



上海復旦張江生物醫藥股份有限公司
Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd.*
(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 1349)

2023

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



* For identification purpose only

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Environmental, Social and Governance Report

ABOUT THE ESG REPORT

Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd. hereby issues the 2023 Environmental, Social and Governance Report (the “ESG Report”) of the Group, to demonstrate the Group’s philosophy and practice for sustainable development and social responsibility to its stakeholders in both environmental and social areas.

For related information on corporate governance, please refer to the Corporate Governance Report.

Reporting Scope

The ESG report covers our main businesses for the period from 1 January 2023 to 31 December 2023 (the “reporting period”). The key performance indicators (“KPIs”) disclosed in the report cover Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd. (“Shanghai FDZJ”), Taizhou Fudan-Zhangjiang Pharmaceutical Co., Ltd. (“Taizhou FDZJ”) and Shanghai Tracing Bio-technology Co., Ltd. (“Shanghai Tracing”) for the reporting period.

There is no significant adjustment to the reporting scope as compared to the 2022 ESG Report included in the 2022 Annual Report of Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd.

Reference and Principles

This report is prepared in accordance with the *Environmental, Social and Governance Reporting Guide* set out in Appendix C2 to the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* and *Shanghai Stock Exchange Guidelines on the Self-regulation of Listed Companies No.1 – Standard Operation* issued by Shanghai Stock Exchange. The ESG report complies with the principles of “Materiality”, “Quantitative” and “Consistency”. The description on how to comply with the principles of “Materiality”, “Quantitative” and “Consistency” is as follows:

- **Materiality:** The Group determines material ESG issues by stakeholder engagement and materiality assessment, the process and results of which are detailed illustrated in the “Implement Responsible Governance” chapter;
- **Quantitative:** Information on the standards, methodologies and source of conversion factors used for the reporting of emission and energy consumption has been disclosed;
- **Consistency:** The statistical methods and KPIs are in consistency with those of the previous years.



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IMPLEMENT RESPONSIBLE GOVERNANCE

Governance Framework

We uphold the ESG management policy of sustainable development, incorporate ESG risks and opportunities into the Group's business strategy, and are committed to providing customers with safe and healthy products and providing employees with a safe and healthy working environment and scientific and practical training plans. We are also committed to establishing a transparent, standard and environmental-friendly supply chain and a positive industry environment.

The Group has established a top-down three-layer ESG management structure to properly manage ESG issues:

The Board of Directors	It is the top decision-making body, taking full responsibility for ESG strategy and reporting	<ul style="list-style-type: none">✓ Assessing, prioritising and managing material ESG issues and their risks on the business of the Group;✓ Developing ESG management policies, strategies and objectives;✓ Regularly assessing the Group's performance against relevant objectives;✓ Reviewing and approving the annual ESG report.
Senior Management	It organises the ESG Working Group to carry out relevant work pursuant to the ESG strategies made by the Board	<ul style="list-style-type: none">✓ Implementing ESG risk management and internal control system, and reporting to the Board about ESG trends, risks and opportunities;✓ Regularly reporting to the Board on the progress and achievement of ESG work;✓ Reporting the annual ESG report to the Board.
ESG Working Group	It is composed of the heads of each department of the Group	<ul style="list-style-type: none">✓ Implementing ESG strategies and policies made by the Board;✓ Carrying out ESG work according to the arrangement of senior management;✓ Preparing annual ESG report;✓ Reporting on the ESG working progress and annual ESG report to senior management.





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Stakeholders Engagement

We keep revising and improving the internal governance in accordance with the *Company Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies*, the *Rules for Stock Listing in Shanghai Stock Exchange STAR Market* and other laws and regulations. Independent directors and the Board of Supervisors monitor the daily operating and managing activities of the Company, providing a significant guarantee for the legal rights and interests of the Company and its shareholders, especially the minority shareholders. Interactive communication is carried out through a variety of channels, such as general meetings, investor hotline, investor mailboxes, Shanghai Stock Exchange E-interactions, etc. Consequently, the communication has been enhanced and transparent relationship has been established between the Company, shareholders, and investors. With attention attached to the comments and suggestions from investors, the Group will strive to reward investors.

We actively establish a diversified communication mechanism and communicate with various stakeholders to understand their opinions and suggestions on our sustainable performance and future development strategies.

Stakeholders	Governments and regulators	Shareholders and investors	Employees
Expectation and concerns	<ul style="list-style-type: none"> Compliance with laws and regulations Tax expense Product compliance Leading the healthy development of industry 	<ul style="list-style-type: none"> Operational compliance Return on investment Corporate governance Information disclosure 	<ul style="list-style-type: none"> Protection of employee rights and interests Career development channel Employee capacity training Healthy and safe working environment
Communication channels	<ul style="list-style-type: none"> Compliance management Proactive in tax payment Implementation of national policies Continuous R&D and innovation Risk analysis reporting Timely reporting adverse events Active participation in government projects 	<ul style="list-style-type: none"> Annual report, announcements, and circulars General meeting Results presentation Roadshows Investor meeting 	<ul style="list-style-type: none"> Employee satisfaction survey Regular meetings and trainings Employee care activities Internal communication platform



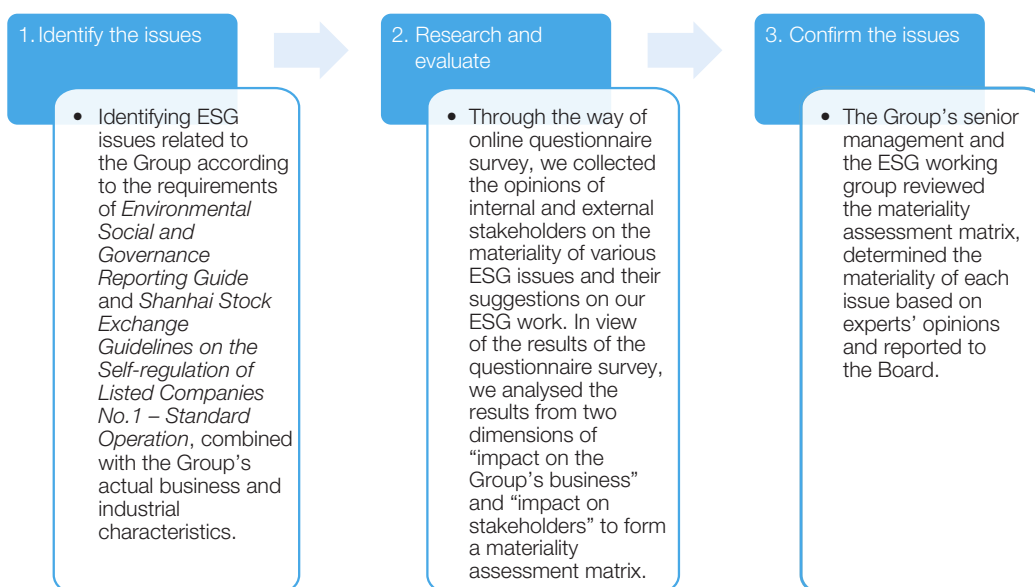
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Stakeholders	Distributors and consumers	Suppliers	Community	Environment
Expectation and concerns	<ul style="list-style-type: none"> Product quality and safety Protection of customer rights and interests Compliance promotion R&D and innovation Privacy protection 	<ul style="list-style-type: none"> Business ethics Win-win cooperation 	<ul style="list-style-type: none"> Promoting community harmony Improving public welfare awareness Poverty reduction 	<ul style="list-style-type: none"> Charitable activities Supporting farmers for poverty alleviation
Communication channels	<ul style="list-style-type: none"> Satisfaction survey Complaint channel On-site communication Academic seminar Proper information management 	<ul style="list-style-type: none"> Business visit Daily meeting Academic exchange conference 	<ul style="list-style-type: none"> Environment protection Improving energy efficiency Climate change mitigation 	<ul style="list-style-type: none"> Concentrating on environmental protection Energy conservation and emissions reduction Risk and opportunity identification

Materiality Assessment

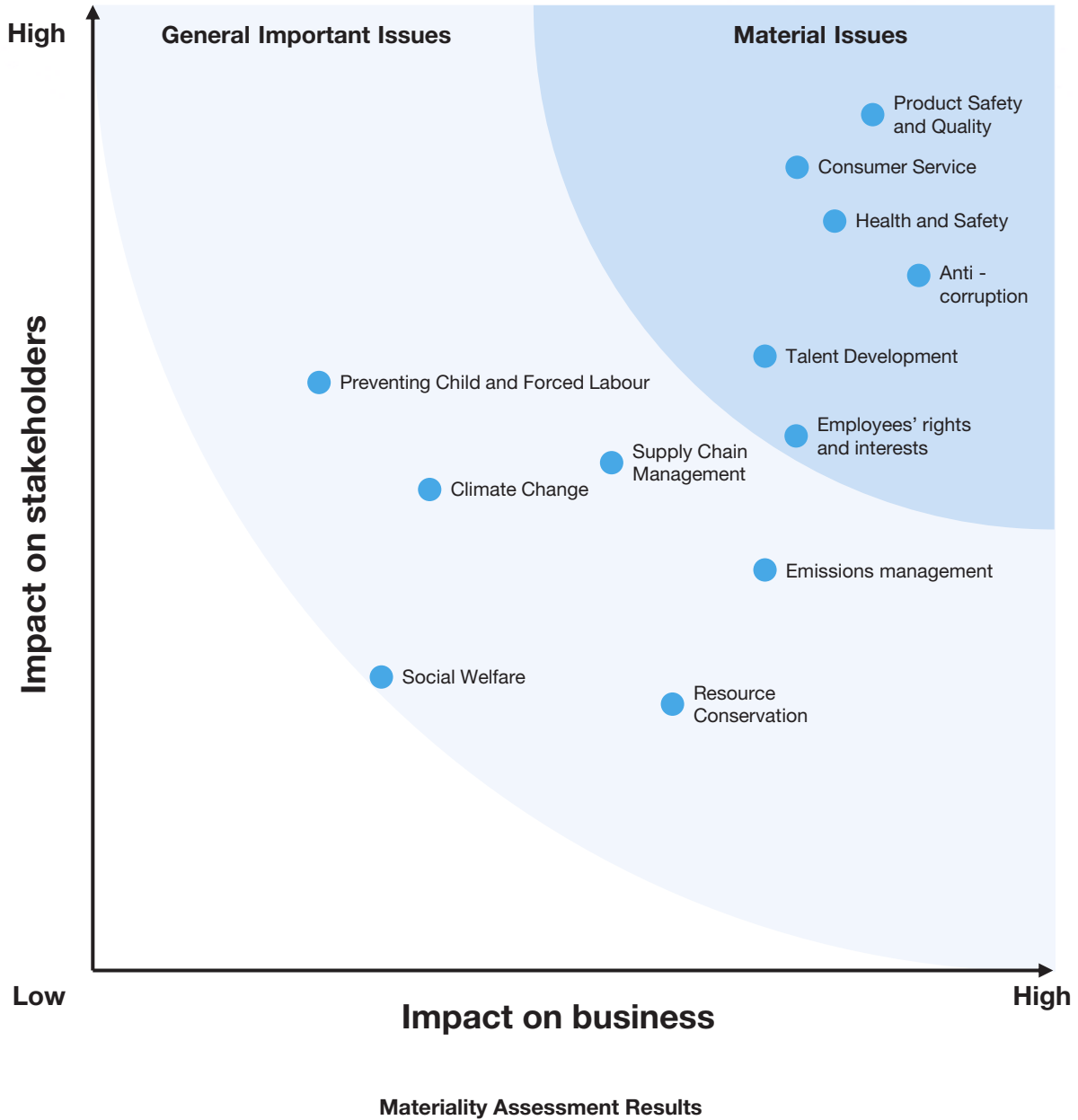
In 2020, we conducted a materiality assessment through the following steps to identify material ESG issues to guide the Group's ESG work:





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In 2023, the Group's senior management reviewed and discussed the materiality assessment results of 2020. As there were no significant changes in the business and operating environment, the results of 2020 are still applicable to us:





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ENSURE PRODUCT QUALITY

Full-Cycle Product Quality Control

With the tenet of “The More We Explore, the Healthier the People Will Be”, the Group constantly develops new drugs on multiple research and development platforms. To ensure product quality and safety, we are in strict compliance with the *Drug Administration Law of the People’s Republic of China*, the *Regulations for Implementation of the Drug Administration Law of the People’s Republic of China*, the *Law of the People’s Republic of China on Product Quality*, the *Good Manufacturing Practice for Drugs*, the *Administrative Measures for Reporting and Monitoring Adverse Drug Reactions* and other laws and regulations. In the past three years, the Group has not been involved in product quality and safety related warnings or penalties.

To guarantee product quality, we have developed a full set of Good Manufacturing Practice (“GMP”), quality management system according to the *GMP* and the principle of quality management. The system covers all the factors affecting medicine quality, including personnel, equipment, materials, production, testing, quality assurance, ongoing monitoring, etc., to provide guidelines for management and operation of every step and minimise risks such as pollution, cross contamination, confusion, and errors in drug production.

In the production process, we strictly control product quality which helps us win the market. The small-dose injection (antineoplastic drugs), bulk drug (Aminolevulinic Acid Hydrochloride), bulk drug (Hemoporphin), powders and freeze-dried powder injections have obtained GMP certificates from the China Food and Drug Administration.

Material and Product Inspection Management

According to the *GMP* and the *General Notice of Chinese Pharmacopoeia*, we have formulated the management procedure – *Material and Product Inspection*, to regulate inspection basis, requirements and result processing operation procedure for materials and products such as raw materials, packaging materials, intermediate products and finished products.

For materials and products, sampling inspection is carried out on site and physical and chemical inspection and microbiological inspection are finished in laboratory. Inspection procedures and related records should comply with GMP management regulations and relevant requirements in the *General Notice of Chinese Pharmacopoeia*. Inspection report should be prepared after inspection and quality certificate should be issued for finished products to ensure the quality of materials and products.

We strictly implement the *Materials and Products Destruction Management* developed according to the *GMP* to regulate and control the destruction procedure of materials and products.





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Quality Risk Control

We have established a sound quality risk management procedure which is applied to whole quality management in a systematic manner, and specified the product manufacturing process and responsibilities of every department, including supplier management, corrective and preventive measures, quality complaint, validation, production management, laboratory management, intermediate control, change control, etc.

- **Supplier management:** All suppliers which provide materials for the products to be marketed are audited. Only qualified and approved suppliers could provide products to the Group. For details of management measures, please refer to the Section “Improve Supply Chain Management”;
- **Material release management:** When receiving materials, Logistics Department is responsible for checking materials, and storing them according to specified conditions; Quality Management Department is responsible for sampling and testing, and finally determining whether the materials can be used;
- **Production and release management:** The Manufacturing Department ensures that the production is carried out in accordance with the product prescription and production process approved by the state, and that the production equipment, production operation, production and packaging environment meet the process requirements; stores the products under appropriate conditions after the production; carries out pharmacovigilance activities, gradually improve the pharmacovigilance system in daily work, and reports safety incidents in clinical trials to drug regulatory authorities in accordance with relevant laws and regulations; prevents any possible adverse drug reactions/incidents during the use of our drugs; collects, processes and reports post-marketing adverse drug reactions; timely transmits safety information related to drugs to regulatory authorities, patients, medical staff and the public to protect the rights and interests of patients; In addition, the Quality Management Department takes samples at key control points during production to test intermediate products or finished products; product release is decided by quality authorised personnel;
- **Return and recall:** Customers or distributors could file complaint or return products if they are not satisfied with the products in use or sales; the Group recalls the products in time if they find risks lying in products delivered to customers. During the reporting period, there was no product recall in the Group for safety and health reasons.

Innovative Technical Platform

We provide a steady stream of scientific and technological impetus for new drug innovation based on the following four fully advanced technical platforms:

- **Photodynamic technical platform:** We pay close attention to the trend of international scientific research. We have gradually set up the Photodynamic therapy (PDT) R&D platform, established a complete R&D system including photosensitiser synthesis and screening, research on indications and mechanism of action, process development, clinical studies, and development of supporting laser equipment and medical devices. The Group has been expanding development of drugs based on photodynamic technical platform.





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- **Nano technical platform:** Our nano-drug R&D platform mainly consists of the lipid-based drug delivery system and albumin-based delivery system. Phospholipids and HAS (human serum albumin) with good biocompatibility and safety were respectively selected as drug carriers to form a new nano drug delivery system, which improved the therapeutic efficacy of original agents, reduced their side effects and improved compliance.
- **Genetic engineering technical platform:** The platform has established the two major technology systems, prokaryotic cell expression system and eukaryotic cell expression system. It has undertaken one thematic subject and one important subject of China state 863 funds, and State Projects for Essential Drug Research and Development (a key technical research work of mammalian cell industrialized culture and drug manufacture, research on antibody-drug conjugate, ADC). In the future, the Group will strengthen the clinical research and registration of genetic engineering technology platform projects and strive to realize the industrialization of genetic drugs as soon as possible.
- **Oral solid preparation technology platform:** In the past few years, we have gradually established the technology system in cooperation with a third-party, and been in the process of developing a number of new drugs and generic drugs with unique clinical treatment value. Oral solid formulation technology will be one of the basic technology platforms for the long-term development of the Group.

Improve Supply Chain Management

Supplier management system construction

Supplier management is one of the most important parts of quality management for pharmaceutical enterprises. Stability, safety and effectiveness of product are directly influenced by the selection of suppliers. The Group formulated *Supplier Management Policy* to regulate the operational procedures of evaluation and approval for material suppliers, and clarify the suppliers' qualification, selection principle, quality evaluation methods, evaluation standard, and approval procedure for material suppliers. In the procedure of selecting suppliers, the Group requires the suppliers should have relevant qualification certificates and be able to guarantee uniform source and controllable quality. Priority is given to suppliers passing GMP examinations and suppliers with good reputations. As of the end of the reporting period, the Group had 844 suppliers. The number of suppliers by geographical region is shown as below:

Region	Number
Shanghai	308
Jiangsu	179
Guangdong	73
Others	284





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Supply Chain Risk Assessment

We conduct risk assessment for suppliers and assess and control suppliers based on the assessment result. Quality Management Department conducts document audit and on-site audit for material suppliers based on the result of risk assessment:

- Document Audit: Quality Management Department evaluates suppliers based on information from completed supplier questionnaires.
- On-site Audit: Quality Management Department organizes related departments (Logistics Department and Manufacturing Department) to set up audit team. The audit covers personnel institutions, facilities and equipment, material management, production process and production management. The audit also verifies authenticity of qualification certificates and testing reports of suppliers.

We conduct continuous testing to performance of approved suppliers, including annual review and regular audit. Annual review includes testing result of quality testing, quality complaints and unqualified management records etc., by which the risk of supplier is further assessed. We will increase audit frequency or change document audit to on-site audit or immediate audit in the circumstances where suppliers have quality issues or their production condition, technology, quality standard, inspection methods and other significant factors influencing quality have great change.

In 2023, during an on-site audit of a production material supplier, we noticed several findings, including multiple blanks in the receipt and issue ledger of reagents, the reviewer's signature was missing in the instrument usage record, and error between the date of review and the actual date filled in. We actively communicated with the supplier and requested that the documentation records should be filled out completely and signed in a timely manner according to the actual situation, and that instead of prefilled by a future date, the date must be filled in on the day of the review. The supplier completed the correction in a timely manner to avoid the risk of errors in material testing results due to errors in the ledger records.

Supply Chain Environmental and Social Risk Management

In order to promote suppliers to reduce environmental pollution and fulfill relevant requirements of social responsibilities, we formulate *Regulations on Environmental and Social Responsibility of Suppliers*, and raise strict requirements of environmental and social responsibility to suppliers. For instance, it is required that the pollutant discharged by suppliers should comply with relevant standards, and priority selection should be given to environmental-friendly and energy saving technologies. During storage and transportation process, the suppliers should ensure that the discharge meets relevant standards and the process is safe. In addition, for the suppliers' social responsibility, the Group requires all suppliers to prevent child and forced labour, ensure employees' health and safety, strictly fulfill the responsibilities to their product, etc.

The Group formulated *Supplier Questionnaire* for the evaluation of the suppliers' quality system. The questionnaire is set up to investigate and manage relevant qualifications of suppliers and investigate the EHS management situation of suppliers, requiring them to strengthen environmental and social risk management. The Group formulated *Materials Purchase Management* to regulate management and procedure of material purchase and control rationality and normalisation of purchasing process.



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IMPLEMENT RESPONSIBLE OPERATION

Creating a Culture of Integrity

The Group strictly complies with laws and regulations relating to anti-corruption, anti-extortion, anti-fraud and anti-money laundering, including but not limited to these on anti-commercial bribery, such as the *Criminal Law of the People's Republic of China*, the *Anti-money Laundering Law of the People's Republic of China*, and the *Anti-Unfair Competition Law of the People's Republic of China*, etc. The Group continuously strengthens internal control and supervision mechanism, upholds integrity operation, and strictly conforms to rules of fair competition. According to *Employee Handbook* and *Regulations on Anti-Commercial Bribery*, the Group requires the employees to be honest and self-disciplined, comply with laws/regulations and the Group's management regulations on honesty and self-discipline, follow principles of "law-abiding, honest, fair, scientific" etc., resolutely refuse to accept commercial bribery, offer bribery and commit other improper business practices. The Group has a well-established whistle-blowing system. Through the *Regulations on the Management of complaints and Reports*, the Group stipulates the scope, means and channels, procedures as well as reward and penalty policy. The Group also developed protection and incentive measures for whistle-blowers, strictly protecting their information and materials provided. The Group will report personnel suspected of crimes to relevant authorities. During the reporting period, the Group did not have any legal cases regarding corrupt practices or anti-unfair competition penalties.

As the regulatory department for preventing commercial bribery, the Risk Management Department and the Internal Audit and Control Department publicize and implement relevant national laws, regulations and policies against commercial bribery within the Group, update relevant internal rules and regulations based on policy changes, and arrange each department to learn and conscientiously implement these requirements in daily business practices. In addition, they are also responsible for supervising and managing personnel on important positions and practical implementing anti-corruption and anti-commercial bribery work in business.

We actively carry out relevant training and learning activities to strengthen employees' compliance awareness and risk identification ability. Every year, we conduct trainings for board members and employees on anti-corruption and business ethics to ensure compliance operations. The Group's HR department makes arrangements for new employees to study regulations on anti-commercial bribery before induction, records the training and requires each new employee to sign on the record. The Risk Management Department and the Internal Audit and Control Department actively participate in a number of compliance trainings conducted by external professional organizations. In June 2023, we arranged all departments of the Group to study Pharmaceutical Product Promotion Compliance and other related content, and require them to be earnestly implemented in daily business practice.

We also focus on supply chain integrity management. When the Group cooperates with distributors and promotion agents, we make clear agreement about anti-commercial bribery in the distribution agreement and promotion agreement. In the agreement, all parties promised to strictly comply with regulations on anti-commercial bribery, such as the *Unfair Competition Law of the People's Republic of China* and create fair and honest marketing environment. We strengthen our due diligence on new suppliers and clients and develop *Regulations on Anti-Commercial Bribery*. While selecting cooperative partners, the Group paid close attention to its internal management and compliance commitment including anti-corruption, anti-commercial bribery, anti-unfair competition and other compliance matters. The Group placed emphasis on integrity management in the contract, requiring both parties to comply with related laws and regulations on anti-corruption, anti-commercial bribery and anti-unfair competition, etc.





Protecting Consumer Rights and Interests

Upholding the principle of integrity, we try the best to provide accurate consumption information, protect consumer's right to know, and provide a reliable service environment for consumers. In accordance with the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests* and other laws and regulations, we have developed the *management procedure of Product Complaint* to regulate procedure of complaint registration, evaluation, investigation and treatment, under which problems from consumers should be solved immediately and effectively to improve consumers' satisfaction. During the reporting period, the Group did not receive any complaints about products and/or services.

- Any department or personnel informed of customers' complaints should forward them to Sales Department and Quality Management Department;
- Quality Management Department takes charge of organising investigation on the complaints, making and approving relevant corrective and preventive action plans if necessary, assisting Sales Department to reply to customers and reporting to competent authorities of medical products administration if necessary;
- Sales Department assists Quality Management Department to investigate complaints, provides and implements sales measures, communicates with customers and answers the complaints;
- Customers can file complaints by oral, telephone, mail, fax, visiting or in other forms;
- We regularly review and analyse the trend of product complaints in product quality review.

We pay great attention to medical safety of patients and monitoring and reporting of adverse drug reactions. We have established the company's pharmacovigilance system and carried out pharmacovigilance activities in accordance with the national *Quality Management Standards for Pharmacovigilance*, the *Announcement on Direct Reporting of Adverse Reactions by Drug Marketing Authorization Holders* and other laws and regulations. The specific procedures include:

- Gradually improve the pharmacovigilance system in daily work, and report safety incidents in clinical trials to drug regulatory authorities in accordance with relevant laws and regulations;
- Prevent any possible adverse drug reactions/events during the use of our drugs, collect, deal with and report the adverse reaction cases after the drugs entering the market;
- Timely report the information on drug safety to regulatory authorities, patients, medical staff and the public to protect the rights and interests of patients.

We effectively protect customers' privacy by regarding their information as the Group's secret, keeping it secure through proper measures, and granting access to authorised personnel only.

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Advertising Labelling Compliance

We manage labelling and advertising by laws to protect consumers' rights and maintain brand reputation. The Group conforms to requirements of *Advertisements Law of the People's Republic of China*, *Regulations on Management of Medical Advertising*, *Drug Administration Law of the People's Republic of China*, *Provisions for Drug Advertisement Examination*, *Good Manufacturing Practices (2010 revision)* and other laws and regulations. The Group formulated *Design and Change of Packing Materials* to manage design and change of packaging materials used for new products or additional existing products to make the product package conform to characteristics of products, demand of market, technical conditions and provisions of national laws and regulations. Design draft of label, manual and package should include product specifications, packaging specifications, size requirements, material requirements, appearance requirements, packaging safety requirements and other specific contents which are reviewed by Marketing Department, Manufacturing Department, Logistics Department, Quality Management Department and quality authorised personnel.

Intellectual Property Management

Intellectual property is indispensable to the production and operation activities of pharmaceutical enterprises. The Group has made active and sustained efforts to protect the intellectual properties associated with innovative drugs and scientific achievements against any form of infringement.

In compliance with the *Intellectual Property Law of the People's Republic of China*, the *Enterprise Intellectual Property Management Standards* and other laws and regulations, we have established a full-process intellectual property management system following the management principle of "implementing intellectual property management throughout production and operation activities" to avoid infringement, protect self-owned intellectual properties and stimulate innovation practices in all aspects of research and development, procurement, production and sales, and set long-term and short-term work objectives regarding intellectual property to promote sustainable development. Through the implementation of the *Intellectual Property Management Manual*, the *Intellectual Property Document Control Procedures* and relevant documents, we have clearly defined the responsibilities of each department and conducted regular inspection, analysis and evaluation of intellectual property management to improve our intellectual property management system on a continuous basis. During the reporting period, the Group applied for 16 new invention patents. As of the end of the reporting period, the Group has applied for 127 invention patents and obtained the authorisation of 43 invention patents.





PROTECT THE ENVIRONMENT

In accordance with the *Energy Conservation Law of the People's Republic of China*, *Environmental Protection Law of the People's Republic of China*, *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, *Water Pollution Prevention and Control Law of the People's Republic of China* and other relevant laws and regulations, the Group always pays much attention to environmental protection. A leadership team for environmental protection management has been set up to work with department heads and form a sound management network. The list of the team members is updated every year. The Group did not commit any environmental-related violations during the past three years.

Adopting the vision for environmental and social sustainable development, the Group strives to prevent pollution, actively promote energy conservation and emission reduction and protect ecological diversity, thus to build an environment-friendly society. During the reporting period, the Group has invested approximately RMB2,000,000 in environmental protection.

The Group has set five-year environmental targets in respect of emissions, waste, energy and water resources with 2020 as the base year, and achieved these five-year environmental targets ahead of schedule in 2022. In order to continuously improve the Group's environmental management and performance, and further implement the concept of green development, the Group has updated the aforementioned environmental target with 2023 as the base year, so as to continuously fulfill its environmental responsibilities.

Environmental Indicators	Environmental Targets
Emissions	<ul style="list-style-type: none"> All wastewater shall be treated and discharged in compliance with the standards Gradually reduce Greenhouse Gas (GHG) emissions, reduce GHG emissions intensity by 3% by 2025
Wastes	<ul style="list-style-type: none"> All hazardous and non-hazardous waste are entrusted to qualified organizations for disposal Gradually reduce the discharge density of hazardous wastes
Energy	<ul style="list-style-type: none"> Gradually reduce energy consumption, reduce the intensity of energy consumption by 3% by 2025
Water Resources	<ul style="list-style-type: none"> Gradually reduce water usage, reduce water intensity by 3% by 2025

Proper Emissions Management

The Group continuously improves design, uses clean energy and resources, adopts advanced technologies and equipment, improves management and comprehensive utilisation in production, by which pollutions are reduced from the source, resources are used more efficiently, and generations and emissions of pollutants in production and services are reduced or avoided. The Group formulated *Environmental Protection Management Regulation* to guarantee the practical implementation of normalised measures and provide a basis for emission management.

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Our pollutant discharges consist primarily of effluents, air emissions, greenhouse gases and solid waste. In accordance with national standards, local standards and biopharmaceutical discharge standards, the Group invites qualified institutions to monitor effluents and air emissions. The Group has established environmental emergency response plans and emergency response flows for various discharges. In the reporting period, the Group did not commit violations related to emissions.

> *Effluents and Air Emissions*

Industrial effluents and domestic sewage from drug development and production consist of most of the wastewater in the Group. *Environmental Pollution Prevention Regulations* and *Standard Operation Regulation of Effluent Comprehensive Treatment Equipment* are developed to strictly control effluent emissions and comprehensively treat the effluents. Sewage is discharged into the municipal sewer system after being treated and reaching the discharge standards. In accordance with the *Discharge Standard of Pollutants for Bio-pharmaceutical Industry*, the Group adopts primary treatment to effluents which cannot be directly discharged and accepts irregular monitoring by relevant authorities.

Exhaust gas from drug development and production consists of most of the air emissions in the Group. In accordance with *Industrial Air Emissions Standard of Shanghai*, the Group developed *Standard Operation Procedures of Air Emission Treatment Equipment* to regulate and control operation of air treatment equipment to make the air emissions reach relevant standard.

In May 2023, Taizhou FDZJ introduced industrial steam from the industrial park in place of natural gas, further reducing emissions of the plant's boilers and wastewater.

During the reporting period, the Group's KPIs related to emissions are shown as below:

Types of Emissions	2023	2022	2021
Wastewater (tonne)	52,586.40	47,586.60	46,284.10
COD (kg)	850.79	900.32	1,908.62

Notes:

1. During the reporting period, the Phase II of Taizhou FDZJ production base was completed, and the production line of antibody-drug conjugate (ADC) was formally put into operation. So the amount of wastewater increased compared with the prior reporting period.
2. The Group's COD emissions data was calculated according to the amount of wastewater multiplied by the concentration of COD detected periodically. The Group's COD emission was related to the project arrangements such as clinical and production inspection and approval of the products and research and development progress.

> *Wastes*

Hazardous and non-hazardous wastes are produced from drug research and production by various departments in the Group.





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The Group has registered with Solid Waste Management Information System in Shanghai and Taizhou to monitor the treatment of wastes, and conducted strict management over wastes as per *Regulations on Treatment and Management of Industrial Wastes and Regulations on Management of Wastes*. The Group requires departments to fill in the *Application Form for Industrial Waste Treatment* which requires material name, packing specification, chemical property, component, content, amount, waste form and waste reason. The form is checked and archived by dedicated management personnel. After being approved and signed by leader of competent authority, wastes are stored in specified waste storage room or neutralisation tank.

The Group entrusts professional institutions which have *Shanghai Hazardous Wastes Disposal Permit* and hazardous treatment qualification certificate to treat hazardous wastes. The non-hazardous wastes are collected and treated by local Municipal Environmental Sanitation Department.

During the reporting period, the Group's KPIs related to hazardous and non-hazardous waste discharge are shown as below:

Wastes	2023	2022	2021
Hazardous Waste Emissions in Total (tonne)	166.39	176.07	96.90
Intensity (tonne/million RMB of revenue)	0.23	0.17	0.08
Non-hazardous Waste Emissions in Total (tonne)	49.80	38.96	47.21
Intensity (tonne/million RMB of revenue)	0.07	0.04	0.04

Notes:

1. The types and emissions of hazardous wastes of the Group are calculated according to the *Hazardous Wastes Transfer Form*.
2. The Group's non-hazardous wastes only include domestic wastes and are collected and disposed by the local Municipal Environmental Sanitation Department, which estimates the total amount of wastes and charge the Group accordingly.

Resources Conservation

Resources used by the Group are principally electricity, steam, water and natural gas. The Group has developed *Management Procedure of Energy and Resources* to use energy/resource effectively and reasonably, improve usage efficiency, reduce waste and implement the principles of "saving energy, reducing consumption, reducing pollution, and improving efficiency".

The Group motivates departments to save energy and water through an energy and water-conservation performance management system. Historical data and the actual production conditions are considered to set energy and water-conservation targets for departments. Department heads should develop energy and water-conservation targets for their department according to the Group's energy and water-conservation targets. Departments of using production resources should improve utilisation of raw materials, take measures to reduce unqualified product rate, gradually reduce resources used for unit product, promote regular statistics and analysis on resources loss, make solutions and decide the agenda and responsible person. Resource consumption in departments is monitored and measured regularly to find the reason for the projects which do not complete energy and water-conservation plan. Relevant measures should be made and the implementation of the measures should be supervised and examined.



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The Group seasonally adjusts the high electricity consumption equipment such as air conditioner in clean plant to reduce load. After energy-conservation reconstruction, warm water generated in heat source of water equipment, such as heat exchange of cooling water in distilled water machine and pure steam generator, is used as boiler makeup water. This could recycle boiler water, reduce cooling water discharge, not only save water, but also cut down boiler heat consumption, saving energy and reducing emissions. Besides, Taizhou FDZJ installed solar photovoltaic grid-connected power generation facilities on the roof of the factory. It is estimated that the average annual power generated to the power grid will be about 500,000 KWh.

Taizhou FDZJ always adheres to the principle of prioritizing safe and environment and energy-saving measures when introducing new products and processes. In the design of the utility refrigeration system of the Phase II ADC Production Project, the screw inverter + centrifuge energy-saving concept and the PA system adopts the inverter + industrial frequency energy-saving concept were accepted, so as to achieve the goal of low energy consumption in the long term. In addition, Taizhou FDZJ eliminated old high-energy-consuming light fixtures and retrofitted them with low-energy-consuming LED light fixtures in 2023, which can save about 12,300 KWh of electricity every year. Shanghai FDZJ replaced two high-energy consuming air-conditioning units with Class 1 energy-consuming air-conditioning units in 2023, which further promotes energy saving and emission reduction.

During the reporting period, the Group's KPIs for resources usage are as follows:

Resource Consumption	2023	2022	2021
Diesel (MWh)	0.13	0.17	0.20
Gasoline (MWh)	15.30	58.05	78.96
Natural Gas (MWh)	1,393.23	3,492.87	3,440.49
Total Direct Energy (MWh)	1,408.66	3,551.09	3,519.65
Electricity (MWh)	12,774.10	11,274.60	11,458.90
Steam (MWh)	6,221.47	/	/
Total Indirect Energy (MWh)	18,995.57	11,274.60	11,458.90
Total Energy Consumption (MWh)	20,404.23	14,825.69	14,978.55
Intensity (MWh/Million RMB of Revenue)	28.69	14.38	13.14
Total Water Consumption (tonne)	135,340.00	91,671.40	86,948.00
Intensity (tonne/Million RMB of Revenue)	190.30	88.90	76.25
Packaging Materials in Total (tonne)	52.19	48.44	53.26





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Notes:

1. Total energy consumption is calculated based on the amount of electricity and steam purchased and the consumption of natural gas, diesel and gasoline considering the default parameter values to fossil fuel as shown in Table 2.1 Default values of fossil fuel-related parameters of the *Accounting Methods and Reporting Guide for Greenhouse Gas Emissions from Chemical Industry Enterprises*, table 2.4 Enthalpy of saturated steam of the *Accounting Methods and Reporting Guide for Greenhouse Gas Emissions from Other Sectors of Industry* issued by the National Development and Reform Commission (NDRC), and the fuel density from *Workbook of Energy Statistics* issued by the Energy Department of the National Bureau of Statistics of China.
2. During the reporting period, Taizhou FDZJ introduced industrial steam from the park to replace the original natural gas, therefore the Group's natural gas consumption decreased compared with the prior reporting period; Shanghai Tracing stopped using its own vehicles, therefore the gasoline consumption decreased compared with the prior reporting period.
3. The Group's products are complex and diverse, so it is difficult to accurately measure the total weight of the products. Therefore, this report does not disclose the KPI A2.5 packaging material used for finished products per unit of production. We will disclose this KPI in the future.
4. The Group's water consumption is mainly from production and domestic water. With tap water as water source, water demands for daily operation can be satisfied.
5. During the reporting period, the Phase II of Taizhou FDZJ production base was completed, and the production line of antibody-drug conjugate (ADC) was formally put into operation. So the consumption and intensity of energy and water increased compared with the prior reporting period.
6. As the Group's production activities only involve the development and production of drugs and the Group does not use other environmental and natural resources, A3 The environmental and natural resources and A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them are inapplicable and therefore not disclosed in this report.

Address Climate Change

Global climate change has a profound impact on human survival and restricts sustainable development on enterprise. Accelerating adaptation to climate change is a common global issue. We continue to monitor the impact of climate change trends and regulations evolution at home and abroad on the pharmaceutical industry and our business operations. The ESG working group of the Group actively identifies the risks and opportunities that the Group faces in relation to climate change, develops the desired response, and reports regularly to senior management and the Board.

Since the Group is not involved in large-scale production activities, does not consume much energy and produce a large amount of emissions, we face low climate transition risks from policies, regulations, technology, markets, reputation, etc. In order to cope with the operational risks that may arise from extreme weather and natural disasters such as typhoons, rainstorms and floods, we have developed corresponding emergency procedures and protective measures to minimize losses.



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Energy indirect greenhouse gas emissions (scope II) mainly resulted from electricity and steam consumption of production equipment and in workplaces of the Group. Direct greenhouse gas emissions (scope I) resulted from natural gas used by boiler, naphtha and diesel oil used by vehicles and small number of fire extinguishers. The Group makes efforts to reduce greenhouse gas emissions by improving energy efficiency. Detailed energy-conservation measures are shown in Section “Resources Conservation”.

During the reporting period, the Group’s KPIs related to greenhouse gas emissions are shown as below:

Greenhouse gas	2023	2022	2021
Direct Greenhouse Gas Emissions (Scope I) (tCO ₂ e)	282.34	712.60	707.25
Energy Indirect Greenhouse Gas Emissions (Scope II) (tCO ₂ e)	9,748.77	7,931.68	8,061.34
Total Greenhouse Gas Emissions (tCO ₂ e)	10,031.11	8,644.28	8,768.59
Intensity (tCO ₂ e/million RMB of revenue)	14.10	8.38	7.69

Notes:

- Greenhouse gas emissions are presented in CO₂e, accounting method and conversion factors come from the *Accounting Methods and Reporting Guide for Greenhouse Gas Emissions from Chemical Industry Enterprises*, *Accounting Methods and Reporting Guide for Greenhouse Gas Emissions from Other Sectors of Industry* and *Average Carbon Dioxide Emission Factors of China’s Regional Power Grids in 2011 and 2012* issued by the NDRC and the 2022 average national grid emission factors issued by the Ministry of Ecology and Environment.
- During the reporting period, Taizhou FDZJ introduced industrial steam from the park to replace the original natural gas, therefore, the Group’s direct greenhouse gas emissions decreased compared with the prior reporting period, while the indirect greenhouse gas emissions from energy sources increased compared with the prior reporting period. In addition, the Phase II of Taizhou FDZJ production base was completed, and the production line of antibody-drug conjugate (ADC) was formally put into operation. So the total greenhouse gas emissions and intensity increased compared with the prior reporting period.





CREATE A HAPPY WORKPLACE

Protection of Employees' Rights and Interests

We strictly comply with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and relevant laws and regulations, and have developed a series of staff management policies to protect the lawful rights and interests of the Group's employees:

- ✓ Labour Management Policy
- ✓ Employee Handbook
- ✓ Employee Compensation Management Policy
- ✓ Evaluation Policy
- ✓ Attendance Management Policy
- ✓ Policy for Team Building
- ✓

Recruitment and Dismissal

We adhere to the principle of equality in the recruitment process and make recruitment plan conform to the principle of "capable, efficient and putting quality before quantity", and recruit talents through open recruitment and employee referral according to the principle of "compete openly and select the best". We select employees by work attitude, applicable ability, knowledge, experience, potential and teamwork. All employees of the Group are entitled to an employment contract according to relevant laws and regulations at the start of their employment. Resignation and dismissal are processed according to the standard procedures of work handover to meet requirements of relevant laws and regulations and internal policies.

As of the end of the reporting period, the Group had a total of 948 employees, of which 933 were full-time employees and 15 were part-time employees. The total workforce by gender, age group and geographical region at the end of the reporting period, and the employee turnover rate during the reporting period are shown as below:

Indicator	Indicator		2023	2022
	Dimension	Detail		
Employee Structure	Gender	Male	358	359
		Female	590	551
	Age Group	<30	302	284
		30-49	606	586
		≥50	40	40
Region	Shanghai	807	809	
	Taizhou	141	101	
Employee Turnover Rate	Gender	Male	10%	13%
		Female	11%	13%
	Age Group	<30	13%	17%
		30-49	8%	10%
		≥50	30%	18%
	Region	Shanghai	11%	14%
Taizhou		7%	6%	

Note: Employee Turnover Rate = Number of employees lost during the reporting period/Total number of employees at the end of the period*100%





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Compensation and Promotion

We implement classified remuneration system. The remuneration levels are determined according to position responsibilities and ability requirements. The remuneration system consists of standard salary, subsidy, benefit, performance distribution and award.

We perform evaluation on department managers and employees annually and comprehensively quantify the work completion, work quality and attitude through self-evaluation, mutual evaluation among superiors and subordinates and scoring by supervisors, as the basis of performance management and employee promotion.

In accordance with national regulations, we contribute to various public funds for each employee, including a public pension fund, a public housing fund, a medical insurance fund, an unemployment insurance fund, labour union expenditure, education expenditure, benefit expenditure and other commercial insurance and subsidies beside mandated benefits.

Working Hours and Holidays

We employ the standard working hours system to regulate attendance management. Employees are entitled to overtime pay if they obtain prior approval. We provide employees with paid days off from work for national public holidays, maternity leave and accompanying maternity leave, compassionate leave, medical treatment period and sick leave, personal leave and injury leave. Employees working for more than one year are entitled to paid annual leave and marriage leave.

Labour Standard

In accordance with the *Labour Law of the People's Republic of China*, *Labour Contract Law of the People's Republic of China*, *Provisions on the Prohibition of Using Child Labour* and other laws and regulations, we avoid any use of child labour and forced labour. According to *Labour and Personnel Regulations*, all new employees' identification cards will be checked before they join in the Group to ensure their ages meet requirements of laws and regulations. If any child labour occurs by accident, we will immediately terminate the employment contract and handle it properly according to the laws and regulations. The Group has formulated the *Working Hours and Attendance Management System* to standardize the company's attendance management and leave process in accordance with regulations and company management requirements. Besides, according to the *Working Hours and Attendance Management System*, if any employee has to work overtime, he/she should apply to department manager and get the manager's approval. In the reporting period, the Group did not use child labour and forced labour.

Equality and Inclusiveness

In strict compliance with national and local regulations, every department, organisation and personnel of the Group allows no biases against any employee based on race, gender, skin color, age, family background, tradition, religion, physical quality, national origin and other personal characteristics, so as to ensure that employees are treated in a fair and open manner in every aspect such as recruitment, duty performing, remuneration, training, promotion and compensation.





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Development and Training

We respect talents and apply sound regulations to select talents and explore employees' potential. Various types of training are provided based on work and employees' career needs. *Management Policy for Education and Training* was formulated to regulate training and continuing education. The following types of training are already in place:

- Internal Training:** Internal training includes routine training by internal trainer and external trainer.
- Orientation Training:** Within one week after any employee joins in the Group, Admin & HR Department jointly with employing department conduct system trainings on policy and business.
- Professional Training:** Arrangements are made for employees to take external professional trainings based on employees' technical and business development demand.
- Work License Training:** Work license training and continuing education should be taken according to work demand.

Moreover, in order to promote employees' interpersonal communication and teamwork, Shanghai FDZJ has founded teamwork training fund to provide expenditure for every department, and developed *Regulations of Use of Teamwork Training Fund* to specify fund amount and usage.

In 2023, we organized several specialized training sessions, including training on the basics of human resources, training on the basics of finance and expense reimbursement process, pharmacovigilance knowledge, briefing sessions on the topic of annual work plan grooming, general knowledge of legal affairs, safety training, etc. We also cooperated with the Pharmacovigilance platform to conduct offline and online training to train our staff on specialized knowledge of pharmaceutical policies and regulations, production management and quality management.

During the reporting period, the Group organised a total of 20,783 hours of training. The percentage of employees trained and the average training hours completed per employee by gender, employee grade and employee function are shown as below:

Indicator Dimension	Detail	The Percentage of Employees Trained	The Average Training Hours Completed per Employee
Gender	Male	33.0%	20.5
	Female	67.0%	22.8
Employee Grade	Senior management	0.9%	15.0
	Middle management	2.5%	8.6
	Junior employees	96.6%	22.6
Administration personnel	R&D	9.3%	4.5
	Marketing	65.4%	25.5
	Manufacturing	19.5%	31.4
	Administration personnel	5.8%	14.0



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Note:

1. Percentage of Employees Trained = the number of employees trained in the specified category during the reporting period/the total number of employees trained *100
2. Average Training Hours per Employee = total hours of training for that category of employees during the reporting period/number of employees for that category

Diverse Employee Activities

We pay close attention to demands of employees and organise meaningful events for employees, with an aim to share a warm family feeling among employees. We hold annual meeting every year to summarise and recognise the employees' work; organise various group activities and a 3-5 day department-wide outing according to actual situation; arrange team building expenditure for every department every year; provide donations and help to employees who have difficulties due to illness, delivering love and mildness.

In order to enable new employees to quickly adapt to the new environment, understand and learn the company's organizational structure, internal and external information, the company's management system and achieve cross-departmental communication at the same time, we organize face-to-face thematic communication. In 2023, we organized more than 55 new employees to participate in the experiential camp training. The camp was mainly conducted in the form of open and interactive on-site visual presentation of paintings, which included self-introduction in the form of self-portrait, highlight moments of past work, the original intention of choosing Fudan-Zhangjiang, the value that can be brought to the company and the department by combining with personal strengths, and the action plan for the future.

In the first half of 2023, we found that employees were very interested in outdoor camping activities through the survey of employees' interests and needs. Therefore, we arranged a series of outdoor camping programs, such as setting up tents, cooking in the wild, and campfire parties. In addition, in order to further enrich the spare time life of our employees, to fully relax after a stressful work, to promote the deep exchanges and communication between employees, and to strengthen the construction of corporate culture, we organized a staff tour to Zhangjiajie in June 2023. Through this two activities, we successfully strengthened the communication between colleagues, and enhance the team consciousness. After the activities, we also prepare the photos and videos of the activities properly and send them to each employee as a souvenir.

Safeguarding Employees' Safety and Health

We make efforts to safeguard employees' occupational health and safety, provide safe working environment and equipment, and implement safe working behaviours. We strictly observe the *Production Safety Law of the People's Republic of China*, the *National Emergency Plan for Work Safety Accidents* and other laws and regulations. In combination with the Group's operational characters, we have developed a sound emergency management system for safety accidents and a strict hazardous chemicals management procedure, continuously carry out safety education and emergency exercises, and provide employees with health examinations and examinations for occupational diseases, to ensure the safety of employees, equipment and assets. In the past three reporting periods, there was no work-related fatality. During the reporting period, the number of lost days due to work injury was zero.

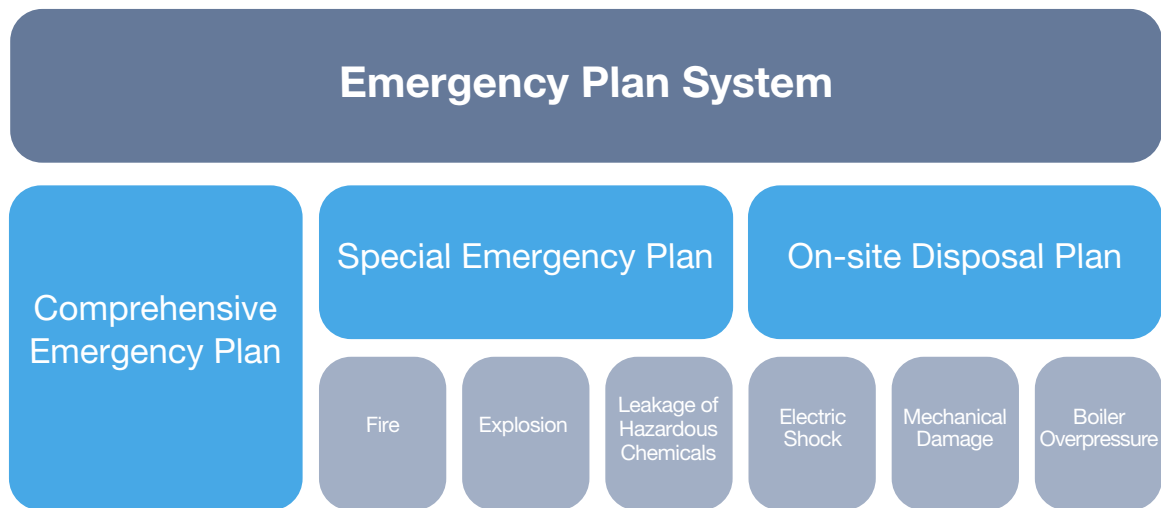




Guaranteeing Production Safety

We develop an occupational health prevention and control plan every year to provide medical examinations for our employees, which includes orientation examination and on-the-job examination under the GMP as well as orientation, on-the-job and exit examinations to prevent employees from occupational diseases. We entrust qualified inspection and testing institution with regular inspection and testing on occupational hazard equipment, protection equipment and personal protection equipment. Occupational hazard factors testing report is provided by the institution. In addition, for employees' physical fitness, we carry out sports activities including swimming, badminton, table tennis, billiards, basketball, etc., and encourage employees' participation of these activities and we also participate the competitions organized by the park.

We have established an emergency command centre based on the principle of "reporting in time, responding rapidly and human oriented", to strengthen the organisation and management of emergency response activities. We popularise our accident emergency operation procedures among employees through the *Emergency Plan for Work Safety Accidents*, so that emergency rescue can be implemented rapidly, efficiently and orderly after an accident to protect employees' life safety and reduce property loss.



Conforming to the principle of "Prevention First and Human-oriented", we have developed the *Emergency Plan for Fire, Explosion and Chemical Accidents* and the *Hot Work Management Policy* and other regulations so that we can respond to and control accident rapidly and orderly, prevent pollution, protect production safety and employee life safety, and minimise loss and damage in case of any chemical, fire or explosion accident.

We combine accident emergency response with prevention work, enhance management of hazardous sources, and carry out accident prevention, prediction, warning and forecast. We have equipped fire-fighting equipment at work places such as fire pump station, fire hydrant, fire hammer, fire telephone, voice-activated alarm, fire sprinkler, smoke detector, etc. We have also posted evacuation map at visible places. Supplies and equipment are checked once every month to ensure that employees could use nearest emergency supplies in case of emergency accident. We also organised fire protection training and drill to raise employees' fire protection awareness and knowledge.





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Besides, to standardise management regulations for hazardous materials and protect the safety of life, production and property, we have formulated the *Management Regulations for Toxic, Inflammable and Explosive Hazardous Materials* to regulate the purchase, acceptance, entering, storage, distribution and usage of hazardous materials as well as subsequent treatment and emergency treatment. We have developed standard safety protection operation procedures specifically for particular categories of hazardous materials.

- Hazardous materials should be managed by special personnel who have attended relevant training and obtained job skill certificate;
- Hazardous materials should be stored by category according to minimum safe storage amount, and enough safety distance should be arranged for passageway between stackings;
- Safety measures should be taken for places dedicated to storing chemicals, such as ventilation, anti-explosion, fire protection, lightning protection, extinguishment and sunblock according to materials' type and property;
- Hazardous chemicals, which easily burn, explode and produce toxic gas in case of fire or moist, should not be stored in any place which is open, humid, low-lying and easy to collect water.

In 2023, to verify the reliability and the validity of the Group's emergency plan on all fronts and strengthen the establishment of safety system, we conducted a series of emergency plan drills, including but not limited to leakage-related emergency response drills, fire drills, personal injury emergency response drills, evacuation drills, chemical harm emergency response drills, etc.

Safety Culture Construction

We ensure safe production and strengthen safety awareness education by implementing the *Management Policy for Production Safety Education and Training*. We organise emergency exercises to strengthen employees' safety awareness and emergency ability. We have established a safety production leading group, which takes charge of propaganda of laws, regulations, prevention of production safety accidents, risk avoidance, disaster avoidance, and common sense of self-rescue and mutual-rescue among all employees and organises safety education and training irregularly.

We organise safety education and training on three levels, including company level (level 1), workshop or department level (level 2), section or team level (level 3). Employees should take relevant training and pass the examination before taking up the posts. Pressure vessel operator, electrician, high matches electrician, metering personnel, driver and other special operation personnel should take technical training and get certificates from competent authority before taking special operation.

Besides, we also conduct safety theme training from time to time. In 2023, Shanghai FDZJ organized a series of trainings, such as hazardous chemical safety training, emergency drills for the company's limited space operations and safety training, etc.





FULFILL SOCIAL RESPONSIBILITIES

At the same time of creating value for shareholders and creating wealth for customers, the Group actively devotes itself to public services, pays attention to vulnerable groups and poverty-stricken people, fulfils social responsibilities, and promotes harmonious development of community, company and regional economy. The Group established *Management Regulations of Charity* and *Public Benefit Activities* to regulate community investment activities.

Charitable Activities

We have cooperated with Beijing Huakang Public Welfare Foundation since April 2020 to carry out a public welfare assistance program, “Pro-vision Tomorrow Patient Assistance Program”, which aims to help low-income patients to obtain more sustainable and effective medical treatment, so as to alleviate patients’ financial burdens and improve their quality of life. During the reporting period, the Group donated medicines valued at over RMB33,000,000.

Promoting Medical Industry

In order to further promote the development of China’s medical industry, the field of dermatologic surgery and oncology treatment, in June 2023, we donated RMB100,000 to the Dermatologic Surgery and Oncology Specialized Committee of China Primary Health Care Foundation.

Improving Rural Environment

We actively correspond to the work of rural revitalization. In March 2023, the Group donated RMB80,000 to the People’s Government of Puladi Township, Gongshan County, Nujiang Prefecture, Yunnan Province, in order to support the renovation of the old houses in Puladi Township and comprehensively promote the improvement of the rural environment.



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APPENDIX

ESG Reporting Guide

KPI	Description	Section(s)	Pages
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	Protect the Environment	13
A1.1	The types of emissions and respective emissions data	Proper Emissions Management Address Climate Change	13 17
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and, where appropriate, intensity	Address Climate Change	17
A1.3	Total hazardous waste produced and, where appropriate, intensity	Proper Emissions Management	13
A1.4	Total non-hazardous waste produced and, where appropriate, intensity	Proper Emissions Management	13
A1.5	Description of emissions target(s) set and steps taken to achieve them	Protect the Environment	13
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	Protect the Environment	13





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KPI	Description	Section(s)	Pages
A2	Use of Resource		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	Resources Conservation	15
A2.1	Direct and/or indirect energy consumption by type in total and intensity	Resources Conservation	15
A2.2	Water consumption in total and intensity	Resources Conservation	15
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	Protect the Environment	13
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	Protect the Environment	13
A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced	Resources Conservation	15
A3	The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources	Protect the Environment	13
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Protect the Environment	13
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	Address Climate Change	17
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	Address Climate Change	17



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KPI	Description	Section(s)	Pages
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	Protection of Employees' Rights and Interests	19
B1.1	Total workforce by gender, employment type, age group and geographical region	Recruitment and Dismissal	19
B1.2	Employee turnover rate by gender, age group and geographical region	Recruitment and Dismissal	19
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	Safeguarding Employees' Safety and Health	22
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	Safeguarding Employees' Safety and Health	22
B2.2	Lost days due to work injury	Safeguarding Employees' Safety and Health	22
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored	Safeguarding Employees' Safety and Health	22
B3	Development and Training		





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KPI	Description	Section(s)	Pages
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Development and Training	21
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	Development and Training	21
B3.2	The average training hours completed per employee by gender and employee category	Development and Training	21
B4	Labor Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor	Labour Standard	20
B4.1	Description of measures to review employment practices to avoid child and forced labor	Labour Standard	20
B4.2	Description of steps taken to eliminate such practices when discovered	Labour Standard	20
B5	Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain	Supply Chain Environmental and Social Risk Management	9
B5.1	Number of suppliers by geographical region	Supplier Management System Construction	8
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	Supplier Management System Construction Supply Chain Risk Assessment	8 9



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KPI	Description	Section(s)	Pages
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Supply Chain Environmental and Social Risk Management	9
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Supply Chain Environmental and Social Risk Management	9
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	Full-Cycle Product Quality Control Protecting Consumer Rights and Interests Advertising Labelling Compliance	6 11 12
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Quality Risk Control	7
B6.2	Number of products and service related complaints received and how they are dealt with	Protecting Consumer Rights and Interests	11
B6.3	Description of practices relating to observing and protecting intellectual property rights	Intellectual Property Management	12
B6.4	Description of quality assurance process and recall procedures	Quality Risk Control	7
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Protecting Consumer Rights and Interests	11
B7	Anti-corruption		





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KPI	Description	Section(s)	Pages
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	Creating a Culture of Integrity	10
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	Creating a Culture of Integrity	10
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	Creating a Culture of Integrity	10
B7.3	Description of anti-corruption training provided to directors and staff.	Creating a Culture of Integrity	10
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	Fulfill Social Responsibilities	25
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport)	Fulfill Social Responsibilities	25
B8.2	Resources contributed (e.g. money or time) to the focus area	Fulfill Social Responsibilities	25

