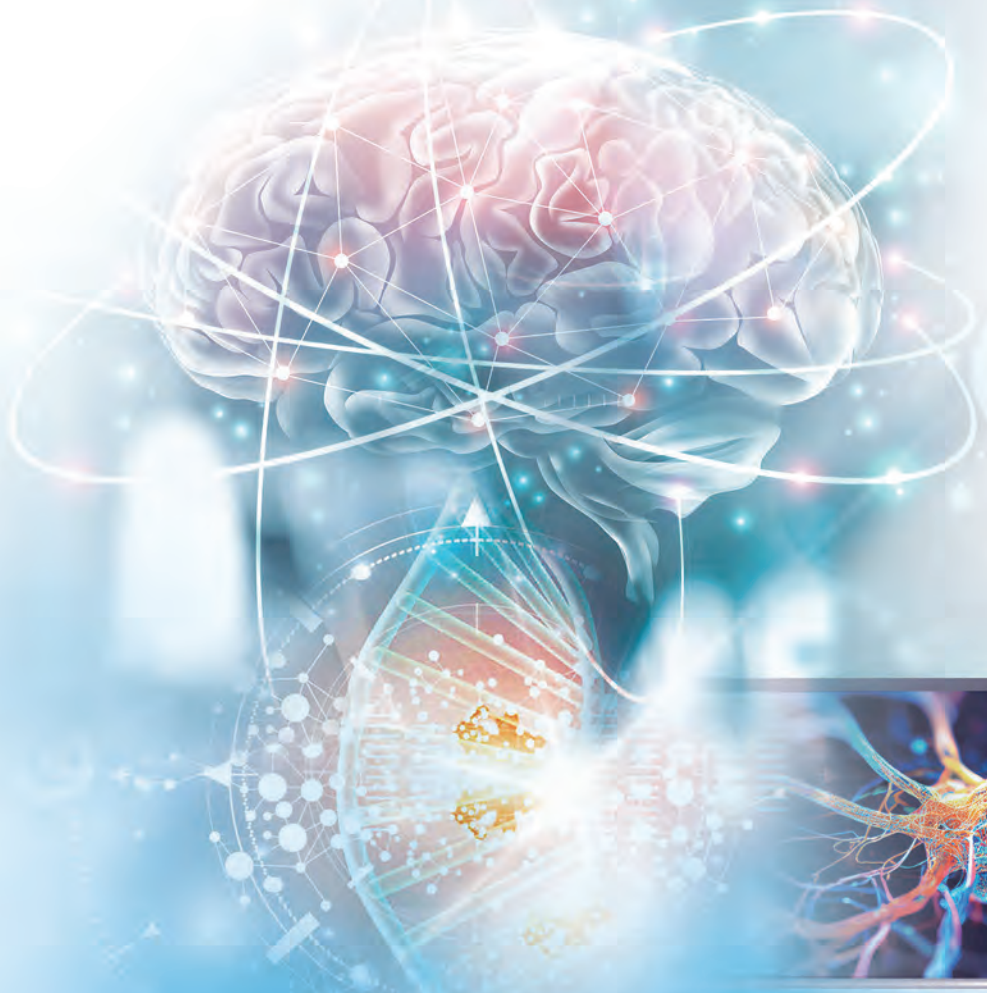
Brii Biosciences

Breakthrough innovation & insight

Stock Code: 2137. HK

Improving Patient Health and Choice



2022

Environmental, Social & Governance Report

2022
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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Overview

ABOUT THIS ESG REPORT

Overview

This is the second environmental, social, and governance ("ESG") report (the "Report") of Brii Biosciences Limited ("Brii Bio", the "Company", the "Group" or "we"), which demonstrates the principles that Brii Bio is upholding in fulfilling work and practices in ESG matters in 2022, especially in developing innovative therapies for diseases with significant unmet medical needs and large public health burdens, and summarizes the Group's significant progress in ESG so that stakeholders can better understand the Group's direction and achievements in sustainability.

Basis of Reporting

The Report has been prepared in accordance with the requirements set out in Appendix 27 "Environmental, Social and Governance Reporting Guide" (the "ESG Reporting Guide") of the Listing Rules issued by The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The content also complies with the disclosure principles required by the ESG Reporting Guide and the disclosure obligations of "comply or explain" set out in the ESG Reporting Guide. The Report is in accordance with the "comply or explain" requirement in the ESG Reporting Guide, and the content follows the four reporting principles of "Materiality", "Quantitative", "Balance" and "Consistency". To learn more about how the Group applies these four principles, please refer to the section titled "Appendix III: HKEX Guidance, SASB Standards and Biopharma Guidance 4.0".

Reporting Scope

The scope of the Report covers the core business of the Group from January 1, 2022, to December 31, 2022 (the "Year" or the "Reporting Period"). The data scope of environmental key performance indicators ("KPIs") covers the offices in China[1], it is expected that the scope and depth in this aspect will be expanded to continually monitor the sustainability performance.

[1] For offices in the US, the data will be considered to be included in the future. As US offices are co-working offices in WeWork, by sharing the public facilities with other companies, the data collection method is going to be enhanced in the future.

Source of Data and Reliability Assurance

The qualitative and quantitative information in the Report is obtained from relevant statistical reports and official documents of the Company. We undertake that the Report contains no false or misleading statements and are responsible for the accuracy, completeness, and authenticity of the statements and its contents.

Report Approval

This Report has been approved and confirmed by the Board and management on 24 March 2023 and the Board assumes full responsibility for the contents disclosed in the Report.

Report Access

The Report is available in both English and Traditional Chinese. If there is any inconsistency between the two versions, the English version shall prevail. To view online or download, please visit the "About Us" section of the Group's website (http://www.briibio.com) or the Stock Exchange's website (https://www.hkexnews.hk/).

Feedback

We highly value the feedback of stakeholders and readers, as your suggestions and comments will help us further improve the Report and our ESG performance.

Please feel free to contact us, our contact information is below:

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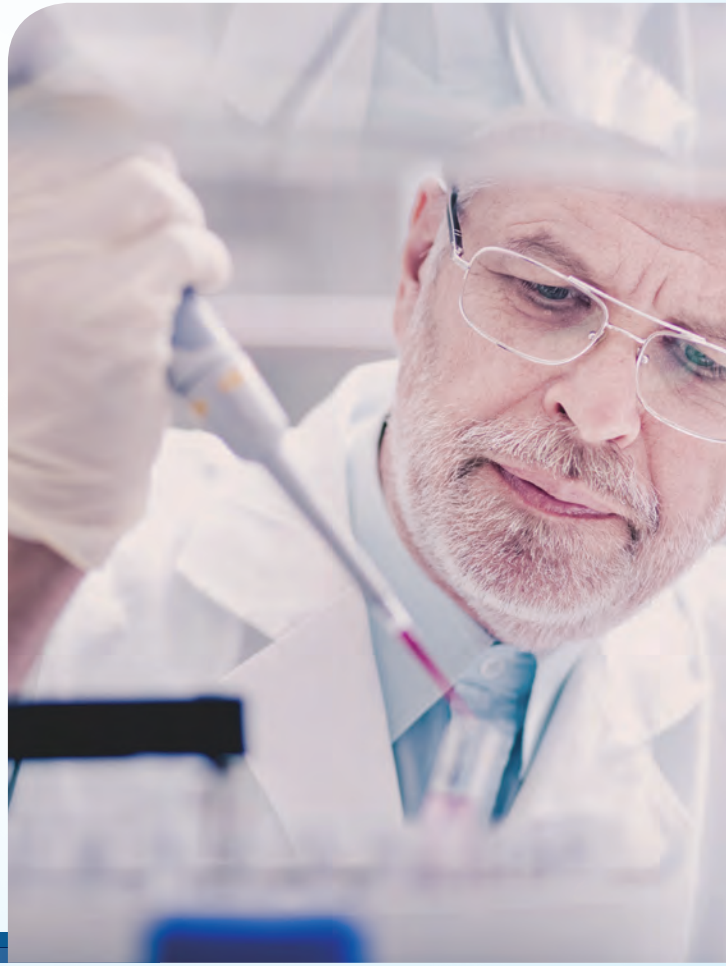


CHAIRMAN'S STATEMENT

Thank you for your interest in Brii Bio's 2022 ESG Report.

Since our founding, we have been dedicated to addressing the greatest public health challenges of our time through breakthrough innovations driven by patient insights. As we enter the next phase of growth, we take great pride in the expansion of our global leadership team with experts from diverse backgrounds. With our exceptional internal R&D capabilities and extensive partnerships with global industry leaders, we have established a robust pipeline containing more than 10 drug candidates. We are grateful for the unwavering dedication of our team and partners in meeting the evolving needs of patients, stakeholders, and society.

The COVID-19 pandemic has reminded us how vulnerable our societies can be: on one hand, we have witnessed how fast and far-reaching the spread of infectious diseases can be; how deadly and impactful the consequences of infectious diseases can be; on the other, we have also appreciated the parallel and more insidious pandemic of mental health crises. At Brii Bio, we are fortunate and well positioned to take on these public health challenges where patients experience high unmet medical needs, limited choice and significant social stigmas through breakthrough scientific innovation and critical patient insights. Always with the patient and society in mind, we are dedicated to developing first-in-class and/or different-in-class treatment options to reduce not only the physical suffering of these major diseases, but also to eliminate the social stigma so that our patients can live happy and normal lives. Our rapid response against COVID-19 has been a great example of our mission to address public health challenges and do good for our society. I am so proud of all we have accomplished in developing the amubarvimab/romlusevimab antibody combination and donating this critical treatment to China at the most critical time to help control the virus outbreaks. We will do it again in other public health challenges.

The global spread of COVID-19 has increased recognition of the importance of developing innovative treatments for infectious diseases. Brii Bio has remained committed to this goal since its inception in 2018, focusing on infectious and central nervous system diseases that often impact entire families beyond the single patient. Our passion for supporting those facing difficulties and social stigmas in everyday life has fueled our efforts to find new treatments and cures.

In order to ensure we put patients at the center of our strategy, we have set up a People/Patient Centricity Committee that directs our efforts to sponsor patient advocacy organizations. In 2022, our commitment to patients has led us to achieve several key clinical, commercial, and corporate milestones, strengthening our position to tackle major public health challenges on behalf of patients. Looking ahead, we are laying the groundwork for our two lead clinical programs: developing a functional cure for Hepatitis B Virus (HBV) infection in China, and a potential first-of-its-kind treatment for postpartum depression (PPD) and major depression disorders (MDD) in the U.S. Additionally, we look forward to adding new best-in-class partnerships to our broader infectious and central nervous system disease portfolios, positioning the Company for growth and success in the long run.

We are honored to receive an "A" grade in the latest MSCI ESG Rating, confirming our commitment and resilience in addressing long-term ESG risks. One of the highlights of Brii Bio's ESG work is the diverse board we have built, bringing

unique strategic and operational expertise to ensure the development of an innovative business model that caters to the needs of patients and stakeholders. With over 50% of our directors being independent non-executive directors with diverse experience, and over 25% being women, we ensure that diverse opinions and advice are included in governance. According to the MSCI ESG rating, we are proud to be in the highest scoring range relative to global peers, indicating well-aligned governance practices with investor interests.

At Brii Bio, we actively promote a diverse, equal, and inclusive environment (DEI) by hiring talent globally and providing fair and equal job opportunities. We also listen to our employees through various communication channels to create a diverse and inclusive working environment for their career development. Our efforts have paid off, with a remarkable 79% of our staff expressing high levels of satisfaction with their work experience at Brii Bio in the 2022 Employee Engagement Survey. We are delighted to see that our employees feel valued and supported as we continue to work towards creating a positive and engaging workplace culture.

Compliant operations are an important cornerstone of Brii Bio's sustainable development. In 2022, Brii Bio organized several different types of training for our directors and employees. We believe that each of us has a role to play in creating meaningful change in our ecosystem and we will adhere to an ESG development strategy that upholds value diversity, fairness, inclusivity, and employee well-being while fostering an open and environmentally friendly workspace.

Finally, on behalf of Brii Bio, I would like to thank all stakeholders and shareholders for their trust and investment in us. We appreciate our investors' recognition, business partners' support, and all employees' contributions. We are aware that the world is facing unprecedented challenges, from the COVID-19 pandemic to climate change and social inequality. In response, we will ensure sufficient monitoring from the executive team and oversight by the board to monitor and manage Brii Bio's ESG practices and goals. As we continue to expand our global footprint and invest in innovation, we are mindful of our responsibilities as a corporate and seek to create sustainable value for all stakeholders.

In Brii Bio's Second ESG Report, we are excited to share the progress towards our ESG goals. There are more can be done and should be done as we have just begun the journey.

Dr. Zhi HONG
Executive Director, Chairman of the Board
and Chief Executive Officer

ABOUT US

Brii Biosciences Limited is a biotechnology company developing therapies to address some of the world's most common public health challenges where patients experience high unmet medical needs, limited choice and significant social stigmas. With a focus on infectious diseases and central nervous system diseases, we have built a robust pipeline of potential treatment options based on patient insights and experiences, and are advancing these differentiated investigational therapies to address patient choice.

Led by a visionary and experienced leadership team, Brii Bio has deep scientific expertise and a proven ability to progress therapeutic assets from discovery to commercial approval on a consolidated timeline. Through in-house discovery and strategic in-licensing with global best-in-class partners, Brii Bio is accelerating the development and delivery of breakthrough medicines to patients around the world.

Established in 2018, Brii Bio now has operations in key biotech hubs, including Raleigh-Durham, the San Francisco Bay Area, Beijing, and Shanghai. On July 13, 2021, the Company was officially listed on the Hong Kong Stock Exchange under the stock code 2137.HK.

OUR MISSION AND VALUES

Our Mission is to tackle public health challenges through breakthrough scientific innovation and critical patient.

Our Values

PATIENTS FIRST

Patients and their families are at the forefront of every decision we make. People around the world are suffering from a variety of diseases that require bespoke treatment. We are not only working to innovate novel treatment options with disease modifying potential, but to develop and advance those treatments in ways that enable patients have greater freedom from their health conditions.

TRUST

Building trust with patients, society, healthcare providers, regulators, public health advocates, corporate partners, and our employees is central to our core business strategy. We are committed to continuing our work with healthcare providers and governments to address some of the biggest public health concerns around the world.

INTEGRITY

Our primary goal is to deliver a positive impact on patients, public health and society. We invest in medicines that have the potential to make a profound difference in many peoples' lives. We will not leave patients behind, and we will continue our work to ensure patient safety and benefit always come ahead of profit.

QUALITY

It is critical that patients and their physicians have confidence that Brii Bio's medicines are produced and administered with the highest quality standards. We invest heavily to ensure quality control and assurance of our products, including across manufacturing and supply, with enhanced oversight for the proper use of our medicines.

Brii Bio's core values of patients first, trust, integrity and quality are the foundation of our business strategy. By upholding our mission and values, we are committed to making a positive impact on patients, public health, and society, and is well-positioned to continue to drive meaningful progress in the biotech industry.

OUR BUSINESS APPROACH

Since the Company's founding in 2018

Dedicated to developing therapies to address some of the world's most common public health challenges where patients experience high unmet medical needs, limited choice and social stigmas.

Taken steps to execute our strategy to become a fully integrated global biotechnology company focused on infectious diseases and central nervous system diseases, with substantial research and development, business development and commercialization capabilities.

During the Reporting Period

- Built a pipeline of more than 10 innovative drug candidates that focus on infectious diseases and central nervous system diseases.
- Led clinical development with a potential first-of-its-kind treatment for postpartum depression (PPD) and major depressive depression (MDD) in the U.S., and a high rate of functional cure for hepatitis B (HBV) infection in China.
- Achieved major clinical development milestones that are aligned with our overall business strategy.

Our strategic pipeline is derived from

Through in-house discovery and strategic in-licensing with global best-in-class partners, we are accelerating the development and delivery of breakthrough medicines to patients around the world.
We are building a pipeline of more than 10 novel drug candidates that allows the Company to develop differentiated treatment options for patients based on two key methods:

- The application of novel chemistry and extended-release formulation
- Combination therapies to tackle the heterogeneity of complex diseases with a multi-prong approach

Pipeline

Indication	Program	Preclinical	IND	Phase 1	Phase 2	Phase 3	NDA/BLA	Brii Rights	Partners
Infectious Disease Programs									
Hepatitis B	BRII-179 (VBI-2601)/BRII-835 (VIR-2218) Combination							Greater China*	VBI VACCINES, VIR
	BRII-179 (VBI-2601)/PEG-IFN-α Combination							Greater China*	VBI VACCINES
	BRII-877 (VIR-3434) (1)							Greater China*	VIR
HIV	BRII-732							Global	Internally discovered
	BRII-753							Global	Internally discovered
MDR/XDR Gram-negative Bacterial Infections	BRII-672 (ORAvance) (2)							Greater China*	QPEX
	BRII-693 (QPX9003) (2)							Greater China*	QPEX
	BRII-636 (OMNIvance) (2)							Greater China*	QPEX
NTM Lung Disease	BRII-658 (Epetraborole) (3)							Greater China*	AN2Therapeutics
Central Nervous System Disease Programs									
PPD	BRII-296							Global	Internally discovered
Anxiety & Other Depressive Disorders	BRII-296							Global	Internally discovered
Anxiety & Depressive Disorders	BRII-297							Global	Internally discovered

* Greater China – Mainland China, Macau, Hong Kong and Taiwan

Source: Company information

(1) The Phase 2 clinical trials have been conducted by VIR

(2) To this date, the development and clinical trials have been conducted by Qpex

(3) To this date, the development and clinical trials have been conducted by AN2

BOARD STATEMENT

Oversight of the Board

The Board holds overall accountability for our ESG strategies and performance, and reviews and approves the Company's ESG related strategies, targets, progress and information disclosure.

- Review and assess the risks and significance of the Company's ESG matters
- Review, approve and evaluate the Company's ESG strategy and objectives
- Monitor, evaluate and review the Company's ESG related targets
- Review and approve the Company's public disclosure of its performance in respect of ESG matters

Board Statement

Governance and Risks

- ESG risk management is part of the Group's overall risk management strategy
- The Audit & Risk Committee evaluates these ESG risks and advises the Board on material ESG risks and opportunities

Material ESG Issues

- Maintain close engagement with internal and external stakeholders to identify and evaluate material ESG issues to formulate ESG strategies
- Follow international sustainability trends and benchmark against our peers to review our ESG performance on a regular basis. The review results help to provide the scientific basis for future resource allocation

ESG-related Goals and Targets

- Set environmental targets related to emission, energy efficiency, water efficiency, and waste reduction
- Review and monitor the progress of these targets regularly

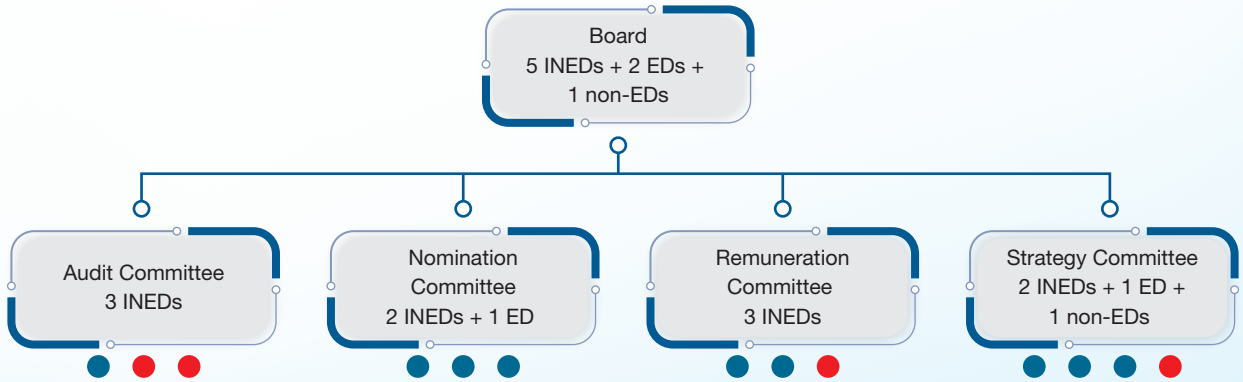
SUSTAINABILITY GOVERNANCE AND STRATEGY

Brii Bio is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders and enhance corporate value and accountability. The Group strictly adheres to the HKEX Listing Rules,the Companies Ordinance (Cap. 622 of the Laws of Hong Kong), and all other applicable laws, rules, and regulations. Our governance structure is based on Appendix 14 of the HKEX Listing Rules, which outlines the Corporate Governance Code. The Board is responsible for overseeing the Company's business and strategy to preserve the Company's and shareholders' best interests.

Corporate Governance Structure

Committed to maintaining and upholding the highest standards of corporate governance, as of 31 December 2022, our Board comprises of 8 Directors, including 2 Executive Directors, 1 Non-executive Director, and 5 Independent Non-executive Directors, representing an independent majority board. Four Committees are assisting the Board, namely the Audit and Risk Committee, Nomination Committee, Remuneration Committee and Strategy Committee, and that each Committee has a well-defined mandate delineating its roles and responsibilities as outlined in the Terms of Reference. Among them the Audit and Risk Committee and Remuneration Committees are fully independent Committees.

Considering diversity as an essential element in supporting the attainment of its strategic objectives and sustainable development, the *Board Diversity Policy* has been formulated to ensure that a range of skills, regional and industry experience, backgrounds, races, genders and other qualities are best represented on the Board.



Red dots: female; Blue dots: male

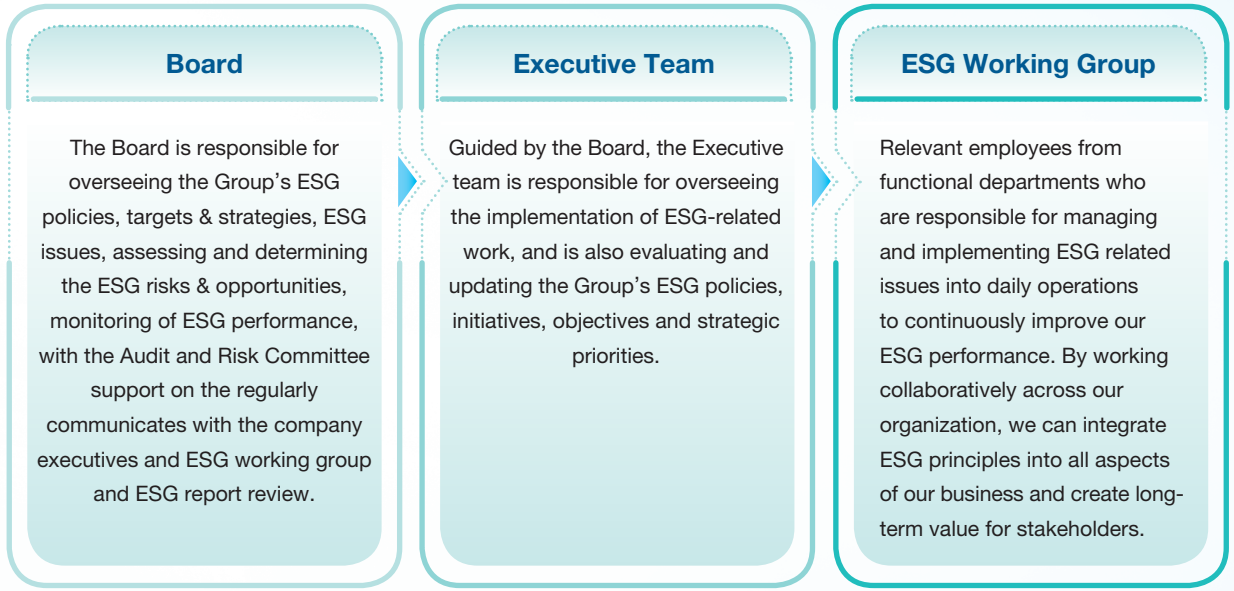
ED: Executive Directors; INED: Independent Non-Executive Directors; non-ED: non-Executive Directors

- Brii Bio appointed Dr. Taiyin Yang as an independent non-executive Director, the co-chairlady of the Audit and Risk Committee and the member of the Strategy Committee with effect from September 1, 2022. The percentage of female directorships (25%) in Brii Bio are well above the statistic disclosed by the listed issuers in Hong Kong (16.3%)[2].

(For more details, please refer to the section titled "Corporate Governance "in the 2022 Annual Report)

ESG Governance

At our organization, we recognize that addressing public health challenges requires a strong commitment to sustainability. As such, we have developed a top-down ESG governance structure that involves collaborations at all levels within the Group and active communication with stakeholders. By doing so, we can proactively identify and prioritize the most material ESG issues and implement targeted management strategies that improve our sustainability management and performance. Our goal is to integrate ESG principles into all aspects of our operations, promote sustainable development, and create value for all stakeholders. We are confident that our ongoing efforts will have a positive impact on the world around us.



Proactive Communication and Building Trust with Stakeholders

Building trust with our stakeholders is essential to our core business strategy. Proactive communication with our stakeholders enables us to gain a better understanding of their ESG performance expectations and suggestions. Brii Bio is committed to maintaining regular and efficient communication mechanisms with stakeholders to understand their perspectives and needs. Working closely with healthcare providers and governments, we strive to address some of the biggest public health concerns around the world. The major stakeholders of the Group include: the Board of Directors, investors and shareholders, government and regulatory agencies, suppliers, business partners, media, industry associations, patients, our employees and the community and the public. For the details that the Group communicates with stakeholders, please refer to the section "Appendix II: Communication between Brii Bio and Stakeholders".

[2] Board Diversity & Inclusions in Focus. From https://www.hkex.com.hk/eng/BoardDiversity/index.htm

Materiality Assessment

We recognize the importance of identifying and prioritizing ESG topics that have the greatest impact on our stakeholders and our business. In order to achieve this, we engaged an independent professional ESG advisor to conduct a comprehensive materiality assessment process this year, which included an online questionnaire survey with our key stakeholders. This process allowed us to gain a deep understanding of the level of concern and materiality of various ESG topics among our stakeholders.

The results of this assessment have been invaluable in informing our ESG strategy, helping us to identify areas for improvement and establish long-term initiatives. By conducting regular materiality assessments, we can continue to evolve our ESG approach and ensure that we are effectively managing our resources to meet the needs of our stakeholders and create long-term value for our business.

This report provides detailed disclosures on our responses to the highly material issues, as well as outlining our management approach, key actions, and performance on remaining topics. We aim to be transparent in our reporting and provide stakeholders with comprehensive information on our ESG performance. Our focus on highly material issues truly reflects our commitment to address in the most significant impacts of our business operations.

Understanding key ESG issues

—

Previous pool of material topics are enriched according to the (1) Sustainability Accounting Standards Board (SASB) materiality map, (2) MSCI materiality database, (3) Biopharma investor ESG communications guidance 4.0 and (4) the new “Guidelines” of the Stock Exchange

Identification of relevant ESG issues

—

Based on the findings of the key ESG trends analysis, we identified 24 ESG issues relevant to our Company

—

Four new material topics are included against 21FY: clinical trial standard; international strategic partnerships; access to drugs and drug affordability

Prioritization of material issues

—

Scoring of material topics made based on the materiality of the relevant ESG issues by internal and external stakeholders

—

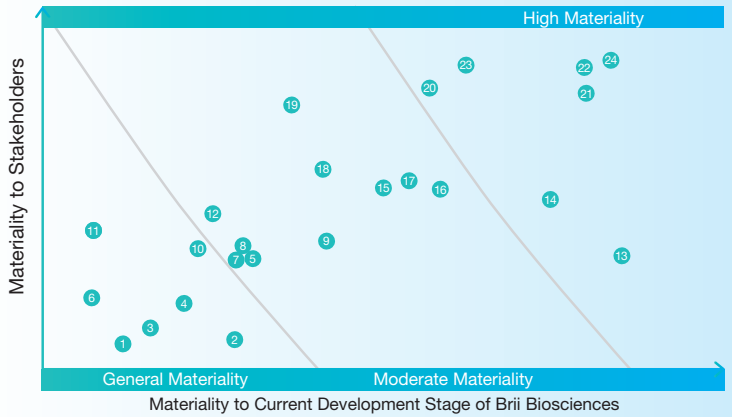
7 high material ESG issues are identified, as reflected in the materiality matrix below

Validation of materiality assessment results

—

The results of materiality analysis and the high materiality ESG issues were reviewed by the company executives, and approved by the Board and the management

Materiality Matrix of Brii Biosciences Limited 2022



1. Resource Consumption
2. Green Office
3. Community Investment and Development
4. Drug Affordability
5. Employee Education and Training
6. Climate Change Risk
7. Responsible Marketing
8. Access to Drugs
9. Diversity and Inclusion
10. Emission Management
11. Industry Participation
12. Supply Chain Management
13. Patient Advocacy
14. Information Security
15. Employment
16. Employee Benefits and Remuneration
17. Occupational Health and Safety
18. International Strategic Partnerships
19. Code of Business Conduct and Corruption
20. Technology and Innovation
21. Corporate Governance
22. Product Safety and Quality
23. Intellectual Property Protection
24. Clinical Trial Standard

Materiality	Issues	Corresponding Chapters	
HIGH MATERIALITY	CLINICAL TRIAL STANDARD	2. Enhancing the Health of People	4. Empowering Our Employees
	PRODUCT SAFETY AND QUALITY	5. Operating with Integrity and Ethics	
	CORPORATE GOVERNANCE	1. Overview	5. Operating with Integrity and Ethics
	INTELLECTUAL PROPERTY PROTECTION	2. Enhancing the Health of People	
	TECHNOLOGY AND INNOVATION	2. Enhancing the Health of People	
	INFORMATION SECURITY	5. Operating with Integrity and Ethics	
	PATIENT ADVOCACY	2. Enhancing the Health of People	3. Patient Advocacy Initiatives

2022 MILESTONE, HONORS AND AWARDS

Key Clinical Milestones of the Group in 2022:

HBV Functional Cure Program

Brii Bio is building a novel and first-in-class clinical portfolio of HBV drug candidates alongside our strategic partners that may achieve a higher rate of functional cure for each subpopulation of HBV patients in China.

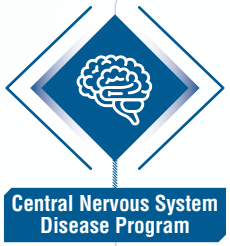
July 2022 :

Exercised option to acquire exclusive development and commercialization rights for VIR-3434 (BRII-877) in Greater China **Strengthens our position as a leading player in the HBV clinical portfolios globally. Provides additional growth to the Company's leading clinical pipeline of drug candidates for HBV.**

March 2022 :

Presented chronic HBV infection-related new data

New data from Chinese patients with chronic hepatitis B virus (HBV) infection, at the 31st Conference of Asian Pacific Association for the Study of the Liver (APASL) 2022, which **continue to support the potential of siRNA as the backbone of combination treatment regimens.**



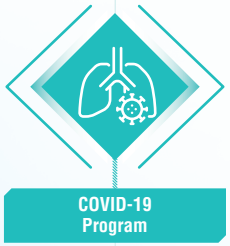
Central Nervous System Disease Program

Brii Bio is developing BRII-296 as a first-of-its-kind one-time injection drug candidate with the potential to expand the PPD and MDD treatment landscape for patients.

September 2022 :

Announced Phase 1 results of BRII-296

In September, Brii Bio announced positive topline results from its Phase 1 study of BRII-296 which providing **confidence that this dose has potential to achieve clinical efficacy in the treatment of PPD.**



COVID-19 Program

Brii Bio's amubarvimab/romlusevimab combination is the first COVID-19 treatment got approval in China. The remarkable 20-month journey from initial discovery to the BLA approval has demonstrated the Company's exceptional internal R&D capabilities.

July 2022:

Announced the commercial launch of the amubarvimab/romlusevimab combination in China

On July 7, the amubarvimab/romusevimab combination (a long-acting COVID-19 neutralizing antibody therapy) was announced to be launched in China, marking an important milestone in the commercialization of this combination therapy, **demonstrating the Company's ability to quickly bring innovative drugs to market.**

March 2022:

Amubarvimab/romlusevimab combination was added in to the COVID-19 Diagnosis and Treatment Guidance of China

The National Health Commission of China added the company's neutralizing monoclonal antibody (mAb) therapy, the amubarvimab/romlusevimab combination, to its COVID-19 diagnosis and treatment guidelines (trial version 9) for the treatment of COVID-19, **marking a significant breakthrough in the treatment of COVID-19.**

The Key Awards and Honors Received By the Group in 2022:

Innovations on Drug Development

PEOPLE.CN

The 14th Healthy China Forum - Top Ten New Drugs (Domestic) List Amubarvimab Injection and Romlusevimab Combination Therapy

CHINATIME

2022 Biotechnology Innovation Award

Influences of Our Leaders

FORBES CHINA

Top 50 Women in Science and Technology in China

Dr. Qing Zhu, Head of China R&D

SECURITIES TIMES CO., LTD. (STCN)

2021 Drug Innovation Award for Helping the World - "Top Ten Leaders in Drug Innovation in 2021"

Dr. Hong Zhi, Executive Director, Chairman of the Board and Chief Executive Officer

SECURITIES TIMES CO., LTD. (STCN)

2021 Drug Innovation Award for Helping the World - "Top Ten Drug Innovation Scientists in 2021"

Dr. Qing Zhu, Head of China R&D

SINA FINANCE

Best Chief Financial Officer of Hong Kong and US stocks by Sina Finance in 2022

Dr. Li Ankang, Executive Director, Chief Strategy and Financial Officer

Industry and Capital Market Endorsements

MIT TECHNOLOGY REVIEW

50 Smartest Companies in China 2021

HEALTHCARE EXECUTIVES

Top 10 Chinese Pharmaceutical Listed Companies in ESG Investment Value in 2022

ZHITONG FINANCE

Golden Hong Kong Stocks-Best Medical and Pharmaceutical Listed Company

GELONGHUI

"Golden Grid Award" – Best Annual Social Responsibility Award for Small to Mid Cap Listed Company

TIGER SECURITIES

Best Investor Engagement Award

2022 ESG PERFORMANCE HIGHLIGHTS

Social (Business, R&D, Operation)

Multi-pronged R&D Strategies with Stable Investments for Drug Development

Leveraging our internal R&D capabilities and collaborating with best-in-class partners to develop breakthrough therapies.

Awarded an "A" Grade by MSCI ESG Rating

A testament to Brii Bio's commitment and resilience in addressing long-term ESG risks.

Increase in Patent Applications

63.9%

Newly authorized patents **7**

More Than 10 Drug Candidates

Diversified infectious diseases and central nervous diseases with HBV and PPD/MDD as our core programs in China, and in the U.S., respectively.

MSCI Inclusion

Included in the MSCI China Small Cap Index in Hong Kong in May 2022, enhancing visibility and recognition by the global investor community.

Commercial Launch

Commercial launch of the amubarvimab/romlusevimab combo therapy for COVID-19 in China - moved quickly from clinical development to BLA approval, and achieved commercial launch in just 27 months.

Social (Human Capital Management, Product Quality and Safety, Access to Healthcare)

Employee Stock Ownership Plan (ESOP)

Adopted three share incentive schemes to attract, motivate and retain certain officers, all eligible persons, as incentives or rewards for their contribution to the Group.

Fostering a Culture of Continuous Professional Development

We have held 46 “Brii Talks” sessions and 27 “Brii Academy” to develop and retain our talented employees, aligning their personal professional growth with the Company’s interests.

Safe and Healthy Workplace

Fatalities due to work in the past three years.

0%

High Employee Satisfaction

79% of our employees reported high satisfaction levels in an independent Employee Engagement Survey, exceeding the 77% biotech industry benchmark.

Patient Centricity Committee

Launched several programs aimed at improving the patient experience and incorporating patient advocacy into all aspects of our work in helping global patients.

Governance

Board Diversity

is achieved as the Board is made up of

>50%

independent non-executive Directors, a governance feature which strengthens management oversight and ensures voices will be heard.

Women on the Board

25%

compared to an average of 16.3% of sampled listed issuers in Hong Kong, our commitment to gender equality extends beyond our board, as we strive to create a workplace culture that values and supports women at all levels of our organization.

Zero Instances

of corruption or bribery in any litigations demonstrate the success of our anti-corruption efforts.

Environmental

Full Environmental Compliance

On relevant environmental laws and regulations to reflect the Company's care and concerns for environmental protection.

Climate Risks & Carbon Neutrality Management

Embarking on the journey for the national call from the Chinese government and better climate risk management and target setting.

Environmental Targets

Established in reducing emission, energy, water consumption, and waste to drive our goal as a company with green operations.

Enhancing the Health of People

We believe that everyone should have access to innovative, life-changing medicines. We invest significantly in R&D, leverage our industry-leading proprietary technologies, and collaborate with scientific and academic organizations to drive significant new medical breakthroughs. We are committed to revolutionizing the biotechnology industry by developing effective infectious diseases and CNS diseases treatments that are accessible to a significantly larger number of patients worldwide.

COMMITMENT TO RESEARCH WITH INNOVATION

Robust Governance through Effective R&D Management System

Driven by a patient-first and society-need philosophy for the world's largest public health challenges, Brii Bio has been striving the development of high-quality drugs and made them available to people since inception and on an ongoing basis. To efficiently achieve our goal of helping more patients, we conduct standardized clinical research and drug development and establish clear research team and management responsibilities.

We believe that R&D is the key to driving our therapeutic strategy and maintaining our competitiveness in the biopharmaceutical industry. To manage our R&D projects and investments effectively, the Company appoints the R&D Review Committee (RDRC) and Corporate Investment Committee (CIC) to monitor and provide oversight for our research projects.

Research and Development Review Committee (RDRC)

The RDRC oversees the initiation of new projects (including potential new in-license programs), the progression of portfolio programs through established stage gates, and proposed program terminations, and to provides oversight and recommendations. The RDRC makes decisions regarding pipeline progression and stage gate queries. The CEO acts as the Chair of the RDRC.

Corporate Investment Committee (CIC)

The CIC oversees the management of both new and ongoing investments, and provides oversight and recommendations. These include the approval of planned R&D expenditures (after appropriate review by the RDRC), the management of existing equity investments, the approval of new equity investments, etc. The CEO will be responsible for R&D-related decision-making.

Currently, members of the executive management team serve on both committees to monitor projects' progress and quality. With clearly outlined responsibilities, the committees conduct research management in an effective and high-quality manner, with regular monthly meetings to review and monitor the progress of key issues.

Our RDRC and our *Stage Gate Policy* ensure efficiency in compliance. The project development process comprises the following steps:

Program Initiation

- Divided into two types: new research candidate and new in-license candidate
- Both types of programs need to file formal proposal with inputs from assigned personnel
- The proposals should include various supporting information meeting the selection criteria, such as medical rationale, strategic fit and opportunity and risks
- The proposal will be reviewed by the RDRC and the CIC when required

Stage Gate Reviews

- The RDRC is responsible for reviewing all our programs when they reach the predefined Stage Gates to confirm that the program should continue through to the next stage of development
- For later stage gates, the program will also be required to be reviewed and approved by the CIC

Monitoring Progress of Programs

- The program development plans and budgets will be reviewed at least annually by the RDRC, or the CEO and members of the leadership team

Program Termination

- The proposed program termination will be reviewed by the RDRC

R&D Program Highlights

We have strategically designed and built a highly selective pipeline of more than 10 drug candidates for curing infectious diseases and central nervous system (CNS) diseases, across different stages of candidates.

In 2020 and 2021, we rapidly advanced our pipeline and business operations, receiving our first commercially launched product in China for the treatment of COVID-19. Next, we will leverage our COVID-19 program experience to expand and improve our other public health-inspired clinical programs to provide patients and the healthcare community with long-term therapeutic solutions.

During 2022, we focused intensively on our core development programs in HBV in China, where we are an industry frontrunner, and as this is the area where we see opportunity to contribute significant and exert meaningful therapeutic impact for patients in the region. Driven by our unique combination therapy approach, we aim to be the leading company to develop the HBV functional cure. Our HBV programs are our most advanced programs, and we hold a rich pipeline of in-licensed assets from our partners Vir and VBI where we hold development and commercialization rights in Greater China. Besides, we are also focusing on our CNS programs, where we are accelerating our clinical development in depression treatment, particularly postpartum depression (PPD) and major depressive disorders (MDD) in the United States, leveraging our strong in-house R&D capabilities.

HBV Functional Cure Program

(licensed from VBI Vaccines Inc. and Vir Biotechnology, Inc.) Brii Bio is leveraging strategic partnerships to build a novel pipeline to improve probability of achieving high rate of functional cure for each subpopulation of HBV patients.

HBV is one of the world's most serious infectious disease threats with over 290 million people infected globally. China has the highest prevalence of the disease, where 87 million people are infected. Chronic HBV infection is the leading cause of liver disease, and an estimated globally 820,000 people die of complications from chronic HBV each year. However, only about 5% of the patients in China are receiving antiviral treatment. Additionally, people living with HBV face immense social stigma and discrimination, particularly in China. Currently, there is no effective functional cure for HBV, as the only option available to patients delivers a 3-7% functional cure rate, and the current standard of care for HBV is suboptimal, requiring patients to maintain a life-long medication regimen.

Our lead program is designed to find a functional cure for chronic HBV infections in order to improve the probability of achieving a high rate of functional cure for HBV patients. We believe novel combination treatments directed at specific subpopulations of HBV patients may lead to a higher functional cure rate across all HBV patient groups. Through strategic in-licensing partnerships with Vir Biotechnology and VBI Vaccines, we have rights to develop and commercialize promising, clinical-stage investigational therapies in China for HBV with options to expand additional novel assets. In 2022, we also licensed in BRII-877, also known as VIR-3434, a potent HBV-neutralizing monoclonal antibody that complements our existing HBV portfolio. A sustained functional cure for HBV has the potential to be transformational for patients mitigating their risk of disease progression and liver cancer, eliminating the need for life-long treatment, and giving patients greater freedom from disease limitations.

Central Nervous System (CNS) Disease Program

(Internally discovered. U.S. team core project) Leveraging patient insights, Brii Bio is working to expand the PPD and MDD treatment landscape for patients with the option of a one-time injection therapy.

Our primary goal in the CNS program is to develop innovative treatment for anxiety and depressive disorders with a specific focus on postpartum depression and major depressive disorders for now. Our unique approach in this disease area leverages patient experiences and insights, which is a key differentiator in this significantly underserved disease category. Chronic anti-depressant treatments are associated with a range of side effects, adherence issues, stigma, and concerns of not being able to get off treatment. Current PPD/MDD treatment is inadequate and inaccessible due to a requirement for inpatient multiple day continuous IV infusion. A single treatment option will be paradigm shifting and enable easier decision to be on and off treatment.

Brii Bio is developing a novel long-acting formulation of a gamma-aminobutyric acid A (**$GABA_A$**) receptor positive allosteric modulator (PAM) to be delivered as a single treatment for PPD and MDD. Additionally, Brii Bio is leading the way in developing a drug candidate to prevent PPD/MDD recurrence among high-risk patients. We are also collaborating with maternal health advocacy groups in the US to meet the needs of patients with diverse backgrounds. Our newly appointed Head of CNS therapeutic area will direct the clinical development of BRII-296, for PPD/MDD, and BRII-297, for anxiety and depression disorders. We will leverage our expertise in developing long-acting therapies, considering the importance of drug administration convenience and patient compliance to treatment success, to accomplish this.

DUAL ENGINE OF SELF DISCOVERY AND PARTNERING

Brii Bio's Experienced Research Team

Our staff's intelligence and expertise are the driving force behind the company's innovation. Since our company's inception, we have placed a premium on scientific knowledge and exploration, as well as the development of our research team.

Led by our founder and Chief Executive Officer Dr. Hong, our in-house R&D is comprised of industry-leading experts with strong drug discovery and translational research capabilities who impart the Company with their extensive and substantial pharmaceutical experience, having an average of 20 years of experience in drug discovery through commercialization from major pharmaceutical companies.

Our R&D strategies, as well as our involvement in the medical and business communities, have been significantly influenced by our scientific advisory board, which is comprised of eminent scientists, physicians, and industry veterans.

We also recognize the significance of fostering a culture of innovation by providing diverse vocational skills training to our R&D team to strengthen its core R&D capabilities and by encouraging employees to participate in external training to build a diverse talent pool. In addition, our mentorship program expedites employee knowledge sharing and contributes to the formation of a skilled community.

employees in R&D

61%

R&D Collaboration

The Company's business strategy consists of both internal discovery and extensive external collaboration/partnering with industry leaders around the globe in developing innovative therapies. As the leading biopharmaceutical company in China, Brii Bio is committed to advancing the industry's technical standards. To continuously advance the biopharmaceutical industry's development, the Group has always valued on cooperation and exchanges with domestic and foreign scientific research institutes, and has been closely following the trend of domestic and international technological advancement. Additionally, strong cooperative relationships have been established with numerous domestic and international scientific research institutions. The Group will continue to actively pursue future cooperation opportunities to augment the pipeline of drugs currently in development.

In addition to our in-house R&D capabilities, we have a strong scientific advisory board and seasoned investors. We enjoy collaborations with global pharmaceutical and biotech companies including Qpex Biopharma, VBI Vaccines, VIR Biotechnology, and AN2 Therapeutics. Leading CROs, CMOs, CDMOs, research institutions, and other strategic partners. Strong relationships with renowned academic institutions and hospitals, including Tsinghua University, the Third People's Hospital of Shenzhen, and Columbia University, provide us with additional scientific strength.

Key Corporate & Academic Partners in 2022:

6 Corporate Partners

- AN2 Therapeutics
- QPEX
- VBI VACCINES
- VIR
- WuXi Biologics (Global Solution Provider)
- 药明康德 WuXi AppTec

4 Academic Partners

- Columbia University (Columbia University IN THE CITY OF NEW YORK)
- Beijing Tsinghua Industrial R&D Institute (清華大學 Tsinghua University)
- The Third People's Hospital of Shenzhen
- School of Medicine, Tsinghua University (清華大學 Tsinghua University)

Driving Sector Development

As the leading biopharmaceutical company in China, Brii Bio works to further the industry's ongoing technical advancement. In order to continuously advance industrial development, we actively participated in a variety of academic seminars where we examined the important and cutting-edge technical issues relating to the growth of the biopharmaceutical sector with outstanding peers. During the Reporting Period, we successfully held the online Brii HBV R&D Seminar to introduce our research findings and strategies on HBV, as well as invite the HBV Key Opinion Leader to share the latest landscape and treatment requirements on the innovation therapy from the patients.

Case Study: Brii Bio HBV R&D Seminar

On August 17, Brii HBV R&D Seminar was successfully held online with the attendance and presentation shared by the Brii Executives and Prof. Jidong Jia, a KOL of liver diseases in China.

The seminar was live-streamed on two platforms, including Hepatology Digest, an influential industry media focusing on liver diseases in China, and Futunn.com, the leading investment community platform in China. The event attracted more than 420 registrations with over 2,600 live views.

420+ Registrations

2,600+ Live Views

Intellectual Property (IP) Protection

Patents achieved by Brii Bio in 2022[3]:

72
New Patent Applications

7
Newly Authorized Patents

As a business that thrives on innovation, Brii Bio fully understands and respects intellectual property rights and has zero tolerance for any infringement on such rights. The Group formulates and revises relevant policies and company regulations in strict compliance with relevant regulations in China and in the US.

[3] Numbers reported include both in-licensed and Brii-owned patent and patent applications.

Implementation of Measures

In order to prevent the infringement of the intellectual property of other parties, we have established a series of measures to protect our IP rights, as well as maintaining the lawful status of the Company's IP through legal means and formulation of the application and registration process of a patent. We have newly appointed Dr. Roger Rich who joined Brii Bio in 2022 as Senior Director, Intellectual Property and reports to Dr. Ankang Li, Chief Strategy and Financial Officer. He and his team work closely with our R&D team to identify and protect new inventions of the Company and provide sophisticated advice to the senior management and other business teams regarding IP issues.

Our legal folders for patents, trademarks, and other matters are under strict controlled access. Every employee is a party to an invention and confidentiality agreement, which specifically outlines their responsibilities to maintain the strictest confidence in company information, their responsibilities concerning inventions they develop while working for us, and their responsibilities to return all company property, including intellectual property, upon leaving. The agreement also lays forth how employees must treat any confidential information or trade secrets belonging to a current or previous company, another individual, or a third party.

In addition to requirements for IP rights protection, we also strictly standardize the collaboration with our business partners and investors. In our cooperation, we will enter into non-disclosure agreements that are always put in place to explicitly clarify IP rights ownership and obligations. Meanwhile, the proper usage of IP is also outlined in our *Employee Handbook* to inform all our employees.

ACCESS TO MEDICINES

Since the Company's founding in 2018, our mission is to develop and bring transformative therapies to underserved markets, addressing critical public health needs through ground-breaking innovation and insights, as well as enhancing the accessibility of innovative medicines. Dedicated to enhancing the accessibility of medicines to benefit the greatest number of patients, Brii Bio is committed to provide more people with high-quality medications, and ultimately improve the quality of life for patients.

Having quickly served the greater global needs compelled by COVID-19 and its variants, we were able to rapidly move through the clinical and regulatory processes to obtaining BLA approval and commercialization in 27 months. Next, we will carry forward the experience from our COVID-19 program to expand and advance our other clinical program to introduce proven and meaningful long-term therapeutic solutions to patients and the healthcare community.

Case Study: COVID-19 Program - Amubarvimab / Romlusevimab Combination Therapy – 1st drug approved for the COVID-19 in China

The commercial launch of the amubarvimab/romlusevimab combination in China was on July 7, 2022 - listed in the COVID-19 9th edition of the Diagnosis and Treatment Guide and National Reimbursement Drug List, the first homemade drug approved for the COVID-19.

The fruits of a strategic partnership with the national Top 3 distributors with a country-wide distribution network. Till mid-October, the combination therapy has been registered on 22 provincial procurement platforms and distributed to 18 provinces nationwide, including Shanghai, Guangdong, Jiangsu, Zhejiang, Fujian, Gansu, Tianjin, Shandong, Yunnan, Hunan, Guangxi, Tibet, Hainan, Chongqing, Ningxia, Sichuan, Shanxi and Xinjiang. The Company donated over 3000 doses before its commercialization, of which more than 90% have been delivered to the terminal healthcare institutions.

In order to ensure that patients are not affected by the cost of medical treatment, the health insurance departments of several provinces have been gradually including the amubarvimab/romlusevimab combination into the payment scope of local health insurance funds.

Patient Advocacy Initiatives

When facing infectious disease and central nervous system disease, patients and their families frequently have questions and need help that can go beyond medical treatments. "Patients First" is one of our core values, and patients and their families are at the forefront of every decision we make. We are not only working to innovate novel treatment options with disease modifying potential, but to develop and advance those treatments in ways that enable patients' greater freedom from their health conditions.

As our innovation is driven by patient insight, the Company has made great efforts to engage in patient centricity programs. In 2022, we have established a Patient Centricity Committee for directing our strategy around sponsoring and supporting patient advocacy organizations' efforts in the community, as well as providing education and enhancing awareness on diseases such as Postpartum Depression (PPD) and their advocacy work to improve resources as well as reduce social stigma.

We sponsored the 20/20 Mom Annual Forum, Maternal Mental Health Now, the 35th Annual Postpartum Support International Conference and the 2022 Black Maternal & Mental Health Summit. These events foster relationships with patients, their caregivers, and the disease-specific non-profit groups. We believe this approach will ensure that the voices of patients are heard by all our function teams, from research and development to commercialization.

Case study: 20/20 Mom Partnerships

In 2022, we sponsored a "20/20 Mom in support of their community" campaign to ensure all pregnant and postpartum mothers have ready access to standardized, evidence-based maternal mental health care from providers they respect and trust.

Between 23-25 March 2022, "Building the Maternal Mental Health Constellation" was held by 20/20 Mom to include more than 900 cross-sector stakeholders in health care- including health systems, employer purchasers, insurers, public health and other government agencies, mothers, and advocates to learn about the range of maternal mental health disorders, risk factors and treatment options.

On 25 July 2022, "Addressing Treatment Gaps in Maternal Mental Health" was organized by 20/20 Mom to discuss the APA's new Maternal Mental Health (MMH) initiatives to close treatment gaps in MMH and highlight ACOG/UMASS's new MMH Toolkit. This webinar contained more than 500 attendees registered and the responses were overwhelming.

PSI Annual Conference

Between 13-17 July 2022, we sponsored the 35th Annual PSI Conference in New Orleans, LA on Perinatal Psychiatry, Psychotherapy, Integrated Care and Systems, Fathers, Families, and Partners, Peer Support & Advocacy. These symposia and workshops are a good platform provided for several stakeholders to learn more about Postpartum Depression (PPD). They are accreditation and CEUs for Physicians (ACCME), Nurses (ANCC), Social Workers (ASWB), Mental Health Counselors (NY MHC), Marriage & Family Therapists (NY MFT), Psychologists (NY PSY), NBCC Counselors, Occupational Therapists, CAPPA Doulas. This conference attracted more than 1,000 attendees including mental health and healthcare providers, parents and advocates.

Brii Bio is prominently featured as a new company working to bring new treatment and prevention for PPD.

Patients and Society

The Group has made every effort to promote community services. We are dedicated to actively assuming the duty of exercising corporate social responsibility. As a global corporate citizen, Brii Bio is committed to benefiting patients through inputting patient preference and need in the research and development of new drugs. With the help of our expertise, resources, and technology, we will actively participate in community welfare and spread positive energy. We continuously accelerate and advance the research and development, process as a global biotech company. This maximizes patient benefit while empowering our global partners to address the hardest public health challenges from society with breakthrough innovations and insights.

In order to help those who are socially disadvantaged and develop values for long-lasting public welfare, we are committed to engaging in a variety of public welfare activities in the future. We interact and communicate with all facets of the community to collectively create a better and more peaceful community by planning and taking part in many forms of social affairs. With the goal of fostering the growth of the public health industry in China and the US, we will continue to contribute to solving social issues. During the Year, we had 44 employees who participated in volunteer work for more than 176 service hours.

Case study: Postpartum Support Int'l Climb Out of the Darkness event (US)

In 2022, some of our US employees participated in the world's largest fund-raising and awareness event for the mental health of new families called The Climb Out of the Darkness event. It is a community walk and international fundraiser for survivors, providers, and members of the community to come together. The purpose of this event is to raise the awareness of the public in perinatal mood and anxiety disorders. Other than that, our employees also made a donation to the event's organiser.

Bay Area office

Durham office

Empowering our Employees

OUR CULTURE

At Brii Bio, we are creative, diligent, devoted to excellence and eager to contribute public health solutions for patients around the world.

The Group always believes that talents are its most valuable assets. They are also the cornerstone and the driving force for the sustainable development of an enterprise. We value the mutual growth of our employees. We are creating an equal, diverse, inclusive, healthy and safe workplace. In addition, we provide opportunities for development so that our employees can find self-fulfillment while working at Brii Bio and grow along with us.

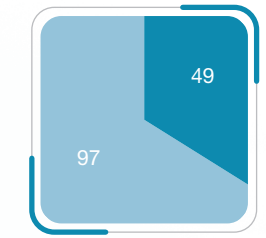
Adhering to lawful employment, the Group has established an internal system of the *Employee Promotion Policy* and *Employee Offboarding Policy* to regulate its employment system and regulations. Our management team adheres to this policy to recruitment, hiring, placement, promotion, working hours, transfer, training, compensation, benefits, employee activities, and general treatment during employment.

During the Reporting Period, the Group was not aware of any non-compliance with any employment or labor laws and regulations.

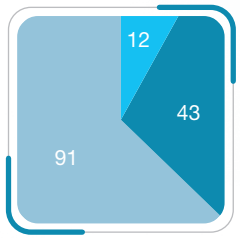
Employment KPI

As of December 31, 2022, the total number of employees of the Group was 146: 82 in China and 64 in the U.S.

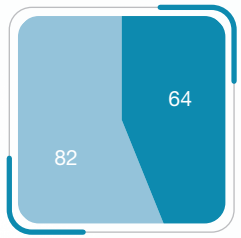
Total Workforce by Gender



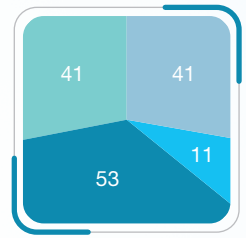
Total Workforce by Ranking



Total Workforce by Country

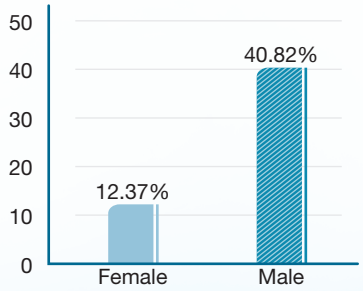


Total Workforce by Age Group

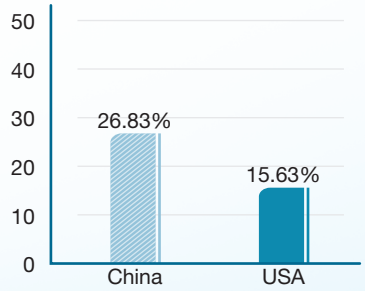


As of December 31, 2022, our employee turnover rate was 21.92%. A detailed breakdown is as below:

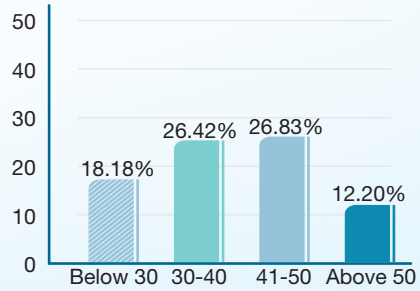
Employee Turnover by Gender



Employee Turnover by Country



Employee Turnover by Age Group



DIVERSITY, EQUITY, AND INCLUSION IN THE WORKPLACE

We promise equal employment opportunities in recruitment, career development, promotion, training and reward, as well as protection of our employees from any form of discrimination such as race, creed, colour, religion, alienage or national origin, ancestry, citizenship status, age, disability or handicap, sex, marital status, veteran status, sexual orientation, genetic information, arrest record, or any other characteristic protected by applicable deferral, state or local laws.

Brii Bio regards its employees as the core of our business operations and development, and talent retention is of great importance to us. Besides, we value our employee's feedback and suggestions and provide ease of communication via our intranet, email, Microsoft Team and Wechat platform, Brii Talks and Company Town Halls. Understanding the needs and concerns of our employees enables us to provide them with a sense of belonging, respect and recognition.

Brii Biosciences Employee Engagement Survey

79% Favorable

* As compared to a benchmark of 77% in the biotechnology industry

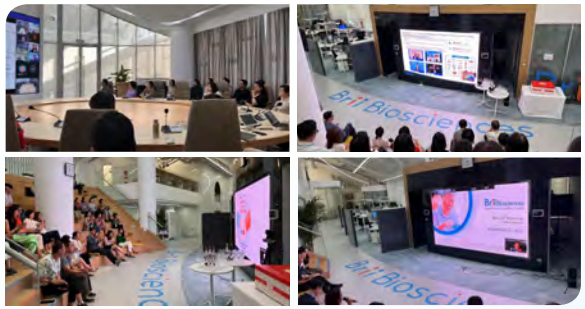
Brii Bio's Employee Engagement Survey

Main Strengths of the Company

- Brii's commitment to social responsibilities
- Strong belief that actions will take place and make an impact
- Clear understanding of Brii's goals and objectives
- Clear understanding of what to do to contribute Brii's goals and objectives
- Line manager acts as a role model and cares about employees' well-being

Highest 3 Scores vs. Industry Benchmark

		Industry Benchmark	Brii Bio
1.	Company will take actions for under-performing staff	42%	63 %
2.	Brii Bio's commitment to social responsibility is genuine (e.g. community support, sustainability, etc.)	67%	85 %
3.	Belief that actions will be taken as a result of the survey	64%	82 %



2022 Town Hall Meetings to Enhance Internal Communications

We emphasize gender diversity and are keen to promote gender diversity at all levels of the Company, including but without limitation to the Board and senior management levels. The following case study demonstrates how our efforts in promoting diversity at the leadership level are recognized by the industry:

Case Study: "Women in Tech" by Forbes

Forbes China has always focused on outstanding women in the field of technology, aiming to create a platform for them to showcase their outstanding achievements and style, and to encourage more women to join the innovation and development in the field of technology.

This Year, our Head of China R&D, Qing Zhu Ph.D. was selected as the "Women in Tech 50" in recognition of her "she power "to shine in the field of science and technology, which recognises the company commitment to transparency in gender reporting and advancing women's equality

Acquiring Talent, Staff Promotion and Attrition

We proactively recruit talents to empower our Company, and attract applicants via multiple recruitment channels and have developed an internal recruiting process including an internal referral program, career websites and headhunters, so as to provide fair and reasonable employment and competitive opportunities for all candidates. We develop an internal recruiting process, which standardizes recruitment demand application and recruitment process. We also require recruitment teams to provide an annual talent acquisition inventory that classifies job vacancies and needs, creates related acquisition strategies and scout talents.

We strictly prohibit any form of child labor and forced labor. All employees were voluntarily hired, and meet the requirements of local laws and regulations in terms of age and verify their identifications when handling the application procedures to prevent the use of child labor and forced labor. In the case of any violation, we will terminate the labor contract with the employee who violates and takes responsibility immediately to prevent the recurrence of such incidents. During the Reporting Period, there were no violations of child labor and forced labor within the Group.

Brii Bio is committed to investing in our employees and rewarding good performance to drive employee excellence. Our Employee Promotion Policy presents our framework for advancing and promoting employees from within our company. Hiring and internal promotion are important in boosting retention, motivating employees, and improving morale.

In order to clarify the process as well as role and responsibilities to ensure the exit process is transparent and efficient, we formulated an *Employee Offboarding Policy* to ensure that the exit process is positive and efficient. Employees can resign at will. Employees may terminate their employment relationship with the Group if they agree to and confirm the last work day with their manager. When an employee leaves the Company, we will conduct an exit interview to determine the reasons for their departure and conduct an internal evaluation based on their feedback in order to enhance the employee management system and human resources policy of the company.

Employee Benefits

We recognize and appreciate our employees' efforts by offering fair and competitive remuneration and benefits to employees. We formulate the *Employee Handbook* and update the policy of benefits and remuneration regularly to keep the benefits and remuneration at an appropriate and market-competitive level. We offer health and wellness benefits, and employees can enjoy legal rights and benefits including annual leave, sick leave, marriage leave, maternity leave, bereavement leave, and statutory holidays. In accordance with the relevant People's Republic of China regulations on social insurance, such as the Social Insurance Law of the PRC, the Group makes contributions to social insurance and provident fund for its employees as required by the laws of the, including medical insurance, pension insurance, work-related injury insurance, unemployment insurance and provident fund. As a leading company in the pharmaceutical sector, we are committed to the well-being of our employees. This year, we have established a supplementary insurance plan to expand coverage for employees and their families, and an Employee Stock Ownership Plan (ESOP) Grant as part of the compensation and benefits package.

At the same time, in a bid to retain and incentivise talents, we also have established stock-based compensation for all the employees. These incentive packages – namely the Pre-IPO Share Incentive Plan, the Post-IPO Share Option Scheme and the Post-IPO Share Award Schemes aim to attract, motivate, retain and reward certain officers, all employees, directors and other eligible persons, and as incentives or rewards for their contribution to the Group, link the interests of our employees with those of our shareholders, demonstrating our commitment to the long-term development of our people with us.

Employee Care

The Group monitors employee satisfaction regularly and has held a variety of activities for its employees on a regular basis to alleviate job pressure, relieve mental tension, and promote teamwork. During the Year, we have organized several activities such as the Chinese New Year celebration, Company's 4th anniversary, birthday celebrations, employee teambuilding activities and CNS/PPD offsite event and annual Gala. These activities enhanced the communication between colleagues from different departments and company loyalty.

Company 4th Anniversary

Corporate Executive Offsite Event

US annual GALA event

Chinese New Year Celebration

Birthday Celebration

The Bay Area

Chinese Staff Teambuilding Event

OCCUPATIONAL HEALTH AND SAFETY

Occupational Health and Safety

The Group adheres to providing a safe and healthy working environment to our employees. We established *Office Rules* to provide employees with guidance on office safety measures, and we emphasized in the *Employee Handbook* the importance of being safety-conscious and reporting unsafe conditions and potential hazards to management. We offered comprehensive health benefit plans to our employees. Our medical providers offer wellness coaching, education, and programs. There is also free access to wellness and fitness apps like Calm, Classpass and gym membership discounts. Additionally, we offer flexible work options, such as hybrid work schedules and remote work. We also have generous paid time-offs so that employees can have a sense of work-life balance.

During the Reporting Period, the Group was not aware of any non-compliance with any laws and regulations on occupational health and safety.

Healthy and Safe Office

Our offices are designed and furnished with safety and health considerations in mind. We installed electric height-adjustable desks so that our employees can stand or sit while working. The windows and walls have been designed to maximize diffuse natural lighting and avoid direct lighting that could be harmful to the eyes. A gym with ample natural light promotes healthy lifestyles, and the flooring is soft for comfort and safety. In order to ensure that our Beijing office's air quality is conducive to employee health, we installed testing equipment and monitors for real-time air quality monitoring. Before moving in, we had a third-party testing agency to measure the levels of formaldehyde, benzene, and total volatile organic compounds in our office areas, conference rooms, and pantry following the renovation of our Shanghai office.

In addition, we have created private lactation rooms for nursing mothers and ensured that all office facilities are accessible to individuals with disabilities.

During the past three years (including the Reporting Period), there is no work-related fatal accident in the Group. During the Reporting Period, no lost day is found due to work injury.

Prevention and Control of COVID-19

Due to the relaxation of vaccination restrictions, we have implemented a *Return to the Workplace Policy,* which incorporates the US Center for Disease Control and Prevention (CDC), Occupational Safety and Health Administration (OSHA), as well as federal, state, and local guidelines, highlights the responsibilities of managers and employees, maintains the balance between public health concerns and the needs of our business through this policy. It also details the plan to establish a standard hybrid work schedule and keep all the employees safe in all extents.

For COVID-19 precautions, we continued to distribute masks, monitor employee health daily, offer shuttle services, regularly sanitized offices and provided disinfecting supplies. We remained current on COVID-19-related news, alerted our employees to the risks of travel, and, when necessary, cancelled business trips. Our offices were regularly sanitized, and disinfecting supplies were readily available and replenished on a regular basis. Meanwhile, our employees in the U.S. have been working in a standard hybrid schedule to reduce infection risks. We also provide work from home (WFH) arrangements for our staff during the pandemic outbreak. Staffs are allowed to apply WFH arrangements based on their requirements.

Ensuring Employee Health and Well-Being

COVID-19 has completely changed the daily life habits of all people. While many employees worked from home during the pandemic which reduce the number of outings. In order to maintain the health and well-being of our employees, we put in place additional measures including various virtual physical and mental activities.

Case Study: Workout Challenge During Quarantine

Maintaining a healthy body is an important part of the fight against the pandemic. During the serious outbreak of COVID-19 in Shanghai, the public was required to stay at home for quarantine. Most people were faced with various constraints such as lack of space, outdoor exercise, and lack of fitness equipment during the quarantine period. Therefore, the Company has held online exercise sessions to allow the employees to do more exercise and alleviate their stress and pressure while staying at home. The online exercise sessions are flexible for all employees, provide different kinds of levels based on their options.

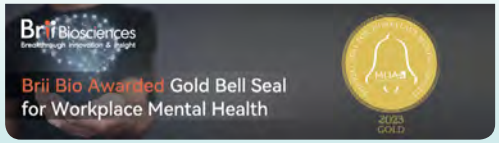
Case Study: Positive Incentives and Harmonious Relationships During Pandemic

During the epidemic, people are often in a state of worry and need to cope with stress in many ways and often neglect their mental health. This may affect our mood in some cases and may develop into depression or anxiety in others. To maintain our employee's mental health, we held online mental health thematic sharing activities, especially inviting mental health experts from Beijing and Shanghai, focusing on positive stress reduction and work-family relationship building, providing targeted guidance and facilitation, strengthening professional support, and contributing to the ultimate victory over the epidemic and return to normal work and life.

Case Study: 2022-2023 Gold Bell Seal for Workplace Mental Health

The Gold Bell Seal for Workplace Mental Health is a first-of-its-kind workplace mental health certification by Mental Health America which recognizes companies that understand the value of addressing mental health at work and implement policies and practices to support employee well-being.

Our Gold Bell Seal status is a testament to the positive workplace culture that we have created such as 1) competitive benefits on mental health care, 2) an emphasis on flexibility and work-life balance, and 3) expansive learning and development program, etc.



TALENT DEVELOPMENT AND TRAINING

In order to help create an equitable working environment, we have established *Employee Handbook*, *Employee Promotion Policy*, and related procedures that provide guidelines for performance evaluations, goal-setting, and performance-based remuneration and promotion. During annual evaluations, each employee is required to develop individual Objectives and Key Results (OKRs) with the assistance of line managers, against which their performance is monitored and evaluated. We conduct performance reviews as two-way conversations between line managers and employees in order to gain a fair and comprehensive understanding of performance. The Brii Bio *Employee Handbook* also states that we encourage employees and supervisors to discuss job performance frequently and continuously.

Adopting the principle of "Collaboration, being results-driven, and providing quality in daily work", we promote employees with outstanding performance and strong ability. We establish an Employee Promotion Policy to formulate a framework for advancing and promoting employees, and provide a clear career development path for employees. Every year, there are two promotion cycles based on performance. Additional promotion requests are evaluated on a case-by-case basis so that significant contributions or performance can be recognized in a timely manner. We appraise the tenure, performance and accomplishment, which is subsequently used in deciding the promotion.

We believe that transparency and employee participation in our performance evaluations and promotions motivate our talent to maximize their potential and pursue their long-term career goals.

Personalized Training System

The Group is committed to the training and development of its employees in order to foster excellent teamwork and maintain its competitiveness.

In order to expand the horizons and strengthen the employees' expertise, technical knowledge, quality, and skills, we offer various types of training programs to our corporate executive team and employees, including classroom-based training, on-the-job training and online training, as well as function-specific training to enhance flexibility. We also provide function-specific training, including clinical development information security, clinical sourcing, and procurement training. Compliance and corporate policy training is recorded on the Learning Management System (LMS) platform of our learning management system, allowing employees to track their training status and submit assignments on time. Each new employee will be allocated a buddy and a mentor to guide them through everything from daily work and logistical questions to our company culture and core values.

We fostered a culture of learning through Brii Talk – More To Learn, a peer-to-peer learning and sharing platform that encourages employees to share knowledge and practice together. During the Reporting Period, we followed the training topics that employees were concerned about according to the results of the employee engagement survey, 46 "Brii Talks" sessions were held in 2022, which covered knowledge sharing, case studies, and culture talks.

Brii Talk and Brii Academy

Internal Operation Update

Occupational Health and Safety

Celebrity Sharing

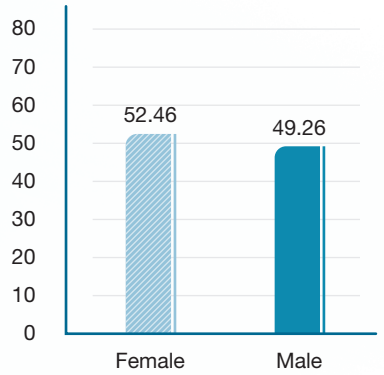
Corporate Update

Employment Benefit

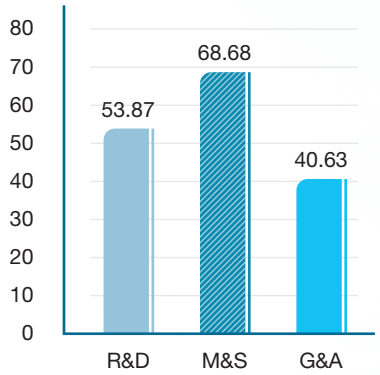
In 2022, we also launched the Brii Academy – Master Learning Path, which is a training and development framework for our corporate executive team to install an organizational environment that values continuous learning, diversity and growth opportunities for all employees. During the Reporting Period, we held over 27 sessions of "Brii Academy" in 2022, covering compliance and management, and safety issues.

During the Reporting Period, 100% of our employees have attended training sessions. We foster a culture of continuous learning and improvement by providing various types and formats of training each year so that our employees can learn, adapt, and remain competitive. The statistics regarding employee training are as below:

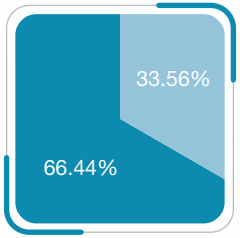
Average Training Hours per Employee by Gender (Hours)



Average Training Hours per Employee by Function (Hours) [4]

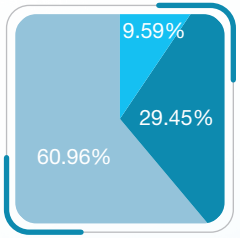


Percentage of Employees Trained by Gender



Female Male

Percentage of Employees Trained by Function [4]



M&S G&A R&D

[4] R&D: all clinical, non-clinical & CMC; M&S: all commercial related; G&A: all enabling functions

Operating with Integrity and Ethics

We are steadfast in our commitment to operating our business in proper manner. Our adherence to our core values (Patients First, Trust, Integrity & Quality) compels us to operate with honesty, openness, and as a global corporate citizen. This includes product quality, sourcing from partners who share our commitment to social and environmental responsibility, data privacy and security, strong governance of our ESG issue and ethically operating our business.

PRODUCT QUALITY

Quality is one of the core values of the Group, it is critical to ensure patients and their physicians that Brii Bio's medicines are produced and administered with the highest quality standards possible. As a biotech company that places a premium on drug quality, Brii Bio has established a quality management system and invested heavily to ensure the quality management of drugs during the whole life cycle - including across manufacturing and supply, with enhanced oversight for the proper use of our medicines.

During the Reporting Period, the Group was not aware of any violations to any laws and regulations related to the health and safety, advertising, labeling and privacy matters of our products.

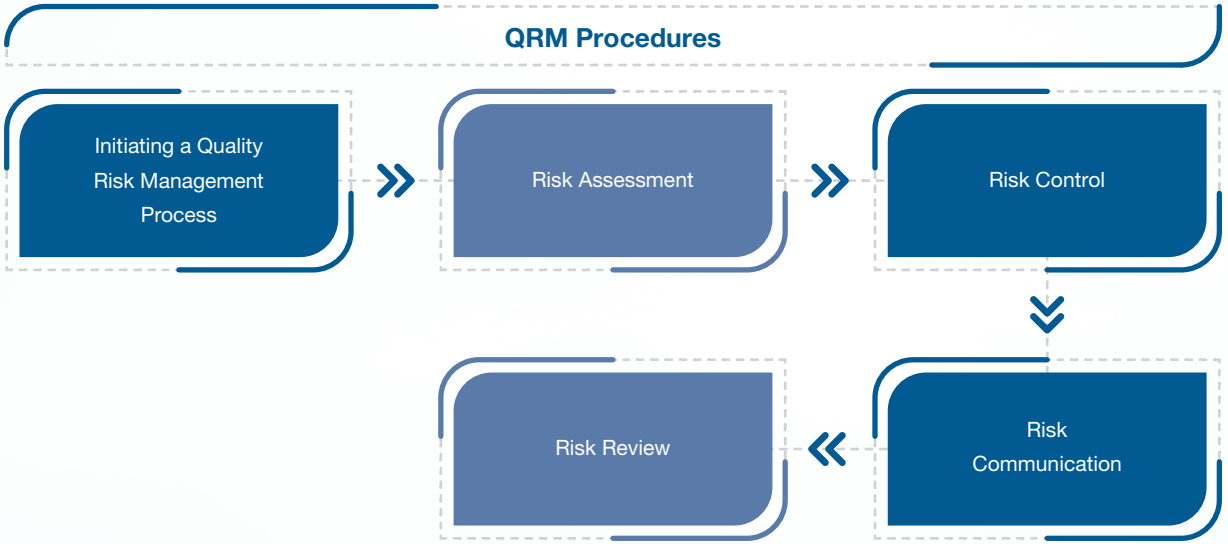
Product Quality Governance Structure

The Group has a professional quality management team which is responsible for the quality control and quality assurance management of each subsidiary. The Group has implemented a Quality Council to serve as a governance body to support corporate quality activities. The Quality Council is composed of Quality Assurance leadership, members of executive team including the CEO, CMO, CTO as well as department heads of key functional areas with regulated processes, e.g. clinical operations, manufacturing, nonclinical, information technology, pharmacovigilance and others. The Quality Council meets quarterly, at a minimum, in order to review the status of ongoing quality initiatives, key metrics such as vendor auditing, training, results of inspections and corrective/preventive actions. Regular review by the Quality Council is a means for ensuring the Group's commitment to quality is implemented across the organization.

Product Quality Management

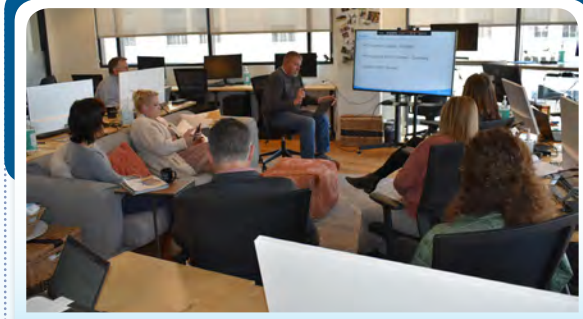
In order to build a quality-resilient supply chain, QA Audit standard operating procedure outlines the steps for planning, conducting, reporting, and closing GxP (including GCP, GLP, GMP, etc.) audits that we conduct. The QA Audit specifies the responsible positions (quality assurance head, lead auditor and auditee) and their responsibilities to ensure every detail of the quality audit is systematically managed.

As for potential risks that may occur during the development process, we also have developed a Quality Risk Management ("QRM") standard operating procedure, which includes all GxP activities in our Company and defines the quality risk management system to ensure that the potential risks are assessed, controlled, communicated and reviewed at Brii Bio. QRM is also used for identifying and prioritizing areas for continuous improvement. And as our commercialization evolves, so will our quality control.



Employee Quality Training

We highly value the continuous enhancement of quality awareness and the strengthening of our quality culture. The Group has developed a Training standard operating procedure to describe the procedures involved in the training program for persons engaged in GxP and other regulated activities at Brii Bio. We have also carried out targeted quality training according to the needs of each department and position to ensure that the project is implemented as planned. New employees participate in the on boarding training matrix, and in-service employees undergo a training matrix, covering guidance and training in teaching the skills, knowledge, and competencies needed for employees during daily work. After the training, an Individual Training Record has been provided to record training information to ensure that every employee maintains quality and safety awareness.



Internal Quality Training Session

Product Complaints and Recalls

In order to clarify the product complaint and recall process and improve the quality of products and services, the Group has developed a Product Quality Complaints and Recall of Investigational Medicinal Products standard operating procedure which describes the process for intake, distribution, evaluation, and closure of Product Quality Complaints (PQCs) for clinical trials and drugs. During the Reporting Period, no products were sold or shipped that had to be recalled for safety and health reasons, nor were there any customer complaints about our products and services.

Intake

- PQC Intake Form is provided
- Clinical Operations receives and reviews PQC Intake Forms for completness and queries the clinical site as necessary

Distribution

- Clinical Operations sends the PQC Intake Form to QA, Clinical Research/ Medical Monitor. Pharmaceutical Sciences, and Pharmacovigilance (if applicable)

Evaluation

- QA assigns a unique number to the PQC for reference and tracking
- QA establishes a PQC Investigation file and leads a team of individuals to discuss, agree and execute the PQC investigation plan

Closure

- QA provides a written response to the complainant with the results of the investigation
- Clinical Operations ensures any communication with clinical site(s)
- Regulatory Affaris ensures reporting of PQCs to the appropriate regulatory authorities
- The PQC Investigation file is retained by QA and store in hte QA Box folder

SUPPLY CHAIN MANAGEMENT

Brii Bio collaborates with suppliers who share our high ethical standards and our values in sustainability and be socially and environmentally responsible. Throughout the life cycle of engaging suppliers – from qualification assessment to auditing and evaluation – we uphold the principles of openness and fairness. We utilised our Purchase Process as a guideline for business activities with non-GxP suppliers, as well as Supplier Selection and Supplier Qualification to select, maintain, and retain our GxP suppliers in all respects, including the management of social and environmental risks that may arise from suppliers.

In 2022, we have started to develop our *Supplier Code of Conduct* which stipulates our requirements for continued cooperation, which details our requirements in areas such as business ethics and anti-corruption, labour rights, health and safety, quality, and environment to provide a reference for the daily management of suppliers. The *Supplier Code of Conduct* will implement officially in 2023. By continuously driving improvement of our supply chain management with enhanced communication with suppliers and partners, we strive to ensure the long-term sustainability, viability, and quality of the products we provide.

Brii Biosciences' Supplier Code of Conduct

Striving to ensure that our supply chain management contributes to enhance sustainability practices

Key points from our Supplier Code of Conduct

Environmental, Health and Safety Management

- Strict adherence to environmental, health, and safety laws and regulations in each country and operating region.
- A healthy, secure, environmentally friendly, and pleasant workplace

Business Ethics and Compliance

- Governance that is transparent and honest, with zero tolerance for corruption and bribery
- Compliance with all applicable antitrust and fair competition laws and regulations
- Compliance with data privacy regulations in every applicable country and region

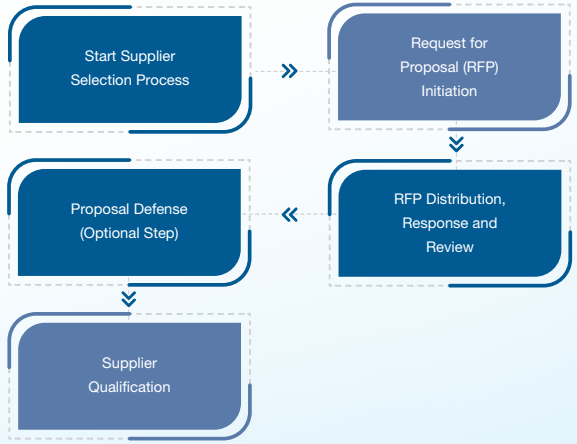
Employee Rights

- Promotion and protection of human rights, including the abolition of all forms of slavery, forced labor, and child labor
- Respecting the right of employees to join independent trade unions, engage in collective bargaining and exercise freedom of association
- Providing a workplace that is free of harassment and discrimination

Robust Supplier Selection Process

When a new supplier is considered, the Head of the Outsourcing Functional Area initiates the supplier selection process by identifying the members of the supplier evaluation team with the requisite expertise who should guide supplier selection. Prospective suppliers' quality, industry experience, labor management, and environmental and social credentials will be evaluated by the supplier evaluation team according to a comprehensive procedure. Suppliers must be strictly reviewed before being listed in our supplier list.

Brii Bio's Supplier Selection Process



As the final step in our Supplier Selection Process, we conduct a rigorous supplier qualification check to ensure that our suppliers meet our stringent standards. We divide suppliers into three categories based on the nature of the services they provide. Different suppliers would be evaluated appropriately, and their qualification status are documented as necessary.

Tier 1 suppliers

- Goods or services are regulated by a regulatory health authority body and have a direct impact on a study, subject safety, or data integrity

Tier 2 suppliers

- Goods or services are rregulated by a regulatory health authority body but do not have a direct impact on a study, subject safety, or data integrity

Tier 3 suppliers

- Goods or services are not regulated by a regulatory health authority body

Supplier Assessment and Evaluation

Throughout our partnership, the QA team conducts requalification checks on approved suppliers, assigning requalification periods based on the tier level and past performance of the supplier:

Categories	Assessment Method	Assessment Requirements
Tier 1 suppliers	On-site or remote auditing	Routinely audited at least once every two years from the date of the previous audit; Suppliers that exhibit non-compliance that requires issue escalation may be audited more frequently
Tier 2 suppliers	Evaluated by a questionnaire customized to the activities to be outsourced	Routinely audited at least once every three years; Suppliers that exhibit non-compliance that requires issue escalation are then evaluated based on Tier 1 supplier requalification requirements
Tier 3 suppliers	Not subject to QA audit	Not subject to routine audit

Subsequently, the quality and performance of the suppliers are evaluated by our QA and Procurement teams, respectively. Suppliers are rated on a scale from 1 to 5, with a score of 3 indicating “meeting expectations.” Those scoring below 3 are reported to Quality Assurance for re-evaluation or termination.

During the Reporting Period, the Group had a total of 250 suppliers, 178 and 72 suppliers were from China and Non-China region respectively. All suppliers in China and US were managed in accordance with our supply chain management related policies and practices.

BUSINESS ETHICS

Integrity is one of our core values. The Group's primary aspiration is to deliver positive impact on patients, public health and society. The Company adheres to the business values of integrity, fairness, openness and transparency, and win-win cooperation. We invest in medicines that have the potential to make a profound difference in many peoples' lives. We will not leave patients behind, and we will continue our work to ensure patient safety and benefit always come ahead of profit.

We maintain "zero tolerance" for corruption and implement the requirements of promoting employees' compliance with integrity and regulations throughout our entire operation to foster a culture of honesty and integrity. During the Reporting Period, the Group was not involved in any litigations of corruption or bribery.

Business Ethics Management

We have formulated and will continue to maintain stringent anti-corruption policies to ensure compliance with applicable laws and regulations. For instance, we have established an Anti-Bribery and Anti-Corruption Policy, which specifies that all forms of corruption and bribery are strictly prohibited in business operations and mandates that all Company employees comply with applicable laws and ethical standards when interacting with various stakeholders. In addition, we have implemented our Medical Interaction and Promotion Policy, which outlines the compliance framework for medical interactions with healthcare professionals, medical institutions, and the promotion of pharmaceutical products, and ensures that such activities are transparent, clearly accounted for, and conducted by applicable laws, industry guidelines, and best practices. In 2022, we have newly established the Supplier Code of Conduct to regulate our suppliers' business ethics performance.

Anti-corruption Training

The Company focuses on the development of a compliance culture and compliance training and education, actively implementing business ethics education and training to all employees (including the Board of Directors and senior management). We conducted a number of online and offline integrity-focused compliance training. The trainings were administered by means of the Compliance Wire System. All employees have access to the system that provides compliance-related training and tasks. Employees are typically required to pass post-training examinations to demonstrate their comprehension. Additionally, seasoned legal professionals provided offline training for employees in accordance with the applicable laws and regulations in our operating regions, with the goal of enhancing employees' awareness of compliance with laws and ensuring a high level of business ethics within the Company.

During the Reporting Period, the Group was not aware of any non-compliance with any laws and regulations on bribery, extortion, fraud and money laundering.

2022:

13hours

Directors Participated in Compliance Trainings organized by Brii Bio

85hours

Employees Participated in Compliance Trainings organized by Brii Bio

Whistleblowing Channels

In order to collaborate with internal and external parties to jointly monitor compliance and the implementation of business ethics and to foster an environment of operating in good faith, the Group has formulated the Whistleblowing Policy, which specifies the investigation process of whistleblowing to strengthen business anti-corruption management and prevent corruption, fraud, and any other misconduct against the Company's interests. All employees can submit complaints in their real name or anonymously through the following methods, including telephone and website. Moreover, anyone may submit reports to our Compliance department, Chief Financial Officer, General Manager, Chief Executive Officer, Human Resources department, or via the finance hotline. The Legal, Compliance, and Human Resources departments will process the complaint based on the nature of the issue the whistleblower brought to their attention.

Hotline:

China (Southern) 10-811

China (Northern) 108-888

At the English prompt dial (833) 945-3455.

Website:

https://secure.ethicspoint.com/domain/media/zhs/gui/81183/index.html

Protection of the Whistleblowers

The Company protects the legitimate rights and interests of all individuals and organizations who report legal and regulatory violations to the report acceptance department in accordance with the law. We have formulated the Whistleblowing Policy, which stipulated that the department accepting the report must keep the report's contents and the whistleblower's information strictly confidential. Besides, various forms of retaliation against the whistleblower and the witness, as well as any violation of their legitimate rights and interests, shall be strictly prohibited. If the event that a person has a conflict of interest regarding the complaint, he or she will recuse themselves from the entire procedure.

RESPONSIBLE MARKETING

We formulated the Medical Interaction and Promotion Policy to set forth a compliance framework for medical interactions with healthcare professionals, medical institutions, and the promotion of pharmaceutical products, and to ensure that such activities are transparent, clearly accounted for and provided in accordance with applicable law, company policy, industry guidance and best practices. We give drug information, support medical and health professionals in rational drug usage, and deliver cutting-edge scientific and educational content throughout discussions with medical and health professionals.

During the Reporting Period, the Group was not aware of any non-compliance with any laws and regulations relating to the marketing of our products.

DATA PRIVACY AND SECURITY

Information security and privacy protection are essential to operational compliance and core-competency for any modern business. We have established Information Security Policy and a series of standard operating procedure to manage the user access authority of specific data and information, data security and intranet security. We have implemented a professional firewall and anti-virus program to prevent any malicious intrusions.

During the Report Period, the Group was not aware of any non-compliance with any laws and regulations on data privacy and security.

Protection of Commercial Information Security

In order to safeguard the security of confidential commercial information, including the collection, use, and disclosure of information about patients and trial subjects are strictly regulated. Brii Bio has zero tolerance for non-compliance with our compliance with our confidentiality policies. Each trial subject must sign the informed consent form before the trial to ensure that they are aware of the trial's purpose, specifics, and risks. Each of our employees must sign a confidentiality agreement upon joining the Group to protect the privacy of our patients. For our US office, we created a separate Brii Bio WiFi network within the WeWork WiFi network to make Brii Bio more secure.

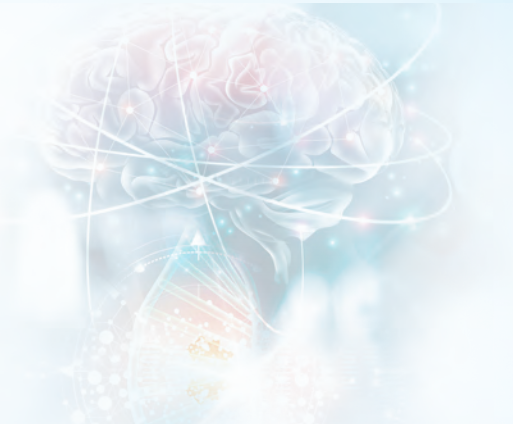
Dedicated Training

The Company focuses on increasing employees' awareness of information security. We increase employees' awareness and capability of information security and privacy protection by organizing information security training courses. In addition, the Company's partner staff and consultants must be informed of the Brii Bio policy to understand the related information security guidance.

Liver Fibrosis in the Era of Translation Medicine

How to prevent Covid-19 in HBV patients

Promoting Environmental Sustainability



As a responsible company with a long-term prospect, we strive to improve our resource management and climate actions on a regular basis. In order to fulfill our long-term goals and ensure long-term growth of the communities we try to support, we must practice environmental sustainability. In order to reduce our influence on the environment, we have created Office Rules to encourage eco-friendly habits in the workplace.

GREEN OPERATIONS

Our business nature is mainly research and development in pharmaceutical industry. Since the Group outsources the third-party original equipment manufacturer (OEM) to be responsible for the drug's production, the daily operation of the office does not involve any manufacturing process, and the impact on the environment and natural resources is also very slight. During the Reporting Period, the Group had no violations of relevant laws and regulations on environmental protection which are material to our business operation, including laws and regulations on air and greenhouse gas emissions, discharges into water and land (where applicable), and generation of hazardous and non-hazardous waste (where applicable).

Emission Target

We aim to establish a carbon emission management system and strive to reduce carbon emissions year by year.

- Improve on environmental management and related data tracking and collecting procedures.
- Increase employee training and raise awareness of our carbon reduction goals.

Waste Reduction Target

We strive to further enhance our waste management, and increase the percentage of waste properly class ified, recycled and disposed of.

- Increase advocacy and awareness on waste classification and disposal process.
- Provide waste management training to employees and contract workers.

Energy Efficiency Target

We aim to continuously monitor our office energy consumption, and improve office energy efficiency year by year.

- Increase promotion of energy saving practi ces and raise awareness of our energy efficiency target.
- Designate on-site engineer to monitor and check on air conditioning system and lighting daily to avoid unnecessary energy waste.

Water Efficiency Target

We strive to keep monitoring our office water consumption and gradually Increase water efficiency.

- Put up signs around the office to increase awareness of water usage at the office.
- Take meter readings regula rly and check for hidden leaks.

At our offices in Beijing and Shanghai, we recognize the importance of environmental protection and have taken steps to minimize our impact on the environment. We are committed to adhering to the concept of green business and strive to ensure that our daily operations have limited environmental impact. To this end, we closely monitor our waste production, wastewater discharge, energy and water use, and greenhouse gas emissions. Our Office Rules address proper waste disposal, energy and water conservation, and green office practices. We designate staff to serve as environmental stewards, ensuring that our environmental objectives are met.

Moreover, we have set up four environmental targets that aim to improve our emission levels, water efficiency, and waste reduction respectively. The Board has discussed and approved these targets, and we have implemented appropriate solutions to achieve them. These targets and measures serve as crucial drivers for us to continuously improve our green office procedures. As we continue our journey towards a sustainable future, we recognize that our commitment to green operations is critical for our responsibility towards the environment and our community.

Energy Saving

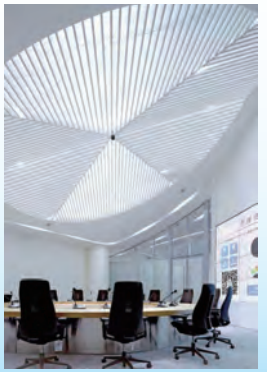
Purchased electricity used in our offices is the main source of energy consumption. During the Reporting Period, our electricity consumption from offices in Beijing and Shanghai was 138,516 kWh in total, and the average electricity consumption per person was 1,823 kWh/person[5]. It experienced a decrease of 3.92% in total electricity consumption compared with 2021. This is the result of our commitment to implementing energy-saving measures. We have several measures to enhance our energy efficiency, for example, we promote the use of LED lights and appliances with energy saving labels; arrange engineer to undergo on site-checking to control lighting and air-conditioning for maximized energy efficiency; install seals on doors and windows to avoid the release of temperature-controlled air; encourage employees to turn off electronic devices before leaving; allow employees not to wear ties and full suits in hot weather to reduce the use of air conditioning; use a timer or turn off the printer completely during non-working hours.

Carbon Reduction

We encourage the use of online meetings to reduce unnecessary business travel and encourage our staff to use public transport to reduce GHG emissions to decrease our carbon footprint and increase awareness of climate-related issues. By facilitating a workplace that encourages green and low-carbon development, we hope to inspire and motivate our staff to take on the duty of reducing our carbon footprint. In 2022, our GHG emission was 80.48 tons of carbon dioxide equivalent, which is mainly attributed to Scope 2 emission resulting from electricity purchased.

Beijing Office Energy Saving Design

Utilizing natural lighting, our Beijing office was designed with a low energy consumption goal in mind. We install window coverings with light sensors so they would adjust themselves based on the amount of daylight. Switchable smart glass is used in some walls to reduce energy usage and heat loss. A grille ceiling provides for a lot of natural light, which lowers the need for additional lighting fixtures.



[5] The intensity of values only involved the number of employees in China office.

Water Management

Our water usage and wastewater discharge mainly result from office water consumption. During the Reporting Period, total water consumption from our Beijing and Shanghai offices was 2,836 tons, and water consumption intensity was 37.31 tons per person[5]. It experienced a decrease of 52.40% in total water consumption compared with 2021. This is the result of our commitment to implementing water-saving measures.

Our water source comes from the local waterworks. During the Reporting Period, the area where the Group is located did not have any problems in obtaining water for use, and there was a stable water supply system. Regular meter readings are used to carefully track our consumption, and the pressure is changed to prevent wasted usage. As a result, our discharge is kept under control. We have several water saving measures including taking a meter reading regularly to check for hidden leaks; using toilets with infrared sensing and water saving labels; posting water saving reminder stickers in each toilet to raise staff water saving awareness.

Waste Management

Waste management is another key area for us to reduce our environmental footprint. Our waste generation mainly comes from office waste generated from daily operations. During the course of business operation, we do not create hazardous waste. During the Reporting Period, a total of 22.76 tons of non-hazardous waste was generated by our Beijing and Shanghai offices, averaging 0.30 tons per person[5]. It experienced an increase of 151.77% in waste generated compared with 2021 mainly due to the expansion of businesses and Shanghai office moved from public co-working office to own office at the end of 2021.

We strictly adhere to waste classification regulations in Beijing and Shanghai, where our offices are located, and set up designated trash bins in our offices for recyclables, perishable biomass waste, and other waste, with classification instructions posted for our employees. Since our business model focuses on research and solution advancement, the packaging material does not applicable to our business operations and is therefore not disclosed.

In order to reduce waste generation, we have implemented various waste reduction measures. For example, we provide a waste sorting bin for staff to recycle wastepaper, metal and plastic; promote saving paper and printing on both sides; reduce the use of disposable and non-recyclable products; take advantage of online business management system and email to reduce unnecessary printing; reuse some office supplies such as envelopes, binders, file cards and other stationery.

RESPONDING TO CLIMATE CHANGE

In active response to China's emissions pledge to the United Nations that aims to peak carbon dioxide emissions before 2030 and reach net zero by 2060, the Group actively responds to the national call to promote low-carbon business and attaches great importance to the impact of its own business on climate and environment. We are committed to reducing carbon emissions during the Group's operations and identify climate change issues that may have a significant impact on Brii Bio through regular review of our business operations. Hence, we have assessed our exposure to climate risks and incorporated climate actions into our green operations management. During the Reporting Period, we identified six climate-related risks including transition and physical risks and developed relevant response measures. In future, we are committed to understanding the impact of climate change on our business and examining the risks and opportunities more comprehensively and in-depth. Also, we plan to align with the Task Force on Climate-related Financial Disclosure (TCFD) framework by following its methodologies and conducting risk identification to disclose our climate-related financial information.

Climate Change Risk	Risk Description	Response Measures
Transition Risk – Reputation	Changing community perceptions of an organization's contribution to or detraction from the transition to a lower-carbon economy	• Keep up-to-date with climate disclosure requirements • Strengthen climate disclosure and enhance communications with stakeholders
Transition Risk – Policy	Implementation of carbon-pricing mechanisms	• Stay up-to-date on climate-related laws and regulations to take timely actions • Explore opportunities related to emissions trading
Transition Risk– Legal	• Climate-related regulation and litigation • Enhanced emissions-reporting obligations	
Transition Risk – Market	Increased cost of raw materials resulting from shifts in supply and demand for certain commodities, products, and services	• Continue to improve supplier risk assessment and management • Enhance monitoring of international raw material price trends
Acute Physical Risk	Acute and chronic physical risks include increased severity of extreme weather events and long-term shifts in climate patterns	• Pay close attention to weather forecasts and alert employees timely in case of extreme weather events • Develop extreme weather emergency response plans
Chronic Physical Risk		

APPENDIX I: SUSTAINABILITY DATA SUMMARY[6]

The following is the summary of the sustainable development information of the Reporting Period in the environmental aspect:

Environmental Aspect[7]	Unit	2022
Greenhouse Gas Emissions[8]		
Direct greenhouse gas emissions (Scope 1)	tons of CO2e	0
Indirect greenhouse gas emissions (Scope 2)	tons of CO2e	80.48
Total greenhouse gas emission (Scope 1 and 2)	tons of CO2e	80.48
Greenhouse gas emission intensity per employee (Scope 1 and 2)	tons CO2e/employee	1.06
Waste		
Total generated non-hazardous waste	tons	22.76
Non-hazardous waste intensity (per employee)	tons/employee	0.30
Paper Consumption		
Paper consumption	kg	905.63
Paper consumption intensity (per employee)	kg/employee	11.92

6 The statistical methods used for the sustainability data disclosed in the Report are consistent compared to last year.

7 The environmental data of US office would be provided and calculated in the future.

8 The Greenhouse Gas Protocol is made by reference to the Greenhouse Gas Protocol published by the World Resources Institute and the World Business Council for Sustainable Development, and the ISO 14064 of Greenhouse Gas Emissions Standard by the International Organization for Standardization.

Environmental Aspect[7]	Unit	2022
Energy Consumption		
Total electricity consumption	MWh	138.52
Total electricity consumption intensity (per employee)	MWh/employee	1.82
Water Consumption		
Total water consumption	Cubic meter	1,578.00
Total water consumption intensity (per employee)	Cubic meter/employee	20.76

The following is the summary of the sustainable development information of the Reporting Period in the social aspect:

Social Aspect	Unit	2022
Number of Employees		
Total number of employees	person	146
Total Number of Employees (by Gender)		
Female	person	97
Male	person	49
Total Number of Employees (by Employee Category)		
Middle management	person	43
Corporate executive level	person	12
Other ranking	person	91
Total Number of Employees (by Age Group)		
Aged below 30	person	11
Aged 30-40	person	53
Aged 41-50	person	41
Aged over 50	person	41

Social Aspect	Unit	2022
Total Number of Employees (by Geographical Region) [9]		
China	person	82
USA	person	64
Employee Turnover Rate [10]		
Employee turnover rate	%	21.92
Employee Turnover Rate (by Gender) [10]		
Female	%	12.37
Male	%	40.82
Employee Turnover Rate (by Age Group) [10]		
Aged below 30	%	18.18
Aged 30-40	%	26.42
Aged 41-50	%	26.83
Aged over 50	%	12.20
Employee Turnover Rate (by Geographical Region) [9, 10]		
China	%	26.83
USA	%	15.63

[9] Regions are mainly classified based on factors such as different types of businesses of the Group, different stages, and the volume of business in cities.

[10] The calculation of turnover rate for the Reporting Period is Employee turnover rate = (Number of departed employees during the Year under the category / Number of departed employees during the Year under the category) x 100%.

Social Aspect	Unit	2022
Occupational Health and Safety		
Work-related fatalities in the last 3 years (including the reporting year)	person	0
Rate of work-related fatalities	%	0
Lost days due to work-related injuries	day	0
Development and Training		
Percentage of Employees Trained by Gender [11]		
Female	%	66.44
Male	%	33.56
Percentage of Employees Trained by Employee Category [11]		
Middle management	%	29.45
Corporate executive level	%	8.22
Other ranking	%	62.33
Percentage of Employees Trained by Employee Function [11]		
R&D	%	60.96
M&S	%	9.59
G&A	%	29.45

[11] The percentage of employees trained for the Year is calculated as the number of employees trained by each category ÷ the total number of employees trained x 100%.

Social Aspect	Unit	2022
Average Training Hours of Employees by Gender[12]		
Female	hour	52.46
Male	hour	49.26
Average Training Hours of Employees by Employee Category[12]		
Middle management	hour	47.69
Corporate executive level	hour	43.13
Other ranking	hour	54.22
Average Training Hours of Employees by Employee Function[12]		
R&D	hour	53.87
M&S	hour	68.68
G&A	hour	40.63

[12] The average training hours of employees for the Year is calculated as the total number of training hours of employees by each category ÷ the number of employees by each category.

APPENDIX II: COMMUNICATION BETWEEN BRII BIO AND STAKEHOLDERS

Major Stakeholders	Communication Channels
Board of Directors	• Board and executive team meetings • Information disclosure
Employees	• Internal and external training • Work performance assessment • Employee activities and team building • Publications (e.g. Employee Newsletter)
Patients	• Patient surveys • Educational program
Investors and Shareholders	• General meetings of shareholders/investors • Information disclosure • Regular teleconferences • Mailbox • Roadshows
Industry Associations	• Routine meetings of industry experts and doctors • Industry exchanges and seminars • Project cooperation • Educational programs

Major Stakeholders	Communication Channels
Businesses Partners	• Open tending and bidding process • Industry seminars/meeting • General visits/meetings
Government and Regulatory Agencies	• Regular supervision checks • Official document release • Policy implementation • Information disclosure
Suppliers	• Supplier evaluation • Field onsite inspections • Daily communication
Media	• Information disclosure • Product release • Meetings
Community & Public	• Volunteering and community activities • Media communication and interviews • Contributing to epidemic control • Participating in community construction

APPENDIX III: HKEX GUIDANCE, SASB STANDARDS AND BIOPHARMA GUIDANCE 4.0

Table A: Index Table of HKEX ESG Reporting Guide

A. Environmental			Related Section(s)
A1:Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	6. Promoting Environmental Sustainability
	A1.1	The types of emissions and respective emissions data.	We do not have air emissions during our business operations and air emissions are therefore not disclosed
	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).	6.1 Green Operations Appendix I: Sustainability Data Summary
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	We do not generate hazardous waste during our business operations and the related data is therefore not disclosed
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	6.1 Green Operations Appendix I: Sustainability Data Summary
	A1.5	Description of emission target(s) set and steps taken to achieve them.	6.1 Green Operations
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	6.1 Green Operations

A. Environmental			Related Section(s)
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	6. Promoting Environmental Sustainability
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	6.1 Green Operations Appendix I: Sustainability Data Summary
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	6.1 Green Operations Appendix I: Sustainability Data Summary
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	6.1 Green Operations
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	6.1 Green Operations
	A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	The Group outsources the packaging services of finished products to the contract development and manufacturing organization (CDMO). Since the scope of environment data only covers the Group and this KPI is therefore not disclosed.

A. Environmental			Related Section(s)
A3: The Environment and Natural Resources	General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	6. Promoting Environmental Sustainability
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	6. Promoting Environmental Sustainability
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.	6.2 Responding to Climate Change
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	6.2 Responding to Climate Change

B. Social			Related Section(s)
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.	4. Empowering our Employees
	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	4. Empowering our Employees Appendix I: Sustainability Data Summary
	B1.2	Employee turnover rate by gender, age group and geographical region.	4. Empowering our Employees Appendix I: Sustainability Data Summary
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.	4.2 Occupational Health and Safety
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	4.2 Occupational Health and Safety Appendix I: Sustainability Data Summary
	B2.2	Lost days due to work injury.	4.2 Occupational Health and Safety Appendix I: Sustainability Data Summary
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	4.2 Occupational Health and Safety

B. Social			Related Section(s)
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	4.3 Talent Development and Training
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	4.3 Talent Development and Training Appendix I: Sustainability Data Summary
	B3.2	The average training hours completed per employee by gender and employee category.	4.3 Talent Development and Training Appendix I: Sustainability Data Summary
B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	4. Empowering our Employees 4.1 Diversity, Equity, and Inclusion Workplace
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	4.1 Diversity, Equity, and Inclusion Workplace
	B4.2	Description of steps taken to eliminate such practices when discovered.	4.1 Diversity, Equity, and Inclusion Workplace

B. Social			Related Section(s)
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	5.2 Supply Chain Management
	B5.1	Number of suppliers by geographical region.	5.2 Supply Chain Management
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	5.2 Supply Chain Management
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	5.2 Supply Chain Management
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	5.2 Supply Chain Management

B. Social			Related Section(s)
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.	3. Patient Advocacy Initiatives 2.2 Access to Medicines 5.1 Product Quality 5.4 Responsible Marketing 5.5 Data Privacy and Security
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	5.1 Product Quality
	B6.2	Number of products and service related complaints received and how they are dealt with.	5.1 Product Quality
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	2.1 Commitment to Research with Innovation
	B6.4	Description of quality assurance process and recall procedures.	5.1 Product Quality
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	5.5 Data Privacy and Security

B. Social			Related Section(s)
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.	5.3 Business Ethics
	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.	5.3 Business Ethics
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	5.3 Business Ethics
	B7.3	Description of anti-corruption training provided to directors and staff.	5.3 Business Ethics
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.	3. Patient Advocacy Initiatives
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	3. Patient Advocacy Initiatives
	B8.2	Resources contributed (e.g. money or time) to the focus area.	3. Patient Advocacy Initiatives

Table B: Reporting Principles of HKEX ESG Reporting Guide

HKEX ESG Reporting Principle	The description of the application by the Group	Related section(s)
Materiality	The Report has identified and disclosed the process of determining material ESG factors and the criteria for relevant selection, as well as the description of key stakeholders and the process and results of stakeholder engagement. Due reference has been made on the 12 high-priority ESG topics referred under the Biopharma Investor ESG Communications Guidance 4.0.	1.6 Sustainability Governance and Strategy
Quantitative	The statistical standards, methodologies, assumptions and/or calculation tools as well as the sources of conversion factors used in reporting emissions in the Report, are stated in the Report.	Appendix I: Sustainability Data Summary
Balance	The Report presents the Group's performance during the reporting period in an impartial manner, avoiding choices, omissions or presentation formats that may unduly influence readers' decisions or judgments.	All sections of the Report
Consistency	Unless otherwise stated, the statistical methods used for the data disclosed in the Report are consistent compared to last year. Any changes will be clearly stated in the Report.	Appendix I: Sustainability Data Summary

Table C: SASB Materiality Map of Biotechnology & Pharmaceutical Industry

Material issues recommended by SASB in Biotechnology & Pharmaceuticals	Relevant identified ESG material issues of the Group
Human Rights & Community Relations	Clinical Trial Standard, Community Investment and Development
Access & Affordability	Access to Drugs, Drug Affordability
Product Quality & Safety	Product Safety and Quality
Customer Welfare	Patient Relationship
Selling Practices & Product Labelling	Responsible Marketing
Employee Engagement, Diversity & Inclusion	Diversity and Inclusion
Supply Chain Management	Supply Chain Management
Business Ethics	Code of Business Conduct and Anti-Corruption

Table D: High-priority ESG Topics of Biopharma Investor ESG Communications Guidance 4.0

Shared High-priority ESG Topics for the Biopharma Sector	Relevant identified ESG material issues of the Group
Access to Healthcare and Medicine Pricing	Access to Drugs, Drug Affordability
Business Ethics, Integrity, and Compliance	Code of Business Conduct and Anti-Corruption
Climate Change	Climate Change Risk
Clinical Trial Practices	Clinical Trial Standard
ESG Governance	Corporate Governance
Environmental Impacts	Emission Management, Green Office, Resource Consumption
Human Capital Management	Employment, Diversity and Inclusion, Employee Education and Training, Employee Benefits and Remuneration
Innovation	Technology and Innovation
Pharmaceuticals in the Environment and Antimicrobial Resistance	N/A
Product Quality and Patient Safety	Product Safety and Quality
Risk and Crisis Management	N/A
Supply Chain Management	Supply Chain Management

APPENDIX IV: LIST OF APPLICABLE LAWS AND REGULATIONS

We strictly comply with the following laws and regulation but not limited to during our operations:

Drug Administration Law of the People's Republic of China	Pharmaceutical Industry Standard of the People's Republic of China
Good Manufacture Practice ("GMP") of Pharmaceutical Products	U.S. Foreign Corrupt Practices Act of 1977
Good Clinical Practice ("GCP")	U.S. Bribery Act 2010
Good Laboratory Practice ("GLP")	Anti-Unfair Competition Law of the People's Republic of China
Good Pharmacovigilance Practice ("GPvP")	Criminal Laws of the People's Republic of China
Trademark Law of the People's Republic of China	Labour Contract Law of the People's Republic of China
Patent Law of the People's Republic of China	Provisions on the Prohibition of Using of Child Labor
United States Code-Title 35: Patents	Labor Law of the People's Republic of China
United States Code of Federal Regulations-Title 37: Patents, Trademarks, and Copyrights	Occupational Safety Law of the People's Republic of China
2016 Defend Trade Secrets Act in the U.S.	Occupational Safety and Health Act in the U.S.
1996 Economic Espionage Act in the U.S.	Environmental Protection Law of the People's Republic of China
Uniform Trade Secrets Act in the U.S.	The Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste
Cybersecurity Law of the People's Republic of China	The Federal Pollution Prevention Act of 1990 in the U.S.