



康宁杰瑞

ALPHAMAB ONCOLOGY

ALPHAMAB ONCOLOGY

康寧傑瑞生物製藥

(Incorporated in the Cayman Islands with limited liability)

Stock code : 9966

2022

ENVIRONMENTAL, SOCIAL  
AND GOVERNANCE REPORT

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# About the Report

## • Reporting Period

The Environmental, Social and Governance ("ESG") Report (the "Report") covers the period from January 1, 2022 to December 31, 2022, with some of the contents extending forward or backward moderately. The period covered herein is consistent with that in our 2022 Annual Report.

## • Coverage

The entities covered herein are consistent with that in our 2022 Annual Report, including Alphamab Oncology and its subsidiaries.

## • Reporting Basis

The Report is prepared in accordance with the ESG Reporting Guide ("The Guide"), as set out in Appendix 27 of the Listing Rules of The Stock Exchange of Hong Kong Limited and its major amendments. The Report has been reviewed and approved by the Board of Directors ("the Board") of the Company. Readers can refer to the last chapter of the Report, "Appendix – HKEX ESG Reporting Guide Content Index" for quick reference.

## • Source of Information

The qualitative and quantitative information adopted in the Report is exclusively from public information, internal documents and relevant statistical data of the Company.

## • Basic Principles

The Report considers the materiality, quantitative, balance and consistency of the key ESG performance indicators.

**Materiality:** Identify and prioritize issues that are important to stakeholders through analysis of policies and criteria and communication with stakeholders.

**Quantitative:** The disclosed Key Performance Indicators ("KPIs") can be measured.

**Balance:** Objectively present the Company's work on ESG.

**Consistency:** Adopt the same data disclosure method as previous years, and compare the data from different years, showing the changes of statistical methods and KPIs.

## • Pronominal Reference

For the sake of easy presentation and reading, "Alphamab Oncology" is also referred to in this Report as "Alphamab", "the Company" or "We". Unless otherwise defined, capitalized terms and definitions used in the Report shall have the same meaning as defined in the 2022 Annual Report.

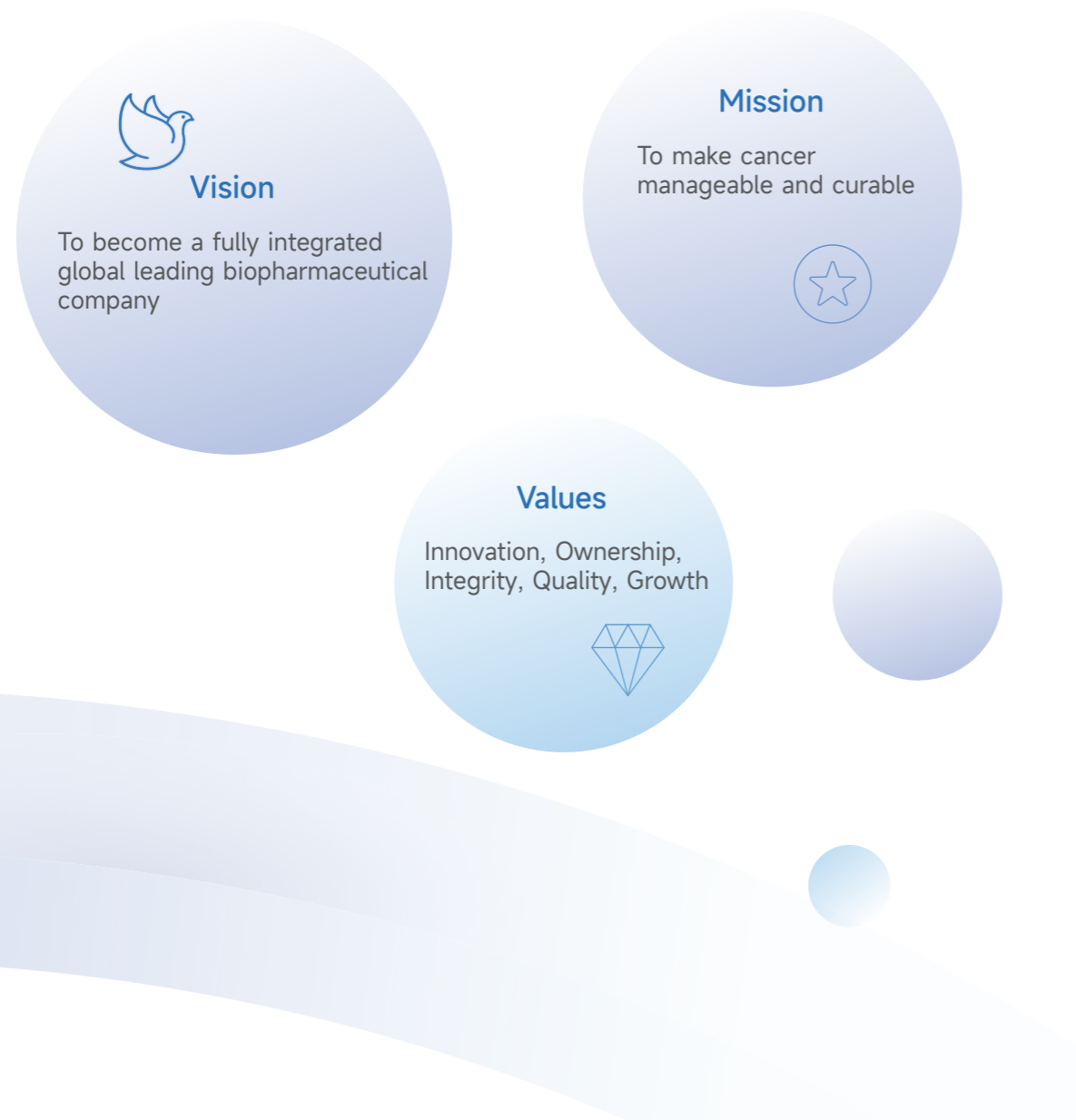
## • Form of Release

The online version of this Report is available for viewing and downloading from the websites of the Stock Exchange of Hong Kong Limited ([www.hkex.com.hk](http://www.hkex.com.hk)) and Alphamab Oncology ([www.alphamabonc.com](http://www.alphamabonc.com)).

# About Alphamab Oncology

## Company Overview

Founded in 2015, Alphamab Oncology (9966. HK) is a world-leading innovative anti-tumor drug manufacturer, having a fully integrated proprietary biological agent platform in bispecific antibody and protein engineering. Our products cover tumor, autoimmune and other fields. Relying on our unique drug discovery and development capabilities, we hope to provide global patients with world-class biological agents for innovative therapy and make due contributions to the cause of human health.



Since its establishment, Alphamab Oncology has established a fully integrated industrial chain platform that can support research & development ("R&D"), manufacturing and commercialization. We have continuously innovative in-house proprietary technology platforms, differentiated market-leading product pipelines, and strong advanced manufacturing capabilities.

### Continuously innovative in-house proprietary technology platforms

Relying on the technology platforms developed for biomacromolecule drugs and antibody-drug conjugates, we have carried out patent layout in more than 20 countries/regions, promoting the long-term development of technology platforms for discovery, R&D and production from multiple dimensions, to further enhance our international competitiveness.

### Diversified and differentiated product pipelines

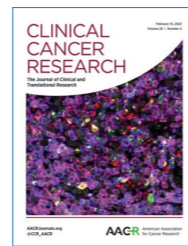
Relying on our market-leading technology platforms, we have occupied a leading position in the market with highly diversified and competitive innovative anti-tumor drugs. Our main product pipelines include those of anti-tumor drugs such as monoclonal antibodies, bispecific antibodies and antibody conjugates. In the first year after being put on the market, the KN035 (ENWEIDA®, namely Envafohimab) served more than 20,000 patients, and was rated as one of the "2022 Top 10 New Drugs" by the *People's Daily*. In addition, three drugs of ours are in the late clinical stage, and another two drugs are in the phase-I clinical trial stage. In the future, we will continue to promote the early launch of innovative drugs. The following chart outlines our product pipelines as of the date of this report:

Drug Candidate	Indications	Combination Therapies	IND	Proof of Concept	Pivotal	NDA
KN046 (PD-L1/CTLA-4 bispecific antibody)	1L sq NSCLC	+ chemotherapy				Pre-NDA
	1L pancreatic cancer	+ chemotherapy				
	≥2L thymic carcinoma	monotherapy			China and U.S.	
	1L HCC	+ Lenvatinib				
	1L NSCLC	+ axitinib				
	PD-(L)1 refractory NSCLC	+ axitinib				
	1L TNBC	+ nab-paclitaxel				
	1L ESCC	+ chemotherapy				
KN026 (HER2/HER2 bispecific antibody)	1L BC	+ nab-docetaxel				
	≥ 2L GC/GEJ	+ chemotherapy				
	1L GC/GEJ	+ KN046				
	Neoadjuvant BC	+ docetaxel				
	Late-line colorectal cancer	+ KN046				
KN035 (SubQ PD-L1)	≥2L MSI-H/dMMR advanced solid tumors	monotherapy				already come to market in China in November 2021
	1L biliary track cancer	+ chemotherapy				
	≥2L soft tissue sarcoma	monotherapy				Global
	≥2L NSCLC	+ chidamide				
	≥2L TMB-H advanced solid tumors	monotherapy				
	≥2L endometrial cancer	+ Lenvatinib				
JSKN003 (HER2 biparatopicADC)	HER2 solid tumors	monotherapy				China and Australia
KN052 (PD-L1/OX40 bispecific antibody)	Solid tumors	monotherapy				

## Events of 2022

- January 2022**
- The application for registered Phase II/III clinical study of **KN026 (a next-generation anti-HER2 BsAb)** in combination with chemotherapy for treatment of HER2-positive gastric cancer (including gastroesophageal junction (GEJ) adenocarcinoma) patients who failed first-line treatment was approved by the Center For Drug Evaluation (CDE), and all subjects were enrolled for the Phase II clinical study of **KN046 (BsAb immune checkpoint inhibitor)** in combination with chemotherapy for treatment of HER2-positive solid tumors.

- February 2022**
- The first patient was dosed for the registered Phase III clinical study of **KN046** in combination with chemotherapy for first-line treatment of advanced pancreatic cancer.
  - Clinical approval of **KN052 (innovative PD-L1/OX40 bispecific antibody)** was obtained in China.
  - Phase I clinical study data of using **KN026** for treatment of HER2-positive breast cancer was disclosed in Clinical Cancer Research.



- March 2022**
- The interim analysis of the Phase III clinical trial of **KN046** in combination with chemotherapy for treatment of advanced squamous Non-small Cell Lung Cancer ("NSCLC") successfully reached the preset PFS endpoint.

- April 2022**
- The clinical data of **KN026** in combination with **KN046** for treatment of the patients who ever received  $\geq 1L$  systemic therapy because of having HER2-positive breast cancer, non-breast cancer and gastric cancer, locally advanced unresectable or metastatic solid tumors (non-breast cancer and gastric cancer) were disclosed at the American Association for Cancer Research (AACR) 2022. In addition, the first patient was dosed for the registered clinical trial of **KN026** in combination with chemotherapy for treatment of gastric cancer.
  - ENWEIDA® was written into three *Guidelines of Chinese Society of Clinical Oncology (CSCO)*, i.e. *CSCO Guidelines for Diagnosis and Treatment of Gastric Cancer 2022 version*, *CSCO Guidelines for Diagnosis and Treatment of Colorectal Cancer 2022 version*, and *CSCO Guidelines for Clinical Application of Immune Checkpoint Inhibitors 2022 version*.



- May 2022**
- The first patient was dosed for Phase II clinical study of **KN026** in combination with lbrance® (palbociclib).

- June 2022**
- The clinical design scheme of **KN046** in combination with albumin-bound paclitaxel and gemcitabine for first-line treatment of advanced pancreatic cancer, the Phase II clinical study data on use of Lenvatinib for treatment of advanced unresectable or metastatic hepatocellular carcinoma (HCC), and the Phase II clinical study design scheme of thymic carcinoma patients with disease progression after the previous treatment with immune checkpoint inhibitors were announced at the annual meeting of the American Society of Clinical Oncology (ASCO) 2022.
  - Phase II clinical study data on use of **KN026** for treatment of advanced gastric cancer or GEJ adenocarcinoma with HER2 expression were announced at the annual meeting of ASCO 2022.
  - The first patient was dosed for Phase I clinical study of **KN052**.



**July 2022**

- The preparation workshop, pilot plant and R&D building were put into use.

**August 2022**

- The first patient was dosed for Phase II clinical study of **KN046** in combination with Pfizer Axitinib for first-line treatment of advanced NSCLC.
- The usage and dosage scheme of **KN035 (ENWEIDA®)** - "administered at the dose of 300 mg once every two weeks" was approved by National Medical Products Administration (NMPA).

**September 2022**

- Multiple data from **KN046** were released in ESMO 2022, including: 1) The two-year follow-up data in combination with platinum-containing doublet chemotherapy for first-line treatment of NSCLC; 2) The Phase II clinical study data for treatment of patients with metastatic NSCLC who failed to rehabilitate after first-line chemotherapy; 3) The Phase II clinical study data for treatment of patients with metastatic NSCLC who failed to rehabilitate after previous EGFR-TKIs treatment.



**October 2022**

- The use of Envalolimab for the treatment of soft tissue sarcoma obtained Fast Track Designation (FTD) by the US FDA.
- The first patient was dosed for Phase I clinical study of **JSKN003** (targeting HER2 dual-epitope ADC) in Australia.
- The registered clinical study of **KN026** in combination with **KN046** for first-line treatment of HER2-positive gastric cancer or GEJ adenocarcinoma was approved.

**November 2022**

- The follow-up update data on use of **KN035** for treatment of MSI-H/dMMR patients with advanced solid tumors was disclosed at CSCO Congress.
- The research results on use of **KN026** for second-line treatment of HER2-expressed gastric cancer or GEJ adenocarcinoma were published at the internationally renowned journal EJC.



- The final results of Phase I b/ II clinical study on use of **KN046** in combination with albumin-bound paclitaxel for treatment of triple negative breast cancer (TNBC) were published at SABCS 2022 in the form of focus poster discussion.
- The clinical study data on use of **KN026** in combination with chemotherapy for first-line treatment of HER2-positive recurrent and metastatic breast cancer and for neoadjuvant treatment of HER2-positive early or locally advanced breast cancer was published at SABCS 2022 in the form of focus poster discussion.
- The Phase II registered pivotal trial (ENVASARC) of **KN035** in the United States reached positive results in its interim analysis.



## 2022 Awards

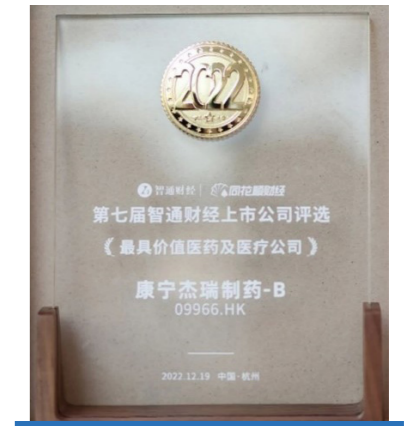
Shouldering to the mission of "To make cancer manageable and curable", we have won many honors and awards from industry organizations relying on our strength in the technical platforms, product pipelines and industrialized manufacturing bases of innovative anti-tumor drugs. In the future, Alphamab Oncology will continue to expand the advantages of the fully integrated industrial chain platform and maximize the commercial value of products through the "patient-centered" approach. In 2022, we received the following awards:



From the three dimensions of innovation foundation, innovation process and innovation achievements, E-drug managers (E 藥 經 理 人), taking the four indicators (the number of authorized patents, total number of patent citations, the number of clinical trials and the number of innovative drugs approved and commercialized) as the basis for evaluation, select the "Top 100 Chinese Pharmaceutical Innovation Enterprises" representing China's pharmaceutical innovation strength every year. Relying on its highly differentiated product pipelines and continuously innovative proprietary patent platforms, Alphamab Oncology has been included in the "Top 100 Chinese Pharmaceutical Innovation Enterprises" list for four consecutive years, with ranking steadily on the rise.



The "Most Valuable Pharmaceutical and Medical Company" award aims to commend Hong Kong-listed pharmaceutical and medical companies with the healthy corporate governance structure, significant industry position, well-operated core business, and capabilities of providing investors with sustainable and stable returns. According to the scores given based on the factors



such as performance growth, industry ranking, corporate governance, business model, market influence, and capital market performance over the past year, as well as corresponding public voting weights, the expert committee is responsible for evaluating candidate enterprises and selecting the final winners. The "Most Valuable Pharmaceutical and Medical Company" award reflects the industry's attention to and praise of us with the strengths in R&D and operation, and also recognizes our long-term development potential.



The 2022 China Biopharmaceutical Industry Value List was prepared by both Healife Group and Hua Yi Research Institute on the basis of comprehensively evaluating from multiple dimensions such as strategy, product, competitiveness, team building, commercialization, value, etc.



In August 2022, Alphamab Oncology was awarded the title of "Top 20 Most Influential Antibody Drug Enterprises", which reflects the industry recognition of our efforts and achievements in commercialization of innovative drugs, and the potential and progress in R&D.

In addition, Alphamab Oncology, relying on the "innovation-driven development" concept and comprehensive strength, once again was included in the 2022 China Biopharmaceutical R&D Strength Ranking List and the 2022 China Pharmaceutical R&D Strength Ranking List. Alphamab Oncology always devotes to differentiated innovations oriented at clinical value, and these honors and awards fully demonstrate our differentiated advantages and global competitiveness. The industry recognition will stimulate us to deepen innovation and develop competitive products, so as to promote the healthy development of human beings and achieve the core value of us as a pharmaceutical enterprise.

# 01

## Environmental, Social and Governance

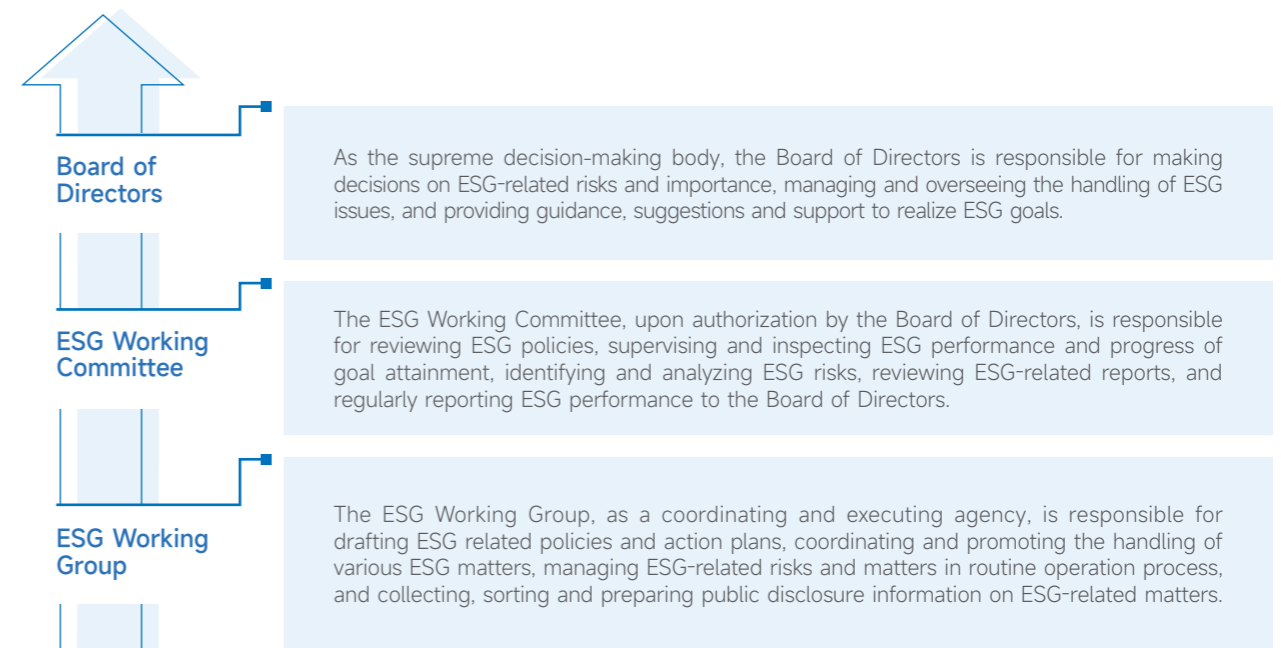
### 1.1 ESG Governance

#### ESG Concept

Alphamab Oncology actively practices the concept of sustainability, adhering to the mission of "to make cancer manageable and curable", providing patients with high-quality innovative anti-tumor drugs, while earnestly performing corporate social responsibilities to create value for social development. In the future, Alphamab Oncology will continue to improve the ESG level and provide patients with safe and reliable drugs. We are committed to becoming a fully integrated global leading biopharmaceutical company.

#### ESG Governance Structure

In 2022, to further improve the ESG management system, Alphamab Oncology established a top-down ESG governance structure and clarified the functions and responsibilities of each level of organization in the three-level ESG structure. Among them, the Board of Directors, as the supreme organization for ESG governance, is responsible for guiding the Company's ESG development direction. In addition, the ESG Working Committee under the Board of Directors is responsible for guiding and promoting the handling of the Company's ESG issues, reviewing ESG-related risks and opportunities, proposing ESG rules, strategies and goals, and regularly reporting the Company's ESG conditions to the Board of Directors. In contrast, the ESG Working Group, as the main agency for coordinating and organizing the implementation of ESG strategies, is responsible for implementing ESG-related policies and action plans and practicing ESG management concepts in all aspects of routine production and operation.



Alphamab Oncology's ESG Governance Structure










# Statement of the Board of Directors

<b>Responsibilities of the Board of Directors</b>	<p>The Board of Directors, as the supreme organization for ESG governance, is responsible for overall overseeing Alphamab Oncology's ESG strategy development and ESG information disclosure. In addition, the Board of Directors regularly reviews and approves ESG strategies and objectives, evaluates ESG-related risks and material ESG issues, reviews and discloses ESG information, and sums up experience and lessons from major negative ESG events.</p>
<b>ESG Work Execution</b>	<p>In terms of business operations, the Company reviews major ESG-related issues at regular meetings of the Board of Directors and has specially established the ESG Working Committee which is responsible for reviewing and overseeing the work related to the Company's ESG strategic goals, ESG risks and importance of issues, timely tracking the progress of goal attainment, and providing strategic insights and resource support for the disclosure of ESG-related performance information. In addition, the Company has established the ESG Working Group which is responsible for coordinating various work of ESG related communication and collaborating the implementation of ESG matters.</p>
<b>Material ESG Issues</b>	<p>We attach great importance to the identification of material ESG issues. We evaluate material ESG issues through diversified communication channels, normalized communication mechanisms, and analysis of relevant policies and industry trends. The Company determines material ESG issues mainly according to the importance evaluation by independent third parties. The final evaluation results are drafted upon discussion and approval by the ESG Working Committee and the Board of Directors.</p>
<b>ESG Risk Governance</b>	<p>Keeping an eye on ESG-related risks and opportunities, the Board of Directors makes resolutions on ESG-related risks and their importance in the routine operation process of the Company and develops appropriate risk response strategies to deal with ESG risks in a timely and effective manner, and to reduce the negative impact of ESG risks on the Company.</p>
<b>Review of Goals</b>	<p>We comply with the requirements of the national "14th Five Year Plan" to improve environmental quality, and set the environmental management goals of reducing energy consumption density, water consumption intensity, and emissions (greenhouse gases, exhaust gases, hazardous and non-hazardous wastes) intensity by 5% by 2023, with 2020 as the base year. We set goals and action directions and regularly review progress towards achieving them. In 2022, the greenhouse gas emission intensity, energy consumption intensity, and water consumption intensity of Alphamab Oncology decreased by 63.72%, 20.64%, and 15.18% respectively than those in 2020.</p>

# 1.2 Communication with Stakeholders

Alphamab Oncology attaches great importance to communication with various stakeholders by establishing an efficient communication mechanism, to listen to suggestions and opinions from various stakeholders effectively. According to the nature of business, the identified key stakeholders include customers/potential customers, shareholders and investors, employees, suppliers, competitors, government and regulators, communities. Meanwhile, through regular communication, compliance reporting, shareholders' meetings, customer visits and other communication channels, we actively capture the expectations and demands of various stakeholders, to better design the Company's ESG-related strategic plans and objectives, and to further promote the Company's sustainability.

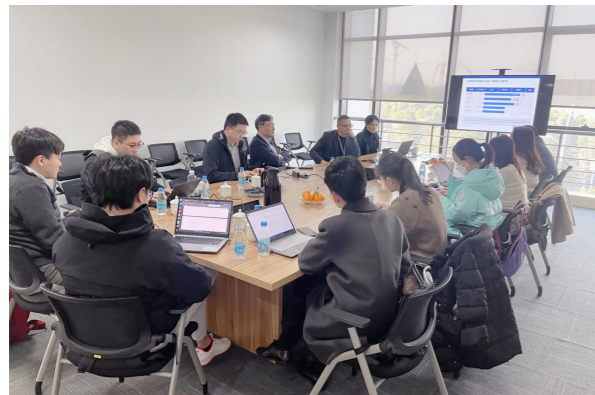
Stakeholders	Expectations and Requirements	Company Response	Main Communication Channels
 Customers/ potential customers	<ul style="list-style-type: none"> <li>• Ensure product quality</li> <li>• R&amp;D and innovation</li> <li>• Protect customer privacy and rights</li> </ul>	<ul style="list-style-type: none"> <li>• Quality management</li> <li>• R&amp;D and innovation</li> <li>• Compliance in operation</li> <li>• Responsible publicity</li> <li>• Protection of customers' rights and privacy</li> </ul>	<ul style="list-style-type: none"> <li>• Customer services</li> <li>• Daily operations/communications</li> <li>• Company website</li> <li>• Academic conference</li> <li>• Industry forum</li> </ul>
 Shareholders and investors	<ul style="list-style-type: none"> <li>• Protection of shareholders' rights and interests</li> <li>• R&amp;D and innovation</li> <li>• R&amp;D progress</li> <li>• Commercialization</li> <li>• Information disclosure and transparency</li> <li>• Effective risk control system</li> <li>• Compliance in operation</li> <li>• Intellectual property protection</li> </ul>	<ul style="list-style-type: none"> <li>• Quality management</li> <li>• R&amp;D and innovation</li> <li>• Intellectual property protection</li> <li>• Business cooperation</li> <li>• Compliance in operation</li> <li>• Supply chain management</li> <li>• Emissions management</li> <li>• Resource management</li> </ul>	<ul style="list-style-type: none"> <li>• General Meeting of Shareholders</li> <li>• Investor roadshow and reverse roadshow</li> <li>• Interim and annual results conference</li> <li>• Business progress conference call</li> <li>• Clinical data release and interpretation meeting</li> <li>• Brokerage investment strategy conference or forum</li> <li>• Company website</li> <li>• Results announcement</li> <li>• Interim and annual financial reports</li> <li>• Other information disclosure</li> </ul>
 Employees	<ul style="list-style-type: none"> <li>• Employee rights and benefits</li> <li>• Employee training and development</li> <li>• Occupational health and safety</li> </ul>	<ul style="list-style-type: none"> <li>• Employee rights</li> <li>• Employee health and safety</li> <li>• Employee training and development</li> <li>• Compliance in employment</li> <li>• Employee equality and diversity</li> <li>• Employee communication and care</li> </ul>	<ul style="list-style-type: none"> <li>• Team building activities</li> <li>• Employee training</li> <li>• Performance evaluation</li> <li>• Employee suggestion box</li> <li>• Exit interview</li> <li>• Other communications</li> </ul>
 Suppliers	<ul style="list-style-type: none"> <li>• Fair procurement</li> <li>• Standardized procurement management</li> </ul>	<ul style="list-style-type: none"> <li>• Supply chain management</li> </ul>	<ul style="list-style-type: none"> <li>• Daily operations</li> <li>• Supplier access and evaluation</li> <li>• Supplier audit</li> </ul>
 Competitors	<ul style="list-style-type: none"> <li>• Fair competition</li> <li>• Cooperative development</li> </ul>	<ul style="list-style-type: none"> <li>• Business cooperation</li> <li>• Compliance in operation</li> <li>• Intellectual property protection</li> </ul>	<ul style="list-style-type: none"> <li>• Industry communication</li> <li>• Strategic cooperation</li> <li>• Professional forums</li> </ul>
 Government and regulators	<ul style="list-style-type: none"> <li>• Compliance in operation</li> <li>• Corporate governance</li> <li>• Industry development promotion</li> <li>• Community development support</li> <li>• Environmental protection</li> <li>• Energy saving and emission reduction</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance in operation</li> <li>• Emissions management</li> <li>• Resource management</li> <li>• Public and community contribution</li> <li>• Anti-corruption and business ethics</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory communication</li> <li>• Professional forum</li> <li>• Compliance report</li> <li>• Meetings and visits</li> <li>• Communication with the medical administrators</li> </ul>
 Communities	<ul style="list-style-type: none"> <li>• Environmental protection</li> <li>• Public and community contribution</li> </ul>	<ul style="list-style-type: none"> <li>• Public and community contribution</li> <li>• Climate change and response</li> <li>• Emissions management</li> <li>• Resource management</li> <li>• Universal healthcare</li> </ul>	<ul style="list-style-type: none"> <li>• Community activities</li> <li>• Public benefit activities</li> <li>• Seminars</li> </ul>



# Communication with Investors

Alphamab Oncology is committed to establishing a mechanism of long-term, stable, and effective communication with investors. In 2022, the Company increased the initiative and pertinence of communication with investors, broadened the types of investors, proactively developed and continuously enriched the methods and channels for effective communication with investors, which have enhanced the recognition from investors, particularly long-term institutional investors. In addition, we have established an internal feedback mechanism for investors, through which senior management communicates with investors irregularly to keep abreast of their key concerns and expectations.

Through various channels such as on-site visits, roadshows, reverse roadshows, investment strategy conference and results conferences, we help investors to understand the Company's development conditions and strategies. We have established regional investor groups to answer and serve investors in a more targeted manner. During the Reporting Period, we took the initiative to carry out more professional exchanges with investors. Keeping close communication with investors on a frequency of about 4 times per week, we cumulatively held nearly 200 investor communication meetings, including the interpretation conference about the clinical data released at the 2022 ASCO annual meeting and the ESMO congress 2022.



Investor Conferences



Investors Visiting the Exhibition Hall

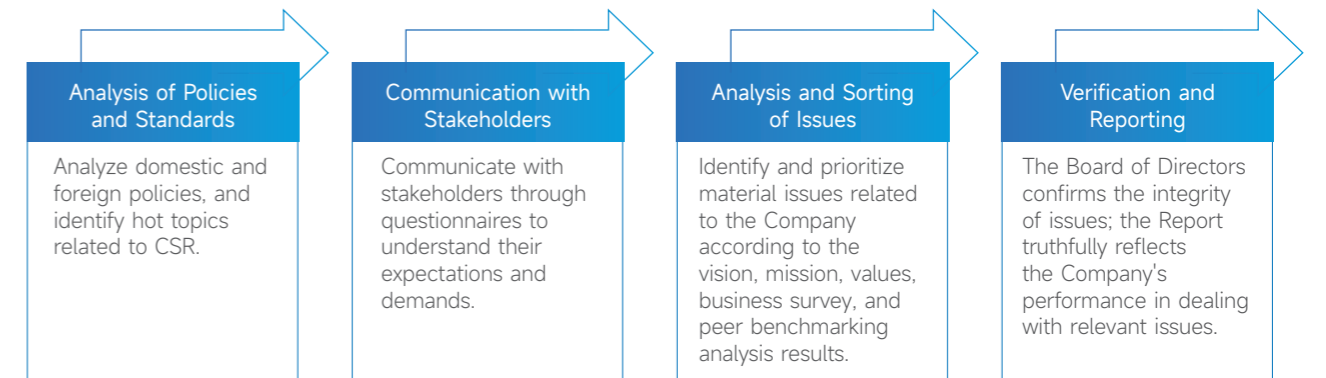


Investors Visiting the Workshop

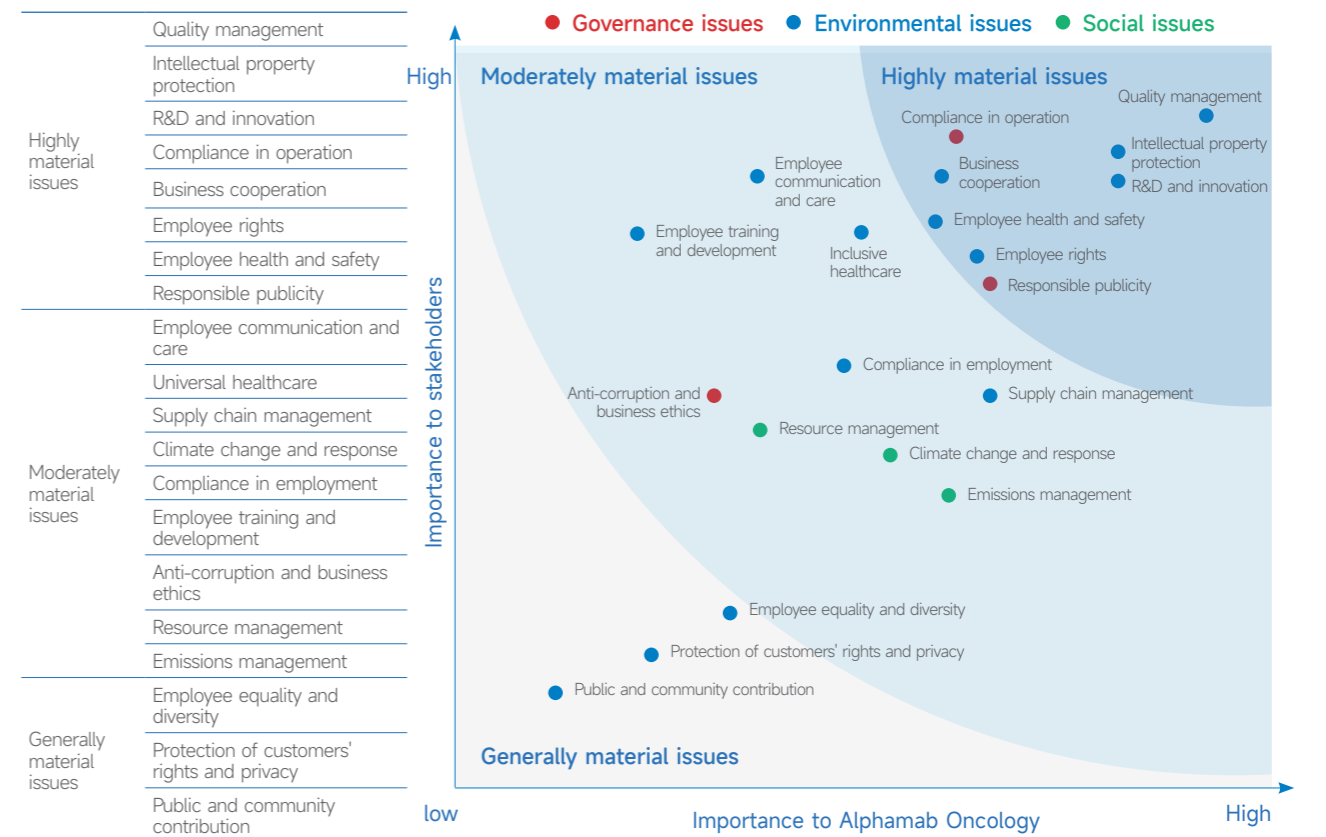


# 1.3 Analysis of Material Issues

During the Reporting Period, Alphamab Oncology formed a survey questionnaire on material issues through industry benchmarking based on the company's operational situation, which was distributed online to various stakeholders to comprehensively understand their focus on the company's development. We analyze material issues from the perspectives of their importance to the company and stakeholders based on the feedback results of the questionnaire, and present them in the form of an issue matrix. In 2022, we identified 8 highly material issues, 9 moderately material issues, and 3 generally material issues.



The Process of Identifying Material Issues by Alphamab Oncology



Matrix of ESG-Related Material Issues in 2022

# 02

## Innovative R&D and Industry Empowerment

As a biopharmaceutical company specialized in R&D, manufacturing and commercialization of innovative anti-tumor drugs, Alphamab Oncology is committed to using its unique drug discovery and development capabilities to provide global patients with world-class innovative therapeutic biopharmaceuticals. Closely following the "scaled", "programmable" and "predictable" innovation trends, and relying on strong drug R&D capabilities, advanced technology platforms, and industry-leading comprehensive R&D and manufacturing base, we work with partners to meet medical needs through product upgrades, and constantly lead in the development and commercial application of anti-tumor drugs.



## 2.1 Important Innovation Breakthroughs

### Clinical Progress of Innovative Drugs

Alphamab Oncology firmly believes that innovation capability is the core competitiveness and development driving force of the Company, insists on forward-looking technological innovations oriented to the forefront of technology and industry. At present, the product pipelines we have developed have significant differentiation and strong global competitiveness. During the Reporting Period, the Company made significant clinical progress in many innovative drugs, and many of our latest clinical research achievements received attention at the international conferences of AACR, ASCO, ESMO, and San Antonio Breast Cancer Symposium (SABCS), which will bring a new-generation anti-tumor therapy for patients.

#### KN046

Dual blockade of PD-L1 and CTLA-4

- Better efficacy and safety Clinical positioning
- Clinical orientation
  - Major indications
  - Treated with PD - (L) 1 inhibitors
  - Inadequate response to PD - (L) 1 inhibitors

#### KN026

Epitopes II and IV of dual HER2 blockade

- Potential for treatment of all HER2 expressing tumors
- Immune regulation synergy with KN046

#### KN052

- Tandem structure of PD-L1 antagonist and OX40 agonist

#### KN019

- Phase II clinical trial for treating RA was completed

#### JSKN003

- Glycosite-specific Antibody Drug Conjugates ("ADCs")
- Benchmarking DS-8201

Clinical Progress in 2022

### Core Marketed Products

Alphamab Oncology has developed rich product pipelines with significant differentiation and strong global competitiveness. Among them, KN035 (Envafohimab Injection, the world's first subcutaneously injected programmed cell death-ligand 1 ("PD-L1") inhibitor, brand name: ENWEIDA, 恩维达®) was approved for commercialization in China in November 2021. Benefiting more than 20,000 patients in the first year upon launch, it was rated as the "2022 Top 10 New Drugs" by the People's Daily. In addition, it has been included in the six major guidelines of CSCO for diagnosis and treatment of gastric cancer, rectal cancer, immune checkpoint inhibitors, endometrial cancer, cervical cancer, and ovarian cancer, having further gained authoritative and professional recognition. The Phase II registered pivotal trial (ENVASARC) in the United States reached positive results in its interim analysis, and obtained the Fast Track Designation (FTD) by the Food and Drug Administration (FDA). It is expected to be marketed in the United States. In order to maintain the robustness of product processes and safeguard the rights of patients to receive appropriate treatment, we constantly optimize the process of Envafohimab Injection and have conducted comprehensive comparability studies from the perspective of biochemical and biophysical properties.

## 2.2 Innovation Capacity Building

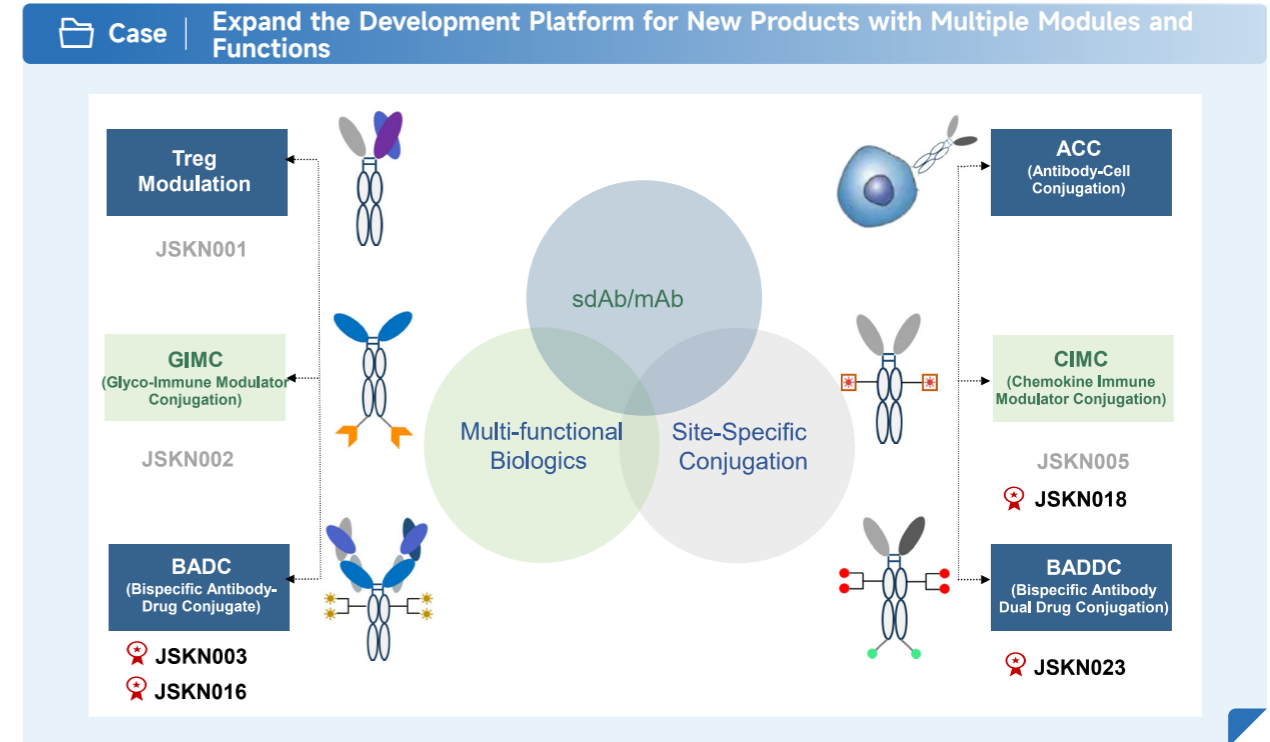
### R&D Management System

In order to fully stimulate the vitality of Alphamab Oncology from R&D and innovation, and to inherit and enrich the scientific research tradition, the Company has established sound systems and rules to lay a good foundation for scientific research.

In terms of R&D management, we, always focusing on clinical value, constantly improve the R&D management system, conduct normalized and standardized management of the R&D process, and further optimize internal R&D policies, systems and standards, to fully explore clinical value and achieve efficient R&D. The Company has established a R&D management structure in which the R&D Department and the Process and Product Development Department serve as the main responsible departments, and improved the efficiency and scientificity of R&D management through specialized team building, project management optimization, and other measures.

### Innovation Platform Construction

In addition to continuous breakthroughs in R&D of drugs, the Company attaches great importance to platform construction and has independently developed multiple technology platforms for discovery, research and production of drugs, including the Charge Repulsion Improved Bispecific ("CRIB"), the Charge Repulsion Induced Antibody Mixture ("CRAM"), and the Glycosite-specific Antibody Drug Conjugates ("ADCs") platform. As a result, we have effectively reduced R&D and production costs, provided strong technical support and guarantee for product R&D, and promoted the development of next-generation innovative products.



### Promote Cooperation and Joint Research

Alphamab Oncology has established long-term and stable cooperative relationships with major universities in China. Through joint R&D and cooperation in other forms, we hope to continuously inject technological innovation vitality and scientific research force for corporate development and industry progress. During the Reporting Period, we, through industry-university-research cooperation with high-quality academic institutions including Nanjing University and Shanghai Jiao Tong University, made many research achievements, which further improves our capabilities of technological innovation and product R&D.



#### The JSKN003 Project and New Immunomodulator Conjugates Development Project

- Meanwhile, we cooperate with Nanjing University to improve the ADC platform and the immunomodulator conjugate platform. Currently, the JSKN003 project jointly incubated based on the ADC platform has entered the clinical trial stage.
- In addition, the project of cooperation with Nanjing University on the development of new immunomodulator conjugates is currently in the preclinical verification stage.



#### Protein Modification Project

- Based on the Glycosite-specific ADCs platform, we carry out cooperation with Shanghai Jiaotong University on protein modification. Specifically, based on existing antibody functions and structures, this project, through rational design, AI computing and other means, aims to modify various functions of proteins and improve their stability and activity. Currently, this project is in the preclinical R&D stage.

<h4>Charge Repulsion Induced Bispecific (CRIB) Platform</h4> <ul style="list-style-type: none"> <li>• Due to its unique dual-functional architecture and action mechanism, the bispecific antibody can enhance the specificity and targeting of binding to tumor cells, and it is deemed as a new-generation antibody therapy for tumors.</li> <li>• We successfully created a world-class exclusion induced bispecific antibody platform for modifying Fc based heterodimer BsAb, which can overcome the chemistry, manufacturing and control ("CMC") issues of bispecific antibody research and development.</li> </ul>	<h4>Charge Repulsion Induced Antibody Mixture (CRAM) Platform</h4> <ul style="list-style-type: none"> <li>• Relying on this platform, a variety of different antibody molecules can be produced through one cell clone. Compared with other technologies, CRAM platform could effectively reduce R&amp;D and production costs, and also reduce the cost for patients.</li> <li>• The CRAM platform has been successfully registered in China, Japan and the United States, and obtained an international patent.</li> </ul>	<h4>Glycosite-specific Antibody Drug Conjugates ("ADCs") platform</h4> <ul style="list-style-type: none"> <li>• Based on the molecular characteristics of antibody endowed by cell technology in antibody production, the Company optimized glycosite-modified transferases through genetic engineering, and developed the glycosite-specific ADCs platform.</li> <li>• Relying on the glycosite-specific ADCs platform, the Company has developed new antibody-drug conjugates (ADC) targeting dual epitopes JSKN-003 and JSKN-016.</li> </ul>
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In order to accelerate the clinical transformation of scientific research achievements, Alphamab Oncology has established cooperative relationships with multiple hospitals such as Shanghai Pulmonary Hospital, Beijing Institute of Cancer Prevention and Control, Sun Yat-sen Memorial Hospital of Sun Yat-sen University, Fudan University Shanghai Cancer Center and Sun Yat-sen University Cancer Center to strengthen scientific research. Through the development of HER2-targeted drugs and other projects, we hope to help gastric cancer patients solve the problem of scarcity of related targeted drugs on the basis of integrating corporate resources as much as possible.

**Project of Cooperation with Shanghai Pulmonary Hospital**

We subsidize Shanghai Pulmonary Hospital to study the heterogeneity of immunomicroenvironment of early lung adenocarcinoma, to explore the key molecules and action mechanism of evolution from pre-invasive adenocarcinoma (Pre-IAC) to invasive adenocarcinoma (IAC).

**Project of Cooperation with Beijing Institute of Cancer Prevention and Control**

In conjunction with Beijing Institute of Cancer Prevention and Control, we intend to study and evaluate the efficacy of JSKN003 in treating HER2-mutated, amplified and overexpressed gastric cancer using a PDX model, for the purpose of benefiting patients and promoting therapeutic progress.

**Project of Cooperation with Sun Yat-sen Memorial Hospital of Sun Yat-sen University**

We subsidize Sun Yat-sen Memorial Hospital of Sun Yat-sen University to study "the impact of combined double-target immunotherapy on the tumor microenvironment of patients with advanced HER2-positive breast cancer". Analyzing the relevant factors for the success or failure of combining immune checkpoint blockade (ICB)(KN046) with anti-HER2 antibody (KN026) for the treatment of trastuzumab resistant advanced HER2-positive breast cancer which is related to the efficacy of immunocombined targeting therapy(KN026+KN046),we explore the possible mechanism of significantly improving anti-tumor activity by combining KN026 and KN046 for treatment of advanced HER2-positive breast cancer.

**Project of Cooperation with Fudan University Shanghai Cancer Center**

We subsidize Fudan University Shanghai Cancer Center to study the use of HER2-positive breast cancer organoids for sensitivity detection of targeted and small-molecule inhibitors, mainly studying the drug resistance mechanism of neoadjuvant treatment for HER2-positive and HER2-low breast cancer patients, and also the drug sensitivity of organoids of HER2-positive and HER2-low breast cancer patients.

## 2.3 Increasing R&D Investment

In order to fully stimulate the vitality of Alphamab Oncology from R&D and innovation, and to inherit and enrich the scientific research tradition, the Company spares no effort to strengthen scientific research. Alphamab Oncology constantly and steadily strengthens supply of resources from the dimensions of capital, talent and governance system. The Company is increasing the investment in R&D year by year. In 2022, R&D investment amounted to RMB468 million.

R&D investment amounted to RMB

**468** million

### R&D Team Building

The Company regards R&D talents as valuable assets. According to the 2022 Development Plan, the Company has established the Process Development and Analysis Department, and continuously recruits outstanding talents. We are committed to building an innovation team mainly composed of young forces with high academic qualifications. As of the end of the reporting period, the members with postgraduate and doctoral degrees occupied 55% of total members of the R&D team, and the proportion of members aged below 30 was 46%. The two figures are both higher than the Company's average.

In order to encourage scientific research and innovation and enhance the internal driving force of innovation, Alphamab Oncology has formulated and implemented a series of incentive measures for R&D achievements. In order to reflect the emphasis and recognition on talents, we give priority to R&D personnel in applying for "Leading Talents of Innovation and Entrepreneurship of Gusu District" program, Talent Attraction Program, talent housing subsidies and other thematic projects every year, to relieve the worries of R&D personnel. In addition, in order to further improve the clinical research abilities and professional competence of R&D personnel, we regularly organize targeted training in various ways, and training contents cover various aspects such as relevant legal and regulatory requirements, data management, on-site operation criteria, etc.

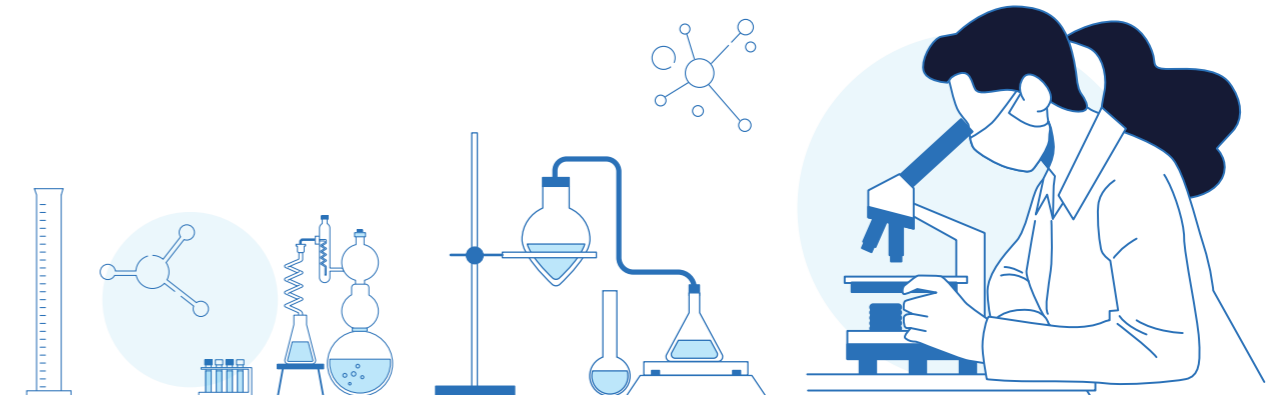
As of the end of the reporting period

Proportion of postgraduate and doctoral degrees of the R&D team

**55%**

Proportion of members aged below 30

**46%**



## Drug R&D and Manufacturing Base

Alphasab Oncology continuously promotes the construction of the drug R&D and manufacturing site, to increase production capacity. The Company has built a modern biological macromolecule drug R&D and manufacturing base in Suzhou Industrial Park ("SIP"), covering a total area of 75 mu<sup>1</sup>, which meets the standards of *Good Manufacturing Practice* ("GMP") of NMPA, FDA and European Medicines Agency (EMA). For the original 6,000L (2\*1,000L, 2\*2,000L) antibody drug production line and preparation filling production line (with an annual production capacity of 800,000 vials), we obtained a drug production license in July 2020, and passed the audits by European Qualified Person (QP) Association and US customers in the same year. In November 2021, regarding the 2\*1,000L drug substance production line and the preparation filling production line, we completed GMP certification and started the production and supply of commercial products. In the first quarter of 2022, the Company's new high-speed preparation filling production line (with an annual production capacity of more than 2 million vials) and 2\*500L drug substance production workshop were completed and put into operation. At the end of 2022, the Company started commissioning of the new 6,000L (3\*2,000L) production line, and it is expected to be officially put into operation in the second quarter of 2023.

The Company has built a modern biological macromolecule drug R&D and manufacturing base in Suzhou Industrial Park ("SIP"), covering a total area of

75Mu



Drug R&D and Manufacturing Site

<sup>1</sup> Mu: a Chinese unit of area, 1 mu = 0.0667 hectares

## 2.4 Empowering Business Cooperation

Adhering to the concept of open cooperation and mutual benefit, Alphasab Oncology actively shares front-end R&D achievements with the industry, and fully utilizes its own excellent technology application practices as starting point to continuously lead the development and commercialization of technology. We are committed to building a sustainability ecosystem covering the upstream and downstream of the industry. Alphasab Oncology actively engages in business cooperation in various forms, including cooperation in overseas market development and commercialization of products in the field of tumor therapy, transfer or authorization of products in the field of autoimmune diseases treatment or organ transplantation, and cooperation on our independently developed bispecific antibody platform and mixed antibody platform. We always believe that shared common values, transparency and flexibility are key to long-term partnerships. We uphold a partnership-centered culture, a win-win philosophy and a concise and efficient approach to cooperation, striving to build a long-term, benign, and win-win partnerships with leading companies around the world.



Partners (partial)

Cooperation Projects	Cooperation Areas	Cooperation Scope
Pfizer (KN046, August 9, 2022)	Progress in clinical trials and drug supply cooperation	The first patient was dosed in August 2022 for Phase II clinical study (study number: KN046-209) of PD-L1/CTLA-4 bispecific antibody KN046 in combination with Pfizer Axitinib for first-line treatment of advanced NSCLC. The enrolled populations were PD-L1-positive (TPS ≥ 1%) patients with locally advanced (unresectable and unable to undergo radical radiotherapy and chemotherapy) or metastatic NSCLC who never received systematic treatment before. This study plans to recruit approximately 54 patients, and the primary endpoint of the study was the objective response rate. KN046 in combination with the antiangiogenic drug Axitinib also has the potential for long-term anti-tumor treatment, and enables a novel first-line "chemotherapy-free" for more patients with advanced NSCLC.
CSPC Pharmaceutical Group Co., Ltd. ("CSPC") (KN026, January 4, 2022)	Progress in Clinical Development and Commercialization	Alphasab Oncology and CSPC jointly announced that a registered clinical trial (KN026-CSP-001) on HER2 bispecific antibody KN026 in combination with chemotherapy was approved by the CDE, NMPA. KN026-CSP-001 is a randomized, multicenter, phase II/III clinical study designed to evaluate the efficacy and safety of KN026 in combination with chemotherapy for first-line treatment of HER2-positive gastric cancer (including GEJ adenocarcinoma) patients who failed trastuzumab therapy, with Professor Xu Jianming from the Chinese PLA (People's Liberation Army) General Hospital served as the principal investigator. In China, patients with HER2-positive gastric cancer that has progressed or recurred after first-line treatment, currently still cannot get any effective anti-HER2 drugs, and there is a huge clinical unmet need.

## 2.5 Protection of the Rights and Interests of the Subjects

Alphamab Oncology strictly follows the *Good Clinical Practice ("GCP")*, the *Guidelines for Ethical Review of Clinical Drug Trials*, and other relevant laws and regulations, to ensure the scientificity and reliability of clinical trials. In addition, we have formulated the *Protection of the Rights and Interests of Subjects* and other internal policies to fully protect the personal rights and interests of each clinical trial subject.

During the actual operation process of clinical trials, we clarify the responsibilities and duties of institutions, ethics committee and sponsors, and comprehensively safeguard the rights and interests of the subjects in terms of privacy, informed consent, safety and health, and economic compensation, etc.

### Protection of Subjects' Privacy

In accordance with the *Declaration of Helsinki*, preventive measures shall be taken to protect the privacy of research subjects, and personal information shall be kept confidential. Alphamab Oncology has established and implemented relevant policies and systems to protect the privacy of subjects through various ways.

**Institutional Guarantee** 🛡️

- We have signed privacy protection agreements with relevant hospitals and researchers, and clarified relevant rights and responsibilities of us and suppliers in contract terms.
- We have established a sound security event handling process for protection of subjects' privacy based on the process.

**Process Optimization** 🔒

- During the design of clinical trial protocol, we fully consider the protection of subjects' privacy to ensure that data is not leaked.

**Solid Measures** 🔍

- Before the implementation of the trial, the Ethics Committee shall review the privacy and confidentiality measures for the subjects involved in the trial.

Measures for Protection of Subjects' Privacy

### Protection of the Subjects' Right to Informed Consent

Alphamab Oncology ensures that any clinical trial is conducted in accordance with the requirements of GCP, introduces the details of the clinical trial to the subjects, and fully informs them of the investigation purpose, methods, any possible conflicts of interest, the investigators' employers, the expected benefits and potential risks of the investigation, the discomfort that may arise from the investigation, safeguard measures to be taken after the investigation, and any other investigation related content, so as to ensure that the subjects are fully informed during the clinical trial process, and have the right to withdraw from the trial at any time during the trial, without prejudice to their medical treatment, rights and interests.

### Protection of the Subjects' Right to Safety and Health

Alphamab Oncology has established a sound security event handling process for all pre-marketing drugs. For any serious adverse events (SAEs) that may occur during clinical trials, we will deal with them within the period specified by regulations, and submit a report to the corresponding regulator thereafter.



### Protection of Subjects' Right to Economic Compensation

Alphamab Oncology provide insurances for each subject involved in a clinical trial, provides the treatment subsidy and financial compensation to the victim(s) in case of any possible trial-related damage event, and has established a process of reimbursement for medical expenses and economic compensations arising from the investigation to standardize the compensation process. During the Reporting Period, we introduced third-party compensation suppliers to further shorten the time for the subjects to receive compensation.

# 03

## Quality First and Caring for Life

Alphamab Oncology always puts product quality and patient safety first both in R&D and commercial supply. We have established quality management system which covering the whole product lifecycle, also we are embracing the digital quality systems for better compliance and efficiency. In addition, the quality management is extended to the suppliers which aim to create a sustainable supply chain.



## 3.1 Strengthening Quality Assurance

### Quality Management System

Alphamab Oncology strictly abides by the *Drug Administration Law of the People's Republic of China*, the *GMP*, the *Good Supply Practice*, the *GCP*, the *Administrative Measures for Drug Recalls*, the *Provisions for Adverse Drug Reaction Reporting and Monitoring*, and other laws and regulations related to quality and safety. In addition, we continuously improve the quality management mechanism, to consolidate the foundation for quality management.

With reference to the Q8, Q9 and Q10<sup>2</sup> discussed and approved at the International Conference on Harmonization (ICH), and *Good Practice Guidelines and Regulations for the Life Science Industry (GxP)*, we have formulated quality manuals, and described the scope and framework of quality management, including the quality policies, objectives, responsibilities, products, services and other modules. During the Reporting Period, we, according to the actual business conditions of the Company, updated and optimized the quality manuals to make them further adapt to the requirements of existing regulations and guidelines.

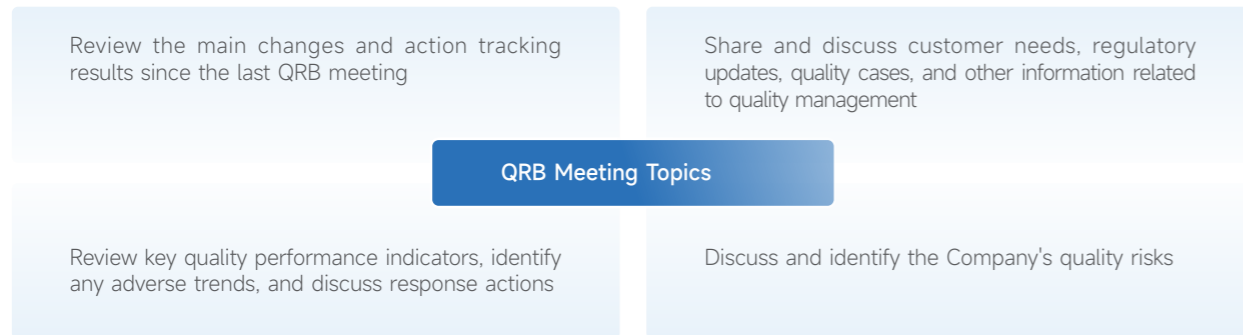
In order to further perform annual quality management responsibilities and promote the scientization and standardization of quality management, Alphamab Oncology timely sets quality management objectives and regularly reviews the situation of products/projects and quality system improvement plan. In order to ensure the achievement of objectives, we comprehensively monitor quality system elements/indicators, including the number of overdue quality events, the number of major deviations, the number of changes, the number of product quality complaints, batches of material scrap, batches of product scrap, training completion rate, and on-time product release rate. In 2022, Alphamab Oncology basically achieved the quality management objectives, and will set the quality management objectives for the next year according to the actual situation of the Company.

Quality management objectives and achievement thereof in 2022

Objective	Completion Status
Improvement of laboratory management system and quality management system	Completed
Establishment of commercial quality management system	Completed
100% on-time release for commercial production of Envafofolimab Injection	Completed
Study on the production quality of Envafofolimab Injection	Ongoing, estimated to be completed in the second quarter of 2023

<sup>2</sup> ICH was initiated by the drug registration authorities and pharmaceutical industries of the United States, Japan, and the European Union in 1990. Q8, Q9 and Q10 make clear the requirements for drug development, quality risk management, and drug quality system improvement respectively.

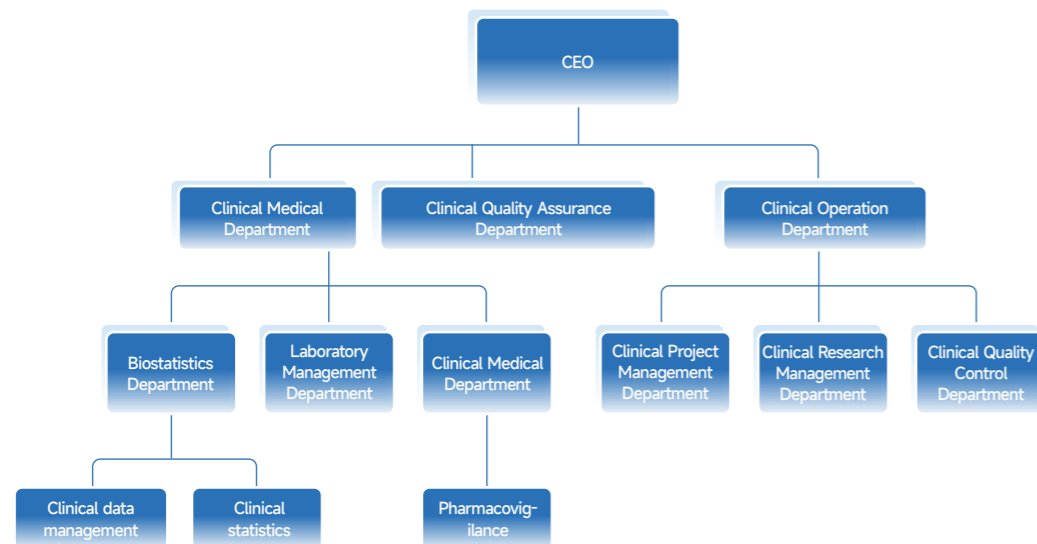
Valuing scientific management, Alphamab Oncology has established a management structure with the Quality Review Board (QRB) as the highest quality decision-making organization, and regularly holds meetings to monitor and review the quality management work. During the Reporting Period, we held a total of 11 QRB meetings to discuss different issues.



### Clinical Quality Management

Alphamab Oncology attaches great importance to clinical quality management. According to the updates of the national *Good Pharmacovigilance Practice (GVP)*, we have combed and updated Standard Operating Procedures (SOPs), Work Instructions (WIs) and templates, including the *Procedures for Management of Emergency Plans for Drug Safety Issues*, the *Procedures for Key Drug Monitoring and Management*, the *Procedures for Drug Safety Signal Management*, etc.. The quality management standards cover the entire process of drug clinical trials, ensuring the standardization of drug clinical trials, the scientificity, authenticity and reliability of data and results, and further strengthening the normalization of clinical quality management.

The Clinical Department of the Company is establishing and improving a clinical management organization system consisting of the Clinical Medical Department, the Clinical Operation Department and the Clinical Quality Assurance Department, in which the responsibilities of each department are clarified. In addition, we strengthen quality management throughout the life cycle of drug clinical trials, including the protocol design, organization and implementation, supervision, inspection, recording, analysis, summary and reporting. Meanwhile, we strictly follow relevant laws and regulations and regulatory requirements.



Clinical Management Organization System

### Product Quality Control

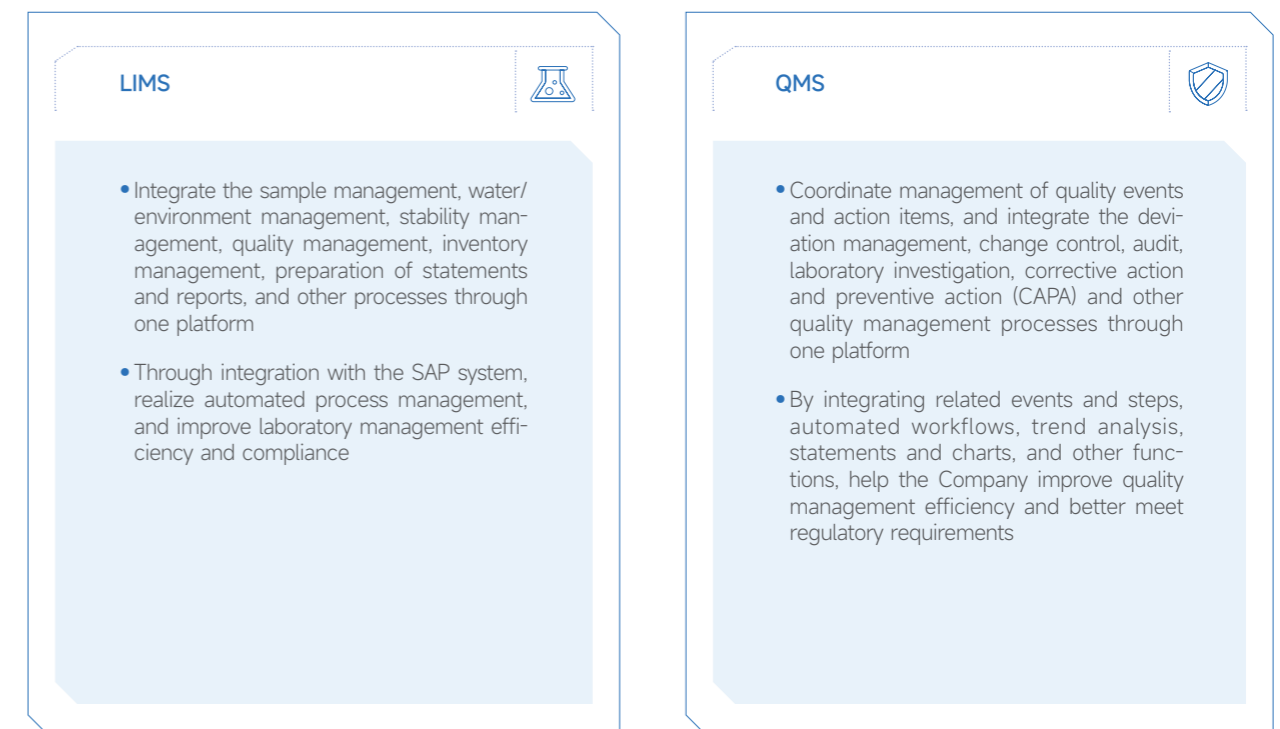
In order to strengthen product quality monitoring and management, the Company continuously normalizes product inspection work. In 2022, the Company released 44 batches of commercial Envafohimab finished products and 83 batches of clinical finished products for ongoing projects. All batches of products were released on schedule. In addition to the internal inspection, Alphamab Oncology got the on-site inspection of drug production licenses by Jiangsu Medical Products Administration in September 2022. The inspection items mainly included changes in product names, changes in the quality director and the Qualified Person, addition of production address and scope (self-production), and any increase of production address and scope (entrusted). The final inspection result was passed.

To strengthen management of unqualified products, Alphamab Oncology has established the *Unqualified Products Management Policy*, in which the determination method and approval and reporting process for unqualified products are specified. For any products determined as unqualified products by the Quality Assurance (QA) engineer on site during the production process, relevant responsible persons will fill in the *Unqualified Product Application Form*. After the application form is approved by the responsible persons of supply chain, Environmental, Health, and Safety ("EHS"), finance and quality, the unqualified products will be locked, marked and processed in a timely manner. We prevent any unqualified products from entering the next process or flowing to the market, dispose of them by types, and supervise the implementation work.

During the Reporting Period, Alphamab Oncology did not recall any products sold or shipped due to safety and health reasons.

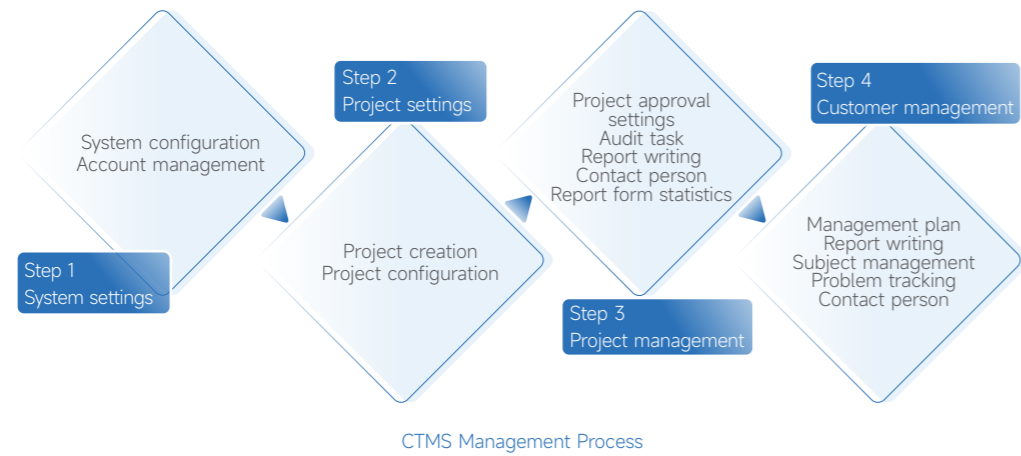
### Quality Assurance System

In order to make quality management more scientific, the Company has established a sound quality assurance system, while continuously evaluating the quality plans and comprehensively controlling quality through the systems of production, materials, facilities and equipment, packaging, and labeling. Alphamab Oncology established a Quality Control (QC) Laboratory in 2019, and established the laboratory quality control system, framework and terms in accordance with the *Current Good Manufacturing Practice (cGMP) of China*, the *FDA cGMP*, the *EU GMP*, the *Pharmacopoeia of the People's Republic of China*, the *United States Pharmacopoeia*, and other regulations and guidelines. Meeting the regulatory requirements, we smoothly passed the pre-marketing inspection of Envafohimab products. To meet the needs for continuous growth and development of the Company, we, During the Reporting Period, established a Laboratory Information Management System (LIMS) and a Quality Management System (QMS) after sufficient investigation and evaluation, to improve the quality management system.





In order to effectively integrate the multi-dimensional requirements for clinical quality management, we have introduced a Clinical Trial Management System (CTMS) for daily management of clinical trials, and clarified the management steps, processes and roles, to realize systematic and integrated management of clinical research projects and improve the management level and efficiency.



### Quality Supervision and Audit

The Company actively carries out quality audit work. During the Reporting Period, we internally audited the quality system eight times according to the internal audit plan, and the audit scope covered various elements of the quality system. For any problems found in the audit results and during the audit process, relevant responsible persons will review and improve the quality management level, and the Quality Department will track the subsequent rectification situation.



Internal Audit Discussion Meeting

## Quality and Safety Training

The Company attaches great importance to enhancing the quality awareness and competence of employees, having established a normalized quality training system. In 2022, Alphamab Oncology organized the quality training nine times in total according to the *Training Management Procedures*, 2022 GxP annual training plan, regulatory updates and the Company's business development needs. The training was organized by QA training specialists in various ways, such as classroom training and online training. In addition, after the training, relevant assessment work was carried out to make the importance and requirements of quality management deeply rooted in the hearts of employees.

### Case | Training on Data Integrity and Good Writing Practices

In June 2022, the Company organized training (both offline classroom training and online training) on data integrity and good writing practices. The training benefited 138 employees from the departments of quality management, quality control, production, R&D, information technology, and operations, respectively. To ensure the training effect, we carried out relevant assessment work after training, to ensure that all trainees master the training content, with a pass rate up to 100%.



In view of the importance of quality management for the Clinical Department, we purchased a specialized training system, namely the eCollege Training Management System, for the Clinical Department. The training is more targeted, covering the scope of SOP, pharmacovigilance, medicine, biostatistics, quality compliance, and so on. During the Reporting Period, the training completion rate of employees from the Clinical Department was 100%.



eCollege Training Management System

## Pharmacovigilance

Alphamab Oncology always pays high attention to the safety of drugs, collects adverse reaction information actively and comprehensively and reports compliance. In strict accordance with relevant laws and regulations, and in combination with the actual business conditions of the Company, we have formulated and implemented the *Procedures for Management of Emergency Plans for Drug Safety Issues*, the *Procedures for Key Drug Monitoring and Management*, the *Post-marketing Pharmacovigilance Management Process*, the *Procedures for Drug Safety Signal Management*, and other rules and regulations.

In terms of pharmacovigilance, the Company regularly organizes training on drug safety and compliance, and provides abundant pharmacovigilance training resources for employees. In 2022, the Company organized a training themed by "the role of pharmacovigilance in the life cycle of drugs" for all employees from the Clinical Quality Assurance Department. The training contents mainly included the process of safety data processing, the purpose of regular safety reporting, and the purpose and execution method for safety monitoring of post-marketing products, covering the non-clinical research stage, clinical research stage, and post-marketing stage.

## 3.2 Ensuring Safe Production

Alphamab Oncology adheres to the safety management policy of "people-oriented, safety first; prevention first, comprehensive governance; environmental protection, and sustainability", and puts safety production in the first place, to consolidate safety defense lines. In addition, we continuously enhance employees' safety production awareness and operational ability through regular training, emergency drills, and other means. We are committed to creating a safety production environment.

Alphamab Oncology continues to promote the standardization of safety production in strict accordance with relevant laws and regulations. In order to improve the overall level of safety production management and consolidate the foundation of safety production, the EHS Department entrusted a third-party consultancy to self-inspect the Company's safety production management system, and updated and optimized the safety production management system and operating procedures according to the Company's current situation and major requirements of local functional departments.

### Updates of Management Documents

- Management Practices for Hazardous Operations
- Provisions on Environmental Safety Management of Chemicals
- Provisions on Safety Management of Special Equipment
- Reward and Punishment System for Safety Production
- Fire Safety Management Regulations
- Rules for Management of Personal Protective Equipment (PPE)
- Rules for Management of Special Operation Personnel
- Rules for Management of Warning Signs and Safety Protection Articles
- Provisions on Environmental Safety Management of Related Parties
- Rules for Management of Operation and Maintenance Labels

The Company has established a sound safety management organizational structure, and also a three-level management system composed of "EHS Management Committee - Safety Management Organization - Safety Management Personnel" to consolidate the foundation of safety management. The EHS Management Committee regularly holds meetings to summarize and report EHS-related work, arrange annual safety production management work, promote certification of safety production standardization, and guide subordinate organizations in daily management of safety production, so as to ensure the agility and efficiency of safety management.



Governance Structure of EHS Management Committee



Organizational Meeting of EHS Management Committee

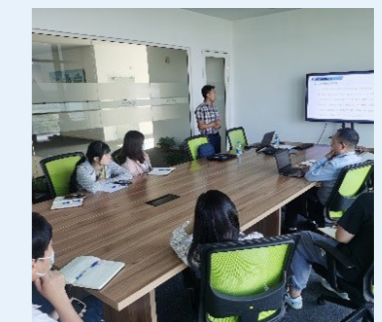


While continuously improving the safety management system, Alphamab Oncology further enhances the role of science and technology in supporting safety production, and improves the intelligentization of safety inspection and the level of dealing with potential safety hazards through digital and informatization means. We make full use of technological progress to improve the level of safety management. In addition, the Company attaches great importance to safety education and training, overall designs and implements the training plan in which three-level safety education for new employees serves as the mainstay and special safety education plays an auxiliary role, and actively organizes safety training for all employees, to continuously improve their safety literacy.

### Case | Three-level Safety Training for New Employees

The Company's three-level safety training covers all new employees, and any new employees must receive and pass this training before taking up the job officially. The training content mainly includes:

- Enable new employees to understand relevant laws and regulations on safety production and the Company's rules and regulations on safety production, as well as their rights and obligations in safety production
- Inform new employees of safety production accidents caused by basic risks and similar risks related to the jobs
- Enable employees to master the basic methods and contents of hazard source identification, and understand the occupational hazard factors, model selection and correct wearing methods of Personal Protective Equipment (PPE)
- Require employees to be familiar with job-related safety operating procedures
- Enable employees to understand the emergency response plans, and emergency escape and self-rescue methods of the Company and corresponding department



### 3.3 Excellent Customer Services

Always maintaining an open mindset, Alphamab Oncology actively draws on customer feedback and suggestions, and continuously improves customer services to enhance customer experience. In addition, we continuously introduce new processes and tools to improve service quality and efficiency, so as to achieve sustainability of the Company. We have formulated the *Product Return Management Procedures* in accordance with relevant laws and regulations. The Quality Department will isolate, store and label the returned products, then evaluate the actual quality of the returned and replaced products, and finally dispose of accordingly. During the Reporting Period, we did not have any commercial product returns or recalls.

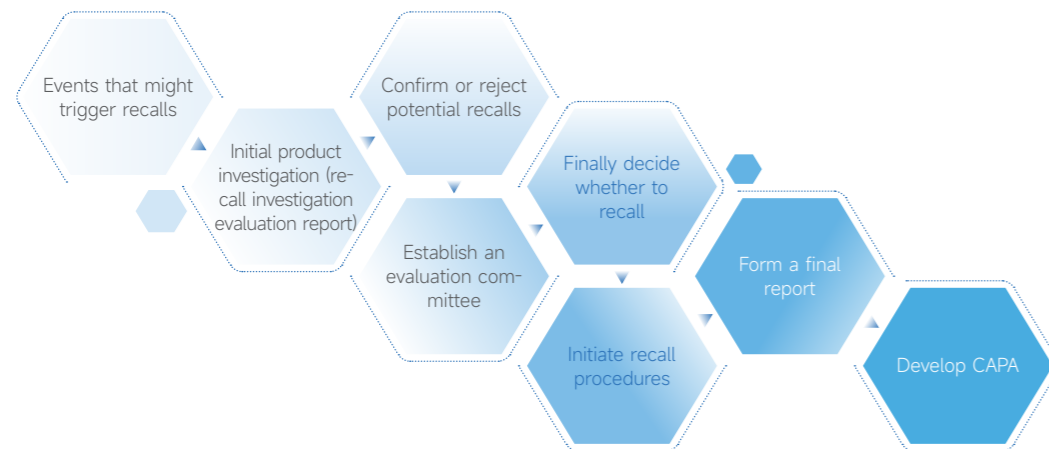
#### Handling of Customer Complaints

The Company highly values the communication with customers and patients and the handling of complaints, and provides customers with effective solutions through multiple channels such as email and messages on the official website.

During the Reporting Period, we updated the *Complaint Management Procedures* to standardize the complaint handling process for post-marketing products, including the process of receiving, handling and responding to complaints. When any patients make complaints through channels such as email, the quality system team will comprehensively understand and record the complaints. Subsequently, the quality complaint handling specialist will initiate relevant investigations according to the specific complaints. After completing the investigation, the complaint handling specialist needs to provide feedback. If the product belongs to a client, we will provide feedback to the marketing authorization holders ("MAHs"). In 2022, we received a total of 4 product complaints, completed all relevant investigations, and replied to all the MAHs. Investigation results show that there were 2 reasonable complaints, and no patient was exposed to any medication risk.

#### Product Recall Process and Handling Mechanism

In accordance with the *Administrative Measures for Drug Recalls* issued by the NMPA in 2022, the *GMP (2010)* and other laws and regulations, the Company has updated the *Recall Management Procedures*, in which the specific responsibilities of each department are clarified. In 2022, the first year of product commercialization, we did not recall any products. The Company intends to take a mock recall action in cooperation with the MAHs in 2023.



Product Recall Process

### 3.4 Sustainable Supply Chain

Alphamab Oncology is always committed to contributing to human health and well-being. In the business operation process, we continuously optimize the procurement strategy and process to ensure that the purchased raw materials and services meet strict requirements for quality, sustainability and social responsibility. We have established a systematic supplier management system for follow-up management of suppliers in the supplier pool from various dimensions.

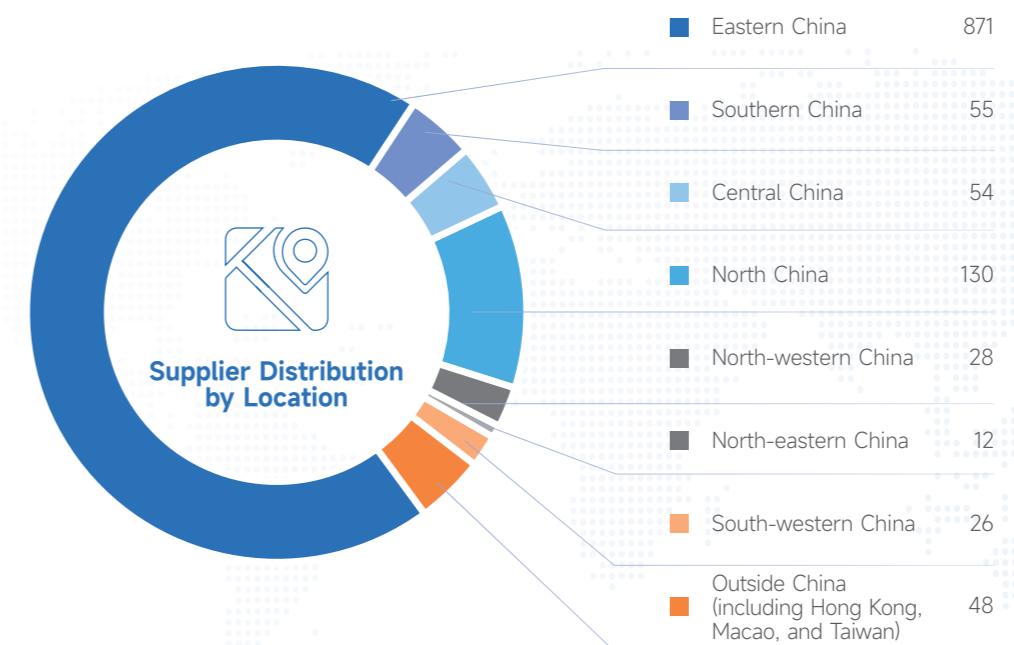
#### Supplier Management

Alphamab Oncology devotes continuously to establishing and improving an efficient supplier management system, including the establishment of an emergency procurement process and a hierarchical management system, to ensure the stability and quality of the supply chain.

In response to fluctuations in the global supply chain, we, according to the emergency procurement process specified in the *Procurement Management Process*, selected two non-Maintenance, Repair & Operations (MRO) suppliers from the Company's supplier pool as the main emergency procurement suppliers. This initiative helps us to save approval time in case of any emergency, so as to ensure the progress of production activities.

In addition, we have optimized hierarchical management measures for material suppliers in the *Material Supplier Management Procedures*. According to supplier quality, delivery cycle, importance of services and materials provided, and other comprehensive evaluation indicators, we classify suppliers into A, B, and C levels, and have proposed different management strategies and requirements for each level of suppliers, to ensure long-term, stable and high-quality supply and quality management.

As of the end of the reporting period, we had a total of 1,224 suppliers, the vast majority of which are located in Eastern China. The detail is as follows:

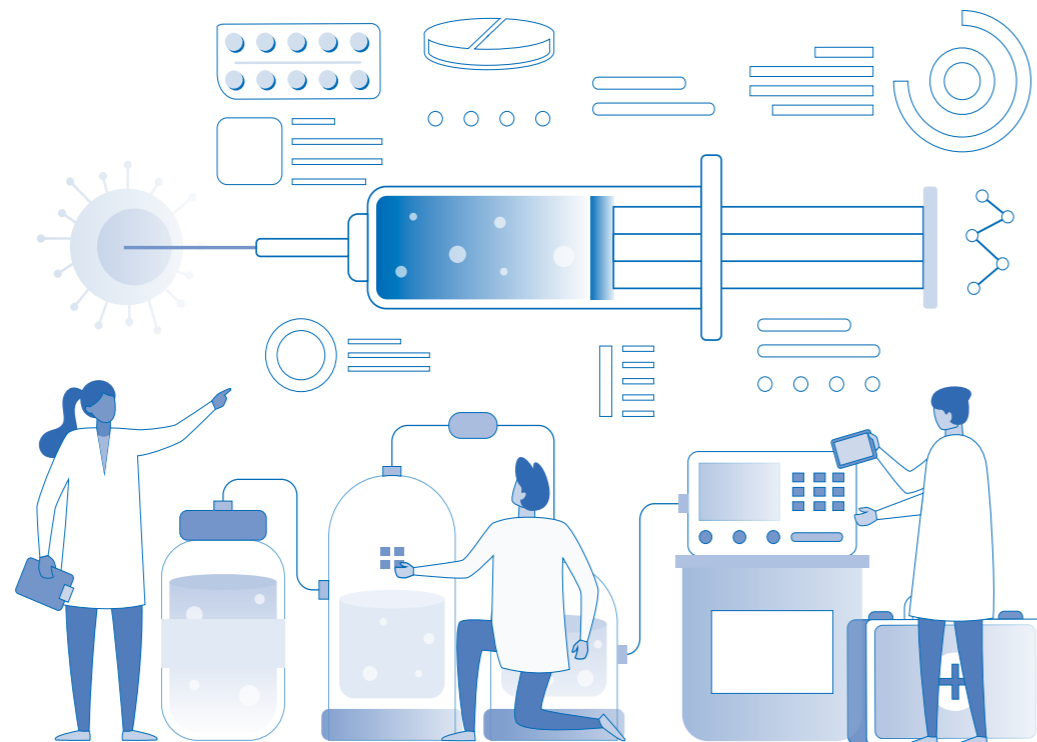


## Supplier Access and Evaluation

According to business scenarios, Alphamab Oncology has optimized the supplier access review and evaluation process, to ensure the efficiency, scientificity and reliability of the supplier access process. In addition, we have formulated the *Bidding Management Procedures* and the *Supplier and Supplier Master Data Management Procedures*, implementing comprehensive working rules for supplier access, including those about selection, evaluation, approval, and termination of suppliers. In the process, we have clarified the requirements for various qualifications of suppliers, and reviewed their production capacities to ensure that they can provide the required products according to the requirements for timeliness, quality and quantity.

We have established evaluation criteria and requirements for different types of suppliers. In addition, according to supplier's order response speed, price, communication mechanism, product quality, raw material management, and other indicators, we periodically manage and evaluate the suppliers, and freeze unqualified suppliers according to evaluation results. Furthermore, the process for reactivating suppliers is specified.

In terms of supplier audit, During the Reporting Period, we audited 28 suppliers in accordance with the *Material Supplier Management Procedures*, the *Management Procedures for Third-Party GMP Service Providers*, the *Supplier Audit Management Procedures*, and other internal rules. The audit team consists of some supplier management personnel and industry experts from the user department. The audit methods include site audit, video audit, and written audit, and the audit scope covers materials and warehousing, production, release, quality assurance and control, verification, and shipping, etc. Through audits, we aim to ensure that the products, services and quality management system provided by the suppliers meet the Company's requirements.



## Responsible Procurement

Alphamab Oncology highly values business ethics, and adheres to the values of good faith, and the code of conduct for suppliers in ethics. During the Reporting Period, the vast majority of new domestic suppliers of the Company entered into the Sunshine Agreement with us, indicating that we further implemented the requirements for anti-commercial bribery and integrity construction. In addition, we will terminate the partnership with the suppliers who violate the Sunshine Agreement and put them in the blacklist of suppliers.

In order to establish and maintain a sustainable supply chain, Alphamab Oncology reviewed the performance of suppliers in terms of environmental and social responsibilities to select appropriate suppliers, and incorporated such performance into the supplier access evaluation index system. According to the environmental scoring criteria, we will preferentially select suppliers with good environmental performance.

Actively responding to the national call, the Company actively promotes the localization and substitution of materials for the biopharmaceutical industry to ensure the safety of the biopharmaceutical industry supply chain. In 2022, we smoothly promoted the localization of consumables, including the substitution of disinfectants, cleaning supplies and other materials not in the Bill of Material (BOM) with domestic products, which can save the annual cost of about RMB 1.2 million as estimated. In addition, we have also substituted some BOM materials with domestic products after communicating with the NMPA for filing or studying and evaluating as needed. Through substitution with domestic liquid storage bags, we saved about RMB 200,000/batch. In 2022, we cooperated with 15 local material suppliers, saving a procurement amount of approximately RMB 3 million in total.

In addition, all the downstream chromatographic apparatuses and two-stage filtration equipment for three 2,000L production lines (Phase I and Stage III) of the Company are of domestic brands, and have been verified so far, which can meet our needs. Also, some standard small devices are home-made, such as isolators, integrity testers, and disposable mixing systems. Except for the high-grade, high-precision, advanced instruments and equipment that have to be purchased from foreign countries for the R&D purpose, domestic products are preferentially selected, such as ultraviolet spectrophotometers, welding machines, and tube sealing machines.

## Supplier Training and Communication

Alphamab Oncology not only pays attention to the suppliers' quality and management evaluation performance, but also values communication with and information feedback from the suppliers. Through multiple communications in the form of online platform and offline meeting, we help the suppliers to better understand our business demands.

### Case | Technical Exchange with Suppliers in 2022

The suppliers introduced the existing pipeline brands and market situations of the pharmaceutical industry to Alphamab Oncology, as well as how to select transmission pipelines with appropriate techniques. In addition, the suppliers further interpreted the technical requirements of industry-related regulatory documents to Alphamab Oncology, including the considerations in sterilization, pyrogen removal, chemical compatibility, etc. Through technical exchanges with the suppliers, the Company provides feedback to the suppliers about the problems existing in the application scenarios of products, to help the suppliers to better understand the Company's needs and enable the Company to quickly find solutions.

# 04

## Environmental Protection and Green Development


Actively responding to the national strategy of "Carbon peaking and carbon neutrality", Alphamab Oncology, taking a sound environmental management system as the cornerstone, constantly improves the environmental management system, actively explores and implements the low-carbon emission reduction action plan, and improves environmental performance from the dimensions of energy and resource use, waste management, etc. Meanwhile, we continuously push forward the work of climate change identification, assessment and response, and comprehensively strengthen environmental management, contributing to creation of a harmonious and win-win environment and society.



### 4.1 Environmental Management System

In strict accordance with the *Law of the People's Republic of China on Environmental Protection*, the *Law of the People's Republic of China on the Assessment of Environmental Affects*, the *Law of the People's Republic of China on the Conservation of Energy Resources*, and other environmental laws and regulations, Alphamab Oncology has formulated and continuously improved the *Provisions on Environmental Safety Management of Related Parties*, the *Provisions on Environmental Safety Management of Chemicals* and other internal rules. From top to bottom, we hope to establish a responsibility management system that comprehensively ensures environmental, compliant and efficient production and manufacturing.


To meet the requirements for improving environmental quality as stipulated in the "14<sup>th</sup> Five-Year Plan", we have set the environmental management goals of energy use, water consumption efficiency and emissions (greenhouse gases, exhaust gases, hazardous and Non-hazardous wastes) with 2020 as the base year, and with the ratio of consumption to the original value of public engineering facilities and machinery equipment as the basis. We hope to gradually reduce the emission intensity and resource consumption intensity, and drive the sustainable healthy development of the Company.



**Energy use**

Goal: Reduce energy consumption intensity by 5% by 2023


In 2022, the energy consumption intensity of Alphamab Oncology decreased by 58.12% than that in 2020



**Water consumption efficiency**

Goal: Reduce water consumption intensity by 5% by 2023

In 2022, the water consumption intensity of Alphamab Oncology decreased by 48.64% than that in 2020



**Emissions**

Goal: Reduce the intensity of emissions (greenhouse gases, exhaust gases, hazardous and non-hazardous wastes) by 5% by 2023

In 2022, the greenhouse gas emission intensity and exhaust gas emission intensity of Alphamab Oncology decreased by 63.72% and 76.85% respectively than those in 2020, while the waste emission intensity increased by 5.91% over the same period

Environmental Goals and Progress of Alphamab Oncology in 2022<sup>3</sup>

<sup>3</sup>In 2022, Alphamab Oncology expanded commercial production and increased investment in pilot-scale products and laboratories, which resulted in an increase in waste emission intensity compared to the base year.

## 4.2 Responding to Climate Change

In recent years, with the continuous increase of greenhouse gas emissions, climate change has become one of the major global challenges facing human beings. Understanding the importance of addressing climate change, Alphamab Oncology continuously optimizes its internal governance structure, and has incorporated climate change risks into the risk management scope, to minimize the negative impacts of climate change.

### Governance

Alphamab Oncology pays close attention to the risks and opportunities related to climate change. The Board of Directors of the Company, as the supreme organization, is overall responsible for proposing and reviewing goals and strategies related to climate change. The ESG Working Committee under the Board of Directors comprehensively carries out ESG-related management and supervision work, and coordinates with various business departments to deal with environmental issues such as greenhouse gas emissions and energy management, to create good economic and environmental performance.

### Risk Management

Strictly following the disclosure methods and suggestions of the Task Force on Climate Related Financial Disclosure (TCFD), the Company, on the basis of fully considering market conditions, corporate operations, and weather changes in the location of operations, and referring to excellent practices of peers, has identified and determined two major types of climate change risks, namely, transformation risks and physical risks, which is conducive to guiding low-carbon transformation.

#### Major Climate Change Risks Identified by Alphamab Oncology in 2022

Risk Category		Risk Content
Transformation Risk	Policy & Legal Risk	If a pharmaceutical enterprise fails to comply with the <i>Law of the People's Republic of China on Environmental Protection</i> and other relevant laws and regulations, as well as the provisions of the "14 <sup>th</sup> Five-Year Plan", it may be exposed to risks such as litigation and fine, which might further cause a negative impact thereon.
	Technical Risk	In order to reduce the impact of the pharmaceutical industry on the environment, the Company continuously promotes internal green technology innovation and R&D, which results in an increase in operating costs.
	Market Risk	As market competition becomes increasingly fierce, investors prefer cooperation with the enterprises with high R&D potential and less environmental impact. Consumers' demand for green drugs and services invisibly increases the environmental protection costs of enterprises.
Physical Risk	Acute Risk	The Company is located in the East Asian monsoon climate zone, and is vulnerable to extreme weather conditions such as spring drought, typhoons, floods, and high temperatures, which might result in safety accidents, drug production reduction, and even production suspension.
	Chronic Risk	High temperature, cold and other abnormal weather phenomena caused by climate change may affect drug production and storage, and result in more uncertainty in enterprise operations.

Based on the identified climate-related risks, Alphamab Oncology has gradually carried out work in response to climate change, formulated and continuously optimized the *Emergency Management Policy* and other internal management rules. Meanwhile, we have improved the risk prevention and response mechanism of "Early warning and transfer, in-process detection, and post-event rectification" to minimize the losses caused by climate change risks. During the Reporting Period, no incidents of production and safety caused by climate change occurred at Alphamab Oncology.

## Energy Management and Greenhouse Gas Emissions

Alphamab Oncology is fully aware that energy conservation and emission reduction are required to build a resource-saving and environment-friendly society. According to actual conditions, the Company strictly implements internal energy conservation and emission reduction policies, uses environment-friendly building materials and low energy consumption equipment, regularly summarizes, combs and analyzes the consumption of electricity, gasoline and natural gas, and timely identifies and handles risks, to effectively reduce energy consumption and greenhouse gas emissions.

In 2022, we further optimized the air conditioning system and parameters, requiring to turn off air conditioners in the area of the production workshop where no production activity is carried out, to minimize energy consumption. Meanwhile, we have launched a management project of air conditioning in the normal temperature warehouse of factory to ensure that the temperature of the storage area is controlled at 10°C to 25°C. Also, we regulate and control the air conditioners according to the upper and lower limits of the forecast data from the local meteorological station, to reduce power consumption and energy costs, and achieve green warehousing management.



Management Project of Air Conditioning in the Normal Temperature Warehouse of Factory

During the Reporting Period, Alphamab Oncology further enlarged its production capacity and put new production lines into operation. As a result, total energy consumption and greenhouse gas emissions increased by 29.85% and 15.55% respectively than those in 2021, while the energy consumption intensity and greenhouse gas emission intensity decreased by 20.64% and 29.38% respectively.

Index	Unit	2022	2021	2020
Electricity	kWh	13,777.60	10,024.20	8,602.60
Gasoline	Tonnes	3.46	6.80	4.70
Natural gas	m <sup>3</sup>	1,643,923.00	1,316,982.00	1,033,673.00
Direct energy consumption <sup>4</sup>	kWh	17,841.02	14,326.80	11,236.89
Indirect energy consumption <sup>5</sup>	kWh	13,777.60	10,024.20	8,602.60
Total energy consumption <sup>6</sup>	kWh	31,618.62	24,351.00	19,839.49
Energy consumption intensity per unit of original value of public engineering facilities and machinery equipment	kWh/million RMB	209.11	263.50	499.36
Total greenhouse gas emissions (Scope 1&Scope 2) <sup>7</sup>	Tonne of CO <sub>2</sub> equivalent	11,462.82	9,920.39	8,301.31
Direct greenhouse gas emissions	Tonne of CO <sub>2</sub> equivalent	3,605.45	2,868.37	2,249.38
Indirect greenhouse gas emissions (Scope 2)	Tonne of CO <sub>2</sub> equivalent	7,857.37	7,052.02	6,051.93
Greenhouse gas emission intensity per unit of original value of public engineering facilities and machinery equipment	Tonne of CO <sub>2</sub> equivalent/million RMB	75.81	107.35	208.94

## Green Office

As a responsible enterprise, Alphamab Oncology organically integrates the concept of green sustainability with daily operations, and strives to create a sustainable green office scenario with intelligent and efficient office modes and standardized management. In 2022, we, by promoting energy-saving lamps, controlling the temperatures and switches of air conditioners in office spaces, and advocating the concept of green commuting, actively reduce pollution of emissions from office spaces and the impact of energy consumption on the environment.

Proceeding from enhancement of theoretical awareness, we flexibly carry out diversified training and promotion activities for new employees, such as publicity on energy conservation and emission reduction, to imperceptibly enhance their environmental awareness, and expand their environmental participation. Through practical actions, we motivate employees to become advocates and practitioners of environmental action. In 2022, Alphamab Oncology organized the training on relevant contents of the *Law of the People's Republic of China on Environmental Protection* for new employees. We continuously convey the Company's green concept to new employees, and guide them to consciously abide by the Company's green office rules, to boost the green development of the Company. During the Reporting Period, Alphamab Oncology organized training activities six times in total.

<sup>4</sup>The direct energy consumed by the Company mainly consists of gasoline and natural gas.

<sup>5</sup>The indirect energy consumed by the Company mainly includes purchased electricity.

<sup>6</sup>The conversion coefficient used for calculating energy consumption is designed with reference to the *General Rules for Calculation of the Comprehensive Energy Consumption* (GBT2589-2020) and the *Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions of Enterprises in Other Industries (Trial)* proposed by the National Development and Reform Commission.

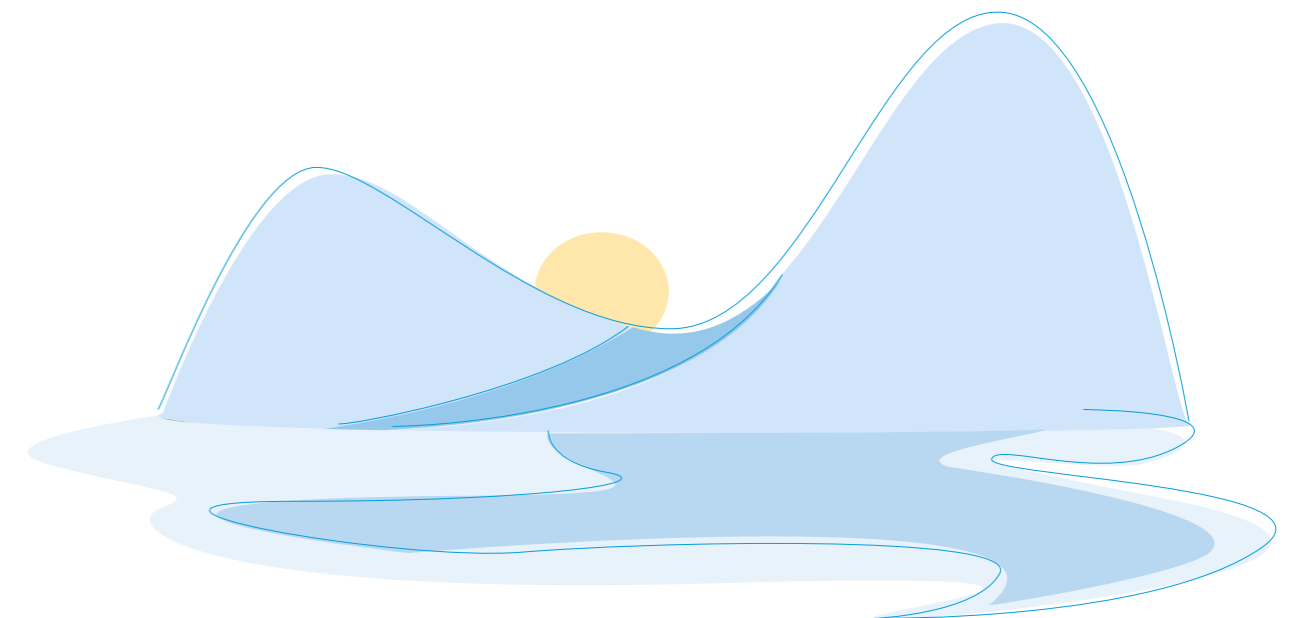
<sup>7</sup>Greenhouse gas emissions are accounted in accordance with the *Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions of Enterprises in Other Industries (Trial)* proposed by the National Development and Reform Commission, the *2006 IPCC Guidelines for National Greenhouse Gas Inventories* prepared by the Intergovernmental Panel on Climate Change (IPCC), the *General Rules for Calculation of Comprehensive Energy Consumption* (GBT2589-2020) and the 2022 Grid Electricity Emissions Factors.

## 4.3 Use of Water Resources

As an innovation-driven biopharmaceutical company with business covering the entire industrial chain, Alphamab Oncology strictly abides by the *Water Law of the People's Republic of China* and relevant laws and regulations applicable to the location of operations. By optimizing the utilization and management of internal water resources, constraining corporate water use behaviors and strengthening recycling of water resources, we constantly practice the concept of water resource protection and water conservation in the entire process of corporate production and operation.

During the Reporting Period, due to the increase in manufacturing capacity, the total water consumption of the Company was 191,866 tonnes, with the main source of water is municipal water, an increase of 38.79% than 2021, while the water consumption intensity decreased by 15.18%.

Index	Unit	2022	2021	2020
Total water consumption	m <sup>3</sup>	191,866.00	138,242.00	98,147.00
Running water	m <sup>3</sup>	182,125.00	128,383.00	91,873.00
Recycled water	m <sup>3</sup>	9,741.00	9,859.00	6,274.00
Recycling rate	%	5.08	7.13	6.39
Water consumption intensity per unit of original value of public engineering facilities and machinery equipment	m <sup>3</sup> /million RMB	1,268.89	1,495.91	2,470.36



# 4.4 Standardized Emission Management

## Wastewater Management

In accordance with the *Law of the Peoples Republic of China on the Prevention and Control of Water Pollution* and other relevant laws and regulations, Alphamab Oncology has established and continuously improved internal management systems. Meanwhile, based on the Company's operating conditions, we continuously improve the sewage treatment process flow, and carry out work of collecting and analyzing data on sewage treatment capacity and cost, to reduce sewage treatment costs while meeting the Company's operational needs.

Meanwhile, we regularly carry out systematic troubleshooting and inspection work, solve relevant problems found in a concentrated manner, and steadily carry out sewage control work, helping the country to win the battle of pollution prevention and control.


In 2022, the Company continued the operation and transformation of sewage treatment stations. After improvement, the sewage treatment capacity increased from 160 tonnes to 300 tonnes per day, and the efficiency of wastewater treatment was greatly improved, which further safeguards the sustainability of the Company. During the Reporting Period, sewage treatment stations of Alphamab Oncology treated and transferred 817 tonnes of wastewater in total, saving the costs of RMB 1,612,800 compared to 2021.

Accumulated treated and transferred of wastewater


**817 tonnes**

Compared to 2021, saving the costs of RMB


**1.61 million**

  
 Install Sensors

Install sensors for the pipes of the sewage treatment stations to accurately distinguish sewage types, save manual detection costs, and simplify the sewage treatment process

  
 Install Water Storage Tanks

Install water storage tanks, which expands the storage capacity of reclaimed water, effectively solves the cooling problem of reclaimed water in summer, and improves the efficiency of reclaimed water circulation

  
 Retrofit Sewage Tank Facilities

Based on the actual conditions of sewage discharge, retrofit sedimentation tanks, MBR<sup>8</sup> membrane tanks, standby tanks and other sewage tank facilities, which improves sewage treatment efficiency, extends the service life of facilities, and reduces operating costs

Measures for Transformation of Sewage Treatment Stations<sup>8</sup>

<sup>8</sup> MBR: Membrane Bioreactor, which combines conventional biological treatment (such as activated sludge treatment process) processes with membrane filtration technology, and realizes relatively efficient removal of organic and suspended matters.

## Exhaust Gas Management

Alphamab Oncology strictly abides by the *Law of the Peoples Republic of China on the Prevention and Control of Atmospheric Pollution* and relevant laws and regulations applicable to the location of operations, regularly identifies and monitors the organic exhaust gas, boiler exhaust gas, odor gas from sewage treatment stations, and other main types of exhaust gas from production and operation, and continuously promotes the renovation of boilers and other equipment, to effectively reduce the emissions of nitrogen oxides (NOx), sulfur oxides (SOx), volatile organic compounds (VOCs) and particulate matter (PM), and to continuously reduce the impact of enterprise operations on the environment on the basis of ensuring compliant emissions.

During the Reporting Period, the Company's total exhaust gas emissions and exhaust gas emission intensity decreased by 10.26% and 53.71%, respectively, compared with that in 2021, and significant achievements were made in emission reduction of related engineering facilities and machinery equipment.

Compared to 2021, the Company's total exhaust gas emissions decreased by

**10.26 %**

Compared to 2021, the exhaust gas emission intensity decreased by

**53.71 %**

Index <sup>9</sup>	Unit	2022	2021	2020
Total exhaust gas emissions	Tonnes	1.40	1.56	1.67
Total NO <sub>x</sub> emissions	Tonnes	1.18	1.20	1.25
Total SO <sub>x</sub> emissions	Tonnes	0.00	0.16	0.19
Total PM emissions	Tonnes	0.07	0.04	0.05
Total VOCs emissions	Tonnes	0.12	0.09	0.11
Total ammonia emissions	Tonnes	0.03	0.07	0.07
Exhaust gas emission intensity per unit of original value of public engineering facilities and machinery equipment	Tonnes/million RMB	0.01	0.02	0.04

<sup>9</sup> Refer to EMFAC-HK vehicle emission calculation model of Hong Kong Environmental Protection Department ("EPD") for the statistical methods of NO<sub>x</sub>, SO<sub>x</sub> and PM generated by vehicles ([http://www.cleanair.hk/eng/guidebook/guidebook\\_eng\\_r.pdf](http://www.cleanair.hk/eng/guidebook/guidebook_eng_r.pdf))



# Waste Management

Alphamab Oncology thoroughly implements the *Law of the Peoples Republic of China on the Prevention and Control of Solid Waste Pollution* and other relevant laws and regulations, and strictly implements the *Solid Waste Management Regulations*, the *safety Operation Procedures for Hazardous Waste* and other internal rules, contributing to the construction of a green homeland. We actively entrust third-party organizations with senior qualifications and professional competence to properly treat and store general industrial solid wastes, hazardous wastes and other harmful wastes, to maximize the recovery and utilization of non-hazardous wastes such as construction waste and domestic waste.

In 2022, in response to the national call for "Development of circular economy", the Company established a warehouse for ordinary industrial wastes according to the actual production conditions at the present stage, to achieve classified management of recyclable and non-recyclable wastes generated in industrial production and maximize the reuse of materials.

### Recyclable Wastes

Including paper, plastics, wood, metals and other discarded packages, as well as metallic abandoned equipment and facilities

The above articles are recycled by third parties of renewable resources after classification and packaging

### Non-recyclable Wastes

Including masonry, concrete and other engineering wastes

The above articles will be disposed of by specialized companies in a unified manner

Types of and Treatment Measures for Wastes of Alphamab Oncology

In terms of office operations, the Company always practices the concept of saving in the procurement and daily operation process, preferentially purchases renewable office supplies, promotes paperless office through information construction, and reduces consumption of natural resources such as trees from every aspect, to create a green atmosphere.

### Case | Electronic Signature System

In 2022, the Company introduced an electronic signature system to achieve online signing of contracts with suppliers, the Clinical Department and employees, which improves work efficiency, reduces paper consumption and the impact of paper waste on the environment, and contributes to realization of environmental management goals.



Electronic Signature Activity Records

During the Reporting Period, due to the increase in manufacturing capacity of the Company, total waste emissions reached 360.32 tonnes, and the emission intensity per unit of original value of public engineering facilities and machinery equipment was 2.38 tonnes/million RMB. In the future, the Company will continuously explore the measures for waste reduction and recycling to reduce the impact of wastes on the environment.

Index	Unit	2022	2021	2020
Hazardous waste	Tonnes	352.32	73.89	69.36
Non-hazardous waste	Tonnes	8.00	16.40	20.00
Total waste emissions	Tonnes	360.32	90.29	89.36
Waste intensity per unit of original value of public engineering equipment and machinery	Tonnes/million RMB	2.38	0.98	2.25



# 05

## People First and Working Together

Putting people first, Alphamab Oncology continuously improves the talent management system. We have established a fair talent recruitment system and improved the employee compensation incentive mechanism. In addition, we regularly organize training for employees, and provide them with a transparent and compliant promotion platform, to effectively safeguard their rights and interests and achieve common growth with them.

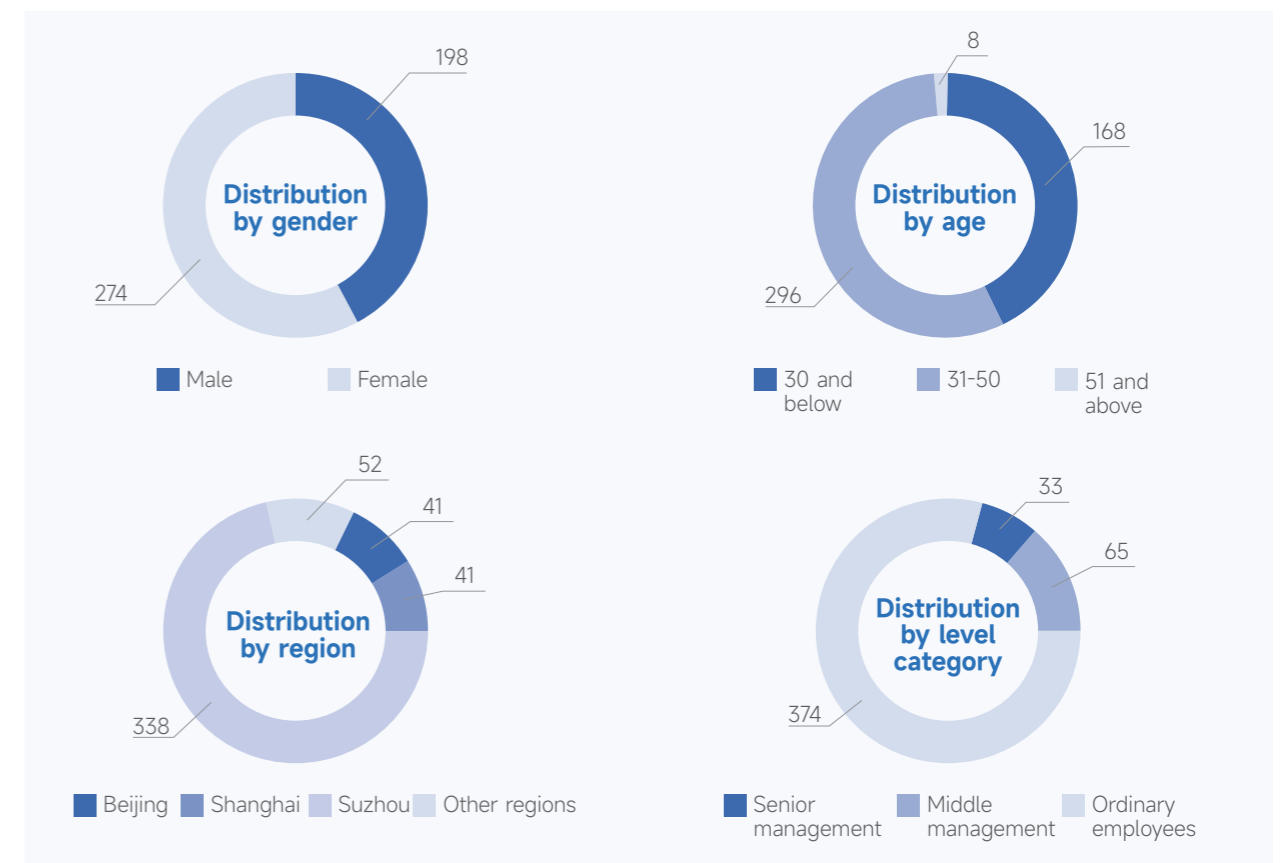


### 5.1 Safeguarding Employees' Rights and Interests

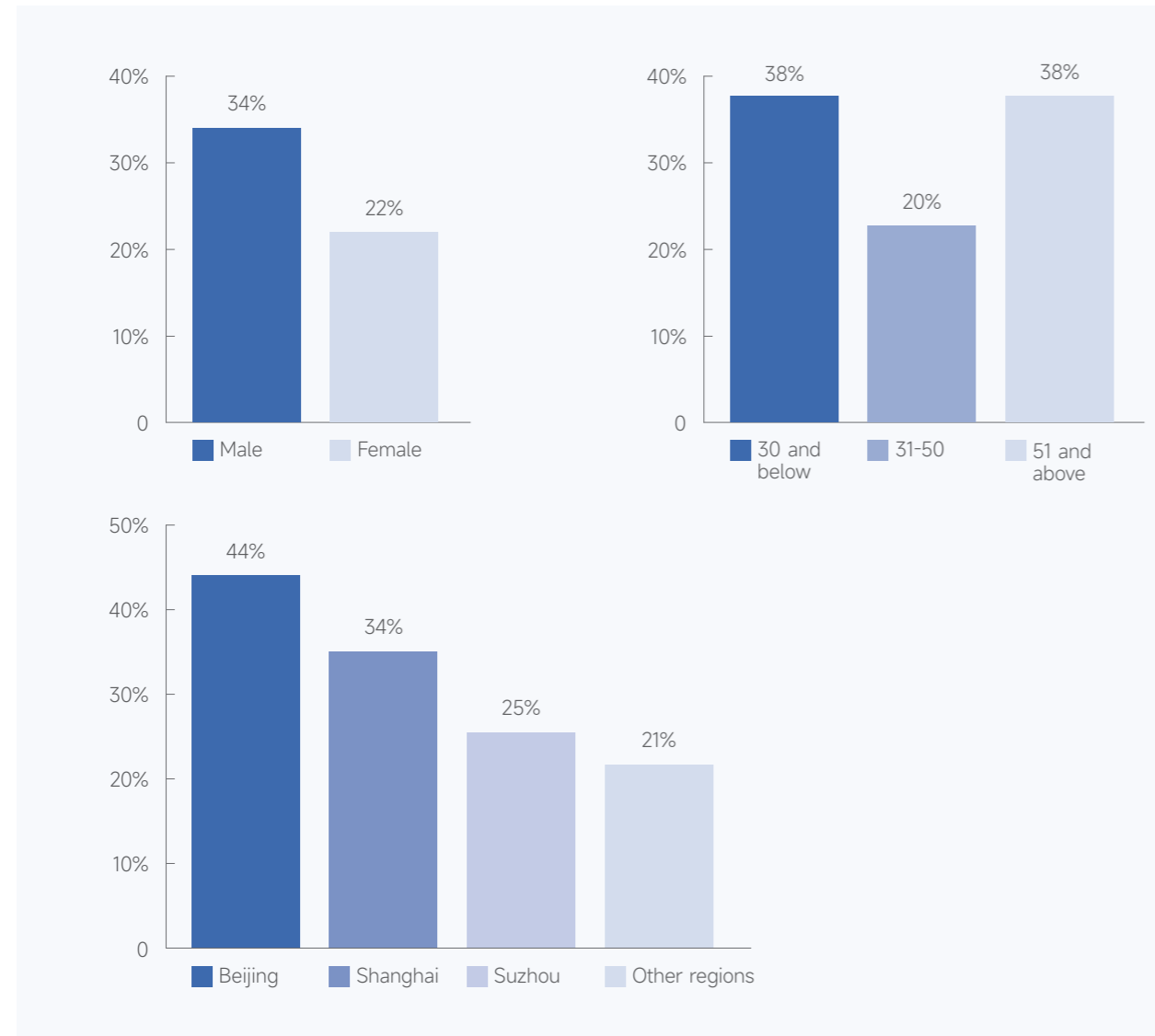
Strictly abiding by the *Labour Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and other laws and regulations, Alphamab Oncology has established a legal and compliant employment system, benchmarking compensation and benefits with the market, to ensure that employees enjoy competitive remuneration, and to comprehensively safeguard and consolidate employees' rights and interests.

#### Employee Employment

Adhering to the principle of diversified talent introduction, Alphamab Oncology has established and continuously improved the *Recruitment Management Policy*, the *Labor Contract Management Policy*, the *Employee Handbook* and other internal management rules, to standardize and guide employment. We strictly prohibit child labor and forced labor employment, and any corporate recruitment behaviors involving geographical, gender-based and ethnic discrimination. Any violations of compliance requirements will be promptly reported to the relevant authorities. To speed up the planning and implementation of R&D, production, and operation, we actively cooperate with multiple universities. We have initiated and implemented the joint cultivation and employment promotion program for college students, and assisted Alphamab Oncology in selecting, introducing, and cultivating versatile talents, to build a team of talents with high quality, strong abilities and fighting spirit. At the end of 2022, Alphamab Oncology employed 472 regular full-time employees, including 56 management personnel and vital technical talents.



Number of employees of Alphamab Oncology by category in 2022



Employee Turnover Rate of Alphamab Oncology by Employee Category in 2022

## Employee Compensation and Benefits

Alphamab Oncology is committed to providing employees with higher compensation and benefits. Specifically, we have formulated the *Salary Management Policy* and the *Performance Management Policy* to establish a more complete compensation and benefit system. We follow the principle of equal pay for equal work for both male and female employees by the law, but also observe the management principle of more pay for more work from excellent employees, to reward such employees through incentive measures. In addition, we evaluate employee performance twice a year, distribute year-end bonuses and adjust employee salaries according to evaluation results. In 2022, we adjusted incentive measures and initiated an incentive plan based on quarterly evaluation, to improve the work efficiency and quality of the Clinical Research Associate (CRA) team, and to screen out and give additional rewards to 20% members of the CRA team according to quarterly evaluation results.

## 5.2 Supporting Employee Development

Alphamab Oncology has formulated the *Employee Job Change Management Policy* and other internal rules. By improving the employee promotion system and regularly organizing employee training, we aim to create a high-quality career development platform for employees, to help them achieve their personal development goals.

### Employee Promotion

Alphamab Oncology has established a fair and impartial employee promotion channel, and a sound employee promotion system. Through expansion of promotion channels, intradepartmental promotion adjustment and interdepartmental lateral job transfer, we strive to satisfy the development needs of employees from different departments and empower employees. We regularly review internal talents, and optimize the talent composition structure, to further build a team of employees with high quality and strong abilities.

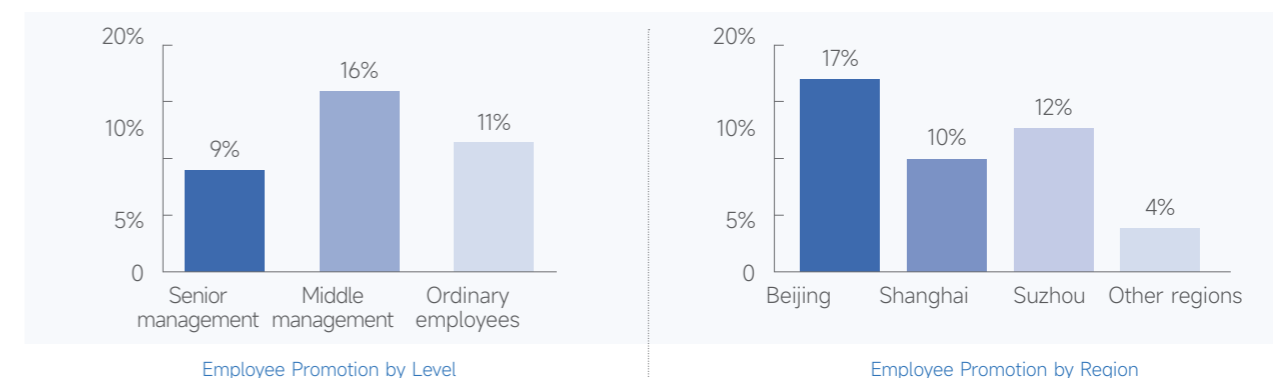
#### Case | Talent Stocktaking of the Quality Department

In October 2022, Alphamab Oncology held a talent review meeting for the Quality Department, at which the middle and senior managers comprehensively evaluated employees' abilities, potential, values and other aspects, reviewed their overall performance, strengths and potential to be cultivated, and classified them into four categories, i.e., core employees, potential employees, ordinary employees, and employees to be promoted. Based on the evaluation results, we have developed individual career development plans and continuously tracked their implementation, and provide promotion opportunities for employees with excellent performance, encouraging them to achieve career development goals and personal goals.



Talent Stocktaking Meeting of the Quality Department

To reduce the negative impact from many external factors such as repeated outbreak of COVID-19 pandemic, slow progress in resuming work and production, and reduction in prices of drugs refer to NRDL, we have promoted and appointed some competent employees through the original promotion channels according to the needs of various departments. In 2022, totally 55 employees of Alphamab Oncology were promoted, accounting for 12% of the total employees, where male employees and female employees accounted for approximately 49% and approximately 51%, respectively.



# Employee Training

Alphamab Oncology values the improvement of employees' professional skills and personal qualities, and regularly organizes a series of trainings on technology, production, quality, and project management, sharing internal courses of the Company. Employees can choose the courses suitable for them according to their personal development needs. Meanwhile, we have established a training management system and supplemented online training courses, to promote the development of business and talents in a more convenient way.

To achieve high-quality employee training, we have initiated some professional talent cultivation programs and opened multiple courses for thematic training, new employee training, and external exchange and learning. Training contents cover human resources, administration, information security, finance, EHS management, and other fields.

**Thematic training**

Trainings themed by the *Regulatory Requirements for Biological Product Virus Safety Control and Virus Removal*, the *Supplier and Supplier Master Data Management Procedures*, the Sterility Training, the *Data Reliability and Good Writing Practices*, the Site Verification of Production Licenses, etc

**New employee training**

Basic skills training covering human resources (HR), administration, information technology (IT), finance, EHS management, anti-fraud, production, quality, and other fields

**Other training**

Cooperate with various departments to organize diversified trainings on First Aid Knowledge, Anti-fraud, HR System, Information Security, etc

**External exchange and learning**

Trainings on the GCP, professional qualifications such as stress testing certificates, safety, clinical data, etc

Key Training Programs

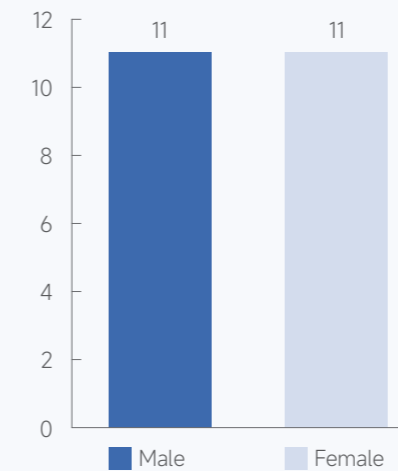
## Case | All-staff Training on Rules and Regulations

In November 2022, we organized all-staff training on relevant rules and regulations that have taken effect recently, mainly including the *System Management Measures*, the *Dispute Case Management Policy*, the *Confidentiality Management Policy*, the *Management Procedures for Access of Vehicles and Personnel in Plant Areas*, the *Information Security Management Policy*, the *Office Computer Management Policy*, and so on. Through training, we enable the employees to fully understand and grasp relevant rules and regulations, and promote benign communication between employees from various departments, thereby improving overall work efficiency.

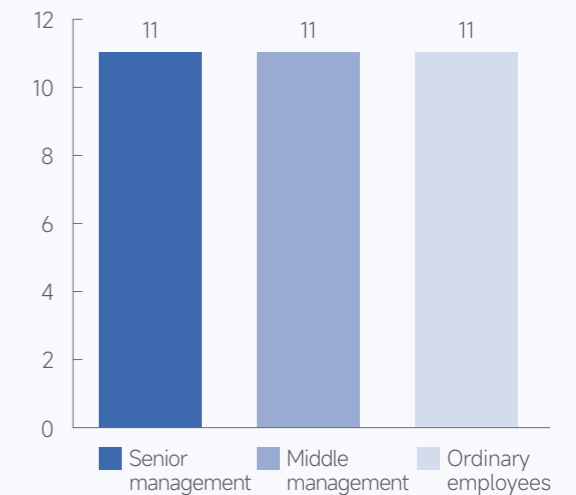
## Case | Thematic Training

During the Reporting Period, Alphamab Oncology organized the trainings themed by the *Regulatory Requirements for Biological Product Virus Safety Control and Virus Removal*, the *Supplier and Supplier Master Data Management Procedures*, the Sterility Training, the *Data Reliability and Good Writing Practices*, the Site Verification of Production Licenses, etc., which further broadens the horizons of technical personnel and helps them master more innovative tools.

In 2022, all employees of ours received training, including 21 employees who received the GCP training, 31 employees who received the professional qualification training, and 8 employees who received the clinical data training. In addition, new employees received training for 6 times.



Average Training Hours by Gender



Average Training Hours by Employee Category

## 5.3 Spreading Corporate Love and Care

Alphamab Oncology respects the value created by employees, and provides them with work benefits, to enhance their happiness. We purchase various social insurances and supplementary commercial insurances for employees in accordance with national laws and regulations, and provide them with communication subsidies, birthday benefits, and physical examinations and other office benefits. The Company gives priority to R&D personnel in applying for the "Leading Talents of Innovation and Entrepreneurship of Gusu District" program and the Talent Attraction Program, provides talent housing subsidies and takes other initiatives to relieve the worries of R&D personnel and show the love and care to employees. In 2022, Alphamab Oncology carried out diverse employee activities and improved the Love Mommy Cabin to provide a good breastfeeding environment for female employees, and to create a warmer and more harmonious working atmosphere.

**"Leading Talents of Innovation and Entrepreneurship of Gusu District" program**

Focusing on strategic emerging industries of biomedicine, new-generation IT, high-end equipment, new materials and new energy, boost the introduction of innovative and entrepreneurial talents;

Promote the collaborative development of various industries of the Internet, big data and artificial intelligence, and speed up the deep integration of the digital economy and the real economy;

Give priority to overseas students in innovation and entrepreneurship projects.

The main support objects include qualified enterprises, law firms, accounting firms, and other professional service organizations with industrial and commercial registration places and fiscal and taxation registration and jurisdiction places within the scope of Suzhou Industrial Park, as well as high-level talents employed by them;


**Talent Attraction Program**

The program includes comprehensive rewards for talent introduction and cultivation, special rewards for postdoctoral work, comprehensive rewards for talents, and comprehensive guarantee for talents.

During the COVID-19 pandemic in 2022, Alphamab Oncology organized a series of activities such as fitness clock-punching to win bonus points, singing competitions, etc. In addition, the Clinical Department, R&D Department, Process Development and Analysis Department, Production Department, Quality Department, and other departments organized thematic tea building activities.

**Case | The Quality Department's Team Building Activity Themed by "Working with One Heart to Create a Better Future"**


In November 2022, the Quality Department organized a team building activity themed by "Working Together to Create a Better Future" to promote mutual understanding among team members, enhance trust between teams and departments, cultivate teamwork spirit, and enhance the employees' sense of belonging.



Thematic Team Building Activity of the Quality Department

**Case | High-temperature Condolence Activities**

In July 2022, we, according to the needs of employees, simultaneously launched high-temperature condolence activities themed by "Move Ahead in Cool Summer" in Suzhou, Shanghai, and Beijing. We provided front-line grassroots employees with ice cream and other cooling items, timely conveying our love and care, and implementing our humanistic care policy with practical actions.



High-temperature Condolence Activities Themed by "Move Ahead in Cool Summer"

## 5.4 Constant Pursuit of Health and Safety

Alphamab Oncology always strives to safeguard the health and safety of employees, in view of its importance to corporate development. In accordance with the *Law of the People's Republic of China on Work Safety* and the *Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases*, Alphamab Oncology has formulated and updated the *Management Practices for Hazardous Operations*, the *Reward and Punishment System for Safe Production*, the *Fire Safety Management Regulations* and other internal management rules. In addition, we promote the secondary standardization of safety production to avoid potential injuries to employees. By strictly following the physical examination system, regularly organizing safety training and fire drills, and taking other various measures, we actively assume corporate responsibility to safeguard the physical and mental health and safety of employees.

### Occupational Health of Employees

Alphamab Oncology attaches great importance to the health and safety of employees and shoulders the mission to safeguard the occupational health of employees. Specifically, we organize in-service employees to receive annual physical examinations, and regularly organize employees to receive occupational health examinations, actively monitoring current high-incidence diseases and other indicators. In addition, we, in strict accordance with relevant regulations, monitor the physical health of new employees, in-service employees and off-duty employees, and employ third parties to regularly detect occupational disease hazards. In 2022, the measured concentrations of hazardous chemical factors in major occupational health exposure posts did not exceed the occupational exposure limits stipulated in the *Occupational Exposure Limits for Hazardous agents in the Workplace Part 1: Chemical Hazardous Agents (GBZ 2.1-2019)*; the concentration of physical factors measured at each testing post did not exceed the occupational exposure limits specified in the *Occupational Exposure Limits for Hazardous Agents in the Workplace Part 2: Physical Agents (GBZ 2.2-2007)*.

### Employee Safety Management

To help employees, enhance their self-protection abilities, improve their abilities to identify potential hazards, and enhance their safety awareness, Alphamab Oncology continuously improves the safety training system, implements the training plan in which three-level safety education for new employees serves as the mainstay and special safety education plays an auxiliary role, and organizes safety training publicity and implementation. In 2022, we organized safety training eight times in total. The training content covered environmental rules and regulations, fire safety, identification of job hazards, pest control, and other aspects.

**Three-level safety education and training for new employees**

- Relevant laws and regulations on safety production and the Company's rules and regulations on safety production;
- Safety production accidents caused by basic risks and similar risks related to the jobs;
- Basic methods and contents of hazard source identification, and understand the occupational hazard factors, model selection and correct wearing methods of Personal Protective Equipment (PPE);
- Job-related safety operating procedures;
- The emergency response plans and emergency escape and self-rescue methods for different jobs.

**Specific electrical safety training**

- Basic knowledge of electric safety;
- Types of electrical equipment and methods of avoiding electric shock or electric block;
- Common sense of electric safety in households;

**Specific training on safety of special equipment**

- Types of special equipment;
- Legal knowledge on safety production of special equipment;
- Common sense on routine maintenance of special equipment.

2022 Safety Training

📁
**Case | Fire Emergency Evacuation Drill**

On December 7, 2022, Alphamab Oncology organized various fire-fighting teams to participate in a fire drill for a simulated fire in the dining area of the canteen, and the EHS team introduced the instructions for use of fire extinguishers and fire-fighting equipment. Totally 103 employees participated in this fire drill, and in 5 minutes, they were evacuated to the preset rally points while fire fighting, evacuation, rescue and warning were completed.




Fire Drill Site

In the past three years, no work-related fatalities occurred to us.

Index	Unit	2022	2021	2020
Number of work-related fatalities	Person	0	0	0
Rate of work-related fatalities	%	0	0	0
Days of work lost due to occupational injuries	Days	0	0	0

# 06

## Giving Back to the Communities and Creating a Better Future

While pursuing self-development, Alphamab Oncology actively assumes CSR in combination with business needs, and gives back to the society through various forms. We incorporate the public spirit into corporate culture, and continuously improve public services, to create a better future for communities.



### 6.1 Spreading Love

Alphamab Oncology vigorously advances the undertakings of public welfare, and strives to develop drugs that benefit patients. With the launch of Envafoimab as the Company's first commercially available drug, patients can complete the dosage in 30 seconds without intravenous drip. Having advantages in effectiveness, safety, convenience and compliance, Envafoimab, as expected, can reduce medical costs and greatly improve the accessibility to patients.

In April 2022, Envafoimab Injection was written into three Guidelines of Chinese Society of Clinical Oncology (CSCO) guidelines, including the CSCO Guidelines for Diagnosis and Treatment of Gastric Cancer 2022 version, the CSCO Guidelines for Diagnosis and the Treatment of Colorectal Cancer 2022 version, and CSCO Guidelines for Clinical Application of Immune Checkpoint Inhibitors 2022 version. In October 2022, Envafoimab Injection was written into three Guidelines of Chinese Society of Clinical Oncology (CSCO) guidelines, including the CSCO Guidelines for Diagnosis and Treatment of Endometrial Cancer 2022 version, and the CSCO Guidelines for Diagnosis and Treatment of Cervical Cancer. Through extensive promotion in the CSCO series of guidelines, Envafoimab Injection quickly entered the clinical application stage. In particular, treatment of relevant indications with Envafoimab is possible in more grassroots hospitals, which will benefit more patients.

In addition, in order to help cancer patients receive safe and effective treatment, Alphamab Oncology has initiated the ENWEIDA Patient Relief Project, i.e., donating Envafoimab Injection to patients, which reduces the economic burden on patients and their families, and helps tens of thousands of patients in difficulty of medication. In 2022, the Company donated 120,000 vials of ENWEIDA® (Envafoimab Injection).

### 6.2 Jointly Fighting Against COVID-19 Pandemic

In December 2022, pandemic control was gradually released in China, and COVID-19 positive patients rapidly increased in China. At that time, government officials still insisted on providing front-line services. Pandemic prevention and control supplies were in short supply, especially N95 masks and antigen test kits. After getting to know that Dongshahu Police Station lacked medical supplies, the Company, through an emergency cargo transfer, sent 600 N95 masks to the police officers of Dongshahu Police Station, solving their urgent needs.



# 07

## Responsible Operation and Orderly Development



### 7.1 Improving Corporate Governance

Alphamab Oncology always adheres to the core values of integrity, and strictly abides by the *Anti-Unfair Competition Law of the People's Republic of China*, the *Interim Provisions on Prohibition of Commercial Bribery* and other applicable laws and regulations. By establishing a sound corporate governance structure and institutional management system, and continuously strengthening internal risk control and integrity management, we are committed to maintaining a high level of corporate governance, so as to support the Company's sustainable, stable and healthy development.

#### Governance System

To ensure the smooth implementation of the corporate governance system, Alphamab Oncology, under the leadership of the Board of Directors, has established the Audit Committee, Remuneration Committee, Nomination Committee and Strategy Committee, to jointly supervise and deal with various matters of corporate governance. In 2022, while revising the system for management of rules and policies, setting the Internal Control and Audit Department as the centralized management department, we optimized multiple management practices in classification, endorsement and training on various rules and policies, to ensure the smooth progress in training and combing thereof. During the Reporting Period, Alphamab Oncology improved more than 70 management rules and policies, including more than 30 policies that were updated and released for training.

Classified management of rules and policies	Improve the process of signing and approving	Clarify training requirements	Comb rules and policies annually
<p>Clarify the scope of classification of Class A/B/C rules and policies</p> <p>Clarify the approval authorities of various rules and policies</p>	<p>Discuss and finalize the draft in various forms such as email and meeting</p> <p>Establish a process of signing and approving in which department heads are responsible for review, primary department heads are responsible for endorsement, and the President is responsible for approval</p> <p>Improve the process of signing and approving the policies and rules online</p>	<p>The preparation department is responsible for the publicity and training on relevant rules and policies</p> <p>Complete relevant training within 30 days after release of any policies or rules</p> <p>Track the completion of training through the training system and check the training effect</p>	<p>Each department regularly combs relevant rules and policies, and maintains the list thereof</p> <p>Clarify the approval process for abolishing any rules or policies</p>

Key Points of the Policy Management Measures

#### Risk Control

By continuously strengthening corporate governance and supervision, Alphamab Oncology has achieved strict risk control. The Company regularly audits the management process, identifies and analyzes internal management risks, and usually develops special rectification plans for different categories of risks. In 2022, we audited related management processes, specifically involving four aspects, namely financial management, clinical projects, equipment management, and procurement process, aiming to comprehensively address internal vulnerabilities of the Company and improve compliance and governance capacity.



01. Financial Management Process Audit

Cover sub processes of financial system, budget, fund, expense, current account, cost, asset, and tax management.



03. Equipment Management Process Audit

Cover sub processes of asset procurement, Conversion to fixed assets, counting, operation and maintenance, disposal, and master data management.



02. Clinical Project Management Process Audit

Cover sub processes of project approval and planning, supplier selection, progress management, document management, and expense management.



04. Procurement Process Audit

Cover sub processes of procurement demand and planning, price inquiry and comparison, supplier management, contract and order management.



Process Audit Initiatives for 2022

## Anti-Corruption and Business Ethics

Alphamab Oncology always adheres to the core values of integrity operation and is committed to improving the integrity management system and creating a clean and positive corporate cultural atmosphere. In accordance with the requirements of the *Anti-Unfair Competition Law of the People's Republic of China*, the *Interim Provisions on Prohibition of Commercial Bribery* and other applicable laws and regulations, the Company has established and improved several internal policies such as the *Code of Business Conduct and Ethics* and the *Anti-Bribery and Anti-Corruption Management Policy*. Employees are required to comply with the policies and regulations to jointly create an honest and equal work environment.

To further enhance employees' awareness of integrity, we actively organize anti-corruption training for employees at all levels. In 2022, we organized anti-corruption training seven times in total, including the anti-corruption training (six hours cumulatively) for six directors in total. In addition, a total of 399 employees received 2,793 hours of anti-corruption training in total, with a coverage rate of 85%. Furthermore, new employees received anti-corruption training six times. During the Reporting Period, there were no cases regarding corrupt practices brought against Alphamab Oncology.

Case | All-staff Internal Control Training

In January 2022, the Internal Control and Audit Department led and organized the all-staff internal control training both online and offline, and introduced fraud elements, common fraud forms and other anti-corruption related contents to employees. This training enhanced the anti-corruption awareness of all employees and enabled them to fully understand the Company's standards of business ethics, thereby laying a good foundation for the Company's compliant operation.

## Reporting Mechanism

Alphamab Oncology encourages all stakeholders to report various types of misconduct in violation of standards of business ethics and relevant laws and regulations. We have unblocked communication channels and means for whistleblowers, including open reporting mailbox and reporting hotline. Continuously standardizing the standard process of receiving, investigating and handling reports, we have established a reporting investigation team to ensure rapid response to and timely feedback on any reported violation. In addition, we attach great importance to safeguarding the rights and interests of whistleblowers, establish a whistleblower protection mechanism, keep whistleblower information confidential, eliminate any acts of retaliating, discriminating and infringing against whistleblowers, and effectively ensure the information security of whistleblowers. In 2022, we did not receive any corruption-related report.

## 7.2 Normalizing Responsibility Publicity

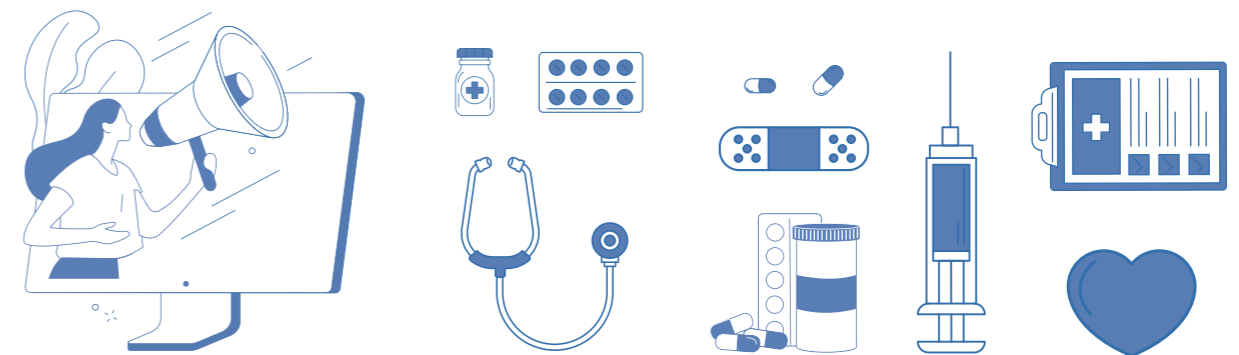
Alphamab Oncology maintains a zero-tolerance attitude towards any act of fraud, false publicity or misleading information transmission, and strictly abides by the *Advertising Law of the People's Republic of China*, the *Drug Administration Law of the People's Republic of China*, the *Provisions for Drug Insert Sheets and Labels*, the *Administrative Measures for Drug Packaging*, the *RDPAC<sup>10</sup> Industry Code of Conduct*, the *Standards for the Examination and Publication for Drug Advertisements*, and other laws and regulations. In addition, we have formulated the *Commercial Printing Packaging Material Management Procedures*, the *Anti-counterfeiting Packaging Management Procedures for Commercial Products*, the *Barcode Management Procedures for Commercially Printed Packaging Materials*, and other internal rules and policies. Furthermore, we adhere to the principle of treating customers with sincerity and promoting development with integrity.

### Drug Packaging and Labelling

In terms of product packaging, Alphamab Oncology, in strict accordance with the *Commercial Printing Packaging Material Management Procedures*, the *Anti-counterfeiting Packaging Management Procedures for Commercial Products*, the *Barcode Management Procedures for Commercially Printed Packaging Materials* and other internal rules and policies, strictly manages packaging materials, labels and insert sheets, to ensure that drug packaging meets national and industry standards. In order to avoid accidental ingestion or improper use of drugs due to packaging problems, the Company marks the drug name, ingredients, indications or functions, specifications, dosage, usage, adverse reactions, production batch number and other necessary information on the drug labels. During the Reporting Period, the Company's drug insert sheets and labels were reviewed and approved by the NMPA.

### Advertising and Promotion

The Company values the compliance of advertising, and strictly complies with the *RDPAC Industry Code of Conduct*, the *Drug Administration Law*, the *Standards for the Examination and Publication for Drug Advertisements* and other laws and regulations. We ensure that our advertising slogans do not contain any false or misleading descriptions, and eliminate any false or illegal publicity. During the Reporting Period, we continued cooperation with third parties in commercialization of the anticancer drug ENWEIDA®, and fully carried out compliance publicity. We strive to ensure the accuracy, compliance, and legality of material promotion, and to prohibit any false or illegal publicity.



<sup>10</sup> RDPAC: R&D-based Pharmaceutical Association Committee (RDPAC), China Association of Enterprises with Foreign Investment (CAEFI)

## 7.3 Improving Privacy Security

Alphamab Oncology is deeply aware of the importance of ensuring data security and personal privacy. To prevent the occurrence of such incidents, we have revised the Information Security Management Policy, improved administrative measures for cyber security, virus control and data information management, and taken measures such as internal network access control, permission control and encrypted transmission to prevent security risks such as illegal collection, tampering, destruction, and disclosure of information. In 2022, we upgraded the new OA system and digital prevention measures, integrated the HR system, SAP system, electronic signature system and other systems, and optimized the processes of procurement, finance and contract, to strengthen data security management.

To enhance employees' security awareness in personal privacy protection, Alphamab Oncology regularly organizes privacy security training and information security drills, and strengthens security education of employees with weak security awareness. In 2022, a total of 300 employees participated in phishing email simulation exercise, and 253 employees passed the phishing test, including 16 employees who took the initiative to report phishing emails.

### Case | Promotion and Implementation of Information Security Training

In September 2022, Alphamab Oncology organized all employees to engage in promotion and implementation of information security training, carried out training to enhance the employees' anti-fraud awareness and cyber security awareness, introduced common fraud methods and key fraud cases, and demonstrated the cases of prevention of phishing emails through the Company's intranet. We constantly enhance employees' security awareness through various forms, help them improve the abilities to identify information security risks, and ensure that they fully understand the Company's security related policies, to reduce the likelihood of information security incidents, and safeguard data privacy security of consumers and the Company.



Information Security Training Site



Demonstration of Phishing Email Cases

## 7.4 Attaching Importance to Intellectual Property Rights

Alphamab Oncology strictly abides by the Patent Law of the People's Republic of China, the Trademark Law of the People's Republic of China, the Copyright Law of the People's Republic of China, the Patent Cooperation Treaty and other laws and regulations related to intellectual property, to strengthen intellectual property protection. We attach importance to innovation and R&D. Relying on the product pipelines and technology platforms developed for biomacromolecule drugs and antibody-drug conjugates, we've been deepening patent layout in more than 20 countries/regions, including China, the United States, Japan and Europe. In 2022, we submitted a total of 30 applications for invention patents and Patent Cooperation Treaty (PCT) patents, obtained a total of 10 authorized patents. We cumulatively obtained 30 authorized invention patents.



We entrust third-party patent agencies to provide intellectual property training services for relevant technicians and management personnel, and training contents include patent protection layout, patent risk prevention strategies, and the latest domestic and foreign patent systems related to the Company's product pipelines and technology platforms. Through this initiative, we hope to help employees understand the importance of safeguarding their own intellectual property rights and respecting the innovative achievements of others, enhance the Company's overall patent management level, and improve the personal qualities of employees. In addition, we incorporate the patent achievements of technical talents into the performance management scope, and regard them as assessment criteria for local talent recommendation and application, to stimulate employees' enthusiasm for innovation and creation and create a good innovation atmosphere, so as to jointly lead the industry progress and development.

In order to deal with the potential risk of intellectual property infringement, we have established and improved the infringement litigation mechanism, improved the process of reporting any intellectual property infringement behavior of the employees, and regularly searched, retrieved and analyzed patents in cooperation with third-party professional organizations, in order to avoid any infringement of others' innovative achievements. In 2022, we were not involved in any lawsuits or disputes caused by infringement of others' intellectual property rights.

# Appendix

## HKEX ESG Reporting Guide Content Index

ESG Subject Areas, General Disclosures and KPIs			Location (section)
<b>Environmental</b>			
Aspect A1: Emissions	General disclosure	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to exhaust gas and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Protection and Green Development
	A1.1	The types of emissions and respective emissions data	ESG Key Performance Indicators
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	ESG Key Performance Indicators
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	ESG Key Performance Indicators
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	ESG Key Performance Indicators
	A1.5	Description of emissions target (s) set and steps taken to achieve them	Environmental Protection and Green Development
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and description of reduction target (s) set and steps taken to achieve them	Environmental Protection and Green Development
Aspect A2: Use of Resources	General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	Environmental Protection and Green Development
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total and intensity	ESG Key Performance Indicators
	A2.2	Water consumption in total and intensity	ESG Key Performance Indicators
	A2.3	Description of energy use efficiency target (s) set and steps taken to achieve them	Environmental Protection and Green Development
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency goals set and steps taken to achieve them	Environmental Protection and Green Development
	A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced	ESG Key Performance Indicators
Aspect A3: The Environment and Natural Resources	General disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources	Environmental Protection and Green Development
	A3.1	Description of the significant impacts of business activities on the environment and natural resources and the actions taken to manage them	Environmental Protection and Green Development
Aspect A4: Climate Change	General disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer	Environmental Protection and Green Development
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	Environmental Protection and Green Development
<b>Social</b>			
Aspect B1: Employment	General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	People First and Working Together
	B1.1	Total workforce by gender, employment type, age group and geographical region	ESG Key Performance Indicators
	B1.2	Employee turnover rate by gender, age group and geographical region	ESG Key Performance Indicators
Aspect B2: Health and Safety	General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	People First and Working Together
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years	ESG Key Performance Indicators

ESG Subject Areas, General Disclosures and KPIs			Location (section)
Aspect B2: Health and Safety	B2.2	Lost days due to work injury	ESG Key Performance Indicators
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored	People First and Working Together
Aspect B3: Development and Training	General disclosure	Policies on improving employees' knowledge and skills for discharging duties at work Description of training activities	People First and Working Together
	B3.1	The percentage of employees trained by gender and employee category	ESG Key Performance Indicators
	B3.2	The average training hours completed per employee by gender and employee category	ESG Key Performance Indicators
Aspect B4: Labor Standards	General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor	People First and Working Together
	B4.1	Description of measures to review employment practices to avoid employment of child and forced labor	People First and Working Together
	B4.2	Description of steps taken to eliminate such practices when discovered	People First and Working Together
<b>Operating Practices</b>			
Aspect B5: Supply Chain Management	General disclosure	Policies on managing environmental and social risks of the supply chain	Quality First and Caring for Life
	B5.1	Number of suppliers by geographical region	ESG Key Performance Indicators
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored	Quality First and Caring for Life
	B5.3	Description of practices relating to identifying environmental and social risks at every stage of the supply chain, and how they are implemented and monitored	Quality First and Caring for Life
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Quality First and Caring for Life
Aspect B6: Product Responsibility	General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	Quality First and Caring for Life
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	ESG Key Performance Indicators
	B6.2	Number of products and service-related complaints received and how they are dealt with	Quality First and Caring for Life
	B6.3	Description of practices relating to observing and protecting intellectual property rights	Responsible Operation and Orderly Development
	B6.4	Description of quality assurance process and recall procedures	Quality First and Caring for Life
	B6.5	Description of customer data protection and privacy policies, and how they are implemented and monitored	Quality First and Caring for Life
Aspect B7: Anti-corruption	General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	Responsible Operation and Orderly Development
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees During the Reporting Period and the outcomes of the cases	Responsible Operation and Orderly Development
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	Responsible Operation and Orderly Development
B7.3	Description of the anti-corruption training provided to directors and employees	Responsible Operation and Orderly Development	
<b>Community</b>			
Aspect B8: Community Investment	General disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	Giving Back to the Communities and Creating a Better Future
	B8.1	Focus areas of contribution	Giving Back to the Communities and Creating a Better Future
	B8.2	Resources contributed to the focus area	Giving Back to the Communities and Creating a Better Future

## ESG Key Performance Indicators

Environment	2020	2021	2022
<b>Emission</b>			
Total greenhouse gas emissions (Scope 1 & Scope 2) (tonne of CO2 equivalent)	8,301.31	9,920.39	11,462.82
Direct greenhouse gas emissions (Scope 1)	2,249.38	2,868.37	3,605.45
Indirect greenhouse gas emissions (Scope 2)	6,051.93	7,052.02	7,857.37
Greenhouse gas emission intensity per unit of original value of public engineering facilities and machinery equipment (Scope 1) (tonne of CO2equivalent/million RMB)	56.62	31.04	23.84
Greenhouse gas emission intensity per unit of original value of public engineering facilities and machinery equipment(Scope 2) (tonne of CO2equivalent/million RMB)	152.33	76.31	51.96
Greenhouse gas emission intensity per unit of original value of public engineering facilities and machinery equipment (tonne of CO2equivalent/million RMB)	208.94	107.35	75.81
Total exhaust gas emissions (tonnes)	1.67	1.56	1.40
Total NOx emissions	1.25	1.20	1.18
Total SOx emissions	0.19	0.16	0.00
Total PM emissions	0.05	0.04	0.07
Total VOCs emissions	0.11	0.09	0.12
Total ammonia emissions	0.07	0.07	0.03
Exhaust gas emission intensity per unit of original value of public engineering facilities and machinery equipment (tonnes/million RMB)	0.04	0.02	0.01
Total waste emissions (tonnes)	89.36	90.29	360.32
Total hazardous waste emissions	69.36	73.89	352.32
Total non-hazardous waste emissions	20.00	16.40	8.00
Hazardous waste intensity per unit of original value of public engineering equipment and machinery (tonnes/million RMB)	1.75	0.80	2.33
Non-hazardous waste intensity per unit of original value of public engineering equipment and machinery (tonnes/million RMB)	0.50	0.18	0.05
Waste intensity per unit of original value of public engineering equipment and machinery (tonnes/million RMB)	2.25	0.98	2.38
<b>Resource consumption</b>			
Total water consumption (m <sup>3</sup> )	98,147.00	138,242.00	191,866.00
Running water	91,873.00	128,383.00	182,125.00
Recycled water	6,274.00	9,859.00	9,741.00
Recycling rate (%)	6.39	7.13	5.08
Water consumption intensity per unit of original value of public engineering facilities and machinery equipment (m3/million RMB)	2,470.36	1,495.91	1,268.89
Electricity (kWh)	8,602.60	10,024.20	13,777.60
Natural gas (m <sup>3</sup> )	1,033,673.00	1,316,982.00	1,643,923.00
Gasoline (tonnes)	4.70	6.80	3.46
Total energy consumption (kWh)	19,839.49	24,351.00	31,618.62
Direct energy consumption	11,236.89	14,326.80	17,841.02
Indirect energy consumption	8,602.60	10,024.20	13,777.60
Energy consumption intensity per unit of original value of public engineering facilities and machinery equipment (kWh/million RMB)	499.36	263.50	209.11
Total amounts of packaging material (tonnes)	10.47	10.57	21.90
Inner packaging material	10.09	10.15	12.27
Outer packaging material	0.38	0.42	9.63
Packaging material used per unit produced (g/branch) <sup>11</sup>	N/A	N/A	57.31

<sup>11</sup> Packaging material used per unit produced = Total amounts of packaging material / Total commercialized products production. KN035 went into production in the fourth quarter of 2021, so this indicator is not applicable in 2020 and 2021.

Society	2020	2021	2022
<b>Employment</b>			
Headcount	336	459	472
<b>By gender</b>			
Male	165	226	198
Female	171	233	274
<b>By age</b>			
Under 30	152	182	168
30-50	178	270	296
Above 50	6	7	8
<b>By employee category</b>			
Senior management	29	40	33
Middle management	46	71	65
General staff	261	348	374
<b>By employment category</b>			
Full-time employee	335	459	472
Part-time employee	0	0	0
Contract employee	1	0	0
<b>By region</b>			
Beijing	23	45	41
Shanghai	43	41	41
Suzhou	257	334	338
Other regions	13	39	52
Employee turnover rate (%)	26	34	27
<b>By gender</b>			
Male	33	31	34
Female	19	38	22
<b>By age</b>			
Under 30	27	41	38
30-50	25	30	20
Above 50	40	15	38
<b>By region</b>			
Beijing	29	21	44
Shanghai	29	81	34
Suzhou	26	30	25
Other regions	10	31	21
<b>Health and Safety</b>			
Number of work-related fatalities (person)	0	0	0
Rate of work-related fatalities (%)	0	0	0
Lost days due to work injury	0	0	0

Society	2020	2021	2022
<b>Development and training</b>			
Percentage of trained employees (%)	100	100	100
By gender			
Male	100	100	100
Female	100	100	100
By employee category			
Senior management	100	100	100
Middle management	100	100	100
General staff	100	100	100
Average training hours completed per employee by gender (hours)			
Male	12	6	11
Female	18	7	11
Average training hours completed per employee by employee category(hours)			
Senior management	16	6	11
Middle management	18	6	11
General staff	17	7	11
<b>Supply chain management</b>			
Total suppliers	591	950	1,224
By region			
Eastern China	413	665	871
Southern China	24	38	55
Central China	24	38	54
Northern China	65	105	130
North-western China	12	19	28
North-eastern China	6	10	12
South-western China	12	19	26
Outside China	35	56	48
<b>Product Responsibility</b>			
Percentage of total products sold or shipped subject to recalls for safety and health reasons (%)	0	0	0
Number of complaints about products and services	0	0	4
<b>Anti-corruption</b>			
Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees	N/A	0	0
Number of employees enrolled in training by category (person)			
Number of directors enrolled in training	N/A	7	6
Number of employees enrolled in training	N/A	277	399

Society	2020	2021	2022
Training duration for each category of employees (hour)			
Anti-corruption training provided to the Company's directors (hour) <sup>12</sup>	N/A	7	6
Anti-corruption training provided to the Company's employees (hour) <sup>13</sup>	N/A	2,216	2,793
<b>Community investment</b>			
Cumulative investment in public charity (RMB10,000)	100	2	Due to the impact from the COVID-19 pandemic, there was no amount incurred therefrom in 2022
Total investment in public charity by category			
Education	0	2	Due to the impact from the COVID-19 pandemic, there was no amount incurred therefrom in 2022
Medical devices	100	0	Due to the impact from the COVID-19 pandemic, there was no amount incurred therefrom in 2022
Cumulative time of investment in public charity (hour)	0	60	Due to the impact from the COVID-19 pandemic, there was no amount incurred therefrom in 2022
Total duration of public volunteer service by category			
Education	N/A	60	Due to the impact from the COVID-19 pandemic, there was no amount incurred therefrom in 2022
Medical treatment	N/A	0	Due to the impact from the COVID-19 pandemic, there was no amount incurred therefrom in 2022

<sup>12</sup> This data has been updated from the average total training time per director to the total training time for all directors in this report.

<sup>13</sup> This data is updated from the average total training time per employee to the total training time for all employees in this report.



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