上海復旦張江生物醫藥股份有限公司

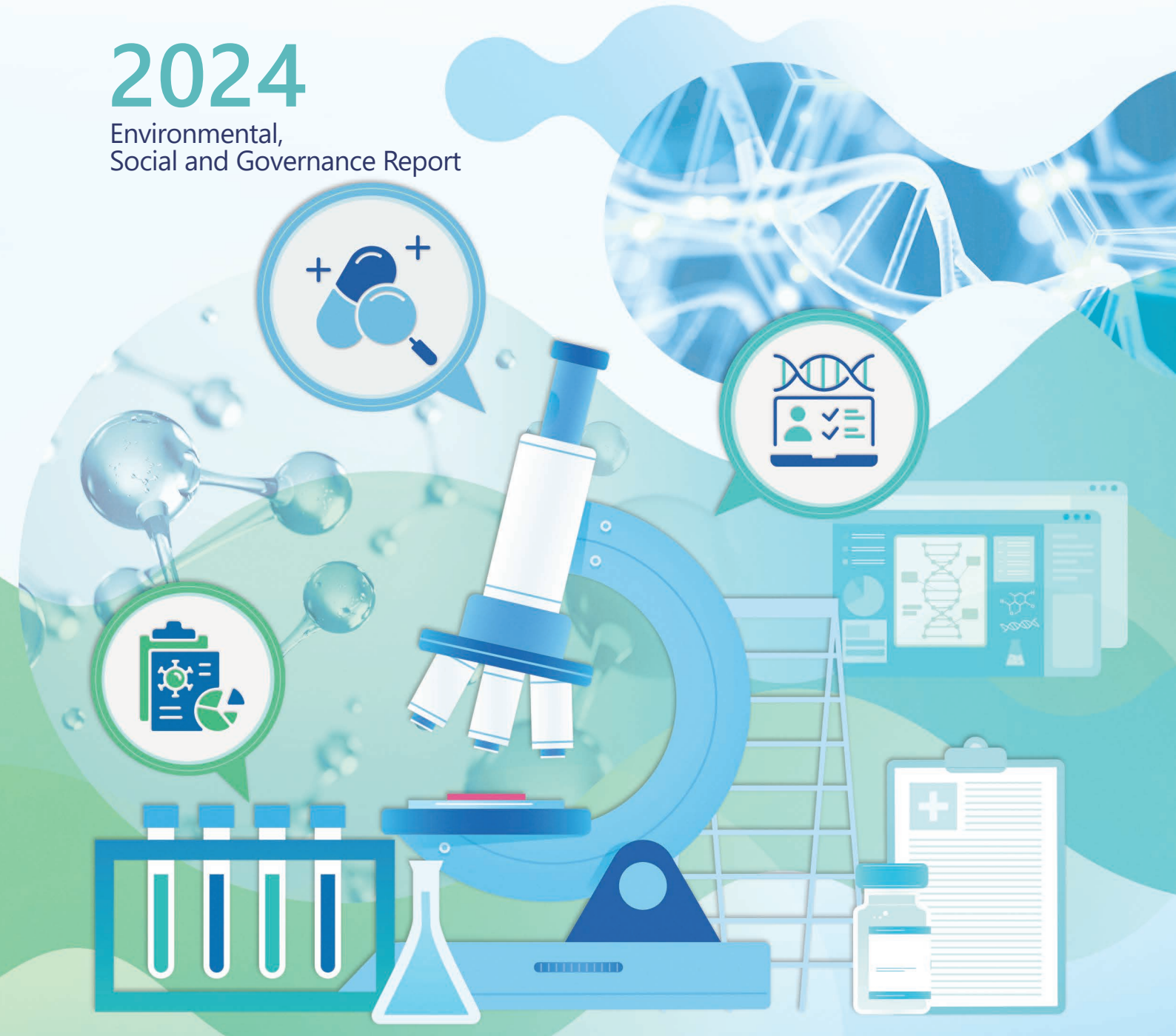
Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd.*

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 1349)

2024

Environmental, Social and Governance Report



** For identification purpose only*

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Environmental, Social and Governance Report

ABOUT THE ESG REPORT

Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd. hereby issues the 2024 Environmental, Social and Governance Report (the "ESG Report") of the Group, to demonstrate the Group's philosophy and practice for sustainable development and social responsibility to its stakeholders in both environmental and social areas.

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

Reporting Scope

The ESG report covers our main businesses for the period from 1 January 2024 to 31 December 2024 (the "Reporting Period"). The key performance indicators ("KPIs") disclosed in the report cover Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd. ("Shanghai FDZJ"), Taizhou Fudan-Zhangjiang Pharmaceutical Co., Ltd. ("Taizhou FDZJ") and Shanghai Tracing Bio-technology Co., Ltd. ("Shanghai Tracing") for the Reporting Period.

There is no significant adjustment to the reporting scope as compared to the 2023 ESG Report included in the 2023 Annual Report of Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd.

Reference and Principles

This report is prepared in accordance with the *Environmental, Social and Governance Reporting Guide* set out in Appendix C2 to the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* and the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies – Sustainability Report (Trial) and the Guide No.13 for Self-Regulatory Supervision on Listed Companies of the SSE STAR Market – Compilation of Sustainable Development Reports*. The ESG report complies with the principles of "Materiality", "Quantitative", "Balance" and "Consistency". The description on how to comply with the principles of "Materiality", "Quantitative", "Balance" and "Consistency" is as follows:

- **Materiality:** The Group determines material ESG issues by stakeholder engagement and materiality assessment, the process and results of which are detailed illustrated in the "Responsible Governance" chapter;
- **Quantitative:** Information on the standards, methodologies and source of conversion factors used for the reporting of emission and energy consumption has been disclosed;
- **Balance:** Information provided in this ESG reports is unbiased and comprehensive for the readers to make decisions or judgment;
- **Consistency:** The statistical methods and KPIs are in consistency with those of the previous years.

IMPROVE RESPONSIBLE GOVERNANCE

Governance Framework

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

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

The Board of Directors	It is the top decision-making body, taking full responsibility for ESG strategy and reporting	✓ Assessing, prioritising and managing material ESG issues and their risks on the business of the Group; ✓ Developing ESG management policies, strategies and objectives; ✓ Regularly assessing the Group's performance against relevant objectives; ✓ Reviewing and approving the annual ESG report.
Senior Management	It organises the ESG Working Group to carry out relevant work pursuant to the ESG strategies made by the Board	✓ Implementing ESG risk management and internal control system, and reporting to the Board about ESG trends, risks and opportunities; ✓ Regularly reporting to the Board on the progress and achievement of ESG work; ✓ Reporting the annual ESG report to the Board.
ESG Working Group	It is composed of the heads of each department of the Group	✓ Implementing ESG strategies and policies made by the Board; ✓ Carrying out ESG work according to the arrangement of senior management; ✓ Preparing annual ESG report; ✓ Reporting on the ESG working progress and annual ESG report to senior management.

Stakeholders Engagement

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

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

Stakeholders	Governments and regulators	Shareholders and investors	Employees
Expectation and concerns	Compliance with laws and regulations Tax expense Product compliance Leading the healthy development of industry	Operational compliance Return on investment Corporate governance Information disclosure	Protection of employee rights and interests Career development channel Employee capacity training Healthy and safe working environment
Communication channels	Compliance management Proactive in tax payment Implementation of national policies Continuous R&D and innovation Risk analysis reporting Timely reporting adverse events Active participation in government projects	Annual report, announcements, and circulars General meeting Results presentation Roadshows Investor meeting	Employee satisfaction survey Regular meetings and trainings Employee care activities Internal communication platform

Stakeholders	Distributors and consumers	Suppliers	Community	Environment
Expectation and concerns	Product quality and safety Protection of customer rights and interests Compliance promotion R&D and innovation Privacy protection	Business ethics Win-win cooperation	Promoting community harmony Improving public welfare awareness Poverty reduction	Environment protection Improving energy efficiency Climate change mitigation
Communication channels	Satisfaction survey Complaint channel On-site communication Academic seminar Proper information management	Business visit Daily meeting Academic exchange conference	Charitable activities Supporting farmers for poverty alleviation	Concentrating on environmental protection Energy conservation and emissions reduction Risk and opportunity identification

Materiality Assessment

Recognizing that identifying, assessing and actively responding to material ESG issues is crucial to the Group's ESG performance, we have been conducting materiality assessment since 2020. Every year, we review and discuss the results of materiality assessment based on feedback from internal and external stakeholders and the Group's business operation environment. In 2024, to further enhance the Group's sustainable development management and performance, we reassessed the Group's material ESG issues for the first time based on the principle of "double materiality". We comprehensively analyzed the impact of ESG issues on the Group's business, finance as well as on the external environment and society, and guided the Group's ESG work accordingly:

1. Identify the issues

- We identified ESG issues relevant to the Group by fully considering the Group's strategic priorities, actual business and industrial characteristics, and following the *Environmental, Social and Governance Reporting Guide, the Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies - Sustainability Report (Trial)*, and other regulatory requirements as well as market trends.

2. Assess the issues

- We conducted materiality assessment of the issues from two dimensions, i.e. "impact materiality" and "financial materiality":
- "Impact materiality": Through stakeholder surveys, we assessed from perspectives of the likelihood, scale, scope and irremediability of impacts whether the Group's performance on the relevant issues could have actual or potential significant impacts on the economy, society, and environment.
- "Financial materiality": Through interviews with internal management, shareholders, investors and other stakeholders, we assessed from perspectives of the likelihood and degree of impact whether the issues were expected to have a significant impact on the Group's business model, business operations, development strategy, financial position, operating results, cash flow, financing methods and costs in the short, medium and long term.

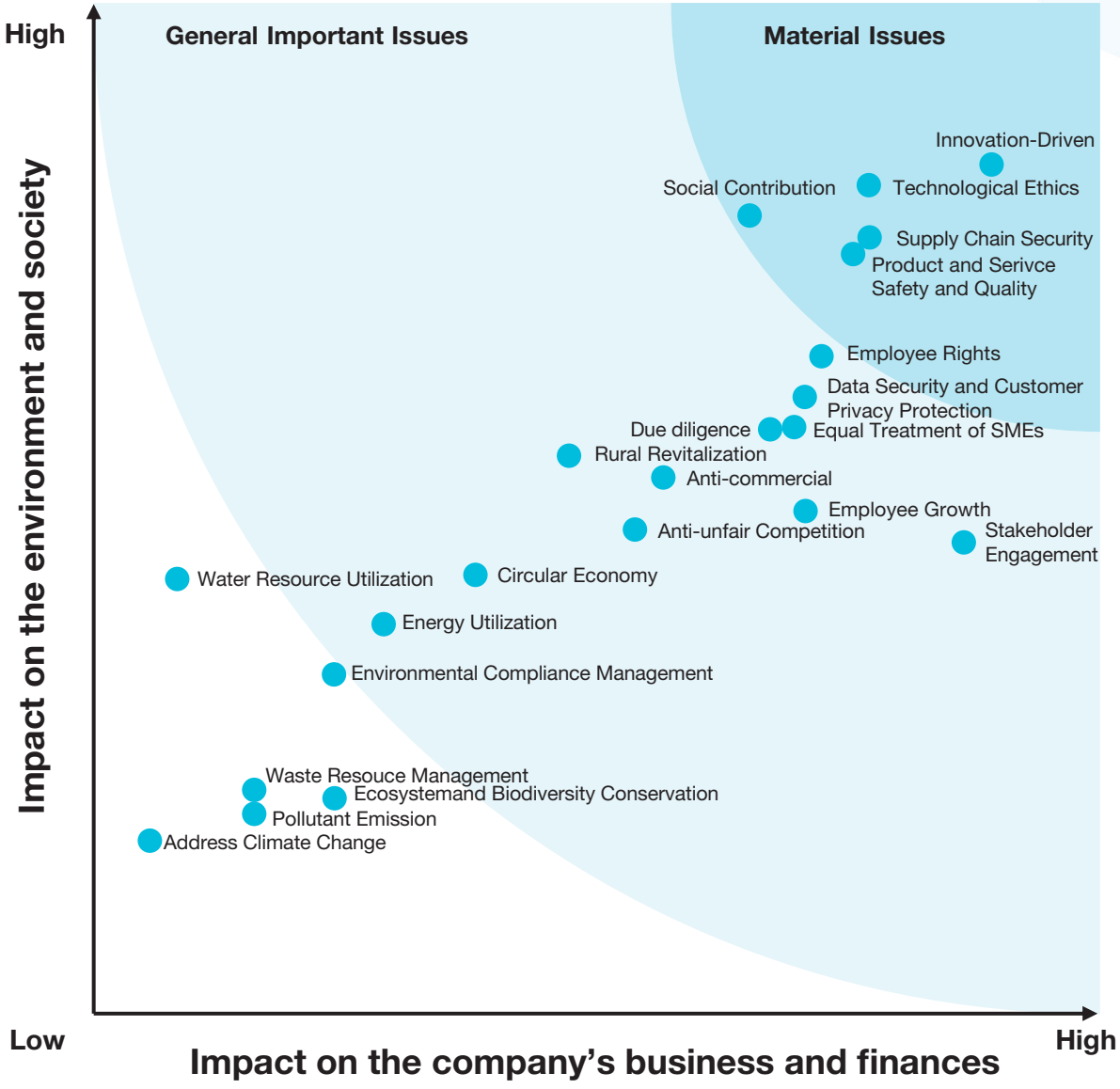
3. Confirm the issues

- Based on the assessment results from step 2, we conducted consultations with internal and external experts and organized discussions and communications with relevant departments to prioritize the ESG issues. We then established a double materiality matrix, and reported to the Board of Directors to confirm the Group's materiality assessment results.
- For the identified material ESG issues, we further established targeted management strategies and implemented enhancement actions.

Based on the results of double materiality assessment in 2024, we identified a total of 1 issues with financial materiality and 5 issues with impact materiality.

Issue	Financial materiality	Impact materiality	Stakeholders affected
Innovation-Driven	Yes	Yes	Shareholders and Investors, Government and Regulatory Bodies, Distributors and Consumers, Employees
Technological Ethics	No	Yes	Government and Regulatory Bodies, Distributors and Consumers, Employees
Social Contribution	No	Yes	Government and Regulatory Bodies, Distributors and Consumers, Suppliers, Community
Product and Service Safety and Quality	No	Yes	Government and Regulatory Bodies, Distributors and Consumers, Employees
Supply Chain Security	No	Yes	Government and Regulatory Bodies, Distributors and Consumers, Suppliers

The Group's matrix of material issues for 2024 is set out below:



Double Materiality Assessment Results

Sustainability Risk Management

We have integrated sustainability risks into enterprise risk management and internal control system. Each year, the Risk Management and Internal Audit & Control Department coordinates with relevant departments to carry out risk management activities. In doing so, we consider the Group's strategy and business operations, industry trends in sustainability risks, insights from external experts, and stakeholder concerns to identify and assess sustainability-related risks including business ethics risks, supply chain risks, environmental risks, and climate risks. Based on these assessments, we determine risk levels and priorities and develop corresponding risk management strategies and response measures. Furthermore, we supervise the responsible departments to implement appropriate risk response measures according to risk ownership, and we regularly report the status of sustainability risks and the implementation of these measures to the Board of Directors, ensuring that all sustainability-related risks are properly managed.

ENSURE COMPLIANCE OPERATION

Building a Clean Enterprise

The Group strictly complies with laws and regulations relating to anti-corruption, anti-extortion, anti-fraud and anti-money laundering, including but not limited to these on anti-commercial bribery, such as the *Criminal Law of the People's Republic of China*, the *Anti-money Laundering Law of the People's Republic of China*, and the *Anti-Unfair Competition Law of the People's Republic of China*, etc. The Group continuously strengthens internal control and supervision mechanism, upholds integrity operation, and strictly conforms to rules of fair competition. According to *Employee Handbook and Regulations on Anti-Commercial Bribery*, the Group requires the employees to be honest and self-disciplined, comply with laws/regulations and the Group's management regulations on honesty and self-discipline, follow principles of "law-abiding, honest, fair, scientific" etc., resolutely refuse to accept commercial bribery, offer bribery and commit other improper business practices. During the Reporting Period, the Group did not have any legal cases regarding corrupt practices or anti-unfair competition penalties.

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

To further strengthen internal governance and control and ensure the compliance and orderliness of the Group's operations and management activities, the Group has formulated the "Complaint and Whistleblowing Management Regulations" in accordance with relevant national laws and regulations, company policies, and the Group's actual circumstances. These regulations establish guidelines for the scope of complaints, reporting channels, handling procedures, rewards and penalties, whistleblower protection, and incentives to promote integrity among employees. Specifically, the Risk Management and Internal Audit & Control Department is responsible for receiving and reviewing whistleblowing reports, responding to whistleblowers, protecting and rewarding them, and promoting whistleblowing policies. Meanwhile, relevant departments are responsible for implementing integrity management, providing whistleblowing leads, and cooperating with investigations and oversight when necessary. Whistleblowers may report issues through telephone (021-58953355-1309), email (report@fd-zj.com), or mail (No. 308 Cailun Road, Pudong New Area, Shanghai, Risk Management and Internal Audit & Control Department). Suspected criminal activity will be reported promptly to the relevant authorities.

We actively carry out relevant training and learning activities to strengthen employees' compliance awareness and risk identification ability. Every year, we conduct training for board members and employees on anti-corruption and business ethics to ensure compliance operations. The Group's HR department makes arrangements for new employees to study regulations on anti-commercial bribery before induction, records the training and requires each new employee to sign on the record. The Risk Management and Internal Audit and Control Department actively participated in various compliance training sessions provided by external professional organizations. With the introduction of key rectification documents in the pharmaceutical field and the emergence of new regulatory requirements in 2024, we arranged compliance training for relevant departments of the Group in August 2024. The training covered the compliance management with respect to academic conferences and lecture expenses, pharmaceutical representative visit and pharmaceutical contract sales outsourcing (CSO), and interactions with healthcare professionals (HCP). We also required that these compliance requirements be earnestly implemented in daily business practices. In addition, in December 2024, we arranged for relevant departments of the Group to study the statistics and analysis of enforcement cases of antitrust and anti-unfair competition in the pharmaceutical field, interpretation of key points and hot issues of antitrust compliance, and suggestions on antitrust compliance, so as to effectively prevent relevant risks and ensure compliance operation in our actual work.

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

Protecting Consumer Rights and Interests

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

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

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

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

Safeguarding Information Security

Regarding the information of stakeholders such as partners, subjects and patients as confidential, the Group has established a comprehensive information security and privacy protection management system to fully safeguard information security. During the Reporting Period, there were no information security or privacy leakage incidents in the Group.

In terms of information security protection, the Group has established the *Information System Management Policy*, the *Management Regulations on Data Backup and Data Archiving*, the *Management Regulations on Financial Software Operation of Enterprise Resource Planning (ERP)* and other policies and regulations. These efforts standardize the management of information systems and network security, server room management, user account and authority management of information systems, management of data backup and data archiving, so as to reasonably safeguard the security and authority control of data in various information systems.

In terms of privacy protection, we sign with partners the *Confidentiality Agreement* at the preliminary business contact stage and the confidentiality clauses attached to the cooperation agreement upon official establishment of cooperation. We strictly comply with the confidentiality requirements throughout the entire process. Subjects are required to sign the *Subjects' Informed Consent Form* before participating in clinical research. We strictly comply with and implement the requirements of relevant laws and regulations such as the *Personal Information Protection Law*, the *Data Security Law*, the *Good Clinical Practice*, and the *Regulations on the Management of Human Genetic Resources*, as well as the confidentiality obligations included in the *Subjects' Informed Consent Form*. In doing so, we collect, store, utilize and manage relevant information and data in a lawful and compliant manner. Additionally, we strictly adhere to the *Drug Administration Law*, the *Administrative Measures for Reporting and Monitoring Adverse Drug Reactions* and other relevant regulations during the drug sales phase. We ensure the confidentiality of trade secrets, personal privacy, and information of patients and reporters obtained during the process of adverse drug reaction reporting and monitoring.

We have established a comprehensive document and record management system in accordance with the Good Manufacturing Practice (GMP) regulations. We have formulated a document management protocol, which specifies the types, retention period, retention location, retention media, archiving and borrowing, and destruction of documents and records. We carry out document management strictly in accordance with the protocol. In addition, we have set up an archive room managed by designated personnel. Only authorized personnel are allowed to access relevant records, and each access to document and record is documented to fully protect the privacy security of stakeholders such as partners, subjects and patients.

Advertising Labelling Compliance

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

Intellectual Property Protection

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

We abide by the *Patent Law of the People's Republic of China, the Trademark Law of the People's Republic of China, the Copyright Law of the People's Republic of China*, the *Enterprise Intellectual Property Management Standards* and other laws and regulations. We have established a full-process intellectual property management system following the management principle of "implementing intellectual property management throughout production and operation activities" to avoid infringement, protect self-owned intellectual properties and stimulate innovation practices in all aspects of research and development, procurement, production and sales, and set long-term and short-term work objectives regarding intellectual property to promote sustainable development. Through the implementation of the *Intellectual Property Management Manual*, the *Intellectual Property Document Control Procedures* and relevant documents, we have clearly defined the responsibilities of each department and conducted regular inspection, analysis and evaluation of intellectual property management to improve our intellectual property management system on a continuous basis. During the Reporting Period, the Group applied for 16 new invention patents (including 1 PCT application). As of the end of the Reporting Period, the Group has applied for 138 invention patents (including 2 PCT application) and obtained the authorisation of 51 invention patents.

IMPLEMENT QUALITY MANAGEMENT

Full-Cycle Product Quality Control

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

To guarantee product quality, we have established a comprehensive GMP quality management system in accordance with Chinese GMP regulations and quality management principles. The system covers all the factors affecting medicine quality, including personnel, equipment, materials, production, testing, quality assurance, ongoing monitoring, etc., to provide guidelines for management and operation of every step and minimise risks such as pollution, cross contamination, confusion, and errors in drug production.

In the production process, we strictly control product quality which helps us win the market. The small-dose injection (antineoplastic drugs), bulk drug (Aminolevulinic Acid Hydrochloride), bulk drug (Hemoporfin), powders and freeze-dried powder injections have passed GMP compliance inspection conducted by National Medical Products Administration.

Material and Product Inspection

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

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

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

Quality Risk Control

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

- **Supplier management:** All suppliers which provide materials for the products to be marketed are audited. Only qualified and approved suppliers could provide products to the Group. For details of management measures, please refer to the Section "Supply Chain Management";

- **Material release management:** When receiving materials, Logistics Department is responsible for checking materials, and storing them according to specified conditions; Quality Management Department is responsible for sampling and testing, and finally determining whether the materials can be used;

- **Production and release management:** The Manufacturing Department ensures that the production is carried out in accordance with the product prescription and production process approved by the state, and that the production equipment, production operation, production and packaging environment meet the process requirements; stores the products under appropriate conditions after the production; carries out pharmacovigilance activities, gradually improve the pharmacovigilance system in daily work, and reports safety incidents in clinical trials to drug regulatory authorities in accordance with relevant laws and regulations; prevents any possible adverse drug reactions/incidents during the use of our drugs; collects, processes and reports post-marketing adverse drug reactions; timely transmits safety information related to drugs to regulatory authorities, patients, medical staff and the public to protect the rights and interests of patients; In addition, the Quality Management Department takes samples at key control points during production to test intermediate products or finished products; product release is decided by quality authorised personnel;

- **Return and recall:** Customers or distributors may file complaints or request returns if they discover product quality issues during use or sales; the Group recalls the products in time if they find risks lying in products delivered to customers. During the Reporting Period, there was no product recall in the Group for safety and health reasons.

Upgrade of the online air quality monitoring system of the LIBOd liposome filling line

To further ensure the aseptic quality during the production process of LIBOd, we upgraded the online air quality monitoring system of the aseptic filling line in the water needle workshop at our Shanghai production base in 2024 based on detailed research. The upgrade included optimizing the location of the sampling points, upgrading the sampling method to uninterrupted sampling, increasing background monitoring points for filling, and enhancing the monitoring of system redundancy. The new system has now been put into use with good operational effectiveness, ensuring the product quality and the user safety.

Innovative Technical Platform

Governance

In the field of pharmaceutical research and innovation, our Group has established a clear and efficient governance framework designed to ensure that the strategic direction of R&D activities is effectively implemented and continuously monitored.

The Group's management serves as the decision-making body for R&D and innovation, responsible for setting the Group's R&D strategic direction, defining the long-term goals and short-term execution of each project in the pipeline, and reviewing major decisions at all stages from research to industrialization. To effectively advance R&D progress, management holds regular project review meetings every two weeks. During these meetings, relevant R&D execution departments report on R&D progress and results, including but not limited to patent oversight, project initiation and preclinical research progress, clinical phase updates of domestic and international projects, production line construction and operational status. This ensures that management remains informed of R&D developments and can adjust the focus of R&D activities in a timely manner.

To ensure the effective operation of our R&D and innovation governance framework, the Group has established several departments, including the R&D Management Office, the Intellectual Property Department, the ADC Small Molecule Drug R&D Department, the Biotechnology Drug R&D Department, the Chemical Drug R&D Department, and the Clinical Medical Center. Through centralized management, these departments collaborate in a timely and efficient manner to fulfill their functions, ensuring that our R&D activities align with the Group's strategic planning and market demands, and providing robust support for the Group's drug R&D and innovation endeavors.

Strategy

Since its inception, our Group's R&D philosophy has been predicated on clearly identifying clinical gaps and unmet needs, with the demonstration of unique clinical therapeutic effects serving as the decisive factor for initiating and evaluating new drug development projects. Simultaneously, the Group selectively advances the industrial development of marketed products with substantial technological barriers, thereby achieving differentiated competition by meeting clinical needs and effectively leveraging R&D resources and capacity to maximize economic benefits.

Supported by this philosophy, our Group has established the Photodynamic technical platform, Genetic engineering technical platform, Nano technical platform, and Oral solid preparation technology platform, while strategically concentrating on the fields of photodynamic drugs and antibody–drug conjugates to cultivate a distinctive and competitive R&D profile.

- **Photodynamic technical platform:** The scientific exploration of photodynamic therapy began in the early 20th century, with its true application in human clinical settings starting in the late 1970s. The first photosensitizing drug was approved for market release in 1993. Recognizing the unique therapeutic value of photodynamic therapy in treating certain untreatable or unmanageable precancerous lesions and non-tumor diseases and in the absence of international scientific standards the company proactively established a photodynamic technology platform in 1999. Our company's photodynamic technology is at the forefront globally, and over the years, we have continually expanded drug research and development based on this platform. Photodynamic drugs constitute one of our important product groups.

- **Genetic engineering technical platform:** Since its inception, our company has been rooted in genetic engineering technology. Addressing significant unmet clinical needs, we have successively developed products such as cytokines, fusion proteins, monoclonal antibodies, and antibody-drug conjugates (ADCs), establishing corresponding technical platforms. In our early years, we achieved multiple transfers of genetic engineering technologies, contributing revenue to our initial operations. As the company has grown, the industrialization of genetic engineering drugs has become feasible. In the future, we will enhance research and registration of projects within the genetic engineering technology platform that have entered clinical stages, striving for the early realization of gene drug industrialization. ADCs are a key research and commercial focus of our genetic engineering technology platform. Combining the potent cytotoxicity of small-molecule drugs with the targeting ability of monoclonal antibodies, ADCs have emerged over the past decade as a hotspot in tumor-targeted therapy research and development.

- **Nano technical platform:** Nano preparations can not only improve drug water solubility and bioavailability but also utilize the Enhanced Permeability and Retention (EPR) effect to deliver antitumor drugs selectively, achieving enhanced efficacy and reduced toxicity. However, developing nanomedicines presents several technical challenges: First, Complexity of liposomal formulations, with few approved drugs, making it difficult to establish comprehensive technical systems. Second, Lack of high-quality excipients; developing new lipids has high barriers and costs. Third, Shortage of industrial-scale equipment; existing liposomal products vary in design, leading to differences in production techniques and processes, with equipment often customized by manufacturers. Forth, Challenges in quality control; diverse and complex preparation methods for liposomes result in numerous quality control points, making consistency difficult to ensure. In the context of domestic liposomal drugs being limited to basic research without industrial application, our company initiated liposomal drug development and gradually established a nanotechnology platform.

- **Oral solid preparation technology platform:** Despite successfully industrializing several drugs after years of research and development, our company still faces lengthy project cycles and gaps between product launches. In recent years, considering our long-term strategic development, we have established an oral solid dosage form technology platform and are developing multiple new and generic drugs with unique clinical therapeutic value to shorten our product development cycles. Small-molecule targeted drugs and specialized oral formulations are currently high-focus areas in new drug research. Among our ongoing projects are several new and generic drugs with distinctive clinical therapeutic value. The oral solid dosage form technology will serve as one of the foundational platforms for our company's long-term development. Our group aims to develop new drugs to assist patients whose clinical needs are not yet fully met.

Risk Management

We have integrated the risks associated with pharmaceutical R&D and innovation into our corporate risk management and internal control systems. In addition, the Group consistently adopts a conservative and prudent capitalization policy for R&D projects – capitalizing only those initiatives that are technically feasible, have clearly defined future objectives, controllable risks, and a strong likelihood of generating future economic benefits – to ensure that risks remain manageable.

Metrics and Targets

Since its establishment, the Group has upheld the corporate mission of "The More We Explore, the Healthier the People Will Be," With a core focus on identifying gaps and dissatisfaction in clinical treatments and providing more effective treatment solutions and drugs, the Group strives to become an innovator and leader in the biopharmaceutical industry. We remain closely attuned to emerging technologies, actively adopting new innovations, continually exploring, and consistently developing new projects. For detailed innovation-driven metrics, please refer to the "Core Technologies and R&D Progress" section of our annual report.

Complying with Technology Ethics

While advancing innovative R&D, the Group steadfastly adheres to a strict baseline of technology ethics compliance. We rigorously comply with all relevant laws, regulations, and guidelines – including, but not limited to, the *Regulations on the Ethical Review of Life Sciences and Medical Research Involving Human Subjects (2023), Interim Measures for the Ethical Review of Science and Technology (2023), Good Clinical Practice for Pharmaceutical Clinical Trials (2020)*, the *Declaration of Helsinki (2024 Revision)*, the *Biosafety Law of the People's Republic of China*, the *Regulations on the Administration of Human Genetic Resources of the People's Republic of China, the Implementation Rules for the Administration of Human Genetic Resources (Ministry of Science and Technology Order No. 21)*, and the *ICH "E6 (R3): Good Clinical Practice for Pharmaceutical Clinical Trials (2025)*". During this Reporting Period, our Group recorded no violations related to technology ethics.

Prior to initiating clinical trials, we conduct rigorous internal reviews in accordance with applicable laws and guidelines and submit the necessary declarations to the relevant authorities. Additionally, we strictly adhere to the management and oversight requirements of each trial centre's ethics committee, ensuring that all necessary approvals are obtained before any research commences.

Furthermore, we continuously strengthen our technology ethics compliance system by regularly organizing internal training on GCP and related regulations to enhance our employees' ethical awareness and professional capabilities, thereby ensuring full compliance throughout the clinical trial process. Looking ahead, we will further optimize our compliance management mechanisms and reinforce risk prevention measures in technology ethics to provide a solid foundation for the healthy development of our innovative R&D initiatives.

Proper Supply Chain Management

Supplier Management System Construction

Supplier management is one of the most important parts of quality management for pharmaceutical enterprises. Stability, safety and effectiveness of product are directly influenced by the selection of suppliers. The Group formulated Supplier Management Policy to regulate the operational procedures of evaluation and approval for material suppliers, and clarify the suppliers' qualification, selection principle, quality evaluation methods, evaluation standard, and approval procedure for material suppliers. In the procedure of selecting suppliers, the Group requires the suppliers should have relevant qualification certificates and be able to guarantee uniform source and controllable quality. Priority is given to suppliers passing GMP examinations and suppliers with good reputations. As of the end of the Reporting Period, the Group had 837 suppliers. The number of suppliers by geographical region is shown as below:

Region	Number
Shanghai	297
Jiangsu	167
Guangdong	106
Zhejiang	66
Beijing	37
Others	164

Note: The number of suppliers by region is only listed for the top 5 regions and other regions.

Supply Chain Risk Assessment

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

- Document Audit: Quality Management Department evaluates suppliers based on information from completed supplier questionnaires.

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

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

In 2024, during an on-site audit of a production material supplier, we noticed that the supplier had an imperfect quality management system in the supervision of starting materials and their management in the production and inspection processes. In particular, there were deficiencies in testing, production and laboratory data management that needed to be improved. We communicated with the supplier and put forward rectification requirements: Regular on-site audits must be conducted on units entrusted for inspections; arbitrary alterations in production and inspection records are not allowed and any modifications must be made in accordance with the document management requirements, with signatures and dates noted after modification; the quantity of materials in the production records must be consistent with the quantity listed in the material list. After receiving the rectification requirements, the supplier promptly completed the rectification and provided feedback to the Group to avoid any negative impact on the Group's subsequent production and delivery.

Supply Chain Environmental and Social Risk Management

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

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

Equal Treatment of SMEs

In our supply chain management, we consistently uphold the principles of fairness and transparency to ensure that small and medium-sized enterprises have equal opportunities in our collaborations. We support their sustainable development through a series of actionable measures, striving to build mutually beneficial partnerships based on shared risks and resources that foster joint growth.

In our supplier selection process, we employ diversified evaluation criteria that not only assess scale and cost, but also emphasize technical and service capabilities, quality management, and sustainable development potential – ensuring that SMEs enjoy equal opportunities in bidding and collaboration. Additionally, we strictly adhere to contractual payment cycles to guarantee timely payments, thereby alleviating financial pressures and promoting their healthy development.

PROTECT GREEN ECOLOGY

In accordance with the *Energy Conservation Law of the People's Republic of China, Environmental Protection Law of the People's Republic of China, Atmospheric Pollution Prevention and Control Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, Water Pollution Prevention and Control Law of the People's Republic of China* and other relevant laws and regulations, we attach great importance to environmental protection and have established a sound management system and set up a leadership team for environmental protection management to comprehensively manage environmental affairs. The Group did not commit any environmental-related violations during the past three years.

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

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

Environmental Indicators	Environmental Targets	Progress
Emissions	• All wastewater shall be treated and discharged in compliance with the standards	Achieved
	• Gradually reduce Greenhouse Gas (GHG) emissions, reduce GHG emissions intensity by 3% by 2025	Achieved
Wastes	• All hazardous and non-hazardous waste are entrusted to qualified organizations for disposal	Achieved
	• Gradually reduce the discharge density of hazardous wastes	Achieved
Energy	• Gradually reduce energy consumption, reduce the intensity of energy consumption by 3% by 2025	In progress
Water Resources	• Gradually reduce water usage, reduce water intensity by 3% by 2025	In progress

Proper Emissions Management

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

Our pollutant discharges consist primarily of effluents, air emissions, greenhouse gases and solid waste. In accordance with national standards, local standards and biopharmaceutical discharge standards, the Group invites qualified institutions to monitor effluents and air emissions. We have prepared and completed the filing of the *Emergency Plan for Environmental Emergencies*, which is regularly updated and reviewed. In the Reporting Period, the Group did not commit violations related to emissions.

Effluents and Air Emissions

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

Exhaust gas from drug development and production consists of most of the air emissions in the Group. In accordance with the *Emission Standard of Air Pollutants for Pharmaceutical Industry*, the *Integrated Emission Standard of Air Pollutants* and other emission standards. The Group developed *Standard Operation Procedures of Air Emission Treatment Equipment* to regulate and control operation of air treatment equipment to make the air emissions reach relevant standard.

During the Reporting Period, the Group's KPIs related to emissions are shown as below:

Types of Emissions	**2024**	2023	2022
Wastewater (tonne)	**51,617.60**	52,586.40	47,586.60
COD (kg)	**2,106.00**	850.79	900.32

Notes:

1. During the Reporting Period, the Phase II of Taizhou FDZJ production base was completed, and the production line of antibody-drug conjugate (ADC) was formally put into operation. So the amount of wastewater increased compared with the prior Reporting Period.

Wastes

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

The Group has registered with Solid Waste Management Information System in Shanghai and Taizhou to monitor the treatment of wastes, and conducted strict management over wastes as per *Regulations on Treatment and Management of Industrial Wastes and Regulations on Management of Wastes*. The Group requires departments to fill in the *Application Form for the Disposal of Toxic and Hazardous Waste* which requires material name, packing specification, chemical property, component, content, amount, waste form and waste reason. After the form is approved and signed by the department head, it is submitted to the Environment, Health and Safety (EHS) Department for approval and filing, wastes are stored in specified waste storage room or neutralisation tank.

We entrust institutions which have local hazardous waste disposal permit to treat hazardous wastes. General solid waste is treated by companies with appropriate qualifications, and domestic waste is transported and treated by the local municipal environmental sanitation department.

In addition, we have incorporated the concept of circular economy into our production and operation. Through measures such as recycling wastes and promoting waste sorting, we strive to reduce solid waste. During the Reporting Period, we recycled a total of 3.36 tonnes of waste cartons.

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

Wastes	**2024**	2023	2022
Hazardous Waste Emissions in Total (tonne)	**153.98**	166.39	176.07
Intensity (tonne/million RMB of revenue)	**0.22**	0.23	0.17
Non-hazardous Waste Emissions in Total (tonne)	**52.20**	49.80	38.96
Intensity (tonne/million RMB of revenue)	**0.07**	0.07	0.04

Notes:

1. The types and emissions of hazardous wastes of the Group are calculated according to the *Hazardous Wastes Transfer Form*.

2. The Group's non-hazardous wastes only include domestic wastes and are collected and disposed by the local Municipal Environmental Sanitation Department, which estimates the total amount of wastes and charge the Group accordingly.

Resources Conservation

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

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

The Group seasonally adjusts the high electricity consumption equipment such as air conditioner in clean plant to reduce load. After energy-conservation reconstruction, warm water generated in heat source of water equipment, such as heat exchange of cooling water in distilled water machine and pure steam generator, is used as boiler makeup water. This could recycle boiler water, reduce cooling water discharge, not only save water, but also cut down boiler heat consumption, saving energy and reducing emissions. Meanwhile, we actively promote the use of green energy. Shanghai Fudan-Zhangjiang purchased 969.00 MWh of green power during the Reporting Period. Taizhou Fudan-Zhangjiang installed solar photovoltaic grid-connected power generation facilities on the roof of the factory. In 2024, the photovoltaic power generation reached 184.38 MWh. These measures reduced greenhouse gas emissions by 618.90 tonnes in total.

Taizhou FDZJ always adheres to the principle of prioritizing safe and environment and energy-saving measures when introducing new products and processes. In the design of the utility refrigeration system of the Phase II ADC Production Project, the screw inverter + centrifuge energy-saving concept and the PA system adopts the inverter + industrial frequency energy-saving concept were accepted, so as to achieve the goal of low energy consumption in the long term.

During the Reporting Period, the Group's KPIs for resources usage are as follows:

Resource Consumption	**2024**	2023	2022
Diesel (MWh)	**0.00**	0.13	0.17
Gasoline (MWh)	**12.03**	15.30	58.05
Natural Gas (MWh)	**0.00**	1,393.23	3,492.87
Total Direct Energy (MWh)	**12.03**	1,408.66	3,551.09
Electricity (MWh)	**11,326.48**	12,774.10	11,274.60
Steam(MWh)	**9,827.44**	6,221.47	/
Total Indirect Energy (MWh)	**21,153.92**	18,995.57	11,274.60
Total Energy Consumption (MWh)	**21,165.95**	20,404.23	14,825.69
Intensity (MWh/Million RMB of Revenue)	**29.84**	28.69	14.38
Total Water Consumption (tonne)	**175,412.85**	135,340.00	91,671.40
Intensity (tonne/Million RMB of Revenue)	**247.27**	190.30	88.90
Packaging Materials in Total (tonne)	**49.04**	52.19	48.44

Notes:

1. Total energy consumption is calculated based on the amount of electricity and steam purchased and the consumption of natural gas, diesel and gasoline considering the default parameter values to fossil fuel as shown in Table 2.1 Default values of fossil fuel-related parameters of the *Accounting Methods and Reporting Guide for Greenhouse Gas Emissions from Chemical Industry Enterprises*, table 2.4 Enthalpy of saturated steam of the *Accounting Methods and Reporting Guide for Greenhouse Gas Emissions from Other Sectors of Industry* issued by the National Development and Reform Commission (NDRC), and the fuel density from *Workbook of Energy Statistics* issued by the Energy Department of the National Bureau of Statistics of China.

2. In 2023, Taizhou Fudan-Zhangjiang introduced industrial steam from the park to replace the original natural gas. The Group has no longer used natural gas since the Reporting Period.

3. The Group's products are complex and diverse, so it is difficult to accurately measure the total weight of the products. Therefore, this report does not disclose the KPI A2.5 packaging material used for finished products per unit of production. We will disclose this KPI in the future.

4. The Group's water consumption is mainly from production and domestic water. With tap water as water source, water demands for daily operation can be satisfied.

5. During the Reporting Period, at the Taizhou FDZJ Phase II production base, the production capacity of the antibody-drug conjugate (ADC)-related product line is gradually increasing. So the consumption and intensity of water increased compared with the prior Reporting Period.

6. As the Group's production activities only involve the development and production of drugs and the Group does not use other environmental and natural resources, A3 The environmental and natural resources and A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them are inapplicable and therefore not disclosed in this report.

Address Climate Change

Global climate change has a profound impact on human survival and restricts sustainable development on enterprise. Accelerating adaptation to climate change is a common global issue. We continue to monitor the impact of climate change trends and regulations evolution at home and abroad on the pharmaceutical industry and our business operations.

Governance

The Group's ESG working group actively identifies the climate related risks and opportunities faced by the Group, formulates desirable response measures and regularly reports to senior management and the Board of Directors. The Board of Directors reviews the responses to climate related risks and opportunities at least once a year and oversees the implementation and disclosure of related issues.

Strategy

During the Reporting Period, we identified and assessed major climate-related risks and opportunities with reference to the climate disclosure guidelines of the Hong Kong Stock Exchange, the Shanghai Stock Exchange and the IFRS. The specific steps included:

- Based on international mainstream databases for climate risks and opportunities, we conducted extensive industry research and preliminarily identified climate-related risks and opportunities in light of the Group's current operating performance, strategic planning, and global climate regulation updates.

- We invited the Group's management and department representatives to assess the short-, medium- and long-term impacts of climate-related risks and opportunities in terms of severity and probability, and prioritize them based on management opinions and external expert recommendations to identify major climate-related risks and opportunities.

- We conducted climate scenario analysis from two dimensions, i.e. high emission and low emission, and assessed the impacts of climate-related risks and opportunities on the Group's operations and value chain, taking into account publicly available climate scenario models and data.

- We assessed the Group's climate resilience and the effectiveness of climate responses based on the results of the scenario analysis and the Group's climate response strategy.

Notes:

1. Considering the Group's business planning, targets and strategies for energy conservation and emission reduction, as well as climate-related policies of the countries or regions where we operate, we defined the short, medium and long term as 2025, 2030 and 2050, respectively.

2. The impact of risks/opportunities is quantified according to the importance of the risk/opportunity × the probability of occurrence, which is categorized as low, medium and high based on the risk/opportunity threshold.

The major climate-related risks and opportunities identified by the Group through the above process are set out below:

Climate risks/opportunities		Business and financial impact	Time horizon	Impact on value chain	Response measures
Physical risk	Rising mean temperatures	Pharmaceutical production, storage and transportation have high requirements for temperature. The increase in mean temperatures will lead to a greater demand for air conditioners, refrigerators and other equipment, resulting in increased energy consumption and higher production and operating costs.	Medium/ long term	Operation	We have formulated the *Management Procedure of Energy and Resources*, and established a comprehensive energy-saving performance management system. We actively reduce energy consumption through measures such as introducing high-efficiency equipment and retrofitting existing equipment for energy conservation. For specific energy-saving measures, please refer to the Resources Conservation section.
	Extreme weather such as typhoons and floods	The increasing frequency and severity of extreme weather will damage our plants, equipment and facilities, resulting in lower asset values and higher insurance expenses. In addition, extreme weather can cause disruption to operation and supply chain, resulting in lower revenue.	Short/ medium term	Upstream Operation	We have formulated emergency procedures and protective measures for extreme weather such as typhoons, floods and heavy rains to minimize the risk of operational disruption and reduce asset losses.

Climate risks/opportunities		Business and financial impact	Time horizon	Impact on value chain	Response measures
Transition risk	Rising raw material costs	Climate change may affect the production and supply stability of raw materials, resulting in higher raw material prices and higher production costs.	Short/ medium/ long term	Upstream Operation	We continue to focus on the supply of key raw materials, strengthen communication with suppliers, and promote an alternative supplier system to diversify the sources of raw materials, thereby enhancing the stability of raw material supply.
Climate-related opportunities	Use of low-carbon energy	Promoting the use of low-carbon energy such as photovoltaic, will help reduce carbon emissions, decrease dependence on fossil energy and lower the cost of potential carbon emissions.	Short/ medium/ long term	Operation	Based on the actual situation, we have installed solar photovoltaic grid-connected power generation facilities on the factory roof of Taizhou Fudan-Zhangjiang. The photovoltaic power generation reached 184.38 MWh in 2024.
	Improving production and operation efficiency	Improving energy efficiency in production, storage and transportation will help reduce energy use, lower operating costs and reduce carbon emissions.	Short/ medium/ long term	Upstream Operation Downstream	We have formulated the Management Procedure of Energy and Resources, and established a comprehensive energy-saving performance management system. We actively reduce energy consumption through measures such as introducing high-efficiency equipment and retrofitting existing equipment for energy conservation. For specific energy-saving measures, please refer to the Resources Conservation section.

Based on our past experience, the Group's plants have never experienced significant asset losses or major disruptions to production and operation due to extreme weather such as typhoons, floods and heavy rains. To cope with potential operational risks caused by extreme weather and natural disasters such as typhoons, heavy rains and floods, we have developed corresponding emergency procedures and protective measures to minimize losses. In addition, the Group is not involved in large-scale production activities, so the risk of increased raw material costs is relatively low. We will continue to monitor the trends of climate policies both at home and abroad. We will also regularly assess climate-related risks and review our climate strategies and resilience. Our goal is to enhance the Group's sustainability performance, and continuously strengthen our climate resilience.

Risk Management

We have integrated climate-related risks into enterprise risk management and internal control system. Through the *Risk Management System*, the Risk Management and Internal Audit & Control Department organizes, coordinates, guides and supervises the execution of the basic risk management process by each department every year. This includes collecting initial risk management information, conducting risk assessment, formulating risk management strategies, developing and implementing risk response measures, and carrying out risk management supervision and improvement. Regular management reports are also provided to management and the Audit Committee of the Board.

Indicators and Targets

Energy indirect greenhouse gas emissions (scope II) mainly resulted from electricity and steam consumption of production equipment and in workplaces of the Group. Direct greenhouse gas emissions (scope I) resulted from gasoline and diesel used by vehicles and small number of fire extinguishers. The Group has set the targets of "gradually reducing Greenhouse Gas (GHG) emissions and reducing GHG emissions intensity by 3% by 2025" and "gradually reducing energy consumption and reducing the intensity of energy consumption by 3% by 2025".

During the Reporting Period, the Group's KPIs related to greenhouse gas emissions are shown as below:

Greenhouse gas	**2024**	2023	2022
Direct Greenhouse Gas Emissions (Scope I) (tCO_2e)	**2.94**	282.34	712.60
Energy Indirect Greenhouse Gas Emissions (Scope II, market base) (tCO_2e)	**9,350.55**	9,650.97	/
Energy Indirect Greenhouse Gas Emissions (Scope II, location base) (tCO_2e)	**9,870.52**	9,748.77	7931.68
Total Greenhouse Gas Emissions (market base) (tCO_2e)	**9,353.49**	9,933.31	/
Total Greenhouse Gas Emissions (location base) (tCO_2e)	**9,873.46**	10,031.11	8644.28
Intensity (market base) (tCO_2e/million RMB of revenue)	**13.18**	13.97	/
Intensity (location base) (tCO_2e/million RMB of revenue)	**13.92**	14.10	8.38

Notes:

1. Greenhouse gas emissions are presented in CO2e, accounting method and conversion factors come from the *Accounting Methods and Reporting Guide for Greenhouse Gas Emissions from Chemical Industry Enterprises, Accounting Methods and Reporting Guide for Greenhouse Gas Emissions from Other Sectors of Industry* and *Average Carbon Dioxide Emission Factors of China's Regional Power Grids in 2011 and 2012* issued by the NDRC, the 2021 and the 2022 average national grid emission factors issued by the Ministry of Ecology and Environment.

CREATE A HAPPY WORKPLACE

Protection of Employees' Rights and Interests

We strictly comply with the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and relevant laws and regulations. The lawful rights and interests of the Group's employees are actively protected through a series of employee management policies such as the *Labour Management Policy*, the *Employee Compensation Management Policy*, the *Department Manager Assessment and Management Regulations*, and the *Policy for Team Building*. During the Reporting Period, we updated our management policies such as the *Employee Handbook V2024 and the Working Hours and Attendance Management System*, and established new management policies such as the *Recruitment Management Policy*, the *Probation Management Regulations* and the *Internship Management Policy*, to further improve the Group's employee protection system.

Recruitment and Dismissal

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

As of the end of the Reporting Period, the Group had a total of 925 employees, of which 921 were full-time employees and 4 were part-time employees. The total workforce by gender, age group and geographical region at the end of the Reporting Period, and the employee turnover rate during the Reporting Period are shown as below:

Indicator	Indicator Dimension	Detail	2024	2023
Employee Structure	Gender	Male	**325**	358
		Female	**600**	590
	Age Group	＜30	**312**	302
		30-49	**579**	606
		≥50	**34**	40
	Region	Shanghai	**788**	807
		Taizhou	**137**	141
Employee Turnover Rate	Gender	Male	**20%**	10%
		Female	**21%**	11%
	Age Group	＜30	**19%**	13%
		30-49	**20%**	8%
		≥50	**26%**	30%
	Region	Shanghai	**20%**	11%
		Taizhou	**23%**	7%

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

Compensation and Promotion

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

In accordance with national regulations, we contribute to various public funds for each employee, including a public pension fund, a public housing fund, a medical insurance fund, an unemployment insurance fund, labour union expenditure, as well as holiday benefits.

We adopt a diversified assessment approach. For senior management at the deputy chief executive level and above, their annual work plans and evaluations are determined by the Board of Directors. According to the *Annual Work Plan and Budget* (approval version), department managers and deputy managers submit their *Annual Work Summary and Self-Assessment*, which is evaluated by the deputy chief executive in conjunction with the completion of the plans, and then assessed by the Company. Employee performance assessment is generally conducted at the end of the year and consists of employee self-assessment, supervisor appraisal, and company appraisal. Employee self-assessment is mainly conducted in the form of an individual annual summary. Supervisor appraisal and company appraisal are mainly conducted by the department manager based on the employee's work performance, work attitude, work ability, workload and suitability for an objective assessment. Feedbacks from relevant departments are also considered to make a comprehensive assessment. The individual annual summary of employees, the assessment opinions of department managers, and the annual comprehensive appraisal of employees are all filed as part of the employee's personal files. These documents serve as important references for future salary adjustment, promotion, position adjustment, and training.

Working Hours and Holidays

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

Labor Standards

In accordance with the *Labour Law of the People's Republic of China, Labour Contract Law of the People's Republic of China, Provisions on the Prohibition of Using Child Labour* and other laws and regulations, we avoid any use of child labour and forced labour. According to *Labour and Personnel Regulations*, all new employees' identification cards will be checked before they join in the Group to ensure their ages meet requirements of laws and regulations. If any child labour occurs by accident, we will immediately terminate the employment contract and handle it properly according to the laws and regulations. According to the *Working Hours and Attendance Management System*, if any employee has to work overtime, he/she should submit an overtime application. The Group will reasonably arrange for compensatory leave and provide overtime allowance. In the Reporting Period, the Group did not use child labour or forced labour.

Equality and Inclusiveness

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

Development and Training

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

Internal Training: Internal training includes routine training by internal trainer and external trainer.

Orientation Training: After new employees join in the Group, the HR Department jointly with employing department conducts trainings on policy and business.

Professional Training: Arrangements are made for employees to take online or offline professional trainings based on employees' technical and business development demand.

Work License Training: Work license training and continuing education should be taken according to work demand.

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

In 2024, various departments of the Group organized a number of special trainings for job functions, including hands-on training on professional skills, professional knowledge training, quality document management capability training, and professional platform operation training. The comprehensive abilities of individuals and team collaboration have been significantly enhanced. The training methods were flexible and diverse, including offline on-site practice, video recording, and lectures from professional instructors. We also cooperated with well-known pharmaceutical platforms to strongly support employee training programs.

During the Reporting Period, the Group organised a total of 19,936.5 hours of training. The percentage of employees trained and the average training hours completed per employee by gender, employee grade and employee function are shown as below:

Indicator Dimension	Detail	The Percentage of Employees Trained	The Average Training Hours Completed per Employee
Gender	Male	34.0%	20.0
	Female	66.0%	21.7
Employee Grade	Senior management	0.6%	19.5
	Middle management	3.5%	18.4
	Junior employees	95.9%	21.2
Administration personnel	R&D	15.0%	14.5
	Marketing	58.3%	21.9
	Manufacturing	22.5%	28.2
	Administration personnel	4.1%	16.4

Note:

1. Percentage of Employees Trained = the number of employees trained in the specified category during the Reporting Period/the total number of employees trained *100

2. Average Training Hours per Employee = total hours of training for that category of employees during the Reporting Period/number of employees for that category

Diverse Employee Activities

We pay close attention to demands of employees and organise meaningful events for employees, with an aim to share a warm family feeling among employees.

- Annual meeting: We clarify the company's strategic goals, add speeches by senior executives, listen to employees, and provide opportunities for individuals and departments to showcase achievements through annual meeting.

- Management meeting: We hold management meeting every six months to summarize and affirm the work of departments and employees for the year. Based on the company's annual strategic priorities, we provide management suggestions for future work and develop annual work plans.

- Team building activities: Every year, according to actual situation, we organize various group activities such as outing, cross-departmental learning and knowledge sharing, to strengthen cross-departmental communication and achieve a good work-life balance. We also arrange team building expenditure for every department.

- Employee care: We provide donations and assistance to employees who have difficulties due to illness, delivering love and mildness. In addition, we organized a photography activity on Women's Day in 2024, allowing female employees to feel the company's humanistic care and experience work-life balance on this special day. We also adopted a more ceremonial way to celebrate special occasions for employees, such as welcome ceremonies for new hires, congratulatory letters for probation completion, congratulatory letters for promotion, and anniversary celebrations for years of service.

- Employee experience: To enable new employees to quickly adapt to the new environment, we organize special trainings, workshops and experience camps. Special training and workshops are designed to help employees gradually gain an understanding of the company's current situation and future development. In 2024, over 23 new employees participated in these activities, which were mainly conducted in the form of visual presentation. The content included learning about the company's organizational structure, internal and external information, and management systems. Additionally, there were self-introduction, highlight moments, elements of success, trust relationships, future action plans and other sessions in these activities to facilitate cross-departmental communication. At the same time, according to work needs, we organized "Our Future Work Reading Club" and Teachers' Day themed activities. Employees freely expressed their views in the book club, which were compiled into the *Fudan Zhangjiang Reading Notes*. In the Teachers' Day themed activities, employees expressed their gratitude to their supervisors and colleagues who had helped them at work. This fostered the harmonious relationship among employees.

Safeguarding Employees' Safety and Health

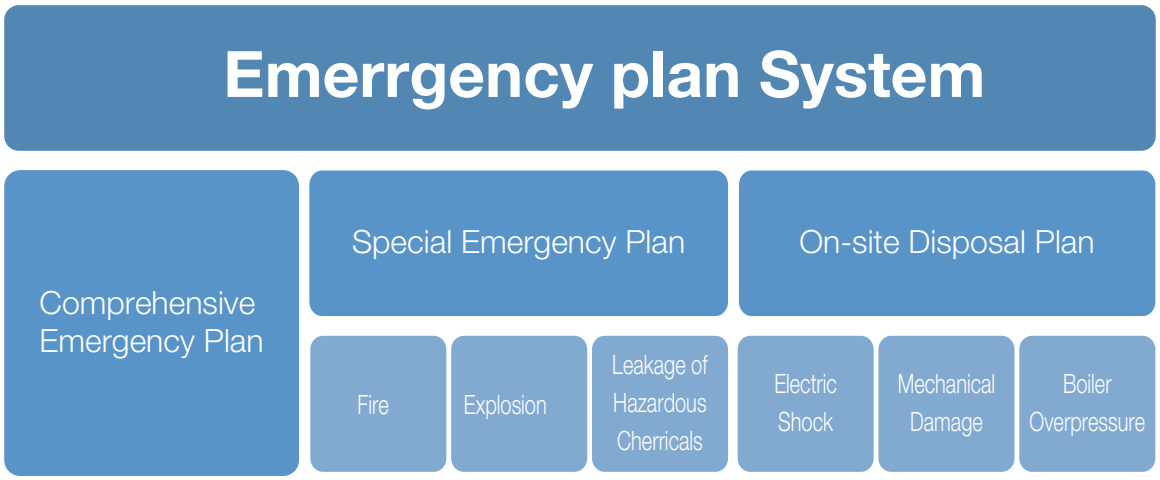
We make efforts to safeguard employees' occupational health and safety, provide safe working environment and equipment, and implement safe working behaviours. We strictly observe the *Production Safety Law of the People's Republic of China, the National Emergency Plan for Work Safety Accidents* and other laws and regulations. In combination with the Group's operational characters, we have developed a sound emergency management system for safety accidents and a strict hazardous chemicals management procedure. We make continuous improvements and conduct safety education and emergency drills to enhance employees' safety awareness and emergency response capabilities. Additionally, we regularly conduct health examinations and testing for occupational hazards to ensure the occupational health and safety of our employees. In the past three Reporting Periods, there was no work-related fatality. During the Reporting Period, the number of lost days due to work injury was zero.

Guaranteeing Occupational Health

We develop an occupational health prevention and control plan every year to provide medical examinations for our employees, which includes orientation examination and on-the-job examination under the Good Manufacturing Practice (GMP), on-the-job and exit examinations to prevent employees from occupational diseases. We entrust qualified inspection and testing institutions to regularly test and evaluate the working environment involving occupational hazards and provide corresponding reports. In addition, we actively organize sports activities and encourage employees to take part in to build up their bodies and enhance their physical fitness, we carry out sports activities including swimming, badminton, table tennis, billiards, basketball, etc.

We also regularly maintain and test fire fighting facilities, special equipment and security facilities to ensure their proper operation.

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



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

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

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

- Hazardous materials should be managed by special personnel who have attended relevant training and obtained job skill certificate;

- Hazardous materials should be stored by category according to minimum safe storage amount, and enough safety distance should be arranged for passageway between stackings;

- Safety measures should be taken for places dedicated to storing chemicals, such as ventilation, anti-explosion, fire protection, lightning protection, extinguishment and sunblock according to materials' type and property;

- Hazardous chemicals, which easily burn, explode and produce toxic gas in case of fire or moist, should not be stored in any place which is open, humid, low-lying and easy to collect water.

In 2024, to comprehensively test the reliability and authenticity of the Group's emergency response plans and to strengthen our safety system, we conducted a series of emergency drills, including but not limited to leakage emergency drills, fire fighting drills, evacuation and escape drills, and emergency drills for limited space operations.

Safety Culture Construction

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

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

In addition, we also organize safety-themed trainings from time to time. In 2024, Shanghai Fudan-Zhangjiang organized a series of training sessions with respect to hazard identification, occupational health and safety, operation of fire-fighting facilities, and publicity of the Production Safety Law.

CONTRIBUTE TO A BETTER SOCIETY

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

Charitable Activities	We have cooperated with Beijing Huakang Public Welfare Foundation since April 2020 to carry out a public welfare assistance program, "For Their Tomorrow Patient Assistance Program", which aims to help low-income patients to obtain more sustainable and effective medical treatment, so as to alleviate patients' financial burdens and improve their quality of life. During the Reporting Period, the Group successively donated medicines worth over RMB16 million.
Promoting Medical Industry	In order to implement the strategy of Healthy China and fulfill the social responsibility of pharmaceutical enterprises, the Group supports the establishment of the system for the prevention and treatment of major diseases through special donations. Since September 2022, in order to promote the establishment of a standardized photodynamic therapy alliance, the Group has cooperated with the China Medical and Healthcare Development Foundation under the National Health Commission to carry out the project of "Hemoporfin Photodynamic Clinical Application Research", and donated RMB500,000 to the Foundation during the Reporting Period. Meanwhile, in order to promote academic activities and scientific research in the field of triple-negative breast cancer, the Group donated RMB150,000 to Beijing Aipu Cancer Patient Care Foundation during the Reporting Period, aiming to constantly inject innovative momentum into China's medical and healthcare industry by supporting key medical technology tackle and major disease research.
Support for Elderly Well-being	To promote the traditional virtues of respecting and caring for the elderly and to provide substantial support and care to the senior community thus enhancing their quality of life during the Reporting Period the Group donated RMB200,000 to the Shanghai Long-term Wish Public Welfare Foundation. This donation supported initiatives such as the "99 Zebra Science Outreach Project" (online health knowledge dissemination) and the "Silver Age Action" (offline community volunteer activities). As of the end of the Reporting Period, the online initiatives had engaged over 5,000 participants, while the offline activities covered more than 50 streets and over 200 community committees in Shanghai, attracting a total of more than 6,000 elderly participants, thereby promoting social integration and strengthening intergenerational bonding.
Targeted Agricultural Support and Assistance	During the Reporting Period, the Company's labor union procured agricultural products valued at RMB 122,250 from economically disadvantaged farmers in Dayu Village, Malu Town, Shanghai, and farmers in impoverished mountainous areas of Rongjiang County, Guizhou Province. This initiative underscores our commitment to supporting rural revitalization and agricultural development through practical actions.
Public Welfare Donations	The Group makes active response to the call of community welfare organizations. In December 2024, the Group donated RMB50,000 to the People's Government of Zhangjiang Town, Pudong New Area, Shanghai. The funds were allocated to specific projects including support for people with disabilities, healthcare, poverty alleviation, Red Cross care, support for military personnel and their families, charitable assistance, and elderly care, thereby aiding poverty alleviation and promoting community development.

APPENDIX

ESG Reporting Guide Index

KPI	Description	Section(s)	Pages
A1 Emissions			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Protect Green Ecology	20
A1.1	The types of emissions and respective emissions data.	Proper Emissions Management Address Climate Change	21 25
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and, where appropriate, intensity.	Address Climate Change	25
A1.3	Total hazardous waste produced and, where appropriate, intensity.	Proper Emissions Management	21
A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	Proper Emissions Management	21
A1.5	Description of emissions target(s) set and steps taken to achieve them.	Protect Green Ecology	20
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Protect Green Ecology	20

KPI	Description	Section(s)	Pages
A2 Use of Resource			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Resources Conservation	23
A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Resources Conservation	23
A2.2	Water consumption in total and intensity.	Resources Conservation	23
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Protect Green Ecology	20
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Protect Green Ecology	20
A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced.	Resources Conservation	23
A3 The Environment and Natural Resources			
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Protect Green Ecology	20
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Protect Green Ecology	20
A4 Climate Change			
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Address Climate Change	25
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Address Climate Change	25

KPI	Description	Section(s)	Pages
B1 Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Protection Of Employees' Rights And Interests	29
B1.1	Total workforce by gender, employment type, age group and geographical region.	Recruitment And Dismissal	29
B1.2	Employee turnover rate by gender, age group and geographical region.	Recruitment And Dismissal	29
B2 Health and Safety			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Safeguarding Employees' Safety And Health	34
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Safeguarding Employees' Safety And Health	34
B2.2	Lost days due to work injury.	Safeguarding Employees' Safety And Health	34
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Safeguarding Employees' Safety And Health	34

KPI	Description	Section(s)	Pages
B3 Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development And Training	32
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development And Training	32
B3.2	The average training hours completed per employee by gender and employee category.	Development And Training	32
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.	Labor Standards	31
B4.1	Description of measures to review employment practices to avoid child and forced labor.	Labor Standards	31
B4.2	Description of steps taken to eliminate such practices when discovered.	Labor Standards	31
B5 Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Environmental And Social Risk Management	19
B5.1	Number of suppliers by geographical region.	Supplier Management System Construction	18
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supplier Management System Construction Supply Chain Risk Assessment	18 18

KPI	Description	Section(s)	Pages
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Environmental And Social Risk Management	19
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Environmental And Social Risk Management	19
B6 Product Responsibility			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Full-Cycle Product Quality Control Protecting Consumer Rights And Interests Advertising Labelling Compliance	13 10 12
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Quality Risk Control	14
B6.2	Number of products and service related complaints received and how they are dealt with.	Protecting Consumer Rights And Interests	10
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Management	12
B6.4	Description of quality assurance process and recall procedures.	Quality Risk Control	14
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Protecting Consumer Rights And Interests	10

KPI	Description	Section(s)	Pages
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.	Building a Clean Enterprise	8
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.	Building a Clean Enterprise	8
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Building a Clean Enterprise	8
B7.3	Description of anti-corruption training provided to directors and staff.	Building a Clean Enterprise	8
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.	Contribute To a Better Society	37
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Contribute To a Better Society	37
B8.2	Resources contributed (e.g. money or time) to the focus area.	Contribute To a Better Society	37

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Disclosure requirements	Chapters in the Report
Address climate change	Address Climate Change
Pollutant emissions	Proper Emissions Management
Water Resource Management	Proper Emissions Management
Ecosystem and biodiversity Conservation	The Group's business activities do not have an impact on ecosystems or biodiversity; therefore, this issue is not applicable to the Group.
Environmental compliance management	Protect Green Ecology
Energy utilization	Resources Conservation
Water resources utilization	Resources Conservation
Circular economy	Resources Conservation
Rural revitalization	Contribute to a Better Society
Social Contribution	Contribute to a Better Society
Innovation-driven	Innovative Technical Platform
Technology Ethics	Complying with Ethics in Science and Technology
Supply chain safety	Proper Supply Chain Management
Equal treatment of SMEs	Equal treatment of SMEs
Product and service safety and quality	Implement Quality Management
Data security and customer privacy protection	Safeguarding Information Security
Employees	Create a Happy Workplace
Due diligence	Sustainability Risk Management
Stakeholder engagement	Stakeholders Engagement
Anti-commercial bribery and anti-corruption	Building a Clean Enterprise
Anti-unfair competition	Building a Clean Enterprise