药明巨诺
JW Therapeutics

JW (Cayman) Therapeutics Co. Ltd
藥明巨諾(開曼)有限公司*
(Incorporated in the Cayman Islands with limited liability)
Stock Code: 2126

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2023

* For identification purpose only

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MESSAGE FROM THE CO-FOUNDER, CHAIRMAN AND CHIEF EXECUTIVE OFFICER

"Patient first is always our Company's top core value. We are committed to taking an innovation-first approach and becoming a leader in cellular immunotherapy to bring hope of a cure to Chinese and global patients."

Dr. Yiping James Li
Co-Founder, Chairman, and Chief Executive Officer

Dear Readers,

I am honored to share JW Therapeutics' 2023 Environmental, Social and Governance (ESG) Report with you.

Year 2023 served as a year during which JW Therapeutics has made significant further progress in business and achieved important milestones. We have continued to focus on the R&D of innovative products and make breakthroughs, bringing hopes for cure to patients and their families. While continuously promoting product development and clinical research, we also rely on our solid corporate governance and responsible value to continually fulfil corporate social responsibilities, and integrate ESG considerations into all aspects of our production and operation, building an inclusive, sustainable and resilient future with stakeholders.

Solid Corporate Governance

We endeavor to achieve scientific and sound corporate governance by appointing board members based on the diversity principle and clearly defining their powers and liabilities, to enhance the effectiveness of board governance. In 2023, we continued to conduct our business activities in an ethical and compliant manner and carried out trainings for all board members and management on compliance and business ethics to ensure solid operations. We also implement data risk prevention and control actions through data leakage management and security warning functions, and strictly control the employees' data transmission behaviors, to guarantee the corporate development in a safe and stable path.

Hopes for Cure

We are committed to bringing hopes for cure to Chinese and global patients with ground-breaking and high-quality cell immunotherapy products, leading the healthy and compliant development of cell immunotherapy industry in China. On this basis, we have established diverse product pipelines, adopt standardized R&D management and strict intellectual property and data privacy management patterns. Our innovation-oriented R&D strategy is developed in accordance with industry demands and commercial prospects, bringing new treatment options to patients. We have always prioritized product quality and undertaken product responsibilities proactively, by establishing a complete quality monitoring system and management structure, which achieves the full coverage of the whole process from production to medical treatment.

Patient First

With the value of "Patient First", we have created an innovative patient-centered ecosystem of cellular immunotherapy, committing to helping more patients acquire high-quality treatments and consummate nursing. We have set up dedicated teams to conduct rigorous process management and quality control to ensure therapeutic effects and treatment experience for patients throughout the entire process, and also endeavor to improve the product accessibility and affordability to facilitate patients' health and well-being. We deepen collaboration with healthcare professionals, business partners and regulatory authorities to serve patients and promote the standardized and high-quality development of the industry. By the end of 2023, Carteyva® has been listed in over 70 commercial insurance products and 105 local governmental supplementary medical insurance plans. JW Therapeutics has evaluated and trained 125 medical institutes in China and authorized their use of Carteyva®.

Eco-friendly Development

JW Therapeutics thoroughly implements the concept of green operation, actively responds to the national strategy of "carbon peaking and carbon neutrality", and focuses on reducing the environmental impacts derived from business activities. We also conduct continuous tracking of the energy consumption, greenhouse gas emissions, water consumption, and waste disposal targets to evaluate our environmental performance to ensure the progress towards environmental targets. Compared to 2021, our comprehensive energy consumption intensity in 2023 has reduced by 80%, the greenhouse gas emission intensity has reduced by 84%, the water consumption intensity has reduced by 73%, demonstrating that the energy conservation and emission reduction measures have brought remarkable results.

People Oriented

We always believe that a diverse and healthy working environment would help to attract and retain talents, as well as to inspire employees' motivation and creativity. In 2023, we continued to emphasize on employee welfare guarantee and occupational health and safety management system, striving to build a culture of diversity, equity and inclusion, and create an open and transparent working atmosphere by promoting two-way communication between employees and the Company. We also provide employees with multi-level and multi-dimensional trainings and development opportunities through a training system with "Excellence in Onboarding", "Leadership Effectiveness" and "Organizational Effectiveness" as the three main pillars. We also continued to optimize the organizational structure to improve the operating efficiency.

Responsible Citizen

While focusing on our own development, we also pay attention to standardized supplier management, strive to promote the healthy development of the industry and actively participate in social welfare activities. For suppliers, we take full life cycle management measures and regularly carry out multi-dimensional performance evaluation and trainings, promoting supply chain partners to jointly improve the supply capacity. We continuously contribute to the community, participate in public welfare and academic activities, and advocate the community to deepen their care and understanding of lymphoma patients as well as to send them comfort and hopes.

I sincerely invite you to read our report to learn more about our performance and progress on ESG this year. In the future, we will collaborate with all stakeholders, create a win-win scenario, continue to bring hopes to patients in China and around the world with breakthrough, high-quality cellular immunotherapy products, and continue to promote the healthy and standardized development of the cellular immunotherapy industry in China. We are looking forwards to working with you to build a better future for medical health.

ABOUT THIS REPORT

The report is the fourth Environmental, Social, and Governance Report (hereinafter referred to as "ESG Report" or the "Report") issued by JW (Cayman) Therapeutics Co. Ltd (the "Company"), its subsidiaries and consolidated affiliated entity (hereinafter referred to as "JW Therapeutics", the "Group" or "we"). This report is to explain the Company's strategies, policies, measures and achievements in sustainability to all stakeholders objectively and fairly, and focus on the disclosure of information on the Company's performance in environmental, social and governance.

Reporting Period

The period of the Report covers the information and data of the Company from January 1, 2023 to December 31, 2023 (the "Reporting Period").

Reporting Boundary

The boundary of the Report covers the core business of the Group, including our manufacturing sites, R&D centers, and offices in Shanghai and Suzhou.

Reporting Standards and Principles

The Report has been prepared in accordance with the *Environmental, Social and Governance Reporting Guide* ("the *ESG Reporting Guide*") as set out in Appendix C2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("HKEX").

The Report has been prepared in accordance with the following reporting principles of the *ESG Reporting Guide*:

- **"Materiality"**: Material ESG issues are identified through communication with stakeholders and materiality assessment, and disclosed in the ESG report.
- **"Quantitative"**: Quantitative information such as environmental and social key performance indicators disclosed in the Report has been accompanied by an explanation, claiming its purpose and impacts.
- **"Consistency"**: The Report uses statistical methods consistent with previous years, allowing for meaningful comparisons.
- **"Balance"**: The Report presents the Company's environmental and social performance in an impartial manner.

Sources of Information and Assurance of Reliability

The data and examples in the report were derived mainly from the Company's statistical reports and relevant documents. The Company undertakes that this Report does not contain any false records or misleading statements and the Company is responsible for the truthfulness, accuracy, and completeness of its contents.

Access and Response

The Report is published in traditional Chinese and English. In case of any ambiguity between the contents, the English version shall prevail. In consideration of environmental protection, we recommend reading the electronic report, which can be found on The Company's official website (https://www.jwtherapeutics.com/).

We attach great importance to the opinions of our stakeholders and welcome the readers to contact us through the following contact information. Your comments are appreciated for our consideration to continuously improve this report and the overall environmental, social and governance performance.

Contact information

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Confirmation and Approval

The Report was confirmed by management and approved by the Board of Directors.

ABOUT JW THERAPEUTICS

JW Therapeutics (HKEX: 2126) is an independent and innovative biotechnology company focusing on developing, manufacturing and commercializing cell immunotherapy products, and is committed to becoming an innovation leader in cell immunotherapy. Founded in 2016, JW Therapeutics has built a world-class platform for comprehensive product development in cell immunotherapy, as well as a product pipeline covering hematologic malignancies, solid tumors and autoimmune diseases. JW Therapeutics is committed to bringing breakthrough and quality cell immunotherapy products and the hope of a cure to patients in China and worldwide, and leading the healthy and standardized development of China's cell immunotherapy industry.

We are an early entrant into the field of cell-based immunotherapy in China. Cell-based immunotherapies, including CAR-T treatments, are an innovative treatment method that uses human immune cells to fight cancer, representing a paradigm shift and the latest innovation in cancer treatment. Our lead product, Carteyva®, is an autologous anti-CD19 CAR-T cell immunotherapy product independently developed by us based on a CAR-T cell process platform of Juno Therapeutics (a Bristol Myers Squibb company). Carteyva® is the first CAR-T product approved as a Category 1 biologics product in China, and currently it is the only CAR-T product in China that has been simultaneously included in the National Significant New Drug Development Program and granted priority review and breakthrough therapy designations. Carteyva® has been approved by the National Medical Products Administration ("NMPA") for two indications, including the treatment of adult patients with relapsed or refractory large B-cell lymphoma ("r/r LBCL") after two or more lines of systemic therapy, and the treatment of adult patients with relapsed or refractory follicular lymphoma ("r/r FL"), in which a relapse occurs within 24 months second-line or higher systemic treatment. Meanwhile, a new indication for patients with relapsed or refractory mantle cell lymphoma ("r/r MCL") is currently under review for marketing application.

2023 saw the sustained commercialization of CAR-T products in China. Given the unmet medical needs that can be effectively addressed by CAR-T therapies, the market for CAR-T therapies in China is expected to experience strong growth through 2030, according to Frost & Sullivan. We believe that we are well-positioned in this growing market, based on the competitive edge brought by the six following key factors: (1) the best-in-class potential of our anti-CD19 CAR-T product; (2) our robust and differentiated cell therapy pipeline covering both hematological cancers, solid tumors and autoimmune disease; (3) our fully integrated cell therapy development platform; (4) our leading commercial manufacturing sites and supply chain; (5) our experienced management team; (6) and strong support from the shareholders of the Company. In 2023, with respect to the production and development of Carteyva®, we have not only cut down the costs to achieve higher efficiency, but also dug into its large potentials. We have also initiated a clinical study of Carteyva® for the first-line treatment of high-risk large B-cell lymphoma ("LBCL"). We are actively promoting the diversified expansion of our solid tumor pipeline and announced the launch of clinical research on JWATM214 for the treatment of advanced hepatocellular carcinoma ("HCC"), and the collaboration with 2seventy bio (NDX: TSVT) on the clinical research of autoimmune diseases, which is aimed at faster exploration and verification of application of T-cell-based immunotherapy products in Greater China.

JW Therapeutics is committed to developing innovative cell therapy methods and continuously driving the industry development as a leader in cell immunotherapy, thereby bringing revolutionary new treatments to patients. We will uphold the concept of "quality first" and devote ourselves to serving patients with world-class quality products, bringing hope of life to patients in China and all over the world.

OUR VISION

Become an Innovation Leader in Cell Immunotherapy

OUR MISSION

Bring Hope to Patients in China
Work Together and Realize the Potential for JW Therapeutics and Its Employees

OUR VALUES

Quality-Centered
Results-Oriented
Patient First
Integrity, Respect, Inclusion, Collaboration
Innovation-Driven

OUR COMMITMENT

To our patients

We are committed to continuously promoting R&D innovation, optimizing product processes, and meeting the unmet medical needs with world-class products. We strive to explore a multi-layer medical care system for treatment and improve the patient affordability through innovative payment and insurance method.

To our employees

We are committed to supporting our employees to fulfill their career development through an advanced employment, compensation and training management system. We are committed to creating a healthy and safe working environment through competitive employee welfare and care solutions.

To our shareholders

We are committed to promoting business expansion by expanding pipeline and market coverage, realizing economies of scale, achieving revenue growth, and helping maximize the interests of shareholders.

To our communities

We are committed to continuously participating in industrial collaboration and driving the industry development, supporting the government and regulators to formulate industry norms and standards, and contributing to the development of China's cellular immunity industry.

To our environment

We are committed to actively fulfilling environmental goals and reducing the environmental impact of production and operations on resource utilization, energy consumption, waste disposal and other areas. We promise to contribute to the sustainable development.

RECOGNITION AND AWARDS IN 2023

Award for "High-tech Enterprise"

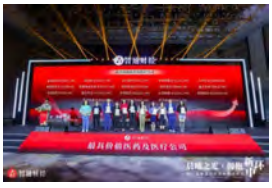
On January 4, 2023, JW Therapeutics entered the record list of the third batch of high-tech enterprises identified by the Shanghai municipal accreditation authority in 2022, as announced by the National High and New Technology Enterprise Accreditation and Administration Leading Group Office.

Award for "Annual Responsibility Pioneer" in ESG Trend Forum 2023 held by the Finance Department of NetEase

On September 23, 2023, "ESG Trend Forum 2023 and Awarding Ceremony for Excellent Enterprise ESG Practices" was held by the Finance Department of NetEase in Shenzhen, China. JW Therapeutics won the Award for "Annual Responsibility Pioneer" with its persisting efforts in ESG fields and remarkable contributions to the healthy and standardized development of China's cell immunotherapy industry.

Award for "Most Valuable Pharmaceutical and Healthcare Company" in the 8th Zhitong Finance Capital Market Annual Conference

On December 6, 2023, "the 8th Zhitong Finance Capital Market Annual Conference" was held in Shenzhen, China as planned. JW Therapeutics won the Award for "Most Valuable Pharmaceutical and Healthcare Company", which indicated the attention and recognition we received from peers and investors. This was a great encouragement to JW Therapeutics.



Award for "Specialization, Refinement, Characterization and Novelty"

On March 23, 2023, JW Therapeutics entered the list of Shanghai Small and Medium-sized Enterprises of Specialization, Refinement, Characterization and Novelty (the second batch), accredited by Shanghai Municipal Economy and Information Technology Commission.

Finalist Awards for "Most Promising Cell Therapy Pipeline in APAC" and "Best Cell & Gene Therapy Biopharma in APAC" in 7th Annual Cell & Gene Therapy World Asia

On September 13, 2023, the 7th Annual Cell & Gene Therapy World Asia was held in Singapore, where JW Therapeutics won Finalist Awards for "Most Promising Cell Therapy Pipeline in APAC" and "Best Cell & Gene Therapy Biopharma in APAC". Asian-Pacific Cell & Gene Therapy Excellence Awards recognize outstanding pioneers in cell and gene therapy, accelerating the development of the industry.

2023 HIGHLIGHTS

CORPORATE GOVERNANCE AND ESG STRATEGY

Completion Percentage of Compliance and Anti-corruption Training by Employees

100%

Percentage of Female Directors of the Board

33%

(*As of the Reporting date)

Number of ESG Issues Assessed for Materiality

22

FINANCIAL PERFORMANCE

Revenue

173.9 million RMB

(+19.32% year-on-year)

Gross Margin of Sales

50.7%

Research and Development Expenses Proportion

53.8%

Cash and Cash Equivalents

1,005.9 million RMB

COMMERCIALIZATION PROGRESS

Certificated Hospitals

125

Prescriptions

184

Infusions

168

EMPOWERING EMPLOYEE

Female Employee Proportion

59%

Training Coverage

100%

Training Hours per Employee

23

ENVIRONMENTAL SUSTAINABILITY

Comparing with 2021 (base year of the environmental targets), the environmental performance in 2023 was as below:

Energy Consumption Intensity

80% ↓

GHG Emissions Intensity

84% ↓

Water Consumption Intensity

73% ↓

Waste Management

100% compliant disposal of hazardous waste

100% recycling rate of cartons

EFFORTS IN PATIENT AFFORDABILITY

Number of Commercial Insurance Products that Carteyva® has been listed on

70

Number of Local Government Complementary Medical Insurance Programs that Carteyva® has been listed on

105

Percentage of Carteyva®-Infused Patients Received Insurance Reimbursements

51%

Expense Coverage Range

30%-100%

1. SOLID GOVERNANCE

— Maintaining solid corporate governance and operation compliance

UNSDGs	Topics	Actions
5 GENDER EQUALITY	• Board Governance and Diversity	• Establish a diversified Board of Directors and clearly define its powers and responsibilities and balance the experience and skills among Board members
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	• Internal Control and Risk Management • Business Ethics • Information Security • ESG Governance • Stakeholder Engagement and Materiality Analysis	• Conduct regular risk assessments, strengthen internal audits, and actively adopt improvement to address and prevent risks • Enforce strict adherence to code of conduct for employees and suppliers, and conduct trainings and internal audits on business ethics and anti-corruption • Enhance information security management systems and carry out information security training to all employees • Establish the ESG strategy for corporate sustainable development orientation

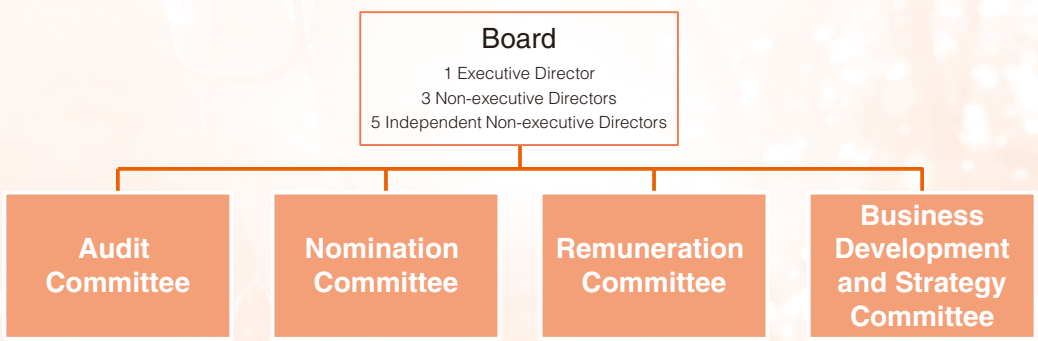
JW Therapeutics' culture is rooted in a strong foundation of integrity and solid corporate governance. We have established and been continuously optimizing the comprehensive governance system, persistently strengthening internal control and risk management while adhering to the highest ethical standards. We are committed to creating a standardized, transparent, and trustworthy corporate environment to ensure our long-term stable development.

1.1 Board Governance and Diversity

The key to achieving scientific and effective corporate governance lies in the construction of a diversified Board of Directors and a clear delineation of its powers and responsibilities. JW Therapeutics is dedicated to enhancing the Board structure and adheres to the principle of diversity in selecting board members. By balancing the experience and skills of Board members, we aim to enhance the overall governance effectiveness of the Board, providing strong assurance for the long-term development of the Company.

1.1.1 Board Governance Effectiveness

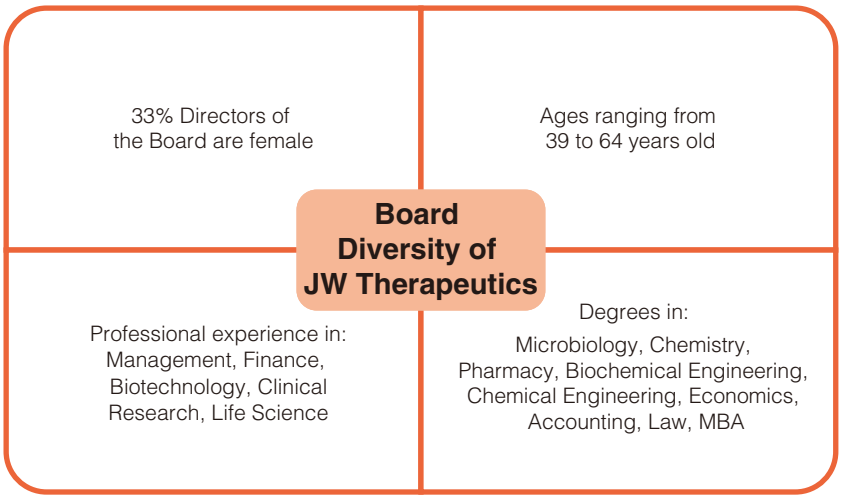
JW Therapeutics established the Audit Committee, the Nomination Committee, and the Remuneration Committee under the Board to continuously enhance its governance capabilities with a sound governance structure.



Structure of Board of Directors of JW Therapeutics

1.1.2 Board Diversity

JW Therapeutics has formulated a *Board Diversity Policy*, the implementation of which is annually reviewed with the assistance of the Nomination Committee. This initiative aims to ensure the diversity of Board members in professional experience, educational backgrounds, knowledge, ages and genders, to enhance board efficiency and ensure scientific decision-making. Currently, out of 9 Directors, 2 Directors have ESG management experience, and 7 Directors have corporate governance experience.



Board Diversity of JW Therapeutics

1.2 Internal Control and Risk Management

JW Therapeutics has taken effective measures to address the increasing uncertainties in product commercialization through continuously strengthening internal control and risk management activities. We also consistently enhance our internal control and the risk management system by conducting annual risk assessments and governance, expanding the internal audit scope based on the change of the internal and external risk environment and business operation, and adopting and implementing proactive improvement measures based on audit findings.

1.2.1 Internal Control and Risk Management Structure

JW Therapeutics has established a sound risk management structure involving various levels of employees from different departments, as demonstrated in the following:

Audit Committee	• Evaluate and supervise the overall risks related to business and operation • Review and approve annual internal audit plan • Review and approve annual risk management and internal control reports
Corporate Risk Management Committee	• Formulate and update risk management policy and targets • Review and approve major risk management issues • Provide guidance and feedback on risk management practice to related departments • Ensure appropriate structure of each department and supervise the compliance and effectiveness of the ESG working procedure
Internal Audit	• Assist the Board of Directors and the Audit Committee to review the adequacy and effectiveness of risk management and internal control • Drive the Corporate Risk Management Committee execution • Independently examine key risks in relation to material controls • Conduct audit programs and supervise rectification measures
Legal & Compliance	• Establish legal and compliance polices in company management and governance • Provide trainings on code of conduct and medical compliance • Review specific compliance issues in healthcare and business • Identify risks in commercial operation and provide consulting services on operation and management strategies

Internal Control and Risk Management Structure

The Corporate Risk Management Committee is dominant in internal control and risk management. Led by the Chief Executive Officer ("CEO") and supported by the Chief Financial Officer ("CFO") and the Internal Audit Department, the Committee is consisted of members who serve as heads of core department including Legal & Compliance, Finance, Human Resources, Quality, Medical Affairs, Business, Technical Operations, and Environmental Health & Safety ("EHS"). The Committee holds regular meetings to comprehensively review and discuss on annual risk assessment reports, and closely supervises the implementation and execution of risk mitigation measures related to business to ensure the effectiveness and timeliness.

Different working groups with experts of specific fields carry out cross-sectoral collaboration in the Committee, to drive alignment and execute specific objectives. We also engage third-party professional teams to serve as consultants who provide professional recommendations on operational and internal control compliance aligned with HKEX requirements for the Board of Directors and the management team.

1.2.2 Annual Risk Assessment and Audit Program

JW Therapeutics conducts annual risk assessment. Through internal interviews, the department heads identified multi-dimensional risk factors, including market and economic risks, technological risks, compliance risks, etc. to ensure the comprehensiveness and accuracy of risk identification. Additionally, combined with the Company's strategic objectives and feedback from interviews with key departments, the identified key risks have been scientifically classified, deeply evaluated, systematically managed and continuously monitored. For key risks, we have timely completed the rectification measures and ongoing monitoring to ensure timely control and effective mitigation of risks.

1.3 Business Ethics

JW Therapeutics strictly adheres to principles of professionalism, fairness, and integrity, firmly rejecting any form of bribery, corruption or fraudulent behavior. We have developed and strictly enforce a series of pharmaceutical industry compliance policies, including the *Company Code of Conduct*, *Standard Operating Procedure ("SOP") for Anti-Fraud and Anti-Bribery* as well as policies regarding *Corporate Sponsorship*, *Corporate Donations and Service Fee Arrangements*, ensuring the Company's business ethics standards are clear and followed.

Laws and regulations that we strictly adhere to include but are not limited to:
Civil Code of the People's Republic of China
Anti-Unfair Competition Law of the People's Republic of China
Anti-monopoly Law of the People's Republic of China
Advertising Law of the People's Republic of China
Medicinal Product Administration Law of the People's Republic of China
Internal policies that we developed include but are not limited to:
Company Code of Conduct
SOP for Corporate Sponsorship
SOP for Company Donations
SOP for FEE-for-Service
SOP for Meal, Travel, and Hospitality
SOP for Company Stamp Management
Regulations on Personal Data Privacy
Regulations for Contract Management
Regulations on Intellectual Property Rights
Regulations on Conflicts of Interest and Declaration
SOP for Anti-Fraud
SOP for Anti-Bribery
Regulations on Internal Audit

1.3.1 Compliance Culture

In terms of employee Code of Conduct, we recognize that conducting business in an ethical and compliant manner is the forefront of all commercial activities. To ensure that we deliver better medicines in a responsible way, we require every employee to adhere to the Company Code of Conduct and values. We organize annual Company Code of Conduct trainings for all employees, with the core contents of identifying, reporting, and avoiding any actual or potential corrupt behavior. Any violation of the Company Code of Conduct, especially involving corruption and fraud, will result in disciplinary action based on the event severity.

In respect of the business ethics on supplier side, JW Therapeutics also upholds strict ethical standards to suppliers. We clearly stipulate with suppliers who have signed standard supply agreements that they must adhere to the Company Code of Conduct, which explicitly outlines the commitment to anti-corruption and anti-bribery. To ensure that suppliers understand and adhere to ethical standards, we also provide relevant ethics training materials for reference and learning.

1.3.2 Compliance Training

JW Therapeutics places great importance on the professionalism of the Board of Directors and the competence in corporate governance. Annually, we engage external professional consultants and teams to provide professional legal and compliance trainings for directors and senior managers, of which the content includes responsibilities and duties related to company listing. During the Reporting Period, we conducted trainings on director responsibilities and duties for all Board members and executives. In case of Board member change, compliance training would be provided for new Board members to ensure that our Board members and executives fully understand their responsibilities and duties.

JW Therapeutics highly values the integrity and honesty of its employees. We provide compliance trainings, the content of which includes laws and regulations, anti-fraud and anti-corruption, for all employees through online and face-to-face channels. To strengthen our culture of integrity, we provides annual training on the Company Code of Conduct, medical compliance, and business ethics for employees (including agents, consultants, and third-party service personnel). The Annual Training aims to help our employees distinguish between ethical and unethical behavior and make the right decisions in any situation. The Annual Training is divided into six sessions, each of which includes lectures on specific topics and quizzes. Completion of all six sessions and passing all tests are required to complete the entire training. During the Reporting Period, all employees completed and passed the annual compliance training.

Given that JW Therapeutics operates in the highly regulated biopharmaceutical industry, we have established comprehensive compliance control systems and processes for specific and critical departments in our daily operations to ensure better compliance with regulations. We require that designated partners must complete online compliance training before engaging in business activities.

JW Therapeutics Business Ethics Training Case

During the Reporting Period, JW Therapeutics conducted business ethics training activities for the executives and business partners. The business ethics training for business partners included topics of self-regulation implementation guidelines, the importance of compliance and compliance requirements. The training for the Company's executives primarily focused on anti-fraud and anti-unfair competition practices. Through these training sessions, we aim to continuously enhance the awareness of business ethics among our business partners and the Company's management, strengthening our commitment to compliant operations.

1.3.3 Whistle-blowing Channel

JW Therapeutics has set up a reporting mailbox to encourage all employees to report on any inappropriate business conduct. We are committed to taking strict measures to address any violations of business ethics seriously. Additionally, we have implemented whistleblower protection procedures and related policies, along with a series of stringent measures to safeguard the identity and privacy of whistleblowers, protecting whistleblowers from any form of retaliation.

During the Reporting Period, there were no legal cases regarding corrupt practices reported.

1.4 Information Security

As we continuously evolve product commercialization and R&D pipelines, securing information is increasingly important for stakeholders such as patients, customers, suppliers and employees. In this regard, we have strengthened our information security management through a series of measures, including formulating policies, optimizing management systems, strengthening data risk prevention and control, and continuously enhancing our information security management capability.

Internal policies that we developed include but are not limited to:

Data Security IT Administrative Regulations of JW Therapeutics
Regulations on Personal Data Privacy
IT Computerized System Management Measures
Information Security Management Overview
Employee IT Information Security Codes
Information Security Emergency Response Process
SOP for Information and Data Processing Arrangements

We have established an organizational structure that includes the head of IT department, IT information security executive group, IT infrastructure and IT terminal management to strengthen the management of information security. Furthermore, the Company has developed a comprehensive information security management system tailored to its business characteristics and organizational structure to ensure the effective implementation of various policies and standards. During the Reporting Period, JW Therapeutics' E-nuotongxing system has been certified with Grade 2 Network Security Classified Protection Certification.

In terms of data leakage management, Data Loss Prevention (DLP) system is responsible for comprehensive management of data risk prevention and control. The prevention management and security alert functions of the system is helpful for IT departments and core business departments to improve the capability to identify and prevent potential data leakage risks, as well as to strengthen control over employee data protection behaviors.

In terms of information transmission behavior management, we have implemented strict management measures, including closing the data transmission interface of computer terminals and controlling access to network storage, ensuring that our employees follow the regulations on information transmission. We have defined specific requirements for data protection, account management, internal file decryption processes, computer viruses, file retention and transmission in our Employee Handbook. According to the *Data Security IT Administrative Regulations of JW Therapeutics*, each employee is required to initiate an information security audit when leaving the Company. Their data transmission behaviors will be reviewed through technical means in conjunction with the HR department and relevant department leaders.

During the Reporting Period, no information security or data leakage incidents occurred in JW Therapeutics.

We also prioritize enhancing employees' awareness of information security. During the Reporting Period, we organized online information security protection training for all employees, which focused on daily information and data security, followed by corresponding examinations after the training. As at the end of the Reporting Period, a total of 344 employees had participated in information security training during the year, with a training completion rate of 95.9%.

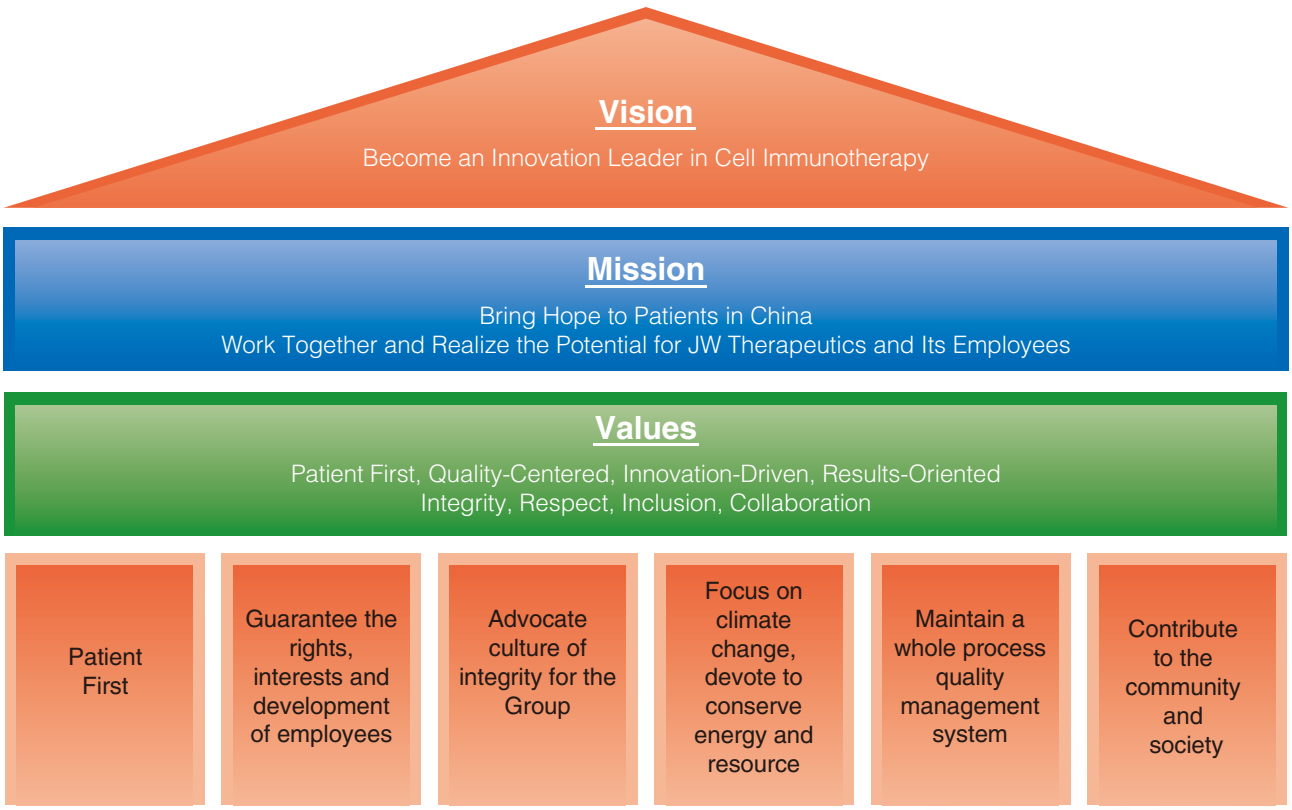
1.5 ESG Governance and Strategy

JW Therapeutics incorporates ESG factors into Company's strategy while cultivating the business and thoroughly implement the concept of sustainable development throughout the business operation. We drive corporate sustainable development through our integrated platform, strengthened in-house R&D capabilities, and strategic alliance with cooperation partners. Additionally, we actively take environmental and social responsibilities to respond to global challenges such as climate change and extreme weather and focus on talent development and social development to continuously create values.

1.5.1 ESG Strategy

Our Board of Directors has the overall responsibility for the Company's ESG integration and the development of our ESG strategy. Our ESG strategy is rooted in our Vision, Mission and Values, focusing on issues of high priority closely related to our business nature and stakeholders' expectations.

JW Therapeutics' ESG strategy outlines a clear path for the Company's sustainable development and identifies strategic directions that can generate the greatest positive impact. This strategy not only reflects our commitment to social responsibility but also provides a solid foundation for maintaining competitiveness in an increasingly complex and globalized business.

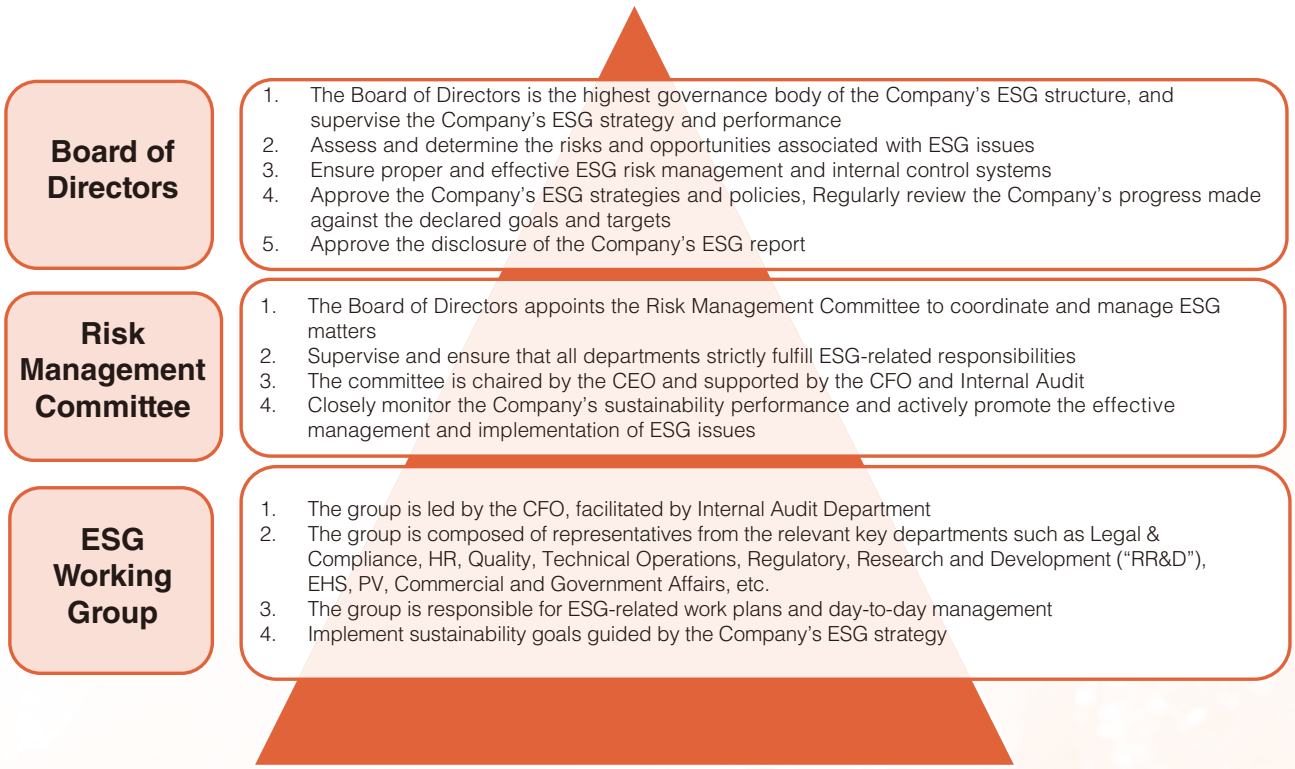


JW Therapeutics' ESG Strategy

Under the guidance of our ESG strategy, we have developed the *Environmental, Social and Governance Policy* as the core guiding document for JW Therapeutics' ESG issues. The policy defines the structure, roles and responsibilities of ESG management, and covers the Company's management principles and requirements for key ESG issues including EHS, environmental protection, resource conservation, quality monitoring, human resources management, protection of the rights and interests of patients, suppliers and partners, public relations and social welfare system, etc.

1.5.2 ESG Governance Structure

In accordance with the Company's ESG strategy, we have established an ESG governance structure comprising of the Board of Directors, the Risk Management Committee and the ESG Working Group. The roles and responsibilities for each hierarchy are clearly defined as below.



JW Therapeutics ESG Governance Structure

1.5.3 Board Statement

Board's ESG Responsibilities

The Board of Directors assumes overall responsibility and plays a leading role for the Group's ESG strategy and ESG governance. The responsibilities of the Board defined in ESG policy mainly include:

- Assess and determine the risks and opportunities associated with ESG issues
- Ensure proper and effective ESG risk management and internal control systems
- Approve the Group's ESG strategies and policies
- Regularly review the Company's progress made against the declared goals and targets
- Approve the Company's ESG report

ESG Management Execution

- In order to implement the ESG agenda, the Board of Directors delegate the Corporate Risk Management Committee chaired by the Company's CEO to manage ESG-related risks and implement the ESG strategy
- The committee formulates ESG-related objectives and targets, drives the execution, and ensures compliance with the ESG regulations. The output and recommendation from the committee should be endorsed by the Board
- In addition, an ESG working group, led by the CFO and supported by IA department, together with related department leaders, who are responsible for ESG-related policy formulation and the execution of the ESG works

Material ESG Issues Assessment and Risk Control

- JW Therapeutics conducts regular communications with stakeholder engagements through various channels to identify and evaluate the Company's material ESG-related issues
- Furthermore, the prioritized ESG risks and corresponding action plans are defined to ensure compliance and operational continuity
- On top of that, we optimize our ESG strategy and take actions to fulfill the demand of various stakeholders and continuously improve the Company's overall ESG performance
- The Board of Directors discusses and approves the ESG strategy, materiality and risk assessment results, and oversees the progress made against the ESG target set periodically

1.5.4 Stakeholder Engagement and Materiality Analysis

JW Therapeutics' key stakeholders include the government and regulatory agencies, investors, suppliers, business partners, communities, customers, and employees. During the Reporting Period, we have communicated with our stakeholders through various channels to understand and respond to their demands. We hope to pursue maximized benefits with all stakeholders by adhering to our ESG strategy and constantly improving our ESG performance.

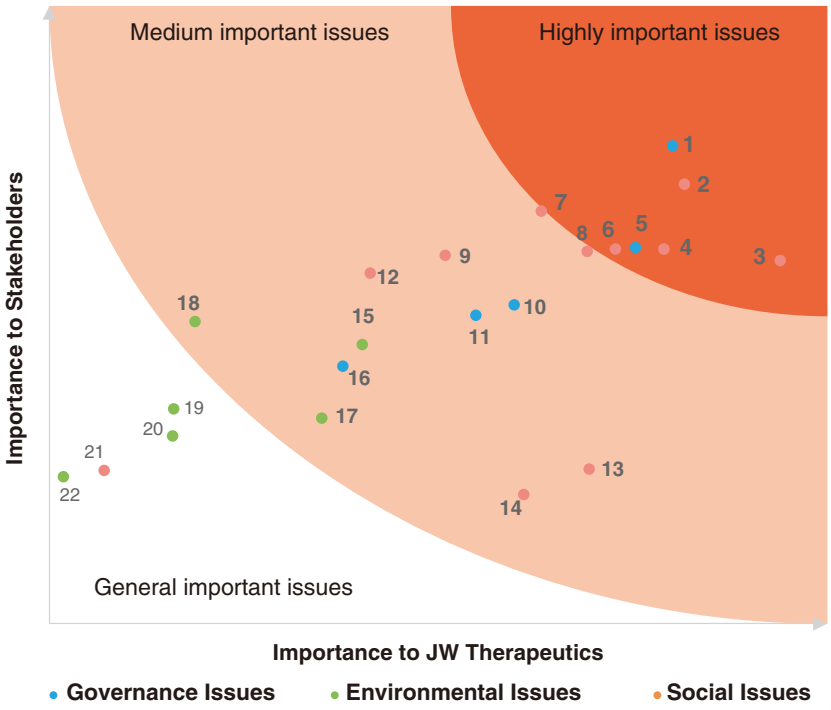
The communication mechanisms with our key stakeholders are as follows:

Key Stakeholders	Issues of Concern	Main communication mechanisms
Government and Regulatory Agencies	• Corporate Governance • Information Security • Intellectual Property ("IP") Protection • Systematic Environmental Management • Public Welfare and Charity • Code of Business Conduct and Anti-Corruption • Anti-unfair competition behavior	• Questionnaires • Regular meetings and conferences • Feedback and suggestions on policy
Investors	• Product Research and Innovation • Product Accessibility • IP Protection	• Company official website • Announcement on the HKEX platform • Annual General Meeting ("AGM")/ Extraordinary General Meeting ("EGM") • Questionnaire • Telephone communication • Face-to-face discussion
Suppliers	• Sustainable Supply Chain Management • Systematic Environmental Management • Information Security	• Regular communication and meetings • Performance evaluation • Onsite coaching and inspection • Questionnaires
Business Partners	• Code of Business Conduct and Anti-Corruption • Anti-unfair competition behavior • Information Security • Supply Chain Management • Supplier Environmental and Social Assessment • Product Safety and Quality • Environmental Regulatory Compliance • Energy Management	• Industry alliances • Workshops and seminars • Project cooperation • Questionnaires
Communities	• Corporate Governance • Code of Business Conduct and Anti-Corruption • Information Security • Product Safety and Quality • Technology and Innovation • Product Accessibility • Systematic Environmental Management • Energy Management	• Public welfare activities • Public health promotion events • EHS associations • Questionnaires

Key Stakeholders	Issues of Concern	Main communication mechanisms
Customers	• Product Safety and Quality • Technology and Innovation • Product Accessibility • Information Security • Public Welfare and Charity	• Company email • Formal meetings and visits • Informed consent form • Patient service • JW Therapeutics Hotline
Employees	• Inclusion and Diversity • Employee Health and Safety • Compliance Employment • Employee Rights and Benefits • Employee Training and Development	• Town hall meetings • Training and performance reviews • Seminars and workshops • Team building • Questionnaires

In 2023, we comprehensively re-assessed the material issues with the Board of Directors based on our communications with various stakeholders, the strategic planning of the Company and analysis of the market environment. Given that the development of the Company's business segments and industry we operate in have not had a material impact on the identified ESG issues, we decided to maintain the existing matrix of significant issues. Therefore, the significant issues and prioritization determined in 2022 remain highly relevant and will continue to provide guidance for the key disclosure content in the Report.

2023 ESG Materiality Matrix of JW Therapeutics



Degree of Importance	Number	Issue	Category
High Importance	1	IP Protection	Governance
	2	Product Research and Innovation	Social
	3	Product Safety and Quality	Social
	4	Occupational Health and Safety	Social
	5	Information Security	Governance
	6	Compliant Employment	Social
	7	Sustainable Supply Chain Management	Social
	8	Product Accessibility	Social
Medium Importance	9	Employee Rights and Benefits	Social
	10	Corporate Governance	Governance
	11	Code of Business Conduct and Anti-Corruption	Governance
	12	Public Welfare and Charity	Social
	13	Employee Training and Development	Social
	14	Inclusion and Diversity	Social
	15	Solid Waste Management	Environmental
	16	Anti-unfair Competition Behavior	Governance
	17	Energy Management	Environmental
	18	Systematic Environmental Management	Environmental
General Importance	19	Emissions Management	Environmental
	20	Waste Resources Utilization	Environmental
	21	Supplier Environmental and Social Assessment	Social
	22	Packaging Material Management	Environmental

2. BRINGING HOPES FOR CURE

— Enhancing access to CAR-T therapies and health through innovation-driven and quality-centered products

SGDs	Topics	Actions
	• Product Research and Development • Product Quality	• Leverage our integrated cell therapy platform to expand into the solid tumor market • Establish a new autoimmune disease R&D team to expand and solidify Relma-cel use in autoimmune field. • Establish a quality control process covering clinical R&D, manufacturing, commercialization and approved drug use

As a leading CAR-T therapy biotechnology company with the core mission of bringing new hopes for cure, JW Therapeutics strives to provide patients with reliable and assured products. We make every effort to make R&D progress and solidify our leadership in hematological cancers. To guard patients' health, we continuously enhance the quality management system to ensure the quality and safety of our products.

2.1 Product Research and Development

We establish a diverse R&D pipeline, implement standardized product R&D management, strict IP and data privacy management, and develop promising R&D strategies to enable continuous innovation and change. We have complied with health and safety, advertising, labelling and privacy and remedies laws and regulations that materially affect us in relation to the products and services we provide during the Reporting Period.

Laws and regulations that we strictly adhere to include but are not limited to:
International Conference on Harmonization ("ICH") standards Good Clinical Practice ("GCP") Good Manufacturing Practice ("GMP") Good Pharmacovigilance Practice ("GVP") Others

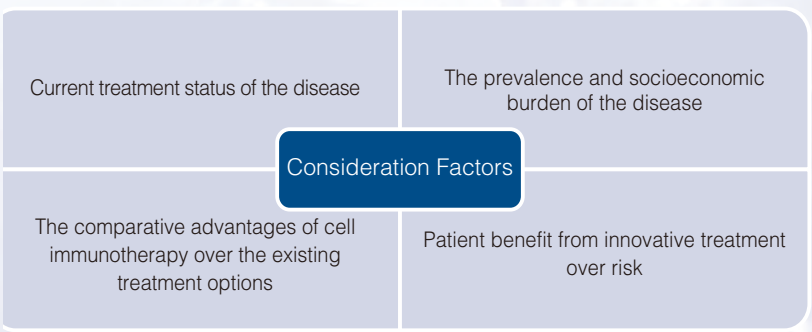
Internal policies that we developed include but are not limited to:

Standard Operating Procedures ("SOPs"), including:

- Regulatory, Research and Development ("RR&D")
  - Clinical quality assurance & risk management
  - Pharmacovigilance
  - Clinical operations
  - Data management
  - Biostatistics
  - Regulatory affairs
  - Medical affairs and insights
  - Clinical development
  - Medical communications
  - Translational research
  - Portfolio and project management
- Data Integrity
  - *Data Integrity & Record Retention*
  - *Internal Transfer of Clinical Data and Results*
  - *External Transfer of Clinical Data and Results*
  - *Study Quality Oversight*
  - *Data Management Quality Control*
  - *Lifecycle Management of RR&D Procedural Documents*
  - *Lifecycle Management of Computerized System in RR&D*
- Clinical Ethics
  - *Development Review Approval and Maintenance of ICF*
- Information and Privacy Protection
  - *Information Technology Computerized System Management Regulations*
  - *JW Therapeutics Data Security IT Management System*
  - *Employee IT Information Security Codes*
- IP
  - *Regulations on Intellectual Property Rights*
- Others

2.1.1 R&D Strategy

JW Therapeutics has embedded its patient-first and innovation-driven commitments into research and development, with the aspiration to fulfill the unmet medical needs while alleviating socio-economic burdens for access to CAR-T cell therapy. In this regard, our R&D considerations incorporate weightings of current situation of therapies and socio-economic burdens.



Consideration Factors of Our R&D Strategy

Specifically, we focus on the following R&D strategies to solidify our current product development progress and expand the applications:

Solidify our leadership in hematological cancers by continuing to develop Carteyva® for earlier lines of treatment

In January 2023, we submitted a new Investigational New Drug ("IND") application for Carteyva® as second-line therapy for transplant-ineligible patients with r/r LBCL. In March 2023, The China National Medical Products Administration ("NMPA") approved our IND application relating to this trial. In November 2023, we commenced patient enrollment in the related clinical trial.

Further Expand Relma-cel new indication in hematology disease

Our approach to develop Carteyva® indications involves expanding its applications for patients with r/r MCL.

In January 2024, the NMPA of China accepted our supplemental Biological License Application ("sBLA") for Carteyva® for the treatment of adult patients with r/r MCL. This is the third marketing application on Carteyva®, and is expected to be the first cell therapy product approved in China for the treatment of patients r/r MCL. Carteyva® was granted, by NMPA, Breakthrough Therapy Designation in March 2022, as well as Priority Review in December. 2023.

Expand Relma-cel use into autoimmune diseases, as well as clinical development of other new products

Autoimmune diseases are a critical part of JW Therapeutics' strategy. We are committed to maximizing the clinical value of relma-cel, and look forward to providing a new treatment option for patients with autoimmune diseases.

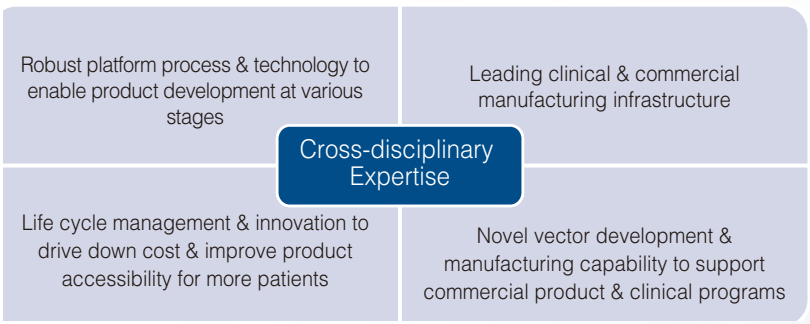
In April 2023, we received the IND clearance from the NMPA of China for a registered clinical trial of relma-cel in patients with moderately or severely refractory systemic lupus erythematosus ("SLE"). Relma-cel may provide a novel, safe and effective treatment option for patients with moderate or severe SLE. Also, we have expanded our strategic partnership with 2seventy bio, Inc. ("2seventy bio") to encompass co-development and commercialization of a CAR-T cell product for autoimmune diseases in Greater China. We believe that the Company may be able to secure a first-mover or early-mover advantage in a highly promising market through development of these therapies.

Leverage our integrated cell therapy platform to expand into the solid tumor market

We aim to achieve breakthroughs in the field of solid tumors through deep collaborations with world-leading cell therapy partners and thus ultimately serving more patients. We believe that there is an opportunity to use these technologies as a platform for multiple new cell therapies that can be applied across diverse solid tumor indications.

In the first half of 2023, we also commenced pre-clinical development of cell therapy products directed to melanoma-associated antigen A4 ("MAGE-A4") and Delta-like canonical Notch ligand 3 ("DLL3"), based on rights that we in-licensed from 2seventy bio and Juno Therapeutics Inc. ("Juno"), respectively, in the second half of 2022.

We have established an integrated cell therapy innovation platform with cross-disciplinary expertise to expedite our research and development strategies. This platform supports R&D for multiple indications, enabling efficient programs from discovery to early clinical stages.



Our Integrated Cell Therapy Innovation and Commercialization Platform

2.1.2 Product Pipeline

Guided by our clear R&D strategy and rigorous product development processes, we are committed to expanding our current pipelines and developing new technologies to improve the efficacy and safety of CAR-T cell therapy.

As of the end of the Reporting Period, our well-rounded and differentiated cell-based immunotherapy pipeline is as the following. For more detailed information of each product candidate, please refer to "Our Product Pipeline" in the 2023 Annual Report of JW Therapeutics.

The following chart summarizes the current development status of our products and product candidates that are intended for treatment of hematologic malignancies and autoimmune diseases:

	Product	Target	Indication	Commercial Rights	Pre-clinical	Phase I	Pivotal / Phase II/III	NDA	Marketed	Partner
Hematologic Malignancies	JWCAR029 / Relmacabtagene Autoleucel (relma-cel)[1]	CD19	3L LBCL	Mainland China, Hong Kong, Macau*						
			3L FL	Mainland China, Hong Kong, Macau*						
			r/r MCL	Mainland China, Hong Kong, Macau*						
			Front Line LBCL	Mainland China, Hong Kong, Macau*						
			2L LBCL	Mainland China, Hong Kong, Macau*						
			3L ALL	Mainland China, Hong Kong, Macau*						
			3L CLL	Mainland China, Hong Kong, Macau*						
	JWCAR129 [2]	BCMA	r/r MM	Mainland China, Hong Kong, Macau*						
	JWCAR029 / Autoimmune [3]	CD19	SLE	Mainland China, Hong Kong, Macau*						

Abbreviations: LBCL = large B-cell lymphoma; FL = follicular lymphoma; MCL = mantle cell lymphoma; ALL = acute lymphoblastic leukemia; CLL = chronic lymphocytic leukemia; MM = multiple myeloma; NHL = non-Hodgkin lymphoma; SLE = systemic lupus erythematosus.

* Mainland China, Hong Kong and Macau refer to Mainland China, Hong Kong (China) and Macau (China), respectively.

1. Relma-cel is based on the same chimeric antigen receptor ("CAR") construct as the product lisocabtagene maraleucel (Breyanzi or lisocabtagene or liso-cel) of Juno, which was approved by the U.S. Food and Drug Administration ("FDA") in February 2021.

2. JWCAR129 is based on the same CAR construct as Juno's product orvacabtagene autoleucel (orva-cel).

3. SLE is a chronic autoimmune disease characterized by the production of autoantibodies and abnormal B-lymphocyte function.

The following chart summarizes the current development status of our product candidates that are intended for treatment of solid tumors:

	Product	Target	Indication	Commercial Rights	Pre-clinical / Phase I	Pivotal / Phase II/III	NDA	Marketed	Partner
Solid Tumors	JWATM204 [1]	GPC3	HCC	Mainland China, Hong Kong, Macau, Taiwan, and member countries of ASEAN*					Eureka
	JWATM214 [2]	GPC3	HCC	Mainland China, Hong Kong, Macau, Taiwan, and member countries of ASEAN*					Lyell Eureka
	JWATM203 [1]	AFP	HCC	Mainland China, Hong Kong, Macau, Taiwan, and member countries of ASEAN*					Eureka
	JWATM213	AFP	HCC	Mainland China, Hong Kong, Macau, Taiwan, and member countries of ASEAN*					Lyell Eureka
	JWTCR001	MAGE-A4	various solid tumors	Mainland China, Hong Kong, Macau*					seventybio
	JWCAR031	DLL3	SCLC	Mainland China, Hong Kong, Macau*					Bristol Myers Squibb

Abbreviations: HCC = hepatocellular carcinoma; NSCLC = non-small cell lung cancer; AFP = alpha-fetoprotein; GPC3 = glypican-3; r/r = relapsed or refractory; HAS = hepatoid adenocarcinoma of the stomach; MAGE-A4 = melanoma associated antigen A4; DLL3 = Delta-like ligand 3.

* Mainland China, Hong Kong, Macau and Taiwan refer to Mainland China, Hong Kong (China), Macau (China) and Taiwan (China), respectively.

1. JWATM204 is in a Phase I investigator-initiated trial in China. Eureka's products based on the CAR constructs underlying JWATM203 and JWATM204 are currently in Phase I/II trials in the US conducted by Eureka under an IND application. In November 2021, the FDA granted Fast Track Designation to Eureka's counterpart to JWATM203 for the treatment of hepatoblastoma ("HB") and HCC in pediatric patients, as well as "rare pediatric disease designation" for the treatment of HB. In February 2022, the FDA granted Orphan Drug Designation to Eureka's counterparts to JWATM203 and JWATM204.

2. Developing using Lyell technology.

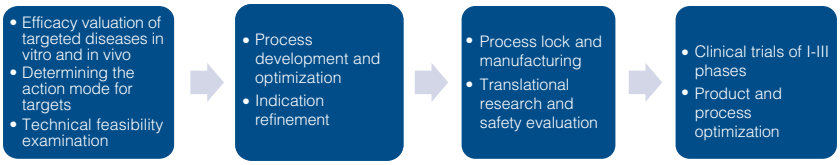
As of the end of the Reporting Period, our core product Carteyva® had been approved by the NMPA for two indications:

- Adult patients with r/r LBCL after two or more lines of systemic therapy
- Adult patients with r/r FL in which a relapse occurs within 24 months of second-line or higher systemic treatment

As at the end of the Reporting Period, we generated 184 prescriptions of Carteyva® and completed 168 infusions, bringing the hope of a cure for these patients and their families.

2.1.3 Standardized Product R&D Management

A robust quality management structure is the cornerstone for enhancing R&D innovation and assuring R&D data reliability. Our standardized product development procedure throughout R&D process has guaranteed our pipeline expansion efficiency and effectiveness. The general process consists of four main stages:



Overview of the Product Development Process

To ensure the compliance of our R&D activities, we have implemented the clinical quality management system ("cQMS") to standardize quality management practices across all clinical trials and guarantee compliance with regulated RR&D activities.

In terms of R&D personnel management, we set up a robust management structure led by a Chief Scientific Officer ("CSO"), who chairs the Scientific Advisory Committee, leading an in-house early discovery and pre-clinical team. The Scientific Advisory Committee, and the Development and Commercialization Governance Committee chaired by a Chief Medical Officer ("CMO"), which both consist of scientists and physicians with extensive industry experience, provide scientific leadership and strategic guidance to develop a robust cell immunotherapy pipeline for the Company.

In 2023, we established multi-level, multi-directional and optimized cooperation with external partners based on our short-, medium-and long-term development strategy. We further enhanced our in-house R&D capability by establishing a new autoimmune disease R&D team, aiming to expand and solidify Relma-cel use in autoimmune field based on our matured manufacturing process, quality control and sophisticated clinical research of CAR-T treatment.

Our competitiveness of Relma-cel use in autoimmune diseases

Furthermore, we regularly organize training programs and activities in RR&D both on our Veeva training platform and offline, aiming to improve employees' skills and abilities as well as foster their scientific research enthusiasm.

R&D training activities

JW Therapeutics recognizes that continuous skill enhancement is crucial to develop the talents within the RR&D team. In this regard, we hold trainings for employees an ongoing basis, in accordance with external regulations and internal quality requirements. We conduct continuous trainings on updated regulations and SOPs via the Veeva Training System, in which the content includes the instructor-led New Hire Onboard Training and monthly RR&D Learning Seminars covering clinical development topical issues and experience sharing activities.

In 2023, our new autoimmune disease R&D team conducted trainings on aseptic operation, P2 laboratory operation specification, general knowledge of cell therapy, use of special equipment, and management of the scientist team, aiming to ensure safety development for further research.

11 RR&D Learning Seminar

57 Document Training in Veeva System

8 SOP Trainings Led by SOP Owner

13 RR&D Onboard Trainings for 15 New Staffs by CQA&RM

One Day of New Hire Training for 9 New Staff in 1H 2023

1 RR&D Townhall Meeting

3 Sessions of Soft Skill Training for all RR&D Staff

6 Other Types of Training Requirements

2.1.4 IP Management

With the expansion of product pipelines, we strengthen IP management to lay a solid foundation for protecting R&D and innovation results. We have formulated the *Intellectual Property Rules* and the *JW Therapeutics Intellectual Property Guidelines*, which clearly stipulate the IP management system, patent application and maintenance, and standardize the reporting procedures for trade secrets, copyrights and trademarks. The Company's IP team discusses major IP issues and strategic decisions. In 2023, we have established Intellectual Property Committee to clarify the basic responsibilities of employees at all levels in relation to IP, and the first meeting of the committee was held in January 2024.

After entering the commercialization stage, JW Therapeutics has continuously put forward higher requirements for innovation result management and established the following IP management strategies to further support innovative development.

Our IP Protection Strategy

We have carried out many IP protection measures to further protect the interests of the Company and stakeholders. All employees must sign the *Confidentiality Agreement* attached to the labor contract at the time of entry, which specifies the definition of IP rights and the basic duties of employees in respect of IP rights. Besides, we also appointed in-house IP counsel to participate in the maintenance of IP in the early stages of R&D and technological innovation, as well as to provide legal and technical support for external cooperation.

Patent Training
At the beginning of 2023, the IP legal consultant conducted a 90-minute special IP training for our innovation and technology team, covering the acquisition and utilization of technical information, independent IP protection strategies, response to competitive patent risks and the handling of confidential information, etc., to raise their IP awareness and application ability, and ensure the maximum value of the Company's innovative technology

As of the end of the Reporting Period, we had 2 utility models approved, 10 invention patents, and more than 10 invention patent licenses introduced from our partners. We also obtained 85 trademarks registered with the China National Intellectual Property Office ("CNIPO"), and near 52 trademarks in Hong Kong and Macau.

2.1.5 R&D Data and Privacy Protection

In our pursuit of guarding health through innovative solutions and reliable products, our scientific research standard is guided by high standards of clinical ethics and information integrity.

- *R&D Data Protection*

JW Therapeutics has established various SOPs to ensure information security and compliance as the R&D data that we receive, generate and store requires solid information management. We utilize the Veeva application system and Managed File Transfer ("MFT") applications for digitalized clinical documentation and clinical data storage, which enable real-time monitoring security, and enhance efficiency.

Data protection measures
We implemented strict data protection measures to protect our product and research achievements and prevent data breaches: • Built firewalls and online behavior management devices at various sites and enabled advanced protection functions, such as Internet Protocol Suite ("IPS"). • Implemented restrictions on portable storage devices, preventing all office computers from using portable storage devices. • Established a Data Leakage Prevention system to monitor employee behavior in the Company's sensitive data transmissions. • Conducted security assessments and set up a web security firewall to prevent application data leakage. • Deployed MFT in JW Therapeutics server for exchanging clinical data internally and externally to ensure the security and efficiency of data transfer.

- *Privacy protection*

We are committed to protecting the privacy of those who entrust us with their personal information during our research and development.

Privacy protection measures
• For each trial, the expected benefits and potential risks of participating are clearly communicated to the participants through the sign-off of the Informed Consent Form ("ICF"). • We ensure our patients' right to be informed about the whole trial process, including the withdrawing options. • Patients' personal information will also be anonymized before uploading or reporting to clinical database to ensure their privacy. • The biobanking and bioanalysis of patient samples (for the purpose of monitoring their safety and efficacy) were consented before enrollments. • Follow the GCP guidance for these samples' chain of custody and interrogation using validated methods.

2.2 Product Quality

JW Therapeutics consistently places great importance on product quality and liability. We emphasize the R&D and manufacturing quality management by establishing a robust quality monitoring system and management structure, endeavoring to foster a quality culture, thereby securing a stable supply of high-quality products and bringing hopes to more patients.

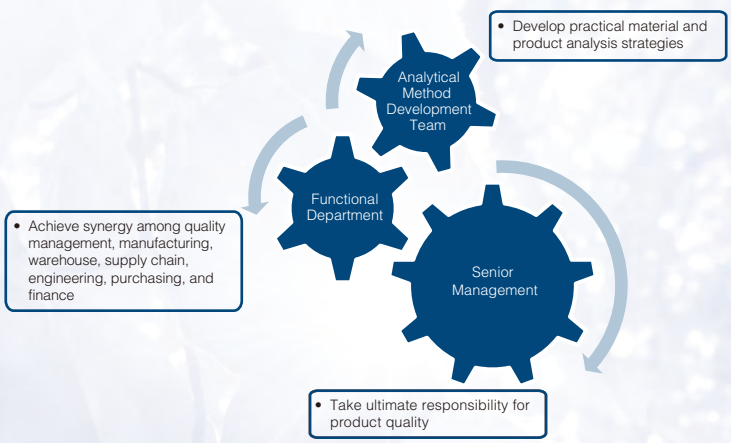
Laws and regulations that we strictly adhere to include but are not limited to:
Good Laboratory Practice ("GLP") Good Clinical Practice ("GCP") Good Manufacturing Practice ("GMP") Good Supply Practice ("GSP")
Internal policies that we developed include but are not limited to:
Quality manuals Quality management policy Quality standards, batch records, forms, plans, programs, logbooks

2.2.1 Quality Management System

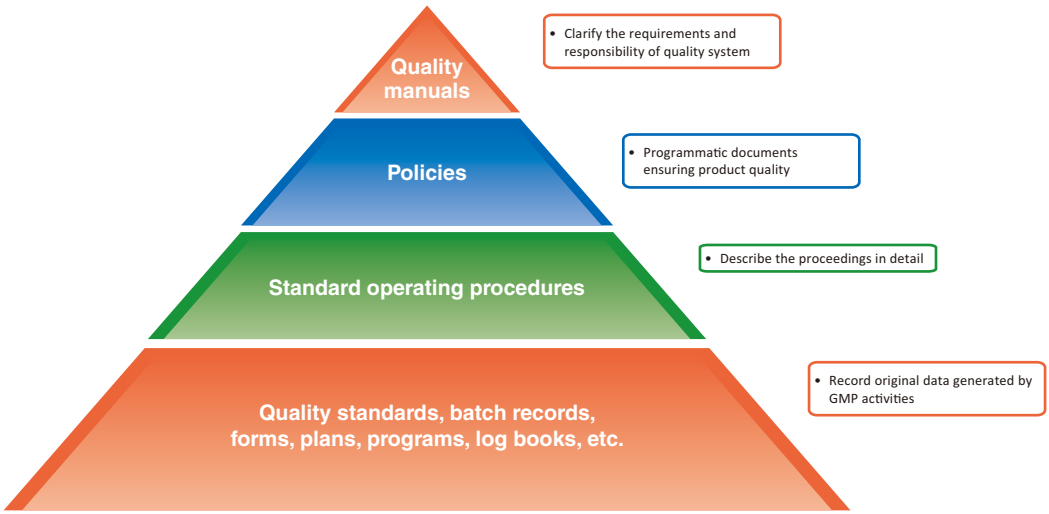
JW Therapeutics follows the concept of "Quality by Design" and has established a quality management system that exceeds both Chinese and international pharmaceutical standards and regulations, covering the entire life cycle of pharmaceuticals, including R&D, manufacturing, commercialization, and approved drug use. In view of the features of CAR-T products, we also cover the whole process of quality management from the manufacturing stage to medical application.

We have established a quality management structure consisting of senior management, functional departments and analytical method development teams, clarifying the scope of responsibilities of each department. This lays a solid foundation for quality management system and process, ensuring a successful quality control process.

Furthermore, we have developed a four-tier quality management policy system based on the five major elements of GMP, including institutional personnel, facilities and equipment, logistics management, regulations and pharmaceutical hygiene. We continuously conduct risk assessments, to ensure that "there are rules to follow, manuals to refer, and rules to check". As of the end of the Reporting Period, we have formulated a total of 2,170 quality management documents, including various policies, procedures, quality standards and forms.



Quality Management Structure



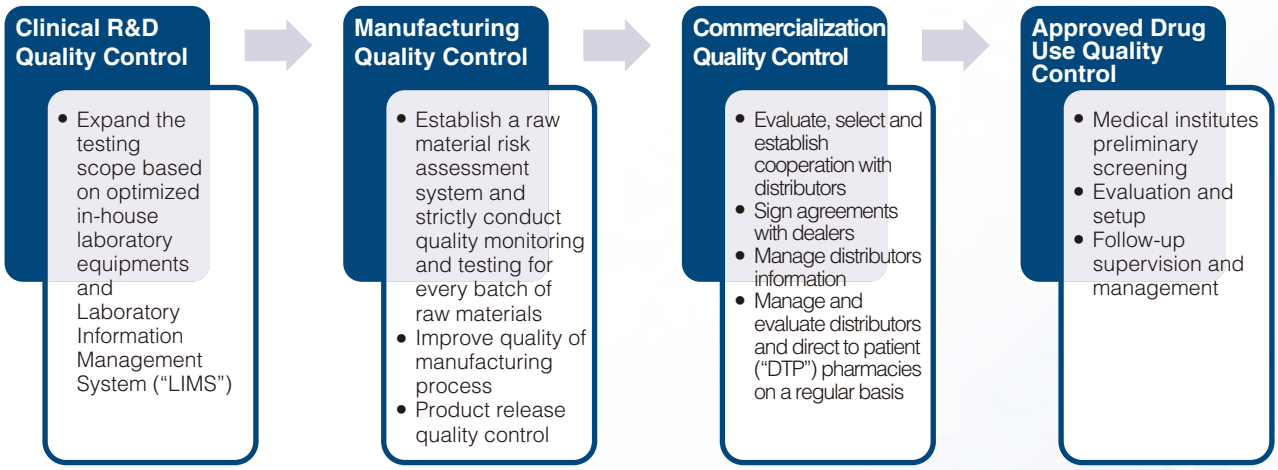
Quality Management Policies and Guidelines

JW Therapeutics continued to strengthen the construction of quality management system. During the Reporting Period, we enhanced several management optimization measures in the following areas.

Production and distribution traceability management system
• Manage and control each production step through Manufacturing Execution System ("MES"); ensure the consistency of patient identity; carry out the management of materials, warehouses, main batch reports and online system
End-to-end quality management of cell therapy products
• Carry out quality management from the use end to the distribution end in medical institutes to control the whole-process quality of cell therapy products and fulfill product quality responsibility

2.2.2 Quality Control across the whole Chain

We have established a quality control procedure across the entire chain, encompassing clinical R&D, manufacturing process, commercialization and approved drug use to ensure product effectiveness, quality and safety during research, manufacturing, operation and utilization.



In terms of quality improvement of manufacturing process, we test the stability of the equipment in the development stage and customize the equipment program in combination with specific manufacturing control to meet the requirements of different product development. In addition, we actively explore the application of integrated manufacturing processes and achieve process control consolidation and simplification to improve manufacturing efficiency. In 2023, we carried out various measures to continuously optimize the manufacturing process and improve the process quality and reduce production hours.

Optimizing Measures for Manufacturing Processes

- Develop the use of serum-free processes in manufacturing to reduce risks of serum supply and batch stability
- Improve the closure and automation of manufacturing process in order to reduce the frequency of manufacturing deviations and achieve more stable process control
- Expand the quality characterization attributes of CAR-T products and incorporate those related to cell function and safety into process optimization goals

First manufacturing site available for manufacturing of samples from hepatitis B, hepatitis C and syphilis positive patients in China

The manufacturing site of JW Therapeutics in Suzhou is equipped with an independent Module 3 manufacturing area, which is specially used for the reception, manufacturing and storage of positive samples of hepatitis B, hepatitis C and syphilis for relma-cel injection. The manufacturing site has set up an independent positive sample receiving room, manufacturing area and storage, packaging and shipping area, as well as an independent air conditioning purification system to maintain a relatively negative pressure in the manufacturing area where positive samples exposed to the environment. Such plant design can effectively prevent pollution and cross-contamination.

In March 2023, the manufacturing site of JW Therapeutics in Suzhou passed the on-site registration verification, GMP compliance inspection and special inspection of cell therapy products of Module 3 workshop by the Center for Drug Evaluation and Jiangsu Medical Products Administration, and successfully received the approval of Module 3 manufacturing line issued by NMPA in October 2023. It became the first manufacturing site in China that can be used for manufacturing of samples from hepatitis B, hepatitis C and syphilis positive patients, improving the accessibility of relma-cel injection for patients.

In terms of drug quality testing, we have developed highly standardized sample monitoring specifications and product release standards, based on the disease progress and the particularity of CAR-T products. The quality management department regularly monitors the drug manufacturing environment, including the monitoring of suspended particles, floating bacteria, settling bacteria, surface microorganisms of objects, surface microorganisms of personnel and other environmental conditions, to ensure the safety of the drug manufacturing environment. The quality management department also needs to carry out 18 inspection projects for drug release, including biochemical testing, physical and chemical testing, and microbial testing. During the Reporting Period, we optimized the training process of various drug testing, further clarified the precautions of testing operation steps, and effectively guaranteed the operational compliance of testing personnel.

In addition to our strict internal quality control procedures, we also conduct third-party quality inspection and audits to ensure that we meet product quality standards.

Quality Inspection

- JW Therapeutics is subject to pre-approved manufacturing site inspection, development site inspection and GMP inspection of regulatory authorities to prove the effectiveness of the quality management system.
- During the Reporting Period, JW Therapeutics attended the credit rating assessment of pharmaceutical manufacturers by Shanghai Pharmaceutical Quality Association for the second time, and was rated as A Rank with the score of 88.35. Compared with 2022 (A Rank with the score of 87.50), we saw remarkable improvement in company credit.

Quality Audit

- JW Therapeutics conducts regular quality audits on various production and inspection functions, including operational standardization, record accuracy and record compliance. Corresponding rectification measures are formulated timely based on the audit results.

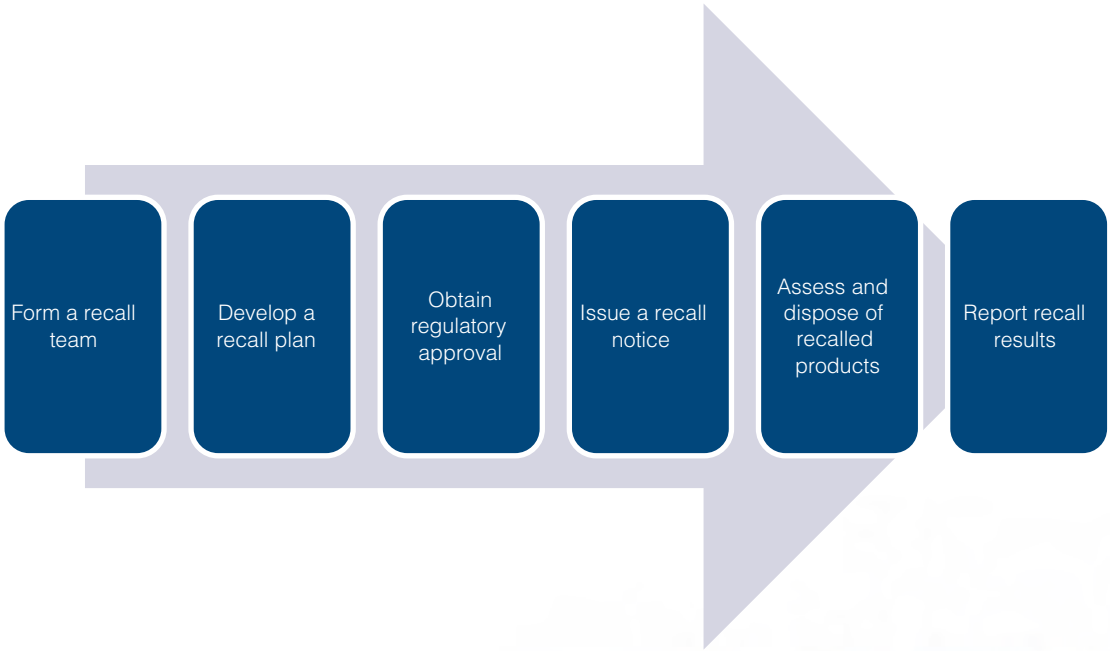
Quality Inspection and Audit Measures

上海市药品生产企业信用等级

评 估 报 告

Credit Rating Assessment of Pharmaceutical Manufacturers in Shanghai

We have established a comprehensive product recall and traceability mechanism. To enhance our ability to respond to and handle product quality emergencies, we conduct regular drills to evaluate the effectiveness of the recall system. We will consider any new laws, any regulations, any changes of laws and regulations or any changes of product marketing lines during the product cycle that may affect recall effectiveness and other factors into consideration when designing recall programs, identifying their influence on recall effectiveness. During the Reporting Period, JW Therapeutics did not have any product recalls due to safety or health reasons.



Product Recall Process

Product Recall Drill

In August 2023, we conducted a recall drill for our cellular therapy product, relma-cel. The total duration of this recall drill was 8 hours and 45 minutes, and the total time frame for completion met the requirements for a Level 1 recall (within 24 hours). The time frame and accuracy rate of each sub-step met the design requirements of the recall drill plan and the effectiveness of communication between Shanghai JW Therapeutics (MAH) and Suzhou JW Therapeutics (the CMO factory), between Shanghai JW Therapeutics and primary distributors, as well as between primary distributors and downstream secondary distributors, DTP pharmacies (channels), including logistics providers, has been verified, thus demonstrating that the recall system for relma-cel can work effectively.

Drug Tracking System

To ensure the management and traceability of relma-cel on the commercial operation end and to meet the compliance requirements of regulatory authorities, we added tracing code module based on the original identity digital system, improving the management after the release of relma-cel injection products.

The module possesses the capability to gather drug tracing data, and upload the data to the tracking platform for basic data management of the tracking code, ensuring the quality and safety of the whole process of drug manufacturing and management by means of information technology, preventing counterfeit and inferior drugs from entering legal channels, so as to accurately realize the traceability and recall of drugs in the regulatory system.

2.2.3 Quality Culture

The Quality-centered principle is deeply embedded in our corporate value, and we are committed to creating an atmosphere where all staff prioritize product quality. We continue to construct advanced quality culture, formulate quality management assessment system, and actively carry out various training activities, comprehensively improving the quality awareness of employees.

Quality Assurance Responsibility

We require all employees to strictly comply with the quality management related regulations including GMP and internal policies including *Quality Manuals*. To motivate employees to take quality responsibility, we incorporate performance indicators related to quality management into employee performance assessment to further strengthen quality assurance.

Quality Training

We attach importance to the improvement of quality awareness in employees and carry out quality trainings to strengthen employees' knowledge of rules and regulations, as well as the detail of product quality control. We formulated *Personnel Training and Qualification* and established a full process quality training system covering the company level to the job level, and improved quality awareness through new employee training, on-the-job continuous training, special training and commercialization training.

During the Reporting Period, JW Therapeutics held the third Quality Week activities as planned, promoting our quality culture effectively and deepening the quality concept. The theme for this year was "Raise the efficiency and win with quality". The activity lasted for 5 days and was carried out in 5 locations as well as online. With vibrant content and diverse forms, the activity reached the intended goals and effectively promoted our quality culture and reinforced our quality concept.

New employee training	On-the-job training	Special training	Commercialization training
• GMP training for new employees • Professional training program	• Annual training • Periodic training • Ad-hoc training • External training • Documentation training	• Clinical production training • Cell immunotherapy and gene therapy technology background and key points	• Commercialized production training • Regulatory training for post-market changes

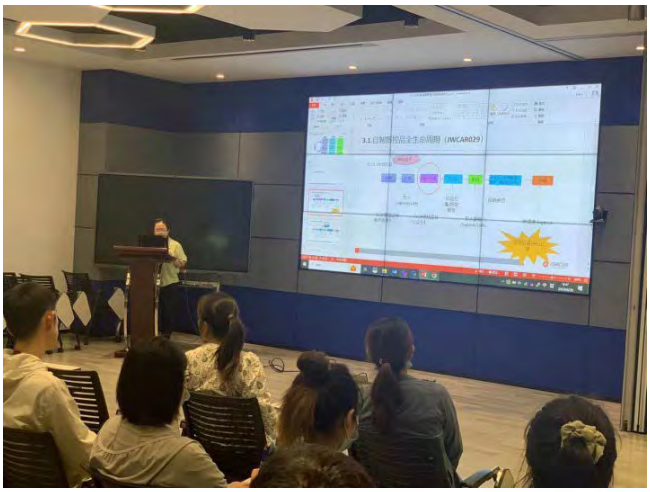
Quality Training System

2023 Quality Week

During the Reporting Period, JW Therapeutics held the 3rd Quality Week as planned, promoting our quality culture effectively and deepening the quality concept.

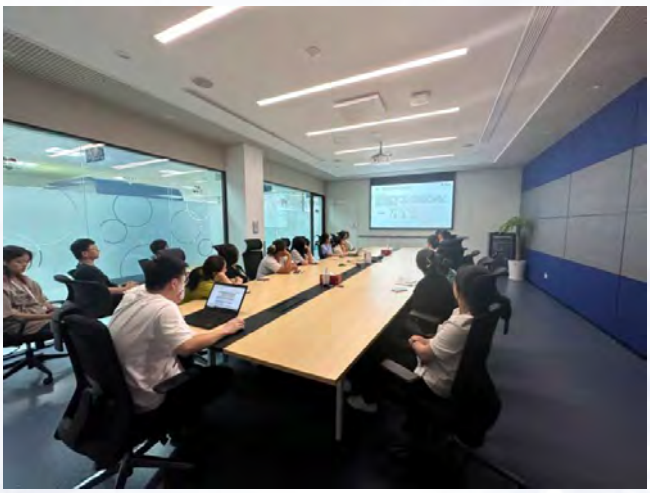
2023 Annual Quality Training

During the Reporting Period, JW Therapeutics finished the quality-check of laboratory annual training documents by the end of the year, including 10 documents about laboratory management. Besides, we assess the participants to maximize the effectiveness of training with examinations.



2023 Special Quality Training

In 2023, JW Therapeutics carried out four special quality trainings around the system documents and quality inspection processes, such as *P2 Laboratory Biosafety Management Procedures, Pipette Use and Maintenance Operating Procedures,* and *Second Person Review Management Procedures, and optimized CAR-T product testing*. Assessments are conducted according to the needs of each business line. The training helped employees to raise self-awareness and business-related audit ability, therefore improving the biosafety awareness of all employees and preventing problems beforehand.



3. PATIENT FIRST

— Adhere to patient-first and bring hope to patients through innovative and accessible therapies

SGDs	Topics	Actions
3 GOOD HEALTH AND WELL-BEING	• Patient-centered Ecosystem • Pharmacovigilance • Responsible Marketing	• Insist on the "6P Strategy", strengthen the communication and collaboration with various stakeholders, and benefit more patients • Implement pharmacovigilance management to ensure patient safety • Improve the level of responsible marketing management and achieve sustainable development of commercialization

Adhering to the value of "Patient First", JW Therapeutics strives to build a patient-centered cell immunotherapy ecosystem, bringing hope to patients in China and around the globe with innovative and high-quality cell immunotherapy products, and leading the development of the industry.

3.1 Patient-centered Ecosystem

Laws and regulations that we strictly adhere to include but are not limited to:

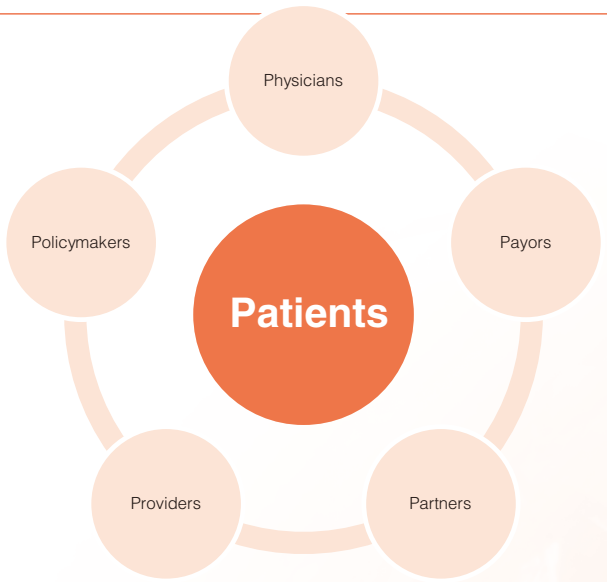
- *Diagnosis and Treatment Standards for the Whole Process Management of Relma-cel Treatment of B-NHL*
- *Guidelines for Quality Management of Cell Therapy Products (Trial)*
- *Guiding Principles for Clinical Application of Relmacabtagene Autoleucel injection (2021 Version)*
- *Technical Specification for Clinical Application of Chimeric Antigen Receptor T Cell Therapy Drugs (2022 Edition)*
- *Experts' Consensus on the Management of CAR-T Therapy in the Context of SARS-CoV-2 Infection (2024 Version)*

Internal policies that we developed include but are not limited to:

SOPs, including:

- *Medical Science Liaisons — Role and Capability*
- *Medical Science Liaisons — Governance and Compliance*
- *Medical Information Enquiry*

JW Therapeutics has developed a patient-centered 6P Strategy that involves key stakeholders in the whole treatment process of CAR-T therapy, including Patients, Payors, Physicians, Providers, Partners and Policymakers. We put in efforts in the management and control of all aspects of the CAR-T therapy, aiming to bring our patients quality therapy and thorough care. Meanwhile, we actively address the challenges in the process of product commercialization, continue to improve the affordability for payors, and collaborate with medical institutions and business partners to make greater contribution to the development and promotion of CAR-T therapy and provide more support for the health and well-being of patients.



Patient-centric 6P Strategy

3.1.1 Safeguarding Patients and Payors

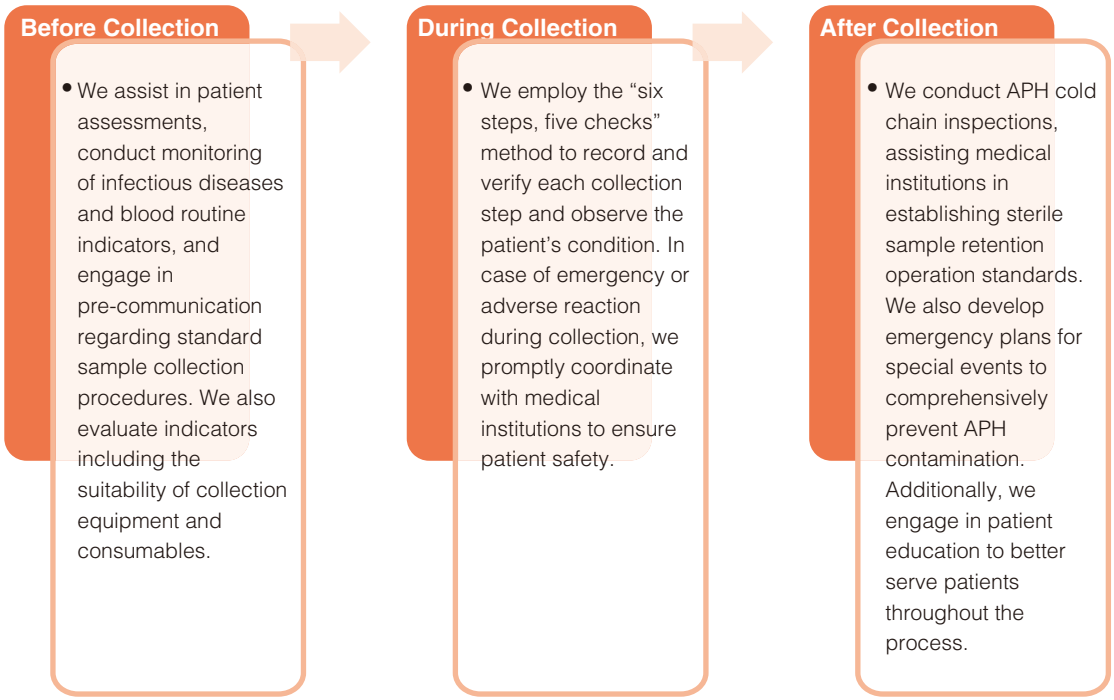
Caring for Patients

As a pioneer of CAR-T therapy, JW Therapeutics strictly follows the CAR-T treatment process and has assigned dedicated teams accountable for managing every stage of the entire process to safeguard patients. We conduct rigorous process management, quality control and long-term follow-up with patients and physicians to ensure treatment results and experience.

Quality Control	• Our client service team strictly manages the apheresis and infusion process through quality control measures including confirmation of physician qualifications, medical device check, temperature control and time node control.
Process Management	• We implement strict management throughout the entire treatment process, utilizing a full-process unified Chain of Identity (COI) system to prevent treatment results from being affected by human errors; • We trace blood samples throughout the process of product manufacturing and transportation to ensure product quality and safety.
Customer Service	• After the treatment, we conduct long-term follow-up with patients and physicians to understand patient needs and enhance their treatment experience; • We have established a customer service hotline to promptly respond to inquiries and complaints arising after commercialization. During the Reporting Period, we did not receive any complaints.

Measures to Safeguard Patients

During the Reporting Period, we further strengthened the full-process risk control during the apheresis process, developing independent operational process standards and guidelines for different collection models to ensure the safety of raw materials and patients.

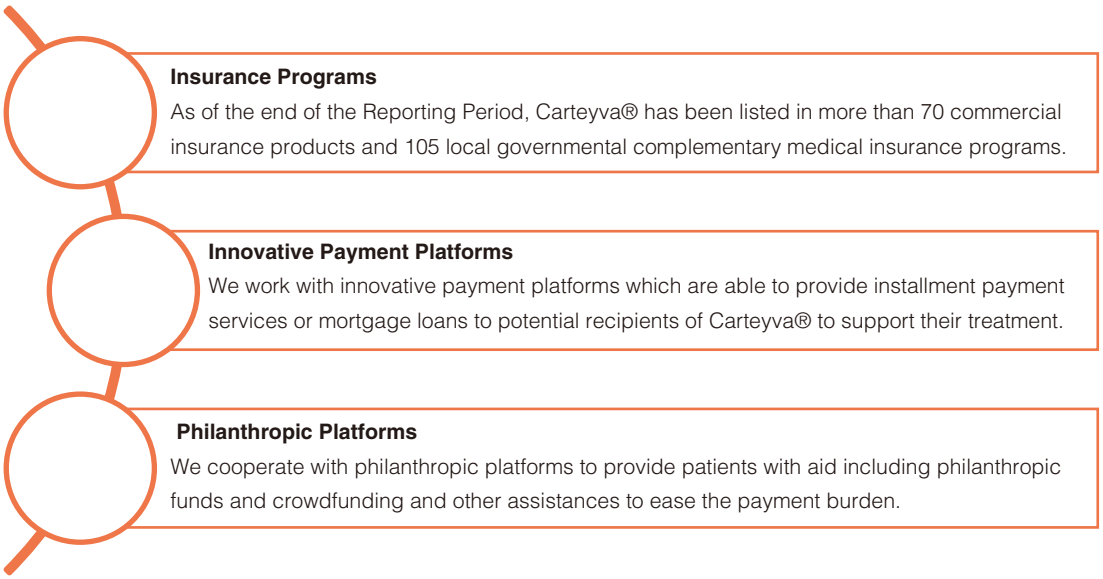


Full-process Risk Control of Autologous Leukocyte Apheresis ("APH") Collection

Improving Affordability for Payors

JW Therapeutics actively explores solutions to address the commercialization challenges of innovative products. We continue to advance the commercialization process of Carteyva® to improve the accessibility and affordability of the product, thus benefiting more patients.

We consistently expand our collaboration with partners from various sectors and have assisted in establishing a multi-layer medical care system by listing Carteyva® in local governmental complementary medical insurance programs, commercial insurance products and innovative payment platforms to enhance the insurance coverage of our products. We will continue to establish partnerships with major insurance companies, innovative payment platforms and philanthropic foundations to facilitate the inclusion of Carteyva® in more insurance plans, thus improving the affordability for payors.



Multi-layer Protection System

3.1.2 Empowering Providers and Physicians

Selecting and Certifying Providers

JW Therapeutics strictly implements medical institution entry and certification procedures, ensuring that our products are only provided through quality-certificated hospitals and DTP pharmacies. We certify medical institutions to administer Carteyva® through the following steps:

Medical Institution Certification Procedure

Additionally, we have established a comprehensive product storage management process for DTP pharmacies including guidelines and requirements for assessment standards, storage conditions, access and maintenance process, equipment maintenance and temperature check to ensure product quality during storage.

As of the end of the Reporting Period, we have completed assessment and training for 125 medical institutions in China, certifying them for the use of Carteyva®.

When a medical institution becomes our eligible partner, we will list it in the COI system for full product traceability and management. We conduct re-certification of eligible medical institutions every two years through process audits, on-site inspections and capability training to ensure the quality of their services and patient safety.

Communicating and Collaborating with Physicians

Physicians play a key role in advancing CAR-T therapy, standardizing treatment processes and reporting adverse reactions. JW Therapeutics actively advances its communication and collaboration with physicians, striving to benefit more patients with CAR-T therapy.

We have established a professional in-house Medial Science Liaisons ("MSLs") team to communicate with physicians, providing comprehensive medical support throughout the CAR-T treatment to ensure effective use of our products and better treatment results.

3.1.3 Cooperating with Business Partners

JW Therapeutics is dedicated to bringing hope to more patients. We have formed strategic cooperation with partners who share our mission, working together to benefit more patients and promote the standardized and high-quality development of our industry.

Access Evaluation	Distribution Management	Training and Qualification
• We conduct comprehensive evaluation of our distributors regarding transportation and storage conditions, storage capacity, temperature control, etc. to formulate a reliable supply chain in compliance with the GMP requirements. • During the Reporting Period, Shanghai Pharma KDL is continuously engaged as our national distributor, providing professional delivery services for patients.	• Together with our partners, we have explored a safe and effective commercial operation management system equipped with nationwide distribution network, advanced cold chain delivery system and experienced DTP pharmacies, which accelerates the access and treatment process of Carteyva® and therefore benefits more patients.	• We attach great importance to the distribution network capabilities, providing training and dry runs for our partners. We conduct essential training on operational process and transportation quality, covering distributors at all levels and DTP pharmacies, clarifying our quality requirements. • We require our partners to establish training records, and only registered personnel who have completed the training are allowed to operate our products.

Business Partner Management Measures

3.1.4 Assisting with Policymakers

JW Therapeutics understands that CAR-T therapy represents a new treatment process distinct from any other treatment currently approved in the Chinese market. Adhering to our vision of "Becoming an Innovation Leader in Cell Immunotherapy", we closely collaborate with government and regulatory agencies and actively participate in the formulation and implementation of policies, regulations and industry standards. We are committed to contributing to the establishment of best practices in CAR-T therapy and leading the standardized, high-quality, and sustainable development of the cell immunotherapy industry in China.

Participate in Industry Standards Formulation

JW Therapeutics insists on providing insights and recommendations on the regulation and standards of cell immunotherapy. We have participated in the formulation of a number of policies, contributing to the healthy development of the industry.

Promoting the establishment of policies for the entry of specialty items in the biopharmaceutical industry

Ensuring the smooth and efficient import of R&D materials is crucial for advancing innovation in the cell therapy industry. To address the bottlenecks in importing materials for R&D, JW Therapeutics actively participated in regulatory research and provided insights and recommendations on the entry of specialty items for biopharmaceutical enterprises from the business and industry perspective, assisting the regulatory authorities in optimizing relevant policies and measures. Since 2019, JW Therapeutics has been listed in several whitelists for the import of cell therapy industry materials and finished pharmaceutical products and has become a pilot unit for related joint regulatory mechanisms. These include the "White List" for entry of biopharmaceutical R&D items in Pudong New Area, the "White List" for entry of special items for biopharmaceutical R&D in Pudong New Area, the "Shanghai Joint Supervision Mechanism for Entry and Exit of Special Goods for Cell Therapy", the Suzhou Area's "White List" for Import of Biopharmaceutical R&D goods (the Yanyida 2.0), and among others. JW Therapeutics continues to practice its corporate vision and mission, playing a leading role in the industry to help create a better regulatory environment, accelerate product innovation and ultimately benefit more patients.

Inclusion in Product Recommendation Catalogs and Industrial Pilot Policies

As a pioneer of the cell immunotherapy enterprise, JW Therapeutics closely collaborates with the local government and regulatory departments including Shanghai Customs, Shanghai Municipal Administration for Market Regulation and Shanghai Municipal Commission of Commerce to promote the development and implementation of industry regulations. Our core product Carteyva® has been listed in multiple product recommendation catalogs, accelerating the commercialization process and benefiting more patients.

Carteyva® being included in *"Shanghai Innovative Products Recommended Catalog"* and *"Shanghai Biopharmaceutical Innovative and Outstanding Medical Product Catalog"*

In 2023, Carteyva® was officially included in *"Shanghai Innovative Products Recommended Catalog"* and *"Shanghai Biopharmaceutical Innovative and Outstanding Medical Product Catalog"* released by the Shanghai Municipal Commission of Economy and Information Technology. The catalogs aim to promote the integration of the industry and medical care, establish a bridge between technological innovation and industrial development, and accelerate the marketization and industrialization of innovative products. The successful inclusion of Carteyva® in the catalogs will help promote the commercialization of the product, which will in turn benefit more patients.

3.2 Pharmacovigilance

Laws and regulations that we strictly adhere to include but are not limited to:

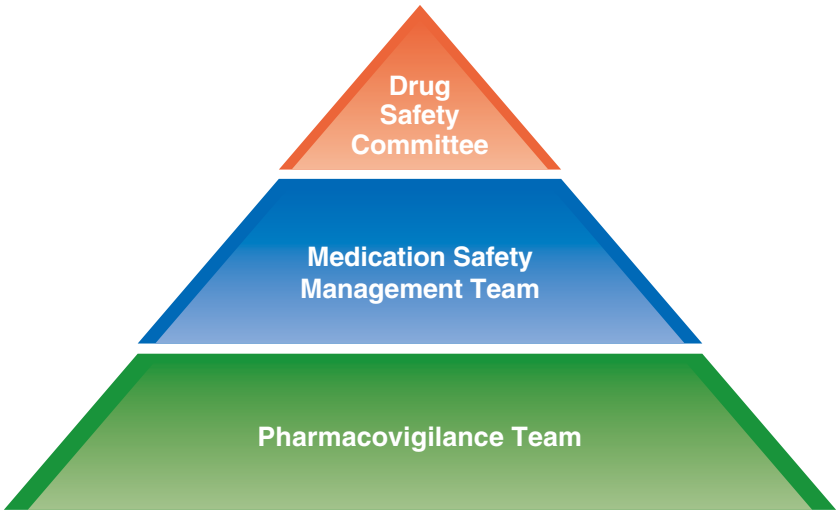
The Pharmacovigilance Quality Control Regulation
Pharmaceutical Administration Law of the People's Republic of China
Provisions for Adverse Drug Reaction Reporting and Monitoring, MOH Order 81
The Importance of Pharmacovigilance: Safety Monitoring of Medicinal Products, WHO
Guideline on Good Pharmacovigilance Practices ("GVP"), NMPA Announcement #65

Internal policies that we developed include but are not limited to:

SOPs, including:

- Pharmacovigilance Management
- Management of Individual Case Safety Report ("ICSR")
- Management of ADR Monitoring and Reporting
- Setup and Operation of Safety Management Team
- Setup and Orientation of Drug Safety Committee
- Safety Signal Management
- Regulatory Query Management
- China Periodic Safety Report Preparation and Submission
- Development and Management of Drug Risk Management Plan

As a responsible marketing authorization holder, we have defined the organizational structure, personnel responsibilities, safety information processes, management system, and operational standards of pharmacovigilance. We follow a three-tier pharmacovigilance management structure to ensure compliance with pharmacovigilance regulations.



Drug Safety Committee

- The drug safety committee, under the direct supervision of the Chief Medical Officer (CMO), is responsible for all decisions on material safety matters that may have a substantial impact on the well-being of patients or subjects
- Condcuts major risk assessments, emergency management for major incidents or pharmacovigilance related issues, risk control decisions and other major issues

Medication Safety Management Team

- The medication safety management team is responsible for reviewing drug safety information, including suspected safety signals identified by the pharmacovigilance team
- Identifies potential risks and reports to the drug safety committee
- Identifies and communicates safety signals and potential safety issues
- Identifies significant potential drug safety risks and conducts contingency plans

Pharmacovigilance Team

- The pharmacovigilance team is responsible for implementing regular pharmacovigilance activities
- Conducts regular review and verification of safety data, and reports suspected safety signals to the medication safety management team

Three-tier Pharmacovigilance Management Structure

Our Pharmacovigilance Department has developed a Risk Management Plan and Risk Evaluation and Mitigation Strategies ("REMS") to ensure that our products can only be assessed from accredited hospitals and that all relevant healthcare professionals ("HCPs") are properly trained and qualified to distribute, infuse and administer products and to manage potential adverse effects.

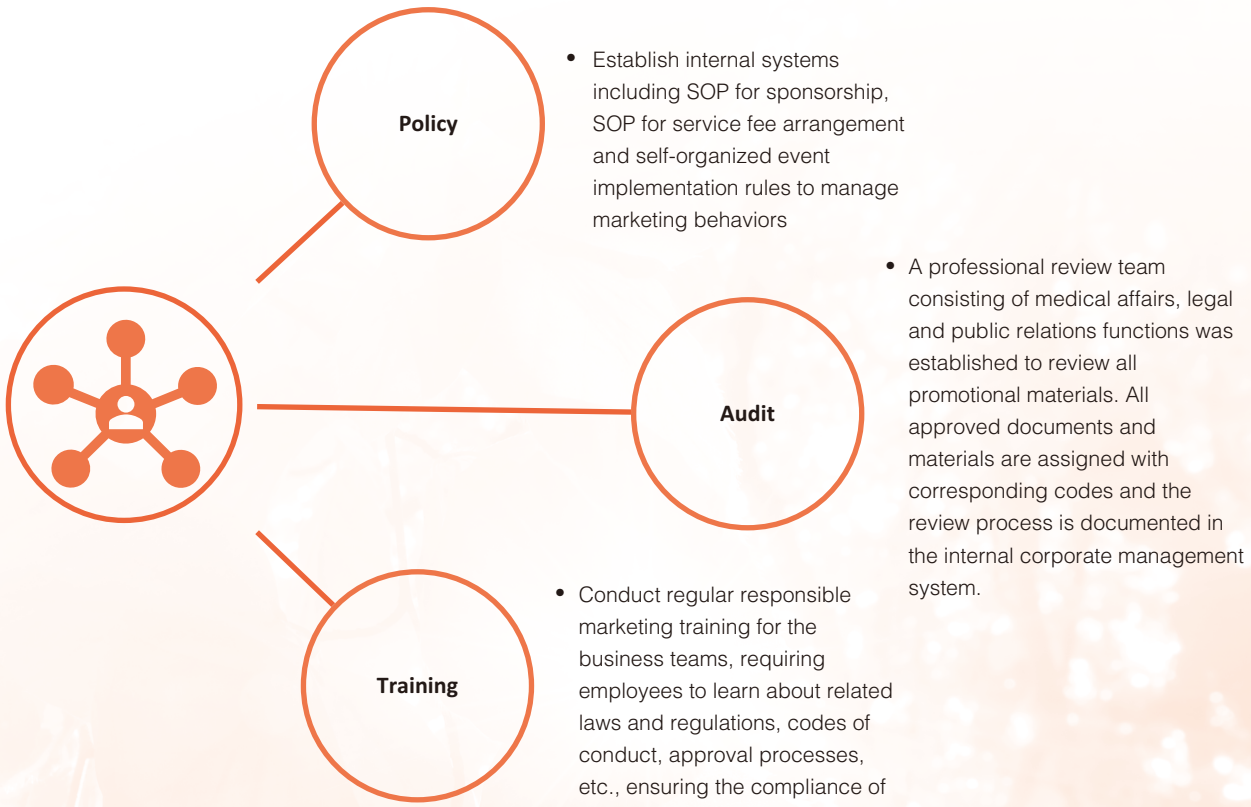
Realizing the importance of our employees in the pharmacovigilance system, we carry out regular training on monitoring and reporting of adverse reactions that covers all employees to help them understand what is adverse drug reaction ("ADR") and how to report ADRs and the requirements of the reporting time limit, which clarifies the value and indispensability of pharmacovigilance.

During the Reporting Period, we published the *Pharmacovigilance Annual Report 2022*, which provides detailed information on pharmacovigilance activities conducted, including but not limited to individual adverse reactions, submission of regular safety reports, monitoring of safety signal and risk assessment. In addition, we prepared and submitted the annual Development Safety Update Report ("DSUR") and Periodic Benefit-Risk Evaluation Report ("PBRER") of Relma-cel based on clinical data and post-marketing safety data, which provide regular analysis and evaluation of the safety and efficacy of Relma-cel to ensure that the expected benefits to patients outweigh the identified and potential risks of the product.

3.3 Responsible Marketing

Laws and regulations that we strictly adhere to include but are not limited to:
The Advertising Law of the People's Republic of China *Anti-Unfair Competition Law of the People's Republic of China*
Internal policies that we developed include but are not limited to:
SOPs, including: • Promotional Material Review • Non-promotional Material Review • Corporate Communications

We strictly adhere to the applicable laws and regulations during the process of promotion and marketing. We have established a set of strict SOPs regarding responsible marketing to prevent any exaggerated or false advertising, ensuring the compliance of our marketing activities.



Our Efforts for Responsible Marketing

During the Reporting Period, we did not receive any complaints or legal actions related to marketing.

4. ECO-FRIENDLY DEVELOPMENT

— Pursuing environmental goals to protect our planet

SGDs	Topics	Actions
	• Resource Management • Emissions and Discharge Management	• Regularly inspect and maintain water supply facilities and equipment • Strictly classify and manage wastewater from laboratories, wastewater from production, and sludge for centralized treatment • Separately treat wastewater to reduce the Chemical Oxygen Demand ("COD") content
	• Climate Change	• Establish a complete energy management system • Take a series of green office measures
	• Resource Management • Waste Management	• Full lifecycle traceability of waste and full process digital management • Classified management of hazardous waste and general industrial solid waste
	• Climate Change • Environmental Management	• Identify climate-related risks in the context of the Company's business developments • Take measures to mitigate the risks identified

Sustainable development has been a consensus shared by the whole human society and act as an important role in the process of enterprises achieving their long-term goals. JW Therapeutics strives to take innovative measures to combat climate change and continuously improve our environmental management system to explore eco-friendly business. We are also committed to bringing more positive influence on the value chain.

4.1 Climate Change

Climate change is a worldwide concern and carbon neutrality is a common goal amongst many nations and organizations. To combat the unprecedented challenges posed by climate change, JW Therapeutics identified and assessed climate-related risks with reference to our business development and the methodologies and framework laid out by the Task Force on Climate-Related Financial Disclosures ("TCFD"), and we integrated climate actions into environmental management to minimize our carbon footprint.

4.1.1 Governance

We built a hierarchical ESG governance structure with clear responsibility delineation. The structure is led by the Board of Directors, with the Risk Management Committee and the ESG working group collaborating with each other. The Risk Management Committee takes leading responsibility in identifying climate risk changes, formulating mitigation and adaptation measures, and reporting them to the Board of Directors. In addition, the ESG Working Group is responsible for the implementation of relevant measures to escort the sustainable development of the Company.

ESG Governance Structure of JW Therapeutics

4.1.2 Risk Identification and Response

JW Therapeutics followed the recommendations of TCFD strictly and referred to the potential climate change scenarios described in the latest Assessment Report of the United Nations Intergovernmental Panel on Climate Change ("IPCC"). We have identified the physical risks and transition risks that the Company may encounter during the operation. Considering the characteristics of the Company's business and the nature of the industry, we formed the following list of physical and transition risks, covering descriptions of the identified risks and their impacts on the Company's operation along with the response measures.

Climate Change Risks	Risk Description	Response Measures
Acute and Chronical Physical Risks	• Acute: The natural disasters (such as typhoons and floods) may cause damage to the Company's assets and equipment, affect the production and operational stability of JW Therapeutics, increasing costs in operation. • Chronic: Extreme weather such as high temperature caused by long-term climate change threatens the safety of employees, increases subsidies for high temperature and insurance investment, leading to an increase in labor costs.	• Timely notify weather forecast and alert all employees in time through internal communication when extreme weather event occurs • Conduct routine inspections of sites and laboratory equipment • Develop extreme weather contingency plans

Climate Change Risks	Risk Description	Response Measures
Transition Risks-Market	Changes in the supply and demand of goods, products and services caused by the transition to a low-carbon economy may push up raw material costs, exerting pressure on JW Therapeutics' operating costs.	• Continuously improve supplier risk assessment and management • Collect and analyze raw material pricing trends in the global markets to grasp market dynamics accurately
Transition Risks-Laws and Regulations	As domestic regulations and systems related to carbon emissions and carbon trading continue to improve, enterprises will assume stricter responsibilities in terms of emission reduction measures and carbon emission information disclosure. The continuous tracking of carbon emissions throughout the life cycle and efforts to reduce emissions may lead to the increasing operating costs for JW Therapeutics.	• Track and understand the latest climate-related laws, regulations and polices to ensure that the Company could take timely corresponding measures • Actively explore potential opportunities in the carbon emission trading market to drive low-carbon transformation and capitalize on green development opportunities for the Company
Transition Risks-Reputation	If stakeholders including customers, employees, investors and shareholders, perceive the Company's poor performance in climate action, it could affect JW Therapeutics' market reputation and increase the difficulty of raising capital.	• Strictly comply with the requirements on enhancing climate information disclosure • Actively improve the communication with stakeholders to ensure the timely and accurate information transmission

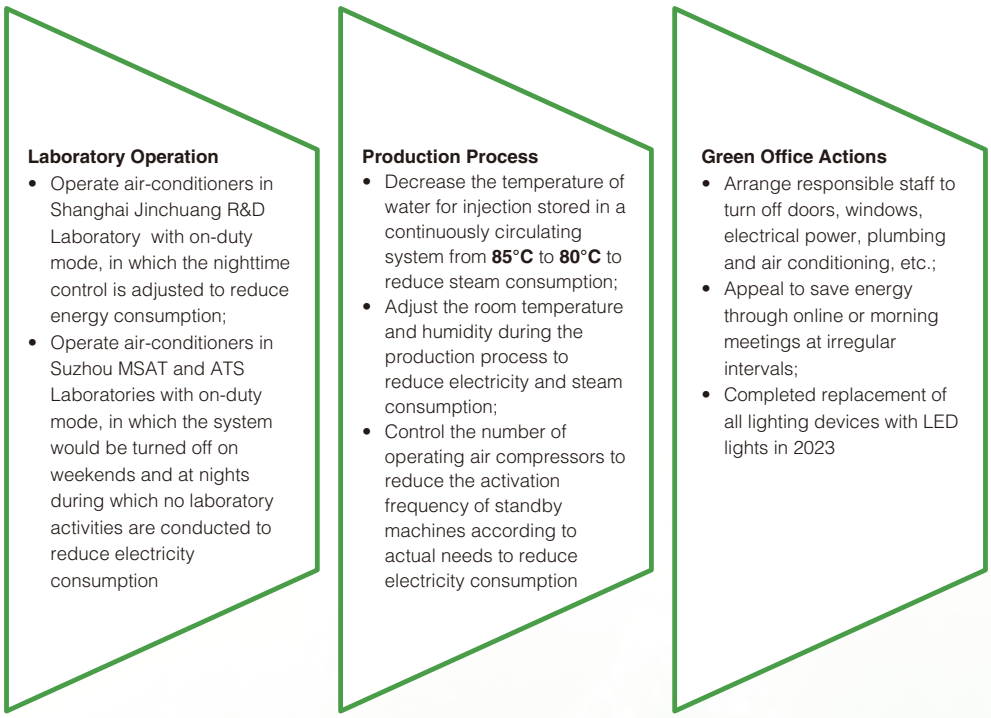
4.1.3 Indicator and Target Tracking

We have set specific energy consumption and GHG emissions targets in 2021 to quantify the results achieved in combating climate change. Since then, we evaluated our environmental performance against the targets annually, and continue to continuously reducing the negative impact on the environment. During the Reporting Period, JW Therapeutics effectively implemented energy saving and emission reduction measures, achieving remarkable results. Compared to the data of 2021, the energy consumption density had reduced by 80%, and GHG emissions density had reduced by 84% in 2023.

Key Performance Indicator ("KPI")	2021 Performance	Target by 2025 Year End	2023 Performance
Comprehensive energy consumption density	3.23 MWh/RMB10,000 revenue	40% decrease compared to 2021	0.63 MWh/RMB10,000 revenue 80% decrease compared to 2021
GHG emissions density (Scope 1 & Scope 2)	1.78 tCO_2e/ RMB10,000 revenue	40% decrease compared to 2021	0.29 tCO_2e/ RMB10,000 revenue 84% decrease compared to 2021

4.1.4 Measures Taken to Combat Climate Change

To achieve more in energy saving and combat climate change effectively, we are committed to improving energy measurement system, enhancing energy saving practices during operation and production, as well as promoting eco-friendly business. Through these measures, we firmly implement energy saving and emissions reduction actions to reach sustainable development goals.



Energy Saving and Emissions Reduction Measures Taken by JW Therapeutics

Performance Metrics

Energy Consumption	Unit	2021	2022	2023
Indirect Energy Consumption				
Total purchased electricity	kWh	5,943,306.20	6,828,230.00	6,249,599.26
Total purchased steam	tons	3,827.20	4,089.90	4,451.90
Direct Energy Consumption				
Diesel	kg	546.22	0	0
Comprehensive Energy Consumption[1]				
Direct Energy Consumption	MWh	6.48	0	0
Indirect Energy Consumption	MWh	9,948.01	11,107.82	10,907.97
Total Energy Consumption	MWh	9,954.49	11,107.82	10,907.97
Total Energy Consumption density	MWh/RMB 10,000 revenue	3.23	0.76	0.63

[1] Direct Energy Consumption includes diesel consumption; Indirect Energy Consumption includes the purchased electricity and steam. The comprehensive energy consumption calculation refers to the *General Rules for Calculation of the Comprehensive Energy Consumption* issued by the State Administration for Market Regulation.

Energy Consumption	Unit	2021	2022	2023
GHG Emissions[2]				
Scope 1	tCO_2e	178.52	99.32	88.40
Scope 2	tCO_2e	5,311.34	5,105.81	4,883.06
Total GHG emissions	tCO_2e	5,489.86	5,205.13	4,971.46
GHG emissions density	tCO_2e/RMB 10,000 revenue	1.78	0.36	0.29

4.2 Environmental Management

Laws and regulations that we strictly adhere including but not limited to:
Environmental Protection Law of the People's Republic of China *Energy Conservation Law of the People's Republic of China* *Law of the People's Republic of China on Environmental Impact Assessment* *Environmental Protection Tax Law of the People's Republic of China*
Internal Policies that we developed including but not limited to:
EHS Compliance Management Procedures, involving regular assessment and follow-up rectification actions to standardize EHS compliance management
Our management systems:
JW Therapeutics integrated the EHS Compliance Management Procedures and EHS-related standard operating procedures into daily work based on the requirement of ISO 14001 environmental management system

JW Therapeutics strictly abides by environmental laws and regulations. We have established the environmental management system based on the laws and regulations and have compiled corresponding guidance documents to ensure the effective implementation of environmental management measures.

To fully implement environmental protection measures in all departments, JW Therapeutics has set up an independent EHS Committee, which consists of core leaders from production and R&D departments. It works closely with all departments to promote the implementation of EHS management requirements. EHS meetings are held regularly to conduct discussions and evaluation to ensure that environmental management and EHS indicator performance is always up to date. Furthermore, we established a partnership with a professional third-party EHS regulatory consulting provider to assist us in keeping up with EHS-related legal updates and revising the SOPs accordingly.

Before the launch of every new construction and renovation project, compliance with laws and regulations will be assessed, and environmental assessment and necessary permits will be obtained from the environmental authorities prior to the commencement of the project. We have earnestly fulfilled our reporting obligations under the Pollutant Discharge Permit and truthfully submitted report our emissions quarterly and annually. During the Reporting Period, we had no external environmental pollution incidents and no environmental penalties incurred, which indicates our high attention to environmental protection and that our tangible actions had been conducted.

[2] Scope 1 GHG emissions are derived from diesel and refrigerant consumption; Scope 2 GHG emissions are derived from purchased electricity and steam. The 2021 electricity emission factor adopts the average factor of Eastern China electricity emission 0.7035 tCO_2/MWh from *2011 and 2012 China Regional Grid Average Carbon Dioxide Emission Factors*. The 2022 electricity emission factor adopts the average factor of national electricity emission factor 0.5810 tCO_2/MWh from *Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions of Enterprises in Other Industrial Sectors (Trial)* issued by the National Development and Reform Commission of the People's Republic of China. The 2023 electricity emission factor adopts the national electricity emission factor 0.5703 tCO_2/MWh from *Notice on Managing the Reporting of Greenhouse Gas Emissions from Power Generation Industry Enterprises for 2023-2025* issued by the Ministry of Ecological Environment of the People's Republic of China.

4.3 Resource Management

Natural resources are vital to human living and are equally indispensable in medical research, development and production. We are committed to reducing our impacts on the planet through efficient and circular use of water and packaging materials, and ensuring responsible sourcing, consumption, production and disposal.

4.3.1 Water Management

As the water crisis becomes more prevalent, water resources management has raised widespread concern globally. JW Therapeutics strictly adheres to the laws and regulations of each place in which we operate, and constantly enhances our water resource management. All water used by JW Therapeutics comes from the municipal water supply system and is used mainly for daily operation and production. During the Reporting Period, our total water consumption was 24,878.50 m^3.

We set a medium and long-term water conservation target in 2021, with the aim of driving companies to continuously strengthen the water resource management, effectively improving the water use efficiency. With our relentless efforts, the water consumption density has reduced by 73% compared to 2021.

Target Tracking

Water Consumption	2021 Performance	Target by 2025 Year End	2023 Performance
Water consumption density	5.30 m^3/RMB 10,000 revenue	20% decrease compared to 2021	1.43 m^3/RMB 10,000 revenue 73% decrease compared to 2021

We have implemented a series of water conservation measures in our production and daily usage to maintain a high rate of water utilization.

Production water supply inspection

- To ensure stable water supply for production, we pay high attention to water supply check and routinely engage experts to carry out a complete and detailed examination on the water supply system.

Daily water conservation awareness

- We focus on enhancing the employees' awareness of water conservation and guide them to develop good water-saving habits by displaying signages in public areas, etc.

4.3.2 Packaging Material Management

JW Therapeutics evaluates materials used in our production and value chain strictly, and proactively looks for opportunities to reduce packaging materials from sources. We are aware of the influence brought about by packaging materials to the environment, and therefore worked with our clients closely to actively recommend and guide them towards more simplified and environmentally friendly packaging materials. For example, we encouraged our clients to replace traditional packaging materials with recyclable plastic plates to reduce the environmental impact of unnecessary overpackaging. Besides, we selected packaging materials that are in line with the concept of sustainable development to further reduce the burden of packaging materials. During the Reporting Period, we mainly used cartons as packaging materials and controlled the amount of packaging materials strictly. The total amount of packaging materials used in 2023 was 79.09 kg.

Target Tracking

Packaging Material Consumption	2021 Performance	2022 Performance	2023 Performance
Total packaging material consumption	17.68 kg	46.97 kg	79.09 kg
Packaging material consumption density	0.01 kg/RMB10,000 revenue	0.0032 kg/RMB10,000 revenue	0.0045 kg/RMB10,000 revenue

4.4 Emissions and Discharge Management

JW Therapeutics is highly conscious of the air emission, wastewater and solid waste generated in our operations. We strive to minimize the amount of air emission, wastewater and solid waste, improve recycling rates and actively fulfills our obligations to minimize environmental impacts, aiming at eco-friendly production.

Laws and regulations that we strictly adhere including but not limited to:
Atmospheric Pollution Prevention and Control Law of the People's Republic of China *Water Pollution Prevention and Control Law of the People's Republic of China* *Comprehensive Sewage Discharge Standard* *Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes*
Internal policies that we developed including but not limited to:
Sewage Treatment System Operation and Maintenance Regulations *Hazardous Waste Disposal* *Waste Disposal of Waigaoqiao Site* *Hazardous Waste Disposal Procedures of Zhangjiang* *Hazardous Waste Disposal of Suzhou* *General Waste Disposal* *Pollutant Discharge Management for Waigaoqiao Site*

4.4.1 Air Emissions Management

JW Therapeutics has implemented strict air emission treatment measures to reduce pollutant emitted from our laboratories and manufacturing sites. Our main air pollutant is non-methane hydrocarbon ("NMHC") generated from alcohols during the experimental and production process and air emission discharged from the wastewater treatment plant. Air emission is strictly categorized and then collected by the efficient ventilation systems and treated by physicochemical processes. In addition, supervision will be strengthened through online monitoring and regular testing to ensure that the concentration of exhaust gas emissions meets the national standards and environmental safety is maintained. During the Reporting Period, our total NMHC emissions reached 55.86 kg, decreased by 40% compared with 92.46 kg in 2022.

Processing methods	• NMHC is collected by the ventilation systems and treated by activated carbon adsorption devices before ultimately discharged from the exhaust system without organization. • 90% of organic air emission collected by gas collectors is disposed by the activated carbon adsorption device, the remaining 10% is discharged through the exhaust cylinder. • For the air emission discharged from the wastewater treatment plant, we use a low-temperature plasma device for treatment before discharge.
Supervisory measures	• Our manufacturing sites will enter into annual commissioned testing agreements with third parties to conduct quarterly testing of organized and unorganized exhaust gas pollutants and issue inspection reports.
Improvement of Devices	• In order to dispose waste more efficiently, Suzhou manufacturing site began to change the activated carbon in the exhaust cylinder twice a year since 2023, instead of once a year.

Air Emissions Management Procedures

4.4.2 Wastewater Management

JW Therapeutics strictly adheres to the wastewater discharge standards of the regions in which it operates and has established strict internal policies to ensure that wastewater discharges are effectively managed. We set up industrial wastewater treatment plants in all sites and follow the prescribed processes to ensure the concentration of pollutant is within the limit of discharge standards. Detailed wastewater treatment procedures are implemented as follows:

Precautions	• Clinical manufacturing sites examined all the wastewater pipelines in laboratories, identified main pollution sources and factors, and chose more eco-friendly hand cleaner instead of alcohol-based hand sanitizer to reduce the influence of laboratory wastewater on COD.
Supervision	• An online monitoring system for wastewater has been established to collect and upload timely information about key indicators (e.g. COD, ammonia nitrogen, pH rate and flow). The alarm set in the system can be activated under abnormal circumstances to raise staff's attention to avoid excessive discharge.
Disposal	• Wastewater from production was disposed in self-built sewage treatment station with measures (e.g. carbon filtration, ultrafiltration, reverse osmosis) to ensure standard quality of reuse water for cooling system. The evaporation residue was handled safely by qualified contractors with no nitrogen and phosphorus pollutants discharged during the whole process.
System Maintenance	• Our manufacturing sites will enter into equipment operation and maintenance agreements with qualified third parties and entrust professionals to perform system operation and maintenance to ensure reliable operation of our systems.

Wastewater Management Procedures

4.4.3 Hazardous and Non-hazardous Waste Management

For hazardous waste management, in 2023, we updated certain contents in *Waste Disposal of Waigaoqiao Site* and *Hazardous Waste Disposal Procedures of Zhangjiang*, and newly added *Waste Disposal of Suzhou*, according to new national standards of *Standard for Pollution Control on Hazardous Waste Storage* (GB 18597–2023) and *Technical Specification for Setting Identification Signs of Hazardous Waste* (HJ 1276–2022). Meanwhile, in order to further regulate the hazardous waste management, we revised the SOP of special management of medical waste in production for APH from overseas.

Hazardous Waste Management Procedures

"Green Mask Face" management system in Jiangsu Province monitors disposal of hazardous waste

During the Reporting Period, our Suzhou site traced hazardous waste throughout the whole life cycle and received supervision from "Green Mask Face" management system in Jiangsu Province on the whole process of hazardous waste disposal process. QR codes are created to timely monitor and record waste sources, transportation and storage and used online system for inventory record and transfer order.

We have carried out many hazardous waste disposal trainings, educated all cleaners and hazardous waste management personnel of all departments in hazardous waste management. We also conducted targeted hazardous waste leakage emergency drills for hazardous waste warehouse leaders and transportation personnel.

In terms of non-hazardous waste management, our non-hazardous waste mainly consists of two categories: general industrial solid waste and office garbage. We have established a set of waste management process for a clean environment and recyclable use. The cleaners are responsible for the daily collection of non-hazardous waste every day. In particular, the general solid waste disposal is sent to a professional third-party waste-disposal contractors for further treatment. Office garbage is transferred to designated garbage recycling stations in bio-industrial parks for centralized collection and disposal.

In daily operation, we actively promote and implement eco-friendly measures. For example, we encourage employees to use both-sided printing and recycle wastepaper and educate cleaners on garbage sorting to raise eco-friendly awareness and enhance the efficiency of garbage sorting. We strictly adhere to related local policies and laws about garbage sorting and set different types of garbage cans within the Company to ensure that all types of garbage are correctly classified and disposed of.

Target Tracking

Waste Indicator	2025 target	2023 performance
Compliant disposal of hazardous waste	100%	100%
Recyclable cartons in general industrial solid waste	100%	100%

Performance metrics

Emissions Performance	Unit	2021	2022	2023
Air emissions				
NMHC	kg	169.39	92.46	55.86
Wastewater				
Total wastewater	ton	14,703.30	17,968.60	20,860.05
Non-hazardous Waste				
Total non-hazardous waste	kg	78,590.00	78,132.20	67,348.14
Recyclable non-hazardous waste	kg	17,799.00	19,217.20	16,209.40
Non-recyclable non-hazardous waste	kg	60,791.00	58,915.00	51,138.74
Non-hazardous waste density	kg/RMB10,000 revenue	25.52	5.36	3.87
Hazardous Waste				
Total hazardous waste	kg	34,996.00	52,275.55	55,291.09
Hazardous waste density	kg/RMB10,000 revenue	11.36	3.59	3.18

5. PEOPLE ORIENTED

— Empower employees to provide inexhaustible power for enterprise development

SDGs	Topics	Actions
	• Employment Management • Communication and Care • Employee Development • Occupational Health and Safety	• Recruit talents through diverse channels • Promote mutual communication between employees and the Company; establish employee appeal channels • Provide employees with various benefits and guarantees, and organize diverse activities • Establish a comprehensive training system with “Excellence in Onboarding”, “Leadership Effectiveness” and “Organizational Effectiveness” as the three main pillars • Establish a comprehensive health and safety management system, risk control management system, and laboratory biosafety & chemical safety management system

The continuously growing talent team is one of the Company’s most precious assets. At JW Therapeutics, we provide our employees with an equitable and diversified working atmosphere, a free and broad growth space, and a safe and stable working environment, to motivate our employees to preserve enthusiasm and create values.

5.1 Employment Management

JW Therapeutics strictly adheres to the relevant laws and regulations of labor management in the People’s Republic of China. We consistently refine our internal policies and management systems to guarantee the legality and compliance of our employment practices.

Laws and regulations that we strictly adhere to include but are not limited to:
Labor Law of the People’s Republic of China *Labor Contract Law of the People’s Republic of China*
Internal policies that we developed include but are not limited to:
JW Therapeutics Employee Handbook
Our management systems include but are not limited to:
JW Therapeutics HR information system — SAP Successfactors

5.1.1 Employment Compliance

We strictly prohibit child labor, forced labor, and other forms of labor abuse. As required in the *JW Therapeutics Employee Handbook*, we carry out identity verification on new hires to avoid employment violations, while upholding individual privacy and information security standards. If any breaches occur, the Company will conduct a detailed investigation and implement suitable measures in line with applicable laws, regulations, and internal policies. During the Reporting Period, there was no incident of child labor or forced labor.

We employ diverse recruitment strategies to attract talents, including online recruitment, campus recruitment, internal referrals, and collaboration with professional headhunting services. We regularly announce job openings to facilitate internal referrals, thereby improving the effectiveness of aligning roles with skilled individuals.

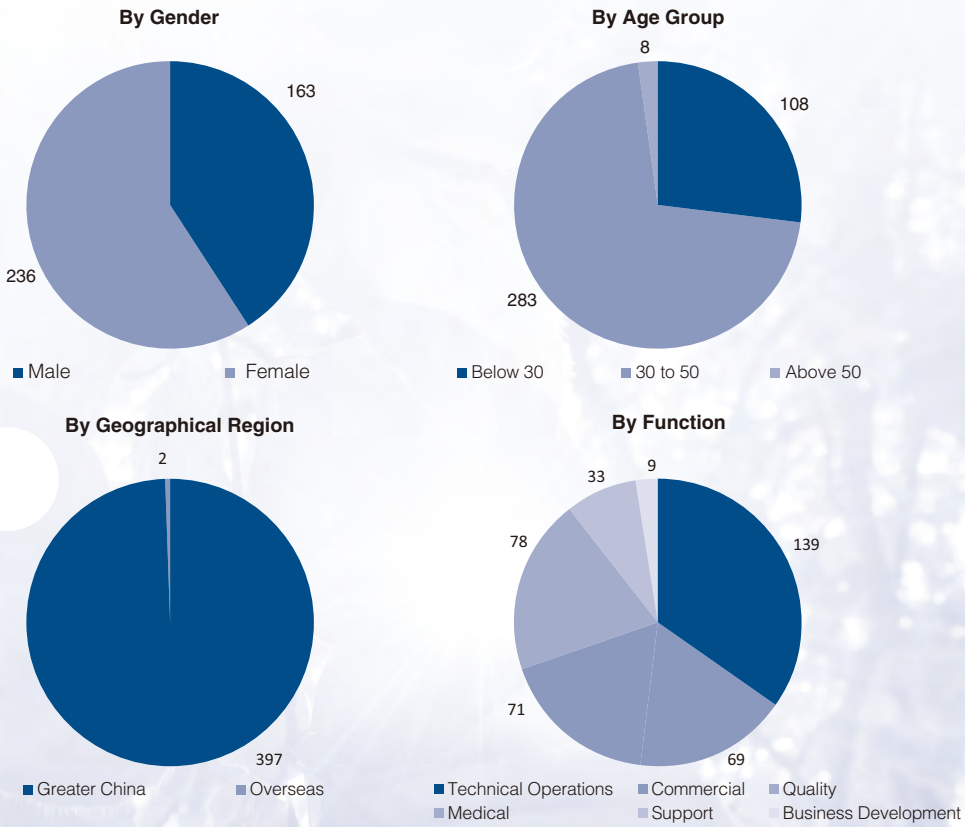
5.1.2 Diversity, Equity, and Inclusion

JW Therapeutics fosters a diverse workforce, ensuring that recruitment processes are free from race, ethnicity, gender, religion, and other discrimination. We celebrate individual diversity and strive to cultivate a culture that is equitable, transparent, diverse, and inclusive. Our commitment to embracing diverse perspectives enriches team inclusivity and fosters creativity among our employees.

JW Therapeutics is dedicated to advancing fair employment practices, maintaining impartiality across all aspects including recruitment, compensation, training, and promotion. Our decisions regarding hiring are based on a comprehensive evaluation of qualifications, skills, and achievements. We have a zero-tolerance policy towards any form of discrimination and harassment. Disciplinary action, up to and including termination, will be taken upon confirmation of such behavior. During the Reporting Period, there was no discrimination and harassment reported.

5.1.3 Number of Employees

As of the end of Reporting Period, there were 399 full-time employees and no part-time employees in JW Therapeutics. Distribution of employees by gender, age group, region, and function are as follows:



As of the end of 2023, JW Therapeutics' employee turnover rate was 17.65%.

Social Indicators	Unit	2021	2022	2023
Number of Employees				
Total number of employees	Number of People	534	528	399
By Gender				
Male	Number of People	237	222	163
Female	Number of People	297	306	236
By Age Group				
Below 30	Number of People	159	150	108
30 to 50	Number of People	366	367	283
Above 50	Number of People	9	11	8
By Geographical Region				
Greater China	Number of People	526	520	397
Overseas	Number of People	8	8	2
By Function				
Technical Operations	Number of People	222	198	139
Commercial	Number of People	98	95	69
Quality	Number of People	92	101	71
Medical	Number of People	71	81	78
Support	Number of People	42	43	33
Business Development	Number of People	9	10	9
Voluntary Turnover Rate				
Total employee voluntary turnover rate	%	17.15%	21.80%	17.65%
By Gender				
Male	%	17.52%	23.48%	20.78%
Female	%	16.84%	20.53%	15.50%
By Age Group				
Below 30	%	14.05%	22.78%	17.83%
30 to 50	%	18.58%	21.05%	17.23%
Above 50	%	9.52%	34.78%	31.58%
By Geographical Region				
Greater China	%	17.15%	21.80%	17.65%
Overseas	%	0	0	0

5.2 Communication and Care

JW Therapeutics is committed to creating a compassionate and supportive work environment, prioritizing effective communication and employee well-being to ensure they feel valued and supported. We routinely host a range of cultural and athletic events to enrich employees' leisure experiences, thereby enhancing their job satisfaction and fostering a stronger sense of belonging within the Company.

5.2.1 Employee Communication

JW Therapeutics actively fosters open dialogue between employees and the Company through a combination of online and offline approaches. This includes setting up a culture wall and regularly posting monthly e-newsletters to keep employees informed about the Company's vision, mission, and corporate culture. Additionally, we value and respect employee insights, providing multiple communication channels and feedback mechanisms. Regular staff communication meetings are also conducted to express their needs and opinions. In 2023, we held three company-wide communication meetings and five site meetings covering various themes. These initiatives have bolstered company cohesion and deepened employees' understanding of and dedication to the Company's strategic objectives.

Suzhou Communication Meeting

Beijing PR&D Sharing

Talent Training Project Sharing

To ensure that the employee rights are fully protected, we have established an employee grievance channel through which anyone can report any violations of personal rights and interests. We would carefully investigate each report, verify the allegations, and take corresponding disciplinary measures against individuals confirmed to have violation behavior, so as to maintain the fairness, transparency, and security of the Company.

5.2.2 Employee Benefits and Care

JW Therapeutics ensures our employees enjoy a wide array of benefits and security measures. In addition to fulfilling mandatory social insurance and housing fund contributions as per regulations, we extend additional benefits including subsidies, commercial insurance coverage, annual medical examinations, paid sick leave, and holiday benefits. These supplementary benefits are designed to support employees in attaining a harmonious work-life balance and fostering a stronger connection with the Company. We have also established various reward and recognition mechanisms for outstanding performance, including setting up talent-retention programs, such as annual bonus plan and sales incentive scheme, to fully acknowledge and reward employees' exceptional contributions.

Exclusive Benefits

- We offer additional benefits to employees, including annual paid holidays, allowances, team-building fund, etc.
- We offer employees festival and birthday celebration benefits on the Company's platform.

Medical Benefits

- We care about the health of our employees and provide them with comprehensive medical benefits, including a medical check-up program, paid sick leave, and commercial health and life insurance. We offer various medical examination facilities and convenient locations for our employees' benefit. In our commitment to enhancing service quality, we have refined medical examination procedures by introducing new items to cater to individual needs.

Talent Incentive Program

- To recognize, reward and share the Company's achievements with our staff, we provide a variety of incentives, recognition, and talent-retention programs, including bonus plan, outstanding contribution awards, etc.

Employee Benefit Program of JW Therapeutics

JW Therapeutics emphasizes the importance of work-life balance and endeavor to offer our employees fulfilling leisure opportunities. We host a variety of engaging activities such as annual meetings, sports clubs, monthly cultural events and regular reunions. These activities not only allow our employees to relax but also promote positive interaction.

Warm Christmas, Sharing Joyful Moments Christmas Event

Throughout the Christmas holiday season, our offices orchestrated festive activities, fostering a sense of joy and celebration among all participants.

In Shanghai Hui Sheng and Jin Chuang offices, a delightful afternoon tea was arranged, providing colleagues with a brief respite from their busy schedules to savor a cozy and enjoyable Christmas afternoon together.

Colleagues in Suzhou manufacturing site gathered to enjoy a splendid occasion.

During Christmas in Beijing office, colleagues were treated to an array of exquisite snacks and beverages, accompanied by intricate Christmas decorations that infused the Company with a festive ambiance.

The Future Together: United in Purpose, United in Action Annual Party

In July 2023, employees jointly organized and engaged in an innovative and energetic annual party. The event brought together colleagues from different regions, leveraging online platforms to collectively reflect on the accomplishments of the past year and chart the Company's future direction. With engaging recognition segments and entertaining interactive performances, the annual party exuded a vibrant atmosphere.

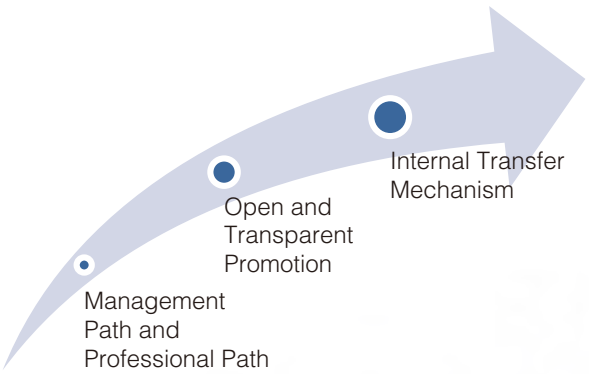
JW Therapeutics continues to prioritize the well-being of our employees, endeavoring to "anticipate their needs, address their concerns and fulfill their requirements". With the intention to guarantee the physical and mental health of our employees and enhance their work experience, we implement supportive initiatives, offer tailored assistance to those encountering challenges, and ensure that every employee feels valued and supported.

5.3 Employee Development

JW Therapeutics recognize talent as the cornerstone of innovation and progress. By establishing robust pathways for promotion, effective performance management mechanisms and comprehensive training programs, we cultivate an environment conducive to nurturing exceptional individuals. We harness the potential of talents across all levels and fields, fostering mutual growth between our employees and the Company.

5.3.1 Career Development and Promotion Path

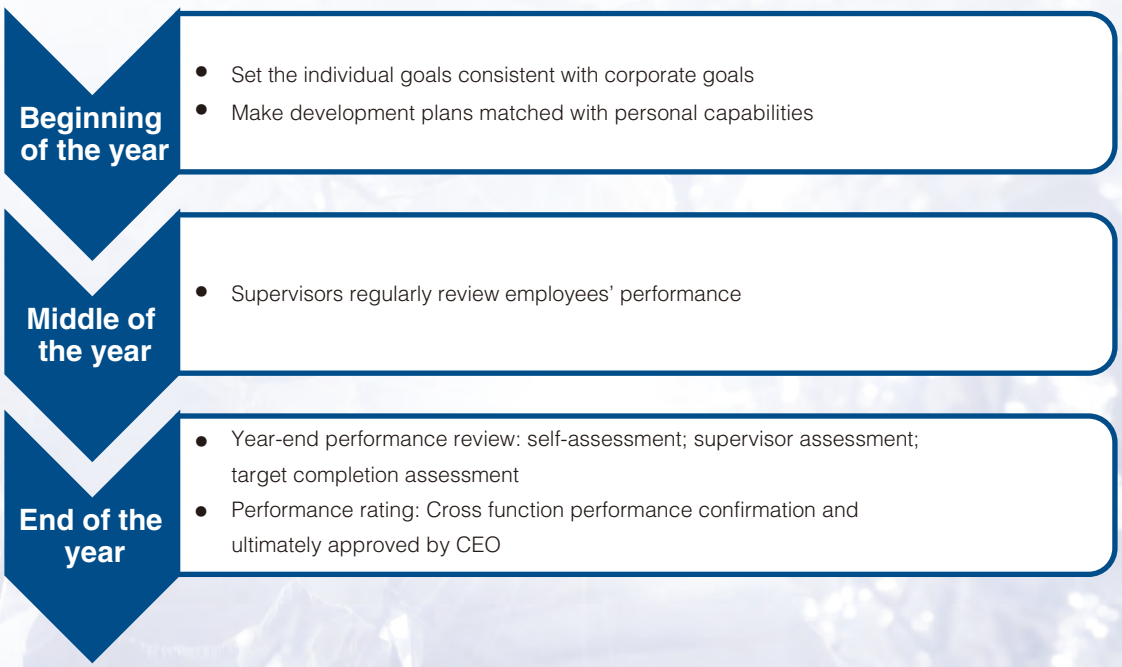
We have established a diversified career development channel, offering both management and professional paths to provide equal promotion opportunities for talents in different fields. Alongside transparent promotion opportunities, the Company has also established an internal transfer mechanism applicable to all employees. We regularly advertise internal job openings to facilitate optimal employee-job alignment, ensuring that employees are provided promotion paths that are consistent with their career plans and personal strengths.



Career Development System

5.3.2 Performance Management

A fair and just performance evaluation system sparks motivation. We refine our performance management system to ensure transparency and fairness in the evaluation process. We provide timely feedback to employees and assist them in defining their career development objectives. We conduct performance evaluations for employees at different intervals in accordance with the Company's internal performance management procedures. At the onset of each year, the Company will set goals together with employees and provide guidance on their development plans. Subsequently, supervisors conduct routine mid-year performance assessments for our staff. During the performance evaluation process, employees initiate self-assessments, which supervisors then appraise alongside feedback garnered from colleagues. Ultimately, performance ratings are confirmed by cross-functional departments.



Performance Management Procedures

5.3.3 Training and Development System

JW Therapeutics places great emphasis on shaping the individual value of our employees. We offer a well-developed training system and abundant resources to foster their professional growth. Our comprehensive training mechanism consists of three pillars: enabling onboarding excellence, strengthening leadership, and improving organizational effectiveness. It covers various aspects such as onboarding training, leadership training and organizational effectiveness training, offering employees multi-tiered and comprehensive opportunities for training and growth.

Enabling onboarding excellence

We formulate a employee orientation program to ensure new employees have an in-depth understanding of our values and culture:

- New Employee Onboarding Program
- New Employee Orientation (NEO) Manager Workshop
- Buddy Program

Strengthening leadership

We focus on leadership development and create a variety of leadership related programs:

- Leadership group coaching
- Project management leadership
- New manager growth engine

Improving organizational effectiveness

We offer our staff with training in various business skills to improve organizational effectiveness

- Offsite Strategy Workshop
- Lunch and Learn
- Functional tailor-made programs
- Learning Community

Three Pillars of Training System

Based on the three pillars, we tailor exclusive training programs for employees at different levels, while launching a digital learning platform online to enhance training efficiency and flexibility. In 2023, we invited internal talents and external professional lecturers to conduct over ten key training events. The training covers various topics such as professional skills, business management, healthcare knowledge and daily knowledge.

During the Reporting Period, JW Therapeutics achieved a 100% coverage rate for employee training, with an average training duration of 23 hours per employee. Other details regarding employee training are as follows:

Social Indicators	Unit	2021	2022	2023
Percentage of Employees Trained				
By Gender				
Male	%	44.38%	42.05%	40.85%
Female	%	55.62%	57.95%	59.15%
By Job Grade				
Senior management	%	6.18%	6.25%	2.76%
Middle management	%	20.97%	23.48%	9.52%
Junior management	%	33.71%	31.06%	29.82%
General employees	%	39.14%	39.21%	57.90%
Training Hours per Employee				
Average training hours	hours	17	17	23
By Gender				
Male	hours	15	17	17
Female	hours	18	17	28
By Job Grade				
Senior management	hours	22	10	22
Middle management	hours	31	10	31
Junior management	hours	20	18	29
General employees	hours	13	23	19

"Team Management and Leadership" Training

From October 8 to 9, 2023, the Company conducted a series of "Team Management and Leadership" courses in Suzhou office, tailored to meet the training needs of business departments and the skill requirements for middle and senior management positions. During the training, the instructors focused and shared experiences on topics such as how to enhance team value through efficient communication as a technical manager and how to identify key talents.

Professional Skill Training

During the Reporting Period, the Company arranged specialized training sessions in professional skills tailored to the distinct needs of different business sectors. These sessions covered areas such as data integrity, deviation handling, audit methodologies and cleanroom operations, aimed at elevating employees' professional expertise and competency levels.

5.4 Occupational Health and Safety

JW Therapeutics implements the State Council's opinions on the Healthy China Action, strictly adheres to the provisions of *Law of the People's Republic of China on Work Safety*, and actively improves its internal health management policies and mechanisms.

Laws and regulations that we strictly adhere to include but are not limited to:

Law of the People's Republic of China on Work Safety
Regulations of Jiangsu Province on Work Safety
Regulations of Shanghai Municipality on Safe Production
Law of the People's Republic of China on Prevention and Control of Occupational Diseases
Regulations of Working Environments on Sanitation Management
Regulations on Supervision of Occupational Health
Employer's Occupational Disease Hazard Notification and Warning Label Management Standards
Regulations of Working Environments on Sanitation Supervision Management
Regulations of Employers on Occupational Health Supervision and Management
Regulations of Archive Management on Occupational Sanitation

Internal policies that we developed include but are not limited to:

ESG Policy-Health and Safety Policy

Our management systems include but are not limited to:

Occupational Health and Safety System;
Biosafety Management System;
Laboratory Filing Certificate

Suzhou manufacturing site was awarded the title of 2023 "Social Responsible Enterprise of the Safety Production Alliance"

In the challenging 2023, Suzhou JW Therapeutics stood out among numerous enterprises and was recognized as the "Socially Responsible Enterprise of the Safety Production Alliance" in the Science and Technology Innovation Zone of Suzhou Industrial Park. As a prominent representative, we have not only excelled in our own safety management practices but also shared our experience to foster the growth of the entire biopharmaceutical industry. In the coming year, we remain committed to advancing compliance operations and safety management, aspiring to serve as a benchmark enterprise in our field.

5.4.1 Risk Control Mechanism of Health and Safety

JW Therapeutics has established a comprehensive occupational health and safety management system encompassing risk assessment, identification of potential hazards, accident management, and emergency response planning for production incidents. In 2023, significant enhancements were made to our SOP for Occupational Health Management, alongside improvements in staff documentation regarding occupational health. During the Reporting Period, JW Therapeutics' Suzhou manufacturing site passed the three-level review audit for safety production standardization system, and the validity of the certificate is renewed to the end of 2026. To address underlying risk for occupational health and safety, we have established risk control procedures aimed at preventing safety incidents. The procedures include hazard risk assessment, hidden danger reporting system, regular hazard monitoring and ongoing inspections followed by correction measures.

Hazard Risk Assessment	Conduct job hazard analysis and risk assessment for all positions, and formulate corresponding risk prevention measures. When the position changes, update the hazard analysis and risk assessment in time.
Hidden Danger Reporting System	Establish EHS hidden danger reporting system, and EHS department shall collect risk and hidden danger information to evaluate and formulate rectification measures.
Regular Hazard Monitoring	For all employees who may be involved in occupational health hazard positions, we promptly inform them of the occupational health hazards to which they may be exposed at work and sign an occupational health hazard notification letter. In addition, we arrange occupational health exams, establish health monitoring files for them and regularly monitor the risk of occupational health hazards.
Ongoing Inspections	Regularly carry out a series of safety inspections, including daily inspections, special inspections, multi-department joint inspections, seasonal inspections, etc., to eliminate potential safety hazards and develop rectification plans.

Risk Control Procedures

Being at the forefront of the biotechnology industry, we prioritize specialized risk management in our production operations. In addition to the general risk control process, we have also set up biosafety management mechanism and established the Biosafety Committee. The Biosafety Committee is responsible for supervising safe production and biosafety risk management, regularly carrying out the troubleshooting of biosafety hazards and supervising the rectification, and regularly conducting emergency drills to ensure the implementation of biosafety management. Meanwhile, we have developed the following management mechanisms for laboratory biosafety and chemical safety:

Laboratory biosecurity	• All existing laboratories are required to complete BSL-2 filing. • Formulate biosecurity management policies such as the *Biosecurity Management Procedures* and *Emergency Preparedness and Response for Biosafety Incidents*.
Chemical safety	• Conduct regular chemical safety inspection. • Implement record registration for the purchase of regulated hazardous chemicals to ensure the safety of chemical purchase, storage and use.

Management Mechanisms of Laboratory Biosafety and Chemical Safety

5.4.2 Daily Management and Awareness Enhancement

We place significant emphasis on occupational health and safety within our organization. Our EHS Committee oversees the daily occupational health and safety of our employees, continually enhancing safety awareness through training and drills outlined in our *Employer Occupational Health Training Program*. Our OHS training comprehensively covers all aspects of production operations, including basic OHS knowledge, laboratory safety, biological safety, hazardous and special equipment use safety. Additionally, specialized occupational health and safety training is provided to employees engaged in production activities, as well as to contractors and suppliers before their entry into our facilities.

Occupational health examinations

- We offer occupational health examinations for employees in positions that may involve occupational hazards, including new employee medical examinations, in-service medical examinations and exit medical examinations.

Vaccination

- We arranged hepatitis B surface antibody (HbsAb) testing and hepatitis B vaccination for staff authorized to enter positive workshops.

Emergency drills

- In 2023, we conducted 4 emergency drills, including evacuation drills, annual emergency drills for safe production, on-site disposal drills for spilling infectious material and spill drills for infectious material from hazard waste room.

In 2023, the EHS Committee carried out Production Safety Month Activities to raise employees' safety and health awareness.

2023 Production Safety Month Activities

The theme of Production Safety Month for this year was "Equipping Everyone with Safety and Emergency Knowledge". With the goal of nurturing a safety-oriented culture and enhancing employee safety consciousness, we coordinated various safety initiatives aligned with this theme. We emphasized the importance of rapid response to emergencies and the keen identification of potential hazards.

In order to enhance risk response efficiency and improve our ability to cope with emergencies, we have established comprehensive safety incident handling mechanisms and procedures. We have also strengthened the provision and training of first aid equipment for employees, ensuring timely response and proper handling of safety incidents.

During the Reporting Period, there was two work-related injuries, which were traffic accidents on the way to work and did not cause fatality. The number of working days lost due to work injury was 47 days. In the past three years, there was no fatality due to work.

6. RESPONSIBLE CITIZEN

— Boosting industry development and common prosperity

SDGs	Topic	Actions
	• Supplier Management • Industry Cooperation • Charity Activities	• Strengthen supplier lifecycle management to promote sustainable development of the supply chain • Participate in various industry sharing and communication activities to lead industry development • Launch patient care activities to raise social attention to lymphoma patients

JW Therapeutics always adheres to a responsible attitude towards business partners and society, actively exploring and leveraging efficient supply chain management, and collaborating closely with partners in the industry to facilitate a sustainable growth of the supply chain.

6.1 Supply Chain Management

We strictly adhere to laws and regulations, implement comprehensive supplier lifecycle management measures, conduct regular training for suppliers to ensure supplier compliance in all aspects. At the same time, we also attach great importance to the ethics of animal experimentation during the R&D experimental process, ensuring professionalism and standardization through high standards of animal welfare.

Laws and regulations that we strictly adhere to include but are not limited to:
Good Laboratory Practice (GLP) standards
Internal policies that we developed include but are not limited to:
Supplier Access Policies *Supplier Code of Conduct* Supplier Performance Evaluation SOP
Our management systems include but are not limited to:
Enterprise Resource Planning (“ERP”) system

6.1.1 Supplier Selection

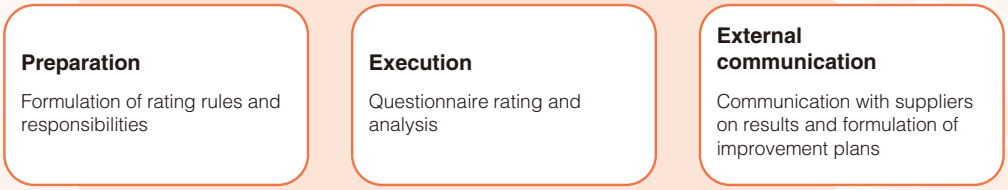
The Company has established a rigorous supplier screening process for all suppliers during the supplier access phase. We conduct comprehensive evaluations on potential suppliers from three aspects: due diligence, compliance requirements assessment, and EHS performance evaluation, to ensure that the suppliers we collaborate with possess good qualifications and supply capabilities.

Due Diligence	• We conduct a due diligence review of all aspects of our potential suppliers, including industry experience, credit rating, product and service quality, ability to provide environmentally preferable products and services, innovation capabilities and operational compliance.
Compliance Requirement	• We regulate the business behaviors of suppliers and ensure compliance. Our suppliers are required to sign the Compliance *Commitment Statement and the Confidentiality Agreement*, which include anti-corruption and operation compliance requirements.
EHS Performance Requirements	• We take into account criteria such as their EHS management capabilities, employment compliance, and business ethics in our access review. The ISO 14001 Environmental Management System Certification is mandatorily required especially for the chemical related suppliers. • During the Reporting Period, we further signed the *Contractor Environmental, Occupational Health and Safety Supplementary Agreement and EHS Commitment Letter* with suppliers and contractors. This letter clearly defines the responsibilities of suppliers and contractors in environmental, employee health, and safety aspects, ensuring comprehensive compliance with high standards in EHS management.

Supplier Selection

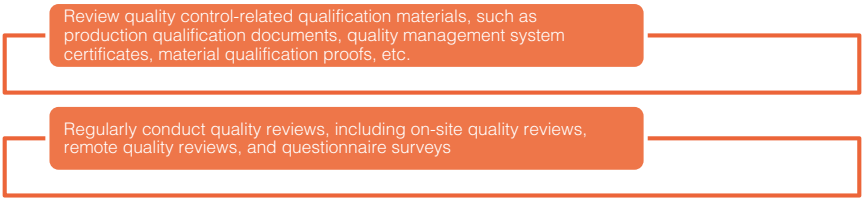
6.1.2 Supplier Assessment

The Company performs periodical evaluation to assess supplier performance in terms of quality, cost, delivery, risk, service, and EHS. We conduct comprehensive assessments based on two dimensions: the procurement amount and supply risk. Suppliers are categorized into strategic, leveraged, bottleneck, and general types, and corresponding evaluation management strategies are devised for each type. Strategic suppliers are evaluated annually and leveraged suppliers are evaluated every three years. For suppliers whose performance requires improvement based on the evaluation, we will communicate with them and follow up on improvement plans. We uphold zero tolerance for supplier non-compliance and will terminate the cooperation with suppliers who violate the compliance requirements.



Supplier Performance Evaluation Process

In terms of supplier quality management, we have signed quality-related agreements with suppliers of production materials. We review and evaluate the quality management of suppliers annually to ensure their compliance with our quality management requirements.



Supplier Quality Management Measures

6.1.3 Supplier Training

In addition to conducting multi-dimensional performance evaluations of suppliers, we also provide regular trainings to suppliers, continuously enhance their supply capabilities, and facilitate the sustainable development of the supply chain.

Compliance Training
• Conduct SAP Ariba supplier management system operation training for new suppliers to ensure they understand the Company's procurement processes. • Our compliance team delivered JW Therapeutics compliance policies and systems to our suppliers to ensure their compliance.
Safety Assurance
• We required mandatory EHS training for all the contractors and suppliers before their entrance into our manufacturing sites to ensure their standardized operation and safe production when they are on site.

Supplier Training Measures

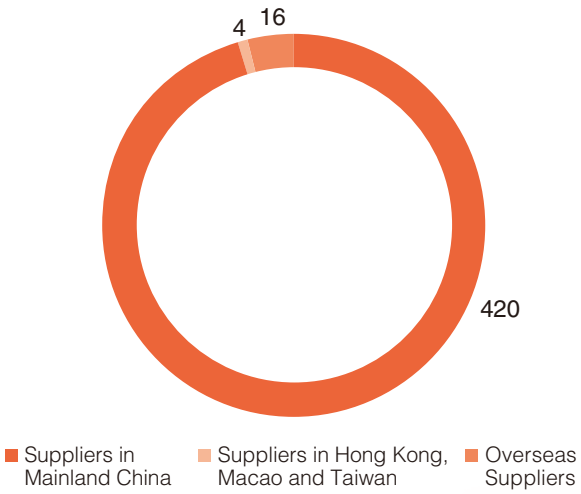
6.1.4 Supplier Localization

JW Therapeutics is dedicated to advancing its supplier localization strategy, by promoting the application of key domestic materials in our research and development of products. We conduct comprehensive technical feasibility assessments during the process development stage, aiming to enhance the stable operation of the localized supply chain. This effort not only optimizes production costs but also further improves patient access to drugs.

Supplier Localization Measures

During the Reporting Period, we have completed the domestic substitution of 9 GMP materials, and plan to complete domestic substitution of 14 GMP materials for commercial production in 2024. At present, our key domestic substitution material, "recombinant human interleukin-2 for injection", had been used for commercial production in September 2023.

As of the end of the Reporting Period, we had a total of 440 suppliers. The number of suppliers by geographical region is as follows.



Total Number of Suppliers	2021	2022	2023
	358	417	440

6.1.5 Animal Welfare

In compliance with the "3R" principles, JW therapeutics urges our animal testing suppliers to reduce, refine and replace animal use in accordance with the highest ethical and animal welfare standards. We do not conduct animal testing by ourselves, but we maintain regular communications with our animal testing suppliers and conduct verification procedures to ensure the fulfillment of animal care in their laboratory activities.

During the Reporting Period, we carried out a qualification review of animal testing suppliers, by verifying their laboratory animal use certifications and other qualification materials, and conducting on-site inspections, to further ensure the compliance of animal tests.

Reduction

Minimizing the number of animals used to the extent of obtaining statistically meaningful results

Replacement

Adopting mice as the primary animal in vivo animal model for efficacy and safety purpose on the basis of CAR-T's specific immunological features and the international common practice, through which to avoid using monkeys and other primates that might be subjected to GvHD (graft-versus-host disease) or other immunological responses

Refinement

Continuing to explore other research and trial methods that is free from animal trials; requiring suppliers to treat the animals to their best by improving the experiment conditions

The Principles of Reduction, Replacement and Refinement (the 3Rs)

Based on the study designs from our in-house and external statisticians, we also refine and reduce animal use as part of our animal welfare practices. Our preclinical and translational researchers are accredited or certified by the American Board of Toxicology, the Regulatory Affairs Professional Society and other international associations. Our annual auditing of suppliers indicates that their vivarium are currently maintaining the certificates from the Association for Assessment and Accreditation of Laboratory Animal Care ("AAALAC"), an international standard for animal welfare. We are committed to maintaining professionalism and standardization of animal welfare with our suppliers at all time.

Our certification:

100% Association for Assessment and Accreditation of Laboratory Animal Care ("AAALAC") certified

6.2 Industry Cooperation

While continuing to promote its own development, JW Therapeutics also strives to help promote the healthy development of the industry with its excellent strength in cell immunotherapy, and contributes to the co-prosperity of the industry by actively carrying out clinical communication and participating in the industrial regulation standardization.

6.2.1 Empower Clinical Practice

We have organized various academic communication activities to enhance the standardization of the clinical application of cell immunotherapy, including "Precision Treatment for Relapsed/Refractory Lymphoma" and "Voice of Frontiers in Cell Therapy" both online and offline. These activities provide a platform for various stakeholders including medical institutions, industry physicians, and patients to share experiences in CAR-T therapy.

"Treatment for Relapsed/Refractory Lymphoma" Academic Communication

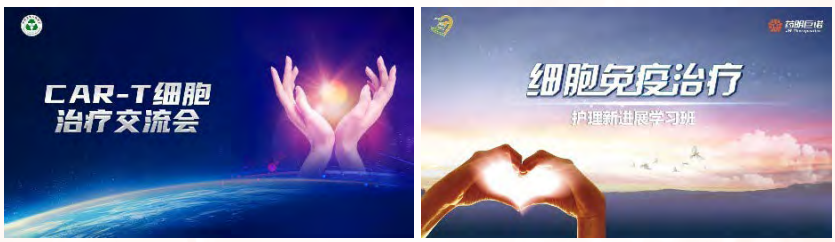
In 2023, JW Therapeutics supported the "Treatment for Relapsed/Refractory Lymphoma" academic communication activity initiated by the Beijing Love Book Cancer Foundation. Throughout the year, 24 online inter-hospital communication meetings were held nationwide, which over a hundred lymphoma experts had engaged in. This initiative further promoted the theoretical and practical understandings of new technics of CAR-T among healthcare professionals, facilitating the standardized clinical application of CAR-T therapy, and helping relapsed/refractory lymphoma patients obtain optimal clinical benefits.

"Voice of Frontiers in Cell Therapy" Communication Meeting

In 2023, JW Therapeutics supported "Voice of Frontiers in CAR-T Cell Therapy" project developed by the Beijing Life Oasis Public Service Center, to explore deeper insights into global academic trends in hematologic malignancies and boost hematologic malignancy discipline development in China. Throughout the year, we participated in 18 meetings, inviting a number of well-known Chinese lymphoma experts and professors to analyze the clinical practices and research explorations of CAR-T therapy in hematologic malignancies, helping healthcare professionals further understand the values and significance of CAR-T and enhance their comprehensive abilities in medical education and research, and promoting the hematologic malignancy diagnosis and treatment to a higher level.

CAR-T Full-Process Nursing Communication Platform

In 2023, JW Therapeutics collaborated with associations, foundations, and national CAR-T treatment nursing experts to jointly establish the CAR-T full-process nursing communication platform. We conducted over 20 training and communication activities, including "CAR-T Cell Therapy Symposium" and "New Advances in Cell Immunotherapy Nursing" workshops, covering more than 400 industry experts. Together with physicians, nursing experts and clinical data collection personnel, we discussed the technical challenges and considerations throughout the entire CAR-T process. We shared case studies on patient follow-up, evaluation and nursing post CAR-T treatment, aiming to provide support and assurance for a more standardized and higher quality service level.



Training from CAR-T Full-process Nursing Communication Platform

6.2.2 Build Ecology

To promote the scientific regulation and the healthy development of the industry, JW Therapeutics and industry enterprises co-founded the Shanghai Cell Immunotherapy Industry Alliance in 2017, and established the Shanghai Pharmaceutical Quality Association of Cell Immunotherapy Quality Management and Research Specialized Committee in August 2018 with the support of the Shanghai Municipal Health and Health Commission, Shanghai Food and Drug Inspection Institute, Shanghai Pharmaceutical Quality Association and other relevant departments to build a technical exchange platform for the cell immunotherapy industry.

During the Reporting Period, we continuously participated in the formulation of industry-related standards to promote industry innovation and standard development. We actively participated in national-level academic conferences such as the Chinese Society of Clinical Oncology ("CSCO"), the Chinese Anti-Cancer Association, and the Hematology Branch of the Chinese Medical Association, promoting the implementation of cell immunotherapy from clinical guidelines to clinical practice.

Participation in Formulation of the Group Standard *Importation Management Guidance for CAR-T Cell Therapy Products and Materials*

With the rapid development of advanced cell therapy technology, cell therapy products represented by CAR-T therapy have been successively marketed in China and overseas. The clinical demand of CAR-T cell therapy products in China has driven the clinical trials, production and overseas sales, and therefore the demand for import and export of materials for their production is also growing rapidly.

In 2023, JW Therapeutics participated in drafting the *Importation Management Guidance for CAR-T Cell Therapy Products and Materials* group standard and became one of the first enterprises for implementation. This standard clarifies the relevant requirements for CAR-T cell therapy products in raw material collection, procurement, transportation, reception, as well as production, inspection, and use processes to ensure the safety, quality stability, and traceability of CAR-T cell therapy products, promoting the rapid and orderly development of the cell therapy industry.

6.3 Charity Activities

On the road to the sustainable future, we have always been committed to the well-being of patients, actively advocating for care and understanding from all sectors of society, jointly providing strong support for lymphoma treatment, and bringing hope and warmth to patients.

"World Lymphoma Awareness Day" Charity Event

On 2023 "World Lymphoma Day", JW Therapeutics collaborated with Ruijin Hospital to invite lymphoma patients to visit the innovative exhibition center of JW Therapeutics Suzhou manufacturing site. We provided patients with scientific knowledge about CAR-T product manufacturing processes, showcasing our efforts in bringing innovative technology and drugs to lymphoma patients.

Participation in the "CSCO Summit on Hematologic and Lymphatic Diseases"

During the Reporting Period, we participated in the "CSCO Summit on Hematologic and Lymphatic Diseases" hosted by the CSCO, the Leukemia Expert Committee of the Chinese Society of Clinical Oncology, and the Lymphoma Expert Committee of the Chinese Society of Clinical Oncology. We reported and discussed heated research topics in the fields of leukemia and lymphoma, including basic scientific research and clinical studies.

Initiation of the "Xisike-JW Therapeutics Hematologic Oncology Research Fund Program"

To further promote the development of hematologic oncology in China, the Beijing Xisike Clinical Oncology Research Foundation and JW Therapeutics cooperated to initiate the "Xisike-JW Therapeutics Hematologic Oncology Research Fund Program", aiming to support and encourage clinical physicians to carry out clinical research and related translational research on hematologic oncology treatment, enhancing the scientific research in oncology, supporting the cultivation and development of oncology experts, and better benefiting hematologic oncology patients.

Appendix I: HKEX ESG Reporting Guide Index

Subject Areas, Aspects, General Disclosures and KPIs		Index
A. Environmental		
Aspect 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.	Chapter 4.1 Climate Change Chapter 4.4 Emissions and Discharge Management
KPI A1.1	The types of emissions and respective emissions data.	Chapter 4.1 Climate Change Chapter 4.4 Emissions and Discharge Management
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Chapter 4.1 Climate Change
KPI A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Chapter 4.4 Emissions and Discharge Management
KPI A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity. (e.g. per unit of production volume, per facility).	Chapter 4.4 Emissions and Discharge Management
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Chapter 4.1 Climate Change Chapter 4.4 Emissions and Discharge Management
KPI 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.	Chapter 4.4 Emissions and Discharge Management
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Chapter 4.3 Resource Management
KPI 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).	Chapter 4.1 Climate Change
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Chapter 4.3 Resource Management
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Chapter 4.1 Climate Change
KPI 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.	Chapter 4.3 Resource Management
KPI A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	Chapter 4.3 Resource Management

Subject Areas, Aspects, General Disclosures and KPIs		Index
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	Chapter 4.2 Environmental Management Chapter 4.4 Emissions and Discharge Management
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Chapter 4.1 Climate Change Chapter 4.3 Resource Management Chapter 4.4 Emissions and Discharge Management
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Chapter 4.1 Climate Change
KPI 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.	Chapter 4.1 Climate Change
B. Social		
Employment and Labor Practices		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Chapter 5.1 Employment Management Chapter 5.2 Communication and Care Chapter 5.3 Employee Development
KPI B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	Chapter 5.1 Employment Management
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Chapter 5.1 Employment Management
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Chapter 5.4 Occupational Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Chapter 5.4 Occupational Health and Safety
KPI B2.2	Lost days due to work injury.	Chapter 5.4 Occupational Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Chapter 5.4 Occupational Health and Safety

Subject Areas, Aspects, General Disclosures and KPIs		Index
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Chapter 5.3 Employee Development
KPI B3.1	The percentage of employees trained by gender and employee category. (e.g. senior management, middle management).	Chapter 5.3 Employee Development
KPI B3.2	The average training hours completed per employee by gender and employee category.	Chapter 5.3 Employee Development
Aspect B4: Labor Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	Chapter 5.1 Employment Management
KPI B4.1	Description of measures to review employment practices to avoid child and forced labor.	Chapter 5.1 Employment Management
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Chapter 5.1 Employment Management
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Chapter 6.1 Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Chapter 6.1 Supply Chain Management
KPI 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.	Chapter 6.1 Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Chapter 6.1 Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Chapter 6.1 Supply Chain Management

Subject Areas, Aspects, General Disclosures and KPIs		Index
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Chapter 3 Patients First
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Chapter 2.2 Product Quality
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	Chapter 3.1 Patient-centered Ecosystem
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Chapter 2.1 Product Research and Development
KPI B6.4	Description of quality assurance process and recall procedures.	Chapter 2.2 Product Quality Chapter 3.2 Pharmacovigilance
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Chapter 2.1 Product Research and Development
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Chapter 1.3 Business Ethics
KPI 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.	Chapter 1.3 Business Ethics
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Chapter 1.3 Business Ethics
KPI B7.3	Description of anti-corruption training provided to board directors and staff.	Chapter 1.3 Business Ethics
Community		
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Chapter 6.3 Charity Activities
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Chapter 6.3 Charity Activities
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Chapter 6.3 Charity Activities

Appendix II: TCFD Index

TCFD Disclosure Recommendations	Index
Governance	
a) Describe the Board's oversight of climate-related risks and opportunities. b) Describe management's role in assessing and managing climate related risks and opportunities.	The supervision of climate-related risks and opportunities is led by the Board, with the cooperation of the Risk Management Committee and the ESG Working Group. For more details, please refer to Chapter 4.1.1
Strategy	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term. b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning. c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	The Company has developed a climate-related risk identification list with reference to IPCC climate change scenarios and taking into account business characteristics and industry characteristics, which includes an analysis of the costs and potential impacts of the identified risks on the Company's business operations. In response to the identified extreme weather conditions, the Company has developed a series of countermeasures. For more details, please refer to Chapter 4.1.2
Risk management	
a) Describe the process of identifying and assessing climate-related risks in the organization. b) Describe the process of managing climate-related risks in the organization. c) Describe how the processes of identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	The Company has established a comprehensive internal control and risk management framework that incorporates climate-related risk management responsibilities. The Risk Management Committee of the Company is responsible for identifying and evaluating climate-related risks and assessing the effectiveness of countermeasures, while the ESG Working Group is responsible for implementing measures to address climate-related risks, continuously monitoring progress towards established targets and the execution of measures, and providing timely feedback to the Risk Management Committee. For more details, please refer to Chapter 4.1.1, 1.2.1
Metrics and targets	
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. b) Disclose direct emissions (Scope 1), indirect emissions (Scope 2), other indirect emissions (Scope 3) (if required) of greenhouse gas (GHG) and associated risks. c) Describe the targets used by the organization to manage climate related risks and opportunities and performance against targets.	The Company set specific targets for energy consumption and GHG emissions in 2021: to reduce the intensity of comprehensive energy consumption and GHG emissions (Scopes 1 and 2) by 40% in 2025 compared to 2021. In 2023, the Company's comprehensive energy consumption intensity was 0.63 MWh/RMB10,000 revenue, a decrease of 80% compared to 2021; and the GHG emission intensity (Scopes 1 and 2) was 0.29 tCO_2e/RMB10,000 revenue, a decrease of 84% compared to 2021. For more details, please refer to Chapter 4.1.3