友芝友生物製藥

2024

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

WUHAN YZY BIOPHARMA CO., LTD

CONTENTS

Appendix

01 Responsible Operation and Excellent Management

02 Uphold Quality & Safeguard Health

03 Low-Carbon Operation & Green Development

04 People-Oriented & Advance Together

About This Report

This report is the second Environmental, Social, and Governance (ESG) report of Wuhan YZY Biopharma Co., Ltd. (hereinafter referred to as the "ESG report" or "this report"), aiming to fully disclose the Company's ESG management, practice and performance, as a response to the expectations and concerns of all stakeholders.

Reporting Period

This annual report covers the period from January 1, 2024, to December 31, 2024 (hereinafter referred to as "this year"). Certain sections may contain information extending beyond this timeframe.

Reporting Scope

Wuhan YZY Biopharma Co., Ltd.

Compilation Basis

This report has been compiled in accordance with the *Hong Kong Stock Exchange Listing Rules Appendix C2 –Environmental, Social and Governance (ESG) Reporting Code*.

Appellation

For clarity and reader convenience, we will interchangeably refer to Wuhan YZY Biopharma Co., Ltd. as "YZYBIO," "the Company," and "we/us" throughout this report.

Data Source

All information presented in this report is drawn from official internal documents, internal statistical data, and relevant public disclosures of the Company. Unless otherwise specified, monetary amounts mentioned herein are denominated in RMB.

Report Access

This report is available in both Traditional Chinese and English versions for readers' reference, and can be accessed electronically on the websites of HKEX (https://www.hkexnews.hk) and YZYBIO (https://www.yzybio.com).

Contact Us

We welcome valuable suggestions and feedback from all our stakeholders to continually enhance our performance in terms of sustainability and elevate our ESG management standards. For any inquiries or comments regarding this report and its contents, please feel free to contact us through:

Address: Biolake, C2-1, No. 666 High-tech Avenue, Wuhan, Hubei Province, China

Tel: 027-82668988

Email: info@yzybio.com

Board Statement

We recognize the critical importance of integrating ESG factors into our operations and strategic decision-making processes to ensure our long-term sustainable development. The board of directors also views ESG as a fundamental element in guiding the Company's growth trajectory. As the supreme decision-making body on ESG matters, the board of directors of YZYBIO periodically convenes meetings to review and refresh the Company’s ESG objectives, strategies, and management policies; examine the annual analysis outcomes of material ESG issues and ESG reports, rigorously overseeing the progress of the Company’s ESG objectives to ensure effective implementation of relevant policies and plans.

YZYBIO has integrated ESG functions into the scope of duties of the EHS Committee and EHS Department. The EHS Committee is responsible for conducting regular identification, assessment, and management of ESG-related (including climate change) risks, determining the prioritization of material ESG issues, and reporting to the Board of Directors. This process provides the foundation for the company’s ESG disclosures and strategic management priorities.

This report offers a comprehensive overview of YZYBIO's ESG advancements and achievements throughout 2024, and has been approved by the board of directors. Moving forward, we are committed to continuous improvement and collaborative efforts with stakeholders to jointly promote the sustainable development of YZYBIO.

About Us

Company Overview

Founded in 2010, YZYBIO is a biotechnology company dedicated to developing bispecific antibody (BsAb)-based therapies targeting cancer and cancer-associated complications, as well as age-related ophthalmologic diseases, addressing medical needs in the fields of oncology and age-related ophthalmologic diseases. Our mission is to develop innovative drugs to improve the health of human.

YZYBIO was listed on the Main Board of HKEX on September 25, 2023. Stock: 2496.

Milestones

2010

- The predecessor of the Company, Wuhan YZY Biopharma Limited Company was established
- The initiation of BsAb platform development

2012

- The initiation of M802 R&D
- The filing of the PCT patent application “Bispecific antibody” for the protection of the YBODY® platform

2013

- The initiation of M701 R&D
- The determination of molecule structure of M802 and M701

2014

- Novel Bispecific Antibody Drugs for the Treatment of Tumors Development Project were selected for the Major Science and Technology Special Project of the 12th Five-Year Plan for "Significant New Drugs Development"

2015

- M701 was selected for the Major Science and Technology Special Project of the 12th Five-Year Plan for “Significant New Drugs Development”

2016

- M802 became the first BsAb to file IND application in China
- Completed Pre-A Financing and raised an aggregate amount of approximately RMB 50 million

2017

- Patent protection for our YBODY® platform in U.S. was expanded to cover 35 targets
- M701 became the second BsAb to file IND application in China
- M802 obtained NMPA IND approval in China, which is the first IND approval for self-developed bispecific antibody in China

2018

- M701 received China’s second IND approval for self-developed bispecific antibody
- Established Check-BODY double resistance construction and R&D technological platform
- Completed Series A Financing and raised an aggregate amount of approximately RMB 157.2 million
- M802 was granted patent protection in China
- Established Nano-YBODY double resistance construction and R&D technological platform
- The CD3 and HER2 double target antibodies patent on YBODY® platform was granted authorized protection in U.S.

2019

- PCT patent application for the protection of our Check-Body Platform was filed
- M802 obtained FDA IND approval in U.S.
- M701 obtained FDA IND approval in U.S.

2020

- The establishment of the UVAX® platform
- Y150 obtained FDA IND approval in U.S.

2021

- Completed Series B Financing and raised an aggregate amount of approximately RMB 168.7 million
- Y101D obtained FDA IND approval
- Completed Series B+ Financing and raised an aggregate amount of approximately RMB 20 million
- Y101D obtained NMPA IND approval in China
- Completed Series B++ Financing and raised an aggregate amount of approximately RMB 73.5 million
- Y2019 obtained NMPA IND approval in China
- Initiated a Phase II clinical trial for M701 in combination with systematic treatment for MA in China

2022

- The Company was converted into a joint stock limited company with its name changed to “Wuhan YZY Biopharma Co., Ltd.”
- Obtained IND approval for a Phase Ib/II clinical trial of M701 for the treatment of MPE in China
- Entered into asset transfer agreement with CMS Vision for Y400
- Completed Series C Financing and raised an aggregate amount of approximately RMB 200 million
- Obtained the IND approval for a Phase Ib/II clinical trial of Y101D in combination with gemcitabine and albumin paclitaxel as the first-line treatment for pancreatic cancer patients in China
- Obtained IND approval for a Phase Ib/II clinical trial of Y101D in combination with bevacizumab in treating HCC and other advanced solid tumors in China

2023

- Y332 received Investigational New Drug (IND) approval from the China National Medical Products Administration (NMPA)
- Y400 received Investigational New Drug (IND) approval from the China National Medical Products Administration (NMPA)
- Listed on the Main Board of HKEX. Stock: 2496
- Completed the M701MPE Phase Ib clinical trial
- Completed enrollment for the Y101D Phase II clinical trial for pancreatic cancer
- Obtained recognition as a High-tech Enterprise

2024

- M701 was approved to proceed to Phase III clinical trials for the treatment of malignant ascites
- M701 treatment for malignant pleural effusion advanced to Phase II clinical trials
- A transaction worth a total of RMB 315 million was agreed upon with CHIATAI TIANQING for the domestic rights of M701
- The project on key technological innovation and clinical application of immunotherapy for non-small cell lung cancer received the First Prize of the National Science and Technology Progress Award

Products

Since its inception, YZYBIO has been dedicated to the treatment of cancer and autoimmune diseases, focusing on the innovative research and development of bispecific antibodies, such as T-cell engaging (e.g., M701) and antibodies targeting the tumor microenvironment (e.g., Y101D, Y332). Leveraging its proprietary platforms such as YBODY®, Check-BODY, and Nano-YBODY™, the Company has designed and developed a pipeline of four clinical-stage candidate drugs, and is conducting multiple early-stage clinical research programs.

YZYBIO possesses two key products, M701 and Y101D. M701 is a recombinant BsAb targeting human cancer cell surface antigen EpCAM and human T cell surface antigen CD3, primarily used for the treatment of MA and MPE (a severe complication of cancer, characterized by the accumulation of fluid in the abdominal or pleural cavity of cancer patients). M701 is current in Phase III clinical trials, with the first patient enrolled in March 2024. Y101D, a recombinant humanized BsAb against PD-L1 and TGF-β, is undergoing Phase Ib/II clinical trials for the treatment of advanced/metastatic pancreatic cancer with Y101D combination therapy.

Honors

Recognized as an Outstanding Innovative Enterprise for 2023 by the Wuhan East Lake High-tech Development Zone in February 2024

Selected as one of the “2024 Top 100 Chinese Pharmaceutical Innovative Enterprises” in November 2024

01

Responsible Operation and Excellent Management

YZYBIO is deeply committed to the principles of sustainable development, advancing the long-term health of the Company through robust corporate governance practices. We strive for continuous enhancement of our ESG (Environmental, Social, and Governance) management framework and actively engage with stakeholders to facilitate the orderly advancement of our sustainability initiatives. In our day-to-day operations, we prioritize risk compliance management and business ethics, consistently refining our compliance management system, staunchly combating corruption, and safeguarding the stable development of our enterprise as a whole.

Contributions to SDGs

ESG Governance

YZYBIO is progressively integrating ESG factors into its business operations and strategic decision-making, fostering sustainable development within the Company. The board of directors, serving as the supreme decision-making body for the Company's ESG governance, is responsible for reviewing and approving the Company's ESG objectives, strategies, and management policies. It also examines the annual analysis outcomes of material ESG issues and ESG reports, while rigorously overseeing the progress of the Company's ESG objectives. The Company has established an EHS Committee under the Board, responsible for identifying, assessing, and managing risks related to ESG. This committee determines the prioritization of ESG issues, prepares the annual ESG report, formulates ESG objectives, strategies, and management policies, and supervises the execution by relevant departments. The committee also reports to the Board regularly. The Company's full-time safety management personnel, members of the EHS Committee, and department heads constitute the execution team for the Company's ESG, responsible for advancing and implementing the ESG. As the Company grows, we will continue to refine our ESG governance structure, enhance communication and collaboration with stakeholders, and perfect our ESG institutional framework to promote long-term healthy development of the Company.

Stakeholder Communication

We pay close attention to the expectations and demands of our stakeholders, gathering insights and suggestions from management and employees through various channels. We maintain regular communication and exchanges with stakeholders such as government and regulatory agencies, shareholders and investors, customers and patients, suppliers and partners, as well as community members. This practice allows us to gain a comprehensive understanding of their needs and proactively respond to the focuses of the concerns of all parties.

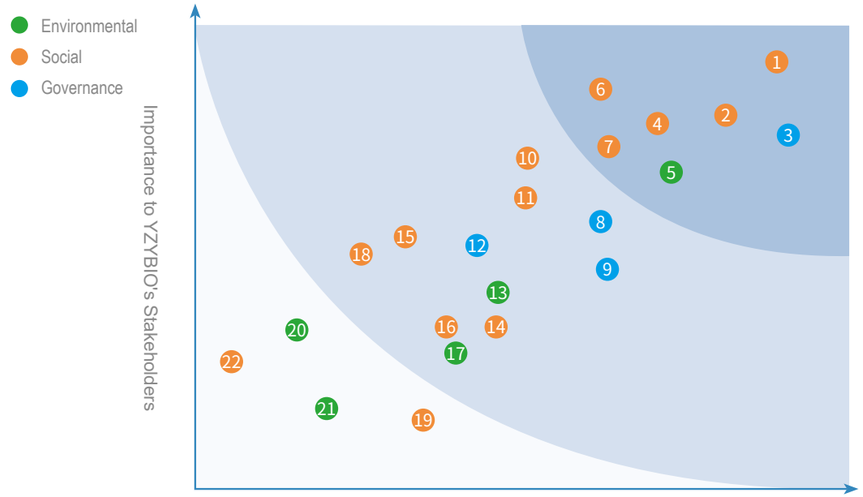
Stakeholders	Expectations & Demands	Result of Communication
Government/ Regulatory Agencies	• Product quality and safety • Compliance operation • Business ethics and anti-corruption • Emissions management	• Meeting convention and field research • Compliant disclosure • Enhance environmental management
Shareholders/ Investors	• R&D and innovation • Corporate governance • Risk management	• Increase R&D investment • Hold regular shareholder meetings • Compliant disclosure
Customers/Patients	• Product quality and safety • Protection of customer privacy • Universal healthcare	• Strengthen quality control • Improve privacy protection systems • Establish official complaint channels
Employees	• Employee rights and benefits • Occupational health and safety • Employee training and development	• Organize team building activities • Emphasize communications with employees • Provide training for employees
Community public	• Emissions management • Community welfare • Universal healthcare	• Enhance environmental management • Participate in public welfare activities • Improve communication channels, including official website, social media, etc.
Suppliers/Partners	• R&D and innovation • Responsible supply chain • Business ethics and anti-corruption	• Academic conferences and industry forums • Standardized contract management • Carry out strategic cooperation

Material Issues

In 2023, YZYBIO comprehensively considered national policy requirements, industry trends, and the focus areas of peers, in alignment with the Company's mission and vision, to identify 22 issues that substantively impact the Company's long-term operations and sustainable development. Through questionnaire surveys, we collected assessment comments of materiality of such material issues from stakeholders and management, creating an ESG issue materiality analysis matrix for YZYBIO.

Given that YZYBIO's business development stage in 2024 remained consistent with that of 2023, with all projects currently in the clinical trial or preclinical research phase and not yet progressed to large-scale production and commercial sales, and considering that there have been no significant changes in stakeholders and their concerns compared to the previous year. Consequently, the ESG issue materiality analysis outcomes from 2023 continue to be applicable to the current year's actual circumstance sand no adjustments were made to the analysis outcomes. This report will focus on highly important issues.

2024 ESG Materiality Issue Matrix of YZYBIO



Issues of high importance

1 Product Quality and Safety
2 Compliance Employment
3 Compliance Operation
4 IPR Protection
5 Waste Management
6 R&D and Innovation
7 Occupational Health and Safety

Issues of medium importance

8 Risk Management
9 Business Ethics and Anti-corruption
10 Employee Rights and Benefits
11 Employee Equality and Diversity
12 Corporate Governance
13 Water Resource Management
14 Industry Advancement
15 Employee Training and Development
16 Universal Healthcare
17 Energy Use
18 Customer Privacy Protection

Issues of general importance

19 Community Welfare
20 Materials and Packaging Management
21 Response to Climate Change
22 Responsible Supply Chain

Business Ethics and Anti-Corruption

YZYBIO strives to foster a fair and orderly market environment, strictly abiding by laws and regulations such as the *Company Law of the People's Republic of China*, *Anti-Money Laundering Law of the People's Republic of China*, and revise the *Anti-Fraud, Anti-Bribery, Anti-Money Laundering, and Anti-Sanctions Management System*, to regulate the professional conduct of all employees and prevent risks such as corruption and money laundering. We have established a leadership group led by the head of the financial department and involving key personnel from various departments to work onanti-money laundering and anti-corruption matters.This group makes decisions on major anti-corruption related matters and oversees their implementation.

YZYBIO values the cultivation of business ethics and integrity culture. We require employees to sign the *Letter of Commitment on Engaging* and the *Acknowledgment of Serious Violations of Work Discipline or Company Regulations*. On November 18, 2024, the Company communicated the *Anti-Fraud, Anti-Bribery, Anti-Money Laundering, and Anti-Sanctions Management System* to all employees to reinforce their understanding of business ethics and anti-corruption policies to ensure compliance and protect the rights and interests of the Company and its shareholders.

Reporting Mechanism

YZYBIO maintains zero-tolerance towards corruption. We have established the *Improper Conduct Reporting and Investigation Management System* to facilitate open communication channels for whistleblowers. Both company employees and external stakeholders can report actual or suspected cases of fraudulence involving the Company and its personnel through hotlines, email, letters, etc., including complaints or reports about breaches of professional ethics. Upon receiving a report, the Strategic Development Department notifies the department head or relevant personnel to convene a special meeting to decide on further investigation. Employees confirmed to have engaged in fraudulent activities will face corresponding administrative disciplinary actions. Additionally, those whose actions violate criminal law will be transferred to judicial authorities for legal proceedings.

We have established a whistleblower protection mechanism to firmly safeguard their legitimate rights and interests. The Company strictly prohibits any illegal discrimination or retaliation, and is strictly prohibited from taking hostile measures against employees participated in investigations. Consequences, such as removal from office or termination of employment contracts, await those who violate whistleblower confidentiality or retaliate against whistleblowers.

In this reporting year, YZYBIO did **not** encounter any major lawsuits related to corruption.

02

Uphold Quality & Safeguard Health

Adhering to the enterprise development purpose of "Trace the source of life, decrypt the tumor", YZYBIO is dedicated to developing BsAb-based drugs for cancer or cancer-associated complications, as well asage-related ophthalmologic diseases. The Company has formulated a quality policy of "scientific development, quality foremost", ensuring rigorous control over product safety and quality. We protect the trial subjects' privacy, regulate intellectual property rights (IPR) systems, select premium and sustainable quality suppliers, foster industry exchanges and collaborations and contribute to the advancement of the industry.

Contributions to SDGs

R&D and Innovation

With the mission to "Develop innovative drugs, relieve the harm of cancer, and safeguard human health", adhering to the fundamental principle of “Clinical Value-Oriented and Patient-Centered”, YZYBIO has established an integrated R&D platform. We relentlessly focus on developing innovative technologies and product pipelines to create BsAb-based drugs for cancer or cancer-associated complications, as well as age-related ophthalmologic diseases. The Company actively recruits R&D professionals, continually increases R&D investment, and devises innovative incentive policies to drive the progress of its R&D and innovation endeavors.

R&D Management

During the R&D process, YZYBIO rigorously complies with pertinent laws and regulations as well as industry policies, including the *Biosecurity Law of the People's Republic of China*, the *Regulations on the Management of Human Genetic Resources of the People's Republic of China*, and industry guidelines such as the *General Biosafety Guidelines for Laboratories Handling Pathogenic Microorganisms* and the *Technical Guiding Principles for Preclinical Research on Preventive Vaccines*. We ensure strict management over early-stage R&D projects and laboratory operations.

We have established innovative technology platforms, including an antibody library platform, a humanized antibody development platform, and an antibody high-throughput screening platform, providing a highly efficient and specialized work environment for scientific talents.

By the end of 2024, we had successfully developed 4 technological innovation platforms and 5 clinical candidate drug pipelines. The product chain encompasses 7 new drug varieties that cover a series of validated innovative therapeutic targets, covering major disease areas: tumor, ophthalmic diseases and autoimmune diseases, etc.

Bio-medicine R&D Directions of YZYBIO

Tumor

- Immuno-oncology, especially immune checkpoint inhibitor (including bispecific antibodies) and CAR-T therapy,contributeto the treatment of cancer as a breakthrough.
- YZYBIO devoted a significant amount of effort into the research and development of antitumor drugs. Our current pipelines include M701, Y101D and Y332.
- The Company launched new explorations for T-cell engager drugs, leveraging a bispecific antibody platform to potentially offer more effective therapeutic molecules for patients with relapsed/refractory tumors in later lines of treatment.

Ophthalmic Diseases

- Age-related macular degeneration (AMD) is one of YZYBIO's focus areas.
- YZYBIO has developed Y400 for wAMD, diabetic macular edema (DME) and other ocular neovascularization-related diseases.
- The Company continues to expand its presence in the area of ophthalmic diseases, pursuing the discovery of new target antibodies.

Autoimmune Diseases

- The Company initiated the discovery of new target antibodies and the screening of dual-antibody drug molecules, which hold promise in better controlling disease progression, extending dosing intervals, and enhancing patient compliance.

Research and Development (R&D) Team

The Company's R&D Center comprises 19 members, including two PhD holders. YZYBIO has received official approval from the Ministry of Human Resources of the People’s Republic of China and the National Administrative Committee of Postdoctoral Researchers to establish a postdoctoral scientific research workstation. In 2024, to attract and cultivate high-level talents, we partnered with universities and recruited six joint-training interns. We also actively promoted the introduction of postdoctoral talents.

YZYBIO encourages its R&D staff to engage in innovative research and offers competitive remuneration packages and career advancement opportunities. We have established an *Early Project Initiation Management System* within our project management system, which includes incentives such as rewards for early-stage R&D, clinical development, IND application projects, and patent bonuses. In 2024, our total R&D input reached approximately RMB 165 million. To meet the needs of our R&D team, we organized multiple online and offline scientific literature sharing sessions and technical seminars, creating a platform for researchers to inspire and learn from each other.

In November 2024, YZYBIO’s involvement in the project “Research on Molecular Regulatory Mechanisms and Intervention Strategies for Non-Small Cell Lung Cancer Based on the Tumor Microenvironment” was honored with the Second Prize of the Science and Technology Award by the China Anti-cancer Association.

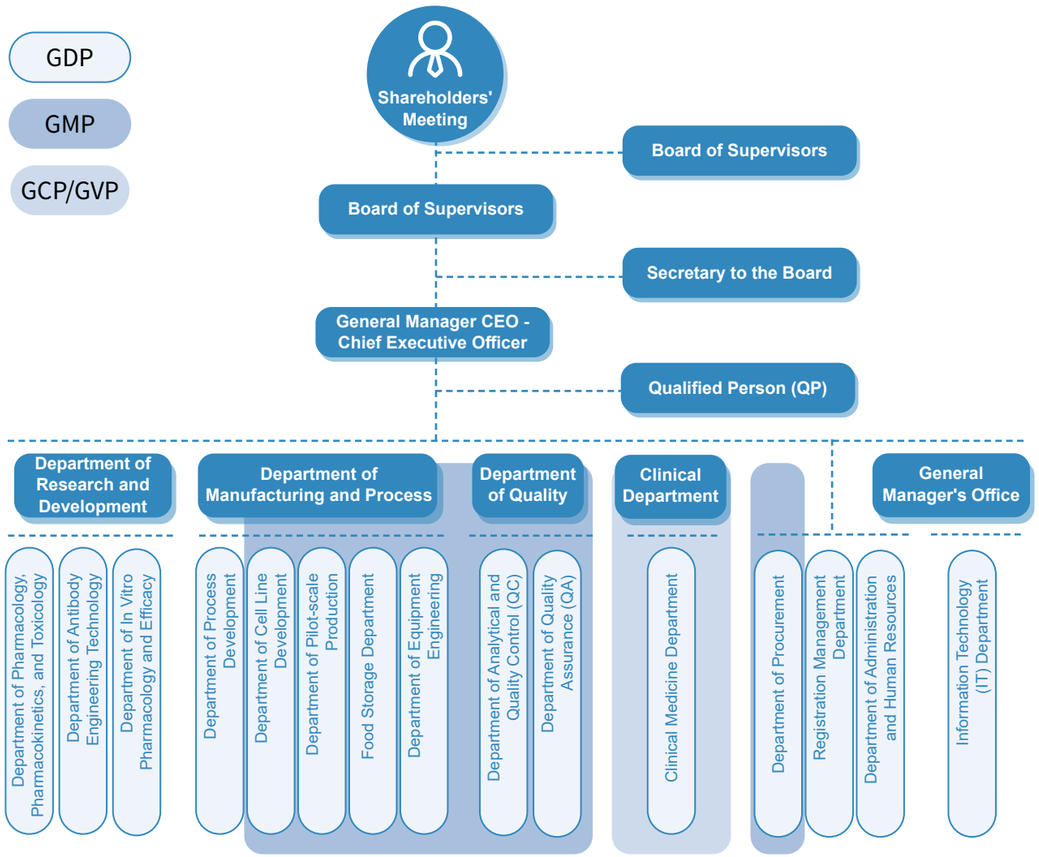
In December 2024, YZYBIO's participation in the project “Key Technological Innovation and Clinical Application of Immunotherapy for Non-small Cell Lung Cancer” was awarded the First Prize of Science and Technology Progress Award of Hubei Province.

Product Quality and Safety

YZYBIO adheres to the principle of "Scientific development, quality foremost" and meticulously follows the regulations of the National Medical Products Administration and international standards such as the International Council for Harmonization of Technical Requirements for Pharmaceuticals for Human Use (ICH) Q10 quality management system. We have formulated a comprehensive quality management system covering aspects such as procurement, process development, product manufacturing, storage, and transportation to ensure product quality.

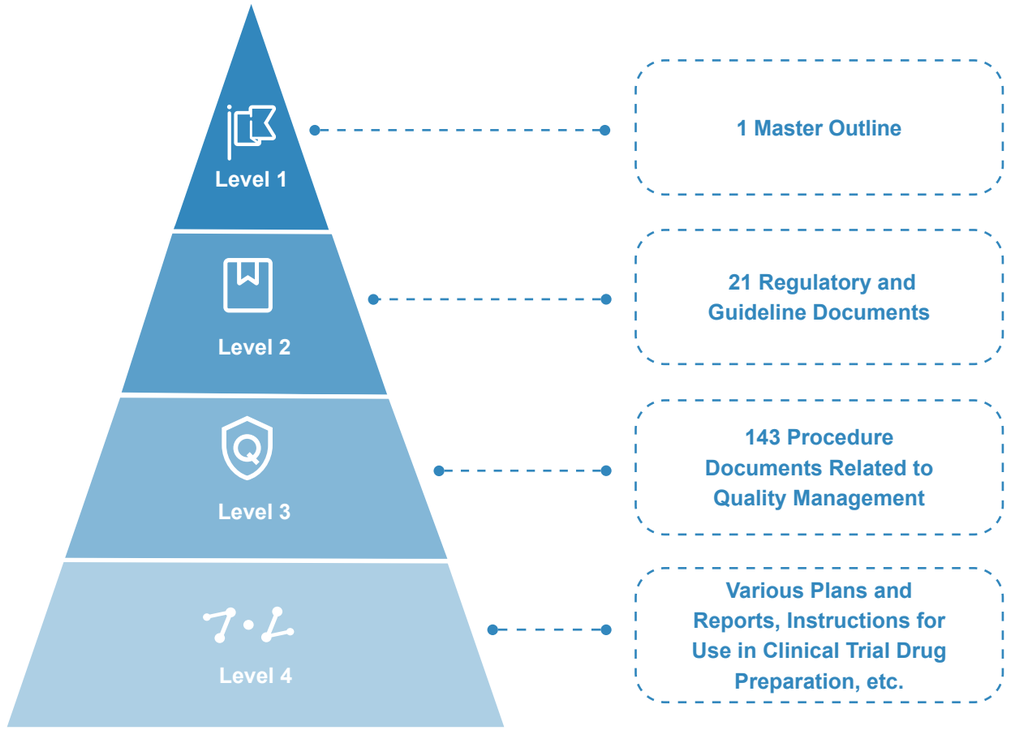
Quality Management System

The Company strictly complies with the *Medicinal Product Administration Law of the People's Republic of China*, the *Vaccine Administration Law of the People's Republic of China*, the *Measures for the Administration of Drug Registration*, and the *Provisions for the Supervision and Administration of Drug Manufacturing*. We also comply with various GxP requirements (including but not limited to GMP, GCP, GVP), and ICH Q series guidelines to maintain high-quality standards during drug R&D and production, while implementing drug safety management requirements during clinical trials. The Company has established a quality management system compatible with early-phase clinical drug production and release testing according to GMP requirements, and a commissioned production and inspection management system compatible with the production of key clinical batches, ensuring the quality and safety of clinical medication.



Quality Organization Chart

Our document management specifications include four levels of quality documents, rigorously ensuring drug production and trial safety: the *Quality Manual is* the level one document, serves as the overarching guideline outlining the company's regulatory compliance and overall quality management system. Level two documents consist of 21 internal management system documents, such as *Quality Risk Management* and *Quality Audit Management*. Level three documents involve 143 procedure files related to quality management, like *Clinical Trial Drug Management Procedures* and *Pilot Scale Cell Bank Management Procedures*. Level four documents encompass supportive validation protocols/reports, confirmation protocols/reports, stability study protocols/reports, records, forms, and instructions for compounding clinical trial drugs to ensure the completeness of quality data.



Four Levels of Quality Documents

Product Quality Management in Production Processes

YZYBIO implements comprehensive quality control measures throughout the entire production process, covering management documents and operational files concerning 4M1E in the aspect of human, machine, material, method and environment.

Human

- All personnel engaged in the production, inspection, storage, and release management of products subject to GMP requirements must undergo training and obtain certification before being authorized to operate.
- Critical operations related to product manufacturing are performed by one individual and independently verified by another to ensure the accuracy of the operation.
- Retraining programs are designed annually at the job, departmental, and company-wide levels.
- All individuals who directly or indirectly come into contact with products undergo annual health checks.

Machine

- All key production equipment, factory facilities, and devices follow a comprehensive annual calibration plan and undergo regular maintenance.
- Equipment and instruments used for GMP production and inspection must undergo metrology, qualification, or validation to ensure their stability and the accuracy of test results.

Material

- Rigorous qualification checks are conducted when selecting raw material suppliers, with on-site audits performed if necessary.
- Suppliers undergo annual re-evaluation, and all production materials are released for use only after passing inspections in accordance with relevant quality system documents.
- Raw materials for production are hierarchically managed based on their intended use and conducted inspection, release, storage, and usage management according to the control requirements of different clinical stage for. Material ledgers should be clear, traceable, and keep the consistent with account, card and inventory.

Method

- The production process is rigorously managed in accordance with intermediate process control procedures, SOPs for operations and inspections, process instructions, and batch record requirements.
- Outsourced production service providers are subjected to strict control.

Environment

- Prior to any GMP batch production, clearance is conducted according to relevant management requirements, followed by static environmental monitoring conducted by the Department of Quality.
- Environmental conditions (temperature, humidity, pressure difference, etc.) are continuously recorded during the production process, with dynamic environmental monitoring conducted for key production steps and monitoring results incorporated into the release decision-making process.

Clinical samples are manufactured under GMP conditions, undergoing release inspection to ensure that results meet quality standards and receive approval for release before being used in clinical settings. This process ensures the safety of clinical medication.

Quality Check

YZYBIO has developed multiple analytical techniques for comprehensive characterization research and quality control of its products. Currently, the company has established over 30 platform analysis methods compliant with both Chinese and U.S. filing requirements. These methods cover physical and chemical analysis, protein content, purity and impurity analysis, activity assays, and safety assessments, thereby expediting the product development process. Several platform analysis methods have been validated and applied for product release testing and stability studies, ensuring product quality.

The Analysis and QC Department of YZYBIO is responsible for establishing and maintaining the Company's quality testing system. This department conducts inspections on R&D samples according to the *Internal Request and Result Reporting Standard Management Procedure* and performs material testing, pilot-scale production testing, and stability testing in accordance with the *Inspection Work Management Procedure*.

2024 Quality Inspection Objectives

Accuracy rate of material (including packaging materials) and product testing

⩾ 98%

Timeliness rate of material (including packaging materials) and product testing

⩾ 95%

Release timeliness rate of materials and products

⩾ 90%

2024 Performance Against Targets

Accuracy rate of material testing

98%

Accuracy rate of product testing

100%

Timeliness rate of material (including packaging materials) testing

98%

Timeliness rate of product testing

100%

Release timeliness rate of materials

100%

Release timeliness rate of product

100%

Quality Risk Management

The Company has formulated two documents – *Quality Risk Management* and *Procedures for Quality Risk Management* – following ICH, EU, and domestic regulations. These documents aim to standardize the process for quality risk assessment and staff responsibilities. Quality risk assessments are typically initiated by business requirement departments and conducted in collaboration with QA departments and relevant departments to determine risk levels and implement risk control measures, thereby ensuring product quality. The quality risk management process proactively identifies, assesses, monitors, review potential quality risks throughout the product life-cycle. This approach enables effective and consistent risk response decisions.

Product Quality Management in Clinical Trial Phase

In the clinical trial phase, effective product quality management is vital to ensuring the safety and efficacy of products. The Company has established a pharmacovigilance system in accordance with the *Specifications for Pharmacovigilance Quality Management* by the National Medical Products Administration and relevant requirements. This system encompasses systems, management procedures, organizational structures, personnel, equipment, and resources related to the monitoring, collection, and evaluation of drug safety information, as well as product safety risk-assessment and control.

To ensure the scientific accuracy, truthfulness, and reliability of clinical trial data and results, the Company comprehensively considers the quality risk of clinical trial projects from various dimensions, including the clinical trial stage and the serious adverse events (SAEs). Additionally, the Company selects 10%-30% of research centers to entrust third party to carry out audit of research centers, further mitigating product quality risks through external audits. In 2024, the Company commissioned third parties to conduct 12 audits on three ongoing clinical projects, none of which was found to have serious problem (Major PD).

Currently, all of the Company's projects are in the clinical and preclinical stages, with drugs being sent to hospitals for clinical trials. They do not involve large-scale production or sales, as a result eliminating the need for product recalls. Throughout 2024, there were no instances of clinical trial drugs being recalled due to safety and health concerns, nor were there any complaints from trialed subjects.

Quality Training

The Company emphasizes quality training and has formulated the *Procedures for Personnel Training Management* and the *Job Training Matrix*. The employee quality training is categorized into four types: company-level, department-level, position-level, and on-the-job training. We require all personnel related to the drug research, manufacturing, production, and quality to undergo theoretical and practical training tailored to their position's requirements regarding regulations, job responsibilities, and skills, with regular evaluations of the actual training effectiveness.

In this year, the Quality Center drafted the *2024 Company-Level Training Plan* and requested anonymous completion of training effect assessment questionnaires by participants after each company-level training session. Except for company-level training, quality-related departments in YZYBIO submitted department-level training plans based on actual needs, which were reviewed and implemented in cooperation by the Quality Center. Throughout 2024, the Company organized 11 company-level and 29 department-level quality-related training sessions, covering all employees under the Company's quality management system, thereby completing the 2024 training plan.

We customize job-level training according to theknowledge and skills required by GMP positions, ensuring that employee competence aligns with job requirements. New hires, role changing personnel, and additional personnel under the GMP system must complete on-the-job training and obtain an on-the-job certificate before formally starting work. In 2024, the Company completed on-the-job training/on-the-job retraining for 21 individual-times.

Throughout 2024, the Company organized

11 company-level **29** department-level

quality-related training sessions

In 2024, the Company completed on-the-job training/ on-the-job retraining for

21 individual-times

Protection of Subject Rights

During the clinical trial phase, the Company strictly adheres to laws, regulations, and international guidelines such as the *Measures for the Ethical Review of Biomedical Research Involving Humans*, the *Guidelines for Ethical Review Work of Drug Clinical Trials*, the World Medical Association's *Declaration of Helsinki*, and the *International Ethical Guidelines for Biomedical Research Involving Human Subjects*. All projects undergo initial review and periodic tracking by the Ethics Committee based on these principles. In the initial review phase, the Ethics Committee examines the research proposal and informed consent form, voting to decide whether to approve the project. Throughout the project, the Company regularly reports trial progress to the Ethics Committee, which assesses whether the trial can continue, ensuring the rights of subjects throughout the study process. In 2024, all of the Company's clinical trial projects passed ethical reviews.

Protection of Subject Informed Consent Rights

We ensure that research doctors guide patients conduct a comprehensive review of the informed consent form, explaining the trial's purpose, process, potential benefits, risks, and discomforts. This ensures that subjects fully understand and voluntarily participate in the clinical trial and sign the informed consent form.

Protection of Subject Privacy

We assign each subject a unique identifier, associating their data while mandating strict confidentiality of subject privacy by employees and research physicians throughout and after the trial process.

Protection of Subject Safety and Health Rights

Our pharmacovigilance system protects the safety and health rights of subjects. For each product, we develop risk management and control plans, collecting and periodically reviewing adverse events during the clinical trial. This allows us to monitor products' safety risks and risks change. In cases of suspected and unexpected adverse reactions during the trial, the Company promptly reports to regulatory authorities, and notifies researchers, clinical trial centers, and the Ethics Committee, ensuring subject safety.

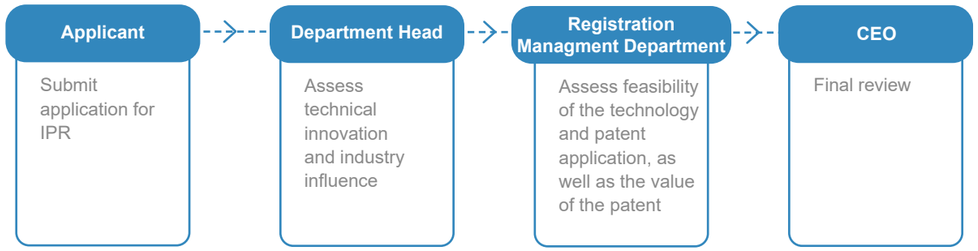
Support for Subjects

Subjects receive complimentary access to trialed drugs, related services, and medical advice from research physicians. Depending on specific circumstances, we provided transportation subsidies for subjects visiting the hospital and additional nutritional subsidies if research-related biological sample collection is involved. Additionally, we procure insurance for clinical trials, assuming responsibility for subjects' treatment costs and providing compensation for damages incurred due to research-related issues.

Protection of Intellectual Property Rights (IPR)

The Company strictly complies with domestic and international IPR-related laws and regulations applicable to the pharmaceutical industry, including the *Medicinal Product Administration Law of the People's Republic of China,* the *Patent Law of the People's Republic of China*, the *United States Patent Act*, the *WIPO Convention*, and the *European Patent Convention*. We have formulated the *Regulation on Intellectual Property Management* to ensure IP compliance, facilitate R&D transformation, and protect the Company's IPR.

Internally, we have implemented a standardized patent review process. After applicants submit an intellectual property declaration application, three rounds of review must be conducted by the department head, the registration management department, and the CEO before a patent application can proceed.



Patent Review Workflow

Moreover, to mitigate patent infringement risks, the IP specialist in the registration management department conducts patent analyses prior to R&D project initiation, performs patent reviews before engaging in external collaborations, and conducts patent checks before disclosing external information.

We have established OA workflows for patent applications, reward applications, and patent searches, enhancing the Company's patent management work compliance and ensuring comprehensive work record keeping. Additionally, the system supports the creation of a complete and searchable patent archive, improving work quality while strengthening cross-checking and supervisory capabilities within and between departments.

In 2024, the Company achieved significant milestones in intellectual property. As of December 31, 2024, the Company obtained 39 granted patents, comprising 25 domestic patents and 14 foreign patents. Furthermore, there were 42 patents under review, including 2 PCT patents, 15 domestic patents and 25 foreign patents. In terms of trademarks, the Company registered 30 trademarks, consisting of 26 domestic trademarks, 3 Hong Kong trademarks, and 1 Madrid trademark. Notably, there were no IP litigation cases involving the Company in 2024.

As of December 31, 2024,

the Company obtained **39** granted patents

the Company registered **30** trademarks

Responsible Supply Chain

YZYBIO strictly abides by national regulations such as the *Good Manufacturing Practices for Pharmaceutical Products* and the *GMP Guidelines for Pharmaceutical Products* as well as *EU GMP* standards. Upholding the principles of openness, safety, greenness, and integrity in procurement, the Company has established the *Supplier Management System* and the *Procedure for Supplier Approval Management*. We continuously refine supplier admission criteria to assist suppliers in enhancing product quality and sustainability capacity, establishing a responsible supply chain management system together.

Supplier Quality and Safety Management

Based on different business requirements, we categorize suppliers into Technical Outsourcing Service Providers and Material & Equipment Procurement Suppliers, developing distinct management processes and standards for each category. Through tiered management, we rigorously control the quality and safety of all supplier products and services.

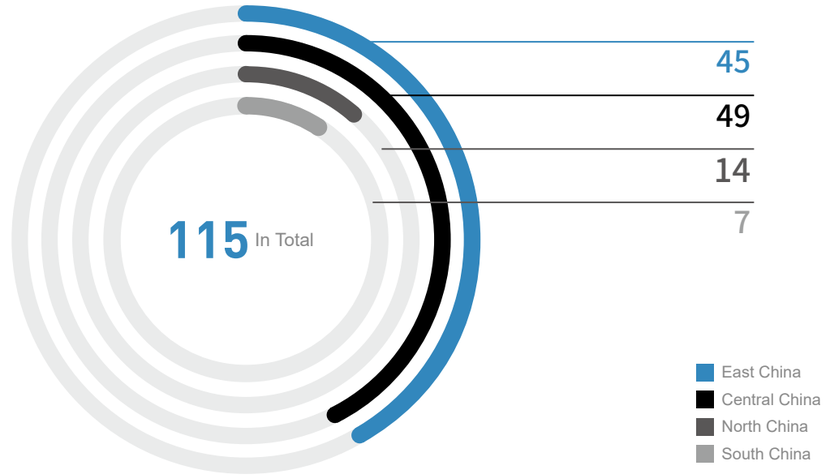
For GMP material suppliers that directly impact our production quality, we have put in place a stringent *Material Procurement Management System* to ensure product quality and safety. Moreover, according to our supplier management system requirements, we conduct strict audits on new suppliers to assess whether their quality systems and service capabilities align with our quality and project requirements.

Supplier Management Mechanism	Concrete Content
Supplier Selection	• Once business needs are clearly defined, we proceed with material procurement and screening of suppliersbased on principles of excellent quality, designated sourcing, proximity, economy, legality, and timeliness. • New suppliers are required to fill in the *Supplier Questionnaire* which will be reviewed by relevant departments of the Company.
Supplier Assessment	• The QA Department distributes the questionnaire to suppliers and the Head of the QA Department for approval. • On-site quality audits may be conducted for material suppliers when necessary.
Supplier Re-assessment	• Conduct last year re-assessments for qualified suppliers, managing suppliers through a tiered system based on *the Supplier Reassessment Report*. • Suppliers that fail to meet the requirements are disqualified.
Supplier Exit	• Suppliers should be terminated if their qualifications change and no longer meet the Company's requirements, or if significant changes in their production processes fail to meet our requirements. • Suppliers should be terminated if their supplied materials are returned or if losses are caused due to quality issues more than three times within a year. • Suppliers should be terminated if failing the annual re-assessment or found to intentionally conceal or deceive.

Environmental and Social Risk Management of Supply Chain

Assuming the responsibility of establishing a responsible supply chain, we have integrated environmental and social risk considerations into our supplier management processes. In the supplier questionnaire, we extensively inquire about suppliers' environmental monitoring practices and their assessment and management of environmental and social risks during production and transportation. We incorporate environmental and social factors into the requirements for on-site supplier audits, encouraging suppliers to adopt more environmentally-friendly products and ensuring that their environmental and social management measures align with our sustainability standards.

We require all personnel involved in the procurement process to uphold impartiality and honesty, strictly prohibiting any corrupt acts such as bribery. We established management systems and policies such as the *Material Procurement Management System* and other supplier anti-corruption related regulations to standardize business ethics in the procurement process. We have drafted the *Supplier Sunshine Cooperation Agreement*, expected to be officially released and signed by all suppliers in 2025, eradicating bribery and corruption in the procurement process to collectively foster a healthy business environment.



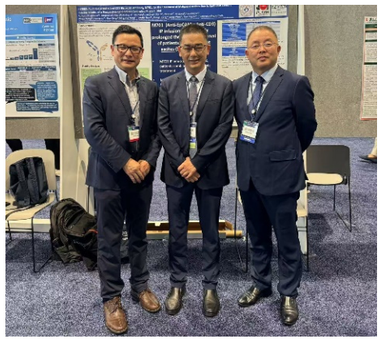
Distribution of Suppliers by Region

Driving Industry Development

YZYBIO adheres to the development philosophy of openness, cooperation, and mutual benefits, committed to driving innovative development in the biomedical field, and working together with partners to build a thriving and symbiotic industry ecosystem.

In terms of international exchanges, the Company actively seeks learning and communication opportunities with global leading organizations. In 2024, YZYBIO participated in the annual meetings of international oncology academic organizations such as the American Society of Clinical Oncology (ASCO) and the European Society for Medical Oncology (ESMO) to share the latest research findings from the clinical trials of M701 for the treatment of ascites and pleural effusion through poster presentations. Additionally, at the annual meeting of the European Society for Medical Oncology Asia (ESMO Asia), the Company delivered an oral presentation that attracted the attention and inquiries of doctors and drug researchers from multiple countries, thus facilitating cross-border technical exchanges and collaborations.

Oral Presentation at the Annual Meeting of the European Society for Medical Oncology Asia (ESMO Asia)



Participation in the Annual Meeting of the American Society of Clinical Oncology (ASCO)

In terms of collaborative innovation, YZYBIO joined forces with Professor Wu Kongming's team from the Department of Oncology at Tongji Hospital, Tongji Medical College of HUST, Professor Dai Zhijun's team from the Department of Breast Surgery at The First Affiliated Hospital, Zhejiang University School of Medicine, and Professor Chu Qian's team from Huazhong University of Science and Technology, having achieved significant breakthroughs in PD-L1/TGF-β bispecific antibodies. The related research, titled "Blockade of CCR5+ T Cell Accumulation in the Tumor Microenvironment Optimizes Anti-TGF-β/PD-L1 Bispecific Antibody," was published in the internationally renowned journal *Advanced Science*.

Additionally, leveraging its proprietary patent technology platform Check-BODY, YZYBIO, in collaboration with renowned medical organizations and research institutes such as Tongji Hospital, Tongji Medical College of HUST, Wuhan University, Huazhong University of Science and Technology, and Shanghai East Hospital (East Hospital Affiliated to Tongji University), was awarded the First Prize of Science and Technology Progress Award of Hubei Province in 2024 for the project "Key Technological Innovation and Clinical Application of Immunotherapy for Non-small Cell Lung Cancer."

Looking forward, YZYBIO will continue to deepen strategic cooperation with global industry leaders, reinforcing resource sharing and complementing each other's strengths to jointly promote the sustainable development of the biomedical industry and make greater contributions to human health.

The project "Key Technological Innovation and Clinical Application of Immunotherapy for Non-small Cell Lung Cancer" award the First Prize of Science and Technology Progress Award of Hubei Province in 2024

03

Low-Carbon Operation & Green Development

YZYBIO adheres to the principles of sustainable development, integrating green and environmentally friendly concepts into daily operations. We are committed to enhancing energy and resource utilization efficiency, actively working to minimize pollutant emissions, respond actively to the climate change impacts, and harmonize corporate economic activities with environmental responsibilities.

In our pursuit to establish YZYBIO as a more sustainable and responsible enterprise, based on our actual operational conditions, we have set the following environmental management objectives:

Indicator	Target
Per Capita Water Consumption	10% reduction in 2026 compared to 2022
Per Capita Electricity Consumption	10% reduction in 2026 compared to 2022
Per Capita Carbon Emissions	5% reduction in 2026 compared to 2022
Per Capita Waste Emissions	5% reduction in 2026 compared to 2022

Contributions to SDGs

Energy Use

YZYBIO strictly abides by laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and the *Energy Conservation Law of the People's Republic of China*, incorporating the concept of energy conservation into its daily operation. Our goal is "to cut per capita electricity consumption by 10% by 2026, with 2022 as the base year". This year, we reduced the per capita electricity consumption by 12% compared to the previous year.

Green Office

To create a green office environment, YZYBIO integrates idea of sustainable development into daily operations and implements the *Office Environment Management System* ensuring efficient work procedures. Night shift security guards patrol each floor to promptly switch off power and air conditioning in unused offices and laboratories.

We implemented energy-saving renovations on high-energy-consuming equipment, such as replacing the entire lighting system with LED lights to reduce equipment energy consumption. We also promote the concept of a green office among employees, encouraging them to adopt energy-saving habits in their daily tasks. This includes adjusting air conditioning to reasonable temperatures to keep comfortable indoor and reduce the consumption of energy and reducing the use of air conditioning, as well as powering down unused instruments and equipment before leaving the premise during holidays.

Green Production

YZYBIO consistently enhances its technological level by optimizing technological and management processes through innovation. This approach aims to boost production efficiency while reducing energy consumption. Ultimately, these initiatives contribute to advancing the industry toward a greener, more efficient, and sustainable future.

Optimizing Processes to Increase Cell Expression

Through optimizing host cells, expression systems, and cultivation processes, we achieved notable enhancements in the expression levels for dual-antibody projects. This advancement not only greatly reduced the culture volume of the production scale but also shortened production cycles, thereby decreasing water, electricity, and gas consumption costs in the production workshop. Consequently, this optimization has bolstered overall cost-effectiveness.

Process Optimization to Reduce Chromatography Cycles

In the downstream purification process, we successfully reduced the size and/or number of cycles required for chromatography columns through the selection of high-capacity chromatography media. This optimization has not only reduced the amount of chromatography solution used, but also shortened the production cycle, remarkably decreased waste liquid discharge, and lowered energy consumption.

Resource Management

YZYBIO is dedicated to green and eco-friendly development, prioritizing resource management in our daily operations and experimental development processes. We enhance resource utilization efficiency and minimize resource consumption through standardized experimental workflows, the establishment of resource recycling mechanisms, and the advocation of a concept of resource conservation.

Water Resource Usage

We strictly adhere to relevant laws and regulations such as the *Water Law of the People's Republic of China*, monitoring our water consumption and aiming "To reduce per capita water usage by 10% by 2026, with 2022 as the base year". Proactive measures were taken to conserve water, resulting in a 11% year-on-year reduction in per capita water consumption this year. In our daily office operations, we have established and implemented a water-saving reward and punishment system to encourage all employees to conserve water. We posted water-saving signs at all water usage points within the Company to enhance employee awareness and effectively reduce water consumption in our corporate activities. Furthermore, the Company implemented source control measures such as optimizing processes and adopting water-saving equipment and technologies to reduce water consumption during production. We rely primarily on municipal water supply and have not encountered water scarcity issues.

Paper Resource Usage

We strive to digitize approval processes by minimize paper usage in office operations and fully implementing an OA system to. We require double-sided printing for paper documents and encourage employees to avoid printing whenever possible, with reminders posted near printers. This has significantly reduced our reliance on paper resources.

Package Material Usage

We have established a recycling mechanism for packaging materials, outlining clear recycling channels and procedures to promote the circular utilization of packaging resources. We collect and sort used packaging materials for reuse and proper disposal. Employees are encouraged to actively participate in recycling initiatives during their daily work, fostering environmental awareness and laying the foundation for the green corporate culture.

Laboratory Resource Usage

By implementing standardized laboratory management and operating procedures, we rigorously mitigate resource wastage. Regular equipment inspections are conducted to minimize damage, ensuring efficient laboratory operations. In experimental procedures, we opt for more efficient materials to reduce reagent and filler usage, thereby shortening production cycles and enhancing overall experimental efficiency.

Emissions Management

YZYBIO adheres to relevant laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes*, the *Measures for the Prevention and Control of Environment Pollution by Discarded Dangerous Chemicals* and the *Regulations on the Management of Medical Waste*. We have set up internal systems like the *Environmental Protection Management System*, the *Solid/Liquid Waste Management System* and the *Production-related Biological Waste Liquid Discharge Management Procedure System* to strictly prevent pollution caused by our emissions.

Wastewater Management

Our wastewater is primarily categorized as domestic sewage and laboratory waste liquid. Domestic sewage undergoes collection and treatment at the park's wastewater treatment plant, managed by a professional third party, before it is discharged into the municipal pipeline. As for laboratory waste liquid, we require our laboratory personnel to pretreat laboratory waste liquids, regularly monitor the quality of the wastewater, and evaluate the treatment effectiveness. Only after ensuring that the waste liquids will not adversely affect the quality of the sedimentation tank are they discharged into the park's sewage treatment station. A combined treatment process of "physical-chemical and biochemical" methods is employed to ensure that the wastewater effluent complies with standards.

Solid Waste Management

The main solid waste generated by the Company is household garbage. Adhering to national and local emission standards, we collaborate with qualified park sanitation departments, and regularly transfer domestic waste to the sanitation departments for disposal, and ensure that all waste is properly sorted and stored at the time of transfer. Our aim is "To decrease per capita waste emissions by 5% by 2026, with 2022 as the base year", promoting among employees the categorization and recycling of household garbage in their daily routines to reduce waste emissions.

Hazardous Waste Management

For solid hazardous wastes, we employ various disposal methods based on their composition and properties. These wastes are collected in designated yellow garbage bags with clear labeling and records. Once these bags are full, they are promptly transferred to a dedicated hazardous waste temporary storage area. Upon reaching a certain storage capacity, we notify a qualified third-party environmental protection company to collect, transport, and treat the waste. After rendering the waste harmless, we document this process in the *Hazardous Waste Harmless Treatment Record* and maintain transfer records for traceability.

Regarding liquid hazardous wastes, we classify and handle them based on their properties and pollutant concentration. These wastes are collected in specialized waste liquid barrels with clear labeling and records. When the barrel is 2/3 full, we promptly notify a qualified third-party environmental protection company for collection, transportation, and treatment. We maintain detailed records of waste liquid transfers to ensure traceability. For waste liquids containing infectious pathogens, the Company strictly follows the *Regulations on the Administration of Medical Wastes* and other relevant laws and regulations, establishing a *Discharge Management Procedure for Production-related Biological Wastes* to standardize the management of biological waste discharge and prevent cross-infection and environmental harm.

YZYBIO conducts regular training sessions for employees on environmental protection and waste management to enhance their environmental awareness and sense of responsibility, ensuring compliance with relevant regulations in their daily tasks. We have established stable partnerships with local environmental authorities and specialized waste liquid treatment units to ensure timely and professional handling of emissions. Additionally, we engage in regular communication with suppliers and customers regarding environmental requirements and progress, collectively promoting the construction of a green supply chain and fostering sustainable development across our entire business ecosystem.

Quantitative Indicators

Number of environmental incidents or administrative penalties related to the environment

0

Responding to Climate Change

In recent years, the urgency of addressing climate change has become increasingly evident, emerging as one of the foremost challenges confronting humanity. China has made a strategic commitment "to achieve peak carbon emissions by 2030 and achieve carbon neutrality by 2060", placing the creation of a beautiful China at the forefront of national development efforts. This reflects our steadfast dedication to advancing green and low-carbon social development. Aligned with this national strategic direction's guide, YZYBIO is accelerating its transition toward green development. We are integrating climate risks into our enterprise risk management framework and actively responding to the opportunities and challenges presented by climate change, also aiming to contribute to the establishment of a low-carbon society.

Governance

YZYBIO has incorporated the governance of climate change issues into its overall ESG governance framework. The Board, acting as the highest decision-making body for the Company's ESG matters, is responsible for reviewing and setting climate change-related objectives. The EHS Committee placed great emphasis on the identification of and response to climate change-related risks, actively advancing the execution of climate strategies and action plans, reporting to the Board on a regular basis to ensure that climate risk management measures are aligned with the Company's strategic objectives.

Strategy

Aligning with the industry-specific characteristics and our own operational status, we annually identify, assess, and manage climate-related physical risks and transition risks, formulating strategies to address climate change to mitigate the impact of extreme weather events on our operations, ensuring the safety and smooth progression of our research experiments. During the reporting period, we identified 2 physical risks and 2 transition risk that may affect our Company and developed climate risk management methods and countermeasures.

Physical Risks	Risk Content	Response Measures
Acute Risks	Extreme weather events and natural disasters, such as rainstorms and floods, damage laboratory equipment and raw materials, disrupt supply chains, adversely affect scientific research progress, diminish asset value, and elevate operational costs	In response to sudden extreme weather events and natural disasters, an emergency response mechanism was established; Stock critical equipment and raw materials to ensure laboratory safety and the integrity of experimental data
		Enhance factory building infrastructures and increase flood and drainage capabilities
		Collaborative emergency response plans were formulated with suppliers to enhance the supplier base, optimize the supply chain layout, and vigorously promote the substitution of domestic products to mitigate the risk of supply chain disruptions
Chronic Risks	Long-term climate change has led to an increase in summer extreme high temperatures and persistent rainfall, among other shifts in climate patterns. These changes pose challenges for the cleanliness of laboratories and warehouses, as well as the continuity of scientific research experiments, thereby increasing operating costs	Increase the frequency of temperature and humidity monitoring within the laboratory, enhance the inspection and maintenance of instruments and equipment, and promptly identify anomalies
		Implement more stringent sealed storage measures for items susceptible to dampness and mold; regularly conduct deep cleaning and comprehensive disinfection of equipment and surfaces to reduce the growth of microorganisms
		Schedule experiments reasonably and arrange small-sized generator sets to deal with power outages and minimize the adverse effects of high temperatures on experiments

Transition Risks	Risk Description	Response Measures
Policy and Legal Risks	The Company confronts stringent global climate change-related regulations and disclosure requirements, which cause the operational costs to rise	Stay informed about the trend of carbon emission-related laws and regulations, promptly formulate response measures, and improve information disclosure
		Enhance energy management and bolster employee awareness on energy conservation
Technical Risks	The Company needs to promptly invest human and resources in low-carbon technology transitions, resulting in elevated operational costs	Replace high-energy-consuming equipment with energy-efficient equipment
		Continuously explore process optimization to reduce energy consumption

Risk Management

YZYBIO has incorporated the identification, assessment, response, and monitoring of climate change-related risks and opportunities into its ESG risk management process. This includes identifying climate change-related risks and opportunities, assessing the impact of each risk or opportunity on business operations, formulating relevant response measures, and monitoring their implementation. The goal is to effectively control climate change-related risks, seize climate change-related opportunities, and promote low-carbon development within the Company.

Indicators and Targets

To effectively monitor and manage climate-related risks, we adopted key assessment indicators such as the annual total greenhouse gas emissions and the greenhouse gas emission intensity, and set a target to "reduce per capita carbon emissions by 5% by 2026, with 2022 as the base year" to proactively address climate change and promote green development within our industry. In 2024, we implemented green office practices and enhanced green production, achieving a 14% year-on-year reduction in per capita carbon emissions, thus contributing to the attainment of our carbon emission reduction goals.

Quantitative Indicators

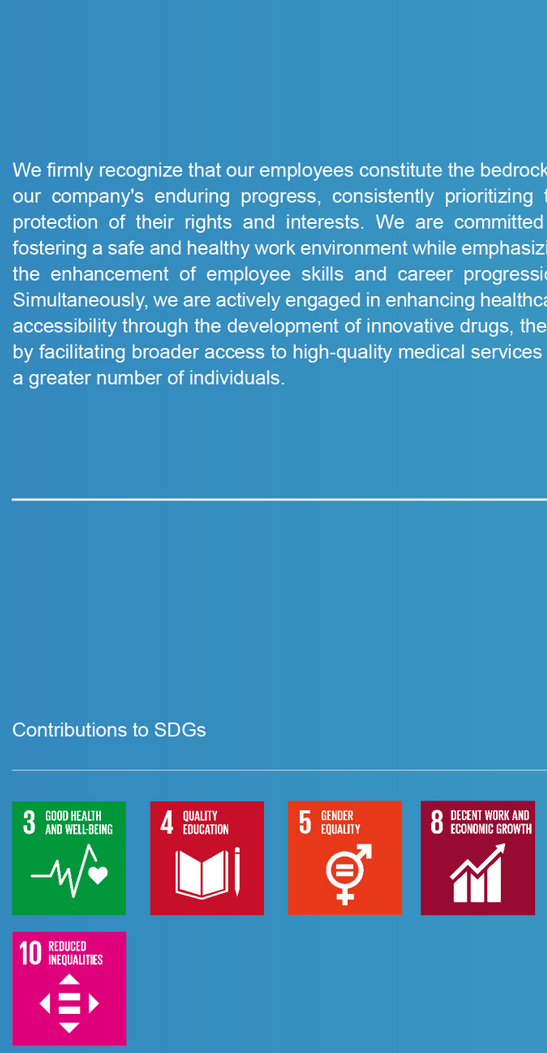
Indicators	2024 Annual Data	Unit
Total greenhouse gas emissions	542.62	Tonnes of CO_2 equivalent
Greenhouse gas emission intensity	4.45	Tonnes of CO_2 equivalent per person
Direct (Scope 1) greenhouse gas emissions	4.78	Tonnes of CO_2 equivalent
Direct (Scope 1) greenhouse gas emission intensity	0.04	Tonnes of CO_2 equivalent per person
Indirect (Scope 2) greenhouse gas emissions	537.85	Tonnes of CO_2 equivalent
Indirect (Scope 2) greenhouse gas emission intensity	4.41	Tonnes of CO_2 equivalent per person

04

People-Oriented & Advance Together

We firmly recognize that our employees constitute the bedrock of our company's enduring progress, consistently prioritizing the protection of their rights and interests. We are committed to fostering a safe and healthy work environment while emphasizing the enhancement of employee skills and career progression. Simultaneously, we are actively engaged in enhancing healthcare accessibility through the development of innovative drugs, thereby facilitating broader access to high-quality medical services for a greater number of individuals.

Contributions to SDGs



Protection of Employee Rights and Welfare

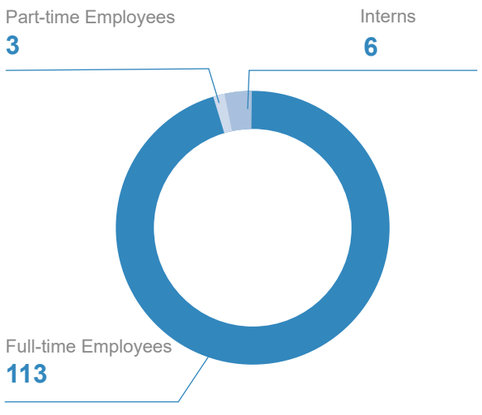
YZYBIO remains steadfast in its commitment to compliant employment practices, placing utmost importance on the physical and mental well-being of its employees. Our goal is to enhance their satisfaction, happiness, and sense of belonging within the company. To achieve this, we have implemented a fair and comprehensive compensation and benefits system, emphasizing equitable remuneration, performance incentives, and work-life balance to elevate employee satisfaction and fulfillment. Additionally, we actively foster the establishment of internal communication mechanisms, utilizing various employee activities to bolster team cohesion and cultivate a harmonious and positive working environment.

Compliance of Employment

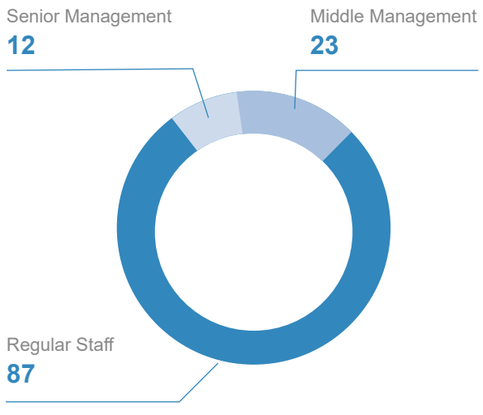
YZYBIO remains dedicated to fostering an environment of equality and fairness, steadfastly adhering to all relevant labor laws and regulations, such as the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Social Insurance Law of the People's Republic of China*, and the *Regulations of Hubei Province Concerning the Labor Protection of Female Staff and Workers*. We strictly prohibit child labor, forced labor, and any discriminatory hiring practices based on region, gender, or ethnicity. Should any violations be detected, we promptly address them and report to relevant external institutions when necessary.

The Company has formulated the *Recruitment and Hiring Management System*. This system emphasizes principles such as "open recruitment," "equal competition," "person-job fit," and "internal candidates first." All job vacancies are publicly posted on recruitment platforms, facilitating fair application by candidates and ensuring equal pay for equal work regardless of gender. Recognizing the value of diversity, we actively attract top talent through initiatives such as an internal referral reward mechanism and reimbursement of travel expenses for off-site candidates visiting Wuhan for interviews. Moreover, we are concerned about protecting the labor rights and interests of the disabled and committed to supporting individuals with disabilities by partnering with third-party labor service companies to provide them with job opportunities. Additionally, the Company enters into employment contracts with all full-time employees and contributes to social insurance for each full-time staff member.

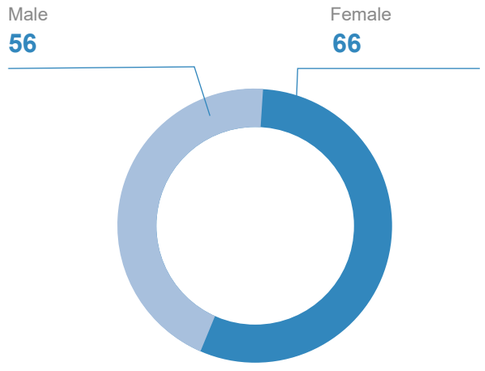
Number of Employees by Employment Type



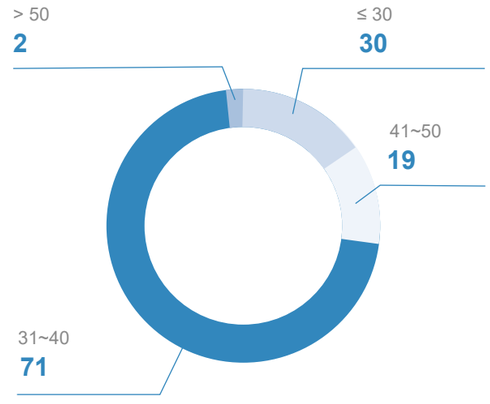
Number of Employees by Employee Category



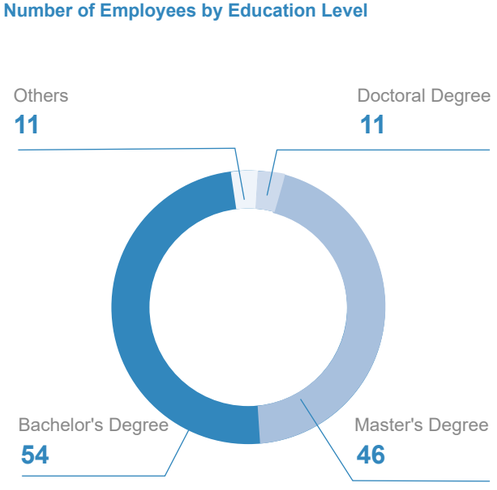
Number of Employees by Gender



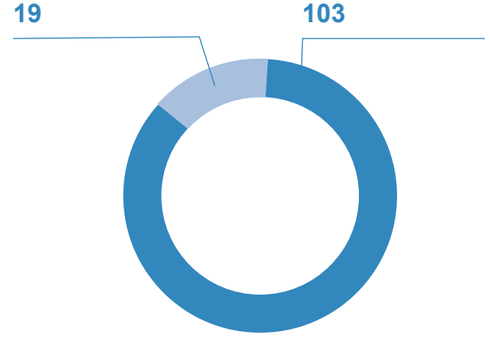
Number of Employees by Age Group



Number of Employees by Education Level



Number of Employees by Region



Quantitative Indicators

Labor Contracts Coverage of Full-time Employees	Social Insurance Coverage of Full-time Employees
100%	100%

Remuneration & Benefits

In terms of remuneration and benefits, we have established a *Remuneration & Benefits Management System* and an *Attendance & Leave Management System*, taking the upper-middle range of regional industry standards as reference. This ensures that we offer competitive remuneration packages that attract and retain exceptional talent.

Our Company's remuneration structure encompasses various components, including basic salary, position salary, performancebased pay, confidentiality allowances, comprehensive subsidies, and year-end performance bonuses. Additionally, we provide welfare allowances such as communication subsidies, lunch allowances, commuting subsidies, and seniority allowances to support our employees. Our salary grades are categorized into three groups: research, engineering, and functional roles. At the beginning of each year, the Company signs target responsibility agreements with various departments; subsequently, adjustments to employees' remuneration and ranks are made based on the annual target assessment results and individual operation performance contributions.

In addition to fulfilling statutory requirements by contributing to the "five insurances and one fund" and granting official holidays, the Company offers supplementary benefits including festival benefits, team-building activities, summer afternoon tea sessions, among others, to boost the employees' sense of well-being. In 2024, we organized several team-building and festival activities for employees. These included the "Yuexi Tianxia - Full Staff Expansion" event in April to promote physical and mental health among employees and enhance team cohesion. Additionally, we celebrated Women's Day with a "Goddess Festival" event, held a "Rice Dumpling Making" activity during the Dragon Boat Festival, and conducted a handicraft session on "Intangible Cultural Heritage Lacquer Fans - Handmade Creation" during the Mid-Autumn Festival, all aimed at promoting traditional culture and enlivening the work atmosphere for employees.

Photos from the "Rice Dumpling Making" activity

Photos of the Team Building Event Titled "Yuexi Tianxia - Full Staff Expansion"

Photos from the Women's Day event

Internal Interactions

YZYBIO places great importance on the invaluable contributions of its employees to the Company's growth trajectory. If employees have suggestions or opinions, they can reflect them to the department leaders through official channels, or send them anonymously to the mailbox of the general manager. Every piece of feedback received undergoes thorough evaluation, and appropriate actions are taken to facilitate healthy business development and continuous improvement.

The Company produces an annual publication titled *The Dual Antibody Home* each year, featuring sections like “Dual Antibody Column,” “Management Forum,” and “Employee World.” The Company actively advocates for and encourages employees to share their personal insights from work and life, fostering inter-departmental exchange and sharing of business knowledge. It also invites employees who have received outstanding awards such as “Outstanding Employee Award,” “Best Newcomer Award,” “Innovation Star Award,” “Service Star Award,” and “Diligence Star Award” to intensively share their work experiences, thus showcasing the Company’s culture and employee excellence.

The Dual Antibody Home

Employee Training and Development

YZYBIO places great importance on the comprehensive development of its employees, conducting regular internal and external training sessions to offer diverse learning opportunities. We have established multiple promotion pathways, ensuring a talentdriven approach to the high-quality development of the Company.

Diverse Career Advancement

Considering the diverse professional strengths of our employees and the unique positions within our company, we provide numerous promotion channels and abundant opportunities for career advancement. Our Employee Career Advancement Pathways and Position Grade Management System outline multi-path development principles, including management, technical, production, and professional tracks, along with tiered hierarchy and dynamic competitive principlesand clearly define promotion evaluation criteria, requirements, and procedures, for conducting annual job grade assessments. Furthermore, to incentivize active innovation and the enhancement of professional skills, employees making significant and outstanding contributions, such as leading successful project initiations, achieving clinical key progress or major research milestones, are eligible to apply for exceptional promotions.

Empowerment & Development of Employees

To regulate training management and effectively enhance employees' work knowledge and skills, the Company has implemented the *Employee Training Management System.* This system scientifically devises comprehensive training plans for the upcoming year based on practical demands and evolving trends across various business areas at the end of each year.

We assign a mentor to every new employee to facilitate swift adaptation and integration into their roles through a "pass-it-on" approach. This initiative not only enhances team collaboration efficiency but also accelerates individual professional development. Additionally, we focus on the inter-departmental communication and mutual learning. Each department is mandated to conduct at least two cross-departmental training sessions annually, covering a range of topics such as professional skills, workflow, tools, and industry insights. This strategy fosters deep exchanges and knowledge sharing among departments, bolstering synergy within the organization and collectively propelling ongoing organizational development and innovation.

Employee Training System

In 2024, the Company organized 91 training sessions, including 40 GXP training sessions, 14 EHS-related training sessions, and 37 specialized training sessions and external conference attendances. The training content encompassed various areas such as industry frontiers, quality management, supplier management, production safety, mental health, and hazardous waste management, assisting participants in understanding the latest international and domestic trends in biopharmaceutical development, improving professional capabilities, and promoting the Company’s sustainable development. In 2024, YZYBIO’s training program involved all employees, with a total of 1,838 person-times participating in training sessions throughout the year, averaging out to roughly 17.94 hours of training per employee.

Photos of Training and Exchange on Clinical Research

In 2024, the Company organized
91
training sessions

with a total of
1,838
person-times participating in training sessions throughout the year

averaging out to roughly
17.94
hours of training per employee

Occupational Health and Safety

YZYBIO prioritizes the health and safety of its employees above all else. The Company consistently enhances its occupational health and safety management system by implementing various measures. These measures are designed to mitigate health and safety risks, improve employees' safety skills and awareness, and ultimately ensure their well-being and safety in the workplace.

Occupational Health & Safety Management System

Adhering to the principle of "Safety First, Prevention-Oriented, Comprehensive Management", YZYBIO has thoroughly reviewed and optimized its occupational health and safety management system, having established a three-tier management system centered around the *EHS Management Handbook*, which comprehensively covers all 13 elements of safety standardization, including objective responsibilities, institutionalized management, and education & training, among others.

We have formulated the *EHS Responsibility and Assessment Management System,* and established the occupational health and safety management system and assessment management system with the EHS Committee as the main person in charge Led by the EHS Committee. Annual occupational health and safety targets are set and the EHS responsibilities of various departments are delineated, including Equipment Engineering, Production, R&D, Warehouse, and all levels of management and employees. Moreover, the system incorporates assessment criteria and mechanisms for rewards and penalties. It links EHS performance to employee performance appraisal and promotion, aiming to foster employee enthusiasm and a sense of responsibility. Through this integrated approach, we continually elevate our EHS management standards.

In 2024, we successfully achieved all occupational health and safety targets

- Progression of company-level, department-level, and job-specific safety education and training for new employees: **100%**
- Incidence rate of work-related injuries: **0%**
- Pass rate of public security bureau hazardous chemical warehouse inspections: **100%**
- Specialized occupation certification rate within the company: **100%**
- Employee satisfaction rate regarding the Company's working environment: **≥90%**
- Pass rate for safety equipment, special equipment, and fire protection facility inspections: **100%**
- Registration rate of hazardous chemicals procurement: **100%**

Safeguarding Occupational Health

YZYBIO strictly follows laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, and the *Regulations of the People's Republic of China on Work-Related Injury Insurance*. We have devised occupational health system documents, including the *Occupational Health Management Procedures,* the *Labor Protection Management System for Female Employees*, and the *Occupational Health Hazards Notification and Health Surveillance System.* Based on the principle of "Prevention First with Treatment Combined", these documents delineate occupational health tasks, organizational structures, and responsibilities. They standardize the procurement, distribution, usage, and maintenance of personal protective equipment, Additionally, they outline procedures for notifying occupational hazards and monitoring mechanisms, along with details and methodologies for regular health surveillance. These measures collectively safeguard the occupational health of our employees.

We employed Job Hazard Analysis (JHA) to identify company hazards. By identifying the primary risks associated with each position, we provide appropriate PPE tailored to specific needs. For instance, cleaning personnel were equipped with specialty cleaning gloves, masks, and protective clothing, while laboratory researchers were provided with different types of gloves, masks, protective/clean clothing, eye masks, gas masks etc.

The Company conducts pre-employment physical examinations ensuring that the employee's physical condition meets the job requirements. Furthermore, we organize annual physical examinations for senior employees to gain a comprehensive understanding of their health status. In 2024, a total of 108 employees participated in physical examinations.

Strengthen Safety Management

In compliance with laws and regulations such as the *Work Safety Law of the People's Republic of China*, the *Regulations on the Safety Management of Hazardous Chemicals*, and the *Regulation on the Bio-safety Management of Pathogenic Microbe Labs*, YZYBIO has developed guideline documents on safety, including safety management systems, safety operating procedures, and emergency response plans, such as the *Production Safety Responsibility System*, the *Hazardous Chemicals Management System*, and the *P2 Laboratory Bio-safety Management System*. These documents delineate the production safety responsibilities of personnel at all levels and functional departments, ensuring clear accountability and providing comprehensive guidance to all employees for maintaining safety throughout R&D and production processes.

Safety Risk Management

Using the Safety Checklist (SCL) Method, we conducted thorough hazard identification and assessment according to the Company's *EHS Risk Management System*, *EHS Major Hazard Identification and Control Management Procedure*, and *Major Hazard Management System*.

In terms of equipment safety, we established rules and regulations such as the *Equipment Operation, Maintenance, and Servicing Management System* and *Production Facilities Management System*. These equipments need regular inspections and maintenance to ensure equipments remain in optimal condition, free from running, bubbling, dripping or leakage, and upholds good hygiene standards. We mandate that safety devices like safety valves and pressure gauges be regularly inspected, maintained within designated periods, and subjected to periodic testing.

In our daily production activities, safety inspections take precedence to ensure equipment is consistently checked, operated, and managed in accordance with both national regulations and company protocols, effectively mitigating risks. For identified risks, we promptly implement suitable protective measures. For instance, to prevent falling accidents involving gas cylinders, we securely fasten all test cylinders within the Company premises. Additionally, to mitigate the risk of inadequate oxygen levels in laboratories, we have installed oxygen concentration alarms in cell banks and gas cylinder rooms to swiftly detect potential hazards.

Identification and Elimination of Insidious Safety Hazards

To prevent safety accidents, we have formulated the *EHS Hidden Hazard Identification and Management System* and organized a specialized hidden hazard inspection team tasked with conducting inspections at daily, weekly, monthly, quarterly, and annual intervals, meticulously examining every fact of the Company. We pay particular attention to high-risk zones like storage areas, laboratories, and workshops. Through these routine hidden hazard inspections, we swiftly pinpoint potential safety risks, enabling us to implement effective rectification measures and diminish the probability of accidents. As an incentive, the Company acknowledges and rewards employees who promptly identify and mitigate hidden hazards or offer constructive improvement suggestions.

Emergency Response Plans

Moreover, the Company has developed emergency response plans, including the *Emergency Plan for Hazardous Chemical Accidents*, the *Emergency Plan for Production Safety Accidents*, and the *Emergency Plan for Biological Safety Accidents*, to effectively address potential safety incidents and safeguard the well-being of employees. In terms of hazardous chemical safety, we strictly adhere to the stipulations outlined in the *Regulations on the Safety Management of Hazardous Chemicals* and completed the internal list of control over Class III controlled hazardous chemicals under the Public Security Bureau, updating the procurement, storage, and usage records of Class III controlled hazardous chemicals in real-time.

Safety Training and Emergency Drills

To bolster employee self-protection capabilities and ensure occupational health and safety, the Company organizes preemployment training for employees in specialized production roles. Additionally, we conduct regular safety training sessions and emergency drills tailored to different employee groups to continuously enhance their safety awareness and emergency response skills.

To ensure that employees in specialized production roles possess the requisite occupational health and safety protection capabilities prior to commencing work, we have formulated regulatory frameworks such as the *Dangerous Operations Management System*, the *Regulations for Specialized Occupational Personnel Management*, and the *Process Management System*. These systems clearly outline the corresponding safety training requirements.

Employees engaged in hazardous tasks and specialized occupations are mandated to undergo safety training and acquire certifications before commencing work.

Operators in process positions are required to adhere strictly to the product's specified process specifications, following operational procedures and safety protocols meticulously.

To ensure employees are well-versed in safety practices pertinent to their roles and to avert occupational diseases, the Company regularly organizes training on occupational health and safety. Following each training session, we assess its effectiveness by gathering feedback and suggestions from employees via questionnaires and assessments, adjusting and refining the training content and methods accordingly. In 2024, the Company organized a total of 40 occupational health and safety training sessions, including 13 offline and 27 online. The training content covered hazardous chemical safety management in laboratory, bio-safety, prevention of occupational diseases, and emergency response measures. A total of 809 person-times participated in these training sessions.

We prioritize practical training and case analysis to improve employees' ability to handle emergencies effectively through simulation drills, etc. In 2024, the company conducted two emergency drills: a biosafety emergency drill and a laboratory hazardous chemical leak drill, with a total of 100 participants.

Emergency Drill for Hazardous Chemical Leakage Accidents

Quantitative Indicators

Employee Health Check Participation Rate	Percentage of Production Staff Certified to Operate	Number of Fatalities Due to Work-related Accidents Over the Past Three Years	Number of Workdays Lost Due to Workplace Injuries	Total Number of Production Safety Incidents
100%	100%	0 Person	0 Day	0 Time

Social Welfare and Inclusive Development

We lead our employees in participating in public welfare activities, actively fulfilling our social responsibilities. In November 2024, the Company organized a “Used Goods Donation” campaign, where 20 colleagues contributed a total of 120 kg of clothing, bedding, stationery, and toys to the residents of Daliang Mountains in Sichuan Province, spreading warmth to the mountain communities during the winter season.

YZYBIO is committed to enhancing global health, especially by reducing the financial burden of treating severe illnesses like cancer for middle and low-income individuals. We are committed to innovation, striving to develop optimal treatment solutions and promote universal healthcare.

Currently, our drug candidates are in the research phase and have not yet reached commercialization. We collaborate closely with clinical researchers to ensure the efficacy and safety of ongoing clinical trials. Through meticulous patient screening and treatment plan design, we aim to empower clinical researchers with the knowledge and tools to effectively administer our therapies. Throughout the trial process, we closely monitor patient progress, timely understanding of treatment effects and experience, popularization of relevant disease knowledge and new treatment methods, to help patients master the latest protection knowledge.

Looking forward, we will expedite the commercialization process of innovative drugs, aiming to swiftly extend efficacious medications from the clinical trial stage to a broader patient population, allowing more patients to benefit from our cutting-edge medical advancements.

Appendix

Appendix I Table of Key Performance Indicators

Environmental Performance

Indicators			2024	Unit
Emissions	Hazardous Waste	Hazardous Waste Discharge	7.27	Tonnes
		Solid Hazardous Waste Disposal	5.27	Tonnes
		Liquid Hazardous Waste Disposal	2	Tonnes
		Intensity of Hazardous Waste Discharge	0.06	Tonne per person
	Non-hazardous Waste	Non-hazardous Waste Disposal	7	Tonnes
		Intensity of Non-hazardous Waste Disposal	0.06	Tonne per person
	Greenhouse Gas Emissions	Total Greenhouse Gas Emissions	542.62	Tonnes of CO_2 equivalent
		Greenhouse Gas Emission Intensity	4.45	Tonnes of CO_2 equivalent per person
		Direct (Scope 1) Greenhouse Gas Emissions	4.78	Tonnes of CO_2 equivalent
		Direct (Scope 1) Greenhouse Gas Emission Intensity	0.04	Tonnes of CO_2 equivalent per person
		Indirect (Scope 2) Greenhouse Gas Emissions	537.85	Tonnes of CO_2 equivalent
		Indirect (Scope 2) Greenhouse Gas Emission Intensity	4.41	Tonnes of CO_2 equivalent per person
Use of Resources		Total Energy Consumption	99.42	Tonnes of standard coal
		Intensity of Comprehensive Energy Consumption	0.81	Tonne of standard coal per person
		Water Consumption	2,099	Tonnes
		Per Capita Water Consumption	19.08	Tonne per person
		Wastewater Discharge	1,500	Tonnes
		Electricity Consumption	79	10,000 kWh
		Per Capita Electricity Consumption	0.65	10,000 kWh per person
		Petrol Consumption	2,100	Liters
		Diesel Consumption	33.7	Liters
Use of Resources		Purchased Heat Energy	1,035.76	GJ
		Packaging Material Consumption	0.95	Tonnes
		Intensity of Packaging Material Consumption	0.01	Tonne per person
		Office Paper Usage	1.34	Tonnes
		Number of Environmental Incidents or Administrative Penalties Related to the Environment	0	Time

Social Performance

Indicators			2024	Unit
Employment	Total Number of Employees		122	Persons
	Number of Employees by Employment Type	Full-time Employees	113	Persons
		Part-time Employees	3	Persons
		Other (Interns)	6	Persons
	Number of Employees by Employee Category	Senior Management	12	Persons
		Middle Management	23	Persons
		Regular Staff	87	Persons
	Number of Employees by Gender	Male	56	Persons
		Female	66	Persons
	Number of Employees by Age Group	≤ 30	30	Persons
		31-40	71	Persons
		41-50	19	Persons
		> 50	2	Persons
	Number of Employees by Region	Employees from Hubei	103	Persons
		Employees from Other Places	19	Persons
	Number of Employees by Education Level	Doctoral Degree	11	Persons
		Master's degree	46	Persons
		Bachelor's degree	54	Persons
		Others	11	Persons

Indicators			2024	Unit
Employment	Labor Contracts Coverage of Full-time Employees		100	%
	Social Insurance Coverage of Full-time Employees		100	%
	Number of Employee Turnovers		22	Persons
	Turnover Rate		18.03	%
	Turnover Rate by Gender	Male	17.86	%
		Female	18.18	%
	Turnover Rate by Age	≤ 30	16.67	%
		31-40	16.90	%
		41-50	26.32	%
		> 50	0.00	%
	Turnover Rate by Region	Employees from Hubei	16.50	%
		Employees from Other Places	26.32	%
Health and Safety	Employee Health Check Participation Rate		100	%
	Percentage of Production Staff Certified to Operate		100	%
	Safety Training	Times	40	Times
		Number of Participants	809	Persons
	Emergency Drills	Times	2	Times
		Number of Participants	100	Persons
	Times of Large-scale Safety Check		7	Times
	Number of Work-related Fatalities Occurred in the Past Three Years		0	Persons
	Rate of Work-related Fatalities Occurred in the Past Three Years		0	%
	Lost Days Due to Work Injury		0	Day
	Number of Production Safety Accidents		0	Time
Development & Training	Number of Employee Training Participants the Whole Year		1,838	Persons
	Annual Average Training Hours Completed per Employee		17.94	Hours
	Investment in Employee Training the Whole Year		3.172	RMB 10,000

Indicators			2024	Unit
Development & Training	Percentage of Employees Trained by Gender	Male	46.02	%
		Female	53.98	%
	Percentage of Employees Trained by Employee Category	Senior Management	10.17	%
		Middle Management	17.80	%
		Regular Staff	72.03	%
	Average Training Hours Completed per Employee by Gender	Male	17.94	Hours
		Female	17.94	Hours
	Average Training Hours Completed per Employee by Employee Category	Senior Management	17.94	Hours
		Middle Management	17.94	Hours
		Regular Staff	17.94	Hours
Supply Chain Management	Total Number of Suppliers		115	Suppliers
	Number of Suppliers by Region	East China	45	Suppliers
		South China	7	Suppliers
		North China	14	Suppliers
		Central China	49	Suppliers
	Number of Suppliers Subjected to On-site Inspections		12	Suppliers
	Percentage of Suppliers Including Environmental and Social Impact in Supplier Evaluation Questionnaire		100	%
Product Responsibility	Total R&D Investment		1.65	RMB 100 Million
	Size of R&D Team		19	Persons
	Number of Intellectual Property Holdings		113	Items
	Number of Authorized Patents		39	Items
	Number of Patents Under Review		42	Items
	Number of Registered Trademarks		30	Times
	Number of Approved Research Topics		5	Items
	Number of Published Research Papers		1	Paper
	Number of Product Recalls Due to Safety and Health Concerns		0	Item
	Number of Product and Service Complaints		0	Case

Indicators			2024	Unit
Product Responsibility	Coverage Rate of Informed Consent Forms for Clinical Trial Subjects		100	%
	Number of Third-party Quality Audits Conducted on Clinical Trials		12	Times
	Quality-Related Training	Company-level Training Sessions	11	Times
		Department-level Training Sessions	29	Times
		Coverage Rate of Employees under GMP System	100	%
Anti-corruption	Number of Concluded Corruption Cases		0	Case
Community Investment	Number of Employees Participating in Public Welfare Activities		20	Persons

Appendix II Index of *Environmental, Social and Governance Guide* of the Hong Kong Stock Exchange

Main scope	Description	Page
A. Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	31
A1.1	The types of emissions and respective emissions data.	47
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and, where appropriate, intensity.	34
A1.3	Total hazardous waste produced and, where appropriate, intensity.	47
A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	47
A1.5	Description of emission target(s) set and steps taken to achieve them.	27, 32-34
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.	27, 31
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	29-30
A2.1	Direct and/or indirect energy consumption by type in total and intensity.	47-48
A2.2	Water consumption in total and intensity.	47
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	27, 29
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.	27, 30
A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	48
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	29-31
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	29-34
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	32
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.	32-34

Main scope	Description	Page
B. Social		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	37, 39
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	37-38
B1.2	Employee turnover rate by gender, age group and geographical region.	49
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	43-45
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	46
B2.2	Lost days due to work injury.	46
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	43-46
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	41
B3.1	The percentage of employees trained by gender and employee category.	50
B3.2	The average training hours completed per employee by gender and employee category.	50
Aspect B4: Labor Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	37
B4.1	Description of measures to review employment practices to avoid child and forced labor.	37
B4.2	Description of steps taken to eliminate such practices when discovered.	37
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	25
B5.1	Number of suppliers by geographical region.	25
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.	24-25
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	25
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	25

Main scope	Description	Page
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	17-22
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	21
B6.2	Number of products and service related complaints received and how they are dealt with.	21
B6.3	Description of practices relating to observing and protecting intellectual property rights.	23
B6.4	Description of quality assurance process and recall procedures.	20
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	22
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	11-12
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.	12
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	11-12
B7.3	Description of anti-corruption training provided to directors and staff.	11
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	46
B8.1	Focus areas of contribution.	46
B8.2	Resources contributed to the focus area.	46

友芝友生物製藥