			
Asia	No. of people	32,868	42,112
North America	No. of people	1,721	1,890
Europe and Middle East	No. of people	323	359
Number of employees by category[69]			
Full-time	No. of people	34,912	44,361
Others	No. of people	1,718	988
Number of employees by nationality			
Asian	No. of people	/	42,035
Other nationalities	No. of people	/	2,326

	Unit	2021	2022
Employee turnover			
Employee turnover rate	%	15.35	12.82
Voluntary employee turnover rate	%	14.36	11.54
Employee turnover rate by gender			
Men	%	14.00	12.22
Women	%	17.25	13.30
Employee turnover rate by age			
Below 30	%	16.08	13.47
30 to 50	%	13.99	11.40
Above 50	%	16.44	16.18
Employee turnover rate by region			
Asia	%	14.65	12.35
America	%	27.23	23.11
Europe and Middle East	%	12.23	10.92
Employee training – percentage of employees trained			
Percentage of employees trained	%	100	100
Percentage of employees trained by gender			
Men	%	46.38	45.56
Women	%	53.55	54.19
Unknown	%	0.07	0.25
Percentage of employees trained by job position			
Non-management level	%	94.73	88.92
Junior management level	%		6.11
Middle management level	%	4.14	4.11
Senior management level	%	1.13	0.86

	Unit	2021	2022
Employee training – training hours per employee			
Training hours per employee	Hours	46	57
Training hours per employee by gender			
Men	Hours	48	56
Women	Hours	45	57
Training hours per employee by job position			
Non-management employees	Hours	46	58
Junior employees	Hours		52
Middle management	Hours	46	45
Senior management	Hours	37	27
Labor diversity			
Number of senior management-women	No. of people	115	113
Percentage of senior management-women	%	29.19	29.74
Average proportion of women in senior management in last three years	%	28.48	29.01
Number of new employees	No. of people	16,554	20,102
Number of new employees-women	No. of people	8,984	10,595
Number of fresh graduates	No. of people	/	10,080
Number of ethnic minorities employees working in Mainland China	No. of people	1,164	1,585
Disabled employees	No. of people	224	358
Internal hires	No. of people	/	2,122
Equal Pay Indicator			
Mean gender pay gap	%	/	0.77
Median gender pay gap	%	/	1.11

	Unit	2021	2022
Health and safety			
Work-related fatality and injury[70]			
Number of work-related fatalities	No. of people	0	0
Percentage of work-related fatalities	%	0	0
Lost days due to work injury	Days	1,190	705
Lost time injury rate（LTIR）	Per 200,000 hours worked	0.12	0.11
EHS investment			
Employee health and safety investment	CNY	137,935,584	211,171,118
Social investment			
Charity and social welfare investment[71]	CNY	5,375,796	1,503,314

Appendix I: Index Table of ESG Report

Reporting Framework	HKEx ESG Guide[72]	TCFD	SASB	GRI Standards 2021[73]	SDGs
About this report	Reporting boundary			2-2; 2-3; 2-4	
Message from the Chairman and CEO					
2022 Performance and Highlights		Metrics and targets (c)			
About WuXi AppTec					
Our Business				2-1; 2-6 201-1	
Our Governance		Governance (b)		2-9; 2-10; 2-11; 2-12	
Our Stakeholders	Reporting principles	Governance (a) Governance (b)		2-29 3-1; 3-2; 3-3	
ESG Strategy & Management					
ESG Strategy		Governance (a)		2-22	
ESG Governance Structure	Governance structure	Governance (b)		2-13; 2-14; 2-16; 2-17; 2-22	
Board of Directors ESG statement	Governance structure			2-13	

Reporting Framework	HKEx ESG Guide[72]	TCFD	SASB	GRI Standards 2021[73]	SDGs
Being a Responsible Citizen					
Our Culture of Business	B7-7.3			205-2	
Our Reporting and Investigation System	B7-7.2			2-26 205-3	
Anti-Corruption	B5-5.3 B7-7.1,7.2,7.3			2-15 2-27 205-1 205-3 206-1	SDG 3: Good health and well-being SDG 12: Responsible consumption and production
Ethics in Research and Development	B6-6.2,6.4,6.5		HC-BP-210a.1		
Information Security and Protection	B6-6.3,6.5			418-1	
Supporting Our Customers					
Customer Experience	B6-6.2			417-2; 417-3	
Excellence Quality	B6-6.4			416-1 416-2	SDG 3: Good health and well-being SDG 12: Responsible consumption and production
Supply Chain Management	B5-5.2,5.3,5.4		HC-BP-430a.1 HC-MS-430a.3	2-28 308-1 308-2 414-1 414-2	

Reporting Framework	HKEx ESG Guide[72]	TCFD	SASB	GRI Standards 2021[73]	SDGs
Protecting Our Planet					
Climate Change	A1-1.1,1.2,1.5 A2-2.1,2.3 A4-4.1	Governance (a),(b) Strategy (a),(b) Risk management (a),(b),(c) Metrics and targets (a),(b),(c)		2-23; 2-24; 2-25 201-2 302-1; 302-3; 302-4; 302-5 305-1; 305-2; 305-3; 305-4	SDG 6: Clean water and sanitation SDG 12: Responsible consumption and production SDG 13: Climate action
Emissions Management	A1-1.1,1.5,1.6			2-27; 2-28 303-2 306-1; 306-2;	
Resources Management	A2-2.2,2.4,2.5 A3-3.1			301-1 303-1; 303-5	
Empowering Our Community					
Our Employees	B1-1.1 B3-3.1,3.2 B4-4.1,4.2		HC-BP-330a.1	2-7; 2-23; 2-24; 2-25; 2-27; 2-30 401-2 403-3; 403-6; 403-7 404-2; 404-3 405-1; 405-2 406-1 407-1 408-1 409-1	SDG 3: Good health and well-being SDG 4: Quality education SDG 5: Gender equality SDG 8: Decent work and economic growth
Our Workplace	B2-2.3			403-1; 403-2; 403-3; 403-4; 403-5; 403-7; 403-8; 403-9; 403-10	
Our Community	B8-8.1,8.2			203-2	

Reporting Framework	HKEx ESG Guide[72]	TCFD	SASB	GRI Standards 2021[73]	SDGs
Performance Table	A1-1.1,1.2,1.3,1.4 A2-2.1,2.2 B1-1.2 B2-2.1,2.2 B5-5.1 B6-6.2 B7-7.3		HC-BP-510a.1 HC-BP-270a.1 HC-BP-330a.2	301-1 302-1; 302-3; 302-4 303-3; 303-5 305-1; 305-2; 305-3; 305-4; 305-7 306-3; 306-4; 306-5 401-1 403-9 404-1	
Appendix V				2-5	

Omission GRI topics	Reason for omission	Explanation
2-18;2-19;2-20;2-21 201-1;201-2;201-3;201-4	Not applicable	The Company has already disclosed relevant information in the Annual Report and will therefore not repeat the disclosure in the ESG report
203-1 411-1 413-2	Not applicable	The Company's core business is less relevant and therefore is not disclosed in the ESG report
207-1;207-2;207-3;207-4	Not applicable	These topics are not material to the Company and therefore are not disclosed in the ESG report
415-1	Not applicable	The Company's Code of Business Conduct is clearly defined, so there is no monetary contribution to political campaigns or organizations, lobbyists and other tax-exempt groups whose role is to influence political campaigns or legislation. In 2022，our related monetary contributions were 0.
204-1	Confidentiality constraints	As part of the Company's business operations, detailed data and information related to suppliers is confidential and therefore not disclosed in the ESG report
2-7;2-8 202-1;202-2 301-1;301-2;301-3;301-4 305-5 401-1;401-3 410-1 417-1	Information unavailable/incomplete	This data is currently outside the scope of the Company's ESG data management. The Company will gradually expand the scope of the data in the future and consider disclosing this information when included.

Appendix II: List of Laws and Regulations

Chinese laws and regulations	Chapter
Company Law of the People's Republic of China	About WuXi AppTec: Our Governance
Securities Law of the People's Republic of China	
Criminal Law of the People's Republic of China	
Anti-Unfair Competition Law of the People's Republic of China	Being a responsible citizen: Anti-Corruption
The Basic Standard for Enterprise Internal Control	
China Cybersecurity Law	Being a responsible citizen: Information Security and Protection
Good Clinical Practice	Being a responsible citizen: Ethics in discovery and development
Guidelines for the Development of the Ethics Review Committee for Clinical Research Involving Human Beings	
Ethical Examination Measures for Biomedical Research Involving Human Beings	
Guidelines for the Development of the Ethics Review Committee for Clinical Research Involving Human Being	
Good Vigilance Practice	
Guidance for Ethical Review Work of Drug Clinical Trials	
Regulations on the Administration of Experimental Animals	
Administration Measures of Experimental Animals in Jiangsu Province	
Shanghai Administrative Measures of Experimental Animals	

Chinese laws and regulations	Chapter
Energy Conservation Law of the People's Republic of China	Protecting our planet: Climate Change
Environmental Protection Law of the People's Republic of Climate change China	
Law of the People's Republic of China on the Prevention and Control of Water Pollution	Protecting our planet: Resources Management
Law of the People's Republic of China on the Prevention of Air Pollution	
Law of the People's Republic of China on the Prevention and Control of Environmental Pollution of Solid Waste	
Law of the People's Republic of China on the Prevention and Control of Soil Pollution	
Law of the People's Republic of China on the Prevention and Control of Pollution from Environmental Noise	
Shanghai Domestic Waste Management Regulation	
Labor Law of the People's Republic of China	Empowering our community: Our employees
Labor Contract Law of the People's Republic of China	
Employment Promotion Law of the People's Republic of China	
Special Provisions on the Labor Protection of Female Employees	
Law of the People's Republic of China on the Protection of Minors	
Law of the People's Republic of China on Donations for Public Welfare Undertakings	Empowering our community: Our community

European and North American laws and regulations	Chapter
Foreign Corrupt Practices Act in the U.S.	Being a responsible citizen: Anti-Corruption
Federal Trade Commission Act in the U.S.	
UK Bribery Act	
The General Data Protection Regulation in the EU	Being a responsible citizen: Information security and protection
The Data Protection Act in the US	
The Animal Welfare Act in the U.S.	Being a responsible citizen: Ethics in discovery and development
PHS Policy on Humane Care and Use of Laboratory Animals in the U.S.	
AVMA Guidelines on Euthanasia in the U.S.	
The Energy Policy Act of 2005 in the U.S.	Protecting our planet: Climate change
The Clean Water Act in the U.S.	Protecting our planet: Emissions management
The Clean Air Act in the U.S.	
The Solid Waste Disposal Act in the U.S.	
Uniformed Services Employment and Reemployment Rights Act in the U.S.	Empowering our community: Our employees
Employee Rights for Workers with Disabilities Paid at Special Minimum Wages in the U.S.	
Pay Transparency Nondiscrimination Provision in the U.S.	

Appendix III: List of Internal Polices

Internal Polices	Chapter
WuXi AppTec Co., Ltd. Articles of Association	About WuXi AppTec: Our Governance
Board Diversity Policy	
WuXi AppTec Information Disclosure Policy	About WuXi AppTec: Our Stakeholder
ESG Committee Charter	ESG Strategy & Management
Environment, Social and Governance Rules	
WuXi AppTec Reward and Punishment Management Policies	
WuXi AppTec Compliance and Anti-Corruption Incentive Fund Policy	
EHS Reward and Punishment Management System	
Code of Business Conduct	Being A Responsible Citizen: Our Culture of Business Ethics Being A Responsible Citizen: Our Reporting and Investigation System Being A Responsible Citizen: Anti-Corruption
Responsible Marketing Policy	
Management Guidelines for Procurement Policy and Procedures	
Procedures and the Letter of Commitment on Integrity and Compliance	
Internal Audit Policy	
WuXi AppTec Integrity Requirements and Code of Conduct for Management	
Anti-Corruption Policy of WuXi AppTec	
WuXi AppTec Report and Investigation Policy	
WuXi AppTec Compliance Guidelines	

Internal Polices	Chapter
Engineering Audit Policy	Being A Responsible Citizen: Our Culture of Business Ethics
External Communication Policy of WuXi AppTec	
Guidelines on Marketing Activities	Being A Responsible Citizen: Our Reporting and Investigation System
Guidelines on WuXi AppTec Live Studio Management	Being A Responsible Citizen: Anti-Corruption
WuXi AppTec Staff Information Security Management Program	Being A Responsible Citizen: Information Security and Protection
WuXi AppTec IT Account Authority Policy	
WuXi AppTec IT Office Configuration Service Policy	
Basic Requirements for IT Information Security Management	
IT System Training Management Rules	
Information Security Incident Management Rules	
IT Information Security Risk Assessment Management Rules	
Access Control and Keys Management System	
Security, Entry and Exit Management	
WuXi AppTec Trade Secrets Compliance Management Policy	
Intellectual Property Manual	
Regulations on Knowledge-related Risk Management and Dispute Settlement	
Policy on Data Security and Personal Information Protection	

Internal Polices	Chapter
Measures of WuXi AppTec Customer Service	Supporting Our Customers: Customer Experience
Quality Manual	Supporting Our Customers: Excellence Quality
Validation Manual	
Product Recall	
Supplier Code of Conduct	Supporting Our Customers: Supply Chain Management
Environment Management Manual	Protecting Our Planet: Climate Change
Emergency Response Plan for Environmental Emergency	
Climate Policy	
Environmental Protection Management System	Protecting Our Planet: Emissions management
Wastewater Disposing System Operation Management	
Waste Management Procedure	
WuXi AppTec Energy Management Measures	Protecting Our Planet: Resources Management
Electricity Device Rules	
Diversity, Equity & Inclusion Policy	Empowering Our Community: Our employees
Employee Development Policy	
Measures for the Administration of WuXi AppTec Employee Recruitment	
WuXi AppTec Employees Manual	
Regulations on the Management of Employee Change and Dismissal	

Internal Polices	Chapter
WuXi AppTec Compensation and Benefits Management Policy	Empowering Our Community: Our employees
Measures for the Administration of Attendance and Holiday of Employees	
Employee Performance Management Policy	
Employee Promotion Management Policy	
EHS Accident Report and Investigation Management System	Empowering Our Community: Our workplace
Environmental, Health and Safety Policy	
Position on EHS Management	
EHS Policy, Organizational Structure and Responsibility Management System	
Industries and Hygiene (Occupational Health) Management System	
Occupational Hazard Control Procedure	
Regulations on Occupational Health Monitoring and Protection	
Measures for Management of Safety Risk Assessment	
EHS Training and Assessment Management System	
EHS Inspection and Audit Management System	
Fire Safety Management Regulation	
Chemical Safety Management System	
The Grant and Sponsorship Management Policy of WuXi AppTec	Empowering Our Community: Our community

Appendix IV: List of Notes

1. Contract Research, Development and Manufacturing Organization

2. Contract Testing, Development and Manufacturing Organization

3. Advanced Therapies Unit

4. Domestic Discovery Service Unit

5. Including biological science and chemistry

6. Refer to the method of analyzing and evaluating the effectiveness of internal control process, discovering findings and formulating improvement measures in extreme situations, with the aim of preventing major loss events

7. https://www.wuxiapptec.com/

8. Definition based on Section IV "Material Litigation and Arbitration" of the "Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (Revised January 2022)

9. Good Clinical Practice

10. The Good Clinical Practice Guideline under the International Council on Harmonisation

11. Association for Assessment and Accreditation of Laboratory Animal Care

12. Management information system

13. 3R principle is a widely accepted balance between animal suffering and research needs. These are reduction, refinement, and replacement

14. Healthcare professional

15. Office of Intellectual Property Rights

16. https://www.un.org/sustainabledevelopment/health/

17. Including GCP, GMP and GLP

18. Corrective Action and Preventive Action

19. *https://www.unglobalcompact.org/what-is-gc/mission/principles*

20. Pharmaceutical Supply Chain Initiative

21. *https://pscinitiative.org/resource?resource=1*

22. *https://wedocs.unep.org/xmlui/bitstream/handle/20.500.11822/34948/MPN.pdf*

23. Task Force on Climate-related Financial Disclosure

24. Renewable Energy Certificate

25. International REC

26. *https://www.un.org/en/climatechange/paris-agreement*

27. Climate Disclosure Project

28. UN Intergovernmental Panel on Climate Change

29. The 27th session of the Conference of the Parties to the UNFCCC

30. *https://esg.wuxiapptec.com/uploads/files/180d5ef864799282cf5b20c8a548df2a.pdf*

31. *https://esg.wuxiapptec.com/uploads/files/7d9358c665a78ac30ab53c05e7f38676.pdf*

32. Representative Concentration Pathway

33. International Energy Agency

34. Beyond 2 Degrees Scenario

35. Sustainable Development Scenario

36. The parameters and their definitions are cited from THE IPCC SSP1-2.6 and the IEA Sustainable Development Scenario up to August 2021, with reference to the NGFS ordered path. In August 2021, the IPCC published its 6th Assessment Report, which listed five core scenarios

37. Energy Efficiency Index

38. Verbrennung von Abgasen und Rueckstandsfluessigkeiten

39. Chemical Oxygen Demand

40. Wastewater Treatment Plant

41. Volatile Organic Compounds

42. Regenerative Thermal Oxidizer

43. Local Exhaust Ventilation

44. *https://wri.org.cn/en*

45. Polypropylene-Random

46. *https://www.un.org/millenniumgoals/*

47. *https://esg.wuxiapptec.com/uploads/files/666e8b1b2817fdcbcce63ed2cc8fed22.pdf*

48. *https://www.unglobalcompact.org/what-is-gc/mission/principles*

49. *https://www.ohchr.org/sites/default/files/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf*

50. Including forced labor, child labor, human trafficking, equal remuneration, discrimination, etc.

51. Our regular audits evaluate all relevant risks of recruitment compliance including merger or acquisition influence on employees. Within the past 3 years, the proportion of employees affected by merger and acquisition events was limited to less than 3% of our workforce

52. *https://esg.wuxiapptec.com/uploads/files/a1c7d924b8880858670b1c1694cdb97a.pdf*

53. *https://esg.wuxiapptec.com/uploads/files/e0f436e9c09d2dacdef48a3ed1fdccfa.pdf*

54. *https://esg.wuxiapptec.com/uploads/files/687fa768d67916c371dbd0de61cecc62.pdf*

55. *https://esg.wuxiapptec.com/uploads/files/715e82910c3c1f3238d6888cb61b4d89.pdf*

56. According to the World Health Organization (WHO), rare diseases are defined as diseases that affect 0.65 to 1 per 1,000 of the total population

57. *Global Humanitarian Overview 2022 - World | ReliefWeb*

58. All data by revenue in this report is based on the major business revenue of WuXi AppTec in 2022 which can be found in our 2022 financial report

59. Excluding those who cannot participate due to force majeure

60. The data scope of environmental KPIs is the same as the annual report

61. Calculation of energy consumption of operations in China by reference to the General Principles of Comprehensive Energy Consumption Calculation (GB2589-2020) issued by the State Administration for Market Regulation and the Standardization Administration of China. Calculation of energy consumption of operations oversea by reference to U.S. Environmental Protection Agency issued Emission Factors for Greenhouse Gas Inventories – 2021

62. Calculation of greenhouse gas emissions of operations in China by reference to the National Development and Reform Commission of the People's Republic of China issued Industrial Companies in Other Industries in Greenhouse Gas Emissions Accounting Methods and Reporting Guidelines. Calculation of greenhouse gas emissions of operations oversea by reference to U.S. Environmental Protection Agency issued Emission Factors for Greenhouse Gas Inventories – 2021 and Intergovernmental Panel on Climate Change (IPCC) released the 2006 IPCC national greenhouse gas inventory guide

63. Only CO_2 emissions were calculated according to the Guidelines for the Preparation of Provincial Greenhouse Gas Inventories (Trial)

64. The activity data for accounting Scope 3 carbon emission has been adjusted to financial data this year, so the 2021 data has revised to ensure data continuity

65. The total amount of packaging materials used in 2021 includes the amount used by WuXi AppTec and suppliers. In 2022, this is adjusted to the total amount of packaging materials used by only WuXi AppTec, therefore, the value decreases significantly

66. The data scope is the same as the annual report in 2020 and 2021

67. Some of employees are not willing to define their gender

68. Some of employees are not willing to disclose their age

69. The number of employees consistent with the scope of the annual report are full-time employees, and other forms of employment mainly include interns, third-party laborers, and contractors.

70. The number and percentage of work-related fatalities are 0 in the past three years

71. Charity and social welfare investment is consistent with WuXi AppTec's financial reporting disclosures

72. Key Performance Index B6.1 in appendix 27 of The Listing Rules of the Hong Kong Stock Exchange is not applicable to the Company, thus it has not been disclosed

73. WuXi AppTec complies with the GRI standard for the report during the period January 1 to December 31, 2022

Appendix V: Independent Verification Statement

Independent Verification Statement

To the management and stakeholders of WuXi AppTec,

TÜV SÜD Certification and Testing (China) Co., Ltd. Shanghai Branch (hereinafter referred to as "TÜV SÜD") has been engaged by WuXi AppTec Co., Ltd. (hereinafter referred to as "WuXi AppTec" or "the Company") to perform an independent third-party verification on WuXi AppTec 2022 Environmental, Social and Governance Report (hereinafter referred to as "the Report"). During this verification, TÜV SÜD's verification team strictly abided by the contract signed with WuXi AppTec and provided verification regarding the Report in accordance with the provisions agreed by both parties and within the authorized scope stipulated in the contract.

This Independent Verification Statement is based on the data and information collected by WuXi AppTec and provided to TÜV SÜD. The scope of verification is limited to the given information. WuXi AppTec shall be held accountable for authenticity and completeness of the provided data and information.

Scope of Verification

Time frame of this verification:
- The Report contains the data disclosed by WuXi AppTec during the reporting period from January 1st, 2022 to December 31st, 2022, including economic, environmental and social information and data, methods for management of material issues, actions/measures and WuXi AppTec's sustainability performance during the reporting period.

Physical boundary of this verification:
- The on-the-spot verification took place at below listed locations, respectively are:
  No.9 Yuegong Road, Jinshan District, Shanghai, China
  No.589 North Yulong Road, Xinbei District, Changzhou, Jiangsu, China
  No.666 Gaoxin Road East Lake High-tech Development Zone, Wuhan, Hubei, China
  No.288 Fute Zhong Road Waigaoqiao Free Trade Zone, Pudong District, Shanghai, China

Scope of data and information for the verification:
- The scope of verification is limited to the data and information of WuXi AppTec and Research/Production sites under its operational control covered by the Report.

The following information and data are beyond the scope of this verification:
- Any information and contents beyond the reporting period of this Report; and
- The data and information of WuXi AppTec's suppliers, partners and other third parties; and
- The financial data and information disclosed in this Report that have been audited by an independent third party are not verified again herein.

Limitations
- The verification process is conducted in the above scope and places. Sampling and verification are adopted for the data and information in the Report by TÜV SÜD, and only the stakeholders within the Company are interviewed; and
- The Company's standpoint, opinions, forward-looking statements and predictive information as well as the historical data and information before January 1st, 2022 are beyond the scope of this verification.

Basis for the Verification

This verification process was conducted by TÜV SÜD's expert team with extensive experience in the economic, environmental, social and other relevant areas and drew the conclusions thereof. The verification referred to the following standards:
- AA1000AS v3, Type 2 Engagement and High Assurance
- TÜV SÜD Procedure of Verification on Sustainability Report

In order to perform adequate verification in accordance with the contract and provide reasonable verification for the conclusions, the verification team conducted the following activities:
- Preliminary investigation of the relevant information before the verification;
- Confirmation of the presence of the topics with high level of materiality and performance in the Report;
- On-site review of all supporting documents, data and other information provided by WuXi AppTec; tracing and verification of key performance information;
- Special interview with the representative of WuXi AppTec's board of directors; interviews with the employees related to collection, compilation and reporting of the disclosed information; and
- Other procedures deemed necessary by the verification team.

Verification Conclusions

According to the verification, we believe the Report prepared by WuXi AppTec adheres to the requirement of AA1000AS v3. The verification team has drawn the following conclusions on this Report:

Inclusivity	WuXi AppTec has identified the internal and external stakeholders such as government and regulatory agencies, investors and shareholders, employees, suppliers, customers, NGOs and industry associations, community and environment, and academies, and established a stakeholder communication mechanism to collect the demands of stakeholders on a regular basis.
Materiality	WuXi AppTec has established the process of material topics determination, identified and assessed the priority of the sustainability topics which are highly related to the industry, the Company disclosed the strategy, management approach as well as sustainability performance in corporate operation, therefore the Report's adherence to materiality principle is guaranteed.
Responsiveness	WuXi AppTec has disclosed the management approach of key issues that stakeholders concern, such as climate change, ESG strategy & management, employees development, quality excellence and customer experience, and has established a grievance mechanism, to fully respond to the demands and expectations of stakeholders.
Impact	WuXi AppTec has set up an ESG Committee to identify, monitor and assess the direct and indirect impacts of material topics to stakeholders, and formulated the ESG Committee Charter to regularly monitor the sustainability performance.

Recommendations on Continuous Improvement
- It is recommended that the Company combines its ESG strategies to integrate the United Nations Sustainable Development Goals into the entire value chain.

Statement on Independence and Verification Capability

TÜV SÜD is a trusted partner of choice for safety, security and sustainability solutions. It specialises in testing, certification, auditing and advisory services.

Since 1866, TÜV SÜD has remained committed to its purpose of enabling progress by protecting people, the environment and assets from technology-related risks. Today, TÜV SÜD is present in over 1,000 locations worldwide with its headquarters in Munich, Germany. TÜV SÜD has been committed to sustainable development and actively promotes environmental protection related projects. Over the years, TÜV SÜD has been actively expanding its performance in energy management, renewable resources, and electric automobiles, etc., helping its customers meet sustainable development needs. TÜV SÜD Certification and Testing (China) Co., Ltd. Shanghai Branch is one of TÜV SÜD 's global branches and has an expert team whose members have professional background and rich industrial experiences.

TÜV SÜD and WuXi AppTec are two entities independent of each other and both TÜV SÜD and WuXi AppTec and their branches or stakeholders have no conflict of interest. No member of the verification team has business relationship with the Company. The verification is completely neutral. All the data and information in the Report are provided by WuXi AppTec. TÜV SÜD has not been involved in preparation and drafting of the Report, except for the verification itself and issuance of the verification statement.

Signature:
On Behalf of TÜV SÜD Certification and Testing (China) Co., Ltd. Shanghai Branch

Zhu Wenjun
TÜV SÜD Authorized Signatory Officer

March 6, 2023

Shanghai, China

Note: In case of any inconsistency or discrepancy, the simplified Chinese version of this verification statement shall prevail, while the English translation is used for reference only.

AA1000
Licensed Report
000-437/V3-9H1E5

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