Environmental, Social and Governance Report

Advancing Antibody Drugs to Safeguard Life and Health

Environmental, Social and Governance Report

ABOUT THE REPORT

The Environmental, Social and Governance Report (the "**Report**" or "**ESG Report**") is designated to give an objective and true view of the strategies, policies, measures and achievements of Mabpharm Limited ("**Mabpharm**", "**we/us**" or the "**Company**") in terms of sustainable development, and focuses on the disclosure of the Company's information in environmental, social and governance ("**ESG**") aspects.

Basis of Preparation

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

Reporting Cycle

From January 1, 2024 to December 31, 2024 (the "**Reporting Period**", "**2024**" or the "**Year**"), certain information may relate to periods beyond the Reporting Period.

Reporting Scope

The reporting scope of the Report covers Mabpharm Limited (02181.HK) and its subsidiaries, which is in line with the 2024 annual report of the Company.

Source of Information and Guarantee for Reliability

Save as otherwise indicated, data contained herein are derived from the internal information, investigation and interview records and relevant documents of the Company. The Board of the Company undertakes that the Report does not contain any false information or misleading statement, and is responsible for its truthfulness, accuracy and completeness.

Confirmation and Approval

The Report has been approved by the Board on March 26, 2025 upon confirmation by the management.

Availability of Report

The Report is incorporated in the 2024 annual report of the Company. Out of concern for environmental protection, we recommend you to read the electronic version is available on the website of the Stock Exchange (www.hkexnews.hk) and the official website of the Company (www.mabpharm.cn).

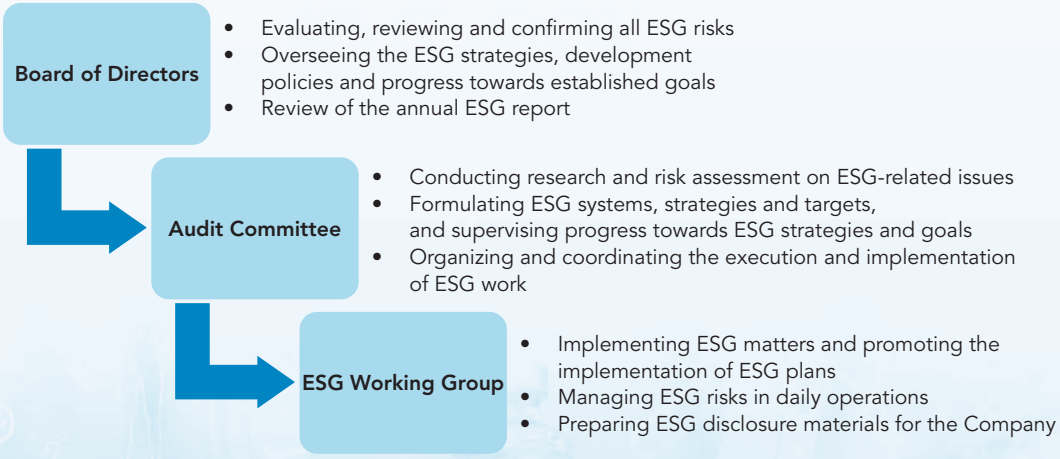
1. ESG GOVERNANCE

Mabpharm recognizes the importance of ESG for the long-term development of an enterprise, and adheres to its mission of "innovation, quality, and excellence" to deeply integrate ESG principles into its strategic planning and daily operations. To this end, the Company has been comprehensively establishing and improving its ESG management system, actively listening to the voices of stakeholders, and continuously optimizing its governance strategy to proactively fulfill its social responsibilities and promote sustainable development.

1.1 ESG Management System

In strictly compliance with the requirements in the Environmental, Social and Governance Reporting Code of the Stock Exchange, Mabpharm has established a sound ESG management system, and formulated the ESG Working Group Management System (《ESG工作小組管理制度》) to ensure that its performance in environmental, social and governance aspects can meet the expectations on its sustainable development and of stakeholders, and is in accordance with relevant laws, regulations and international standards.

Addressing the needs of sustainable development, the Company has established a multi-level governance structure comprising the Board, the Audit Committee and the ESG Working Group. The Board is the highest decision-making authority for ESG governance and leads ESG direction of the Company. The Audit Committee is established under the Board, to manage our ESG affairs and report to the Board. In addition, the Company has established the ESG Working Group composed of key functional departments, responsible for the implementation of ESG work and ensuring effective promotion of various ESG initiatives.



Mabpharm's ESG governance structure and functions

Board Statement

Board responsibilities	The Board of Mabpharm is the highest responsible and decision-making authority for ESG matters of the Company. It is responsible for ESG strategic planning, risk management, and decision-making and deployment of significant matters, reviewing and approving important ESG rules, medium– to long-term strategic planning, and annual ESG reports of the Company.
Implementation of ESG matters	The Audit Committee under the Board assists the Board in monitoring the implementation of key ESG issues and plans, manages and supervises the ESG Working Group, and regularly reports the work progress to the Board. Based on the reports submitted by the Audit Committee, the Board continuously monitors the implementation of ESG work and the fulfillment of ESG goals.
Analysis of material issues	Mabpharm has established a diversified communication mechanism with internal and external stakeholders. Through ongoing communication with stakeholders, the Company can effective adopt suggestions from them, accurately identify and determine material issues, and ensure the alignment of ESG strategic goals with our development and the interests of stakeholders, enabling steady advancement of our ESG strategy towards sustainable development.
ESG risk governance	Mabpharm keeps a close eye on international ESG development trends and industry dynamics, to identify and manage our ESG risks. The Board provides analysis and decision support on ESG risks annually, and continuously monitors the implementation of risk countermeasures. On that basis, the Board dynamically reviews our sustainability strategy according to risk management performance, and adjusts direction in a timely manner to ensure our sustainable development.
Releasing of ESG report	The Report provides a detailed disclosure of Mabpharm's ESG work progress and effectiveness in 2024, and was considered and approved by the Board on March 26, 2025.

1.2 Stakeholder Communication

Mabpharm always values communication with stakeholders. We have established diversified communication channels to ensure that we can promptly obtain opinions and suggestions from various stakeholders, respond to their concerns in a timely manner, and establish long-term stable cooperative relationships of mutual trust with them to jointly promote our sustainable development.

In 2024, Mabpharm actively maintained long-effect communication with various stakeholders, and refined our ESG development plan in a timely manner by collecting their needs and feedback, ensuring that our ESG work met the expectations of stakeholders.

Stakeholders	Major issues of concern	Communication method
Shareholders/investors	ESG governance Risk management R&D innovation Product quality and safety Business ethics and anti-corruption	Information disclosure General meetings Performance conference Company announcements Investor survey
Government/regulatory authorities	ESG governance Risk management Business ethics and anti-corruption Product quality and safety R&D innovation Environmental management Response to climate change	Regular communication News media Exchange and cooperation

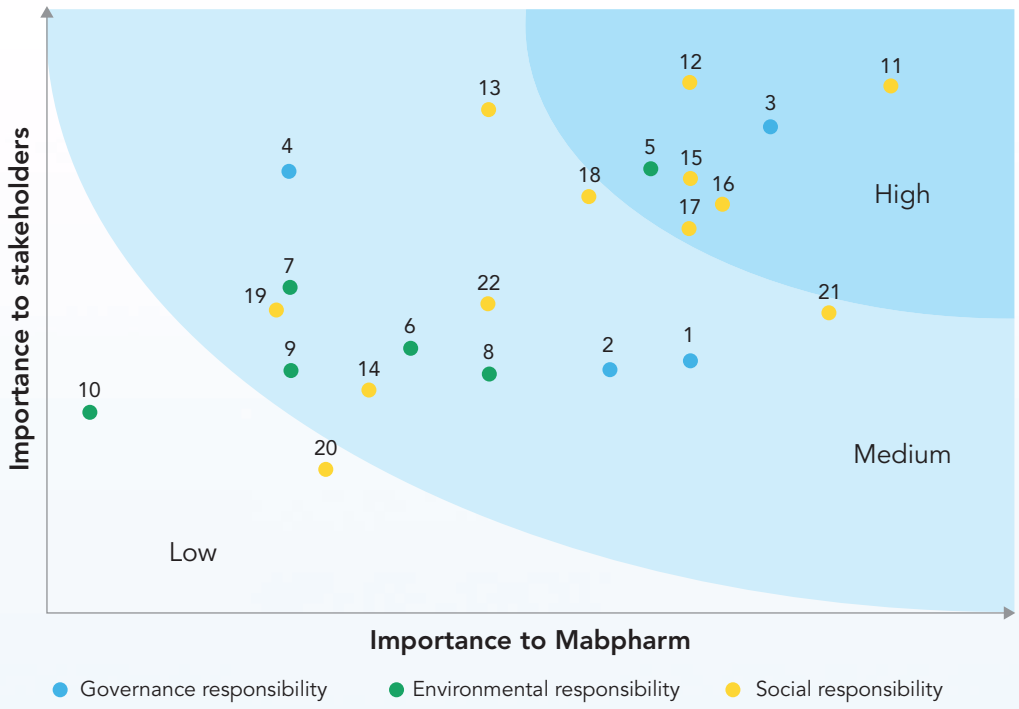
Stakeholders	Major issues of concern	Communication method
Clients	Inclusive healthcare Responsible marketing Business ethics and anti-corruption Data security and privacy protection	Customer complaint handling Customer satisfaction survey Pharmacovigilance hotline
Suppliers	Industrial communication and cooperation	Industry associations Industry exchange and cooperation Industry-university-research cooperation
Cooperative partners	Supply chain management Business ethics and anti-corruption	Supplier conference Supplier communication Supplier training Supplier audit
Employees	Employee health and safety Employee rights and interests Staff development	Employee activities Employee satisfaction survey Employee interviews Anonymous e-mail

1.3 Analysis of Material Issues

Analysis of material issues is a core component in sustainability management of an enterprise. In 2024, Mabpharm drew upon scientific and systematic analysis methods to identify and manage material issues closely related to our business development and stakeholders, meeting the expectations of stakeholders while allowing us to identify and respond to ESG risks and opportunities, promote continuous progress in ESG, and enhance our sustainable development capabilities.

In 2024, Mabpharm conducted an annual survey on material issues and prepared a matrix of material issues, as illustrated below:

Mabpharm's matrix of material issues



	Material Issues[1]
Governance responsibilities	1. ESG management system
	2. Risk management
	3. Business ethics and anti-corruption
	4. Supply chain management
Environmental responsibilities	**5. Environmental management and compliance**
	6. Energy consumption
	7. Water resource management
	8. Emission management
	9. Packaging materials
	10. Climate change response and adaptation
Social responsibilities	**11. Product quality and safety**
	12. Technology and innovation
	13. Intellectual property rights
	14. Responsible marketing
	15. Privacy protection
	16. Employee health and safety
	17. Employee rights and interests
	18. Staff promotion and training
	19. Community contribution
	20. Charity
	21. Drug accessibility
	22. Industry cooperation

2. RESPONSIBLE GOVERNANCE FOR SOUND PROGRESS

Mabpharm understands that good governance is the cornerstone for a company's sound development. Staying focused on responsible governance, the Company maintains a rational corporate governance structure, standardized business processes and precise risk control to ensure that the Company progresses ahead soundly with a balance between compliance and efficiency.

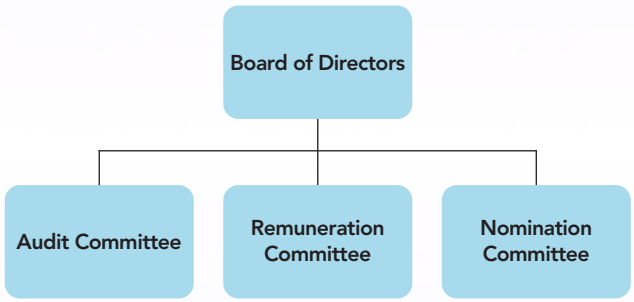
2.1 Corporate Governance

In accordance with regulatory requirements under the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Securities Law of the People's Republic of China (《中華人民共和國證券法》), relevant laws and regulations and the Code of Corporate Governance for Listed Companies (《上市公司治理準則》) of the Stock Exchange, Mabpharm continues to improve and optimize its corporate governance structure, seeking to ensure rationality, compliance and efficiency of business decision-making for its sustainable development through diversified board composition and a rational governance mechanism.

[1] The bolded issues in the table represent the issues of high materiality to Mabpharm in 2024.

2.1.1 Corporate Governance Structure

Adhering to the management philosophy of "rational decision-making, standardized operation, effective checks and balances", Mabpharm has established a rational and reasonable corporate governance structure. In strict compliance with relevant laws and regulations, the Company has established a governance structure centering on the Board as supported by the Audit Committee, the Remuneration Committee and the Nomination Committee, to ensure clearly defined rights and duties, mutual checks and balances, and coordinated operation among the governing organs.



Mabpharm's governance structure

2.1.2 Board Diversity

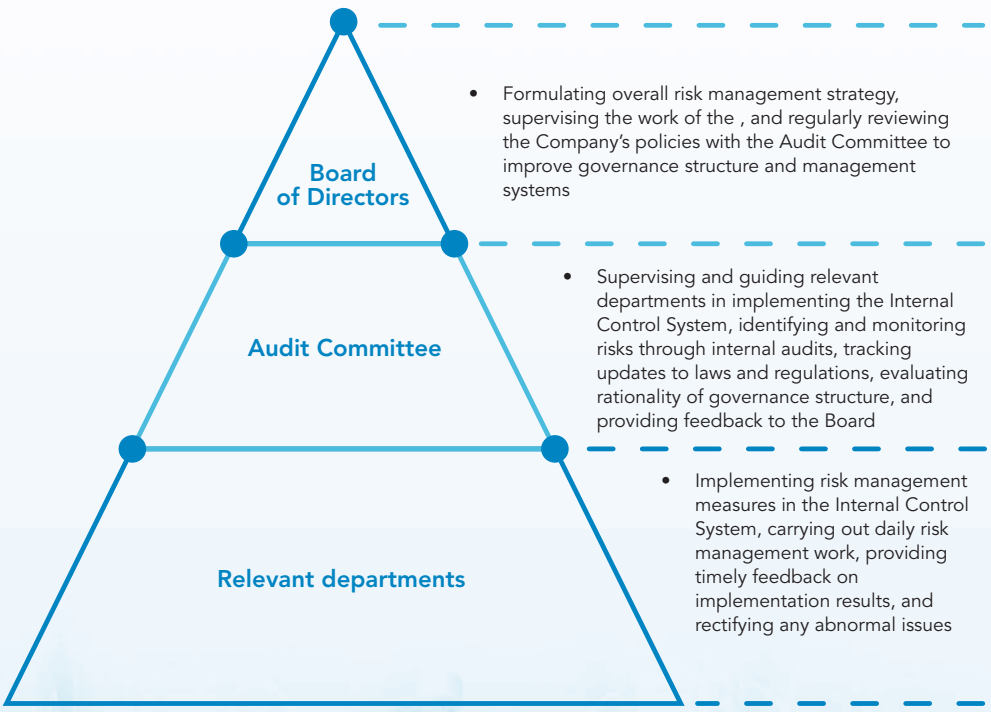
Mabpharm highly values diversity of the Board. Adhering to the Board structure philosophy of "diversity and inclusiveness, professional complementarity, and experience sharing", the Company is committed to building a board team with diverse backgrounds and complementary skills. The Board is composed of people of different professional backgrounds, industry experience, genders and ages, covering multiple fields such as medicine, pharmacy, management and finance and law, to ensure that the Board can examine our development issues from multiple perspectives and make rational and reasonable decisions. The Company currently has a total of 11 directors, including one female director. The diversified board provides strong decision-making support for the Company's sound development.

2.2 Standardized Operation

Standardized operation is the foundation for an enterprise to establish presence in the market. Mabpharm has always regarded compliance operation as the lifeline of corporate development. Through sound risk management, strict anti-corruption measures and responsible marketing practices, we ensure that the Company progresses ahead soundly in the complicated and changing market environment. We understand that only on the basis of compliance can we achieve sustainable development and earn trust and support from our stakeholders.

2.2.1 Risk Management

Mabpharm places great emphasis on risk management, taking it as a core element of standardized operation, and has established a robust risk management system. The Company has established the Internal Control System (《內控制度》) and established a three-level risk governance structure consisting of the Board, the Audit Committee and risk management posts at relevant departments, to ensure that our risk management work covers all operation and management aspects and provide a solid safeguard for sound development of the Company.



Mabpharm's risk governance structure

During the Reporting Period, the Company conducted an audit on special project fund to audit the use of funds in our research projects, with a view to ensuring that the research funds were used for their intended purposes and improving the efficiency of fund utilization. No irregularities were identified in the audit result.

2.2.2 Anti-corruption

Mabpharm resolutely opposes any form of corruption and fraud, and holds a "zero tolerance" attitude towards bribery and corrupt behaviors. The Company strictly abides by relevant state laws and regulations, including the Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》), the Anti-Money Laundering Law of the People's Republic of China (《中華人民共和國反洗錢法》) and the Interim Provisions on the Prohibition of Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》). The Company has formulated the Anti-Fraud Management System (《反舞弊管理制度》), which sets out the principles, scope, accountable entities and punishment measures of anti-corruption work, to provide a solid institutional basis for our anti-corruption efforts.

To ensure the implementation of the rules, the Company has established a dedicated internal control management department as a permanent organ for anti-fraud work. In accordance with the rules, we conduct regular audits and inspections on the Company's key business areas such as financial income and expenditure, procurement and sales, engineering and construction to promptly identify and rectify potential corruption issues, so as to ensure compliance and transparency of our operations. Through strict audits by the internal control management department and a series of normalized anti-corruption and integrity measures, the Company effectively prevented various irregularities and ensured compliance and transparency of our operations. During the Reporting Period, the Company did not have any violation of business ethics.

Anti-corruption whistle-blowing
• The Company has established open whistle-blowing channels and the Regulations on Anti-fraud and Whistle-blowing Mechanism, encourages employees to report corruption, strictly keeps confidential the identity of whistleblower, and carefully investigates and handles the reported clues before publishing the findings
Integrity cooperation
• The Company requires its suppliers and partners to sign anti-corruption commitment clauses, clarifying the rights and obligations of both parties with respect to integrity cooperation to jointly create a clean business environment
Construction of clean culture
• The Company actively creates a culture of integrity and honesty, and integrates the concept of integrity into its corporate culture through various means e.g. anti-fraud training and business ethics education for directors and all employees, allowing the awareness of integrity to take root among employees

Mabpharm's normalized management measures for anti-corruption and integrity

2.2.3 Responsible Marketing

Mabpharm always takes responsible marketing as an important part of standardized operation, and adheres to the marketing philosophy of "code-compliant publicity, honest marketing, and committed to serving patients" to ensure code-compliant and responsible product publicity activities. The Company has formulated the Standard Operating Procedures for Promotion Material Management (《推廣材料管理標準操作流程》), which set out marketing behavioral guidelines, promotional content review process, etc., to provide clear systematic guidance for responsible marketing practices.

Mabpharm licenses the right to market and sell its products to third parties, who are authorized exclusively for product sales. To facilitate code-compliant sales by our partners, we introduced sales compliance clauses in the cooperation agreements, requiring third parties to strictly follow our pre-determined promotional content and marketing protocols in carrying out marketing activities. The Company regularly supervises and examines marketing behaviors of its outsourced marketing service providers, to correct their irregularities in time and ensure marketing compliance.

3. INNOVATION-DRIVEN APPROACH TO QUALITY EXCELLENCE

Mabpharm considers R&D innovation as the cornerstone of the Company's sustainable development. We are committed to bringing high-quality and affordable innovative biopharmaceuticals to the market through an efficient research and development system and low-cost drug manufacturing capabilities, contributing to the health and well-being of more patients. We deeply embed our rigorous quality requirements into the entire product lifecycle. To this end, we continue to deepen independent R&D, actively engage in external communication and cooperation, enrich our innovative product pipelines, refine our product quality, and step up our efforts in intellectual property protection, seeking to provide high-quality and effective products and services for patients and customers worldwide.

3.1 R&D Innovation

Mabpharm continues to expand its independent R&D sphere based on high-quality innovative drugs. We are launching a diverse range of product pipelines to overseas and domestic markets, providing better medication solutions to patients worldwide and offering them more economical choices.

3.1.1 R&D Innovation System

Mabpharm believes that high-quality R&D innovation is the key to sustaining our competitiveness. We have established a robust R&D innovation mechanism and set up a high-quality R&D team, laying a solid foundation for our innovation vitality and R&D strength.

Our R&D activities are conducted by three core teams, namely basic research team, clinical trial team, and GMP[2] – compliant product preparation team. The core members of Mabpharm's R&D team possess extensive biopharmaceutical R&D experience, gained from working in reputable global pharmaceutical companies, together with solid R&D capabilities and strong industry backgrounds. Other team members also possess proven academic backgrounds and professional skills, working together to lay a solid professional foundation for our core competitiveness in product R&D. Meanwhile, in light of the philosophy of innovation-driven development, the Company continues to step up its R&D investment to provide ample and stable resource support for product R&D, contributing to its new breakthroughs in the biopharmaceutical field.

The Company continues to advance its digital transformation, empowering R&D innovation management. Our Laboratory Information Management System (LIMS)[3] has been fully put into operation, achieving online full lifecycle management on samples from planning, request for testing, sample receiving, distribution, testing, result reporting, and review. By integrating the Environmental Monitoring System (EMS)[4], the Building Management System (BMS)[5], and other computerized systems, the Company has achieved digital management and monitoring of production and quality inspection processes, which significantly improved the efficiency and quality of R&D innovation management.

2 Good Manufacturing Practice of Medical Product
3 Laboratory Information Management System
4 Environmental Monitoring System
5 Building Management System

As of the end of the Reporting Period, the Company had 226 R&D professionals (including our management), of whom 162 hold a bachelor's degree or above; R&D professionals accounted for 72% of the total employees of the Company; and total R&D investment amounted to RMB75,212,000.

Product pipeline

Mabpharm specializes in the development and production of new drugs and biosimilars for treatment of cancer and autoimmune diseases. Currently, we have established a rich product pipeline, including a variety of monoclonal antibody drugs and strong antibody drugs. In particular, our core products CMAB008類停® (infliximab for injection), CMAB007奧 邁 舒® (omalizumab α for injection) and CMAB009 恩立妥® (cetuximab β injection) have obtained approval for marketing; the new drug application of CMAB807/CMAB807X has been submitted; and several candidate drugs are in the clinical/pre-clinical research stage.

Core products	
Product overview	**R&D status**
CMAB007 (omalizumab α for injection, 奧邁舒®) Indication: patients diagnosed with IgE mediated asthma	We have put up our CMAB007奧 邁 舒® for sale on all provincial pharmaceutical product procurement and GPO platforms across the Chinese Mainland, covering thousands of hospitals, primary medical institutions and pharmacies. We have implemented various academic activities for CMAB007奧 邁 舒®, an exclusive product included in the pharmaceuticals catalogue under the Medical Insurance, since its marketing, including the high-end expert AB meetings and city lecture tours involving nearly 1,000 leading medical experts, and rolled out the 100-day action plan to establish 50 benchmark outlets. In addition, we launched data analysis and studies on the efficacy and safety of CMAB007奧 邁 舒® in real world in the beginning of 2024. Our dedicated scientific research fund set for the indication of asthma has undergone two phases, and a total of 18 projects won the bids for the study of indications including allergic asthma and treatment in combination with allergen specificity to study and broaden the evidence-based medicine information of CMAB007奧邁舒®.

Core products	
Product overview	**R&D status**
	CMAB007奧邁舒® was approved for marketing by the NMPA in May 2023 for treatment of patients diagnosed with IgE-mediated asthma, which is the first domestic allergic asthma therapeutic antibody new drug in China approved by the NMPA. In August 2023, CMAB007奧邁舒® was also approved by the NMPA to launch clinical trials targeting chronic spontaneous urticaria in adults and adolescents (aged 12 and above) who still show symptoms after treatment with H1 antihistamines. We have successfully initiated phase III clinical trials of CMAB007奧 邁 舒® for treatment of urticaria. We expect to file the NDA of CMAB007奧邁舒® for the treatment of chronic spontaneous urticaria with the NMPA in the third quarter of 2026, and expect to obtain NMPA approval for marketing in the fourth quarter of 2027. Already included in medical insurance
CMAB008 (infliximab for injection, 類停®) Indication: rheumatoid arthritis, Crohn's disease in adults and pediatric patients aged 6 or above, fistula Crohn's disease, ankylosing spondylitis, psoriasis and ulcerative colitis in adults	Approved for marketing by the NMPA in July 2021 (Approval No.: Guo Yao Zhun Zi S20210025). As of the end of the Reporting Period, CMAB008類停® has been marketed on the procurement platform across all the provinces within China, and extended presence to over 1,000 hospitals (of all levels), primary medical institutions and pharmacies. The Company also cooperates with partners to actively expand to overseas market and has launched registration and market exploration in more than 30 countries and/or regions; and the new drug application has been approved by drug regulatory authorities in Peru, Indonesia, Pakistan and Bangladesh. Already included in medical insurance
CMAB009 (cetuximab β injection, 恩立妥®) Indication: RAS/BRAF wild-type mCRC	The new drug application for CMAB009恩立妥® was approved by the NMPA in June 2024. CMAB009恩立妥® is the first domestically produced anti-EGFR monoclonal antibody innovative drug with independent intellectual property for the first-line treatment of mCRC approved by the NMPA. We are actively proceeding with the clinical and registration work of CMAB009恩 立 妥® for more indications. Already included in medical insurance

Other product candidates	
Product overview	**Product R&D progress**
CMAB807/CMAB807X (denosumab) For the treatment of osteoporosis, tumor bone metastasis and giant-cell tumor of bone.	We have completed phase III clinical trials for osteoporosis, and submitted the NDA application in January 2025. It is expected to be approved for marketing by the NMPA in the second quarter of 2026.
CMAB015 (secukinumab) Possesses remarkable efficacy advantages in the treatment of autoimmune diseases such as psoriasis, and has become one of the most rapidly growing biological agents in the treatment of psoriasis in China.	We expect to submit the NDA for CMAB015 in the third quarter of 2026 and obtain the approval for marketing from the NMPA in the fourth quarter of 2027.
CMAB016 It is a candidate biosimilar product of dupilumab and a monoclonal antibody of the human immunoglobulin G4 (IgG4) subtype, which is in the phase of preclinical studies. CMAB016 targets and binds to the alpha subunit of the interleukin 4 (IL-4) receptor, blocking the signaling pathway of IL-4 and interleukin 13 (IL-13), and can be used for treatment of atopic dermatitis, asthma, chronic rhinosinusitis with nasal polyps, eosinophilic esophagitis, chronic obstructive pulmonary disease (COPD) and prurigo nodularis.	As at the end of the Reporting Period, we have completed the development phase of CMAB016. We expect to complete all preclinical studies and file a clinical trial application in the second quarter of 2026; and obtain NMPA approval for marketing in the second quarter of 2029.

Other product candidates	
Product overview	**Product R&D progress**
CMAB017 (anti-EGFR probody) It is an innovative probody drug. It has been approved by the NMPA for clinical trials for treatment of advanced solid tumors, including but not limited to colorectal cancer, head and neck squamous cell carcinomas and esophageal squamous cell carcinoma. Compared with marketed EGFR anti-body drugs, CMAB017 has better efficacy and is safer.	It has been approved by NMPA for treatment of advanced solid tumors. We expect to initiate phase I clinical trials of CMAB017 in the first quarter of 2025 and obtain the approval for marketing from the NMPA in the second quarter of 2030.
CMAB819 (nivolumab) It is our biosimilar drug candidate currently undergoing phase I clinical trial. CMAB819 has been approved by the NMPA for clinical trial. CMAB819 is indicated for treatment of metastatic non-small cell lung cancer, hepatocellular carcinoma and head and neck squamous cell carcinomas.	We have completed phase I clinical trials and expect that CMAB819 may be approved by the NMPA for marketing in the third quarter of 2029.

Other product candidates	
Product overview	**Product R&D progress**
CMAB022 (Ustekinumab) It is a candidate biosimilar product of Stelara® (ustekinumab). The drug can be used for treatment of psoriasis, psoriatic arthritis, Crohn's disease and ulcerative colitis.	It has completed engineering cell construction, screening and laboratory scale process studies, and is undergoing pilot process scale-up. We expect to complete all preclinical studies and submit a clinical trial application in the second quarter of 2026; and obtain NMPA approval for marketing (for the psoriasis indication, and to apply for expansion to other approved indications) in the fourth quarter of 2030.
CMAB023 (Tezepelumab) It is an anti-TSLP IgG2-lambda monoclonal antibody, and a biosimilar drug candidate for TEZSPIRE (tezepelumab). As a broad-spectrum anti-allergic antibody drug, it covers broader scope of allergic patients, offers a better curative effect, and contributes significantly to mitigating the condition aggravation among patients with severe asthma.	It has completed cell line construction and is under process development. We expect to file clinical trial application in the fourth quarter of 2026, and obtain marketing approval from the NMPA in the second quarter of 2030.

R&D process innovation

As the Company develops innovative biopharmaceutical products, it upholds the R&D principle of "striving for excellence". Leveraging advanced technology and intelligent platforms, the Company continuously promotes process innovation and testing technology innovation. With a commitment to maintaining quality standards, the Company aims to enhance the efficiency of product research and development and production. During the Reporting Period, we innovatively launched an upstream process development and characterization platform and a quality characterization analysis platform. Through cell culture and automated monitoring technology, we achieved efficient protein expression, significantly reducing the use of raw materials such as culture media, lowering energy consumption, and reducing waste water and waste gas emissions. With respect to quality research, we developed a variety of automated analysis and multi-dimensional characterization technologies, helping to shorten project development cycle, reduce the number of trial and error attempts, and avoid resource waste. The two platforms help Mabpharm to comprehensively upgrade in terms of environmental governance and resource conservation, achieving enhancements both in operational efficiency and environmental friendliness.

R&D training

A highly skilled R&D team is the inexhaustible source of innovation. The Company places great emphasis on enhancing professional skills and expertise of the R&D team to maintain its core research and development capabilities. To this end, we have established a robust training system and framework tailored to the needs of the R&D team, providing customized training plans on an annual basis. We require that all on-duty R&D professionals receive training at least once a month, covering the perspectives such as industry laws and regulations, operational techniques and protocols, personal safety protection and occupational health, thereby continuously enhancing professional skills and standardized operations of R&D personnel in their daily work. For new employees, in addition to basic induction training, we also provide post-specific skill training to help them quickly get familiar with their responsibilities and work processes. We require them to complete quality document system training and assessment before assuming their positions, to ensure that they are competent for the post requirements.

In addition, in 2024, we organized systematic training programs covering the use of various internal R&D platforms such as the molecular biology platform, the cell screening platform, the upstream process development and characterization platform, the downstream protein purification process development platform, and the comprehensive quality research platform, empowering the team's full-spectrum R&D capabilities from the construction of macromolecular therapeutic protein molecules to quality characterization, and laying a solid foundation for our future research innovation and product development.

Industry-university-research cultivation program

In 2024, Mabpharm worked with Liaocheng University and Wenzhou Medical University to launch an industry-university-research talent cultivation program under an innovative "dual-advisor co-guidance mechanism". The project adopts a full-chain process of "selection – cultivation – practice – evaluation", where the universities select master candidates majoring in biomedicine at first, followed by the enterprise to determine the cultivation list after interviews. The students are required to complete theoretical courses in universities and practical training in the enterprise, covering GMP standards, antibody drug development, etc. In the practice stage, students will be deeply engaged in tumor targeted drug development projects of Mabpharm, as jointly guided by advisors from both universities and the enterprise. So far more than ten students have been enrolled into the program, among whom four students have completed the transformation of research achievements into corporate technology solutions, published two SCI papers, and are expected to apply for one patent. The program not only strengthens students' industrial thinking, enabling them to better keep abreast of market demand and industry updates, but also establishes a pool of R&D talents with composite skills for Mabpharm. Joining the efforts of universities and enterprises to cultivate talents, this innovative practice model provides a new approach and hint for talent cultivation in the biopharmaceutical industry.

Formulation of R&D standards

In 2024, Mabpharm teamed up with the National Institutes for Food and Drug Control of China to jointly develop candidate national reference material for infliximab. So far we have completed preparation of the candidate reference material, and are proceeding with its calibration work in full swing. Mabpharm provides a strong basis for evaluation and traceability of the potency of infliximab, the first monoclonal antibody reference material completely independently developed in China. This move will significantly upgrade overall domestic drug regulation and R&D levels, and lay a solid technical foundation for establishing more monoclonal antibody drug reference materials. Upon successful implementation, the project will greatly promote safe and effective popularization of infliximab and related monoclonal antibody drugs in China, and provide more reliable medication guarantees for patients, demonstrating the social value of enterprises and research institutes working together to contribute to high-quality development of the pharmaceutical industry.

3.1.2 Intellectual Property Rights Protection

Intellectual property rights protection is of paramount importance for Mabpharm's sustainable development. We strictly abide by the Patent Law of the People's Republic of China (《中華人民共和國專利法》), the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》), the Trademark Law of the People's Republic of China (《中華人民共和國商標法》) and other laws and regulations, rigorously implement our internal intellectual property management system to ensure that the conversion of innovative achievements, including technology development, technology transfer, technology consultation, and technology services, is well-founded. We have clearly defined procedures for handling intellectual property disputes and assigned responsibilities to relevant departments, to promote standardized intellectual property management practices continuously.

The Company is dedicated to fostering a positive culture of intellectual property rights protection, seeking to enhance employees' awareness of intellectual property rights protection and safeguard and reinforce our competitive strengths in innovation. During the Reporting Period, our Intellectual Property Department specifically organized systematic patent mining training for R&D personnel to motivate employees to actively explore innovative potential. We also conducted retrieval trainings for R&D personnel through the online training platform PatSnap, encouraging them to independently conduct intellectual property retrieves and investigations and constantly guard against the risk of patent infringement. Meanwhile, with respect to supplier management, we remain highly cautious about intellectual property risks. During the supplier qualification review process, our Intellectual Property Department actively assists in reviewing suppliers' patents to ensure that the products or services provided by suppliers do not infringe upon any third-party intellectual property rights and other legitimate rights and interests.

To drive innovation among R&D personnel, we vigorously promote an employee R&D innovation incentive program to encourage employees to actively apply for patents. We provide different levels of rewards to individuals who apply for invention patents based on their importance and value contribution.

During the Reporting Period, Mabpharm was accredited as a Jiangsu Provincial High-tech Enterprise, marking a new height in our technological innovation, R&D strength, and development of high-tech industries and further enhancing our core competitiveness and industry influence.

High-tech enterprise certificate

During the Reporting Period, Mabpharm did not have any incidents of intellectual property rights infringement. The information on patents, copyrights and trademarks applied for and granted is as follows:

Indicator	Unit	2024	2023
Patent applications filed during the Reporting Period	number	10	12
Patents granted during the Reporting Period	number	8	4
Total number of patents granted	number	35	28
Total copyrights granted	number	2	2
Total trademarks granted	number	111	111

3.2 Quality First

Crucial to life safety and health of patients, the quality of drugs is a cornerstone for the Company to earn and sustain a good reputation. In light of the quality policy of "leading through quality, winning with technology, continuous improvement, and pursuing excellence", Mabpharm implements product quality management responsibilities across all stages of the product lifecycle, prioritize the rights and safety of clinical trial subjects and are dedicated to providing high-quality products and thoughtful services to patients and customers.

3.2.1 Product Quality and Safety

Mabpharm places great importance on drug safety and quality management. We have established a comprehensive quality management system that covers the entire product lifecycle. We take initiatives to improve our quality system, optimize and update product safety assurance measures, continuously conduct post-market quality monitoring, and optimize customer service in order to safeguard health and safety of patients through stringent quality control.

Quality management system

Mabpharm acts in strict accordance with the Drug Administration Law of the People's Republic of China (《中華人民共和國藥品管理法》), the Regulations for the Implementation of the Drug Administration Law of the People's Republic of China (《中華人民共和國藥品管理法實施條例》), the Quality Management Standard for Drug Clinical Trials (《藥物臨床試驗質量管理規範》), the Good Manufacture Practice (revised in 2010) (《藥品生產質量管理規範(2010年修訂)》), the Measures for the Administration of Drug Registration (《藥品註冊管理辦法》), the Quality Management Standard for Non-clinical Research of Drugs (《藥品非臨床研究質量管理規範》) and other laws and regulations to comprehensively strengthen drug quality management.

The Company actively benchmarks itself against international advanced standards. Based on regulations and guidelines such as EMA[6], PIC/S[7], EP[8] and USP[9], and with reference to technical reports published by reputable organizations and associations such as WHO[10], PDA[11] and ISPE[12], we analyze the gap between the Company and various regulatory systems and pharmacopoeial standards, implement CAPA[13] measures in stages, make improvements to the shortcomings in the Company's existing drug quality management, and comprehensively enhance the standard of our drug quality management system.

The Company has established a drug lifecycle management system that covers clinical research, production, products and materials to ensure controlled quality and safety throughout the entire product lifecycle. At the clinical research stage, the Company implements quality management based on the risks associated with clinical trials, ensuring that each stage of the clinical trial complies with relevant regulations. At the production stage, the Company strictly adheres to GMP requirements to maintain full control over production quality. For products and materials, the Company conducts testing on materials and products in accordance with relevant standards and tightly manages the materials supply chain to ensure the stability of product and material quality.

6 European Medicines Agency
7 Pharmaceutical Inspection Convention and Pharmaceutical Inspection Co-operation Scheme
8 European Pharmacopoeia
9 United States Pharmacopoeia
10 World Health Organization
11 Parenteral Drug Association
12 International Society for Pharmaceutical Engineering
13 Corrective Action and Prevention Action

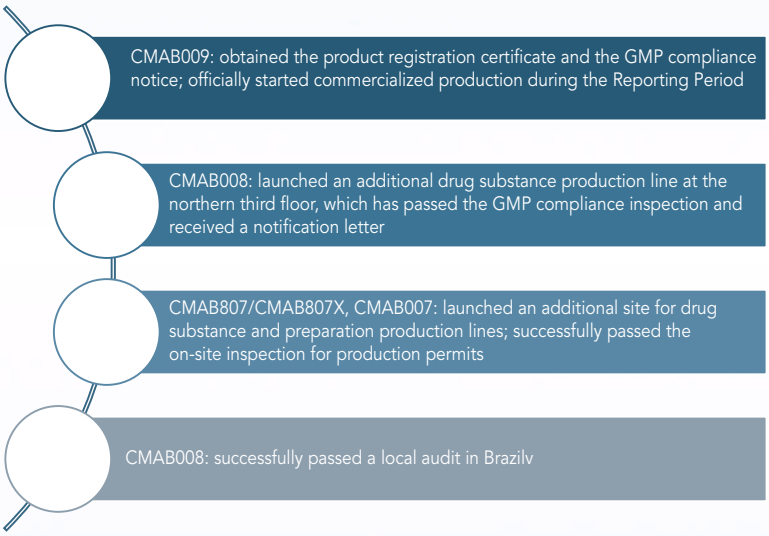
Clinical research quality management	• Implement full-process quality management for the design, implementation, recording, evaluation, results reporting and fling of clinical trials • Appoint monitoring officers who possess the necessary knowledge of clinical research, have received professional training, and are capable of effectively fulfilling monitoring responsibilities to conduct regular routine monitoring; and appoint independent auditors to perform audits and, if necessary, procure third-party audit services from external vendors • Develop standard operating procedures and monitoring plans to ensure data integrity, enhance the ability to address various risks in clinical trials, and ensure compliance of critical data and processes • Establish auditing procedures for the clinical research quality management system to ensure the implementation of auditing procedures in clinical trials

Production quality management	• Conduct comprehensive self-inspections of production management and quality management on a regular basis in accordance with GMP and relevant regulatory requirements. The inspections cover aspects such as facilities and personnel, premises and equipment, materials and products, product shipping and recalls, ensuring effective control of various risks during the drug production process • Develop management review requirements based on EU GMP[14] and ICH guidelines and conduct regular reviews. Through reviewing and analyzing changes, deviations, OOS[15]/OOT[16] and CAPA, the Company comprehensively audits and evaluates the operation of its quality system • Conduct regular product quality review analysis to promptly identify potential adverse trends and implement improvements and preventive measures when necessary • QA[17] department conducts weekly inspection reports, and professional third-party agencies are engaged to conduct gap analysis audits of the Company's production quality system

14 The International Council for Harmonization of Technical Requirements for Pharmaceuticals for Human Use
15 Out of Specification
16 Out of Trend
17 Quality Assurance

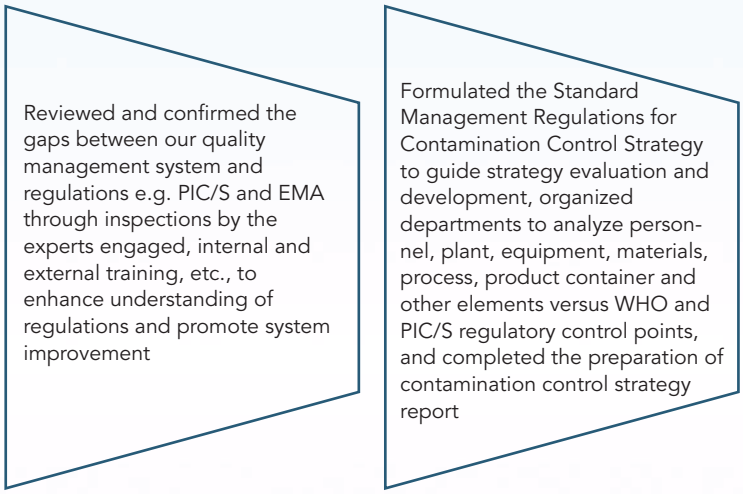
Product/ material quality management	• Establish sampling, quality testing, and evaluation and release procedures to conduct testing in accordance with nationally approved quality testing standards and methods. After confirmation by the QA department, products that meet the product quality standards and relevant requirements are released by designated personnel • Conduct stability studies on products and retain samples of materials and products as required, and perform regular sample quality confirmations • Establish entrusted inspection management regulations to comprehensively manage the entrusted inspection of materials and products • Conduct audits of materials and their respective suppliers, achieving a coverage rate of 100%

During the Reporting Period, Mabpharm successfully passed five official quality audits at home and abroad, and obtained registration certificates for a number of products and GMP-compliance inspection notices for multiple production lines. The quality management system continued to improve, meeting the GMP requirements of China and the PIC/S. A range of products completed key inspection steps and obtained relevant qualifications, laying a solid ground for the enrichment and commercialization process of Mabpharm's product line.



Product quality audit

In addition, we actively pursue product exports. The Company has introduced a series of measures to optimize management system and strengthen management capabilities, to promote continuous improvement of our quality system.

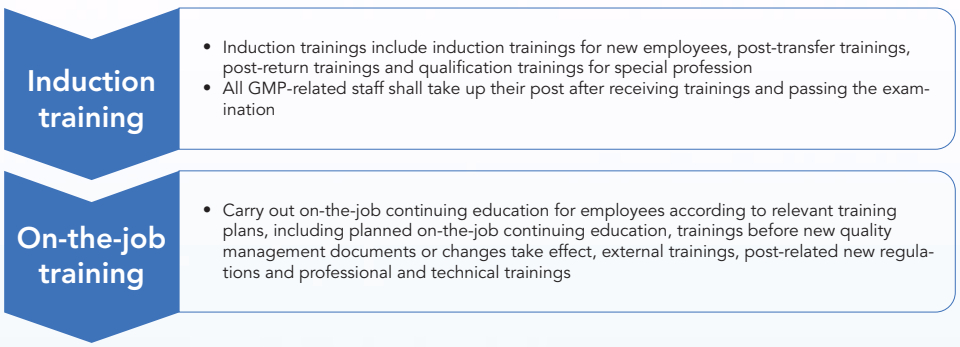


Preparing production line contamination control strategy reports with reference to EU GMP

During the Reporting Period, with a focus on production quality control over sterile products, Mabpharm conducted a comprehensive gap analysis on the contamination control strategy of its existing drug substance and preparation production lines, with reference to EU GMP Appendix 1 and PDA TR90 standards. We thoroughly evaluated the existing measures for key control factors such as microorganisms, particles, bacterial endotoxins and viruses, ensuring that the measures remain effective to provide assurance to process stability and product quality. After months of meticulous work, we successfully prepared contamination control strategy reports on production line basis, including the Risk Assessment Report on Contamination Control Strategy for G79 South Building Penicillin Bottle Preparation Production Line and the corresponding report on the drug substance production line. These reports provide a scientific and systematic contamination control guide for production of sterile products, further improving our product quality management performance.

Construction of quality-minded culture

The Company recognizes the importance of enhancing quality awareness and quality management capabilities. While continuing to consolidate the foundation of quality management, we are committed to promoting the construction of quality-minded culture to create a positive atmosphere of advocating and valuing quality. We have established a robust quality training system and developed targeted training programs for GMP-related personnel to ensure that each relevant employee acquires the knowledge system and operational skills required by GMP before assuming their positions, thereby ensuring standardized and orderly implementation of GMP management. In addition, we developed an annual training matrix tailored to each employee based on their job responsibilities, management requirements, industry updates, and work needs within the system. Based on our actual business conditions, we carried out a diversity of targeted training activities covering practical operations, lectures, offsite training, special inspection by external experts, etc.



Training system for quality personnel

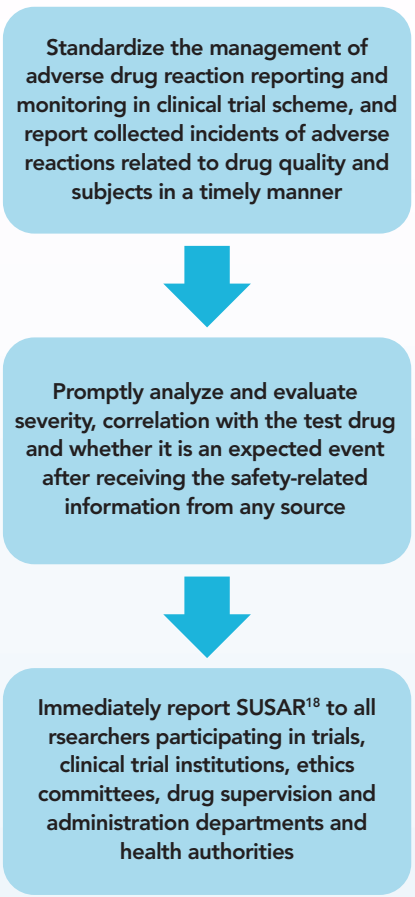
Mabpharm has formulated the Training Standard Management Regulations (《培訓標準管理規程》) to standardize and improve the training to GMP related personnel. Based on job responsibilities, it established the principle for organized, planned and targeted training, and defined in detail the key elements such as qualification requirements on trainers and the effectiveness of training. Trainers, at company level or department level, are required to obtain trainer qualifications before conducting training work. Our human resources department is responsible for developing a list of trainers and regularly reviewing their qualifications to ensure the professionalism of our training faculty. In addition, we conduct a review of training implementation at the end of each year, focusing on assessing the effectiveness and completion of the training plan. The Quality Assurance Department and training specialists from the Human Resources Department are responsible for reviewing and assessing training implementation to ensure quality and effectiveness of our training work.

During the Reporting Period, we actively carried out a series of training activities on regulations. The training covers important domestic and international regulations such as the Drug Administration Law (《藥品管理法》), PIC/S GMP Appendices 1, 2B and 11, and the Good Manufacturing Practice and Appendix (《藥品生產質量管理規範及其附錄(GMP)》), aiming to constantly improve quality management awareness of all employees and enhance their recognition and comprehension of drug production quality management, and thus laying a solid foundation for our quality management level to scale a new high.

Product recall and adverse events

Mabpharm closely monitors the safety risks associated with drugs and continuously enhances its emergency response capabilities for drug safety incidents to ensure the health and safety of patients. The Company strictly abides by the Good Manufacture Practice (revised in 2010) (《藥品生產質量管理規範(2010年修訂)》), Measures for the Supervision and Administration of Pharmaceutical Production (Decree No. 28) (《藥品生產監督管理辦法（局令 第28號)》), Quality Management Standards for Pharmacovigilance (No. 65 in 2021) (《藥物警戒質量管理規範(2021年第65號)》), Guidelines for Composing Master Documents of Pharmacovigilance System (《藥物警戒體系主文件撰寫指南》) and other regulations, continuously updates and improves the Standard Management Regulations for Pharmacovigilance (《藥物警戒標準管理規程》), the Standard Management Regulations for the Drug Safety Committee (《藥品安全委員會標準管理規程》), the Standard Management Regulations for the Organizational Structure, Functions and Responsibilities of the Department of Pharmacovigilance (《藥物警戒部組織結構、 職能與各崗位職責標準管理規程》) and other series of standard operating procedures for pharmacovigilance to clearly define the internal functional structure and management regulations of pharmacovigilance and ensure the effective operation of the pharmacovigilance system. During the Reporting Period, for adverse reaction reports on our drugs marketed overseas, we developed the Standard Operating Procedures for Handling Serious Adverse Reactions (SAR) Overseas (《境外發生的嚴重不良反應(SAR)處理標準操作規程》), with an aim to improve our compliance with overseas and domestic regulatory requirements on adverse reactions of products marketed overseas, thereby better safeguarding safety and health of patients worldwide. In addition, we updated and improved various product adverse reaction management rules, including the Standard Operating Procedures for Investigation of Death Cases (《死亡病例調查標準操作規程》), the Standard Operating Procedures for Medical Coding of Post-market Drug Adverse Reaction Case Reports (《 上市後個例藥品不良反應報告醫學編碼標準操作規程》) and the Standard Operating Procedures for Handling Adverse Drug Reaction Cluster Events (《藥品不良反應聚集性事件處理標準操作規程》), further improving our efficiency in handling related events and ensuring that the handling methods are in compliance with regulatory requirements.

We have set up a pharmacovigilance department to be responsible for monitoring, evaluation collection and reporting of adverse drug reactions. In order to ensure safety of test subjects, we have established channels for reporting adverse reactions, such as telephone and e-mail, and continue to update the adverse drug reaction reporting system and improve the adverse reaction reporting procedures to ensure that adverse drug reactions can be reported in a timely and uninterrupted manner to ensure safety of patients. During the Reporting Period, we optimized the collection channels for adverse reaction feedback, added a fixed line telephone with voice recording function, and guided callers to dial a dedicated adverse reaction/event reporting extension number (8000), to ensure collection of adverse reaction information from patient calls around the clock through an uninterrupted feedback channel.



Processing flow of adverse product reaction report

[18] Suspected Unexpected Serious Adverse Reaction

During the Reporting Period, there were a total of 141 reports on adverse reactions from Mabpharm's three products already marketed, including 111 adverse reaction reports on 類停®, 22 adverse reaction reports on 奧邁舒® and 8 adverse reaction reports on 恩立妥®. In strict compliance with regulatory requirements and its Standard Operating Procedure (SOP), Mabpharm promptly handled and evaluated all adverse reaction reports, and submitted all the adverse reaction reports to the National Center for ADR Monitoring through the direct reporting system for marketing authorization holders.

In order to ensure that drug quality and safety emergencies are handled in a rapid, efficient and orderly manner, the Company formulated emergency plans for drug safety incidents for its clinical-stage and marketed products, recall management procedures and product recall plans to enhance the emergency response capability for drug safety incidents and ensure standardized emergency response.

For products in the clinical trial stage, our departments continuously communicated with the research unit. We improve the mechanism of early warning, disposal and aftermath, including the thorough notification of researchers and institutional ethics committees in research units, active treatment of subjects, and purchase of professional commercial insurance for clinical research, among other initiatives, seeking to avoid and minimize the losses and negative effects caused by sudden safety accidents.

Test drug management	• The preparation of test drugs must comply with the relevant requirements of production quality management of drugs clinical trials. The packaging labels of test drugs must include the words "For Clinical Trial Use Only" as well as clinical trial information and drug details • Training is provided to all relevant personnel, including monitoring officers, researchers and pharmacists. The training covers topics such as the storage temperature, transportation conditions, storage time limits, preparation methods and processes of drug solutions, and device requirements for drug infusion and injection

SAE[19]/SUSAR management during clinical trials	• During clinical trials, actively collect SAE/SUSAR occurring in subjects, and promptly report them as required • Summarize and evaluate adverse medical events and take necessary measures to timely mitigate potential drug safety risks
General adverse drug reaction event management during clinical trials	• During clinical trials, collect, record and evaluate the occurrence of general adverse reactions or events, investigate, analyze and address adverse reactions/events that may be caused by test drug, perform risk assessments, identify potential risks, and implement appropriate control measures to minimize the occurrence of adverse reactions or events

Measures for management of adverse drug reactions during clinical trials

For marketed products, according to specific situation of adverse reactions or events, we have made detailed provisions on the handling of recalls at all levels, and regularly organize recall drills and exercises to verify the effectiveness of the recall system, identify areas for improvement in a timely manner, and ensure that all relevant personnel are familiar with the procedures of the entire recall process. In addition, we actively maintain a well-established drug traceability system and management process to enable information-based traceability of drugs after release through the traceability code system, so as to enhance product quality and safety assurance.

[19] Serious Adverse Event

Quality and safety complaints

Mabpharm has established the Standard Operating Procedures for Product Complaint Handling (《產品投訴處理標準操作規程》), which clarify the responsibilities of relevant departments in the process of handling product complaints, optimize the product complaint handling process, and include provisions for complaint handling timeframe and CAPA measures to ensure the effective resolution of complaints. During the Reporting Period, we conducted a question-and-answer training session on the marketed product CMAB007 (奧邁舒®) for our 400-102-1306 hotline service provider, with a total of 8 participants. The training helped to enhance the hotline service team's product knowledge, ensuring that the 400 hotline can help to collect adverse reactions, provide medical consultation, and handle quality complaints in a standardized manner, to facilitate smooth feedback continuously.

Product quality and safety complaint handling process

During the Reporting Period, Mabpharm received no complaint about product safety, and received a total of three suspected complaints about product quality, including two for CMAB007 奧邁舒® and one for CMAB008 類停®. According to the Standard Operating Procedures for Handling Product Complaints, the Company conducted investigation and handling. It was confirmed that the above three complaints did not involve product quality problems, and the investigation results were promptly replied to users, with a settlement rate of 100%.

Pharmacovigilance training

The Company takes continuous efforts in pharmacovigilance training, with an aim to comprehensively enhance capabilities and vigilance of all relevant personnel in handling adverse reaction events, further optimize service quality and ensure patient safety. During the Reporting Period, we took active actions, conducting an internal training and publicity activity on adverse reaction reporting titled "Drug Safety and All-staff Vigilance" for the majority of employees, which attracted 279 employees to participate. Moreover, all participants successfully passed the examination, effectively improving their knowledge and response ability for drug safety. Also, we conducted the 恩立妥® Safety and Adverse Reaction Reporting Process Training for our business partners in relation to CMAB009 恩立妥®, a newly launched product marketed in 2024, with a total of 348 participants who all passed the examination. The training activity not only enhanced the awareness of the importance of pharmacovigilance among relevant personnel, but also helped to significantly improve the accuracy and timeliness of adverse reaction reports, laying a solid ground for our drug safety monitoring work and further ensuring medication safety for patients.

During the Reporting Period, Mabpharm did not have any non-compliance and penalties related to products and services.

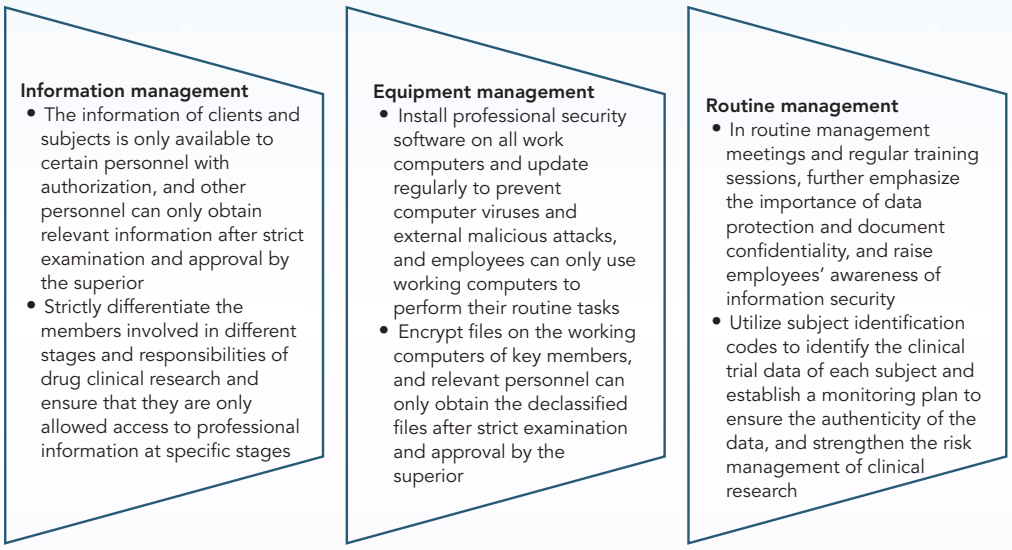
3.2.2 Data Security and Privacy Protection

Safeguarding the rights and safety of subjects is an essential prerequisite for Mabpharm's clinical trials. The Company strictly complies with relevant laws and regulations such as the Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人信息保護法》) and the Data Security Law of the People's Republic of China (《中華人民共和國數據安全法》), develops and implements various standard operating procedures and Employee Manual (《員工手冊》) to effectively protect the legitimate rights and interests of subjects and guarantee the security of their personal information, ensuring that clinical trials are conducted in a legal and compliant manner.

We respect and protect the subjects' rights to know and choose, and strictly follow the ethical review standards for clinical research. All clinical trial plans and supporting documents have passed the complete review process of the ethics committees of research institutions. With regard to the protection of subjects' rights and interests, we implement standardized operating procedures: Firstly, ensure that the informed consent documents, subject recruitment materials and other relevant information are in compliance with privacy protection regulations; secondly, establish a hierarchical information disclosure mechanism, and fully disclose trial objectives, implementation paths, potential risks and expected benefits to subjects through a structured communication process; thirdly, explicitly grant subjects the right to choose independently, including the right to withdraw their consent before participation and the right to exit unconditionally during the trial process. All operations shall strictly observe the ethical principle of "knowing first, followed by agreement and enrollment", and follow a confirmation mechanism to ensure the rigor and traceability of the informed consent signing process.

To ensure standardized and effective privacy protection work, Mabpharm has established a comprehensive standardized management mechanism. In the perspective of personnel admission standards, we implement a strict new employee compliance admission process, requiring new employees in research positions to complete specialized training on Privacy Protection and Compliance Operations (《隱私保護與合規操作》) and pass a standardized assessment and certification process before they are qualified for assuming their positions. In addition, the authorized new employees are required to sign a legally binding confidentiality agreement. Meanwhile, for external cooperation institutions that have business relationship with our clinical research projects, such as CROs, SMOs and other third-party service providers, we require all their personnel involved in the project to complete the confidentiality agreement signing process before kicking off the project. The agreement shall clearly define the boundaries of data use and responsibilities for breach of agreement, to ensure the security of our external cooperation. In the perspective of continuing education on privacy management, we have established a training mechanism that combines annual mandatory courses with quarterly refresher courses. We carry out regular practical training including regulatory interpretation course, data desensitization technology and privacy risk assessment, to ensure that all employees timely grasp the latest compliance requirements, enhance data security awareness of research personnel, and strengthen our privacy risk prevention and control capabilities.

To further prevent the harm and risks associated with potential breaches of privacy of the subjects, we have implemented comprehensive information security measures. Through data management, equipment management and various routine management measures, we minimize the risk of privacy breaches.



During the Reporting Period, Mabpharm did not receive any complaints related to breaches of customer privacy.

4. HAND IN HAND FOR WIN-WIN DEVELOPMENT AND INDUSTRY PROGRESS

Adhering to the mindset of win-win cooperation, Mabpharm is committed to working hand in hand with partners for mutual success, creating greater value for the biopharmaceutical industry. In pursuit of a sustainable supply chain, we aim to build a resilient and sustainable supply chain, staying at the forefront to lead supplier partners to jointly live up to sustainable development and contribute to healthy upstream and downstream of the supply chain.

4.1 Sustainable Supply Chain

Mabpharm is committed to integrating the concept of sustainable development into supply chain management, so as to create a fair, equitable and win-win cooperation platform, continue to standardize its supply chain management work, and manage its procurement practices in a responsible manner to ensure its business continuity and stability.

4.1.1 Supplier Management

In strict compliance with the Tendering and Bidding Law of the People's Republic of China (《中華人民共和國招標投標法》) and other relevant laws and regulations, Mabpharm has established a supplier management system covering the entire lifecycle of supplier, to comprehensively govern various aspects including admission, change, cancellation, complaint and evaluation of suppliers to ensure standardized supplier management.

We categorize suppliers into raw and auxiliary materials and packaging materials suppliers, consumables suppliers, reagent suppliers and service suppliers, and have established respective management standards for different supplier categories, to improve the effectiveness and comprehensive performance of supply chain management. In 2024, Mabpharm formulated and updated the Standard Management Regulations on Suppliers (《供應商標準管理規程》), breaking down key consumables suppliers into three types (i.e. types A, B, and C) and explicitly specifying the audit frequency for each type of suppliers, thus further enhancing intensity and efficiency of our supply quality management in respect of key consumables suppliers.

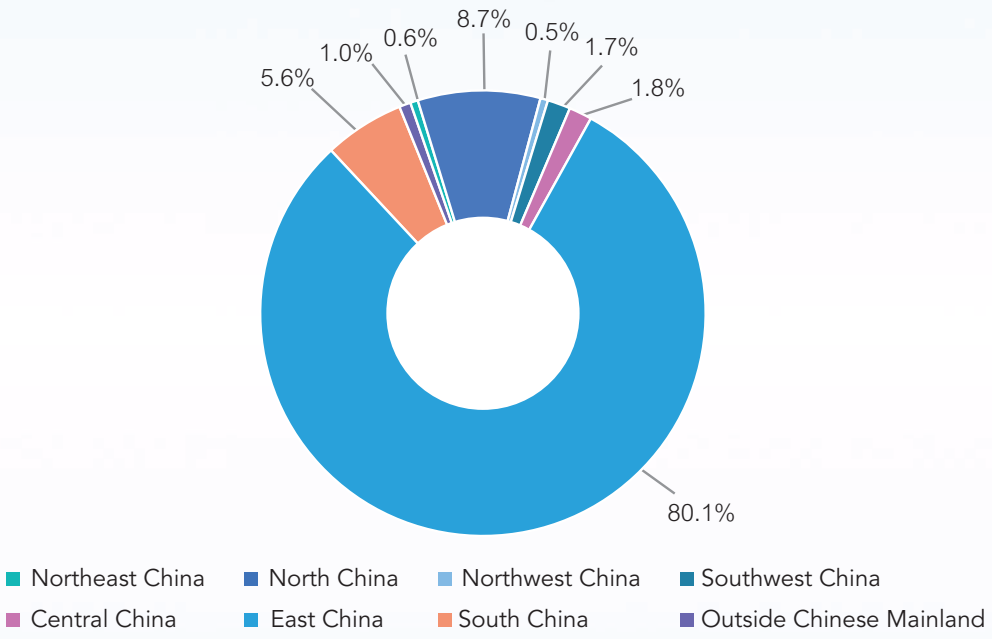
We have established strict supplier admission standards. In accordance with the List of Qualified Suppliers and relevant evaluation standards and rules, the quality of materials provided by controlled material suppliers is required to meet international leading quality standards and our requirements. For non-controlled material suppliers, we consider their price, service, delivery schedule, quality, labor management, business ethics and other factors, and refrain from establishing cooperative relationships with suppliers with poor credit standing, records of administrative penalties and management faults.

The Company conducts regular supplier audits and has formulated audit requirements specific to supplier category for examining their operational compliance, to ensure that their products and services meet relevant standards. For the issues identified during the audits, we provide practical and feasible rectification suggestions to the suppliers, require them to rectify the deficiencies within a prescribed period, maintain sufficient communication with them during the rectification process, and provide necessary guidance and support to assist them in improving their performance continuously. In 2024, the Company conducted audits on 11 suppliers according to its annual audit plan.

In a hope to grow together with its supply chain partners, Mabpharm actively communicates and exchanges ideas with suppliers to promote healthy development and continuous innovation in the industry chain. The Company regularly communicates with suppliers through face-to-face interviews, WeChat, telephone calls and e-mail, to solve the problems and challenges in cooperation and establish long-term stable cooperative relationships. During the Reporting Period, Mabpharm participated in the 15th China (Taizhou) International Pharmaceutical Expo and carried out technical exchanges with suppliers, to further integrate the strengths of all parties and promote product innovation and business development of both parties.

As of December 31, 2024, we had a total of 1,386 suppliers, the majority of which are located in the East China region. Set out below is the percentage of suppliers by region[20]:

Percentage of Suppliers by Region



4.1.2 Sustainable Procurement

In cooperating with suppliers, Mabpharm not only focuses on the quality of their products and services, but also takes into account management capabilities and performance of suppliers in ESG aspects. Under the same conditions, we prioritize to choose the suppliers with better comprehensive ESG performance. We also assist suppliers in cultivating ESG management capabilities to promote the construction of sustainable supply chain.

[20] A breakdown of suppliers by region:
North China: Beijing, Tianjin, Hebei, Shanxi and Inner Mongolia
East China: Shanghai, Jiangsu, Zhejiang, Shandong and Anhui
Northeast China: Liaoning, Jilin and Heilongjiang
Central China: Hubei, Hunan, Henan and Jiangxi
South China: Guangdong, Guangxi, Hainan and Fujian
Southwest China: Sichuan, Chongqing, Guizhou, Yunnan and Tibet
Northwest China: Shaanxi, Gansu, Xinjiang, Qinghai and Ningxia
Outside Chinese Mainland: Hong Kong, Macao and Taiwan of China and overseas

We continue to improve our internal procurement management system and procurement contract management, and provide clear requirements on the compliance responsibilities of internal procurement management and external suppliers, as well as the business ethics standards of suppliers. We prohibit any form of corruption, bribery, kickbacks, or other corrupt practices to ensure a fair and honest cooperation environment.

In terms of internal procurement management, the Company implements hierarchical management of the procurement process based on the size of the procurement amount to effectively prevent fraudulence during the bid invitation and bidding processes. For projects with a large procurement amount, we engage third-party tendering agencies to conduct open bid invitation and exercise strict control over the bid invitation process to prevent potential conflicts of interest. For projects with insignificant procurement amount, we adopt a method of comparing prices quoted by at least three suppliers to ensure the best solution in terms of price, quality, service and other aspects.

Meanwhile, when entering into contracts with suppliers, the Company includes anti-corruption commitment clauses in procurement contracts to ensure that all parties strictly comply with relevant anti-commercial bribery laws and regulations and uphold high standards of business ethics during the cooperation period.

We continue to strengthen employee integrity and self-discipline management, provide regular business ethics training to internal procurement staff, and incorporate business ethics into monthly employee assessment indicators to prevent supply chain integrity risks from the source. In cases where suppliers engage in acts that violate our business ethics standards, we will permanently prohibit our partnership with them and take appropriate measures to investigate and penalize their misconduct.

To strengthen environmental management on supply chain and promote the construction of a green supply chain, we give full consideration to environmental management capabilities of suppliers in the procurement process, and choose suppliers that use environment-friendly product packaging and production equipment as much as possible. For key consumables suppliers, we prioritize local suppliers to reduce emissions and environmental issues associated with transportation, and improve the stability of raw material supply.

4.2 Industry Cooperation and Co-construction

Mabpharm actively participates in industry exchange activities, leveraging its industry experience to contribute to high-quality development of the biopharmaceutical industry. In 2024, Mabpharm participated in various industry conferences and further contributed to industry development through participating in social development research projects and compiling educational materials, among other means.

Industry exchange activity	Presentation
The 11th International Forum on Industry-Education Integrated Development Strategy	Title: On Development and Practices of Deep Industry-Education Integration
United at Zhijiang • New Knowledge, New Quality Roundtable (Special Session on Macromolecular Drug Industry Construction)	Title: The Only Way for Macromolecular Drugs and Large-scale Preparation in China – Made in China
Academic Conference on Innovative Research of Macromolecular Drugs of the National Natural Science Foundation of China	Title: Thoughts on Key Theoretical and Technical Issues in Developing Macromolecular Drugs

While participating in academic and industry exchanges, we actively strengthen industry-university-research cooperation. Alongside our efforts in promoting in-house R&D innovation, we provide a broad platform and ample opportunities for researchers, promote the commercialization and implementation of research achievements, and build up the resource reserve for the Company to attract more outstanding research talents. During the Reporting Period, Mabpharm collaborated with universities such as Liaocheng University and Wenzhou Medical University to conduct research projects on early drug development, druggability evaluation, development of detection methods, process development, etc.

Industry-university-research cooperation

In 2024, Mabpharm actively expanded its industry-university-research cooperation footprints, working with universities such as Liaocheng University and Wenzhou Medical University to launch a series of important cooperation projects. Researchers from different fields devoted themselves to in-depth research on the CMAB009 project and the CMAB008 new process project, covering key areas such as process characterization and quality characterization.

Through unremitting joint efforts, the CMAB009 project obtained an approval from the NMPA efficiently. Meanwhile, the CMAB008 new process project, which has significant cost advantages, also completed registration and application successfully. Such industry-university-research cooperation achievements demonstrated not only Mabpharm's innovative R&D strength, but also the key role of cooperation between universities and enterprises in advancing the pharmaceutical industry. These initiatives not only provide cost advantages for the Company in market competition, but also create favorable conditions for wider application and popularization of its products.

5. LOW-CARBON DEVELOPMENT FOR LUCID WATERS AND LUSH MOUNTAINS

Climate change has emerged as a major global challenge. Echoing the national strategy of "carbon peaking and carbon neutrality", Mabpharm keeps a close eye on climate change trend and actively promotes climate change management. We carry out low-carbon emission reduction actions, improve the environmental management system, promote efficient utilization of energy and resources, and reduce the negative environmental impact from production and operation, to earnestly fulfill our environmental protection responsibilities.

5.1 Climate Change

As a responsible corporate citizen, Mabpharm places a high priority on the response to climate change, and actively takes climate actions to identify, evaluate and respond to climate change risks and opportunities, with a view to reducing the impact of climate change risks on its business sustainability and stakeholders.

5.1.1 Governance

Mabpharm has developed a sound governance structure and workflows for the issue of response to climate change, where the Board, the Audit Committee and relevant departments perform their respective duties and effectively collaborate to implement and promote its climate risk related work.

Board of Directors	• Evaluating, reviewing and confirming climate change risks • Supervising progress and performance of climate risk response work • Regularly reviewing the achievement of climate related goals
Audit Committee	• Leading the identification of climate change risks, maintaining regular communication with and reporting to the Board and relevant departments • Developing climate risk response strategy, and guiding the implementation of climate risk response work • Organizing and coordinating the implementation of climate risk response work
Relevant departments	• Implementing various climate risk response tasks, and promoting the implementation of climate risk response strategy • Regularly providing feedback to the Audit Committee

Governance structure for the issue of response to climate change

5.1.2 Strategy

During the Reporting Period, we reviewed and identified climate change risks related to the Company, and developed a targeted response plan to strengthen effective management on climate change risks, with reference to the Implementation Guidance for Climate Disclosures under ESG Reporting Framework published by the Stock Exchange and the IFRS Sustainability Disclosure Standards No. 2 – Climate-related Disclosures issued by the International Sustainability Standards Board (ISSB) while taking into full consideration industry characteristics, policies and guidelines of the locations where we operate, our business conditions, and excellent practices of peers.

Risk category		Risk description	Potential financial impact	Countermeasures
Transitional risks	Policy and law	Government policies and laws and regulations on carbon emission are getting stricter, and the national carbon emission trading market is under active construction	Higher operating cost	Stay tuned with the updates in environmental policies and regulations in the place where the Company operates, and strengthen compliance management based on our business conditions
	Technology	The requirements for various low-carbon environmental protection technologies are on the rise	Higher capital expenditure	In day-to-day operation and production process, promote low-carbon technology innovation, as well as greenhouse gas emission reduction in R&D, production and other areas

Risk category		Risk description	Potential financial impact	Countermeasures
	Reputation	Internal and external stakeholders pay constant attention to the Company's ESG information. If the Company fails to take prompt measures to tackle climate change or the information disclosure is insufficient, the Company's reputation would be affected	Less revenue Higher operating cost	Pay more attention to the disclosure requirements related to sustainable development and climate change, fully disclose ESG-related information, and ensure the comprehensiveness and accuracy of information disclosure
	Market	Uncertain market signals	Less revenue Higher production cost	Monitor market dynamics and analyze market environment trends
Physical risks	Acute	Extreme weather (rainstorm, typhoon, heavy snow, flood, high temperature, cold spell) may have an impact on health and safety of employees and normal operation of the Company	Capital loss Higher management expenses	Pay close attention to weather forecast, formulate emergency plans to deal with the impact of sudden weather events, and improve maintenance and inspection on facilities and equipment to reduce losses caused by extreme weather conditions
	Chronic	The normal R&D, production and operation of the Company are susceptible to changes in temperature and rainfall	Higher production cost Higher operating cost	Timely assess the impact of changes in temperature and rainfall on production and transportation, and take corresponding measures to ensure the stability of production and transportation

In 2024, in order to further clarify the potential impact of climate change on sustainable development of Mabpharm, we referred to the recommendations in the Guidance for Climate Disclosures published by the Stock Exchange and selected the RCP2.6 and NZE scenarios under the assumption of 2℃ or below, as well as the RCP8.5 and STEPS scenarios under the assumption of above 2℃ . We conducted a preliminary qualitative climate scenario analysis to identify major climate risks in the short-, medium– and long-term, providing a scientific reference for our climate risk management and development of the response strategy.

Scenario assumption		Climate scenario	Situation description
2℃ or below	Physical scenario	RCP2.6	This scenario aims to limit the global average temperature rise in the 21st century within 2℃ relative to the pre-industrial level, and strive to approach the 1.5℃ warming target. It requires the adoption of strong climate policies and methods worldwide to reduce greenhouse gas emissions.
	Transitional scenario	NZE	The roadmap of "Net Zero by 2050" proposed by International Energy Agency (IEA) includes recommendations on technology and emission reduction plans, national cooperation and energy industry transformation, and expects to limit the global average temperature rise within 1.5℃ .
Above 2℃	Physical scenario	RCP8.5	Assuming a baseline scenario without climate change policy intervention and effective mitigation measures, greenhouse gas emissions will continue to increase; and by the end of this century, global carbon dioxide concentrations will significantly rise, reaching 3-4 times of the pre-industrial concentration.
	Transitional scenario	STEPS	Based on the policies and measures in existence and being formulated, the effectiveness and feasibility of current policies as well as the possible path of future energy policies are evaluated.

5.1.3 Risk Management

Mabpharm has established an initial climate risk management process to ensure timely and effective strategies and actions are taken in response to climate change related risks, in order to minimize the impact of climate risks on business operations.

Mabpharm's climate risk management process

5.1.4 Performance and Objectives

Mabpharm has set environmental targets for carbon emission management, and strives to promote greenhouse gas emission reduction by improving the carbon emission management system, effectively implementing energy-saving measures, and strengthening employees' awareness of low carbon.

Carbon emission management goals and improvement directions
Establish a low-carbon system gradually Implement energy-saving measures to reduce greenhouse gas emissions Strengthen education on low-carbon awareness to employees

Meanwhile, Mabpharm regularly discloses climate related performance indicators to ensure effective implementation of climate change actions and risk management measures. During the Reporting Period, the greenhouse gas emissions of scope 1 and scope 2 of Mabpharm were 8,940.76 tons, and the greenhouse gas emission density of scope 1 and scope 2 was 34.62 tons/per RMB million of revenue.

Indicator	Unit	2024	2023	2022
Total greenhouse gas emissions[21] (scope 1 & scope 2)	ton	**8,940.76**	8,076.56	7,868.11
Direct greenhouse gas emission (scope 1)	ton	**11.20**	6.54	12.17
Indirect greenhouse gas emission (scope 2)	ton	**8,929.56**	8,070.02	7,855.94
Greenhouse gas emission intensity	tons per RMB million of revenue	**34.62**	92.66	140.70
Total energy consumption	MWh	**21,570.01**	18,934.79	19,600.46
Diesel and gasoline	MWh	**44.06**	25.74	47.89
Electricity	MWh	**10,619.54**	9,006.11	8,079.02
Steam	MWh	**10,906.41**	9,902.93	11,473.55
Energy consumption intensity	MWh per RMB million of revenue	**83.53**	217.24	350.51

5.2 Environmental Governance

Mabpharm is committed to integrating the concept of green development into various production and operation processes. We strictly abide by the Law of the People's Republic of China on Environmental Protection (《中華人民共和國環境保護法》), the Law of the People's Republic of China on Energy Conservation (《中華人民共和國節約能源法》), the Law of the People's Republic of China on Water Pollution Prevention and Control (《中華人民共和國水污染防治法》), the Law of the People's Republic of China on Air Pollution Prevention and Control (《中華人民共和國大氣污染防治法》), the Law of the People's Republic of China on Prevention and Control of Solid Waste Pollution (《中華人民共和國固體廢物污染環境防治法》), the Law of the People's Republic of China on Prevention and Control of Soil Pollution (《中華人民共和國土壤污染防治法》), the Water Law of the People's Republic of China (《中華人民共和國水法》) and other national laws, regulations and industry standards. We continue to improve our environmental management system, and enhance our environmental management level and performance.

21 Scope 1 greenhouse gas emissions of the Company come from the consumption of gasoline in self-owned vehicles; scope 2 greenhouse gas emissions of the Company come from purchased electricity and purchased steam. The calculation of greenhouse gas emissions refers to the Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions of Enterprises in Other Industries (Trial) issued by the National Development and Reform Commission of the People's Republic of China. The calculation of power emission factor for 2024 refers to the Announcement on Publishing Electricity Carbon Dioxide Emission Factors for 2022 issued by the Ministry of Ecology and Environment of the People's Republic of China, in which the power grid emission factor is adjusted to 0.5366 tCO_2/MWh.

The EHS[22] Department is responsible for overseeing and carrying out our environmental management work. This includes formulating reasonable and rational environmental management policies, defining environmental management tasks and duties according to our environmental management objectives, ensuring effective operation of our environmental management system, and improving our overall environmental performance.

The Company has formulated internal management systems and operating procedures such as the Standard Management Regulations for Wastes (《廢棄物標準管理規程》), the Hazardous Chemicals Management System (《危險化學品管理制度》) and the Sewage Treatment and Disposal Regulations (《污水處理處置規程》) to provide clear and standardized guidance for the orderly development of our orderly environmental management work and ensure environmental compliance.

While improving our environmental management level, we actively provide training on environmental management and promote environmental awareness among employees to enhance their energy-saving awareness. We organize training activities on environmental knowledge and technologies for our employees from time to time, and set up slogans advocating green office in our office space to encourage employees' ongoing environmental protection practices in their daily work and life.

Water resource management	Energy management	Emissions management
• Establish water intensity management objectives and gradually reduce water intensity • Formulate and strictly implement the water recycling plan • Strengthen the tracking of water resource consumption and its abnormalities	• Use the online energy management platform to promote digitalized energy management gradually • Promote energy-saving optimization of equipment and realize negative growth of energy • Promote energy-saving technological renovation projects	• Improve the recycling rate of waste water and solid waste • Strengthen waste gas monitoring and treatment • Reduce waste generation

Environmental objectives and performance improvement directions

[22] Environment, Health and Safety

5.3 Wastes Management

Mabpharm attaches great importance to emission management. In strict compliance with relevant laws, regulations and emission standards in the locations where we operate, we have formulated internal management rules such as the Standard Management Regulations for Wastes (《廢棄物標準管理規程》) and the Hazardous Chemicals Management System (《危險化學品管理制度》) to standardize the emission management process and ensure that all emissions are treated in a compliant manner. In our daily operations, we uphold the concept of reducing wastes, continuing to take initiatives to reduce solid waste, waste water and waste gas emissions in order to promote green development.

During the Reporting Period, we did not record any violation related to environmental protection, excessive pollutants or illegal discharge.

5.3.1 Waste Water Management

We strictly follow the standard operating procedure (SOP-ED-EQ-012G79) for sewage treatment facilities, categorize sewage according to its nature, and adopt corresponding methods for compliant disposal of sewage to ensure that it meets the discharge standards.

For waste water generated from preparation of purified water, after chemical oxygen demand (COD) and other tests, the portion that meets the discharge standards is directly discharged.

For waste water generated from the experimental stage, the Company maintains an online monitoring system which has passed acceptance inspection and is connected to environmental protection authorities. We conduct four rounds of online tests on flow rate, total phosphorus, ammonia nitrogen and COD of waste water on a daily basis, and take records of the sewage treatment process, ensuring that the waste water emission concentration meets the discharge standards such as the Integrated Waste Water Discharge Standard (GB 8978-1996) and the Pollutant Discharge Standard for Urban Sewage Treatment Plants (GB 18918-2002) before discharge.

Regarding suspended solids, a qualified third party is commissioned to perform monthly monitoring to ensure compliance with the discharge permit.

Additionally, we engage a third party to inspect our waste water monitoring equipment and verify the effectiveness of its monitoring data. During the Reporting Period, according to the waste water discharge report issued by a third party, all discharge indicators of the Company were within the standard limits.

5.3.2 Waste Gas Management

The major waste gas pollutants generated from production and operations of the Company are hydrogen chloride, non-methane hydrocarbons, ammonia and particulate matter. To ensure compliant disposal of waste gas and reduce emissions, we have adopted a series of waste gas management measures to control the generation of air pollutants from the source.

Waste gas in the Company is mainly generated in sewage station, waste temporary storage room and laboratory. To remove pollutants from the gas, we employ measures such as water spraying, acid scrubbing and alkali scrubbing, and ensure that the treated waste gas meets the required standards before discharged through a 20-meter-high exhaust funnel.

The Company inspects the waste gas treatment device once every 24 hours to check its dosing status, in order to ensure its normal operation and effectiveness. In addition, we engage a qualified third-party to conduct comprehensive examination of the pollutants in the waste gas once a year, and the emission concentrations of these pollutants are consistently found to be significantly below the prescribed emission limits.

To further improve waste gas treatment efficiency, the Company closely cooperates with environmental regulatory agencies to add activated carbon filters at the terminal process of the existing waste gas treatment facilities, which help to enhance waste gas treatment effect and reduce the potential environmental impact from waste gas during the production process effectively.

5.3.3 Waste Management

Mabpharm strictly adheres to the Guidelines for Safety Risk Prevention and Control of Hazardous Chemicals Production and Construction Projects (《危險化學品生產建設項目安全風險防控指南》), the Guidelines for Safety Management of Hazardous Chemicals in Industrial Enterprises (《工業企業危險化學品安全管理指南》) and other relevant laws and regulations, and has formulated internal policies and rules such as the Standard Management Regulations for Wastes (《廢棄物標準管理規程》) and the Hazardous Chemicals Management System (《危險化學品管理制度》) to clarify and standardize the management requirements for waste generated from production and operations, ensuring that all waste is properly treated.

Non-hazardous waste	• We store it in a temporary storage room first, and engage a qualified third party for removal and disposal on a regular basis
Hazardous waste	• Wastes from our production and operations mainly include waste drugs, waste chemical reagents, waste packaging containers and waste resin; • We classify, store and pretreat hazardous wastes, post hazardous waste labels, engage a qualified disposal entity to regularly transfer them from production site to the hazardous waste warehouse, and report the information of waste generation to the Jiangsu Province Hazardous Waste Dynamic Management System; • We have formulated the Hazardous Waste Generation Process Record Form, the Hazardous Waste Storage Process Record Form, the Hazardous Waste Generation Monthly Report and the Hazardous Waste Generation List to strictly record the transfer of hazardous wastes, so as to improve transparency and accuracy of hazardous waste management; • We regularly clean the temporary storage places of hazardous wastes to avoid the environmental risks due to long-term accumulation.

Upholding the principle of harmlessness, reduction and recycling, we actively explore the ways to improve comprehensive utilization rate of wastes, and further reduce waste emissions from our production and operations.

5.4 Sustainable Operation

As a pioneer in green and low-carbon development, Mabpharm follows the principle of green development and is committed to promoting energy structure optimization and improving energy resource utilization efficiency in production and operations. We actively explore technological innovation and process upgrades, carry out diversified energy-saving measures, and integrate energy-saving and emission reduction concepts into all aspects of production and operations in order to achieve sustainable and efficient operations.

5.4.1 Energy Management

In strict compliance with the Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》) and other laws and regulations, Mabpharm has been exploring the potential for energy conservation and consumption reduction, and promoting an energy-saving and efficient production and operation model. We maintain a normalized energy consumption monitoring mechanism, conduct monthly analysis of energy usage, compare differences in energy consumption data for the same period to explore the potential for energy conservation and consumption reduction, and regularly review the effectiveness of these measures.

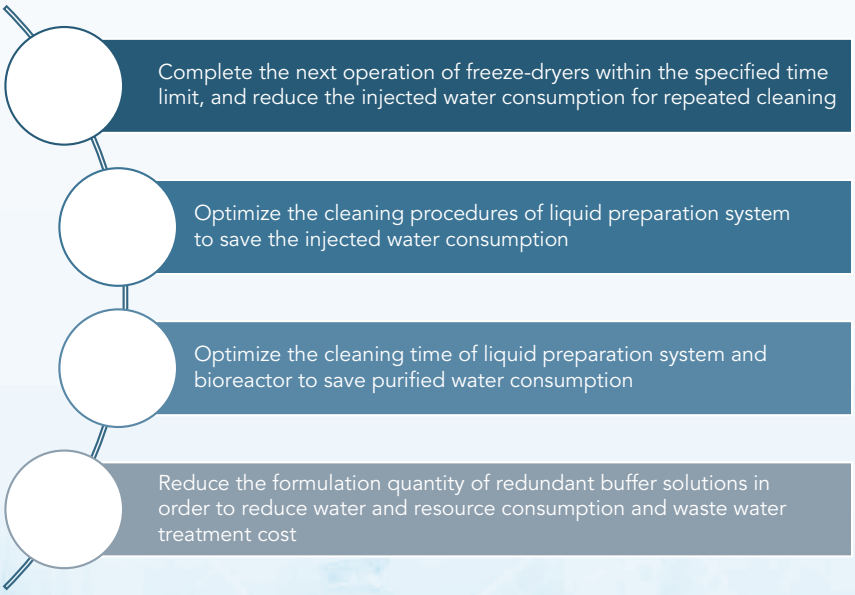
Energy saving and consumption reduction initiatives

Meanwhile, we further optimize the energy consumption structure by improving the use of clean energy, to reduce greenhouse gas emissions generated by energy consumption. The Company plans to launch a photovoltaic construction project at its production bases to enhance the use of renewable energy in the production process.

5.4.2 Use of Water Resources

Mabpharm pays close attention to conservation and utilization of water resources. We continue to optimize production process through water resource recycling, in order to reduce water resource consumption. During the Reporting Period, water resources in the Company were mainly used for daily operation, office, laboratory and production purposes. The water sources came from municipal water, and we encountered no problems in obtaining water sources for use.

Production is the main area of water resource consumption. The Company dynamically tracks the use of water resources in its production bases, and generates monthly water consumption reports with month-on-month analysis, based on which gap analysis is carried out. We promptly develop targeted optimization measures for a production base with abnormally increased water consumption. For a production base with high water consumption, we have developed a tiered control plan by adding measuring instruments and analyzing the peak-and-trough pattern of water consumption, in order to achieve rational control over water resources in a quantitative manner.



Water resources management initiatives

5.4.3 Packaging Material Management

Mabpharm has formulated packaging material management rules such as the Standard Management Regulations for Material Balance (《物料平衡標準管理規程》), the Standard Operating Regulations for Packaging Post of Penicillin Bottle Line (《西林瓶線包裝崗位標準操作規程》) and the Process Flow of Infliximab Preparation for Injection (《注射用英夫利西單抗製劑工藝流程》), and established a packaging material usage management mechanism to strictly manage the entire lifecycle including usage, recycling and destruction of packaging materials.

On the premise of meeting drug safety regulations, we actively explore the possibility of reducing and recycling packaging materials. On the one hand, we implement refined management on packaging material usage, to achieve accurate distribution of packaging materials such as labels, instructions, small boxes and medium boxes on an as-needed basis. We also count and destroy unqualified packages, to ensure that the balance rate and recovery rate for each batch of materials are strictly controlled and stay within the standard range.

On the other hand, the Company proactively promotes the use of renewable packaging materials. We purchase environment-friendly materials such as renewable paper and biodegradable packaging boxes for product packaging, and replace disposable packaging with recyclable containers to improve environmental friendliness of packaging materials. For discarded packaging materials, we continue to recycle and reuse recyclable packaging materials. For packaging materials involving special waste such as active plastics, qualified third parties are engaged to carry out professional harmless disposal to minimize the negative impact of the packaging process on ecological environment.

Packaging products in an environment-friendly way
All of our marketed products including "infliximab for injection", "omalizumab α for injection" and "cetuximab β injection" are furnished with packaging boxes and instructions made of recyclable and biodegradable paper. In particular, the small and medium packaging boxes are printed with photodegradable and environment-friendly ink, to ensure a balance between packaging aesthetics and environmental friendliness.

6. RECRUITING TALENTS AND GATHERING ELITES

Mabpharm is committed to establishing an open, inclusive, diverse and equal working atmosphere. With the tenet of "selecting talents, utilizing talents and retaining talents", Mabpharm provides employees with an extensive development stage and builds smooth career ladders to promote sustainable growth through the power of talented individuals.

6.1 Standardized Employment

Mabpharm strictly abides by the Labor Law of the People's Republic of China (《中華人民共和國勞動法》), the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), the Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》) and other laws and regulations, and has formulated a series of rules and regulations, such as the Employee Manual (《員工手冊》), the Salary Management Regulations (《薪酬管理辦法》), the Overtime Management Regulations (《加班管理規定》), the Travel Expenses Management Regulations (《差旅費管理制度》), the Attendance Management Regulations (《考勤管理辦法》) and the Training Management System (《培訓管理制度》) based on its actual situation so as to provide systematic guidelines for employee management.

6.1.1 Employment

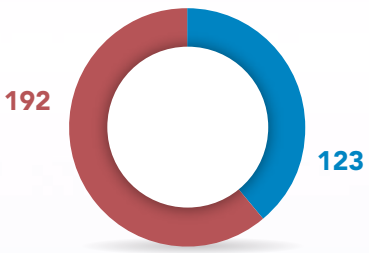
Mabpharm provides equal, fair and legal employment opportunities, strictly prohibits any form of discrimination because of gender, age, race, religion, region or any other factors, eliminates child labor and forced labor, and ensures transparency in recruitment information, fair recruitment processes, and merit-based selection of candidates. In case of any form of irregularities, we take a rigorous and responsible attitude, and strictly follow internal requirements, relevant regulations and legal procedures to terminate employment contracts of the employees involved. Meanwhile, we will promptly and accurately report to relevant regulatory authorities and agencies based on specific cases, to ensure compliance and transparency of our operations and maintain sound corporate image and reputation.

During the Reporting Period, Mabpharm actively responded to the talent development strategy of the industrial park, actively participated in and cooperated with the campus recruitment activities organized by it. The Company dispatched a professional recruitment team to attend campus job fairs at well-known universities such as Peking University and Fudan University. At the job fairs, Mabpharm fully demonstrated its corporate strength, development prospects, and friendly and equal corporate culture, attracting the attention and favor of outstanding students.

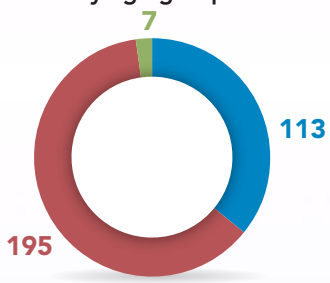
During the Reporting Period, Mabpharm had a total of 315 employees, with 100% of them being full-time employees and 60.95% of them being female employees, and 79 new employees were recruited. Females represent an indispensable force in the management of Mabpharm. In particular, female employees accounted for 41% of our middle management members and 20% of our senior management members. Together with other female employees, they are contributing strong momentum to our sustained development as an indispensable key force.

Employment Information

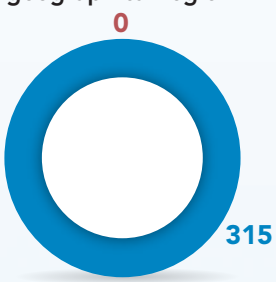
Number of employees by gender



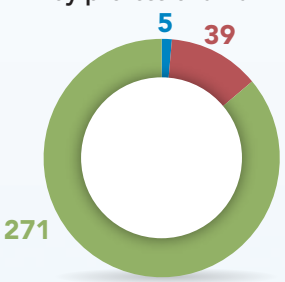
Number of employees by age group



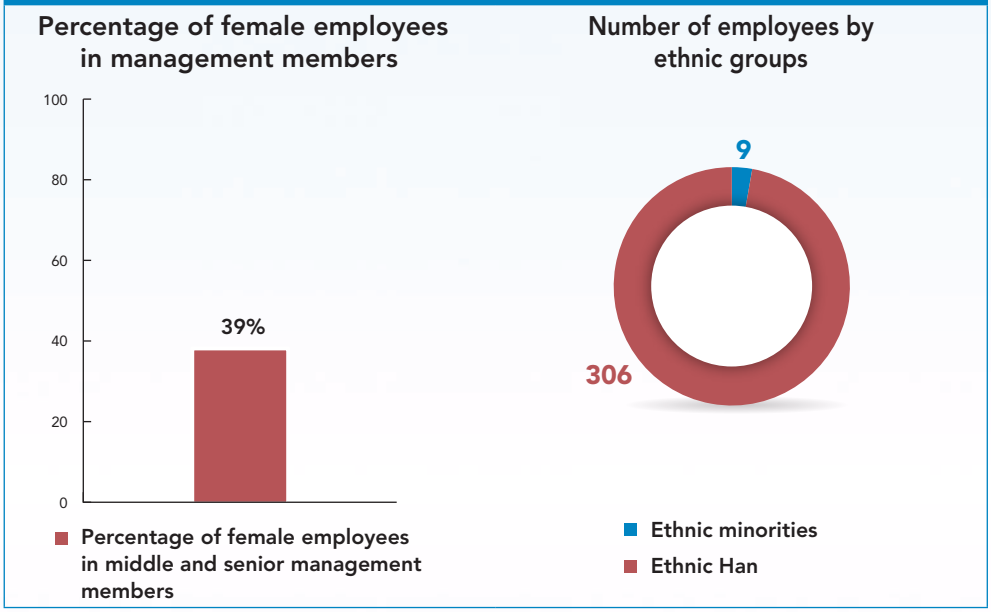
Number of employees by geographical region



Number of employees by professional rank

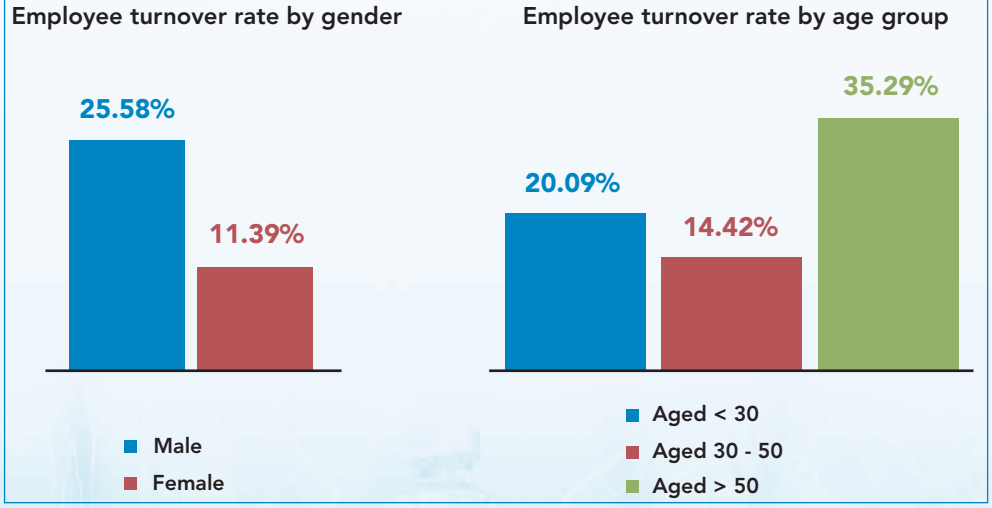


Employee Diversity Information



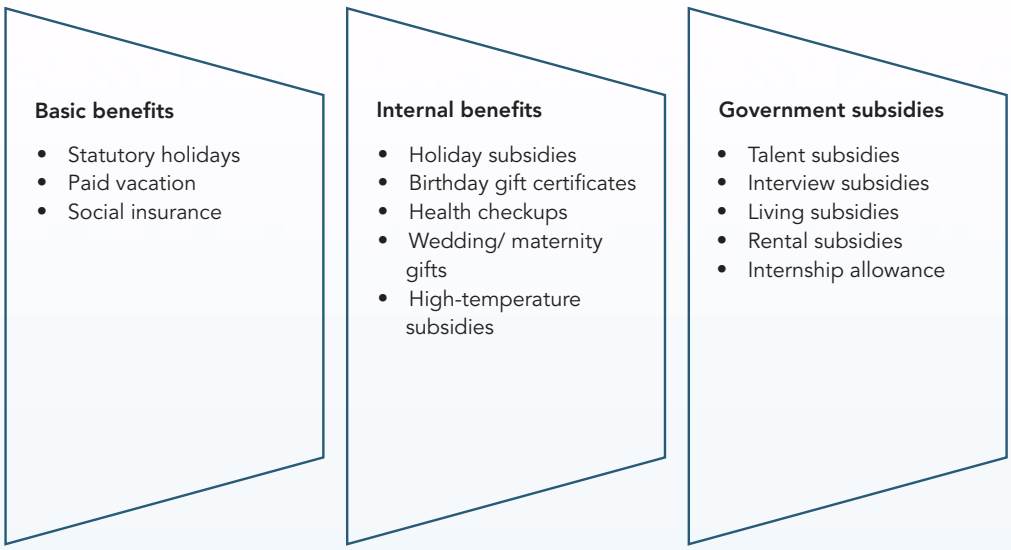
Mabpharm continues to keep track of employee turnover and analyze the reasons in time. We actively conduct interviews with the employees who apply for resignation, seeking to understand their specific needs and provide appropriate assistance. During the Reporting Period, the total employee turnover rate of Mabpharm was 16.92%. Set out below is a breakdown of employee turnover rate by different dimensions:

Employee Turnover Rate



6.1.2 Salaries and Benefits

Mabpharm always regards talents as the core assets for business development, and adheres to the organizational philosophy of "Sharing value creation on a fair basis" in the process of constructing a modern human resource management system. Under a rational and well-established job value assessment model, we have materialized the principle of "equal pay for equal work" into perceptible career paths, and established a value management system across the entire career cycle of employees, ensuring that every employee can obtain growth space commensurate to their job value upon a clear career ladder. In order to further improve our harmonious and caring working environment, we provide additional corporate benefits on top of our statutory contribution in full to various social insurance plans, and actively communicate with employees and assist them in applying for government subsidies to address their concerns and encourage them to grow together with Mabpharm.



Mabpharm's welfare system

6.2 Cultivating Talents as a Cornerstone

The Company has established a sound human resources management system. Based on internal rules such as the Employee Manual (《員工手冊》), the Salary Management Measures (《薪酬管理辦法》) and the Training Management System (《培訓管理制度》), we have developed a well-rounded talent training roadmap, under which differentiated post-specific training plans are developed to ensure that every employee can receive training content and opportunities in line with their career development. In this way, we are able to continuously improve employees' professional skills and comprehensive qualities, providing a solid talent pool for our sustainable development and innovation.

6.2.1 Employee Training

At the end of each calendar year, a company-level training plan for the next year is developed, which is broke down to each month for execution. During the Reporting Period, we strictly followed the established plan and completed the company-level annual training plan with guaranteed quality and volume. We focused on effectiveness in the training process, to ensure that each training session is close to actual needs of employees and can help them improve skills. After closing all the training sessions for the year, we prepared a Summary Evaluation of Training Implementation (《培訓實施總結評估》) for each employee, which covers their job responsibilities and provides a detailed overview of the training they received. It also includes an overall evaluation of their training performance, providing targeted guidance and suggestions for their future development.

We broadly solicited suggestions on training content, to ensure that the training programs are highly aligned with actual needs of employees, and have developed detailed training plans for each department based on the training matrix. To meet the diverse and multi-level learning needs of employees, our training curriculum system covers multiple important areas, including: professional legal and regulatory knowledge closely related to the pharmaceutical industry, such as the Drug Administration Law and the Good Manufacturing Practice; essential knowledge in production safety, such as fire safety and occupational health; post-specific courses on general management documents, in-depth training on SOPs, and expansion and improvement courses for professional skills. In addition, we provided systematic and comprehensive induction training courses for new employees to ensure that they can quickly integrate into the Company's environment and enhance professional skills, thus laying a solid talent foundation for our sustainable development.

In-depth Education on the Drug Administration Law

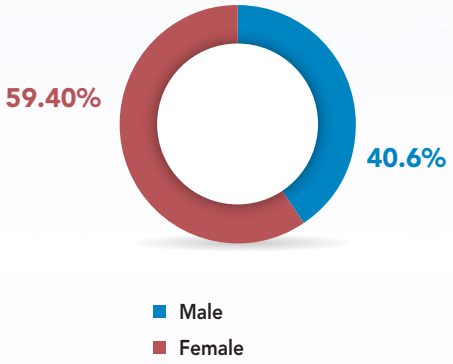
During the Reporting Period, responding to regulatory training needs, the Quality Department organized all employees to thoroughly study relevant regulations including the Drug Administration Law and PIC/S GMP Appendices 1, 2B and 11. Through systematic training, employees gained a more comprehensive understanding of drug administration regulations and GMP standards, laying a solid foundation for improving our product quality and compliance.

During the Reporting Period, Mabpharm conducted a total of 1,879 training sessions, of which 262 were company-level training sessions with 524 training hours and 7,605 participants; 1,599 were departmental-level training sessions with 2,398 training hours and 12,792 participants; and 18 were external training sessions with 180 training hours, covering all on-the-job, newly hired, post-transfer, post-return and multi-post employees.

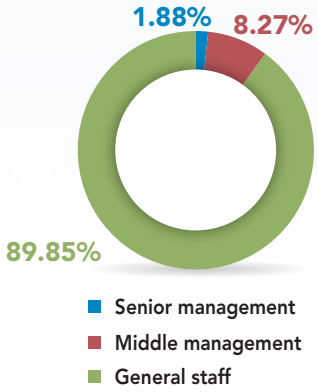
Mabpharm's employee training information during the Reporting Period is as follows:

Employee Training Information

Percentage of employees trained by gender



Percentage of employees trained by professional rank

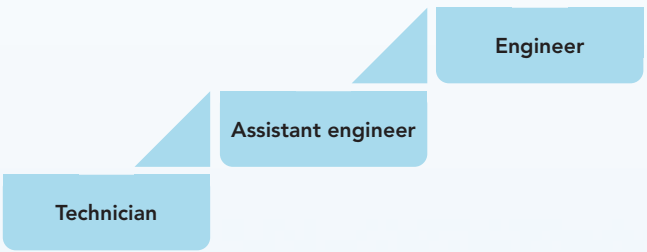


6.2.2 Talent Development

Mabpharm always regards talents as the core driver of organizational evolution, and has established a unique talent cultivation ecology in the process of constructing a modern human resource management system. We adopt a three-dimensional performance evaluation mechanism, and break down strategic goals into executable specific actions layer by layer. We have established a strategy-oriented assessment system for management levels, and materialized departmental responsibilities into a quantifiable collaborative network; and designed a process-tracking evaluation model for execution positions, to enable dynamic resonance between individual growth and organizational development. In cross-departmental collaboration, we introduced an innovative responsibility-sharing mechanism, which deeply links the individual assessment on department head to the assessment on the entire department. Through two-way empowerment, performance assessment has become an important part in activating our organizational vitality.

Based on the perspective of full-cycle talent development, we have established a dynamic matching system incorporating "ability, position and development". Our re-staffing decision-making process not only factors in historical individual performance, but also focuses more on the evaluation on employees' future potential. Through a multi-dimensional training model including job rotation and project task force, we aim to build an incubation platform for cross-disciplinary growth of versatile talents. Especially for key ranks and positions, we have established an evaluation system based on a capability radar chart which incorporates elements such as professional depth, collaboration breadth and innovation edge into the development coordinate system, making the flow of talents a carrier of knowledge across our organization.

In designing career paths, we go beyond the traditional single-path promotion pattern and have established a vertically and horizontally interwoven growth grid. The professional technical path focuses on building an industry-pacesetting expert team, guiding talents to continuously to grow in niche fields through a tiered capability certification system, while the management empowerment path focuses on cultivating strategically leading talents, to enhance their overall vision through project-based practices. There is a flexible switching mechanism between the two paths, allowing employees to independently choose their own growth path according to their career stage, and even achieve cross-disciplinary integration of capabilities through a project matrix. This three-dimensional development framework not only preserves the depth of professional ladder but also expands the management breadth, allowing every striver to find a tailored growth path in our organization.



Career ladder of the technical path

6.3 Safety and Health Assurance

Safety is deeply rooted in Mabpharm's lifeline for its business development, as demonstrated in our safety ecosystem covering the entire cycle of "prevention – control – emergency response". We build a solid institutional foundation with the compliance bottom line, weave a protective network with risk precaution and control, and cultivate behavioral consciousness with cultural infiltration, thus establishing a three-dimensional security system across the entire chain of R&D, production and warehousing. At the institutional level, we have established a dynamic control mechanism based on classification and grading, and formulated various safety management rules such as the Work Safety Responsibility System (《安全生產責任制》), the Management System for Hazardous Chemicals (《危險化學品管理制度》), the Control System for Safety Risk Hierarchical Management (《安全風險分級管控制度》), and the Hidden Danger Investigation and Management System (《隱患排查治理制度》). In terms of capacity building, an immersive training model including all-staff training and emergency drills is adopted to elevate the safety concept from knowledge cognition to concrete practice.

During the Reporting Period, the Company continued to advance based on the safety management goal of "all-round, whole-process, and all-staff". The EHS section under the General Office led by the general manager organized systematic risk assessments and special risk checks, timely summarized and rectified risk areas.

Multi-level safety management system

To ensure production safety and stable equipment operation, the Company has established a multi-level safety management system. By implementing full-cycle operating condition checks such as pre-startup status confirmation, real-time monitoring during operation, and post-shutdown maintenance and spot inspection, combined with preventive maintenance and pre-production trial operation for verification, we can identify abnormal issues that may lead to downtime, quality defects or safety hazards in advance, to minimize the impact of equipment problems on actual production. Meanwhile, regular special inspections were carried out for high-risk scenarios such as hazardous chemical storage and cold storage operation, with a focus on verifying compliance with operating procedures and the effectiveness of emergency facilities to dynamically eliminate potential risks. On that basis, the Company organized comprehensive pre-holiday safety inspections covering the entire factory area as led by our executive leaders, with a focus on electricity safety checks, equipment protection, and preparation for emergency plan to further strengthen the implementation of responsibilities. In addition, the Company conducted regular fire evacuation and bio-safety drills every quarter, simulating sudden accident scenarios to test the response process, enhance employees' emergency response capabilities, and ensure continuous and effective operation of our safety management mechanism.

During the Reporting Period, Mabpharm recorded an employee work-related injury[23]. We stepped in the case promptly, provided effective emergency response to the employee, and actively followed up with consolations. The Company strengthened the publicity of safety knowledge for employees on their way to and from work, and added safety precautions for employees on their way to and from work and at home into our daily safety training, to ensure that similar incidents will not occur again.

6.4 Putting People First

Mabpharm lays great emphasis on employee value, fully respects the efforts and achievements of all employees, and is committed to creating a fair, open and diverse working atmosphere. We cherish open communication, encouraging employees to speak freely to ensure that every voice is heard. Meanwhile, we take initiatives for employee care starting from every detail, so that employees can have the warmth and care of home even in their busy work. We expect to grow together with employees to build a corporate culture upon goodness and care.

6.4.1 Employee Communication

We respect every employee's rights to know and participate. We always listen carefully to employees' voices and opinions, and through a well-established communication mechanism, ensure that employees' rights to express and supervise are fully guaranteed. This mechanism helps to effectively bridge the gap between frontline staff and the management, enhancing synergy and collaboration efficiency across all levels of the organization. Meanwhile, we highly value employees' feedback and conduct regular satisfaction surveys to thoroughly understand their true thoughts and suggestions, and accordingly optimize our working environment continuously. Moreover, we set up a mailbox for anonymous reports to ensure employees' independence and autonomy in expressing their opinions, encouraging employees to speak freely and contribute to our sustainable development together.

[23] The work-related injury is a traffic accident that occurred on the way to work, for which the employee was not held responsible.

6.4.2 Employee Support

Mabpharm recognizes the importance of employee support for growing our enterprise. Upholding the concept of putting people first, we are committed to creating a caring and supportive working environment for our employees. Through a wide array of thoughtful caring measures, we aim to enhance happiness and sense of belonging of our employees, so that everyone in Mabpharm can have the warmth of home, and work together to grow our business steadily. During the Reporting Period, we conducted a variety of employee activities including weekly cultural and sports activities, holiday events and employee birthday parties.

Group birthday party for employees

- Mabpharm organizes regular group birthday parties for employees once every two months, offering gifts and allowances to birthday-celebrating employees and organizing collective games to increase team cohesion

Employee cultural and sports activities

- Mabpharm organizes regular cultural and sports activities every week, such as basketball and badminton competitions, in order to enhance physical fitness of employees and create a trailblazing working atmosphere

Activities for the International Women's Day

- Mabpharm held a special event on the International Women's Day, offering warm wishes and thoughtful gifts to female employees to convey our care and respect

7. GIVING BACK FOR A BETTER SOCIETY

As a leading biopharmaceutical player, Mabpharm actively fulfills its corporate social responsibility in pursuing high-quality development. Through various means such as improving medical accessibility and actively participating in community welfare activities, the Company is committed to creating value for the society and drawing upon its expertise and love to contribute to a healthy and harmonious society.

7.1 Medical Accessibility

In healthcare sector, inclusive medical care is a way of great significance towards equity, health and well-being of the society. Mabpharm always regards inclusive medical care as the core of its corporate social responsibilities, and is committed to providing high-quality and affordable medical services to more patients through innovative drug R&D, optimizing drug accessibility and reducing patients' economic burden.

Improving medical insurance coverage and drug accessibility

Mabpharm actively promotes the inclusion of its drugs into the National Reimbursement Drug List to improve their accessibility and affordability. So far our three core products namely CMAB008類停® (infliximab for injection), CMAB007奧邁舒® (omalizumab α for injection) and CMAB009恩立妥® (cetuximab β injection) have been successfully included in the National Reimbursement Drug List, which helps to significantly reduce medication cost of patients and improve accessibility of innovative drugs, enabling more patients to benefit from domestically produced innovative drugs.

Charity drug donation activity

In July 2024, in order to help more cancer patients reduce economic burden and improve accessibility of treatment, China Zhongguancun Precision Medicine Science and Technology Foundation teamed up with Mabpharm to launch the "Gratitude-to-Assistance Program". The program selected CMAB009恩 立 妥® (cetuximab β injection) as the aid drug, which is donated by the Company's subsidiary Taizhou Mabtech Pharmaceutical Limited free of charge. From August 2024 to the end of February 2025, the program covered 125 pharmacies in 113 cities across 38 provinces in the country, providing assistance to a total of 620 patients through 6,199 doses donated. This public welfare activity allowed Mabpharm to improved accessibility of innovative drugs and bring more hope to cancer patients.

"Love Aid Project for Patients with Autoimmune Diseases"

To help economically disadvantaged patients with autoimmune diseases receive standardized treatment and reduce their financial burden, Mabpharm actively participated in the "Love Aid Project for Patients with Autoimmune Diseases" initiated by the Beijing RenZe Foundation. The project started in September 2022 and ended in April 2024. Mabpharm donated 3,000 doses of CMAB008類停® (infliximab for injection) with a value of RMB3,804,000 in total, and RMB591,816.8 to finance the project's execution, routine management, operation, logistics, transportation and other expenses. The project benefited 1,208 economically disadvantaged patients across the country, effectively improving accessibility of our drugs and demonstrating our commitment to corporate responsibility.

APPENDIX I KEY PERFORMANCE INDICATORS

Indicator	Unit	2024	2023	2022
Total greenhouse gas emissions (scope 1 & scope 2)	ton	**8,940.76**[24]	8,076.56	7,868.11
Direct greenhouse gas emission (scope 1)	ton	**11.20**	6.54	12.17
Indirect greenhouse gas emission (scope 2)	ton	**8,929.56**	8,070.02	7,855.94
Greenhouse gas emissions intensity	ton/per RMB million of revenue	**34.62**	92.66	140.70
Sulfur dioxide	ton	**0**	0	0
Nitrogen oxides	ton	**0**	0	0
Non-methane hydrocarbons[25]	ton	**0.002**	0.001	0.02
Total hazardous waste emissions	ton	**19.57**	22.01	24.37
Hazardous waste emissions intensity	ton/per RMB million of revenue	**0.08**	0.25	0.44
Total non-hazardous waste emissions	ton	**52.10**	46.20	40.00
Non-hazardous waste emissions intensity	ton/per RMB million of revenue	**0.20**	0.53	0.72
Water consumption	m^3	**106,257.00**	118,051.00	95,274.56
Fresh water	m^3	**104,929.00**	116,870.00	95,248.86
Recycled water	m^3	**1,328.00**	1,181.00	25.70
Water consumption intensity	m^3/per RMB million of revenue	**411.49**	1,354.40	1,703.77

24 The increase in total greenhouse gas emissions in 2024 was mainly due to the increase in production volume.

25 The formula for calculating the total emissions of non-methane hydrocarbons is: Non-methane hydrocarbon concentration * Airflow (per hour) * Fan operating time (annual hours).

Indicator	Unit	2024	2023	2022
Total energy consumption[26]	MWh	21,570.01	18,934.79	19,600.46
Diesel and gasoline[27]	MWh	44.06	25.74	47.89
Electricity	MWh	10,619.54	9,006.11	8,079.02
Steam	MWh	10,906.41	9,902.93	11,473.55
Energy consumption intensity	MWh/per RMB million of revenue	83.53	217.24	350.51
Total packaging materials consumed for finished products	ton	5.50[28]	3.20	1.96
Packaging materials consumed per production unit	kg/per RMB million of revenue	0.02	0.04	0.03
Social performance indicators				
Employees of contractors	total number	0	0	150
Employees (excluding contractors)	total number	315	347	417
By gender	Female	192	212	240
	Male	123	135	177
By employment type	Full-time	315	347	417
	Part-time	0	0	0
By age group	Aged under 30	113	116	182
	Aged 30-50	195	221	198
	Aged over 50	7	10	37
By region	China	315	347	416
	Overseas	0	0	1
By employee category	Senior management	5	4	5
	Middle management	39	45	42
	General staff	271	298	370

[26] Energy consumption: calculated according to the General Principles for Comprehensive Energy Consumption Calculation (GB/T 2589-2020).

[27] Diesel and gasoline: only self-owned vehicles consumed gasoline in 2024.

[28] The increase in total packaging materials consumed for finished products in 2024 was mainly due to the increase in the production volume.

Indicator	Unit	2024	2023	2022
Employee turnover rate[29]	%	**16.92%**	29.32%	27.34
By gender	Female	**11.39%**	24.34%	24.58%
	Male	**25.58%**	36.54%	31.07%
By age group	Aged under 30	**20.09%**	34.53%	32.42%
	Aged 30-50	**14.42%**	25.85%	26.26%
	Aged over 50	**35.29%**	25.00%	8.11%
By region	China	**16.92%**	29.32%	27.40%
Work-related fatalities	person	**0**	0	0
Work-related fatality rate	%	**0**	0	0
Lost days due to work injury	day	**56**	0	0
Average lost days due to work injury per employee	day/employee	**0.18**	0	0
Percentage of trained employees	%	**84.44**	71.76	78.66
By gender	Female	**59.40%**	57.43%	55.49%
	Male	**40.60%**	42.57%	44.51%
By employee category	Senior management	**1.88%**	0.40%	1.52%
	Middle management	**8.27%**	9.24%	7.93%
	General staff	**89.85%**	90.36%	90.55%
Average training hours completed per employee	hour	**110**	110	49

[29] Employee turnover rate is calculated as: Number of turnover/[(Number of employees at the beginning of the period + Number of employees at the end of the period)/2].

Indicator	Unit	2024	2023	2022
Total number of suppliers	number	1,386	756	575
Number of suppliers by geographical region				
China	number	1,372	751	573
Hong Kong, Macao and Taiwan and overseas	number	14	5	2
Percentage of total products sold or shipped subject to recalls for safety and health reasons	%	0	0	0
Number of products and service related complaints received	case	Not applicable	Not applicable	Not applicable
Number of concluded legal cases regarding corrupt practices brought against the Company or our employees	case	0	0	0

APPENDIX II HKEX INDEX

INDEX OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE

Subject areas, aspects, general disclosure and key performance indicators			Section
Environmental			
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.	Low-carbon Development for Lucid Waters and Lush Mountains – Environmental Governance
	A1.1	The types of emissions and respective emissions data.	Appendix I: Key Performance Indicators
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions in total and intensity.	Appendix I: Key Performance Indicators
	A1.3	Total hazardous waste produced and intensity.	Appendix I: Key Performance Indicators
	A1.4	Total non-hazardous waste produced and intensity.	Appendix I: Key Performance Indicators
	A1.5	Description of emission target(s) set and steps taken to achieve them.	Low-carbon Development for Lucid Waters and Lush Mountains – Environmental Governance
	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.	Low-carbon Development for Lucid Waters and Lush Mountains – Environmental Governance

Subject areas, aspects, general disclosure and key performance indicators			Section
A2: Use of Resources	General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Low-carbon Development for Lucid Waters and Lush Mountains – Environmental Governance
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total and intensity.	Appendix I: Key Performance Indicators
	A2.2	Water consumption in total and intensity.	Appendix I: Key Performance Indicators
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Low-carbon Development for Lucid Waters and Lush Mountains – Sustainable Operation
	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.	Low-carbon Development for Lucid Waters and Lush Mountains – Sustainable Operation
	A2.5	Total packaging material used for finished products and with reference to per unit produced.	Appendix 2: Key Performance Indicators
A3: Environment and Natural Resources	General disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Low-carbon Development for Lucid Waters and Lush Mountains – Environmental Governance
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Low-carbon Development for Lucid Waters and Lush Mountains – Environmental Governance

Subject areas, aspects, general disclosure and key performance indicators			Section
A4: Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Low-carbon Development for Lucid Waters and Lush Mountains – Climate Change
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Low-carbon Development for Lucid Waters and Lush Mountains – Climate Change
Social			
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.	Recruiting Talents and Gathering Elites – Standardized Employment
	B1.1	Total workforce by gender, employment type, age group and geographical region.	Recruiting Talents and Gathering Elites – Standardized Employment
	B1.2	Employee turnover rate by gender, age group and geographical region.	Recruiting Talents and Gathering Elites – Standardized Employment

Subject areas, aspects, general disclosure and key performance indicators			Section
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.	Recruiting Talents and Gathering Elites – Safety and Health Assurance
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Recruiting Talents and Gathering Elites – Safety and Health Assurance
	B2.2	Lost days due to work injury.	Recruiting Talents and Gathering Elites – Safety and Health Assurance
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Recruiting Talents and Gathering Elites – Safety and Health Assurance
B3: Development and Training	General disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Recruiting Talents and Gathering Elites – Cultivating Talents as a Cornerstone
	B3.1	The percentage of employees trained by gender and employee category.	Recruiting Talents and Gathering Elites – Cultivating Talents as a Cornerstone
	B3.2	The average training hours completed per employee by gender and employee category.	Recruiting Talents and Gathering Elites – Cultivating Talents as a Cornerstone

Subject areas, aspects, general disclosure and key performance indicators			Section
B4: Labor Standards	General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	Recruiting Talents and Gathering Elites – Standardized Employment
	B4.1	Description of measures to review employment practices to avoid child and forced labor.	Recruiting Talents and Gathering Elites – Standardized Employment
	B4.2	Description of steps taken to eliminate such practices when discovered.	Recruiting Talents and Gathering Elites – Standardized Employment
B5: Supply Chain Management	General disclosure	Policies on managing environmental and social risks of the supply chain.	Hand in Hand for Win-win Development and Industry Progress – Sustainable Supply Chain
	B5.1	Number of suppliers by geographical region.	Hand in Hand for Win-win Development and Industry Progress – Sustainable Supply Chain
	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.	Hand in Hand for Win-win Development and Industry Progress – Sustainable Supply Chain
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Hand in Hand for Win-win Development and Industry Progress – Sustainable Supply Chain
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Hand in Hand for Win-win Development and Industry Progress – Sustainable Supply Chain

Subject areas, aspects, general disclosure and key performance indicators			Section
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.	Innovation-driven Approach to Quality Excellence – Quality First
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Innovation-driven Approach to Quality Excellence – Quality First
	B6.2	Number of products and service related complaints received and how they are dealt with.	Innovation-driven Approach to Quality Excellence – Quality First
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Innovation-driven Approach to Quality Excellence – Quality First
	B6.4	Description of quality assurance process and recall procedures.	Innovation-driven Approach to Quality Excellence – Quality First
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Innovation-driven Approach to Quality Excellence – Quality First

Subject areas, aspects, general disclosure and key performance indicators			Section
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.	Responsible Governance for Sound Progress – Standardized Operation
	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.	Responsible Governance for Sound Progress – Standardized Operation
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Responsible Governance for Sound Progress – Standardized Operation
	B7.3	Description of anti-corruption training provided to directors and staff.	Responsible Governance for Sound Progress – Standardized Operation
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.	Giving Back for a Better Society – Medical Accessibility
	B8.1	Focus areas of contribution.	Giving Back for a Better Society – Medical Accessibility
	B8.2	Resources contributed to the focus area.	Giving Back for a Better Society – Medical Accessibility