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BIOCYTOGEN

Biocytogen Pharmaceuticals (Beijing) Co., Ltd.

Stock code: 688796.SH | 02315.HK

2025

Environmental, Social and Governance (ESG) Report



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About This Report

This report is the 2025 Environmental, Social and Governance (ESG) Report of Biocytogen Pharmaceuticals (Beijing) Co., Ltd., disclosing to investors and other stakeholders the Company's philosophy, management approaches, initiatives, and achievements regarding ESG issues in its operations.

Reporting Boundary

This report covers Biocytogen Pharmaceuticals (Beijing) Co., Ltd. and its subsidiaries (hereinafter referred to as "Biocytogen" or the "Company"), consistent with the scope of consolidated financial statements of Biocytogen (688796.SH; 02315.HK).

Reporting Period

The reporting period of this report is from January 1, 2025 to December 31, 2025. Unless otherwise specified, all data in this report is for this period.

Reporting Standards

This report is prepared in accordance with the "Shanghai Stock Exchange Science and Technology Innovation Board Listed Companies Self-Regulatory Guidelines No. 2 - Voluntary Information Disclosure" (issued in March 2025); "Shanghai Stock Exchange Listed Companies Self-Regulatory Guidelines No. 14 - Sustainable Development Report (Trial)" (hereinafter referred to as the "Guidelines"); "Shanghai Stock Exchange Science and Technology Innovation Board Listed Companies Self-Regulatory Guidelines No. 13 - Sustainable Development Report Preparation" (hereinafter referred to as the "Guide"); "Shanghai Stock Exchange Science and Technology Innovation Board Stock Listing Rules" (revised in April 2025), "Enterprise Sustainable Disclosure Standards - Basic Standards (Trial)"; and the "Environmental, Social and Governance Reporting Code" in Appendix C2 of the Listing Rules of The Stock Exchange of Hong Kong Limited.

Data Description

Data and cases in the report are from the Company's actual operational records.

The financial data in this report are all in RMB. Where financial data in this report differs from the Company's annual financial report, the annual financial report shall prevail.

Reporting Principles

- **Materiality**

The Company identifies material issues related to its operations that are of significant concern to investors and other stakeholders, which serve as the focus of this Report. The reporting of these material issues accounts for both industry-specific characteristics and the regional context in which the Company operates. For detailed information on the analysis process and results, please refer to the "Materiality Assessment" section of this Report. Additionally, this Report highlights matters pertaining to Environmental, Social, and Governance (ESG) aspects that may have a significant impact on investors and other stakeholders.

- **Accuracy**

The Company endeavors to ensure the accuracy of all information presented. For quantitative information, the Company has disclosed the data scope, calculation basis, and underlying assumptions to ensure that any potential calculation errors do not mislead information users. Quantitative data and supplementary notes can be found in the relevant chapters of this Report. The Board of Directors confirms the integrity of the Report's contents and confirms that there are no false records, misleading statements, or material omissions.

- **Balance**

This Report reflects objective facts and provides an unbiased disclosure of both positive and negative information regarding the Company. During the reporting period, no negative events were identified that required disclosure but were omitted.

- **Clarity**

This Report utilizes tables, models, charts, and a glossary of technical terms to supplement the text, enabling stakeholders to better understand the content. To facilitate efficient information retrieval, a table of contents and an ESG reporting standards index are provided.

- **Quantitative and Consistency**

This Report discloses key performance indicators (KPIs) and provides historical data wherever possible. The Company maintains consistency in the statistical and disclosure methodologies used for the same indicators across different reporting periods. Any changes to these methodologies are fully explained in the report's notes to allow stakeholders to conduct meaningful analysis and evaluate trends in the Company's ESG performance.

- **Verifiability**

The case studies and data presented in this report are derived from the Company's original operational records and financial reports, ensuring that the information can be traced back to source documents for verification purposes.

Report Access

This report is published in electronic format through the information disclosure platforms designated by the stock exchanges and is also available for online viewing or download on the Company's official website (https://biocytogen.com.cn/).

Contact Information

If you have any suggestions regarding this report, please contact us through the following channels:
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Email: ir@biocytogen.com.cn

Message from the Chairman and CEO

Dear Shareholders, Partners, Colleagues, and Friends from All Sectors:

Looking back on 2025, Biocytogen remained focused on its strategic priorities and made steady progress amid a complex operating environment. As an international biotechnology company driven by innovation in drug discovery and development, we continued to advance our core R&D capabilities while fulfilling our responsibilities in environmental protection, social value creation and corporate governance. Today, on behalf of the Company, I would like to express my sincere gratitude to all friends who care about and support Biocytogen's development!

In 2025, with green R&D as our foundation, we consolidated the environmental basis for sustainable development. The unique nature of biopharmaceutical R&D requires us to find a precise balance between innovation and environmental protection. This year, we continued to optimize experimental processes at our R&D and production bases, implementing low-consumption, emission-reduction, and recyclable laboratory management systems in core areas such as antibody discovery and innovative animal model development. By introducing intelligent waste treatment systems and promoting green reagent alternatives, while continuously increasing R&D investment, we achieved 100% compliant treatment of experimental waste and steadily reduced key energy consumption indicators. We deeply understand that protecting the ecological environment means protecting the source of human health. In the future, we will continue to explore green development paths in the biopharmaceutical field, ensuring that innovative R&D and environmental protection advance in parallel.

In 2025, with value co-creation as our bond, we practiced our social responsibility of empowering the industry and caring for employees. At the industry level, our "Project Integrum" continued to advance, having built a library of over 1 million authentic fully human antibody sequences, with more than 350 antibody cooperation agreements signed cumulatively, providing global partners with quality antibody resources covering multiple fields such as oncology and autoimmune diseases, empowering global new drug innovation with technology and helping to address unmet clinical needs. At the employee level, we always uphold the core value that "Our Team is Our Greatest Competitive Advantage". The Company provides competitive and timely compensation, builds a stratified and categorized training system, improves innovation reward and performance-based bonus mechanisms, continuously improves canteen food and working environment, and provides special assistance to employees in difficulty, integrating people-centric management approach into every detail of corporate operations. We firmly believe that employee growth and well-being are the core driving forces of sustainable corporate development.

In 2025, with standardisation and transparency as our cornerstone, we consolidated the governance foundation for high-quality development. With the stable operation of the "A+H" dual capital market platform, we pay more attention to the professionalisation, standardisation, and internationalisation of corporate governance. This year, we further improved the corporate governance system, optimized the Board structure, strengthened the supervisory functions of independent directors, and improved management systems for related party transactions and information disclosure, ensuring scientific decision-making, efficient execution, and transparent information. In terms of quality management, we integrate the concept of "Quality is Our Lifeline" throughout the entire chain of R&D, production, and services, establishing strict quality control standards to win lasting trust from global customers with excellent products and services. At the same time, we continue to deepen compliance management, covering overseas business expansion, intellectual property protection, data security, and other areas, safeguarding the Company's global operations.

In the new year, we will continue to adhere to the principle of navigating steady growth while driving progressive innovation, integrating ESG concepts more deeply into corporate strategy and daily operations. In terms of environment, we will actively promote comprehensive low-carbon transformation in R&D and production. In terms of society, we will expand the breadth of external business cooperation, improve long-term employee incentive mechanisms, and practice corporate citizenship responsibilities. In terms of governance, we will continue to optimize the governance structure, enhance compliance management levels, and protect the legitimate rights and interests of shareholders and stakeholders.

Looking ahead, every achievement in 2025 serves as a strong foundation for our future. Every achievement in 2025 embodies the persistence and dedication of all Biocytogen people and would not have been possible without the trust and support of friends from all sectors. In the future, we will continue to forge ahead on the track of biopharmaceutical innovation and ESG development, serving as both a core hub for global antibody R&D and a practitioner of sustainable development, contributing more to human health through science and responsibility!

Thank you for your continued trust and support.

Dr. Yuelei Shen

Chairman of the Board and Chief Executive Officer

Biocytogen

Board Statement

The Board of Directors (the "Board") of Biocytogen Pharmaceuticals (Beijing) Co., Ltd. (hereinafter referred to as "the Company" or "Biocytogen") recognises the importance of strong Environmental, Social and Governance (ESG) performance in achieving sustainable development and creating long-term value. The Board is committed to ensuring that the pursuit of business growth is accompanied by active fulfilment of social responsibilities and environmental stewardship through effective oversight and management strategies.

The Company has established a comprehensive top-down ESG governance framework comprising the "ESG Decision-Making Layer, ESG Organisational Layer, and ESG Execution Layer". As the highest ESG decision-making body, the Board is responsible for reviewing and approving the Company's ESG policies, strategies and annual work plans, and for regularly assessing and monitoring ESG performance and target progress. In addition, the Board actively participates in climate-related oversight by incorporating climate risks into the Company's overall risk management framework, and has authorised the Audit Committee and the ESG Working Group to oversee the accuracy and completeness of climate and ESG-related disclosures.

During the reporting period, the Company systematically identified 22 material ESG topics by integrating macroeconomic policies, industry development trends and its own operational characteristics through regular stakeholder engagement and internal expert analysis. The Board reviewed and confirmed these topics to ensure that the Company's ESG strategy accurately addresses the core concerns of investors and other stakeholders.

To drive the effective implementation of its ESG strategy, the Company has established environmental targets covering greenhouse gas emissions, energy and water consumption, and waste management, as well as social management targets relating to employee rights and occupational health and safety. The Board regularly reviews and monitors the progress of each ESG target to ensure the optimal allocation of ESG resources in support of the Company's corporate vision of "becoming a global originator of innovative drugs", thereby achieving synergy between commercial value and social benefits.

This Report provides a comprehensive disclosure of Biocytogen's ESG progress and achievements for 2025. The Board of Directors and all directors of Biocytogen warrant that the contents of this Report contain no false statements, misleading representations or material omissions, and accept individual and joint responsibility for the truthfulness, accuracy and completeness of the information contained herein.

01 About Biocytogen

About Biocytogen

Biocytogen (Stock Codes: 688796.SH; 02315.HK) is an international biotechnology company driven by innovative technologies for new drug research and development, committed to becoming a global leader in innovative drug discovery. With self-developed gene editing technology as its core, the Company has built a dual-engine platform of "Fully Human Antibody Library + Target Humanized Mouse Library," systematically accelerating global drug development. Biocytogen independently developed the RenMice® fully human antibody platform (covering RenMab®, RenLite®, RenNano®, RenTCR™, RenTCR mimic™) for the discovery of therapeutic fully human monoclonal antibodies, bispecific/multispecific antibodies, bispecific ADCs, nanobodies, and TCR-mimic antibodies. Focusing on 1,000+ potentially druggable targets, the Company is advancing the large-scale antibody discovery program - "Project Integrum," having built a library of over 1 million authentic fully human antibody sequences, and is open for global cooperation. As of December 31, 2025, Biocytogen has cumulatively signed more than 350 drug co-development/licensing/transfer agreements.

The Company's sub-brand Biocytogen Animals has established thousands of gene-edited animal/cell models, possesses the world's leading target humanized mouse library, and provided global customers with full-chain capabilities including preclinical pharmacology and efficacy research, gene editing services, and model construction. Biocytogen is headquartered in Beijing, with branches in China (Haimen, Jiangsu; Shanghai), the United States (Boston, San Francisco, San Diego), and Heidelberg, Germany, forming a global R&D and operations network.



ESG Performance Highlights

Economic Performance

Total Operating Revenue

RMB 1.379 Billion

R&D Performance

R&D Investment
RMB 0.438 Billion

R&D as % of Total Expenditure
31.77%

R&D Personnel
450

R&D Personnel Ratio
31.19%

New Patents Granted
27

Cumulative Patents
206

Environmental Performance

Electricity Consumption
61,783.41 MWh

Water Consumption
85,757 Tonnes

GHG Emissions (Scope 1 & 2)
17,417.66 tCO_2e

Emission Violation Incidents
0

Employment Performance

Total Employees
1443

Female Employees
71%

Training Hours per Employee
3.22 hours

Training Coverage
100%

Governance Performance

Successfully listed on STAR Market

H-shares included in Stock Connect

Gelonghui "Golden Grid Award - A+H Outstanding Enterprise of the Year"

Zhitong Caijing "Most Valuable Pharmaceutical and Healthcare Company"

E-Pharmaceutical Manager "Top 100 Chinese Pharmaceutical Innovation Enterprises"

02 ESG Strategy and Management

ESG Governance

The board has overall responsibility for the Company's ESG strategy and reporting. The Company has established a three-tier ESG governance structure that proceeds from the ESG Decision-making Level, through the ESG Organisational Level, to the ESG Execution Level. Each level works in coordination, performs its respective duties, and strengthens communication to ensure effective management of the Company's ESG affairs.

Biocytogen ESG Governance Structure and Responsibilities

ESG Decision-making Level	• Board of Directors	• Review and approve the Company's ESG management policies, strategies, and annual work, including assessment, prioritisation, and management of material issues; • regularly review and monitor ESG performance and progress toward goals.
ESG Working Group	• General Manager • President's Office	• Organize, promote, and execute various ESG-related work according to the Group's ESG management policies, strategies, plans, annual work, and objectives; • comply with various ESG-related policies and systems; • identify material issues; • continuously track and review ESG performance and goal progress; • participate in preparing the annual ESG report.
Departments	• HR • Supply Chain, • Quality • Engineering • Safety	• Organize and execute various ESG-related work according to the Company's ESG management policies, strategies, and annual work; • collect and report ESG internal policies, systems, and performance indicators; • comply with various ESG-related policies and systems.

Stakeholder Engagement

The Company actively listens to and responds to the demands of major stakeholders including shareholders/investors, customers, employees, research subjects, governments and regulatory authorities, suppliers, partners, media, communities, and the public. We deeply understand the opinions of various stakeholders, establish normalized communication mechanisms, respond to their needs through relevant channels, and maintain two-way communication.

Material Issues and Communication Channels

Stakeholder	Key Concerns	Communication Channels
Shareholders/ Investors	• Innovation & R&D • Product Quality • Risk Management • Compliance	• Shareholders' meetings • IR activities • Information disclosure • Regular announcements
Customers	• Product Quality • Supply Chain • Information Security • Customer Rights • IP • Responsible Marketing	• Quality management • Customer communication • Satisfaction surveys • Drug innovation R&D
Employees	• Training & Development • Health & Safety • Rights & Benefits • Anti-Corruption	• Employee Handbook • Employee Feedback Channels (suggestion boxes, communica-tion meetings, etc.) • Employee Activities & Team Building • Performance reviews • Business Briefings • Management Meetings • Internal & External Training
Research Subjects	• Innovation & R&D • Product Quality • Information Security	• Informed consent • Drug safety channels • Clinical trial management • Pharmacovigilance
Government/ Regulators	• Governance • R&D • Quality • Climate • Energy • Emissions • Resources	• ESG governance framework • Active Reporting & Meeting Participation • Compliance Reporting • Information Disclosure • Filing or Approval • On-site Inspection • Participate Relevant Industry Associations Training
Suppliers	• Supply Chain • Anti-Corruption	• Supplier management procedures • Evaluation systems • Industry conferences • Site visits
Partners	• Innovation & R&D • IP Protection	• Strategic cooperation projects • Industry conferences • Data platforms • Site visits
Media	• Compliance • Innovation • Product Quality	• Press releases • Executive interviews • Industry conferences
Community/ Public	• Community & Charity	• Drug innovation R&D • Volunteer services • Community activities • Information disclosure

Materiality Assessment

Combining national policies and industry development, and in accordance with the requirements of the Shanghai Stock Exchange "Guidelines No. 14 - Sustainable Development Report (Trial)," "Guide No. 13 - Sustainable Development Report Preparation," and the Hong Kong Stock Exchange Listing Rules Appendix C2 "Environmental, Social and Governance Reporting Code," the Company follows the process of material ESG factor identification, prioritisation, review, and reporting to analyze the importance of each factor to stakeholders and to the Company's business. Through interviews and expert analysis, we comprehensively determine the Company's material ESG factors and focus on disclosing and responding to them in the report.

Biocytogen Materiality Assessment Process

Identification

- In accordance with the requirements of the Self-Regulatory Guidelines for Listed Companies No. 14 — Sustainability Report (Trial) and the Self-Regulatory Guide for Companies Listed on the STAR Market of the Shanghai Stock Exchange No. 13 — Preparation of Sustainability Reports, the Company has identified 22 material issues. This process integrated the Company's actual operations with a benchmarking analysis of ESG management practices from leading industry peers.

Prioritisation

- The Company conducted a materiality analysis based on stakeholder engagement, internal interviews, and expert evaluations. All identified issues were ranked by materiality level.

Review and Reporting

- The Board of Directors reviewed and confirmed the material issues. Issues identified as being of high materiality are designated for prioritized and detailed disclosure within the ESG Report.

Biocytogen 2025 ESG Materiality Matrix



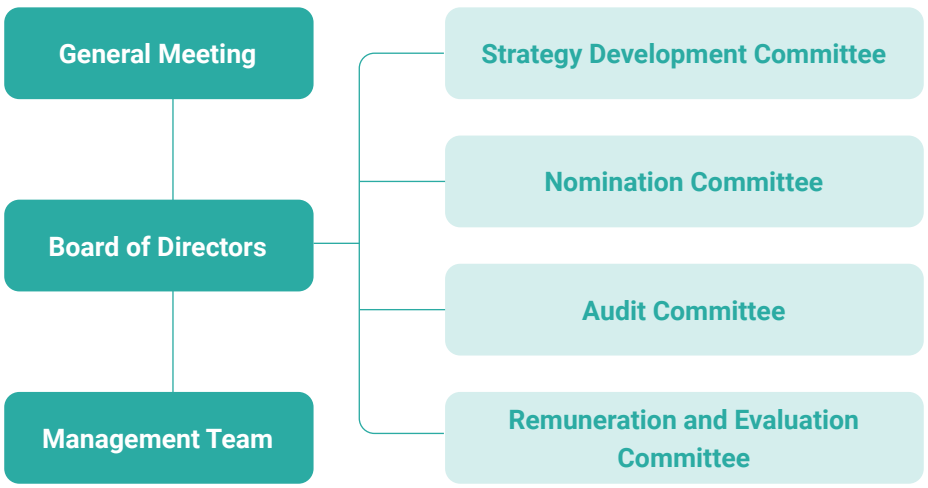
03 Strengthening Governance System, Consolidating Innovation Foundation

Corporate Governance

General Meetings and Board Operations

The Company strictly complies with the *Company Law of the People's Republic of China*, *Securities Law of the People's Republic of China, Corporate Governance Code for Listed Companies, Shanghai Stock Exchange Stock Listing Rules,* and other laws, regulations, and regulatory requirements. In accordance with the *Company Law*, we have improved the modern corporate governance system, optimized the governance structure, abolished the Board of Supervisors, and transferred corresponding supervisory responsibilities to the Audit Committee under the Board of Directors, forming a governance structure of General Meeting - Board of Directors (including Audit Committee) - Management Team.

The company has clearly defined, in accordance with the law, the respective responsibilities and operational mechanisms of the shareholders' meeting, the board of directors, senior management and the various specialised committees, continuously improves governance and decision-making mechanisms, strengthens internal control supervision and risk prevention, and provides solid governance guarantees for sustainable and high-quality development.



Governance Structure and Division of Responsibilities

General Meeting

- As the supreme authority of the Company, the General Meeting exercises the following powers in accordance with the Articles of Association and relevant laws and regulations: reviewing and approving business policies and investment plans; electing and replacing directors not serving as employee representatives; reviewing and approving Board reports; reviewing and approving profit distribution and plans for offsetting losses; reviewing and approving plans for increasing or decreasing registered capital, issuing bonds and other securities, and listing; reviewing and approving plans for merger, division, dissolution, liquidation, or change of company form; amending the Articles of Association and General Meeting Rules; and other powers as stipulated by laws, regulations, and the Articles of Association.
- In 2025, the Company convened two general meetings (including one extraordinary general meeting) to deliberate and approve multiple resolutions. These encompassed material matters relating to its A+H dual-listing structure, amendments to the Articles of Association and internal management policies, the abolition of the Board of Supervisors, corporate strategic planning, financial budgets, profit distribution, and major investments. The voting results of these meetings were published on the designated information disclosure platforms of both the Shanghai and Hong Kong stock exchanges. These disclosures detailed the respective attendance of A-share and H-share shareholders, the voting outcomes for each resolution, and the combined A+H voting results, thereby ensuring the utmost transparency and compliance in information disclosure, in strict accordance with the regulatory requirements of the A+H dual-listing structure.

Board of Directors

- As the decision-making body for company operations and management, the Board of Directors is accountable to the General Meeting and exercises powers including formulating business plans and investment proposals, annual financial budgets and final accounts, profit distribution and plans for offsetting losses, and appointing or dismissing senior management.
- The Board has established specialized committees including the Audit Committee, Remuneration and Assessment Committee, Nomination Committee, and Strategy Committee, each performing their respective duties and coordinating to provide professional support and advice for Board decisions.
- In 2025, the Board held 10 meetings with 100% attendance.

Management Team

- The Management Team is responsible for the Company's day-to-day operations and management, implementing the strategies and plans approved by the Board and ensuring the orderly operation of the Company's businesses.
- The Management Team consists of the General Manager, Deputy General Managers, and Financial Officer, improving operational efficiency and quality through establishing sound internal management systems, optimizing business processes, and strengthening team building.

Composition of the Board

The Company is committed to building a Board with diverse perspectives.

As of the end of 2025, the Board consists of 9 directors, including 3 independent non-executive directors and 1 employee representative director. Female directors account for 4 out of 9 Board members (44%). Board members have an average age of 54, covering professional backgrounds in pharmaceuticals, healthcare, corporate management, investment and financing management, economic management, and law, providing diversified perspectives and professional support for the Company's strategic decision-making and high-quality development.

Anti-Corruption and Business Ethics

The Company upholds business integrity and operational transparency as its core corporate culture, maintaining a zero-tolerance principle toward any corrupt behavior. The Company strictly complies with the "Criminal Law of the People's Republic of China," "Anti-Unfair Competition Law," "Company Law," "Anti-Money Laundering Law," and other relevant laws and regulations, establishing a strict full-process management system for anti-corruption and anti-bribery issues to build a solid defense for compliant operations.

The Company has formulated the "Anti-Commercial Bribery Management Regulations," clearly requiring all employees and business partners to abide by integrity and legal compliance standards and prohibiting any form of commercial bribery. Employees must sign the "Anti-Bribery and Anti-Corruption Commitment" upon entry to ensure full knowledge and strict compliance with the Company's business ethics and compliance management requirements. For partners, the Company has issued the "Biocytogen Integrity Transaction Agreement" to clearly communicate the Company's anti-commercial bribery policies and promote the formation of a clean and mutually beneficial business cooperation ecosystem.

To ensure smooth channels for supervising violations, the Company has established a dedicated whistle-blowing procedure, with strict confidentiality and prohibition of retaliation as basic principles, encouraging employees and cooperative customers to report various corruption violations, and promptly identifying and disposing of compliance risks.

The Company places a high priority on business ethics and compliance education, regularly conducting anti-corruption training for employees at all levels to reinforce corporate integrity and accountability. During the Reporting Period, the Company circulated dedicated reading materials to provide specialized anti-corruption and anti-bribery training to all Board members and employees. This initiative achieved 100% coverage for business ethics education, effectively embedding the principles of integrity and compliance into daily operations and employee duties.

Furthermore, the Company has standardized its whistle-blowing procedures and whistleblower protection mechanisms, actively encouraging employees and business partners to report any suspected corrupt practices. The key protocols are as follows:

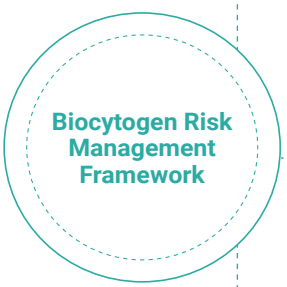
- Strict Confidentiality: Absolute confidentiality must be maintained throughout the entire process of receiving and investigating reports. It is strictly prohibited to disclose the whistleblower's name, department, or company affiliation. Disclosing report details to the implicated individuals or departments is strictly forbidden. During investigations, original or copied reporting materials must not be presented in any way that could expose the whistleblower's identity. Furthermore, reporting files cannot be accessed or borrowed without the explicit approval of the General Manager.
- Whistleblower Rewards: Upon successful verification of a reported incident, the Company will grant a financial or administrative reward to the whistleblower, which will also be positively factored into their annual performance review.

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During the reporting period, the Company did not identify any violations of relevant laws and regulations related to bribery, fraud, extortion, or money laundering that had a significant impact on the Company, and the Company was not involved in any corruption cases.

Risk Management

The Company strictly complies with the *Company Law of the People's Republic of China* and other relevant laws, regulations, and policy guidelines, formulates the *Comprehensive Risk Management Regulations* and other institutional documents, builds a systematic risk management framework, clarifies departmental responsibilities, defines full-process risk management stages and standardized control procedures, and conducts regular comprehensive assessments and dynamic controls of organisational operational risks and departmental special risks. In 2025, the Company continued to improve the risk management system, completing revisions to the *Biocytogen Authorisation Letter* and *Business Gift Receiving Management Rules* to further strengthen the risk prevention network.



Executive Committee

Responsible for the effectiveness of comprehensive risk management work, including formulating overall risk management objectives, determining risk appetite and tolerance, reviewing risk assessment results and response plans for major matters, and comprehensive risk management annual work reports.

President's Office, Quality Department

Daily comprehensive risk management work, including collecting internal and external risk information, organizing risk assessments, formulating risk management strategies, supervising implementation of risk controls, and preparing comprehensive risk management annual work reports. The President's Office and Quality Department are responsible for operational and quality system work respectively, coordinating and cooperating with each other.

Audit Department

Responsible for supervision and evaluation of comprehensive risk management, issuing supervision and evaluation reports, and reporting to the Audit Committee.

The company has established a systematic, end-to-end enterprise risk management framework. The Executive Committee holds overall responsibility for risk management, while the President's Office and Quality Department share responsibility for day-to-day operational and quality system risk management. The Audit Department independently conducts risk management oversight and evaluation.

The company regularly performs comprehensive risk identification through a risk inventory, covering five major risk categories: strategic, financial, market, operational, and compliance. The risk management process spans all business functions, including financial management, R&D management, asset management, human resources management, procurement management, information systems management, and company-level internal controls.

For identified risks, the company responds with precision by formulating risk mitigation measures and establishing and dynamically updating policy documents, continuously strengthening its risk prevention and control framework.

Compliance Management

The Company adheres to compliance as the baseline for internal control management, strictly complies with national laws and regulations and various management systems, and formulates the "Internal Audit System" and "Internal Control Management Regulations" to effectively improve internal control management capabilities.

The Company has established an internal audit system. According to the comprehensive internal audit charter, it clearly defines the purpose, authority, and responsibilities of the audit department as standards and frameworks for internal audit work and conducts various internal audit management measures to ensure objective, comprehensive, and efficient audit work.



04 Deepening Operational Quality, Improving R&D Ecosystem

Innovation and R&D

Governance

Biocytogen is a CRO and biotechnology enterprise focusing on preclinical research of innovative drugs. Since its establishment, innovation has been the core of its development. The Company has deeply cultivated R&D in core areas such as gene editing technology, antibody discovery platforms, innovative animal models, and pharmacology and evaluation, continuously maintaining high R&D investment intensity and driving enterprise development through technological innovation.

The company has established an internal Technology Committee that operates through a cross-departmental collaboration model, encouraging employees at all levels to actively pursue technical optimization and innovation projects. In parallel, a comprehensive set of supporting policies covering the full process of technology management and outcomes transformation has been developed, providing institutional safeguards for the implementation of technological innovation. In addition, the company has launched a regular Science and Technology Forum, creating a cross-regional, multi-format platform for technical exchange. This forum encourages technical staff to freely discuss academic topics and share technical insights. All technology-related questions raised are periodically compiled and submitted to an Expert Committee for consolidated responses and results sharing, enabling meaningful exchange that truly empowers research and development practice.

Strategy

Project Integrum is our proprietary large-scale fully human antibody screening program, designed to discover antibody molecules with potential for external monetization or internal development. Leveraging Biocytogen's mature gene-editing technology, we plan to continuously introduce innovative therapeutic modalities — including bispecific antibodies, nanobodies, TCRm antibodies, and GPCR antibodies — based on our proprietary RenMice® technology platform. This will expand the diversity of the antibody library generated through the program, while continuously developing antibody drug molecules with potential clinical value around innovative drug targets. In parallel, through our large animal translational medicine platform, we aim to continuously improve the success rate of clinical translation and solidify our core R&D competitiveness.

In terms of R&D strategy, the Company focuses on early-stage antibody drug discovery, independently conducting early-stage R&D of drug molecules, and advancing a small number of promising drug molecules to preclinical stages to form high-value preclinical drug molecule assets. Subsequently, the Company will reach transfer or joint development cooperation with domestic and foreign biotechnology and biopharmaceutical enterprises, with partners leading the subsequent preclinical development, clinical trials, and commercialisation of related antibody drug molecules.

The company generates revenue through out-licensing collaborations for antibody drug molecules at various stages of development, receiving upfront payments, milestone payments, and sales royalties. This business model has become a key engine driving the company's sustained revenue growth.

Impact, Risks and Opportunities

As of December 31, 2025, Project Integrum is progressing smoothly. We have developed global partnerships for our library of over **1,000,000** fully human antibody sequences covering approximately **1,000+** targets. This antibody library is of high quality and rich diversity, comprehensively covering all epitopes of targets to form a fully human antibody library meeting the different antibody development needs of partner pharmaceutical companies.

We believe that partners' expertise and resources complement ours, increasing the probability of success for our candidate drugs and enabling drugs to achieve maximum clinical and commercial value globally. As of December 31, 2025, we have reached over 350 joint development/licensing/transfer agreements, including but not limited to Merck KGaA, Darmstadt, Germany, Johnson & Johnson, Neurocrine Biosciences, Inc., IDEAYA Biosciences, Inc., Hansoh Pharmaceutical, and Nanjing Chia Tai Tianqing Pharmaceutical. In 2025, we signed over 150 transactions.

Our product pipeline includes candidate drugs targeting novel targets or with differentiated efficacy or safety validated by preclinical and early clinical studies. We continue to cooperate with other pharmaceutical companies to develop antibody molecules at clinical or preclinical stages, leveraging partners' resources to accelerate drug development. All drug candidates are discovered through our proprietary antibody discovery platform. We currently have no plans to invest our own resources in leading late-stage clinical development and commercialization of pipeline candidates in the near term.

Beyond the drug molecules for which partnerships have already been established, the company will place greater focus going forward on the development of drug molecules at various preclinical stages, seeking to out-license a greater number of preclinical molecules to partners.

Key R&D Partnerships in 2025

Partner	Collaboration Progress
Acepodia (6976.TT)	During the Reporting Period, the Company officially entered into a strategic partnership with Acepodia (6976.TT) to initiate a co-development program for a bispecific antibody-dual drug conjugate (BsAD2C). This collaborative initiative is purposefully designed to provide innovative solutions to the most formidable challenges in oncology treatment: tumor heterogeneity and drug resistance.
SOTIO Biotech	The Company entered into a fully human monoclonal antibody license agreement with SOTIO Biotech, a clinical-stage biopharmaceutical company backed by PPF Group. Under the executed option and license agreement, this authorisation will empower the development of an innovative antibody-drug conjugate (ADC) targeting a novel tumor antigen. Specifically, Biocytogen's fully human antibody will support the R&D of SOTIO's novel ADC candidate, SOT109, which is designed for the treatment of colorectal and other gastrointestinal cancers.
Chia Tai Tianqing	The co-developed NTB003 (formerly BCG009) injection has officially received Investigational New Drug (IND) approval from the National Medical Products Administration (NMPA) for the indication of Thyroid Eye Disease (TED).
BeiGene	During the Reporting Period, building upon a highly successful existing partnership (under which BeiGene previously secured licensing rights to Biocytogen's proprietary RenMice® fully human antibody platform), the two companies have further expanded their strategic collaboration into the realm of antibody molecule licensing.
MegaRobo	The Company entered into a strategic partnership agreement with MegaRobo, focusing on the digital and intelligent upgrading of fully human antibody R&D and production. By leveraging their complementary resources, the two companies will collaborate on key initiatives such as smart automation infrastructure and R&D efficiency enhancement, aiming to jointly build a highly efficient, data-driven, and scalable R&D and manufacturing ecosystem.
Merck	The Company entered into an agreement with Merck to advance antibody-conjugated lipid nanoparticle (LNP) delivery solutions. Under this collaboration, Biocytogen will provide fully human antibodies discovered leveraging its proprietary RenMice® platform, which Merck will evaluate for feasibility in its antibody-conjugated LNP formulation services. Furthermore, Merck is granted an exclusive option to acquire the rights to the selected antibody assets, while Biocytogen is entitled to receive associated fee payments, alongside sales and sublicensing royalties.

Key R&D Milestones in 2025

Research Progress	
01	April 24: The preclinical research results for the IGF-1R fully human antibody—an innovative therapy for Thyroid Eye Disease (TED) co-developed by Biocytogen and Nanjing Chia Tai Tianqing—were presented at the Association for Research in Vision and Ophthalmology (ARVO) Annual Meeting held in Salt Lake City, Utah, USA.
02	June 5: Biocytogen announced that the core technology underlying its proprietary RenMab® fully human antibody mouse platform was granted an invention patent certificate by the Japan Patent Office (JPO). This marks another critical milestone in the global intellectual property protection of the RenMice® platform family. It signifies the steady advancement of the Company's systematic global patent strategy and fully underscores the innovativeness and international recognition of its core technologies.
03	September 16: Biocytogen announced an antibody license agreement with Tubulis, a biotechnology company dedicated to developing next-generation antibody-drug conjugates (ADCs). Under the agreement, Tubulis will leverage Biocytogen's proprietary fully human antibodies to advance the R&D and commercialisation of its ADC pipeline. Stemming from a prior research collaboration and option agreement, this partnership aims to jointly explore and propel antibody molecules for ADC development based on Biocytogen's fully human antibody discovery platform.
04	December 5: Biocytogen announced that its partner, IDEAYA Biosciences, Inc. (Nasdaq: IDYA)—a precision medicine oncology company—received Investigational New Drug (IND) clearance from the U.S. Food and Drug Administration (FDA) to initiate Phase I clinical trials for a first-in-class B7H3/PTK7 bispecific ADC program. IDEAYA anticipates commencing patient enrollment in the first quarter of 2026 to evaluate the therapy in solid tumors co-expressing B7H3 and PTK7, including lung, colorectal, head and neck, and ovarian/gynecologic cancers.

Metrics and Targets

As of December 31, 2025, the Company and its subsidiaries own **206** invention patents with significant impact on core business, including **107** domestic invention patents and **99** overseas invention patents. According to Frost & Sullivan data, the Company's self-developed RenMab mouse is one of the most humanized mouse platforms globally, capable of producing antibody molecules with rich diversity and high affinity. The Company has established partnerships with all top 10 global pharmaceutical companies, and its products and services are widely recognized by pharmaceutical customers and partners.

With regard to R&D team development, the company places great emphasis on attracting and nurturing core talent, building a high-caliber research pipeline across multiple dimensions. On the talent acquisition front, the company actively leverages policy benefits such as the Beijing Talent Introduction Program and the Daxing District "Guixing Program" to provide support including Beijing household registration (hukou) for highly skilled professionals, precisely attracting top R&D talent from across the industry. On the talent development front, the company has established an internal learning initiative — the "Biocytogen Academy" — with dedicated funding allocated to procure cutting-edge courses related to novel drug development. Regular collective study sessions are organized for R&D staff to track the latest industry technologies and evolving research concepts in real time. This initiative provides employees with a systematic platform for self-improvement while continuously strengthening the company's overall capacity for scientific and technological innovation, injecting core talent momentum into its research and development endeavors.

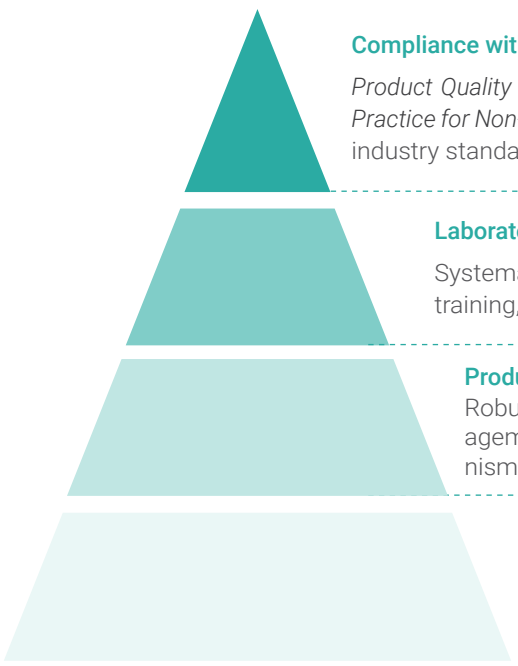
Product Quality and Safety

Governance

To ensure product safety and quality efficiency, the company places production quality management at its core, strictly adhering to relevant laws and regulations including the *Product Quality Law of the People's Republic of China*, the *Regulations on the Administration of Laboratory Animals*, the *Regulations on the Biosafety Management of Pathogen Microbiology Laboratories*, the *Regulations on the Management of Human Genetic Resources of the People's Republic of China*, the *Good Laboratory Practice for Non-Clinical Laboratory Studies*, and the *Administrative Measures for Laboratory Animal Quality*. In parallel, the company benchmarks against international and industry standards including ISO 9001, Good Manufacturing Practice, and Good Laboratory Practice, and has formulated a suite of internal policies including the *Biosafety Management Regulations*, *Laboratory Biosafety Manual*, *Biocytogen Cell Seed Bank Management Regulations*, *External Sample Submission Standard Operating Procedures*, *Mouse Microbiological Testing Regulations*, *Laboratory Animal After-Sales Issue Handling Regulations*, and *Laboratory Mouse Reissuance Management Regulations*.The company's Safety Leadership Group — Hazardous Materials Committee conducts its management work in conjunction with the *Hazardous Chemicals Safety Management Regulations* and other relevant policies, ensuring consistency, compliance, and accuracy across the full operational lifecycle of products — covering storage, external delivery, use, testing, and recall.

Strategy

Product quality is fundamentally linked to R&D outcomes and patient safety; it represents the core foundation of the Company. Biocytogen's product quality management system runs through the entire business chain, covering R&D, testing, production to sales operations and quality standards, maximizing the guarantee of product quality for customers.



Compliance with Laws, Regulations, and Industry Standards

Product Quality Law of the People's Republic of China, the Good Laboratory Practice for Non-Clinical Drug Research (GLP), and other applicable laws and industry standards.

Laboratory Quality Management

Systematic data management, document control, personnel training, and professional qualification certification.

Product Quality Assurance

Robust systems for quality control (QC), supply chain management, and distributor oversight, as well as efficient mechanisms for handling customer complaints and product recalls

Quality Risk Control

Standardized procedures for deviation management and change control.

Impact, Risks and Opportunities Management

- **Product Quality Monitoring and Inspection**

From the early stages of the product lifecycle, the company implements full-process, high-standard quality control over samples submitted for testing. Rigorous quality requirements govern sample management, reducing errors in research and production from the source and effectively mitigating product quality risks throughout the entire production process.

The company's Quality Department is dedicated to supervising and inspecting the implementation of standard operating procedures across all departments, ensuring operational compliance and consistency at every stage. On the testing front, the company has established a routine third-party testing mechanism, submitting samples to third-party testing institutions at least once per quarter. A standardized sample numbering template has also been developed to eliminate the risk of sample mix-ups during transportation at the process level, providing comprehensive assurance of sample quality and safety.

With regard to laboratory animal and sample management, the company is equipped with dedicated facilities including individually ventilated cages and isolators, and has established a monthly spot-check mechanism. Regular sampling inspections are conducted on fecal matter and live laboratory animals to enable early detection and prompt handling of abnormalities, effectively preventing the occurrence of animal disease outbreaks. In addition, the company employs modern information technology to digitally collect and record the entire operational process for samples, further enhancing sample quality through technological means and ensuring that all samples remain safe, effective, and stable throughout the entire process.

- **Biosafety and Environmental, Health, and Safety (EHS) Management**

The Company places biosafety and EHS management at the forefront of its operational development. We have constructed a comprehensive, multi-dimensional safety management framework. By perfecting institutional standards, clarifying management responsibilities, and executing preventive measures, we comprehensively mitigate various safety risks, ensuring employee health, environmental safety, and the sustainable development of the Company's business. Specific management initiatives include:

I. Fortifying Biosafety Defenses and Standardizing End-to-End Laboratory Management

The Company attaches paramount importance to biosafety management and has formulated a series of internal policies, including the Laboratory Biosafety Manual, Biosafety Management Regulations, and Biosafety Laboratory Risk Assessment System. These policies clearly define biosafety management requirements and operational protocols. Through policy implementation, we ensure all laboratory personnel are familiar with relevant biosafety laws and regulations, establish a strong biosafety awareness, and master essential biosafety knowledge and operational techniques, thereby preventing laboratory-acquired infections and safety incidents at the source. Additionally, these policies standardize the end-to-end process of laboratory bio-risk assessment and management, systematically identifying, analyzing, evaluating, and mitigating various biological hazards during laboratory activities to safeguard the health and safety of experimenters, the surrounding environment, and the public.

II. Enhancing After-Sales Management to Ensure Laboratory Animal Quality and Safety

To fulfill our commitment to producing high-quality and safe products, the Company has formulated internal documents such as the Laboratory Animal After-Sales Issue Handling Regulations and the Experimental Mouse Replacement Management Regulations. These documents standardize the handling procedures for various after-sales issues following animal transport, ensuring all affected products are identifiable and traceable. We have established an efficient after-sales feedback and resolution mechanism, where the Marketing Department centrally collects customer feedback, promptly routes it to relevant departments, leads issue discussions and tracking, and oversees the execution of product recall procedures. In the event of a product recall, the Company conducts a comprehensive investigation into the root causes and formulates corrective and preventive actions to eradicate the recurrence of similar issues.

III. Perfecting Environmental Emergency Systems to Elevate Incident Response Capabilities

To effectively respond to and systematically manage sudden environmental pollution incidents, the Company has developed tailored *Emergency Response Plans for Sudden Environmental Incidents* for different operational scenarios — including the campus, antibody buildings, and pet oncology facilities — in accordance with the directives issued by national and Beijing municipal environmental protection authorities at all levels, and in light of the Company's own environmental management practices. These plans establish a robust emergency management mechanism for environmental pollution events, ensuring that emergency preparedness and management activities are guided by clear procedures and grounded in solid protocols.By strengthening routine monitoring and prevention of environmental risk sources, the Company effectively reduces the likelihood of sudden environmental incidents. At the same time, clearly defined emergency response measures ensure that, should a sudden environmental incident occur, timely and effective rescue operations can be mobilized to contain the spread of harm and minimize environmental impact. The plans also enhance coordination between the Company and government emergency response efforts, comprehensively improving the Company's capacity to withstand and manage sudden environmental accidents, and protecting the physical health and environmental safety of employees and the public to the greatest extent possible.

IV. Strengthening Hazard Governance to Build a Long-Term Safe Production Mechanism

The Company has formulated the Internal Reporting and Reward Rules for Safety Hazards to fully mobilize employees' enthusiasm for safe production. We encourage all staff to promptly identify and report potential hazards, promoting early detection and elimination to effectively prevent various safety accidents and gradually foster a long-term safe production mechanism and a unique safety culture at Biocytogen. Furthermore, we have clarified safe production management responsibilities. Guided by the EHS Management Implementation Standards and the Safety Production Inspection and Hazard Rectification Management System, the Safety Management Department coordinates the Company's safety inspections and hazard rectification efforts. All departments collaborate closely to confirm hazards and execute remediation, ensuring safety management responsibilities are enforced at every level to minimize safety risks.

▶ Metrics and Targets

In 2025, the Company did not experience any product recalls due to quality or safety reasons.

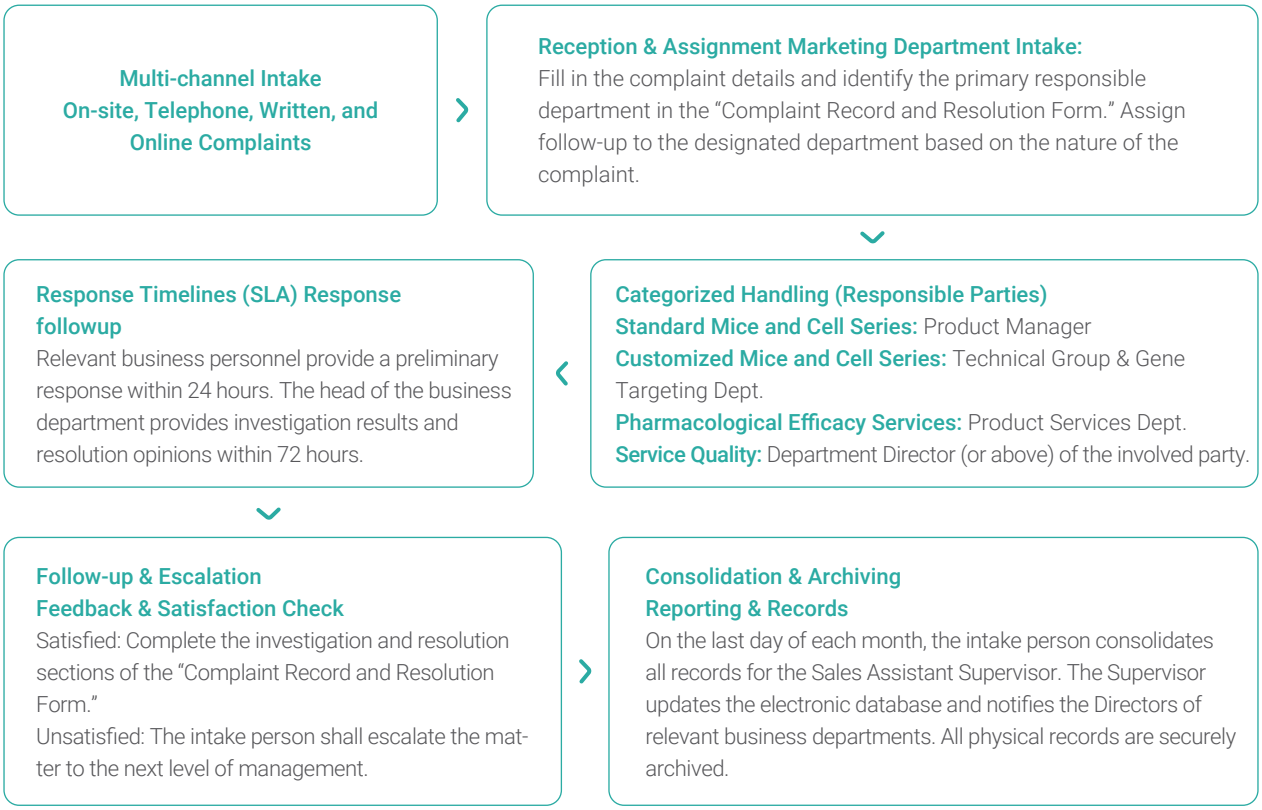
Customer Rights Protection

The Company regards maintaining good customer relationships, improving customer satisfaction, and establishing corporate reputation as its core priority. The Company strictly complies with the *Consumer Rights Protection Law of the People's Republic of China* and has formulated the *Customer Complaint Handling Management Rules* to standardise after-sales service and complaint handling mechanism.

To comprehensively and efficiently gather customer feedback and address customer needs, the company has built a multi-channel, barrier-free consultation and complaint communication system. Customers may submit inquiries or complaints through a variety of means, including in-person visits, telephone communication, written correspondence, and online feedback.

The company has designated the Marketing Department's Market Team as the sole responsible party for end-to-end follow-up on all customer complaints. Relevant staff engage with customers from the moment a complaint is received through to full resolution and customer satisfaction. For all types of customer complaints, the company strictly follows established intake procedures, assigning a dedicated responsible department within the stipulated timeframe to handle each case. Timely progress updates and clear responses are provided to customers, and practical solutions are formulated to ensure that all customer concerns are addressed swiftly, professionally, and thoroughly.

Biocytogen Complaints Handling Process



During the reporting period, no major customer complaints occurred during the reporting period. As of the end of the reporting period, the Company achieved a customer complaint resolution rate of 100%.

Information Security and Privacy Protection

The Company recognizes the importance of information security and privacy protection, strictly complying with the *Personal Information Protection Law, Data Security Law, Cybersecurity Law, and Internet Information Service Management Measures.* The Company has built a comprehensive, multi-level information security management system to fully protect corporate operating data, customer information, and core technical secrets.

At the **policy and management level**, the Company has established a suite of governance frameworks — including the *Information Security Management Rules*, *System Account Management Regulations*, and *Software Licensing Management Regulations* — which clearly define the organizational structure and role responsibilities for information security management, enabling systematic and standardized control over information security risks. At the technical safeguards level, the Company has deployed multiple layers of technical controls, encompassing tiered access control for information systems, precise restrictions on network access, end-to-end auditing of outbound files, real-time monitoring of internet activity, dedicated USB drive controls, endpoint identity verification, screen watermarking, and file encryption. These measures strengthen the management of the entire outbound information workflow and guard rigorously against risks such as unauthorized access and data leakage. In addition, the Company is equipped with professional firewalls and antivirus software, establishing a robust cybersecurity defense barrier that effectively counters various forms of malicious network intrusion.

At the **employee awareness and training level**, the Company has incorporated information security training as a core component of new employee onboarding, complemented by a cybersecurity awareness training curriculum and an IT onboarding guide for new hires. The content covers key areas including regulatory compliance requirements, information security strategy and management, corporate policies and procedures, and personal information protection standards. To enhance the reach and effectiveness of training delivery, the Company has built an online training platform that enables around-the-clock, location-independent access to training materials. New employees are also required to complete the *Information Security Awareness and Security Practices* training video and accompanying reading materials, continuously reinforcing Company-wide awareness of information security and practical protective capabilities.

At the **core technology and trade secret management level**, the Company applies a tiered classification and control mechanism for technical secrets. Each department designates a dedicated individual responsible for managing its technical confidential materials, with clearly defined classification criteria and access authorization levels. Strict usage protocols and access restrictions are enforced on file servers to ensure their secure and stable operation, eliminating risks of unauthorized data deletion or leakage.

At the **information circulation and external cooperation level**, the Company has established stringent rules governing the distribution of electronic documents. Except where operationally necessary, the cross-departmental circulation of electronic files is strictly prohibited, as is lending files to or sharing them with third parties. When engaging in external collaborations, the Company enters into non-disclosure agreements or incorporates explicit confidentiality clauses into contracts in accordance with applicable law, mitigating the risk of information leakage throughout the course of such partnerships from a legal standpoint.

During the reporting period, the Company's information security management system operated effectively with no major information leakage, theft, or loss of customer data.

Intellectual Property Protection

The Company strictly complies with the *Patent Law, Trademark Law, Copyright Law*, *Anti-Unfair Competition Law,* and relevant laws and regulations on data security, cybersecurity, and personal information protection. The Company has established a comprehensive intellectual property management system, formulating the "Biocytogen Intellectual Property Manual" and other special regulations to clarify management standards and operating procedures for all categories of intellectual property including patents, trademarks, copyrights, domain names, and trade secrets.

The Company has deeply embedded and implemented a targeted patent strategy, systematically executing across three core dimensions: patent creation and incentivisation, patent portfolio management, and patent protection. By continuously fortifying the cultivation, operationalisation, and safeguarding of intellectual property, we establish a formidable core technological moat for the enterprise through comprehensive IP management.

Regarding the confidentiality of core technologies, the Company has formulated a stringent technology confidentiality management system. We execute Non-Disclosure Agreements and Non-Compete Agreements with key technical personnel, strictly regulating the professional conduct of employees in sensitive positions. Concurrently, we actively pursue patent protection for our core technologies and products, thereby constructing a dual-defense system of "institutional constraints plus legal protection" to proactively prevent the risk of core technology leakage at its source.

As of December 31, 2025, the Company and its subsidiaries have completed comprehensive intellectual property layout domestically and internationally: holding **206** invention patents (**107** domestic, **99** overseas) that provide core support for core business development.

During the reporting period, the Company's intellectual property management was compliant and effective, with no administrative penalties for intellectual property infringement.

Supply Chain Management

Governance

As important partners for business development, suppliers' selection and management levels directly determine product quality and operational safety. Therefore, refined supply chain management to secure supplier access and product quality is a core task of the Company's operations and management.

To standardize full-lifecycle supplier management, the Company has formulated the Supplier Management Regulations, Bidding and Procurement Process, and Procurement Management Rules to build a full-process management system covering supplier access, screening, approval, daily monitoring, and comprehensive evaluation.

The Company consistently upholds the principles of transparency, fairness, and impartiality in its procurement and supplier collaboration practices. We are committed to forging long-term, stable, and mutually beneficial strategic partnerships with high-quality suppliers. Furthermore, the Company prioritizes local sourcing by engaging with regional suppliers, taking concrete actions to drive the synergistic development of the local industrial chain.

Strategy

The Company clarifies full-process management requirements including supplier access standards, comprehensive evaluation systems, quality agreement specifications, and audit execution standards. It strictly implements standardized quality control measures during access review and daily operations to comprehensively improve supplier quality management levels.

Impact, Risks and Opportunities Management

During the supplier access phase, the Company conducts multi-dimensional comprehensive assessments, strictly reviewing supplier backgrounds, qualifications, and other relevant information to ensure they meet core project requirements. When conducting procurement activities, the Company strictly follows the "Bidding and Procurement Process," adhering to the principles of "cost-effectiveness, quality priority, schedule suitability, and fair competition."

Prior to selecting a supplier and executing a cooperation agreement, the Company conducts a comprehensive due diligence assessment, evaluating potential partners across multiple dimensions including pricing, quality, commercial reputation, product and service delivery capability, and technical competence. Where necessary, suppliers may be required to submit product samples for trial evaluation, or Company personnel may be dispatched for on-site verification. All relevant documentation must be reviewed and approved by the Supply Chain Management Department before a supplier is admitted to the Company's qualified supplier roster. In addition, the Company expressly requires suppliers to provide relevant corporate certifications, including but not limited to certificates for quality management systems and environmental management systems, ensuring that their compliance standards meet applicable national and international requirements.

During the cooperation period, the Company maintains a normalized supplier assessment and evaluation mechanism, conducting comprehensive periodic reviews of all engaged suppliers to validate the ongoing effectiveness of their quality management systems and service performance. These assessment results serve as the primary determinant for supplier tier grading and subsequent contract renewals. Furthermore, for suppliers who fail to meet baseline procurement requirements or fall into the "elimination" grading tier, the Company strictly mandates all relevant business units to immediately terminate the partnership.

Such suppliers are promptly replaced with higher-performing alternatives, thereby continuously optimizing the overall caliber of our Qualified Supplier Database.

Biocytogen Supplier Management Measures

Supplier Category	Management Measures
Based on their relevance to the stability and accuracy of experimental results, they are classified into three categories (A, B, and C) in descending order: Category A: Directly relevant; Category B: Indirectly relevant; Category C: Irrelevant.	• "Excellent" Rating: Management strategies are tailored based on the supplier's strategic importance. The Company incentivizes these top-tier suppliers to sustain their exceptional supply or service performance through measures such as increasing order allocations and integrating or optimizing business processes for deeper collaboration. Notably, suppliers providing critical materials, instruments, or services directly related to R&D and manufacturing (Categories A1, A2, B1) are strictly required to achieve an "Excellent" rating. • "Good" Rating: These suppliers adequately fulfill the Company's requirements. Guided by the principle of mutual benefit and win-win cooperation, the Company proactively enhances communication with these suppliers to assist them in elevating their supply performance. Suppliers providing non-production-related but widely utilized materials, equipment, or services (Category C1) must achieve at least a "Good" rating. • "Acceptable" (Pass) Rating: These suppliers meet the current operational requirements stipulated in the contract. However, the products or services they provide are highly substitutable, meaning they lack supplementary competitive advantages. For suppliers in this tier, the Procurement Department will issue formal warnings based on the assessment results and mandate time-bound corrective actions, actively propelling them to upgrade from "Acceptable" to "Good." • "Elimination" Rating: These suppliers fail to meet the Company's baseline procurement requirements. All business units are strictly mandated to immediately terminate cooperation with eliminated suppliers and replace them with higher-performing alternatives. Furthermore, procurement personnel are required to systematically deactivate these eliminated suppliers within the Enterprise Resource Planning (ERP) system. • Dynamic Management Mechanism: Based on the comprehensive scoring results, the Company conducts periodic tier grading and implements dynamic supplier management. This mechanism is purposefully designed to reward excellence and eliminate underperformance, thereby continuously driving suppliers to enhance their product and service quality.
Based on procurement spend or strategic importance, suppliers are classified into two tiers (Tier 1 and Tier 2) in descending order: Tier 1: Characterized by high procurement spend and high strategic importance. This tier encompasses suppliers participating in multiple projects, providing multi-regional and comprehensive materials and services, as well as suppliers slated for long-term (one year or more) procurement agreements and strategic partners. Tier 2: Characterized by low procurement spend and low strategic importance. This tier primarily consists of suppliers engaged in ad-hoc collaborations or one-off contract suppliers.	

Furthermore, the Company proactively fulfills its environmental and social responsibilities. Across all collaborative projects, we place significant emphasis on suppliers' actual performance in areas such as environmental stewardship and the safeguarding of labour rights. For suppliers capable of providing standard-compliant, environmentally preferable products or services, the Company implements preferential procurement policies or prioritizes the establishment of cooperative partnerships. Through these concrete actions, we actively drive green and sustainable development throughout the upstream and downstream segments of our supply chain.

Metrics and Targets

As of December 31, 2025, the Company had approximately **2,500** cooperative suppliers, of which over **2,400** are domestic suppliers, indicating a significant domestic supply chain layout proportion. The Company conducts routine performance assessments of its key suppliers, with a focus on verifying whether core indicators — including supply quality, service standards, and pricing compliance — meet the Company's requirements.

Fair Treatment of Small and Medium Enterprises (SMEs)

The Company places great importance on fostering sound and mutually beneficial partnerships with its suppliers, and consistently treats all suppliers with respect and on an equal footing. With regard to small and medium-sized enterprise (SME) suppliers, the Company applies the same standards without discrimination, extending equal opportunities at every stage of supplier onboarding and ongoing cooperation, and refraining from differential treatment on the basis of company size, so as to promote a fair and competitive market environment. At the same time, the Company actively pursues collaborative growth with its SME suppliers, providing necessary support and assistance to jointly enhance the overall quality and efficiency of the supply chain.

During the reporting period, based on the public disclosure records of the "Credit China" website, the Company had no record of serious dishonest conduct involving overdue and outstanding payments to small and medium-sized enterprises. As of the end of the reporting period, the Company's accounts payable balance (including notes payable) did not exceed RMB 30 billion, nor did it represent more than 50% of total assets.

Responsible Marketing

The Company upholds its social responsibilities and places the highest importance on compliance in marketing and promotional activities. It strictly adheres to the *Advertising Law of the People's Republic of China* and other applicable laws and regulations, maintaining a zero-tolerance stance toward false or misleading advertising content. The Company has established a set of dedicated governance frameworks, including the *Biocytogen and Biocytogen Animal Logo Usage Guidelines*, the *Biocytogen Media and Third-Party Inquiry Response Policy*, and the *Press Release Drafting Standards and Issuance Procedures*, which comprehensively regulate the Company's external information disclosure, media communications, and responses to third-party inquiries. All externally released information is required to undergo rigorous review by the Marketing Department prior to publication; exaggerated, false, or misleading content is strictly prohibited, ensuring that all external communications are truthful, accurate, and compliant.

In addition, the Company has established a dedicated internal media reception channel and formed a professional crisis response team responsible for managing the end-to-end handling of crisis and public opinion incidents, encompassing documentation, classification, approval, execution, and follow-up tracking. This enhances the efficiency and professionalism of crisis management and safeguards the Company's brand reputation.

During the reporting year, the Company was not involved in any litigation relating to advertising, labeling, or privacy matters in connection with its products and services.

Ethics in Science and Technology

Biocytogen recognizes that as an innovative biopharmaceutical company driven by experimental animal models and gene editing technologies, science and technology (S&T) ethics serve as the cornerstone for fulfilling our corporate social responsibility and ensuring sustainable development. We consistently uphold the ethical principles of "Respect for Life, Responsible Innovation, Transparency, and Integrity," as defined in Biocytogen's internal S&T Ethics Policy, seamlessly integrating S&T ethics management into every facet of our R&D and operational processes.

The Company strictly adheres to the Regulations on the Administration of Laboratory Animals and relevant ethical guidelines. We ensure that every animal experimentation protocol achieves a rigorous balance between scientific value and animal welfare.

In January 2025, the Beijing Municipal Science & Technology Commission conducted a specialized inspection of the Company's laboratory animal management. The audit encompassed critical areas such as "Occupational Safety of Personnel and Animal Welfare Ethics" and "Disposal of Laboratory Animal Waste." The Company received a "Qualified" rating across all inspected items. This result further validates the effectiveness and regulatory compliance of the Company's S&T ethics management system.



05 Consolidating Talent Foundation, Sharing Growth Future

Employee Rights and Benefits

Recruitment and Employment

Employees are the cornerstone of the Company's business operations and valuable assets for enterprise development. The Company is committed to creating a compliant, fair, and friendly high-quality working environment, strictly complying with the *Labour Law* and *Labour Contract Law*. The "Biocytogen Employee Handbook" expressly governs core employment matters including recruitment, dismissal, compensation and benefits, promotion and development, working hours, and leave systems, while establishing labour standards guidance for anti-discrimination, equal opportunity, and diversity.

The Company strictly complies with regulatory requirements including the Provisions on the Prohibition of Using Child Labour and the Law of the People's Republic of China on the Protection of Minors, maintaining a strict zero-tolerance policy against the employment of child labour and forced labour. During the recruitment process, applicants are mandated to present original identification documents for verification to ensure compliance with the statutory minimum working age. Labour contracts are executed with employees on a voluntary and equal basis in accordance with the law, explicitly stipulating compensation and benefits, job responsibilities, as well as statutory conditions for dismissal and contract termination. Should any discrepancies in an applicant's identity or age be identified, or if any violations related to forced labour are found, the Company reserves the right to immediately terminate the labour contract in accordance with the law, thereby effectively safeguarding employment compliance and the legitimate rights and interests of both parties. During the Reporting Period, the Company recorded zero incidents related to child labour or forced labour.

In its recruitment practices, the Company consistently upholds the core principles of "openness, fairness, and impartiality." We have formulated the Recruitment Management Regulations as our operational standard, utilizing objective criteria—including candidates' personal integrity, moral character, professional competence, and development potential—as the core basis for talent selection. The Company resolutely prohibits any form of recruitment discrimination based on gender, age, race, religion, nationality, or physical disability, ensuring that all candidates are afforded equal employment opportunities. Furthermore, the Company has established diversified recruitment channels, encompassing management recommendations, internal competitive selection, employee referrals, external recruitment, and rehiring. For all vacant positions, the Human Resources Department conducts internal and external open recruitment synchronously, granting priority selection to internal employees who meet the position requirements and demonstrate outstanding performance. Simultaneously, the Company incentivizes employees to recommend exceptional candidates by providing corresponding rewards for successful referrals, thereby fully mobilizing the entire workforce's initiative in talent acquisition.

Recruitment and Dismissal

- Formulate internal management policies, such as the Employee Handbook, to clearly define standard operating procedures (SOPs) for handling employee resignation and dismissal.
- Explicitly prohibit the imposition of discriminatory conditions based on race, religion, ethnicity, gender, or household registration (Hukou) during the recruitment process.
- Conduct open and transparent recruitment through diversified channels, including internal referrals, executive search (headhunting), and public social recruitment.

Compensation and Promotion

- Commit to providing employees with market-competitive compensation and benefit packages. Adhere to the principles of multi-track career development, performance-driven evaluations, integration of short- and long-term incentives, internal equity, and position-based remuneration (adjusting salary according to position changes). Stimulate employee initiative and drive for excellence through multiple channels.
- Reward employees' short-term individual contributions through annual performance bonuses or other tailored incentive schemes.

Prevention of Child and Forced Labour

- Strictly cap standard working hours at no more than 40 hours per week.
- Advocate for enhanced work efficiency to ensure tasks are completed on time, in full, and to standard. Any necessary overtime must be submitted via a formal written application and pre-approved by the respective department head.
- Implement strict Background Check procedures to meticulously verify candidates' identity documents, educational backgrounds, and employment histories, thereby resolutely eradicating any potential risks of employing child labor or other compliance violations.

During the reporting period, the Company did not experience any violations related to employee recruitment and dismissal, working hours and leave, promotion and development, equal opportunity, anti-discrimination, or diversity, nor any litigation cases arising from these matters. There were also no violations related to child labour or forced labour.

Rights and Benefits

Upholding a people-oriented core management philosophy, the Company strictly complies with relevant laws and regulations, including the *Company Law of the People's Republic of China* and the *Labour Law of the People's Republic of China*. Building upon the fundamental safeguarding of employees' legitimate labour rights and interests, the Company comprehensively enhances employee happiness and sense of belonging—thereby fostering team cohesion and shared growth—through perfecting our welfare security system, facilitating internal communication channels, and enriching employee care initiatives.

The Company upholds the principle of fairness and equity in employee benefits across the board, and has formulated the Employee Benefits Implementation Rules to clearly define the standards for each benefit policy, achieving standardized and institutionalized benefits administration. At the statutory entitlements level, the Company strictly fulfills its obligations under national regulations by making full contributions on behalf of all employees to the five social insurance schemes and one housing fund, covering pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, and the housing provident fund. In accordance with the relevant provisions of labor law, the Company also clearly regulates employee working hours and overtime arrangements to safeguard employees' fundamental labor rights. In terms of leave entitlements, employees are entitled by law to a full range of leave types, including statutory public holidays, paid annual leave, sick leave, maternity leave, paternity leave, marriage leave, and bereavement leave, giving due consideration to both employees' professional responsibilities and personal life needs.

Furthermore, the Company places great emphasis on employee physical wellbeing, organizing annual health check-ups for all staff each year to help employees gain timely awareness of their health status and proactively manage their personal health.In terms of employee physical and mental well-being and team building, the Company actively advocates the concept of work-life balance. We regularly organize various cultural, sports, and team-building activities. These initiatives not only effectively alleviate employees' work and psychological stress but also enhance interpersonal communication, further strengthening team cohesion and centripetal force to foster a harmonious, collaborative, and positive corporate culture.

Statutory Rights and Benefits	• Employees are entitled to various leaves, including statutory holidays, paid annual leave, marriage leave, prenatal leave, maternity leave, paternity leave, nursing leave, and personal leave. • Contribute in full and on time to the statutory social security and housing provident fund (encompassing pension, medical, unemployment, work injury, and maternity insurance, plus the housing provident fund) for all employees.
Employee Welfare	• Provide supplemental commercial insurance and holiday gift packages. • Regularly organize corporate culture activities, such as employee birthday parties, festival celebrations, and team-building events. • The Company provides dedicated sports and wellness benefit funding, which covers expenditures such as the procurement of sports facilities, athletic equipment, and consumable sports supplies.
Female Employee Care	• Equip dedicated nursing rooms for employees in need. • Present greetings and special gifts to female employees on International Women's Day.
Employee Communication	• Establish diversified internal communication channels, including the official corporate website, the CEO's mailbox, Enterprise WeChat accounts, and all-hands meetings. • Conduct periodic employee satisfaction surveys via questionnaires or interviews, evaluating three dimensions: overall departmental atmosphere, harmony of collaboration with supervisors, and harmony of collaboration with peers. The survey results consistently reflect high satisfaction scores.

Furthermore, to comprehensively advance workforce diversity across the Company and its subsidiaries, and to strictly ensure that employees are not subject to differential treatment based on race, ethnicity, gender, religion, social origin, marital status, age, sexual orientation, or gender identity, the Company has specifically formulated the Employee Diversity Policy. This initiative aims to ensure all employees attain a strong sense of belonging, respect, and being valued in the workplace. The policy explicitly outlines core requirements such as anti-discrimination and equal opportunity, diverse talent development strategies, and the cultivation of a multicultural environment. Additionally, we have established a management-led promotion mechanism, clearly defining the management responsibilities and execution standards across all levels, thereby seamlessly integrating the concept of diversity into the entire process of corporate operations and team building.

Talent Training and Development

Talent Training

The Company focuses on attracting, cultivating, and developing talent, viewing employees as the core support for sustainable corporate growth and long-term development. Relying on a systematic talent training system and comprehensive career development platform, the Company comprehensively improves employee comprehensive quality and continuously refines professional knowledge and business skills.

The Company has built a standardized, systematic training management system to provide institutional guarantees and resource support for employee growth and development and systematically organizes various employee training programs to achieve comprehensive and targeted training coverage.

Training forms are divided into internal training and external training: Internal training fully utilizes high-quality internal resources, with senior professional backbones serving as instructors, ensuring training content professionalism, practicality, and relevance while promoting knowledge exchange and skill sharing among subsidiaries. External training arranges for employees to participate in specialized courses from external professional institutions or receive systematic training at professional venues, helping employees connect with industry frontier knowledge and skills.

Biocytogen Training System

Method	Training	Target	Content	2025 Status
Offline	New Employee Training	New hires	Department overviews, lab safety, work basics	1-2 times/quarter to new employees who have joined the Company within the preceding six months.
	Professional Courses	All staff	19 courses across biology, medicinal chemistry, CMC, clinical	Biweekly, ~100 attendees
	On-the-job Training	All staff	Position skills, SOPs, quality system	Monthly minimum
Online	Learning Platform	All staff	Department courses for self-study	~4,700 total learning hours

The Company actively cultivates a strategy-driven learning organisation, providing robust human capital momentum for continuous innovation and growth. To underpin our overarching vision of "becoming a leading source of global innovative therapies," the Company further deepened its talent development initiatives during the Reporting Period, committing to the construction of a learning ecosystem that seamlessly aligns with our corporate strategy and delivers tangible business value. We systematically operate new employee onboarding programs to accelerate their cultural integration and role competency. Furthermore, we are actively driving the transformation of internal training initiatives, such as the "Biocytogen Open Class," shifting from general knowledge dissemination to a "problem-driven, action-learning" model. By honing in on real-world challenges across core business scenarios—including R&D, manufacturing, and quality control (QC)—we ensure that learning outcomes are directly translated into actionable solutions. Concurrently, we launched the "Biocytogen Craftsman" knowledge capture project. This initiative systematically codifies the tacit knowledge of our top internal experts into structured curricula, thereby forging the organisation's core knowledge assets and enabling the sustainable inheritance and replication of institutional wisdom. Looking ahead, the Company will remain steadfast in its core objectives of enhancing organisational capabilities and driving strategic business results. Through precise talent empowerment and forward-looking workforce planning, we are dedicated to building an exceptional talent pool capable of consistently spearheading industry innovation and underpinning the Company's global expansion.

As of December 31, 2025, the platform has launched over **5,870** courses covering multiple fields and levels to meet the learning needs of employees at various positions and stages. Employees can conduct self-study anytime, anywhere to steadily improve their professional capabilities.To ensure that training content remains closely aligned with business realities and employee needs, the Company also conducts ongoing collection and analysis of employee training feedback, using these insights to continuously refine its curriculum and training formats, thereby maintaining the relevance and effectiveness of all training programmes.

Case **Biocytogen Academy**



BioCytogen Academy 2025



新员工入职IT指南



质量要求与质量意识



百奥赛图及公司各平台介绍

New Employee Onboarding Training Course

Promotion and Development

The Company is committed to providing employees with a market-competitive compensation structure and clearly defined career advancement pathways, fully recognizing and rewarding those who demonstrate outstanding performance and contribute to the Company's growth, thereby inspiring enthusiasm and motivation across the entire workforce. The Company has formulated the Compensation Management Policy, which clearly defines and standardizes the employee compensation structure. Benchmarking against market and industry salary levels is conducted on an ongoing basis to dynamically optimize and adjust compensation, building a scientifically grounded, fair, and equitable remuneration system. Salary adjustments are closely linked to individual performance evaluation outcomes and the Company's overall business performance. In addition, the Company has established a performance bonus policy, using positive incentives to encourage employees to pursue excellence in their roles, give full play to their strengths, and achieve alignment between individual value realization and the Company's development trajectory.

To translate the Company's organizational strategy and business objectives into practice, drive improvements in team and individual performance, support employees' professional growth, and enhance the organization's core competitiveness, the Company has established a systematic annual performance appraisal framework. This framework conducts comprehensive, structured, and rigorous assessment, analysis, evaluation, and feedback on employees' work behaviors and outcomes. Prior to each appraisal cycle, both the appraiser and the appraisee jointly confirm and set individualized performance targets. Throughout the appraisal period, employees complete self-summaries and self-assessments, while departmental managers conduct holistic evaluations based on each employee's day-to-day performance and provide targeted improvement recommendations, ensuring that employees receive well-rounded and candid feedback on their work. The results of performance appraisals serve as a key basis for decisions on career advancement and compensation adjustments, achieving deep integration between talent evaluation and incentive-driven development.

Biocytogen 2025 Annual Excellence Awards Program

Award Category	Selection Criteria
Biocytogen Craftsman	(1) Cost Reduction and Efficiency Enhancement: Actively contribute to cost reduction and efficiency enhancement for the department and the Company, while strictly ensuring work quality. (2) Technological Innovation: Commit to the continuous innovation and refinement of technologies, making significant contributions to technological breakthroughs. (3) Technical Excellence: Focus on deep technical research and mastery, demonstrating a strong willingness to share expertise within the team.
Biocytogen Star	(1) Cultural Alignment: Demonstrate a high degree of alignment with the corporate culture and foster strong team cohesion. (2) Teamwork: Maintain excellent relationships with all company members and earn widespread trust. (3) Work Attitude: Possess strong learning agility, strictly comply with leadership's work arrangements, exhibit a highly positive attitude, and deliver outstanding results that earn unanimous praise from department leaders, serving as a role model. (4) Sense of Responsibility: Exhibit a strong sense of corporate belonging; proactively undertake and diligently execute additional internal tasks beyond basic job responsibilities. (5) Performance Ranking: Ranked in the top 10% of the department's performance evaluations.
Quality Star (Individual/ Team)	(1) Proactively Drive Quality Improvement: Take the initiative to resolve quality issues, encompassing the enhancement of product process stability, key quality metrics (e.g., purity, endotoxin levels), and production coefficients. Perfect product quality standards, achieve zero accidents in experimental projects, and maintain optimal experimental environments to ensure stable product quality. (2) Reduce Quality Incident Rates: Propose and implement effective solutions to lower the rate of quality incidents. Draw upon the lessons learned from other departments to reduce the department's issue/incident occurrence rate and avert adverse impacts. (3) Optimize Management Processes: Utilize diverse methodologies to patch vulnerabilities in existing product or service management, ensuring that products and resources are managed appropriately and effectively. (4) Ensure Data Accuracy: Guarantee that all outbound data and reports are completely free of errors. (5) Ensure On-time Delivery: Successfully and effectively deliver projects within the stipulated timeframes.
Sales Star	(1)Business Achievement: Achieve over 90% of the quarterly individual sales target (payment collection) and secure the number one ranking within the designated region.
Outstanding Newcomer	(1) Outstanding Performance: Execute job responsibilities efficiently and with high quality, delivering work results that significantly surpass the average level of new employees in similar roles. (2) Strong Learning Agility and Adaptability: Demonstrate exceptional learning capabilities, rapidly master required knowledge and skills, and quickly adapt to the corporate culture, workflows, and team atmosphere. (3) Proactiveness and Responsibility: Consistently maintain a proactive attitude, actively seeking out tasks rather than passively waiting for assignments. Show a strong sense of responsibility, tackle problems head-on without evasion, and actively resolve them. (4) Communication and Collaboration: Excel in communicating and collaborating with team members, actively integrate into the team, and foster a positive working environment. Freely share knowledge and experience, assist others in problem-solving, and positively drive the achievement of team goals.
Outstanding Employee	(1) Strong Competence: Possess solid role-specific skills, high work efficiency, low error rates, and excellent communication abilities. (2) Work Attitude: Comply with work arrangements and consistently prioritize team objectives. (3) Role Contribution: Complete tasks on schedule, willingly dedicate efforts to the team, strictly adhere to corporate policies without any disciplinary penalties, drive innovative improvements within the role, and achieve an "excellent" year-end comprehensive evaluation within the department and among peers in the same job category. (4) Strong Learning Ability: Actively participate in various learning and training activities organized by the department, taking the initiative to learn new technologies and knowledge. (5) Performance Ranking: Achieve a top-tier ranking in the annual performance evaluation.

Award Category	Selection Criteria
Outstanding Team	(1) Outstanding Performance Outcomes: Successfully achieved the annual targets set at the beginning of the year. The team's key performance indicators (KPIs) significantly outperformed those of other teams or surpassed their own performance from the previous year. (2) Continuous Innovation Capability: The team possesses a strong awareness of innovation, proactively exploring novel work methodologies, business models, or products and services. The team successfully implemented tangible innovation outcomes within the year, generating a positive impact on the Company's business development.
Best Project Manager	(1) Customer Satisfaction: Adhere to a customer-centric approach, proactively responding to and resolving customer requirements within the stipulated timeframe. Capable of maintaining long-term, positive customer relationships and earning unanimous acclaim from both internal and external clients. (2) Project Delivery and Timeliness: Achieve an on-time project delivery rate of ≥90% with no delays at critical milestones. Furthermore, the delivery qualification rate must be ≥90% with no major quality defects. (3) Pre-sales Support: Actively respond to the pre-sales support requirements of the Marketing Department. Through effective pre-sales support and project delivery, continuously drive the enhancement of customer stickiness and corporate brand value.
Market Pioneer	New Customer Acquisition: The team achieved the highest number of new customer contract signings or existing customer contract renewals during the year, OR the first-year revenue generated from new customers constituted the highest proportion of the team's overall performance.
Annual Star Product Manager	Highest Sales Volume: The Product Manager (PM) responsible for the mouse model product that generated the highest single sales volume during the evaluation year.

Occupational Health and Safety (OHS)

Employee Safety and Health Protection

The Company strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases,* the *Provisions on the Supervision and Administration of Occupational Health at Work Sites,* the *Work Safety Law of the People's Republic of China,* and the *Fire Protection Law of the People's Republic of China.* The Company established occupational health and safety management policies, set up occupational hazard factor systems, and standardized workplace assessments and employee health surveys to create safe and healthy working environments and conditions for employees.

Occupational Disease Risk Inspection

- Regularly arrange qualified third-party testing companies to conduct comprehensive health inspections, risk identification, and occupational hazard factor testing in the workplace.
- Occupational hazards mainly come from chemical material volatilisation.

Daily Protection Measures

- Arranged comprehensive occupational health examinations for employees in positions involving exposure to occupational hazard factors, organizing medical check-ups at each key employment stage, including pre-employment, in-service, transfer, and departure.
- Provide high-quality labour protection supplies including goggles, masks, lab coats, and protective gloves.

Employee Safety Education	• Enhancing awareness of occupational disease prevention responsibility systems and hazard testing results. • Arrange pre-employment and regular occupational health training, popularizing occupational health knowledge. Some safety training requires passing assessments before operation.
Emergency Response and Drills	• Regularly conduct fire knowledge and skills education and training annually, organizing implementation of fire extinguishing and emergency evacuation plans and drills. • Establish comprehensive emergency response mechanisms to promptly respond to accidents.

The Company integrates office environment and occupational health and safety (OHS) management into its standardized operational framework. By explicitly formulating office environment and safety management standards within the Employee Handbook, the Company clearly defines safety management responsibilities across all departments and hierarchical levels, and standardizes the end-to-end incident handling process. Concurrently, we specify concrete implementation measures for health protection, production safety, and environmental protection. All employees are strictly mandated to adhere to standard operating procedures (SOPs), hold valid operational certifications, and wear requisite protective equipment in accordance with regulations, thereby proactively preventing safety incidents at the operational source.

Consistently adhering to the safety principle of "prevention first," the Company takes comprehensive measures to minimize the probability of liable safety accidents. We have formulated dedicated institutional policies—including the Biosafety Management Regulations, Detailed Rules for Occupational Health Management, and Laboratory Safety Management Rules—to establish a highly efficient incident emergency response mechanism. These policies explicitly define the organisational structure and role responsibilities for safety prevention, detailing production safety management standards, emergency response operating procedures, and position-specific safety precautions, thereby comprehensively safeguarding the personal safety of employees and the Company's property assets.

To continuously fortify employees' health and safety awareness and enhance their practical emergency response capabilities, the Company has formulated the Safety Production Education and Training Management System. This establishes a three-tier safety education and training framework comprising the company, department, and team levels, regularly organizing professional safety training and practical emergency drills. During the Reporting Period, the Company conducted multi-category, comprehensive-coverage health and safety training, encompassing onboarding safety training, fundamental fire safety knowledge training, hazardous chemicals safety management training, anti-terrorism contingency plans and emergency drills, and specialized "Safety Month" training. Upon completion of these sessions, the Company systematically collects safety training effectiveness feedback forms to evaluate training outcomes. Based on this feedback, we continuously optimize training content and delivery methods, ensuring the dissemination of the latest and most comprehensive health and safety knowledge to employees, thereby steadily elevating the overall safety awareness and emergency response competencies of the entire workforce.

Case **2025 Radiation Emergency Response Drill**

To standardize and fortify the Company's emergency response capabilities for unexpected radiation incidents, minimize the resulting consequences of personnel injury and environmental pollution, and maximally safeguard the health and safety of radiation-exposed workers, as well as overall environmental and public safety, the Safety Management Department, in collaboration with personnel from the Pet Clinical Translational Center, organized the 2025 Radiation Emergency Response Drill in August 2025.

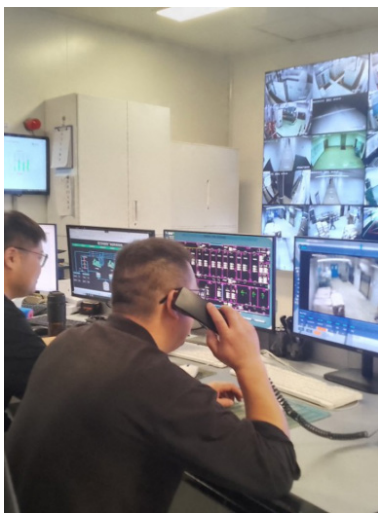




On-site photos

Case **2025 Beijing Animal Center Emergency Response Drill**

In October 2025, the Safety Management Department, with full participation from the entire staff of the Beijing Animal Center and comprehensive support from the Engineering Operations Department, successfully executed an emergency response drill. This drill comprehensively covered three critical phases: emergency incident reporting, emergency personnel evacuation, and initial fire suppression.



Four-Step Rapid Confirmation at the Operations Control Room



Rapid Evacuation of All Floors



On-Site Debriefing After the Drill

Laboratory Safety Management

The Company attaches significant importance to laboratory safety management, building a comprehensive laboratory safety management system and formulating the "Laboratory Biosafety Manual" and "Laboratory Safety Management Rules" to provide standardized safety operation guidance for all laboratory personnel.

Equipment Safety Management

- Biosafety Level 2 (BSL-2) laboratories are equipped with pass-through windows, buffer rooms, hand washing sinks, eye wash stations, UV lamps, biosafety cabinets, emergency lights, autoclaves, and other facilities in strict accordance with relevant technical specifications.
- Laboratories are fully equipped with emergency and safety equipment, including spill response kits, eye wash stations, emergency showers, fire extinguishers, adsorbent cotton, fire blankets, positive-pressure air breathing apparatuses (SCBA), and protective clothing.

Daily Safety Protection

- Employees are strictly required to wear protective gear, including lab coats, masks, gloves, and safety goggles, prior to entering the laboratories.
- In daily operations, hazardous chemicals (including precursor chemicals, explosive precursors, and highly toxic chemicals) are stored independently in designated warehouse safety cabinets based on their specific properties. These are accompanied by Material Safety Data Sheets (MSDS) and managed under a strict "two-person, two-lock" control system, with timely and accurate recording of all inbound and outbound logs.

Hazard Elimination

- Strengthen the supervision and management of accident hazards by conducting regular safety patrols, including daily inspections, laboratory safety checks, and cross-departmental joint inspections. These patrols monitor the implementation of departmental policies and promptly identify and rectify employees' unsafe behaviors and the unsafe conditions of chemicals.
- Generate written records following safety patrols, and promptly analyze and track the rectification progress of identified safety issues.
- Regarding laboratory safety risks identified during daily operations, employees are mandated to immediately halt relevant work upon discovering abnormal situations, implement appropriate emergency or corrective measures as necessary, and promptly notify the Comprehensive Management Department.
- Stipulate that employees must promptly adjust high-energy-consuming equipment, such as laboratory fume hoods, to the lowest energy consumption mode upon completion of their experiments.

Safety Training

- All operators are required to undergo internal safety training as well as relevant safety training organized by external institutions to master fundamental occupational safety knowledge
- Standard Operating Procedures (SOPs) for laboratory personnel and laboratory emergency response plans are conspicuously posted in each laboratory.
- All employees receive regular safety training. They must acquire essential occupational safety skills and are only permitted to commence operational tasks after passing corresponding assessments, ensuring they thoroughly understand laboratory management requirements and are fully aware of all risk points and control measures associated with their positions.

In 2025, to avoid safety hazards, the Company conducted hundreds of inspections, with joint inspections by Administration, EHS, and Quality Departments before holidays to ensure laboratory safety during long vacations. During the reporting period, the Company did not experience any fire, explosion, or chemical poisoning accidents.

Contribution to Community

While developing itself, the Company actively participates in social welfare undertakings. The Company fully leverages its own advantages to support education, culture, and medical health development in various forms. In 2025, approximately **45** people participating in public welfare volunteer activities.

Case **2025 Autumn Charity Hiking Event**

In October 2025, the Company organized the "Urban Oasis - Autumn Fun" charity hiking event in Beijing, inviting customer partners to participate together, advocating healthy lifestyles in natural environments and conveying green and public welfare concepts. The event was centered on connecting nature and healthy hiking, creating an open and positive interactive atmosphere.

The event cleverly integrated public welfare concepts with a special mechanism converting each participant's hiking steps into tangible charitable contributions. After the event, based on hiking achievements, RMB 3,000 was donated to the Zhejiang One Plus One Public Welfare Foundation's "Rebirth of Children with Solid Tumours" project.



This initiative introduced an innovative format that combines client engagement with philanthropic practice, not only deepening customer relationships but also further elevating the Company's brand image as an active fulfiller of social responsibility. Looking ahead, the Company will continue to explore a greater diversity of activity formats, building bridges for meaningful communication and conveying the warmth of public service.


捐赠证书

DONATION CERTIFICATE

百奥赛图及参与捐步的全体朋友

感谢贵单位组织的秋日徒步公益捐步活动，向浙江省壹加壹公益基金会【实体肿瘤儿童的重生】公益项目捐赠善款3000元。汇聚点滴爱心，壹路暖心同行。我们谨代表受助患儿及其家人，对您的爱心善举及公益精神致以敬意！

特发此证，深表谢意！

2025年10月16日

授权单位：百奥赛图&壹加壹公益基金会

Donation Certificate from the One Plus One Public Welfare Foundation

06 Practicing Green Concepts, Protecting the Source of Life

Climate Change

The Company fully recognizes the severity and urgency of climate change, actively identifying risks and opportunities that climate change brings to operations, while identifying the impact of its own operations on climate and the environment.

In accordance with IFRS S2 – Climate-related Disclosures (as aligned with HKEX ESG Reporting Code Appendix C2, Part D), the Company has constructed a climate change management system from four dimensions: governance, strategy, risk management, and metrics and targets, and continuously improving management accordingly to reduce the carbon footprint of operational activities.

Governance

- Climate change issues are included in the Company's ESG material issues, with the Board of Directors supervising and managing the Company's climate change issues.
- Relevant functional departments and business departments incorporate climate change management into daily work.

Strategy

- Actively identify major sources of greenhouse gas emissions, mainly Scope 1 and Scope 2 emissions.
- Identify climate change risks to operations and plan to incorporate climate change risks and opportunities into overall risk management.

Risk Management

- Optimize resource utilisation through measures such as enhancing employee environmental education, supporting low-carbon technologies, and implementing energy conservation and emission reduction initiatives.
- Based on the local climate conditions of project sites, conduct regular inspections of facilities and equipment, and organize employees to participate in emergency rescue and disaster response drills. Continually optimize emergency contingency plans to ensure effective and resilient responses to sudden extreme weather events.
- Actively invest in energy conservation and emission reduction technologies, striving to minimize the generation of emissions at the source.

Metrics and Targets

- With reference to the Greenhouse Gas Protocol (GHG Protocol) developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), as well as the ISO 14064-1 standard, regularly conduct GHG inventories to manage and curtail GHG emissions.
- Periodically disclose GHG emission volumes to evaluate the Company's performance level in climate change management.

The Company regards climate change as a pivotal strategic issue impacting the long-term sustainable development of its business. Leveraging our gene-editing technologies and global operational footprint, the Company profoundly recognizes the multi-dimensional impacts of climate change on research infrastructure, supply chain stability, laboratory operational costs, and international business expansion.

Board Oversight of Climate-related Matters

The Board of Directors bears ultimate oversight responsibility for climate-related risks and opportunities. The Board fulfills its oversight functions through the following mechanisms:

- Reviewing and approving the Company's ESG and climate-related policies and strategic targets, ensuring that climate risk management seamlessly aligns with the Company's long-term development strategy;
- Monitoring the completion status and target progress of climate-related Key Performance Indicators (KPIs) through annual ESG reports and quarterly management reports;
- Authorizing the Audit Committee and the Sustainability Working Group to oversee the accuracy and completeness of climate-related information disclosure, ensuring strict compliance with the HKEX ESG Reporting Code;
- Integrating climate risks into the Company's overarching enterprise risk management (ERM) framework, and periodically reviewing the potential impacts of material climate-related risks on the Company's business operations and financial position;
- Considering climate-related factors in major capital allocation decisions (such as the establishment or expansion of laboratory facilities), including energy efficiency requirements and the procurement of low-carbon technologies.

Under the oversight of the Board of Directors, the Company's management is responsible for the day-to-day assessment, management, and reporting of climate-related matters.

Climate-related Risks and Opportunities

Taking into account the characteristics of its own business operations, the Company systematically identifies and assesses climate-related risks and opportunities across short-term (1 to 3 years), medium-term (3 to 10 years), and long-term (over 10 years) time horizons.

(I) Climate-related Physical Risks

Risk Type	Specific Risk	Timeframe	Potential Financial Impact
Acute Physical Risk	Extreme weather events (e.g., typhoons, floods, extreme heatwaves) causing structural damage or operational suspension to the Beijing Headquarters, Jiangsu Haimen animal facilities, or Boston laboratory facilities, thereby disrupting model animal breeding and production, as well as the delivery of preclinical CRO services.	Short-Medium	Operational disruptions, revenue loss, asset damage, and escalated insurance premiums.
Chronic Physical Risk	Climate change-induced regional average temperature baseline rises, continuously driving up the energy consumption of HVAC (Heating, Ventilation, and Air Conditioning) and temperature control systems in laboratories and animal facilities. This may subsequently impact the operational stability of precision scientific instruments and compliance with rigorous animal welfare standards.	Medium-Long	Sustained increases in operational energy consumption and associated overhead costs.
Chronic Physical Risk	The Haimen animal facilities (situated in the coastal region of Jiangsu Province) are exposed to the impacts of sea-level rise and increased risk of coastal flooding, exacerbating long-term asset vulnerabilities.	Long	Asset value impairment, escalated insurance premiums, and potential facility relocation expenditures.
Chronic Physical Risk	Climate warming in the greater Boston area altering regional precipitation patterns, subsequently threatening the stability of the local municipal water supply and critical laboratory water usage.	Medium-Long	Operational continuity risks and escalated water procurement costs.

(II) Climate-related Transition Risks

Risk Type	Specific Risk	Timeframe	Potential Financial Impact
Policy and Legal Risk	The expansion of China's national carbon market and the continuous advancement of carbon tax policies may prospectively incorporate biopharmaceutical R&D facilities into the carbon emission regulatory scope, thereby escalating compliance costs.	Medium	Escalation in carbon emission costs, adversely impacting operating profit margins.

Risk Type	Specific Risk	Timeframe	Potential Financial Impact
Policy and Legal Risk	Major markets, such as the US and the EU, are tightening carbon emission disclosure mandates for multinational corporate supply chains and overseas facilities, substantially increasing the reporting and compliance burden.	Short to Medium	Escalated compliance overhead and heightened market access risks.
Technology Risk	Industry peers are deploying novel low-carbon R&D technologies and equipment at scale. Potential delays in the Company's technological upgrades may compromise our competitiveness among global clients.	Medium	Dilution of market competitiveness and a relative decline in R&D efficiency.
Market Risk	Downstream large multinational pharmaceutical customers (MNCs) are aggressively advancing their own net-zero commitments, mandating suppliers and partners to furnish carbon footprint data and establish emission reduction targets. Non-compliance may jeopardize future partnership opportunities.	Short to Medium	Customer attrition risk and weakened bargaining leverage.
Reputation Risk	Potential downgrades in ESG ratings or opaque climate-related disclosures may deter the investment willingness of international institutional investors, consequently driving up financing costs.	Short	Elevated cost of capital and impairment of brand value.

(III) Climate-related Opportunities

Opportunity Type	Specific Opportunity Description	Timeframe	Potential Positive Impact
Resource Efficiency Opportunity	Reduce energy consumption through laboratory energy-saving retrofits (e.g., LED lighting, high-efficiency HVAC, and smart energy management systems), thereby optimizing the operational cost structure.	Short to Medium	Operational cost savings and enhanced EBITDA profit margins.
Energy Source Opportunity	Expand the procurement proportion of renewable energy (such as wind and solar/PV power) to lock in long-term low-carbon energy costs and effectively hedge against the price volatility risks of fossil fuels.	Medium to Long	Enhanced energy cost stability and reduced exposure to carbon emission costs.
Product and Market Opportunity	Amid the continuous growth of global biopharmaceutical R&D, climate change is catalyzing new demands for animal models targeting emerging diseases (e.g., climate-driven infectious diseases and allergic diseases). Leveraging our proprietary RenMice® platform, the Company can specifically engineer and develop relevant gene-edited models.	Medium to Long	Exploitation of new markets, expansion of the customer base, and diversification of revenue streams.
Reputation and Capital Market Opportunity	Establish a robust climate information disclosure system and set credible emission reduction targets to elevate ESG ratings, thereby significantly enhancing the Company's attractiveness to international ESG-focused institutional investors and sovereign wealth funds.	Short to Medium	Reduced cost of financing, alongside enhanced stock liquidity and corporate valuation.

Energy Management

The Company's business is organized into two principal segments. The first encompasses antibody and drug molecule research and development, including early-stage antibody sequence out-licensing under the "project integrum" platform, as well as co-development and licensing of drug molecules at the preclinical and early clinical stages. The second comprises technology services, providing high-barrier innovative model animal solutions and preclinical research services. Grounded in the nature of its existing business, the Company consistently adheres to a philosophy of green development, placing great emphasis on ecological and environmental protection and the conservation of natural resources. The Company actively fulfills its environmental responsibilities, and during the reporting year has implemented a range of measures to optimize resource utilization and continuously improve resource use efficiency.

The Company strictly complies with the *Environmental Protection Law of the People's Republic of China* and the *Energy Conservation Law of the People's Republic of China*, taking various energy conservation and emission reduction measures to continuously improve energy efficiency and advance the achievement of our energy management goals.

Biocytogen Energy Conservation and Consumption Reduction Management Measures

Daily Management	• Promote moderate air conditioning use, monitored by designated area managers. • Set AC temperature no lower than 26°C in summer and no higher than 20°C in winter. • Require employees to adjust lab fume hoods to reduce fume hood sash height and set airflow to minimum safe operating mode after experiments
Awareness Enhancement	• Post energy-saving posters and labels in offices. • Turn off lights and computers immediately after work. Check and turn off all equipment before weekends and holidays. • Strengthen energy-saving awareness in new employee training.
Regular Maintenance	• Engineering personnel regularly maintain, service, and inspect air conditioning systems to ensure effective energy utilisation.

Resource Management

Environmental Management System

The Company strictly complies with 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 Atmospheric Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Water Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, as well as the relevant laws and regulations of the jurisdictions in which it operates.

Environmental management affairs are overseen jointly by the Engineering and Operations Department and the Safety Management Department. The Company has formulated governance frameworks including the *Hazardous Waste Management Policy* and the *Safety Management Regulations for Hazardous Chemicals*, and has established a robust environmental management system. These policies and procedures are implemented across day-to-day office operations and laboratory research and development activities, minimizing the environmental impact of activities at every stage of operations.

Biocytogen Environmental Impact Analysis

Environmental Inputs

Energy:	**Water Resources:**	**Raw Materials:**	**Packaging Materials:**
Purchased electricity, gasoline, diesel and Solar/ photovoltaic	Municipal water supply and purified water	Experimental reagents and raw materials for clinical trial drugs	Cardboard cartons, foam boxes, etc.

Environmental Outputs

Exhaust Gas / Air Emissions:	Wastewater:	Non-hazardous Waste:	Hazardous Waste:
Particulate matter (PM), nitrogen oxides (NOx), sulfur oxides (SOx), raw material volatilisation exhaust, and laboratory exhaust. Fugitive dust, welding fumes, odors (ammonia, hydrogen sulfide, odor concentration), volatile organic compounds (VOCs), carbon monoxide (CO), and non-methane hydrocarbons (NMHC).	Laboratory wastewater and domestic sewage.	Domestic waste and general laboratory waste. Outer packaging boxes (cardboard cartons), plastic crates, plastic buckets/bottles, and foam boxes.	Inorganic waste liquids, fluorescent tubes, organic waste liquids, waste pharmaceuticals, activated carbon, general chemical reagents, empty glass reagent bottles, contaminated laboratory waste, cell debris, and medical waste. Medical waste, hazardous waste (laboratory-generated petri dishes, PCR plates, experimental waste liquids, empty hazardous chemical bottles, etc.), and mouse carcasses (handed over to qualified third parties for harmless disposal).

Biocytogen Environmental Management Actions and Achievements

Environmental Impact Assessment (EIA)

- Strictly comply with laws and regulations, including the Environmental Impact Assessment Law of the People's Republic of China, the Regulations on the Administration of Environmental Protection of Construction Projects, and the Regulations on Environmental Impact Assessment of Planning.
- Regularly commission qualified third-party agencies to conduct environmental monitoring and impact assessments on ambient air, noise, and wastewater in the surrounding areas. For all new construction, renovation, and expansion projects, the Company legally mandates qualified agencies to execute comprehensive Environmental Impact Assessments (EIAs).

Identification of Potential Risks

- Periodically map and identify potential environmental risk sources. Formulate the internal Emergency Response Plan for Environmental Incidents, establish a dedicated emergency response organisational structure, and equip facilities with adequate emergency rescue apparatus.
- Conduct annual environmental emergency drills to systematically enhance the Company's emergency response capabilities against environmental risks, thereby minimizing the potential environmental impacts induced by unexpected incidents.

Environmental Management Targets

- Based on actual operational conditions, commit to maintaining greenhouse gas (GHG) emissions, electricity consumption, and water consumption at optimally low levels.
- Further perfect the source identification and quantitative statistical tracking of waste, striving to continuously reduce the generation volume of both non-hazardous and hazardous waste.

Environmental Awareness

- Fortify employees' environmental awareness by integrating green concepts into new employee onboarding training programs.
- Conspicuously display environmental protection posters and slogans throughout office areas to foster a green workplace culture.

During the reporting period, the Company was not subject to any investigation by environmental protection authorities for violations of environmental laws or regulations, nor were any major administrative or criminal penalties imposed. The Company was not ordered by any relevant people's government or government authority to undertake remediation within a prescribed timeframe, suspend production, relocate, or cease operations. Furthermore, no material litigation arising from environmental issues occurred, and none of the Company's principal assets were seized, detained, frozen, mortgaged, or pledged in connection with any environmental matter.

Water Resources Management

The Company strictly complies with the "Water Pollution Prevention Law" and "Water Law," integrating water conservation concepts throughout production and operations through water-saving facility use, awareness enhancement, water-saving process introduction, and regular inspections.

Water-saving Facilities

- Install sensor faucets and other water-saving devices.
- Rainwater collection pools for landscape irrigation.

Awareness Enhancement

- Post water-saving signs and posters in office areas, promoting water reuse and avoiding waste.

Regular Inspections

- Strictly monitor water usage in office areas and regularly inspect and repair water networks to reduce leakage.

Emissions Management

The Company has established a comprehensive environmental management system, formulating dedicated internal policies including the *Environmental Protection Management Policy*, *Sustainable Environmental Development Requirements*, and *Safety Management Regulations for Hazardous Chemicals*. These frameworks rigorously govern the discharge and disposal procedures for all categories of emissions. Across the full lifecycle of operations, research and development, and production, the Company proactively adopts emission reduction measures to minimize the generation of all types of pollutants. Through regular monitoring of pollutant discharge levels, the Company works to meaningfully reduce the environmental impact of its business activities. During the reporting year, the Company commissioned a qualified third-party professional testing institution to conduct dedicated inspections of key pollutant discharge indicators — including waste gas, wastewater, and noise — ensuring that all emissions comply with applicable national and local standards and are discharged in full regulatory compliance.

With respect to solid waste, wastewater, waste gas, and other pollutants generated in the course of day-to-day office operations and laboratory research and development activities, the Company implements standardized management in strict accordance with relevant laws, regulations, and discharge standards, ensuring that all pollutants meet discharge thresholds and are disposed of in a compliant manner. Emission reduction measures are continuously optimized in line with actual operational conditions. Looking ahead, the Company will further explore mechanisms for resource recycling and circular utilization, actively introduce cutting-edge emission purification technologies and equipment from across the industry, reduce pollutant generation at the source, and continuously elevate the standard of its green and environmentally responsible operations.

Wastewater

- Compliance Standards: Strictly adhere to relevant laws, regulations, and emission standards, including the Water Pollution Prevention and Control Law of the People's Republic of China, the Integrated Wastewater Discharge Standard (GB8978-1996), and the Wastewater Quality Standards for Discharge to Municipal Sewers (GB/T31962-2015).
- Wastewater Categories: Construction wastewater, domestic sewage, vehicle wash water, dust suppression water, concentrated salt water (brine) generated from purified water preparation, and cleaning wastewater from experimental processes.
- Key Metrics: Total wastewater discharge volume, Biochemical Oxygen Demand (BOD), Chemical Oxygen Demand (COD), Ammonia Nitrogen (NH3-N), and pH levels, among others.
- Treatment Methods: All production and operational wastewater is centrally collected and subjected to primary treatment via sedimentation tanks and/or septic tanks. Following this pre-treatment, the effluent is discharged into the municipal sewer system and routed through the industrial park's sewage network to a designated municipal wastewater treatment plant for final processing.

Exhaust Gas

- Compliance Standards: Strictly adhere to the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, the Integrated Emission Standard of Air Pollutants (DB31/933-2015), and the Emission Standard for Odor Pollutants (DB31/1025-2016), alongside other national and local air emission standards.
- Categories: Fugitive dust, welding fumes, odors (ammonia, hydrogen sulfide, odor concentration), volatile organic compounds (VOCs), carbon monoxide (CO), nitrogen oxides (NOx), and non-methane hydrocarbons (NMHC).
- Key Metrics: Odor concentration and NMHC.

Treatment Methods: All exhaust gas undergoes rigorous physical and chemical treatments to minimize atmospheric pollutant emissions.

(1) Physical Measures: Deploy coverings and enclosures to prevent the open-air storage of dust-prone materials; utilize fully enclosed transport vehicles or airtight tarpaulins for construction waste to avert en-route spillage; implement wheel washing and sweeping protocols for vehicles entering/exiting sites to avoid tracking soil onto municipal roads; and strengthen holistic environmental planning by scheduling construction to actively avoid adverse weather conditions (e.g., winds of Level 4 or above).

(2) Chemical Measures: Utilize activated carbon purification devices to effectively capture and treat organic exhaust gases, followed by organized emissions via dedicated roof exhaust stacks. Employ photocatalytic oxidation alongside integrated turbulent spray deodorisation equipment to collect odors and decompose macromolecular organic compounds and odor-causing molecules, culminating in organized emissions via roof exhaust stacks.

Waste

- Compliance Standards: Strictly comply with the Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes and other relevant laws and regulations.
- Categories: Medical waste, chemical waste liquids, laboratory solid waste, and office/domestic waste.
- Treatment Methods: Waste generated during production and operations is strictly segregated into hazardous and non-hazardous waste. The Company formulates tailored disposal measures based on specific recycling requirements, ensuring 100% compliant disposal while maximally curtailing waste generation at the source. Non-hazardous waste is sorted, collected, and transported by janitorial staff to designated municipal sanitation facilities. Hazardous waste is strictly handed over to qualified third-party agencies for professional disposal. To further minimize non-hazardous waste, the Company incentivizes employees to utilize categorized recycling bins for recoverable materials (e.g., paper, metal, and plastics). To align with eco-friendly standards, IT equipment (e.g., computers, office printers) is procured via leasing models; upon aging or malfunction, the leasing provider is engaged for prompt repair or recycling. Furthermore, prior to procuring office stationery, actual material requirements are rigorously assessed to prevent waste stemming from excessive inventory.

Greenhouse Gas

- Compliance Standards: Reference the Greenhouse Gas Protocol (GHG Protocol), the ISO 14064-1 standard, and other relevant international frameworks.
- Categories: Fuel consumption by production equipment and transport vehicles (Scope 1), as well as purchased electricity and steam consumption (Scope 2).
- Treatment Methods: Minimize carbon emissions to the greatest extent possible by implementing proactive emission reduction measures and continuously enhancing overall energy efficiency. Concurrently, conduct regular GHG inventories to systematically manage and curtail emissions. Periodically quantify and disclose both GHG emission volumes and emission intensity, comprehensively evaluating the performance level of the Company's climate change management initiatives.

In 2025, the Company maintained full environmental compliance, incurring no administrative penalties or fines related to wastewater discharge, exhaust gas emissions, or waste disposal.

07 ESG Key Performance

Economic Performance

Performance Indicator	Unit	2025
Total Assets	Billion (RMB)	3.724
Operating Revenue	Billion (RMB)	1.379
R&D Investment	Billion (RMB)	0.438

Environmental Performance Indicators

Performance Indicator	Unit	2025
Resource Management		
Purchased Electricity	MWh	21,845.61
Gasoline	Litres	38,460
Diesel	Litres	10,400
Solar/PV Power	MWh	39,937.8
Total Water Usage	Tonnes	85,757
Water Use Intensity	Tonnes/RMB 10,000	0.62
Purchased Steam	Tonnes	51,945.05
Emissions Management		
NMHC Concentration	mg/m^3	0.99
Total Wastewater Discharged	m^3	157,753
COD Discharged	Tonnes	5.01
NH3-N Discharged	Tonnes	0.50
Other Wastewater (TP) Discharged	Tonnes	0.04
Total Non-hazardous Waste	Tonnes	1,648.5
Total Hazardous Waste	Tonnes	62.29
Total Exhaust Gas Emissions	Tonnes	0.02
GHG Emissions Management		
Scope 1 GHG Emissions	tCO_2e	112.42

Performance Indicator	Unit	2025
Scope 2 GHG Emissions	tCO_2e	17,305.24
Total GHG Emissions (Scope 1 & 2)	tCO_2e	17,417.66
Environmental Compliance		
Environmental Violation Penalties	Cases	0
Environmental Investment		
Total environmental protection investment (including but not limited to: upgrades to environmental facilities and equipment; R&D and technology innovation; pollution prevention; ecological protection; environmental training and awareness; and environmental monitoring, inspection and awards)	RMB 10,000	467

Notes:
[1] Scope 1 GHG Emissions is calculated in accordance with ISO 14064-1:2018 and GB/T 32150-2025 (General Guideline of the Greenhouse Gas Emissions Accounting and Reporting for Industrial Enterprises). Emission Sources: Includes emissions from the combustion of gasoline and diesel by Company-owned vehicles. The primary gas accounted for is CO_2. Emission Factors: Sourced from IPCC 2006, DB35/T 2288-2025, and the National Greenhouse Gas Emission Factor Database. These factors are accurate, compliant, and applied without adjustment. Calorific Values: Referenced from the China Energy Statistical Yearbook 2021. Scope 2 GHG Emissions (Purchased Electricity) is calculated using the 2023 National Average Grid Emission Factor published by the Ministry of Ecology and Environment and the National Bureau of Statistics; purchased steam is calculated using the domestic general industrial average emission factors. The accounting scope and methodology complies with national GHG accounting standards and HKEX ESG Reporting Guide, ensuring that all data remains consistent, comparable, and verifiable.
[2]Formula: Water Use Intensity = Total Water Consumption (tonnes) ÷ Revenue (CNY 10,000)

Social Performance Indicators

Employee Employment

Performance Indicator		Unit	2025
Total Employees		Persons	1,443
Employees by Gender	Female	Persons	1,020
	Male	Persons	423
Full-time Contract Employees		Persons	1,443
Employees by Age	Under 30	Persons	536
	30-50	Persons	888
	Over 50	Persons	19
Employees by Education Degree	College Degree or below	Persons	518
	Bachelor's Degree	Persons	411
	Graduate/MBA or Above	Persons	514
Employees by Region	Employees in Mainland China	Persons	1,318
	Employees in HK/Macau/Overseas	Persons	125
Employees by Job Position	Frontline Employees	Persons	1,333
	Middle and Senior Management	Persons	110

Performance Indicator		Unit	2025
New Recruits	New Hires	Persons	604
	New Graduate Hires	Persons	205
Employee Turnover Rate[1]		%	15.2
Employee Turnover Rate by Gender	Female[1]	%	14.8
	Male[1]	%	16.1
Employee Turnover Rate by Age	Under 30 Turnover[1]	%	21.5
	30-50 Turnover[1]	%	11.3
	Over 50 Turnover[1]	%	21.1
OHS Violation Penalties		Cases	0
Labour Practice Violations		Cases	0
Workplace Compliance			
Labour Contract Coverage		%	100
Social Insurance Coverage		%	100
Parental Leave Return Rate		%	100
Average Annual Paid Leave		Days	6
Discrimination Incidents		Cases	0
Union Coverage		%	100
Workforce Diversity			
Female Middle/Senior Management		%	54.55
Female Professional Staff		%	59.39
Ethnic Minority Employees		%	4.5
Employees with Disabilities		%	0.8

Note:

[1] Calculation method: Employee turnover rate by category = Number of departures in the given category / Total headcount in the given category (as of the end of the reporting period) × 100%.

Employee Training and Occupational Health

Performance Indicator		Unit	2025
Training Coverage[1]		%	100
Percentage of Employees Trained by Gender	Male	%	100
	Female	%	100
Percentage of Employees Trained by Job Position	Frontline[1]	%	100
	Middle and Senior Management[1]	%	100
Average Training Hours per Employee[2]		Hours	3.22
Average Training Hours of Employees by Job Position	Frontline[2]	Hours	3.26
	Middle Management[2]	Hours	2.87
	Senior Management[2]	Hours	2
Employee Satisfaction		%	100
Employee Health and Productivity	Safety Training Coverage	%	100
	Safety Training Total Participants	Attendances	1,654
	Avg Safety Training Hours per Employee	Hours	2
	Annual Safety Accidents	Cases	0
	Work Injury Rate	%	0
	Lost Time Injury Rate	per million hours	0
	Occupational Disease Incidence	%	0
	Employee Health Check Coverage	%	100
	Work-related Fatalities	Persons	0

Notes:
[1] Calculation formula: Training coverage rate for a specific category of employees = Number of employees in that category who received training (at the end of the reporting period) / Total number of employees (at the end of the reporting period) * 100%.
[2] Calculation formula: Average training hours per employee in a specific category = Total training hours for employees in that category / Number of employees in that category (at the end of the reporting period).

Supply Chain Management

Performance Indicator	Unit	2025
Total Suppliers	Companies	2,508

Customer Service

Performance Indicator		Unit	2025
Customer Service	Customer Complaints	Cases	96
	Complaint Handling Rate	%	100
	Complaint Resolution Rate	%	100
	Customer Satisfaction (out of 5)	-	5
	Product Recall Rate	%	0
	Product Inspection Pass Rate	%	100

Corporate Governance Performance Indicators

Anti-Corruption and Business Ethics

Performance Indicator			Unit	2025
Anti-Corruption	Corruption Incidents		Cases	0
	Anti-Corruption Training Coverage	Director	%	100
		Employee	%	100
	Total Anti-Corruption Training Participants		Attendances	1,443
	Total Anti-Corruption Training Hours		Hours	721.5
	Valid Reports Received		Cases	0
	Valid Report Handling Rate		%	100

08 Index Tables of ESG Report

Index Table of SSE Guidelines No. 14 - Sustainable Development Report (Trial)

Dimension	Number	Topic	Chapter
Environment	1	Climate change tackling	Climate Change
	2	Pollutant discharge	Emissions Management
	3	Waste disposal	Emissions Management
	4	Ecosystem and biodiversity protection	Emissions Management
	5	Environmental compliance management	Resource Management
	6	Energy use	Energy Management
	7	Usage of water resources	Resource Management
	8	Circular economy	Emissions Management
Society	9	Rural revitalisation	Contribution to Community
	10	Contributions to the society	Contribution to Community
	11	Innovation-driven	Innovation and R&D
	12	Ethics of science and technology	Ethics in Science and Technology
	13	Supply chain security	Supply Chain Management
	14	Equal treatment to small and medium-sized enterprises	Fair Treatment of Small and Medium Enterprises (SMEs)
	15	Safety and quality of products and services	Product Quality and Safety
	16	Data security and customer privacy protection	Information Security and Privacy Protection
	17	Employees	Employee Rights and Benefits Talent Training and Development Occupational Health and Safety (OHS)
Sustainability-Related Governance	18	Due diligence	Supply Chain Management
	19	Communications with stakeholders	Stakeholder Engagement
	20	Anti-commercial bribery and anti-corruption	Anti-Corruption and Business Ethics
	21	Anti-unfair competition	Anti-Corruption and Business Ethics Responsible Marketing

Index Table of HKEX Environmental, Social and Governance Reporting Code (Appendix C2)

Part C: "Comply or Explain" Provisions

Subject Areas, Aspects, General Disclosures and KPIs		Chapter
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.	Emissions Management
KPI A1.1	The types of emissions and respective emissions data.	Emissions Management
KPI A1.2		Climate Change Environmental Performance Indicator
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Emissions Management Environmental Performance Indicator
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity. (e.g., per unit of production volume, per facility).	Emissions Management Environmental Performance Indicator
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Emissions Management Environmental Performance Indicator
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Emissions Management
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Energy Management Resource Management
KPI A2.1	Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) in total (kWh in '000s) and intensity (e.g., per unit of production volume, per facility).	Energy Management Environmental Performance Indicator
KPI A2.2	Water consumption in total and intensity (e.g., per unit of production volume, per facility).	Resource Management Environmental Performance Indicator
KPI A2.3	Description of energy-use efficiency target(s) set and steps taken to achieve them.	Energy Management
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Resource Management
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	Climate Change Green Practices
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Climate Change

Subject Areas, Aspects, General Disclosures and KPIs		Chapter
Aspect A4: Climate Change		
General Disclosure		Climate Change
KPI A 4.1		Climate Change
B. Social		
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employee Rights and Benefits
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employee Rights and Benefits Social Performance Indicator
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employee Rights and Benefits Social Performance Indicator
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.	Occupational Health and Safety (OHS)
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Occupational Health and Safety (OHS) Social Performance Indicator
KPI B2.2	Lost days due to work injury.	Occupational Health and Safety (OHS) Social Performance Indicator
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Health and Safety (OHS)
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Talent Training and Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g., senior management, middle management).	Talent Training and Development Social Performance Indicator
KPI B3.2	The average training hours completed per employee by gender and employee category.	Talent Training and Development Social Performance Indicator
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Employee Rights and Benefits
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employee Rights and Benefits
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Employee Rights and Benefits

Subject Areas, Aspects, General Disclosures and KPIs		Chapter
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management Social Performance Indicator
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management
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.	Product Quality and Safety Customer Rights Protection
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Quality and Safety
KPI B6.2	Number of product- and service-related complaints received and how they are dealt with.	Customer Rights Protection
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Protection
KPI B6.4	Description of quality assurance process and recall procedures.	Product Quality and Safety
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Information Security and Privacy Protection
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.	Anti-Corruption and Business Ethics
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-Corruption and Business Ethics Governance Performance Indicator
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-Corruption and Business Ethics
KPI B7.3	Description of anti-corruption training provided to board directors and staff.	Anti-Corruption and Business Ethics
Community		
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Contribution to Community
KPI B8.1	Focus areas of contribution (e.g., education, environmental concerns, labour needs, health, culture, sport).	Contribution to Community
KPI B8.2	Resources contributed (e.g., money or time) to the focus area.	Contribution to Community Social Performance Indicator

Part D: Climate-related Disclosures

Subject Areas, Aspects, General Disclosures and KPIs		Chapter
(I) Governance	19. An issuer shall disclose information about:	
	(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) orindividual(s) and disclose information about:	ESG Governance Climate Change
	(i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities	ESG Governance Climate Change
	(ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities	ESG Governance Climate Change
	(iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-ofs associated with those risks and opportunities	ESG Governance Climate Change
	(iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35)	ESG Governance Climate Change
	(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	ESG Governance Climate Change
	(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee	ESG Governance Climate Change
	(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions	ESG Governance Climate Change
(II) Strategy	**Climate-related risks and opportunities**	
	20. An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to afect the issuer's cash lows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:	
	(a) describe climate-related risks and opportunities that could reasonably be expected to afect the issuer's cash lows, its access to finance or cost of capital over the short, medium or long term	Climate Change Risk Management
	(b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk	Climate Change Risk Management
	(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur	Climate Change Risk Management
	(d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making	Climate Change Risk Management
	Business model and value chain	
	21. An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:	
	(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain	Climate Change
	(b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets)	Climate Change

Subject Areas, Aspects, General Disclosures and KPIs		Chapter
	Strategy and decision-making	
	22. An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:	
	(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about:	
	(i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities	Climate Change Energy Management
	(ii) current and anticipated adaptation and mitigation eforts (whether direct or indirect)	Climate Change Energy Management
	(iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan	Climate Change Energy Management
	(iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any))	Climate Change Energy Management
	(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a)	Climate Change Energy Management
	23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a)	Climate Change
	Financial position, financial performance and cash flows	
	Current financial effect	
	24. An issuer shall disclose qualitative and quantitative information about:	
	(a) how climate-related risks and opportunities have afected its financial position, financial performance and cash lows for the reporting period	Climate Change
	(b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements	
	Financial position, financial performance and cash flows	
	Anticipated financial effect	
	25. The issuer shall provide qualitative and quantitative disclosures about:	
	(a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	Climate Change
	(i) its investment and disposal plans	
	(ii) its planned sources of funding to implement its strategy	
	(b) how the issuer expects its financial performance and cash lows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities	

Subject Areas, Aspects, General Disclosures and KPIs		Chapter
(III) Risk Management	27. An issuer shall disclose information about:	
	(a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:	Risk Management Climate Change
	(i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes)	Risk Management Climate Change
	(ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks	Risk Management Climate Change
	(iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria)	Risk Management Climate Change
	(iv) whether and how the issuer prioritises climate-related risks relative to other types of risks	Risk Management Climate Change
	(v) how the issuer monitors climate-related risks	Risk Management Climate Change
	(vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period	Risk Management Climate Change
	(b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities)	Risk Management Climate Change
	(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process	Risk Management Climate Change
(IV) Metrics and Targets	**Greenhouse gas emissions**	
	28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO_2 equivalent, classified as:	
	(a) Scope 1 greenhouse gas emissions	Climate Change Environmental Performance Indicator
	(b) Scope 2 greenhouse gas emissions	Climate Change Environmental Performance Indicator
	(c) Scope 3 greenhouse gas emissions	The Company will progressively enhance the measurement and reporting of Scope 3 greenhouse gas emissions.
	29. An issuer shall:	
	(a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions	
	(b) disclose the approach it uses to measure its greenhouse gas emissions including:	
	(i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions	Climate Change Environmental Performance Indicator
	(ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions	Climate Change Environmental Performance Indicator
	(iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes	Climate Change Environmental Performance Indicator

Subject Areas, Aspects, General Disclosures and KPIs		Chapter
	(c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions	Climate Change Environmental Performance Indicator
	(d) or Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)	The Company will progressively enhance the measurement and reporting of Scope 3 greenhouse gas emissions.
	Climate-related targets	
	37. An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose	Climate Change
	(a) the metric used to set the target	
	(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives)	
	(c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region)	
	(d) the period over which the target applies	
	(e) the base period from which progress is measured	
	(f) milestones or interim targets (if any)	
	(g) if the target is quantitative, whether the target is an absolute target or an intensity target	
	(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target	


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