



Transcenta Holding Limited 創勝集團醫藥有限公司

(registered by way of continuation in the Cayman Islands with limited liability)

Stock Code: 6628



2025 ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT

CONTENTS

ABOUT THE REPORT	2
MESSAGE FROM THE BOARD	4
ABOUT TRANSCENTA	5
Corporate Introduction	5
Corporate History	5
Product Pipeline	10
2025 Corporate Honors	11
I. FOUNDED ON INTEGRITY, PROGRESSING STEADILY TO LONG-TERM SUCCESS	12
1. Governance for sustainable development	13
2. Internal control and compliance	18
3. Business ethics	19
4. Welfare of animals	20
5. Information security and privacy protection	20
II. EVOLVE WITH INNOVATIONS, WIN FOR TOMORROW	22
1. Innovation leadership	23
2. Quality and safety assurance	27
3. Responsible supply chain	30
4. Support for industry development	31
5. Medical affordability	32
III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT	33
1. Environmental management	34
2. Energy management	34
3. Water resources management	36
4. Emissions and waste management	37
5. Responding to climate change	40
6. Green operation	56
IV. ADVANCING SHARED PROSPERITY THROUGH GOODNESS IN ACTION	57
1. Protecting the interests of employees	58
2. Employee health and safety	63
3. Employee development and training	67
4. Contributing to social welfare	71
APPENDICES	
APPENDIX 1 TABLE FOR KEY PERFORMANCES IN 2025	72
APPENDIX 2 INDICATOR INDEX OF HKEX ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE	78
APPENDIX 3 SUMMARY OF ABBREVIATIONS IN THE REPORT	83

ABOUT THE REPORT

This report is the fifth environmental, social and governance (ESG) report issued by Transcenta Holding Limited, for the purpose of providing information on the Company's environmental, social and governance management measures, key practices and their effectiveness in response to the expectations of its stakeholders and the public.

REPORTING SCOPE AND BOUNDARY

The report is an annual report covering the period from January 1, 2025 to December 31, 2025 and part of the information is beyond the above scope.

The report focuses on Transcenta Holding Limited and the reporting scope includes its Suzhou Facility, Hangzhou Facility, Beijing Facility, Shanghai Facility, Guangzhou Facility and overseas facilities. For details of the Company's business, please refer to the 2025 Annual Report.

BASIS OF PREPARATION

The report is prepared in accordance with the Environmental, Social and Governance Reporting Code (the "ESG Reporting Code") in Appendix C2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("HKEX" or "Hong Kong Stock Exchange") on the basis of the four principles of materiality, quantification, balance and consistency in information disclosure:

- **Materiality:** As the Company believes the ESG report has significant influence on the investors and stakeholders, we have disclosed the procedures of identifying material ESG factors in the report, identified ESG related material factors based on our engagement mechanism with stakeholders and materiality principle, paid more attention to them and disclosed corresponding measures in the report.
- **Quantification:** The Company has measured key performance indicators and disclosed quantitative data as required, and the calculation methods of and assumptions for the data contained in the report are also disclosed.
- **Balance:** The Company has fairly and objectively presented its ESG related work in the report.
- **Consistency:** The Company has adopted a consistent statistical approach for data disclosure and explained the relevant standards applied.

ABOUT THE REPORT

PRESENTATION OF TERMS

For ease of reference, “Transcenta”, “the Company” and “we” mentioned in the report all refer to Transcenta Holding Limited.

SOURCES AND RELIABILITY

The information and data disclosed in the report are based on the statistical reports and formal files of the Company and have been reviewed by the relevant departments. All the currency amounts in the report are denominated in RMB. We confirm that there is no misstatement or misleading representation contained in the report and take responsibility for the truthfulness, accuracy and completeness of the contents of the report.

PROCESS OF PREPARATION

The process of preparation of the report involves a series of procedures, including, among others, forming a working group, identifying material ESG related topics, deciding the scope of the ESG report, collecting relevant materials and data, report compiling and review by the relevant departments and the senior management. The report has been reviewed and approved by the Board of Directors.

REPORT ACCESS

The report is issued in electronic version and is available on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the official website of the Company (www.transcenta.com) for reading and download.

Should you have any queries or recommendations on the Company’s disclosure and performance in ESG issues, please contact us through the following ways.

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Tel: +86 0512-67079200

MESSAGE FROM THE BOARD

Transcenta fully recognizes that sustainable development is not only a corporate responsibility but also a strategic imperative for the future. We are committed to deeply integrating ESG philosophy into our corporate decision-making and daily operations, working hand-in-hand with our partners to create sustainable and common value.

During the reporting period, we consolidated the foundation of our ESG management by establishing a four-tier ESG governance system comprising the highest responsible level, the decision-making level, the supervisory level and the executive level. The Board, as the highest responsible and decision-making body for ESG and climate-related matters, assumes full responsibility for the Company's ESG strategy and disclosures. The Board continuously monitors changes in the external macro environment, the Company's development strategies, and evolving ESG trends. It conducts comprehensive reviews of ESG objectives, strategies and management approaches, identifies, evaluates and supervises key ESG issues, and reviews the annual substantial ESG issues and ESG report. Regular meetings are held to track the progress, ensuring the incorporation of ESG into the Company's long-term strategies.

To strengthen execution effectiveness, the Company has incorporated major ESG and climate-related decisions into the scope of responsibilities of the Audit Committee under the Board and established an ESG working group at the executive level for specific work and supervision. In respect of the risk management, the Audit Committee is responsible for assessing ESG risks and opportunities and formulating corresponding control and response plans. At the operational execution level, the ESG working group consisting of core management members acts as a coordinating hub, providing strategic insights and supporting resources, coordinating cross-departmental ESG collaboration and communication, and regularly reviewing implementation progress for reporting to the Board to ensure the effective execution of the ESG strategy at the operational level.


ABOUT TRANSCENTA

CORPORATE INTRODUCTION

Transcenta is a clinical stage biopharmaceutical company that fully integrates biotherapeutics discovery, research and development, technology development and manufacturing. On September 29, 2021, Transcenta was listed on the Main Board of the Hong Kong Stock Exchange with the stock code: 06628.

Transcenta has successfully established a global business footprint with its headquarters located at Suzhou; it also has a pharmaceutical discovery, clinical and transformation research center in Suzhou, a technology and product development center and pharmaceutical production base in Hangzhou, and it has established clinical development centers in Princeton of the United States, Beijing, Shanghai and Guangzhou respectively, and also has established business development centers in Boston and Los Angeles of the United States. The development pipelines of Transcenta has more than one dozen antibody molecules in development for novel medicines used for therapeutic purposes in the areas of oncology, orthopedics and nephrology.

CORPORATE HISTORY

- 
- 2012**
 - Established Mabspace Biosciences (Suzhou) Co., Ltd. (now it is known as Suzhou Transcenta Therapeutics Co., Ltd.)
 - 2013**
 - Established the immunological tolerance barrier breakthrough (IMTB) technology platform
 - 2016**
 - Established HJB (Hangzhou) Co., Ltd.
 - 2017**
 - Awarded the “Major New Drug Development” under National Science and Technology Major Project
 - 2018**
 - IND application of MSB2311 obtained approval from FDA and NMPA successively
 - The manufacturing plant of HJB (Hangzhou) was completed in Hangzhou
 - Recognized as an “Advanced Enterprise in Science and Technology in Suzhou Industrial Park” and a “Suzhou Unicorn Cultivation Enterprise”
 - 2019**
 - Transcenta was established through the merger of Mabspace Biosciences and HJB (Hangzhou) Co., Ltd.
 - Blosozumab (TSTO02) was licensed from Eli Lilly and Company
 - IND application of MSB0254 obtained approval from NMPA
 - Recognized as a “High-growth Innovative Enterprise for Cultivation”
 - Awarded the titles of “Enterprise under Young Eagle Plan of Hangzhou” and “Hangzhou Leading Innovative Team”

ABOUT TRANSCENTA



2020

- IND application of Osemitamab (TST001) obtained approval from NMPA and FDA successively
- Dosed the first patient in Phase I clinical research trial of Osemitamab (TST001) in the United States
- Established agreement with Merck for joint development of continuous downstream production facilities
- Established joint venture with Alebund Pharmaceuticals for joint development of TST004 targeting at kidney diseases in China
- Awarded the titles of “National High-Tech Enterprise” and “Hangzhou High-Tech Enterprise R&D Center”
- Participated in the Provincial Key R&D Program (Social Development)
- Recognized as a “Potential Unicorn Enterprise of China in 2020” and a “Unicorn Cultivation Enterprise of Suzhou Industrial Park”

2021

- IND application of TST005 obtained approval from FDA
- First patient dosed in Phase I clinical trial in China of Osemitamab (TST001) in combination with chemotherapy
- Dosed the first patient in Global Phase I clinical trial of TST005
- Received FDA Orphan Drug Designation (ODD) for Osemitamab (TST001) in the therapy of gastric cancer and gastro-esophageal junction cancer
- First patient dosed in Phase IIa clinical trial of Osemitamab (TST001) in China, and successfully convened conference of clinical researchers
- Completed initial public offering (IPO) listing on the Hong Kong Stock Exchange on September 29 (06628.HK)
- IND application of TST002 obtained approval from NMPA
- Dosed the first patient in Phase IIb clinical trial of MSB0254
- IND application of TST005 obtained approval from NMPA
- Awarded the title of “Entrepreneurship and Innovation Support Platform of the National Entrepreneurship and Innovation Demonstration Base”
- Undertook and completed 1 project under the Zhejiang Provincial Key R&D Program
- Awarded the title of “Pilot Enterprise for Patent of Hangzhou Municipality”

ABOUT TRANSCENTA



2022

- First patient dosed in Phase IIa clinical trial of Osemitamab (TST001) in combination with cisplatin and gemcitabine in first line therapy of cholangiocarcinoma
- Established collaboration with Bristol-Myers Squibb to develop assessment of Osemitamab (TST001) in combination with Opdivo® for global clinical trial
- Dosed first patient in Phase I clinical trial of TST002 in China
- The joint research results on the therapy of androgen negative/low activity prostate cancer by TST003 in collaboration with Shanghai Jiao Tong University was published in the Nature Cancer magazine
- Results from trial of Osemitamab (TST001) in combination therapy published at ASCO 2022
- Pre-clinical data of TST004 were presented at the 2022 frontier conference on complement related kidney disease hosted by the International Society of Nephrology
- The interim data of Phase II clinical trial of Osemitamab (TST001) in combination with chemotherapy as first line therapy for gastric cancer were presented at the 2022 ESMO annual conference
- TST003 and TST004 obtained approval for clinical trials in the United States
- Recognized as a “Zhejiang Provincial Enterprise Research Institute” and a “Zhejiang Provincial Postdoctoral Research Workstation”
- Recognized as a “Provincial Enterprise Technology Center” and a “Municipal Technology Center”

ABOUT TRANSCENTA



2023

- TST003 obtained approval for clinical trials in China
- The research result of non-invasive imaging targeted CLDN18.2 immunity PET probe for use in gastrointestinal tumor was published in the Journal of Pharmaceutical Analysis; dosed the first patient in the Phase I clinical trial of TST003 in the United States
- Received FDA ODD for Osemitamab (TST001) as a treatment for pancreatic cancer
- The Phase II clinical research in China on Osemitamab (TST001) in combination with nivolumab and chemotherapy or in combination with nivolumab for use as the first line therapy for patients of gastric or gastro-oesophageal junction cancer completed patient enrollment for cohorts C and G
- TST002 as a therapy for patients with decreased bone density in China obtained encouraging Phase I clinical data
- The latest data of Osemitamab (TST001) in combination with CAPOX as first line therapy for gastric or gastro-oesophageal junction cancer were published at ASCO and ESMO GI
- Global Phase III clinical trial design for Osemitamab (TST001) of Osemitamab (TST001) obtained approvals from CDE, MFDS and FDA
- Phase II clinical trial of TST002 as a therapy for patients of decreased bone density in China obtained approval from CDE
- Updated data on the therapeutic effect of Osemitamab (TST001) in combination with CAPOX as first line therapy for gastric or gastro-oesophageal junction cancer published in ESMO
- The pre-clinical research results of the potential new therapy of [177Lu] Lu-TST001 radionuclide antibody conjugates for metastatic gastric cancer were published in the periodical *European Journal of Nuclear Medicine And Molecular Imaging*
- Recognized as an "Engineering Technology Research Center," a "High-tech Enterprise," and an "Innovative Small and Medium-sized Enterprise"

ABOUT TRANSCENTA



2024

- Established collaboration with Agilent to develop the Claudin 18.2 companion diagnostics test kit for supporting the global Phase III clinical trial of Osemitamab (TST001)
- The latest clinical progress of Osemitamab (TST001) and TST003 was unveiled at AACR 2024
- Positive Phase II clinical data of the triple therapy of Osemitamab (TST001) as first line therapy for gastric or gastro-oesophageal junction cancer were released for the first time at ASCO 2024
- Encouraging updated data of therapeutic effect of the triple therapy of Osemitamab (TST001) as first line therapy for gastric or gastro-oesophageal junction cancer were released at the 2024 Annual Conference of ESMO
- The pre-clinical data of novel LIV-1ADCs for use in the therapy for triple-negative breast cancer were published for the first time at the 2024 SABCS
- Recognized as a “Zhejiang Provincial Foreign-invested R&D Center”
- Recognized as a “Filing Unit for Corporate Intellectual Property Management Standards Implementation”

2025

- Encouraging updated clinical data of G team in Phase II clinical research on Osemitamab (TST001) in combination with nivolumab and CAPOX as first line therapy for advanced gastric or gastro-oesophageal junction cancer were released at ASCO 2024
- Obtained approvals from regulatory authorities such as FDA, China CDE and South Korea MFDS and patent licensings in China, Russia and Hong Kong to further support the global Phase III clinical trial (TranStar301) strategy
- The pre-clinical study results of the novel ADC (TST105) were unveiled at the 2025 Annual Meeting of the American Association for Cancer Research (AACR), demonstrating its excellent tumor regression activity in gastric cancer and colorectal cancer models
- Continued advancing early-stage oncology pipelines, including TST013 targeting LIV-1 and TST105 targeting FGFR2b, and advancing the research and development of non-oncology antibody molecules, including the potential first-in-class bispecific antibody TST801 and TST808 targeting autoimmune kidney disease

ABOUT TRANSCENTA

PRODUCT PIPELINE

Transcenta has established a pipeline comprising more than one dozen diversified and differentiated molecules with full coverage in the areas of oncology, orthopedics and nephrology. In terms of product sources, except for two drug candidates that were obtained through licensing, all the others were developed by the in-house antibody research and development platform, demonstrating strong proprietary research and development capabilities.

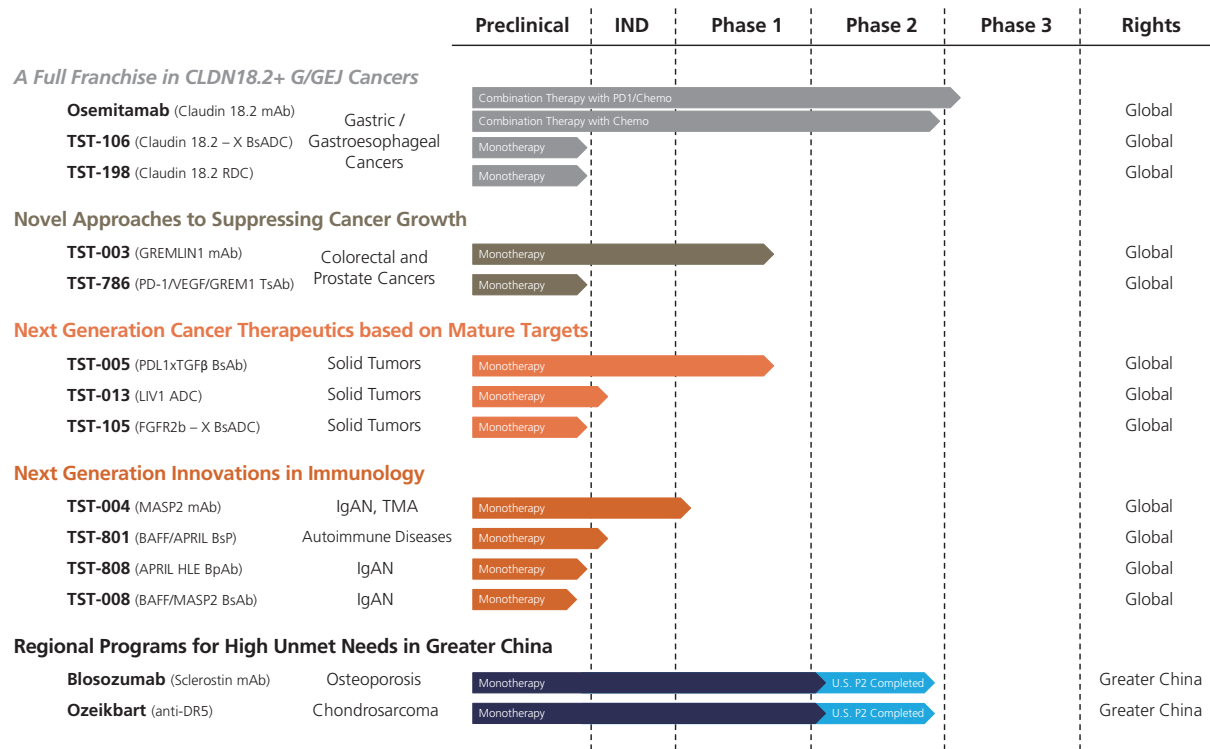


Diagram: All product pipelines of the Company

ABOUT TRANSCENTA

2025 CORPORATE HONORS





I. FOUNDED ON INTEGRITY, PROGRESSING STEADILY TO LONG-TERM SUCCESS

Our Actions

- Governance for sustainable development
- Business ethics
- Information security and privacy protection
- Internal control and compliance
- Welfare of animals

Our Performance

- **120** employees have participated in the training sessions on business ethics and anti-corruption
- **0** cases of lawsuit against corruption has occurred

Contribution to SDGs



I. FOUNDED ON INTEGRITY, PROGRESSING STEADILY TO LONG-TERM SUCCESS

1. GOVERNANCE FOR SUSTAINABLE DEVELOPMENT

Transcenta always insists on integrating sustainable development into corporate strategies and daily operations, adheres to the core concepts of “compliant operation, science-based, harmonious ecology and shared happiness”, and systematically advances the environmental, social and corporate governance (ESG) practices by improving the relevant mechanisms, creating economic, social and environmental value.

1.1 ESG Governance Structure

Transcenta has integrated the ESG concepts fully into the Company’s overall development strategies and established an ESG governance structure with clear responsibilities and levels to ensure the systematic progress and effective implementation of relevant tasks and provide solid support for the sustainable high quality development of the enterprise.

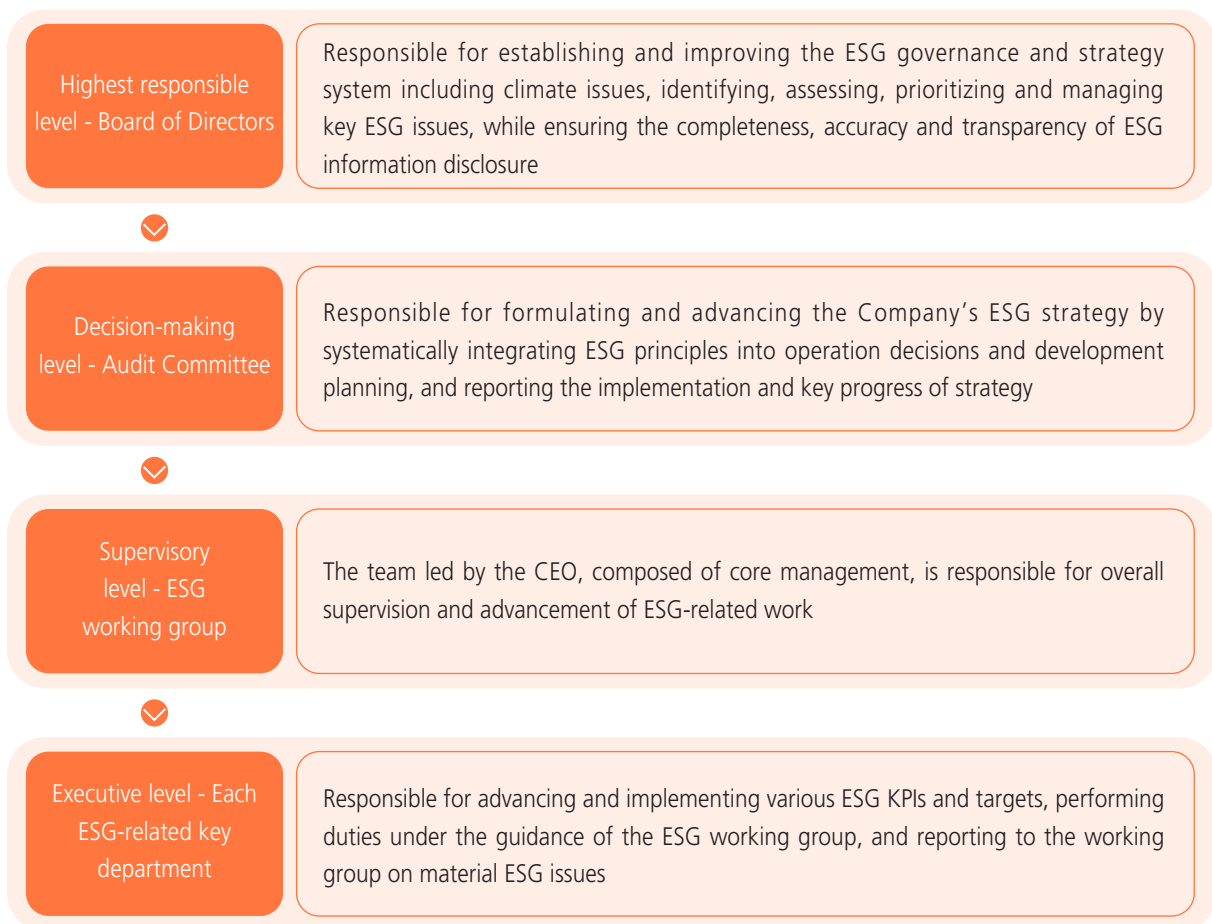


Chart: The ESG Governance Structure and Main Responsibilities of Transcenta

I. FOUNDED ON INTEGRITY, PROGRESSING STEADILY TO LONG-TERM SUCCESS

The Company has established a four-tier ESG governance structure comprising by the Board of Directors, the Audit Committee, the ESG working group and each key departments, and has clearly delineated the duties and responsibilities from strategies formulation, decision-making and advancement, supervision and implementation, to specific execution, ensuring the systematization and effectiveness of the ESG management system. The Board of Directors has established a Work Safety Committee under the Audit Committee, the main duties and responsibilities of which include assisting in daily supervision, coordinating the relevant work relating to climate change, communicating between internal management and external stakeholders, and systematically collecting relevant information. The Work Safety Committee shall report to the Audit Committee at least once a year on climate management and disclosure progress. In assessing the effectiveness of the Group's overall risk management, both the Board of Directors and the Audit Committee incorporate ESG-related risks into the scope of consideration, and link the ESG performance to the remuneration of senior management.

Transcenta continued to promote ESG-related trainings and capacity building by deepening internal understanding of ESG concepts, standards and practices continuously. Meanwhile, Transcenta keeps abreast of the cutting-edge ESG practices and advanced concepts in the industry, and achieves synergies in promoting the sustainable development of the industry through exchanges with business partners and industry institutions, contributing to the building of a more accountable and sustainable business ecosystem. In 2025, the Company participated as a member in the compilation of "Carbon Neutrality Assessment Standards for Life Science Parks and Buildings" supervised by Chinese Society for Urban Studies and led by China Academy of Building Research Co., Ltd. These standards are applicable to assessment of carbon neutrality in newly-built and existing parks and buildings, providing technical guidance in such areas.

I. FOUNDED ON INTEGRITY, PROGRESSING STEADILY TO LONG-TERM SUCCESS

1.2 Communication with Stakeholders

The Company actively builds a diversified system for communication with stakeholders, and maintains openness, listens and responds to the expectations and demands of government authorities, regulatory authorities, shareholders and investors, customers, employees, suppliers, media, communities and the public, and other key parties in a timely manner through various channels for systematic incorporation into its decision-making and actions.

Stakeholders	Expectations and demands	Method of communication and response
Government and regulatory authorities	Operating in compliance, promoting standardized and sustainable development of the industry	Dedicated personnel are assigned to promptly communicate policy changes, timely respond to regulatory requirements, cooperate with inspections, and submit regular compliance reports and policy recommendations.
Shareholders and investors	Obtaining steady returns, understanding corporate strategies, risks and ESG performance	Disclosing financial information regularly, conducting results presentations, convening shareholders' general meetings, interacting with investors through multiple channels and listening to suggestions of shareholders.
Customers and users	Obtaining high-quality products and services, safeguarding personal information and interests	Establishing customer service hotlines, online service platforms, and feedback channels, conducting satisfaction surveys, and strictly upholding commitments to privacy protection and data security.
Employees	Providing a safe and equitable work environment, establishing clear career development pathways, and fostering greater organizational cohesion	Providing systematic training and fair promotion mechanism, conducting regular employee discussion and satisfaction surveys, organizing cultural and team-building and recreational activities.
Suppliers	Maintaining stable and cooperative relationship with mutual trust to jointly promote the sustainable development of the supply chain	Implementing supplier admission and performance assessments, establishing long-term strategic frameworks, and promoting green procurement and supplier capacity-building initiatives.
Media	Accessing accurate and timely corporate information to support objective and comprehensive communication	Strengthening cooperation through press conferences and regular communications, establishing routine maintenance mechanisms for public opinion monitoring and media relationships, and enhancing corporate image.
Communities and the public	Actively fulfilling social responsibility, and participating in community development and environmental improvement	Publicizing our social responsibility achievements, organizing and participating in social public welfare and environmental protection activities, maintaining regular communication with community organizations and public representatives.

I. FOUNDED ON INTEGRITY, PROGRESSING STEADILY TO LONG-TERM SUCCESS

1.3 Materiality Identification and Assessment

Considering national policy directives, industry trends, and the focus areas of capital market ESG ratings, the Company conducted a systematic industry benchmarking analysis. On this basis, and in alignment with the Company’s operational realities and strategic direction, it completed the annual update of its ESG material issues list. Through the extensive solicitation of opinions and suggestions from internal and external stakeholders, the Company analyzed and prioritized these issues across two dimensions—“Importance to Transcenta Group’s Development” and “Importance to Stakeholders”—ultimately constructing the matrix of ESG materiality issues in 2025.

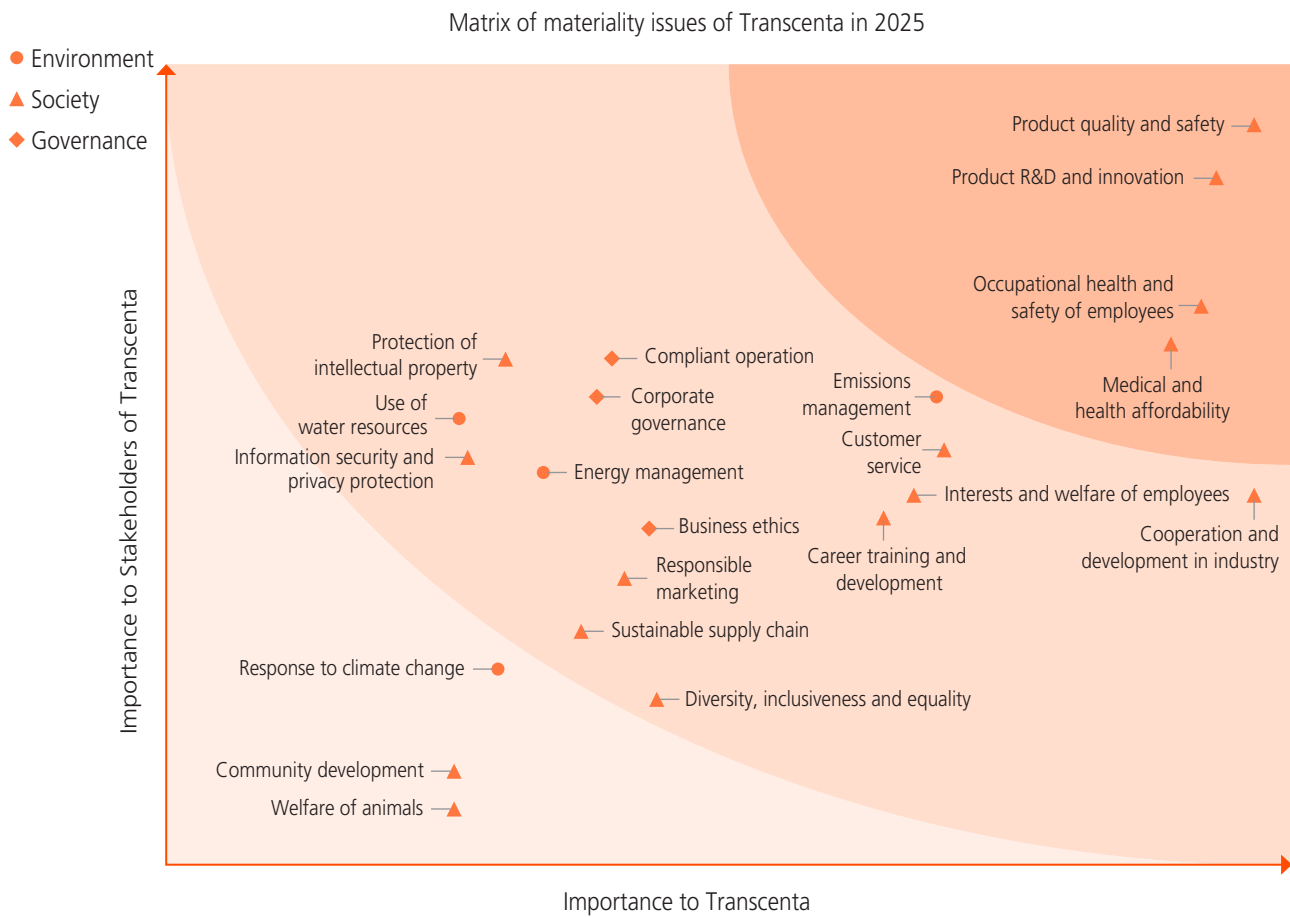


Chart: Matrix of ESG Materiality Issues of Transcenta in 2025

I. FOUNDED ON INTEGRITY, PROGRESSING STEADILY TO LONG-TERM SUCCESS

Level of Importance	ESG Materiality Issues	
High importance	<ul style="list-style-type: none"> Product quality and safety 	<ul style="list-style-type: none"> Occupational health and safety of employees
	<ul style="list-style-type: none"> Product R&D and innovation 	<ul style="list-style-type: none"> Medical and health affordability
Medium importance	<ul style="list-style-type: none"> Emissions management 	<ul style="list-style-type: none"> Business ethics
	<ul style="list-style-type: none"> Cooperation and development in industry 	<ul style="list-style-type: none"> Protection of intellectual property
	<ul style="list-style-type: none"> Customer service 	<ul style="list-style-type: none"> Responsible marketing
	<ul style="list-style-type: none"> Interests and welfare of employees 	<ul style="list-style-type: none"> Information security and privacy protection
	<ul style="list-style-type: none"> Career training and development 	<ul style="list-style-type: none"> Use of water resources
	<ul style="list-style-type: none"> Compliant operation 	<ul style="list-style-type: none"> Diversity, inclusiveness and equality
	<ul style="list-style-type: none"> Corporate governance 	<ul style="list-style-type: none"> Sustainable supply chain
	<ul style="list-style-type: none"> Energy management 	
General importance	<ul style="list-style-type: none"> Response to climate change 	<ul style="list-style-type: none"> Welfare of animals
	<ul style="list-style-type: none"> Community development 	

I. FOUNDED ON INTEGRITY, PROGRESSING STEADILY TO LONG-TERM SUCCESS

2. INTERNAL CONTROL AND COMPLIANCE

The Company strictly abides by the Company Law of the People's Republic of China, the Corporate Governance Code in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and other laws and regulatory requirements, and has established the Compliance Committee Management System, set up a sound compliance management structure, and clearly defined compliance responsibilities to effectively prevent and mitigate operational risks, ensuring the Company's sustainable, stable and healthy development, while promoting rectification and accountability to support standardized operations. In addition, the Company continues to enhance its Risk Management Measures by focusing on risks related to strategy, finance, market, operations and legal compliance, refines its fundamental risk-management processes, nurtures a strong risk-management culture, and establishes a well-structured organizational framework and internal control system, providing solid support for the stable and sound development of the Company.

The Company enhances employees' risk awareness and compliance consciousness through regular training, issuance of compliance guidelines, and themed communication initiatives. In 2025, the Company conducted dedicated compliance training focused on the Policy on Interactions with Healthcare Professionals.

Case: Dedicated compliance training on the Policy on Interactions with Healthcare Professionals

The Company conducted dedicated compliance training focused on the Policy on Interactions with Healthcare Professionals, which emphasized the compliance boundaries when engaging with healthcare professionals, explicitly prohibiting any form of improper influence on their professional judgment, and providing detailed requirements for key scenarios, including academic conferences, sponsorships and donations, hospitality standards, and documentation practices. The training incorporated domestic and international anti-corruption regulations, outlining the consequences of non-compliance and the whistleblowing mechanisms, strengthening the responsibility of personnel at all levels in policy execution and oversight. Led by the Internal Audit and Internal Control, and Legal and Compliance departments, the training covered employees, management, and relevant third parties, providing a systematic interpretation of the policy's scope of application, interaction principles, and specific codes of conduct.

I. FOUNDED ON INTEGRITY, PROGRESSING STEADILY TO LONG-TERM SUCCESS

3. BUSINESS ETHICS

We strictly comply with laws and regulations such as the Anti-unfair Competition Law of the People’s Republic of China, the Anti-Money Laundering Law of the People’s Republic of China and the Prevention of Bribery Ordinance, formulate internal management policies such as the Foreign Corrupt Practices Act Policy and the Anti-corruption Policy to improve the monitoring, inspection and restraint mechanisms for anti-corruption purpose continuously. In 2025, the Company was not involved in any corruption-related litigation cases.

The Company has established the Compliance Committee and clearly defined its duties and responsibilities, which include examining the compliance by each department and employee, timely reporting and rectifying any illegal conduct discovered, such as corruption and bribery, and holding the relevant parties accountable. Moreover, the Legal & Compliance department of the Company organizes trainings on a regular basis for all employees on specific topics of laws and regulations, corporate systems and business ethics, and provides compliance consulting support on daily operation and management of the Company. The Company has organized regular compliance trainings on anti-corruption and anti-commercial bribery for all employees through the TMS training platform in order to enhance the employees’ awareness of compliance comprehensively and assist employees in actively identifying, assessing and controlling ethical and compliance risks in their own conduct of performing duties. In 2025, a total of 6 directors and 120 employees have participated in anti-corruption trainings with 81.1 employee training hours.

The Company strictly implements the Whistleblowing Policy, encourages employees and relevant parties to report anonymously on any misconduct in the Company, such as illegal and non-compliance acts, financial malpractice and corruption. The Company maintains diversified whistle-blowing channels and ensures the protection of whistleblowers’ identities, strictly prohibiting any form of retaliation. The Company is committed to responding promptly upon receipt of any complaint, conducting investigations and providing timely feedback. During the Reporting Period, the Company and all employees were not involved in any corruption-related litigation cases.

Moreover, the Company strictly complies with the Anti-unfair Competition Law of the People’s Republic of China and other relevant laws and regulations and has formulated the relevant internal systems and procedures. The Company continuously improves its risk assessment and monitoring mechanisms, and conducts regular inspections on key business processes to promptly identify and rectify potential non-compliance and effectively prevent monopoly and unfair competition risks. In addition, the Company organizes specific trainings regularly on anti-monopoly and fair competition, covering the interpretation of legal provisions, typical case analysis and internal compliance requirements to enhance the employees’ capabilities to identify and prevent related risks.

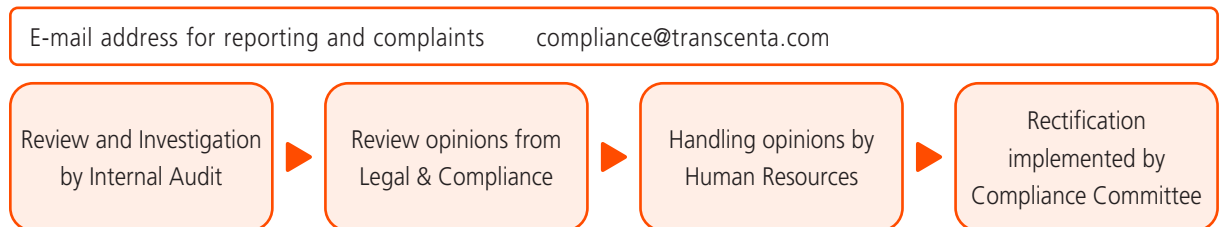


Chart: Process of Investigation

I. FOUNDED ON INTEGRITY, PROGRESSING STEADILY TO LONG-TERM SUCCESS

4. WELFARE OF ANIMALS

The Company has established a Laboratory Animal Management and Ethics Committee in strict compliance with the standards specified in the Guide for Welfare and Ethical Review of Laboratory Animals and the Regulation on the Administration of Laboratory Animals to provide comprehensive guidance and supervision over the work relating to laboratory animals. The Company has formulated the Charter on Welfare and Ethics of Laboratory Animals, which sets forth the principles of welfare and ethics, including the provision of a clean and comfortable environment, sufficient food and drinking water, and specific measures to alleviate pain and suffering. The Company has established a systematic monitoring and maintenance mechanism that explicitly requires regular maintenance and replacement of filter materials of the air filter system, regular inspections and repairs by the manufacturer on the disinfection equipment, and cooperate with qualified entities to ensure compliant disposal of medical waste. In implementing experimental projects, the Company strictly follows the scientificity, feasibility, simplicity, replicability and single variable principles and comprehensively implements the “3R” principles with replacement, reduction and refining as core policies. All animal experiments are carried out under ethical review and supervision and in accordance with standard operating procedures to protect the welfare of animals practicably. The Company changes the bedding, feed and drinking water twice a week and provides sterilized toys, striving to create a better living environment for laboratory animals and improving the welfare of animals and quality of experiments continuously.

5. INFORMATION SECURITY AND PRIVACY PROTECTION

The Company strictly complies with the Cybersecurity Law of the People’s Republic of China, the Data Security Law of the People’s Republic of China, the Personal Information Protection Law of the People’s Republic of China, the Biosecurity Law of the People’s Republic of China, the Regulations of the People’s Republic of China on Administration of Human Genetic Resources and the General Data Protection Regulation (GDPR) of the European Union and other domestic and foreign laws and regulations, and has formulated and improved our systems including the Employee Information Security Regulations, Basic Requirements of IT Information Security Management, Customer Information Security and Protection Regulations, Collaborating Hospital Privacy and Information Security and Protection Regulations and the Patient Privacy Protection and Information Security Regulations, specifying the standard operating procedures and responsibility requirements of information access, processing, storage and protection under various scenarios. As there is no product sales by the Company at present, policies relating to consumer information protection and privacy are not applicable, nor has any relevant implementation or inspection mechanism been established. At the same time, the laws and regulations regarding issues of health and safety, advertising, labelling of products and privacy protection (including remedies) that may have material effects on the Company’s products and services are not applicable, and no internal policy has been developed for these issues.

At the organization protection level, the Company has established a Data Security Committee to be responsible for coordinating and planning security strategies, conducting regular risk assessments and formulating response strategies. Meanwhile, we have introduced independent third-party professional institutions to conduct regular audits and evaluations, ensuring the objectivity and effectiveness of the management measures. During the year, based on the core principles of “led by compliance, guided by risks, empowered by technology and optimized continuously” for system development and, by concentrating on the two major lines of upgrading the data lifecycle security management system and cybersecurity protection system, we have established a three-in-one security and protection system of “management-technology-operation” to improve institutional processes, strengthen technological protection and enhance employees’ capabilities.

I. FOUNDED ON INTEGRITY, PROGRESSING STEADILY TO LONG-TERM SUCCESS

The Company has built a multi-layered, in-depth defense system covering network boundaries, terminals and business systems. By deploying advanced technologies such as the next generation firewall and endpoint detection and response (EDR), the Company has achieved real-time monitoring and proactive defense against external attacks and successfully blocked numerous cyberattack incidents throughout the year, effectively satisfying the requirements of data security and the relevant compliance standards. The Company continues to strengthen the capabilities of the security operation center (SOC) and implements the 24/7 hours security monitoring and automatic response mechanism, which has significantly shortened the closed-loop time for security incident disposal. In 2025, the Company has achieved 100% rectification of loopholes of medium to high risks through regular scanning of loopholes and penetration tests, which has comprehensively strengthened the security operation fundamentals.

The Company has listed mail security and anti-fraud as the key points of the year. By leveraging the mail security gateway and AI sandbox detection technology, the Company conducted simulated phishing attack tests and provided targeted tutoring for high-risk departments and individuals, as a result of which the malware identification and blocking rate was increased to over 99.5%. The Company continues to promote the Employee Information Security Regulations, which specify the requirements of data security, mail specifications, social engineering precautions and personal information processing, to systematically enhance its internal security defense. In 2025, the Company organized 3 specific trainings on information security for all employees with a 100% participation rate.

The Company has identified several issues including weak security awareness of employees, inadequate protection against password weakness and phishing emails, data platform intelligent analysis capability requiring enhancement and professional capability of security team requiring strengthening. In response to these issues, the Company has formulated the 2026 Improvement Plan, which involves conducting regular security awareness training for all employees through innovative training approaches such as case studies, optimizing the data security situation awareness platform continuously so as to increase the threats identification and alert capabilities, and conducting an annual systematic review and revision of the security system to enhance the effectiveness of information security management comprehensively in consideration of the requirements of laws and regulations and business development needs. In 2025, no significant data security incident and network security event had occurred in the Company, the security system operated steadily and effectively.



II. EVOLVE WITH INNOVATIONS, WIN FOR TOMORROW

Our Actions

- Innovation leadership
- Responsible supply chain
- Medical affordability
- Quality and safety assurance
- Support for industry development

Our Performance

- Total investment in scientific research amounted to RMB **140.8** million, the R&D team comprises **62** persons
- **94** registered trademarks
- **39** licensed patents

Contribution to SDGs



II. EVOLVE WITH INNOVATIONS, WIN FOR TOMORROW

1. INNOVATION LEADERSHIP

In the highly competitive biopharmaceutical industry, continuous innovation is the core engine for long-term growth of an enterprise. Leveraging its continuously optimized innovation management system, effective incentive frameworks, and robust resource integration capabilities, Transcenta drives R&D innovation towards tangible achievements, continuously consolidating and enhancing its competitive edge in the industry.

1.1 *Management of Innovation and R&D*

We have established a comprehensive innovation and R&D management system to provide institutional support for long-term innovation development. With the implementation of an R&D project review mechanism, the projects are subject to internal and external expert evaluation to ensure that the scientific nature of the projects is in line with the R&D strategy. To empower employees' innovation and vitality, we have established a multi-tier incentive mechanism, including dedicated awards such as the Achievement Award and the Technology Breakthrough Award, and linked innovation outcomes to career advancement and performance evaluation. Through various measures such as project-based rewards and patent sponsorships, we continuously encourage employees to engage in R&D and innovation. In addition, the Company provides outstanding researchers with opportunities for overseas exchange and advanced studies, supporting their professional development and growth.

Aligning with market demand and emerging technology trends, Transcenta sets annual key priorities for innovation and R&D. In 2025, we strategically deployed multiple innovative drug programs in areas such as autoimmune diseases and cancer treatments, aiming to overcome the challenges of significant side-effects or limitations of efficacy associated with traditional therapies. By developing precision-targeted novel antibody drugs, we achieved significant technological breakthroughs in drug activity, safety, and long-term efficacy, and secured positive progress in patent and international commercial collaboration opportunities. In 2025, the Company's R&D investment reached RMB140.8 million.

Transcenta attaches great importance to the development of the scientific research team and is committed to building a high-calibre innovation team with a global perspective. Leveraging our international platforms, we attract top-tier scientific research talent, with global clinical development and monitoring teams located in Beijing, Shanghai, Hangzhou, Suzhou, Guangzhou, and Princeton, USA. With extensive experience spanning the entire clinical trial lifecycle, we address significant unmet clinical needs worldwide. We attach great importance to scientific talent cultivation, offering a comprehensive training system that fully supports employee's development from systematic onboarding to continuous professional skill enhancement. The Company organizes regular specialized training sessions covering GMP, CMC, clinical research, information technology, and engineering to enhance employees' professional knowledge and their overall competencies continuously, while facilitating the broadening our talent's perspective via extensive academic exchanges. In 2025, we actively organized R&D personnel to attend five major industry conferences, including the 6th ADC Drug Development Summit and the 10th Enmore Bio-Conference (EBC). As of the end of 2025, the Company has 62 R&D professionals.

II. EVOLVE WITH INNOVATIONS, WIN FOR TOMORROW

1.2 Transformation of Innovation Achievements

In 2025, Transcenta achieved significant R&D milestones in autoimmune disease and oncology treatments:

Name of project	Progress in 2025	Brief description of projects
<p>Project TST801: Development of anti-BAFF-APRIL-blocking bispecific antibody</p>	<p>We have completed in vitro and in vivo activity validation, cell line development, and stability and druggability profiling, as well as pharmacokinetic (PK) and pharmacodynamic (PD) studies in monkeys. In animal efficacy studies using disease models, TST801 demonstrated superior activity compared with the positive control antibody, particularly in its inhibitory effect on BAFF, suggesting that the molecule may achieve better therapeutic outcomes in future clinical settings.</p>	<p>Systemic lupus erythematosus (SLE) is a chronic autoimmune disease that can affect multiple organs throughout the body. Its core pathological feature is immune system dysregulation leading to the production of large quantities of autoantibodies, resulting in tissue damage. Symptoms vary widely among patients, with common manifestations involving the skin, joints, and kidneys. Traditional broad-spectrum immunosuppressants often present significant side effects, while the novel targeted therapy TST801 inhibits abnormal B-cell activity and restores immune balance by precisely neutralizing the key cytokines BAFF and APRIL, and exhibits potential advantages in in-vivo half-life and potency over existing therapies while maintaining a robust safety profile, positioning it as a promising potential best-in-class treatment option.</p>
<p>Project TST808: Development of anti-APRIL-blocking monoclonal antibody</p>	<p>We have generated monoclonal antibodies with exceptional blocking activity through mouse immunization, and have completed humanization and a series of in-vitro activity validations, as well as PK and PD studies in monkeys, and the candidate antibody has demonstrated superior activity compared with the positive control antibody, particularly in its inhibition of IgA.</p>	<p>IgA Nephropathy (IgAN) is the most prevalent primary chronic glomerular disease, yet safe, disease-specific therapies remain unavailable. As an autoimmune disease, IgAN involves the production of autoantigenic, aberrantly O-glycosylated IgA1, leading to the subsequent deposition of pathogenic immune complexes within the kidneys, which triggers nephritis. A Proliferation-Inducing Ligand (APRIL) has emerged as a key B-cell regulatory factor in the pathogenesis of this disease. The use of an APRIL-blocking monoclonal antibody holds broad therapeutic potential for the treatment of IgAN.</p>

II. EVOLVE WITH INNOVATIONS, WIN FOR TOMORROW

Name of project	Progress in 2025	Brief description of projects
Project TST013: Development of LIV-1 antibody-drug conjugate (ADC)	We have generated monoclonal antibodies with exceptional internalizing activity through mouse immunization, and have completed humanization and a series of in-vitro activity validations. We have also completed pilot toxicology studies in mice, which demonstrated that our ADC is well-tolerated, with a maximum tolerated dose of 60 mg/kg. Cell line development and druggability profiling for the antibody have been completed, and the antibody exhibits an excellent druggability profile, making it suitable for ADC development.	Project TST013 targets LIV1, a protein specifically expressed in tumors, and through our antibody platform, we have developed and screened an innovative monoclonal antibody with independent intellectual property rights. By integrating the latest ADC conjugation technology, the antibody was conjugated with a cytotoxic payload and demonstrated potent antitumor efficacy in mouse tumor cell models, demonstrating significantly greater efficacy than the benchmark drug. Furthermore, Project TST013 also demonstrated tumor-inhibitory effects in PDX models of different cancer types, and tumor suppression maintained for more than 80 days even after treatment cessation in one of the PDX models. PK study results in mice and rats showed that our monoclonal antibody has a longer half-life than the benchmark antibody, and the ADC conjugate also exhibits strong in vivo stability.

1.3 Intellectual Property Protection

In the biopharmaceutical field, intellectual property is the core protection for innovation achievements of enterprises and is crucial to long-term development and market competitiveness. Transcenta always attaches great importance to the protection of intellectual property and has continuously refined its policies and systems such as the Management System of Laws and Regulations on Intellectual Property, the Intellectual Property Management Policy and the Standardized Operation Procedures for Application and Maintenance of Intellectual Property. In 2025, we further optimized the Intellectual Property Incentive Policy, defining the categorized reward standards and procedures for invention patents, utility model patents, design patents, and software copyrights. Through this systematic incentive mechanism, we significantly enhanced employees' enthusiasm for innovation and accelerated the efficiency of translating innovation outcomes into tangible results.

II. EVOLVE WITH INNOVATIONS, WIN FOR TOMORROW

Based on the above systems, we implement effective protection and sustained value enhancement of innovation achievements primarily through the following two measures.

Intellectual property management

- Leveraging professional patent databases, we conduct rigorous novelty, inventiveness, and infringement risk analyses for all innovative technologies, based on which, we screen out and eliminate technologies that lack novelty, and concentrate resources on those with patent value, thereby optimizing the overall quality of our patent portfolio.

Tiered protection strategy

- For foundational breakthroughs such as core antibody sequences and novel therapeutic indications, we file invention patents in key global markets to establish formidable competitive barriers;
- For peripheral advancements in process optimization, we establish a protective network through utility model and defensive patent filings;
- For technologies with commercial value that are not suitable for patent protection, our trade secret management system is applied to ensure strict administration.

In 2025, to align with the clinical and market roadmaps of each product pipeline, we established a patent network across multiple markets, including the United States, Europe, South Korea, Japan, Australia, Canada, and Mexico, and extended our patent rights in Chinese mainland to Hong Kong, Macao, and Taiwan. In 2025, the Company had 39 licensed patents. Concurrently, we continuously fostered awareness of intellectual property protection among our employees through training and internal advocacy. Specifically, we provide training for R&D personnel on drafting technology disclosure forms. This enables our researchers to understand the process of technology innovation from technical documentation to formal patent applications and equips them with the skills to prepare the disclosures that support more effective patent filing.

II. EVOLVE WITH INNOVATIONS, WIN FOR TOMORROW

2. QUALITY AND SAFETY ASSURANCE

Quality and safety assurance are always regarded as the core missions of Transcenta. To this end, the Company has established a comprehensive quality management system, which has been integrated into all business processes to ensure that each product complies with high standard and high quality requirements.

2.1 Product Quality Management System

The quality management system established by Transcenta covers business processes such as R&D and production with the quality targets refined for all departments and job positions. Through systematic and standardized management and control, compliance with quality and safety standards is assured in each process:

R&D stage	<ul style="list-style-type: none">Review and approve project establishment to assess feasibility and risks, adopt standardized experimental operations and data records to ensure the authenticity and traceability of data.
Production process	<ul style="list-style-type: none">Strictly follow GMP standards, implement process control to ensure the quality of raw materials, and use advanced automation technology to ensure product consistency, comprehensive quality inspection is carried out on the finished products before leaving the factory.
Handling complaints on clinical samples	<ul style="list-style-type: none">Establish traceability and feedback systems, keep real-time communication with customers on information of clinical samples and quality issues and assist in timely handling to promote continuous improvement in quality.

II. EVOLVE WITH INNOVATIONS, WIN FOR TOMORROW

2.2 Full Lifecycle Quality Management

Transcenta adopts the quality management concepts throughout the entire life cycle of pharmaceuticals to give comprehensive assurance of product quality:

R&D stage

- Incorporate quality concepts into project establishment to ensure that product technology is feasible and risks are controllable; cooperate with experts and scientific research institutions to ensure that the R&D direction is clear and the results are safe and effective.
- Use advanced technology to ensure the accuracy of experimental data, and establish R&D document management system to improve traceability. In 2025, the Company conducted quality reviews many times to ensure that the R&D results have met strict quality standards.

Quality control of raw materials

- Implement strict supplier evaluation and screening, and only suppliers that have passed the review are selected.
- Sign up quality agreement to clarify the responsibilities of both parties, conduct test and acceptance inspection on each batch of raw materials to ensure compliance with standards.
- Establish a traceability system, maintain close cooperation with suppliers, and improve supply chain quality management capabilities through quality audits and training.

Quality supervision in production process

- Strictly follow GMP practice, adopt automated monitoring systems and monitor production process parameters in real time to ensure product consistency.
- Set up quality control points and focus on monitoring key processes; ensure drug sealing and dosage accuracy by using advanced equipment and standard operating procedures.
- Strengthen personnel management and environmental control to ensure the production environment meets required standards and avoid pollution.

II. EVOLVE WITH INNOVATIONS, WIN FOR TOMORROW

Inspection and release of clinical samples

- Clinical samples must pass comprehensive tests on appearance, purity and activeness before leaving the factory. Advanced equipment will be used by professional inspection department to ensure reliable results and record data in detail.
- Unqualified clinical samples are strictly isolated for disposal to ensure product quality.

Quality tracking

- As there is no product sales by the Company at present, relevant requirements for disclosure on system and process regarding product recall are not applicable, and no procedure for quality assurance or product recall has been established.

Transcenta has established and continuously operates and refines its pharmacovigilance system to implement strict monitoring and control over safety of drugs in the clinical trial stage. We have adopted the full process management of “risk discovery – risk assessment – risk control – information disclosure” to identify and effectively manage and control potential safety risks and timely disclose the relevant information to the regulatory authorities, researchers and participants. At the same time, the Company has established functional positions dedicated to pharmacovigilance quality assurance and quality control to practically protect the safety of participants and minimize the risks of drugs. In 2025, the Company did not launch any sales activities for products and was not involved in any incident of recalling sold or delivered products due to safety and health problems. In future, the Company will continue to improve the management system, dedicate itself to protecting the health of patients with products and services of higher standards, and make contributions to high quality development of the biopharmaceutical industry.

II. EVOLVE WITH INNOVATIONS, WIN FOR TOMORROW

2.3 Quality Culture and Policy

Transcenta adheres to the quality-centered policy, strongly promotes the building of quality culture. Through the synergy of system, culture and policy, we strive to create an open, collaborative and continuously improving quality culture atmosphere. To strengthen the quality awareness of all employees, we have organized diversified and systematic quality trainings for all employees, with contents covering professional skills and knowledge of laws and regulations, and industry experts were invited on a regular basis to give in-depth lectures. Meanwhile, we have further launched various kinds of cultural activities on the topics of quality to implant the concepts of quality deeply into the hearts of participants through measures such as organizing skills competition. To ensure that the quality culture will be effectively implemented and promote further improvements, we have established a corresponding incentive mechanism to encourage employees to participate proactively in the feedback of issues and process optimization, commendations will be awarded to outstanding teams and individuals in quality culture practice.

3. RESPONSIBLE SUPPLY CHAIN

Through optimizing the systematic regimes and technological innovations, Transcenta has built up a responsible supply chain management system covering the entire chain of “access-monitoring-evaluation” to incorporate ESG essentials into the entire process of supplier management. In 2025, the Company revised the internal systems including the Procurement and Supplier Management Policies and the Supplier Management Procedures to strengthen the core functions of the QA department in the review and approval of supplier qualifications by streamlining the redundancy process. By leveraging the WMS system, we have realized digitalization of the entire process for managing supplier qualification documents and assessment data, and optimized the Evaluation Rules for Preferred Suppliers dynamically, providing supplier management with solid system support and efficient digitalization assurance.

In the admission process of suppliers, the Company has established standardized tools such as the Supplier Questionnaire Survey and the Performance Evaluation Form for Preferred Suppliers, and ESG factors are also included in the admission process of suppliers. Among these, the Supplier Questionnaire Survey has clearly incorporated many core ESG indicators, such as the environmental health and safety management system certification, social service initiatives and EHS investment amount, to conduct comprehensive screening on the qualifications of suppliers from the dimensions of environmental compliance, social responsibility and operation compliance. The Performance Evaluation Form for Preferred Suppliers incorporates supplier qualification certificates and compliance with ESG system into the core evaluation dimensions to ensure that the admitted suppliers fulfill the sustainable development requirements.

The Company has established a hierarchical risk management mechanism for dynamic management and evaluation of suppliers, and implemented annual ESG special reviews for GMP suppliers, covering 12 indicators such as compliance, quality and environment, while non-GMP suppliers are dynamically evaluated on a 100-point scale. In the appraisal process, the procurement staff and the user department will conduct comprehensive evaluation in the first quarter of each year on the annual performance of the preferred suppliers during the preceding year, the Company will issue warning letters to suppliers with a score below 70 points for rectification within a prescribed period of time. Suppliers that fail to rectify in a timely manner or do not meet the requirements will be removed from the list of preferred suppliers. In 2025, the Company has completed the annual comprehensive evaluation of suppliers and will continue to improve the quality of supply chain.

II. EVOLVE WITH INNOVATIONS, WIN FOR TOMORROW

In terms of deep integration with ESG and integrity building, the Company has newly introduced the ESG Questionnaire for Suppliers to include environmental and social responsibilities throughout the entire supplier management process, and the suppliers are also required to sign the Anti-Commercial Bribery Commitment at the time of signing the supply contract as a compulsory requirement to strengthen the oversight of anti-corruption and anti-bribery of business partners. In 2025, the signing rate of anti-corruption agreements among preferred suppliers was 87.7%, and the signing rate of confidentiality agreements was 79.6%.

Through conducting trainings relevant to internal and external supply chains, we have built responsible supply chains together. In 2025, the Company organized 8 sessions of on-site audit and exchange activities for suppliers to strengthen collaborations with suppliers through targeted audits and normalized communications and continuously improve their compliant operating capability and cooperation efficiency. To ensure compliance throughout the entire process of procurement, the Company has organized a special training for all employees involved in procurement compliance in October 2025 to enhance the awareness of management compliance among internal employees.

Indicators	2025	Unit
Total number of suppliers	338	Number of entities
Localization percentage of suppliers	94	%
Localization percentage of procurement	94	%
Number of suppliers with sustainability certification	98	Number of entities
Percentage of suppliers with sustainability certification	30	%

4. SUPPORT FOR INDUSTRY DEVELOPMENT

The Company leverages its core competitiveness to proactively participate in establishing industry standards and international dialogues, and supports the sustainable improvement in the biopharmaceutical segment through industry-university-research collaboration and sharing of research and development results of innovative drugs.

In terms of standardization development, the Company collaborated with internal experts across multiple fields, along with leading enterprises, scientific research institutions and regulatory bodies, to jointly promote the establishment of standards for key indicators such as antibody drug purity, activity, and impurity testing, the achievements have been incorporated into industry guidance drafts to facilitate the regulation and unification of quality systems across the industry. In 2025, we actively engaged in industry exchange activities organized by HJB (Hangzhou) Co., Ltd. (杭州奕安濟世生物藥業有限公司), where the Company comprehensively showcased its technical prowess and innovative achievements in biopharmaceuticals and process development through keynote speeches, online live streams, and offline conferences.

II. EVOLVE WITH INNOVATIONS, WIN FOR TOMORROW

We have reached a number of research collaborations with leading global scientific institutions, covering Osemitamab (TST001), TST003 and TST005. Meanwhile, the Company has established strategic partnerships with a number of technology platform companies to jointly explore different innovative targets and differentiated therapeutic strategies, including multiple ADC platforms. These collaborations have further enhanced the Company's global leading position in Claudin18.2 targeted combination therapies. In addition, the Company has established partnerships with several renowned universities both domestically and abroad. Through its collaboration with Shanghai Jiao Tong University, the Company has developed a long-term industry-university-research integration mechanism, jointly fostering breakthroughs in tumor immunotherapy research, accelerating the transformation of scientific research results into clinical applications, and cultivating continuously high-calibre professional talents for the industry. Through close cooperation with domestic well-known medical institutions such as Peking University Cancer Hospital, the Company has achieved a series of major milestones in multi-center clinical studies, orthopedic pharmaceutical development and therapies for kidney disease, providing patients with more quality treatment options.

Looking ahead, the Company will continue to commit to R&D of innovative drugs, deepen industry-university-research integration, strengthen participation in industry standardization, and contribute persistently to improving quality of life of patients and promoting global healthcare development.

5. MEDICAL AFFORDABILITY

Transcenta is committed to a forward-looking healthcare affordability management system, ensuring that the affordability of innovative therapies to patients is considered as early as the drug research and development stage. The Company adheres to rigorous quality management standards and advances a multi-regional concurrent clinical development and registration strategies around the world, leveraging its international clinical trial footprint to establish a solid foundation for future regulatory filings in various regions. We have planned to conduct a global multi-center Phase III clinical trial for our core pipeline 001, and have already obtained approvals and patent authorizations from the drug regulatory authorities and intellectual property offices of multiple countries and regions, including the United States, China, South Korea and Russia, providing strong support for the smooth progression of our global Phase III trial (TranStar301). The Company is actively collaborating with global partners to explore future commercialization pathways, with the aim of covering mature and emerging markets once our products are approved, and helping patients in areas with limited medical resources to access medication.

The Company places particular focus on patient groups with specific tumor types who have high unmet clinical needs. The Company's core product Osemitamab (TST001) has been granted orphan drug designation from FDA for the treatment of gastric cancer, gastroesophageal junction cancer and pancreatic cancer, offering the potential to provide patients with new therapeutic options. To ensure future patient access, the Company is actively exploring flexible pricing and reimbursement strategies, designing patient assistance programs in compliance with regulatory requirements, and working with healthcare professionals and patient organizations to advance disease education, thereby providing comprehensive support for future patient health management. We are currently leveraging our efficient R&D system to pave the way for delivering more effective and affordable biologic therapies to patients in the future.



III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

Our Actions

- Environmental management
- Water resources management
- Responding to climate change
- Energy management
- Emissions and waste management
- Green operation

Our Performance

- Consolidated total energy consumption: **840.28** tonnes of standard coal
- Total GHG emissions (Scope 1+Scope 2): **1,786.46** tonnes of CO2 equivalent
- Total water consumption: **20,677.90** tonnes

Contribution to SDGs



III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

1. ENVIRONMENTAL MANAGEMENT

The Company regards environmental protection and resource conservation as a sustainable core responsibilities, and strictly abides by relevant laws and regulations, including the Environmental Protection Law of the People's Republic of China, the Energy Conservation Law, the Law of Water Pollution Prevention and Control, the Law of Air Pollution Prevention and Control and the Law of Prevention and Control of Environmental Pollution by Solid Waste, and is committed to developing a green and low-carbon business model, facilitating sustainable enhancement of environmental performance. In terms of system development, the Company has established the Management System for Identification and Assessment of Environmental Factors for the whole process of production and operation, to identify and assess the environmental factors affecting the Company's activities, products, and services, which covers key environmental areas such as exhaust gas emissions, wastewater discharge, noise control, energy conservation and consumption reduction, and hazardous waste disposal, and provides a scientific and systematic framework to support its environmental management efforts.

The Company has established the Work Safety Committee to coordinate and promote the Company's environmental management work. The principal responsible person of the Company serves as the leader, while the heads of laboratory departments participate as core members, jointly contributing to decision-making on environmental and workplace safety management to ensure that the environmental management responsibilities are decomposed and effectively implemented.

2. ENERGY MANAGEMENT

Transcenta has established a comprehensive energy management system and formulated and implemented the Management System on Energy Saving and Consumption Reduction, which covers all operational stages including energy use, resource consumption and waste management, while defining departmental responsibilities and operational standards for energy management to provide an institutional guarantee for the systematic reduction of energy and material consumption. We have developed a dedicated renewable energy utilization plan, established a digital energy management system architecture, maintained a sustainable development philosophy, and had a profound understanding of the important impact of energy use on the ecological environment.

The Company's primary energy consumption consists of purchased electricity and steam used in production activities, as well as diesel and gasoline consumed by its self-owned vehicles. We have set medium – to long-term energy management targets, aiming to reduce energy consumption intensity by 5% by 2030 compared with the 2021 baseline. To advance achievement of the energy management targets, the Company has implemented a range of energy-saving and emission-reduction initiatives through various means:

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

Deployment of digital energy management system

- **Building Management System (BMS):** The Building Management System is fully deployed to realize automatic and intelligent management and control of equipment. The system can turn on and off equipment operation automatically according to pre-set programs, and may precisely set the parameters of each air-conditioner, the energy consumption of the building is lowered through optimizing the equipment operating conditions.
- **Environment Management System (EMS):** The Environment Management System is initiated to implement 24 hour real-time monitoring and unified management of key environmental areas such as clean rooms to ensure achieving the targets of environmental indicators while realizing rational allocation of energy resources.

Specialized energy-saving and carbon-reduction initiatives

- **Normalizing the “One Hour Lights Out” initiative:** Since the “One Hour Lights Out” environmental protection initiative started in 2023, it has been implemented in a normalized manner from 12:00 to 13:00 every day, all employees are coordinated to turn off all unnecessary electrical facilities. In other environmental protection events, such as the World Earth Day, the thematic activity “Give an Hour for Earth” is also carried out simultaneously to reinforce the energy saving awareness of employees.
- **Refined control of air-conditioning temperature:** By implementing management and control of the air-conditioning temperature standards, and specifying that the temperature of air-conditioners is not lower than 25°C in summer, and the temperature of heat from air-conditioners is not higher than 20°C in winter, and through setting the operating parameters scientifically, energy consumption of the air-conditioning system is reduced.
- **Energy saving publicity and guidance of conduct:** A series of energy saving publicity materials are produced and released, including posters for escalators with energy saving themes, reminder slogans such as “turn off equipment before leaving” and “switch off the lights when not in use”. The “red and green label” equipment classification management mechanism is implemented to clarify the priority of operating equipment for guiding employees to identify and turn off the unnecessary electrical equipment.
- **Green commuting and office mode:** Green and low-carbon commuting methods are actively promoted to encourage employees to commute by public transport, shared transport or cycling. The welfare policy of remote office is launched to support employees selecting to work from home one day in each week to reduce carbon emissions from commuting.

Indicators	2025	Units
Comprehensive total energy consumption	840.28	tonnes of standard coal
Intensity of comprehensive energy consumption	113.02	tonnes of standard coal/RMB million
Electricity consumption	3,348,136.40	kWh
Gasoline	4,456.67	Liters
Purchased heat	12,427	GJ

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

3. WATER RESOURCES MANAGEMENT

Transcenta attaches importance to water resources management and strictly complies with national laws and regulations, including the Water Law of the People's Republic of China, the Law of the People's Republic of China on Prevention and Control of Water Pollution and the Law of the People's Republic of China on Water and Soil Conservation, to ensure that all water intake and discharging acts have complied with industry standards and regulatory requirements. The Company reviews the data of water resources consumption on a regular basis, by identifying the abnormal values thereof, the risks of "seepage, overflowing, dripping and leakage" will be timely discovered and investigated. In 2025, the factory in Hangzhou discovered water leakage at one point through comparing with data of past periods, after completion of the repair works, it is anticipated that the water consumption in 2025 will decrease by approximately 12,000 tonnes as compared with 2024. During the operation cycle in 2025, the Company has never encountered any problems concerning the desirability of water sources or water intake.

Taking 2021 as the base year, the intensity of water usage will decrease by 5% by 2030. To ensure the completion of this target, we have adopted various types of management measures for water conservation.

Green infrastructure and recycling

- Upgrading project of water resources recycling:** For the high water consumption area of the animal house in Suzhou, the Company has implemented an enhanced sewage treatment upgrading project. By investing in the construction of treatment equipment for wastewater recycled use, the Company has not only significantly reduced the consumption of fresh water in the cleaning process, but also achieved zero discharge of nitrogen and phosphorus pollutants in the cleaning wastewater of animal houses, thus significantly improving the recycling rate of water resources.
- Energy-saving direct drinking water system:** In the Suzhou office, the Group has introduced a purified direct drinking water system to replace the conventional drinking water dispensers. The equipment is installed with an in-built AES adaptive energy-saving system, which can ensure the safety of drinking water for employees and optimize energy efficiency to a high power-saving rate of 40%, reflecting the innovative idea of water-energy collaborative management.

Culture building and awareness enhancement

- The Group is committed to build a water conservation culture participated by all employees. By posting slogans of "Save Water" at prominent positions of each water usage point in the toilets and common areas, the environmental protection concept is integrated into the daily office scenarios to strengthen the water conservation awareness of employees continuously and promote green office conduct.

Indicators	2025	Units
Total water consumption	20,677.90	tonnes
Intensity of water consumption	2,781.16	tonnes/RMB million

Water resources consumption data of Transcenta in 2025

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

4. EMISSIONS AND WASTE MANAGEMENT

Transcenta is well aware of the importance of emissions management and strives to reduce the impact of its operating activities on the environment to a maximum extent and contributes to environmental protection. While enhancing the operation efficiency and cost-saving, we insist on implementing strict emissions management to effectively prevent the environmental compliance risk.

4.1 Exhaust emissions management

Transcenta has paid close attention to atmospheric pollution prevention and formulated the Management System on Exhaust Emissions 《廢氣排放管理制度》 in accordance with the Atmospheric Pollution Prevention and Control Law of the People’s Republic of China 《中華人民共和國大氣污染防治法》 and other laws and regulations to implement stringent management and control over atmospheric pollutants discharged in the production process.

We have adopted stringent management measures for exhaust emissions to minimize the environmental impact of the small amounts of pollutants such as sulfur dioxide (SOx), nitrogen oxides (NOx) and particulate matters generated from the production process.

Classified management on emissions

- The Company conducted classification for various types of exhaust gas generated from its operation in order to take targeted measures in handling these exhaust emissions.

Installation of exhaust treatment devices

- The Company has invested in the installation of advanced exhaust treatment facilities, which have adopted techniques including oxidation absorption, alkali absorption, defogging and activated carbon adsorption to reduce the emissions of harmful substances.

Regular inspections and maintenance

- The Company conducts regular leakage inspections and maintenance of the exhaust treatment facilities to ensure that these facilities are operating normally, so as to minimize malfunction and pollution arising from leakage.

Indicators	2025	Units
Sulfur dioxide (SOx)	0	tonne
Nitrogen oxides (NOx)	0.01	tonne
Particulate matters	0	tonne

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

4.2 Sewage management

Transcenta has formulated the Management System on Wastewater (《廢水管理制度》) based on the local environmental protection standards, specifying clear requirements on the operation rules and standards for the processes of waste water collection, treatment, monitoring and discharge. The Company has established a complete management and control system equipped with corresponding treatment techniques and facilities for different types of wastewater, including wastewaters from production, ground cleaning, laboratories, concentrated water from the processing of pure water and domestic wastewater, so as to ensure the treatment and final discharge of different types of wastewater will fully comply with the regulatory requirements.

Online monitoring equipment

- We installed an online monitoring equipment in the terminal of sewage treatment stations to monitor sewage indicators in real time to ensure discharge of wastewater in compliance with environmental standards.

Mobile APP monitoring

- We have developed the mobile APP function to monitor the indicator data of sewage stations in real time. The APP will push relevant alarm information at any time to empower operators to remotely operate the sewage stations.

Efficient sewage treatment techniques

- Low-temperature evaporation system: It is used in treatment of sewage with high concentration or special characteristics.
- Sewage turnover tank: It is used for storage and treatment of wastewater to meet the treatment requirements.

Indicator	2025	Unit
Waste water discharge	7,640.47	m ³

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

4.3 Waste management

Transcenta continuously reinforces the segregated management and control and safe disposal of waste to alleviate its burden on the environment and promote the effective recovery and recycling of resources. To regulate the disposal procedures for hazardous waste and prevent environmental pollution, the Company has formulated and implemented the Management System on the Disposal of Solid Waste (《廢棄物處置管理制度》) and the Safety Operational Specifications for Collection, Transfer and Temporary Storage of Dangerous Waste (《危險廢物收集、轉移、暫存安全操作規程》). The Company's non-hazardous waste primarily consists of office and domestic waste generated from operations, while hazardous waste mainly includes laboratory and medical waste.

We have set a waste reduction target of reducing the emission intensity of hazardous waste by 5% by 2030 taking 2021 as the baseline. Through the following measures, we ensure that all waste is properly disposed of in compliance with regulations to support the achievement of this target.

- **Strict classification management:** the Company strictly implements the requirements of waste categorization to ensure that each type of waste can be disposed of via prescribed channels.
- **Labeling:** all waste storage containers are clearly labelled specifying the waste category and disposal instructions.
- **Professional collection and temporary storage:** dedicated collection points and temporary storage areas are set up and managed by designated personnel to ensure the safe storage of waste prior to transfer.
- **100% compliance treatment of hazardous waste:** third-party organizations with the required professional qualifications are engaged to handle all hazardous waste, eliminating the risks associated with non-compliant disposal.
- **Resource reuse:** for non-hazardous waste such as cardboard boxes and plastic packaging generated during the production process, the Company utilizes methods such as incineration for power generation to achieve resource recovery.
- **Reducing waste generation:** controlled waste generation at the source by improving production processes, promoting green office practices, adopting environmentally friendly materials and reducing consumption of disposable items.

Indicators	2025	Units
Total non-hazardous waste	7.20	tonnes
Intensity of non-hazardous waste emissions	0.97	tonnes/RMB million
Total hazardous waste	10.40	tonnes
Intensity of hazardous waste emissions	1.40	tonnes/RMB million

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

5. RESPONDING TO CLIMATE CHANGE

With awareness of the impact brought by climate change, the Company has been actively responding to national strategy on “dual carbon” goals. And the Company is aware of international consensus on climate governance including the Paris Agreement, and integrates response to climate change into corporate operation and management, thereby further improving management and information disclosure regarding climate change, and improving our capabilities of addressing climate risks.

5.1 Governance

Transcenta attaches great importance to climate change governance and continuously refines its internal management mechanisms and methodologies to improve the effectiveness of its climate change governance measures. To this end, we have established a climate change governance structure that consists of the Board, the Audit Committee and the Work Safety Committee.

Tier	Key Duties and Responsibilities
Board of Directors	As the highest decision-making body for climate-related issues, the Board of Directors regards climate change as a core strategic priority; works closely with the Audit Committee to comprehensively coordinate and oversee the Company’s ESG practices; and formulates strategies for managing risks related to climate change and capturing opportunities.
Audit Committee	Undertakes supervisory responsibilities for climate change issues; conducts in-depth assessments of the environmental and social impacts of the Company’s operations; closely tracks the latest developments in domestic and international ESG and climate-related policies; carefully evaluates climate-related risks and opportunities; and provides feedback to the Board of Directors on climate change trends to support informed decision-making in formulating the Company’s ESG strategy.
Management	
Work Safety Committee	Strengthens the day-to-day management of climate-related matters; collaborates various functional departments to collect information related to climate change, identify risks and communicate with stakeholders; and, as an integral part of the sustainability strategy, reports at least once a year to the Audit Committee on the effectiveness of climate management and the status of information disclosures, to ensure the effective operation of the governance framework.

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

The Company has established a regular reporting system, through which the Board of Directors receives the report on the progress of achieving climate goals on a regular basis, with a focus on reviewing the progress of achieving key indicators such as carbon emission intensity and greenhouse gas emissions, so as to assess the degree of matching between targets and our business development. We launch annual special training programs for the Board of Directors to ensure that relevant management personnel have the basic capabilities of managing climate risks and further enhance their awareness of and ability to address climate issues.

We have established a tiered supervising system, under which the Work Safety Committee is responsible for daily supervision work to review and assess actual effectiveness of initiatives taken by various departments and develop the progress report. In cases of circumstances such as extreme weather and major changes in policies, the Board of Directors will review immediately the targets to decide if it is necessary to make adjustments, so as to ensure that the targets dynamically adapt to the external environment.

As of the end of the reporting period, the Company has integrated climate, energy conservation and environment management targets into the performance appraisal system for employees of the EHS department, which links their roles and duties with remuneration, thereby promoting effective implementation of the climate-related initiatives. The Company has not integrated the climate-related performance Indicators into the appraisal for remuneration of the Board of Directors, while it is actively exploring the possibilities with reference to best practices within the industry, so as to explore the feasible plans of linking climate-related performance with remuneration in the future. The Company is conducting effective supervision over progress of achieving climate targets through governance systems such as annual review by the Board of Directors and regular reporting by special committees, ensuring that the management continues to promote emissions reduction. Looking forward, the Company will enhance the arrangement for remuneration as appropriate with reference to the development of its climate management system.

5.2 Strategies

The Company continuously refines its climate change management strategies and enhances its climate resilience to ensure the effective implementation of its measures to address climate change.

5.2.1 Scenario analysis for climate issues

In 2025, the Company adopted the publicly available climate-related scenario published by International Energy Agency (IEA) and the Network for Greening the Financial System (NGFS) to conduct a qualitative analysis on the Company's exposure to climate change risks and opportunities with reference to the climate-related disclosure requirements specified in the Environmental, Social and Governance Reporting Code issued by the Hong Kong Stock Exchange and in light of characteristics of the biopharmaceutical industry and the Company's business layout. The climate-related analysis only covers the business scope of Transcenta.

- **Duration and extent of the effects**

- Short-term (0-1 year): in line with the annual business development plan of the Company. We formulate low-carbon action plan every year, develop annual capital expenditure plans and make adjustments in a timely manner to ensure that key tasks and targets for the year can be completed and achieved.

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

- Mid-term (1-5 years): in line with the five-year business development plan of the Company. In light of national strategies and characteristics of our business, we formulate the action plan for peak carbon emissions to ensure investment of resources, capital and personnel, review our business development and emission reduction on a regular basis, and make amendments when necessary.
- Long-term (5 years or more): in line with the schedule for dual carbon goals of China. We develop long-term plans for 5 - 30 years based on the strategic plans for green, low-carbon development of the energy industry, regularly review and make amendments when necessary.
- **Scenario analysis of physical risk**

The Company applied current policies, nationally determined contributions and net zero 2050 as issued by NGFS, with a focus on potential impacts of acute and chronic climate risks on biopharmaceutical operations under high-emission scenarios.

Scenario	Anticipated rise in temperature	Description	Source of input for climate scenario
Current Policies	3°C	On the assumptions that the enacted and implemented climate policies are followed, greenhouse gas emissions grow until 2080, frequent extreme weather and the risk of prolonged high temperatures has significantly increased.	NGFS Scenarios Portal
Nationally Determined Contributions	2.3°C	On the assumptions that all policies committed under the UNFCCC are implemented and greenhouse gas emissions decrease, the global temperature rise of 2.3°C is still expected, and climate fluctuations continue to cause ongoing pressure on production facilities and supply chain.	NGFS Scenarios Portal
Net Zero 2050	1.4°C	On the assumptions that net zero carbon emissions is reached by 2050, the global temperature rise is limited to 1.5°C with rigid climate policies and technology innovation, climate risk falls significantly and operation becomes more stable in the long run.	NGFS Scenarios Portal

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

- **Scenario analysis of transition risk**

The Company applied the stated policies scenario, announced pledges scenario and net zero emissions by 2050 in World Energy Outlook by IEA, with a focus on the impacts of changes in various factors such as external policies, market and technology on business model and cost of the biopharmaceutical business.

Scenario	Anticipated rise in temperature	Description	Source of input for climate scenario
Stated Policies Scenario	2.4°C	It reflects that the current policies are set based on assessments of existing and developing energy-related policies in various countries, provide a benchmark for the potential outcomes of policy development, and carbon emission cost rises moderately.	IEA-World Energy Outlook 2024
Announced Pledges Scenario	1.7°C	On the assumptions that all countries fully implement their announced climate commitments including the long-term zero emission target, tightened regulation on carbon emission and accelerated adoption of low-carbon technology.	IEA-World Energy Outlook 2024
Net Zero Emissions by 2050	<1.5°C	On the assumptions that the global energy sector achieves net zero carbon dioxide emissions by 2050 and global warming is limited to 1.5°C, the cost of carbon emission rises significantly, and renewable energy and low-carbon techniques become mainstream options.	IEA-World Energy Outlook 2024

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

- **Analysis method and governance mechanisms**

The Company adopted the qualitative scenario analysis method to assess the likelihood of risks and the impacts under each scenario from the perspective of the whole value chain including R&D, production, supply chain and office, so as to form a list of climate change risks and opportunities, which are then implemented after approval by the Board of Directors, and formulate specific countermeasures to ensure deepened integration of management on climate risks with strategies and operation of the Company.

- **Important meanings of scenario analysis to the business**

- Meaning to physical risks: under the scenario of high temperature rise, the Company has to enhance resilience of its emergency management on extreme weather and the supply chain; under the scenario of moderate/net zero emission, the Company can gradually promote the climate adaptability transformation of facilities to reduce long-term operational risks.
- Meaning to transition risk: under the scenario of rigid emission reduction measures, low-carbon processes and renewable energy applications need to be deployed in advance; under the gradual policy scenario, a smooth transition can be achieved by relying on the optimization of existing operations, and aggressive investment can be avoided.
- Meaning to opportunities: all scenarios are ways to enhancement in resource efficiency and the long-term value of green operation, and the Company can address risks and explore cost optimization opportunities through energy-saving transformation and green supply chain construction.

5.2.2 Climate risk and opportunity identification

Identification of climate risks and opportunities and assessment of climate changes bring various impacts on our business operations. We conducted an analysis of climate based on regions where we operate, including Suzhou, Hangzhou, Beijing, Shanghai and Guangzhou. In response to the corresponding impacts, we have formulated corresponding measures to address the risks and capture the opportunities.

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

Climate-related risks/opportunities	Impact on business model	Impact on value chain	Duration of impacts	Potential financial impact	Countermeasure
Physical risk -acute risk (extreme weather)	Extreme weather may cause damages to infrastructure and affect the operational stability; the Company needs to increase safety equipment and investment in training.	Disruption in supply chain, fluctuations in supply of raw materials; damage to operating infrastructure	Short-term (0-1 year)	An increase in operating costs and a decrease in operating income	<ol style="list-style-type: none"> 1) The Company has established and regularly updated the Emergency Rescue Management System to respond to climate disaster emergencies 2) The Company has increased the proportion of local procurement, made good preparations for the reserve of key raw materials, and improved the stability and resilience of the supply chain
Physical risk -chronic risk (ongoing high temperature)	Sustained high temperature may lead to unstable power supply and an increase in operating costs; at the same time, hot weather will affect the health and safety of employees, thus the Company shall bear higher HR costs.	Rise in energy consumption and costs; rise in labor costs	Mid-term (1- 5 years)	An increase in operating costs	<ol style="list-style-type: none"> 1) The Company has reduced costs and increased efficiency through technical transformation of equipment 2) The Company has considered the use of renewable energy, energy conservation and emission reduction in the location selection and construction of new factories 3) The Company has encouraged employees to practice green operation and green office

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

Climate-related risks/opportunities	Impact on business model	Impact on value chain	Duration of impacts	Potential financial impact	Countermeasure
Transition risk-policy and legal risk (tightened policies on greenhouse gas emissions)	Operating costs and capacity expansion are affected by rising carbon emission costs; adjustments to energy structure and production processes are necessary.	Transfer of carbon emission cost to the upstream and downstream; the demand for investment in clean energy facilities	Mid-term (1-5 years):. long term (5 years or more)	An increase in operating costs	<ol style="list-style-type: none"> 1) The Company has promptly tracked climate-related laws and regulations, collected greenhouse gas emission data and responded accordingly 2) The Company has incorporated the work of addressing climate changes into the priority work of the Audit Committee, the Work Safety Committee and the ESG-related departments 3) The Company has considered integrating the use of renewable energy and energy conservation and emission reduction into the location selection and construction of new factories

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

Climate-related risks/opportunities	Impact on business model	Impact on value chain	Duration of impacts	Potential financial impact	Countermeasure
Transition risk- Technology and market risk (shift to low-carbon products and change in demand for products)	Need to advance low-carbon process innovation and investment in clean energy; these diseases covered by the products may be affected by climate change, which affects the market demand for the Company's products	Investment in R&D of low carbon technology; shift in suppliers to environmental friendly supplier	Mid-term (1-5 years)/ long-term (5 years or more)	An increase in operating costs	<ol style="list-style-type: none"> 1) The Company has promptly tracked climate-related laws and regulations, collected greenhouse gas emission data and responded accordingly 2) The Company has incorporated the work of addressing climate changes into the priority work of the Audit Committee, the Work Safety Committee and the ESG-related departments 3) The Company has considered integrating the use of renewable energy and energy conservation and emission reduction into the location selection and construction of new factories
Transition risk- Reputational risk (expectations of stakeholders on climate issues)	Failure to meet stakeholders' expectations may affect the Company's reputation and the decision-making of investors	Investors, clients, and the public are paying more attention to ESG performance of the Company	Long-term (5 years or more)	An increase in non-operating costs	<ol style="list-style-type: none"> 1) The Company has considered addressing climate change as a key topic and communicate with stakeholders 2) The Company has incorporated the work of addressing climate changes into the priority work of the Audit Committee, the Work Safety Committee and the ESG-related departments

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

Climate-related risks/opportunities	Impact on business model	Impact on value chain	Duration of impacts	Potential financial impact	Countermeasure
Opportunity – Improved resource efficiency	Improve the efficiency of energy, water and waste use and enhance business model	Reduce energy consumption and costs of supply chain resources	Short-term (0-1 year)/ mid-term (1- 5 years)	A decrease in operating costs	The Company has promoted the optimization of technological processes and recycling of resources across daily operation and management
Opportunity – Renewable energy use	Refine energy structure and reduce reliance on traditional resources	Lower the risk of fluctuation in energy prices and enable the shift in supply chain to one driven by renewable resources	Mid-term (1-5 years)/ long term (5 years or more)	A decrease in operating costs	The Company has incorporated planning of renewable energy usage across the construction of new facilities to gradually replace traditional energy
Opportunity – Improved climate resilience	By enhancing the Company's adaptability to climate change, the Company can effectively improve the resilience in its development	By optimizing technological processes with selecting environmental-friendly suppliers, the Company can effectively improve the resilience of its supply chain to risks	Long-term (5 years or more)	A decrease in operating costs	The Company has formulated policies in response to climate change and enhance the planning of business process and supply chain

In terms of business model, the Company has integrated climate risks into its daily operations and strategic decision-making, established an emergency rescue management system to respond to extreme weather, and designated climate issues as a core work focus of the Audit Committee and the Safety Committee. By incorporating renewable energy and energy-efficient designs into the construction of new facilities, optimizing localized procurement and key raw material reserves in the supply chain, and promoting green office practices and low-carbon operations, the Company enhances its climate resilience and resource efficiency.

In terms of resource allocation, the Company has actively allocated labor costs to safety equipment upgrades, emergency training, and employee insurance to ensure operational stability and personnel health. At the same time, it allocates professional resources for greenhouse gas monitoring and regulatory tracking, and leverages technological upgrades and energy consumption monitoring systems to reduce costs and improve efficiency. Furthermore, the Company prioritizes environmentally friendly suppliers and incorporates ESG performance into its evaluation system, ensuring that resources allocation for compliance operations and green supply chain development is precise and effective.

As of the end of the reporting period, we have not taken into account any material uncertainties in our climate resilience assessment, and have not committed to any major transformation targets beyond the scope of our existing operational optimization. All of the climate-related initiatives represent incremental improvements to our current business model and resource allocation, and do not involve disruptive business restructuring or significant new capital commitments. If there are significant changes in future policies, market conditions or operating environment, the Company will prudently adjust relevant initiatives based on the actual situation and fulfill its information disclosure obligations.

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

- **Current financial impact**

The Company's climate-related risks and opportunities have impacted its financial position, financial performance and cash flows during the reporting period through operating costs, asset allocation and compliance expenses.

- Financial impact of climate-related risks:

- Physical risk: The expenditures on safety equipment upgrade, emergency training, high temperature subsidy and employee safety insurance related to extreme weather response increase the current labor cost and operating cost;
- Transition risk: The investment in greenhouse gas emission monitoring, compliance tracking and technical upgrade of environmental protection equipment is included in the expenses for purchase and management of fixed assets, which affects current profit and cash outflow.

- Financial impact of climate-related opportunities:

- Resource efficiency improvement: The Company reduces energy and water consumption and current operating costs through energy-saving transformation (such as deployment of building automation system, refined temperature control of air conditioners) and water resources recycling;
- Green supply chain optimization: The proportion of local procurement was increased, reaching 94% by 2025, reducing logistics and transportation costs. Meanwhile, we cooperate with sustainable certified suppliers to reduce the risk of supply chain disruption and ensure revenue stability.

During the reporting period, the direct climate-related financial impacts were not separately presented in the financial statements and the relevant amounts were distributed among the following items:

- Operating costs: Energy consumption (included in "operating costs-electric charge/heating fee"), water consumption (included in "operating costs-water rate"), training and subsidies related to environmental protection (included in "administrative expenses-staff remuneration/training fees");
- Assets and capital expenditures: Energy-saving equipment upgrade, emission monitoring system deployment (included in "fixed assets" and "construction in progress");
- Compliance and others: Supplier ESG audit, environmental compliance consulting (included in "administrative expenses – consulting fees").

Due to the in-depth integration of climate-related impacts with daily operating costs and asset expenditures, it is impossible to split quantitative data separately, and the costs required for the split are too high and the uncertainty is strong, the separate quantitative amount was not disclosed.

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

During the reporting period, there was no significant adjustment to the carrying amounts of assets and liabilities in the next reporting year due to significant climate-related risks. The Company has effectively prevented and controlled the significant impact of climate-related risks on the value of assets (such as production facilities and inventories) and liabilities (such as contingent liabilities) by optimizing emergency management system, improving the resilience of supply chain, and deploying in advance for compliance.

- **Expected financial impact**

- Short-term (0-1 year) expected financial impact

- Investment and funding plan: Focusing on optimizing existing operations without large-scale new investments, the Company will use annual operating cash flow primarily for energy-saving retrofits of existing facilities and upgrades to emission monitoring systems;
- Changes in financial performance: Through measures such as office energy savings and resource recycling, the Company expects to reduce annual operating costs (energy and water expenses) by 1%-2%, along with a corresponding decrease in cash outflows, thereby positively supporting net profit.

- Mid-term (1-5 years) expected financial impact

- Investment and funding plan: The Company will gradually increase its investment in low-carbon technologies and renewable energy facilities (e.g., the deployment of photovoltaic equipment), funded by operating cash flow and bank facilities. The scale of investment will keep pace with business expansion, and no separate large-scale special funds will be established;
- Changes in financial performance: With the implementation of green design in new factories and the completion of energy-saving retrofits at existing facilities, energy consumption intensity is expected to decline steadily, leading to a 3%-4% reduction in operating costs per unit of output. Moreover, the deepening of the green supply chain will further reduce logistics and compliance costs, thereby enhancing cash flow stability.

- Long-term (5 years or more) expected financial impact

- Investment and funding plan: Focusing on the low-carbon transformation of core production processes, the Company will fund key investments in energy-saving process technologies and renewable energy substitution projects through retained earnings, equity financing, and other means;
- Changes in financial performance: The Company expects a reduction in environmental compliance cost per unit of output upon achieving its carbon emission targets. Simultaneously, leveraging its green operations, the Company will enhance its brand value and investor recognition, indirectly boosting revenue growth and strengthening cash flow stability.

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

Transcenta does not currently disclose quantitative data on its short-, medium-, and long-term climate-related financial impacts. This is primarily due to two factors: First, climate risks are deeply intertwined with multiple variables, including the expansion of the Company's business scale, evolving market conditions, and the effectiveness of technology implementation. The higher uncertainty inherent in independent quantitative analysis limits the reference value of any resulting data. Second, the Company's existing financial accounting system has not yet established a dedicated module for measuring climate-related impacts. Isolating and quantifying these impacts would incur excessively high additional costs.

Going forward, Transcenta will carry out phased disclosures of climate risk-related capital expenditures, financing plans, and investment scales, further enhancing decision-making transparency.

5.3 Risk management

Transcenta has established a comprehensive climate change risk management process that covers key aspects including risk identification and management, tiered response, and monitoring and mitigation. This process aims to continuously reduce the impact of climate-related risks on the Company's operations and stakeholders, while steadily enhancing the Company's climate resilience.

- **Risk identification and management:** Management is responsible for developing and overseeing the implementation of risk identification and management policies, as well as internal control processes. All business and functional departments strictly follow the relevant systems in their daily operations to ensure that risk control measures are fully and effectively executed.
- **Risk-based response:** Each department regularly reports identified significant risks to management. Management promptly assesses these risks, allocates resources according to the risk level, and formulates targeted mitigation measures to ensure that all types of risks remain under control.
- **Risk monitoring and response:** The Board and the Audit Committee exercise independent oversight by regularly reviewing the risk management and internal control systems. The Board is also responsible for evaluating climate change risks, ensuring that all response measures align with the Company's overall strategic direction and remain within the predetermined risk tolerance levels.

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

Transcenta has integrated climate-related risks into its comprehensive risk management system, with priorities clearly defined based on business characteristics and the extent of impact:

- **Overall risk positioning:** Climate-related risks are prioritized lower than core business risks such as drug R&D, clinical compliance, and supply chain quality, but higher than general office operation risks. They are on par with ESG compliance risks and are recognized as key risks requiring focused attention from the Board of Directors and relevant ESG departments.
- **Internal priority breakdown**
 - Priority 1: Physical risks such as damage to production facilities and supply chain disruptions caused by extreme weather (acute risks);
 - Priority 2: Transition risks such as stricter greenhouse gas emission policies and rising carbon costs (policy and legal risks);
 - Priority 3: Physical risks such as unstable power supply caused by persistent high temperatures (chronic risks);
 - Priority 4: Transition risks such as low-carbon technology transition and reputational impacts (technology/market/reputation risks).
- **Priority-based management approach:** Resources are allocated based on priority levels. For high-priority risks, specific emergency response and compliance measures are developed, with clear responsible departments and implementation timelines. For medium and low-priority risks, the Company relies on ongoing operational optimization and the ESG governance framework for continuous monitoring and gradual mitigation, balancing short-term operational stability with long-term sustainable development.

With respect to the opportunity identification process, leveraging its ESG governance structure and led by the ESG Working Group in collaboration with various functional departments, the Company systematically identifies climate opportunities across the entire value chain, including production operations, supply chain, and facility construction, focusing on three core areas: improving resource efficiency, utilizing renewable energy, and enhancing climate resilience. Additionally, the Company has established an internal and external information linkage mechanism, which integrates the annual materiality assessment and stakeholder surveys, and conducts in-depth analysis of industry low-carbon trends and policy directions, ensuring that the opportunity identification process remains closely aligned with actual business operations and external development needs.

- **Opportunity assessment and priority ranking process**
 - Assessment dimensions: Quantitative and qualitative assessment of the identified opportunities are conducted from four dimensions of “financial feasibility (cost savings/revenue enhancement), technical feasibility, compatibility with core business, and compliance alignment”.
- **Priority ranking**
 - First priority: Opportunities that can be implemented in the short term with low costs and high returns (such as resource recycling, office energy-saving optimization);
 - Second priority: Medium – to long-term strategic opportunities (e.g. deployment of renewable energy, construction of green supply chain);

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

- Third priority: Potential extension opportunities (such as low-carbon technology cooperation, research and development of climate-friendly products).
- **Scenario analysis adaptation**
- Introducing three types of climate scenarios, namely IEA and NGFS, to assess the probability of realization and potential value of various opportunities under different scenarios.
- **Continuous monitoring process**
- Regular tracking mechanism: The Work Safety Committee reports to the Audit Committee on the progress of climate-related opportunities at least once a year, and the ESG Working Group conducts progress review on a quarterly basis, to enable a closed-loop management cycle of “identification-assessment-implementation-review”.
- Dynamic adjustment mechanism: By taking into account the monitoring of greenhouse gas emission data, updates of policies and regulations and changes in climate scenarios, the priority of opportunities and implementation measures will be optimized in a timely manner, to ensure alignment with corporate strategy and the external environment.
- Performance-based incentives and disclosure: The effectiveness of opportunities will be incorporated into the KPI assessment of relevant departments, and relevant data will be disclosed regularly in the ESG reports to be subject to the supervision of stakeholders.
- **Integration of climate-related risk management processes into overall risk management**

Transcenta has fully integrated the identification, assessment, prioritisation and monitoring of climate-related risks into its overall enterprise risk management system, without establishing a separate process. Such deep integration is primarily achieved through “architectural alignment, embedded workflows, and unified standards”. This approach not only avoids management disconnects, but also ensures that the prioritisation of climate-related risks and allocation of resources are aligned with the Company’s overall strategy, thereby achieving a high level of coordination between strategic planning and operational implementation.

- Risk identification level: Inclusion in all dimensions, standard synergy
- The climate-related risk identification process is carried out simultaneously with the Company’s annual material issue identification and comprehensive risk screening. The ESG Working Group, together with the risk management department, categorized risks into “physical risks (acute/chronic)” and “transformation risks (policy/technology/reputation)” and incorporated them into the overall risk identification list;
- The identification standards are consistent with the overall risk management, referring to the two dimensions of “impact degree (impact on operations/financial/reputation) and occurrence probability” to ensure a unified identification logic.
- Risk assessment and prioritization: Homologous indicators, ordering adaptation
- The assessment dimension reuses the core indicators of “financial impact, operational impact, compliance impact and reputational impact” of overall risk management to quantitatively and qualitatively assess climate-related risks;

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

- Prioritization is integrated into the overall risk ranking system: Climate-related risks are lower than core business risks (such as R&D pipeline advancement, supply chain quality), higher than general operational risks, and ranked alongside ESG compliance risks, and its internal priority level (acute physical risks > policy transition risks > chronic physical risks > technology/reputational transformation risks) are clearly identified in the overall risk matrix, and resource allocation is coordinated according to overall risk priorities.
- Risk monitoring level: closed-loop process, tracking and synchronization
- The monitoring process of climate-related risks is consistent with the overall risk tracking mechanism: the Work Safety Committee will report the progress of climate risk management and control to the Audit Committee at least once a year, which will be simultaneously included in the Company's annual risk assessment report;
- Based on the "risk-based response" mechanism of overall risk management, special handling procedures are formulated for high-priority climate risks (such as extreme weather emergencies), which are consistent with the emergency response procedures for other major risks, to ensure consistency in implementation.

5.4 Indicators and targets

Taking 2021 as the base year, we have set a target to reduce Scope 1 and Scope 2 GHG emissions intensity by at least 3% by 2030 compared with the base year. Considering the characteristics of the Company's business, Scope 3 GHG emissions have not been included in the target management at this stage. The main reasons are that Scope 3 emissions originate from diverse sources, involve high accounting difficulty and complexity, and the Company's current major emission reduction potential lies in Scope 1 and Scope 2. In the future, the Company will continue to follow the industry-wide Scope 3 accounting standards and best practices, and assess the feasibility of integrating Scope 3 into the emission reduction target system once the accounting technology is mature and the data can be fully traced. Our climate-related targets and methodology are still under development, and we have not yet adopted a sector decarbonization approach to set targets and clearly define both gross and net targets. In the future, we will continue to follow the industry practice, further improve the target setting and third-party verification, and promote relevant disclosure in a timely manner when conditions are mature.

By benchmarking against the practices of leading domestic and international enterprises and in light of industry standards, the Company has identified core directions such as energy structure optimization. Meanwhile, in alignment with national "dual carbon" policy requirements, it has formulated technical pathways for high-energy-consuming facilities including cleanrooms. On this basis, the Company has assessed the emission reduction potential based on mature decarbonization technologies, and evaluated emission reduction space under different constraints with reference to IEA scenario analyses, effectively striking a balance between emission reduction responsibilities and business development needs.

To ensure the successful achievement of its target, the Company has established a rigorous decision-making and execution system. The ESG Working Group, in conjunction with the Work Safety Committee and the finance department, drafted the target based on 2021 baseline data and according to industry trends and business plans. After the Audit Committee reviewed the feasibility and strategic suitability, the draft was submitted to the Board of Directors for final approval and comprehensive evaluation.

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

The Company currently has no plans to use carbon credits to offset greenhouse gas emissions. At this stage, the Company adheres to the principle of prioritizing voluntary emission reduction, and is committed to achieving its 2030 target of reducing Scope 1 and Scope 2 GHG emissions intensity by no less than 3% compared to 2021 through measures such as optimizing the energy structure, upgrading energy-saving processes, recycling resources, and promoting green operations. In the future, the Company will dynamically assess the necessity of introducing a carbon credit mechanism based on industry policy guidance, actual emission reduction progress, and the development trend of the carbon market.

Indicators	2025	Unit
Total GHG emissions (Scope 1+Scope 2)	1,786.46	tonnes of CO ₂ equivalent
Intensity of GHG emissions (Scope 1+Scope 2)	240.28	tonnes of CO ₂ equivalent/RMB million
Direct (Scope 1) GHG emissions	9.94	tonnes of CO ₂ equivalent
Intensity of direct (Scope 1) GHG emissions	1.34	tonnes of CO ₂ equivalent/RMB million
Indirect (Scope 2) GHG emissions	1,776.52	tonnes of CO ₂ equivalent
Intensity of indirect (Scope 2) GHG emissions	238.94	tonnes of CO ₂ equivalent/RMB million
Scope 3 GHG emissions	35.03	tonnes of CO ₂ equivalent
Intensity of Scope 3 GHG emissions	4.71	tonnes of CO ₂ equivalent/RMB million

Note: The Company follows the Hong Kong Stock Exchange’s climate-related information disclosure guidelines, and adopts the international greenhouse gas accounting standards to calculate GHG emissions. Scope 1 GHG emissions are mainly from the direct energy consumption in the Company’s operation; Scope 2 GHG emissions are mainly from the indirect energy consumption in the Company’s operation. The calculation method of GHG emissions refers to the Sixth Assessment Report 《第六次評估報告》 issued by the Intergovernmental Panel on Climate Change (IPCC) and the Announcement on the Release of the 2022 Power Carbon Dioxide Emission Factors 《關於發佈 2022 年電力二氧化碳排放因子的公告》 issued by the Ministry of Ecology and Environment. For the calculation of Scope 3 GHG emissions, reference is made to the requirements for Category 6 (Business travel) of the Greenhouse Gas Accounting System: Standard for Corporate Accounting and Reporting 《溫室氣體核算體系：企業核算與報告標準》. The emission factors are mainly derived from the Database of Greenhouse Gas Emission Coefficients for the Whole Life Cycle of Products in China 《中國產品全生命週期溫室氣體排放系數庫》.

The Company has not yet adopted a formal carbon pricing mechanism, and currently has no plans to use carbon credits to offset greenhouse gas emissions, but has established a “pragmatic and progressive path for carbon reduction” based on the characteristics of the biopharmaceutical industry and its current development stage. This strategy focuses on low-cost and easy-to-implement operational optimization measures, aiming to avoid the increase of management complexity that would result from setting an internal carbon price. At the same time, by incorporating climate scenario analysis, supply chain ESG management, and low-carbon facility design, the Company indirectly addresses the potential risk of rising carbon costs. This approach not only aligns with the core objectives of carbon pricing, but also better reflects the Company’s current business realities.

III. PLOTTING A GREEN FUTURE WITH ECOLOGICAL BLUEPRINT

6. GREEN OPERATION

Transcenta is committed to integrating sustainability principles into every aspect of its daily operations. By establishing a green operation policy system and formulating and implementing internal policies, including the Energy Conservation and Consumption Reduction Management System and the Transcenta Operation Saving Scheme (TOSS), the Company has set clear green standards for its routine operations. We implement the following measures to put our commitment to energy conservation and consumption reduction into practice:

Green Packaging and Green Transportation

- We have established a recycling mechanism for waste paper and packaging materials, ensuring unified sorting and handling of recyclable resources generated during our operations.
- For logistics packaging, the Company implements a "shared-space" strategy to optimize packaging design and improve loading rate. At the same time, we vigorously promote the reuse of packaging materials to reduce reliance on single-use packaging and lower carbon emissions through circular utilization.

Energy Management and Electricity Saving

- Turn off power and air conditioning when leaving work or leaving office for an extended period to prevent prolonged lighting and idle standby.
- Fully utilize natural light and reduce number of lights switched on when there is sufficient natural light to reduce electricity consumption.
- Encourage staff to use the stairs whenever possible and close some elevators for a fixed period weekly.

Going Paperless and Low-carbon Printing

- Establish management guidelines for document printing based on the principles of "conserving papers and promoting low-carbon and green printing". Encourage staff to reduce printing and switch to recycled paper.
- The default setting should be "black and white + double sided"; avoid printing "colored + single sided" unless necessary.
- Encourage staff to use "handout" mode when printing PowerPoint slides and other presentations with 3 to 6 slides per page to maximize the use of paper.
- Promote digital office communication, gradually phase out physical bulletin board and encourage staff to access notices and important information through the company intranet to further reduce the use of paper.

Reduce the Use of Single-use Items and Plastic

- Set up pantry in the office area to replace the supply of bottled water.
- Encourage staff to use their own cups for drinking water whenever possible (except for special circumstances like meetings and receiving guests) to reduce purchase of bottled water and the waste of plastic bottles.



IV. ADVANCING SHARED PROSPERITY THROUGH GOODNESS IN ACTION

Our Actions

- Protecting the interests of employees
- Employee health and safety
- Employee development and training

Our Performance

- **59.76%** of employees are female; **60%** of senior management are female
- **11,434.88** hours of staff training in total
- **0** production safety incident
- Turnover rate of employees is **22.56%**
- **48.87** hours of annual average training per person

Contribution to SDGs



IV. ADVANCING SHARED PROSPERITY THROUGH GOODNESS IN ACTION

1. PROTECTING THE INTERESTS OF EMPLOYEES

Talents are the core driving force for enterprise development as well as the solid foundation for sustainable business growth. Transcenta always regards talents as the most valuable assets and attaches great importance to the introduction, cultivation and development of talents, and fully respects and protects the legitimate rights and interests of each and every employee. We strive to create a positive and supportive workplace and provide employees with a broad career platform and ample room for growth, continuously enhancing their sense of happiness and belonging. While focusing on internal development, Transcenta also actively fulfils its corporate social responsibility, encourages and supports employees to participate in various social welfare activities, and gives back to the community and serve the society together with its employees to build a harmonious and good living environment, achieving the win-win development among the enterprise, employees and society.

1.1 Employment Equality

The Company strictly complies with 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 Convention on the Prohibition of Child Labor 《禁止童工勞動公約》, the Convention on Discrimination in Respect of Employment and Occupation 《就業和職業歧視公約》, the Convention on Forced or Compulsory Labor 《強迫勞動公約》, and other domestic and international laws and regulations relating to labor and employment and continues to improve the policies such as the Recruitment and Entry Management System 《招錄及入職管理制度》, the Code of Conduct for Employees 《員工行為準則》 and the Measures on Management of Termination of Employment 《離職管理制度》. The Company shall strictly comply with legal procedures for termination of labor contract with an employee, by not less than 30 days' prior written notice to the employee and with payment of statutory economic compensation. Meanwhile, the Company carefully listens to feedbacks about termination of employment through interviews or questionnaires, further optimizing the work environment. The Company expressly prohibits and eliminates all activities involving the employment of child labor and forced labor. In 2025, there was no incident involving any use of child labor or forced labor occurred in the Company. If non-compliance acts involving child or forced labor are discovered, the Company will terminate such employment immediately and make due arrangements for the affected employees in accordance with laws and regulations and internal policies.

We are committed to establishing a clear, efficient and respectful recruitment process for candidates, with the application of the principles of impartiality and professionalism to every aspect from job posting, resume screening, several rounds of professional interviews to comprehensive assessment and employment decision-making. The Group has established a review mechanism for qualifications of candidates to ensure compliance throughout the employment. For any potential non-compliance, the Group has established a standardized verification and handling process to ensure timely and lawful response.

The Company attaches great importance to cultivation of young talents and continuous deepening of cooperation between education institutions and enterprises, and actively introduces students from major colleges and universities at home and abroad through campus recruitment and internship programs. During the year, a total of 29 interns were recruited from Suzhou, Hangzhou and the United States to have on-the-job practice in production, process development, global research and development and other key departments for 3 to 6 months. Moreover, the Company has received batches of college students for corporate visits and short-term internships, which not only helps these students deepen their professional knowledge in industrial practice, but also builds a continuous and diversified young talent pool for the Company.

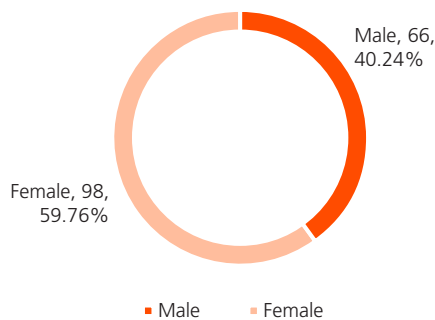
IV. ADVANCING SHARED PROSPERITY THROUGH GOODNESS IN ACTION

1.2 Diversity and Inclusion

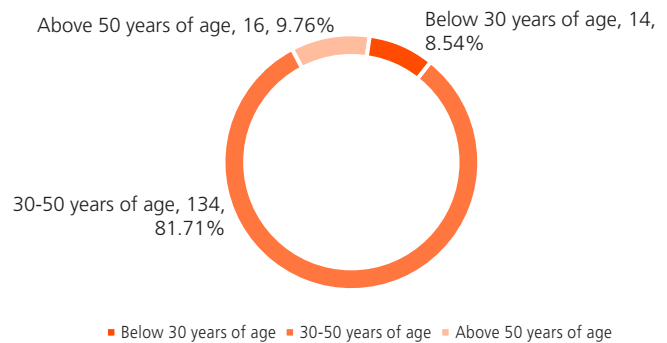
We uphold the principles of diversity and inclusion, select talents fairly and openly, and hire on the basis of merit. In 2025, the Company formally issued the Employee Diversity Policy 《員工多元化政策》, which, based on compliance with laws and regulations, explicitly prohibits the employment of child labor and all forms of forced labor, and encourages the building of a diversified and inclusive talent environment. The Company insists that employment is based on the qualifications and capabilities of the candidates, and follows the principles of fairness, impartiality and inclusion consistently in recruitment, employment, promotion, retention and other aspects. The Company is committed to respecting each employee who will not experience any discrimination on the basis of gender, age, race, skin color, sexual orientation, pregnancy, disability, nationality, origin, marital status, religious belief or other identity features protected by law, and continuously promoting the building and development of a diversified workforce. Under the guidance of this policy, the Company actively conducts recruitment and employment for groups with different backgrounds, with particular concern on equal employment opportunities for female employees, expatriates, ethnic minorities, disabled persons and veterans. In 2025, the proportion of female employees and expatriates is 59.76% and 9.15% in the Company, respectively. In addition, the Company has a total of 17 ethnic minority employees, accounting for 10.37% of total workforce, and also hires disabled employees and veterans.

Moreover, the Company has established and implemented the Board diversity management system and regime, which specify the targets and policies of diversity in terms of gender, age, professional background and industry experience to ensure that the composition of the Board can reflect a wide perspective and enhance the quality of decision-making and the corporate governance level.

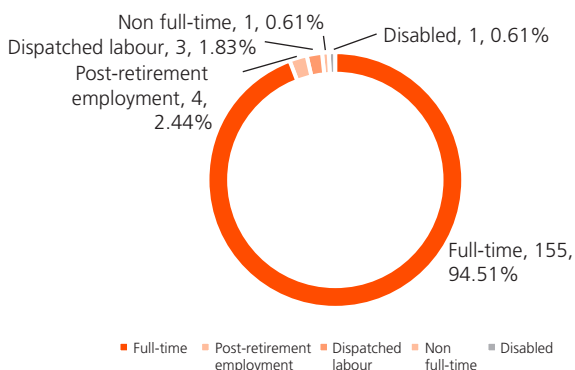
Number of employees by gender



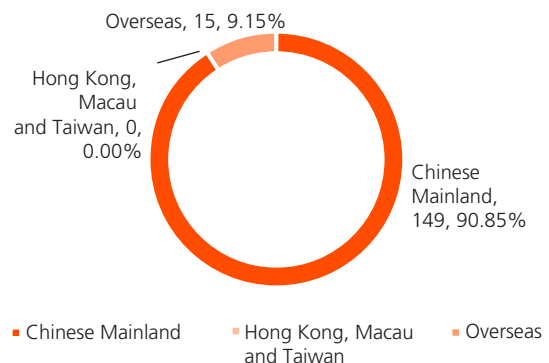
Number of employees by age



Number of employees by employment category

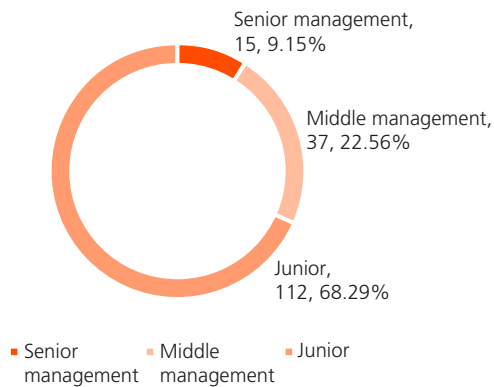


Number of employees by employment region

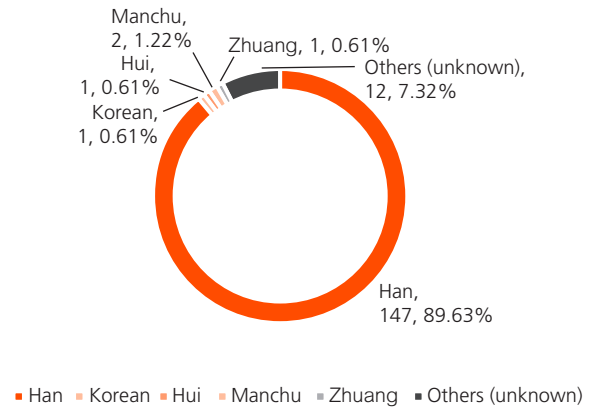


IV. ADVANCING SHARED PROSPERITY THROUGH GOODNESS IN ACTION

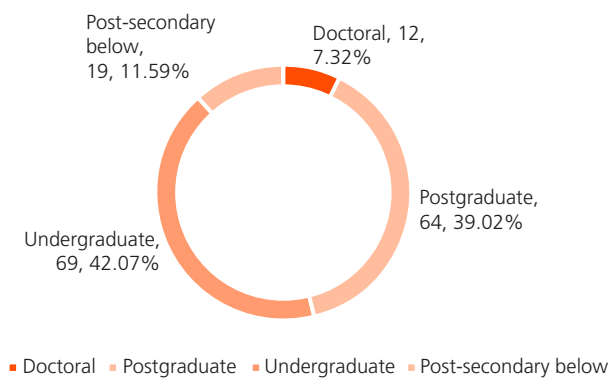
Number of employees by employment grade



Number of employees by ethnicity



Number of employees by educational qualification



Indicators		2025	Unit
Turnover rate of employees by gender	Male	25.76	%
	Female	20.41	%
Turnover rate of employees by age	Below 30 years of age	7.14	%
	30-50 years of age	22.39	%
	Above 50 years of age	37.50	%
Turnover rate of employees by employment region	Chinese Mainland	18.79	%
	Hong Kong, Macau and Taiwan	0.00	%
	Overseas	53.33	%

IV. ADVANCING SHARED PROSPERITY THROUGH GOODNESS IN ACTION

1.3 Compensation and Benefits

The Company has formulated various internal systems such as the Transcenta Benefits Policy 《創勝集團福利制度》, the Transcenta Compensation Management Policy 《創勝集團薪酬管理制度》 and the Employee Incentive System 《員工獎勵制度》 in strict compliance with the Social Insurance Law of the People's Republic of China 《中華人民共和國社會保險法》, the Labor Law of the People's Republic of China 《中華人民共和國勞動法》 and other national laws and regulations. To further improve the compensation and benefits system and enhance the human resources management efficiency, the Company continues to optimize the human resources information system (HRIS) with emphasis on strengthening reporting functions and payroll module, and guarantees the high accuracy and traceability of payroll and other key data. Meanwhile, the Company maintains a long-term incentive mechanism that deeply binds its performance with development, introduces a commercial insurance plan that is cost effective and efficient, conducts a remuneration market survey focusing on core positions, and adopts targeted incentive measures. In 2025, 16.5% of the Company's employees were awarded equity incentives for their outstanding performance, further enhancing the bond of value in shared growth between core talents and the Company.

In terms of welfare protection, the Company makes contributions to five social insurances, one housing fund and supplementary commercial insurance for all employees, offers paid leaves such as sick leave, marriage leave, maternity leave, bereavement leave and annual leave, and organizes annual health checks in accordance with law. In addition, the Company provides employees with statutory annual leave in compliance with relevant national regulations and prepares gift packs for employees during the Spring Festival. The Company has maintained a policy on working hours to promote a work-life balance among employees by shortening daily working hours from 9 hours to 8 hours (lunch time inclusive), implementing a flexible working system and allowing working remotely from office one day per week. Meanwhile, the Company proactively creates a working atmosphere of gender equity, and effectively cares for the career development and physical and mental health of female employees by improving maternity protection, setting up mother-and-baby rooms, organizing lectures on female health and other methods. In 2025, the Company specially invited the director of galactophore department of a hospital in Hangzhou to give an on-site lecture on breast healthcare, enhancing the health awareness and self-care ability of female employees.

Transcenta attaches great importance to the physical and mental health of its employees, proactively organizes various activities to enrich the lives of employees, and continuously creates a harmonious and vigorous corporate culture atmosphere. The Company has launched diverse theme activities for traditional festivals and key milestones, for example, rice dumpling wrapping, fragrant sachet making and other folk custom experience activities were held on the Dragon Boat Festival, and exclusive festive care was offered to female employees on Women's Day. Meanwhile, the Company enhances team cohesion and enriches the spare life of employees through large interactive activities such as the Year of Snake Garden Party and the Dragon-Snake Universe Garden Party. Furthermore, opening ceremonies and annual celebrations have become important platforms for employees to communicate, share and celebrate their achievements. These activities have not only delivered organizational care, but also effectively enhanced sense of belonging and collective identity among employees, promoting the continuous deepening of corporate culture building.

IV. ADVANCING SHARED PROSPERITY THROUGH GOODNESS IN ACTION



Picture: Employee activities on the Dragon Boat Festival

The Company always attaches importance and is attentive to employees' voices and demands. Face-to-face exchange activities are launched on a regular basis in Suzhou, Hangzhou, Shanghai and the United States to encourage employees to fully express their opinions and suggestions. Meanwhile, the Company widely gathers opinions and suggestions from employees by setting up physical and electronic suggestion boxes and regularly holding all hands meetings, and encourages all employees to participate in corporate governance and cultural development. Moreover, the Company has an exit interview with every resigning employee, and conducts follow-up visits over a period of time after his/her exit to understand his/her employment status. Relevant feedback is sorted and incorporated into the exit interview analysis section of the monthly human resources report, forming an important basis for the Company to optimize management and improve employee experience.



Picture: Annual dinner during the Spring Festival at the Hangzhou Plant

IV. ADVANCING SHARED PROSPERITY THROUGH GOODNESS IN ACTION

2. EMPLOYEE HEALTH AND SAFETY

2.1 Occupational Healthcare

The Company continuously optimizes and enhances the effectiveness and performance of its occupational health management system in compliance with the Occupational Disease Prevention and Control Law of the People's Republic of China 《中華人民共和國職業病防治法》 and other relevant laws and regulations of the places where it operates.

The Company has established a plant-wide safety committee and a secondary biosafety committee for biological laboratories, collaboratively overseeing the overall safety management. The plant-wide safety committee is coordinated and directed by a primary officer and dedicated safety management personnel are assigned for daily operations. Part-time safety officers are assigned in laboratories to assist dedicated personnel in relevant safety management work. The secondary biosafety committee for biological laboratories also has a primary officer to ensure that all operations strictly comply with national and industry biosafety standards.

The Company attaches great importance to employee occupational health and workplace hygiene management. By combining regular physical checks with environmental monitoring, the Company systematically prevents and controls relevant risks. In October 2025, the Company organized on-the-job occupational disease health checks, and no individuals with occupational contraindications were identified. The Company will continue to follow up on relevant status to ensure that occupational health risks are effectively identified and managed.

To maintain factory hygiene, the Company has engaged a professional third-party institution to conduct regular pest monitoring on factory and warehouse areas, fully covering common risks such as flying insects, cockroaches and rodents. The monitoring results showed that the internal environment of workshops and warehouses was in good condition with no signs of pest infestation. Upon discovery of the traces of rodent activities in fire control room, the Company promptly activated an emergency response through gap sealing and installation of professional prevention and control facilities in a timely manner. The situation is now effectively controlled. The Company will implement environmental and health management measures on an ongoing basis, striving to create a safe, hygienic and comfortable working environment for its employees.

IV. ADVANCING SHARED PROSPERITY THROUGH GOODNESS IN ACTION

2.2 Production Safety and Protection

The Company strictly complies with the Work Safety Law of the People’s Republic of China 《中華人民共和國安全生產法》, the Administrative Measures for Contingency Plan for Work Safety Accidents 《生產安全事故應急預案管理辦法》, the Guidelines for Production and Business Entities to Develop Contingency Plan for Work Safety Accidents 《生產經營單位生產安全事故應急預案編製導則》, and other laws and standards, and fully implements various production safety and fire protection rules of the places where it operates. On this basis, the Company has formed a systematic and standardized safety management system. In 2025, HJB (Hangzhou) Co., Ltd. was awarded the “Level-3 Enterprise of Work Safety Standardization” certification, providing a solid safeguard for the Company’s continuous safe operations.



Picture: Level 3 Enterprise of Work Safety Standardization” certification of HJB (Hangzhou) Co., Ltd.

At the safety management level, the Company has introduced the SIP360 integrated safety management system in regions such as Suzhou and Hangzhou. The system integrates the entire process functions, such as the “Three Modernizations” safety construction, hazardous operation approvals, risk self-assessments, and emergency task response. The Company regularly uploads its safety management records and completes tasks assigned by regulatory authorities. Based on the records, the system automatically generates a real-time safety profile and dynamic ranking of the Company within its respective industrial parks, and identifies weak links in management for targeted improvements based on system prompts. Based on the SIP360 system’s three-level rating standards (A, B, and C), the Company achieved the highest A-level rating in 2025 due to comprehensive and standardized safety management system and solid day-to-day implementation.

IV. ADVANCING SHARED PROSPERITY THROUGH GOODNESS IN ACTION

The Company systematically advances work safety management across its production and operation activities, covering key areas such as hazardous chemicals management, hazard identification and rectification, special equipment safety, training and drills, and responses to external supervision, continuously strengthening risk identification and control in production operations.

In terms of hazardous chemicals management, the Company implements standardized management over the requisition, use, and on-site handling of hazardous chemicals, ensuring that relevant activities remain under control through routine oversight and process management. In terms of hazard identification and remediation, the Company conducts regular inspections of potential safety hazards and promptly implements corrective measures for identified issues, forming a closed-loop management mechanism. Regarding special equipment management, the Company monitors the operating status of critical equipment through inspections and evaluations and continuously follows up on identified issues to prevent equipment operation risks.

The Company formulates and implements the Contingency Plan for Production Safety Accidents (《生產安全事故應急預案》) in accordance with relevant laws and regulations, establishes an emergency command center comprising working groups such as rescue, evacuation and medical care in accordance with the law, forming a command system with clear powers and responsibilities, where on-site personnel are vested with a decision-making power to suspend production and evacuate personnel in emergencies. The Company identifies fire, explosion, leakage of hazardous chemicals and other major risks through systematic risk identification, and establishes a three-level response mechanism (i.e., social level, company level and department level) for hierarchical control. On this basis, the Company has established a contingency plan system of "comprehensive plan + special plan + on-site handling plan" to ensure rapid and standardized response after an accident occurs. Upon completion of accident handling, the Company strictly implements aftermath and investigation mechanisms, and optimizes contingency plans through ongoing summaries and improvement, continuously enhancing the safety management level of the Company. Furthermore, the Company provides telecommunications, supplies, medical care, funds and other guarantee measures, and makes contributions to work-related injury insurance for its employees.

The Company also equips itself with necessary emergency equipment and conducts regular maintenance and drills, comprehensively enhancing employees' emergency response capabilities. A variety of training activities are systematically conducted based on practical production and job characteristics, including induction safety training, specialized safety operation guidance, training on the use of hazardous chemicals, multi-scenario fire evacuation drill and safety warning education, aiming at continuously enhancing the safety awareness and emergency response capabilities of all employees. In terms of external compliance and regulatory collaboration, the Company actively cooperates with government departments in safety inspections, and participates in industry safety seminars and related trainings to ensure that various production safety laws, regulations and standards are fully implemented.

IV. ADVANCING SHARED PROSPERITY THROUGH GOODNESS IN ACTION

Case: Fire evacuation drill at the Hangzhou Plant

In November 2025, the Company organized a fire evacuation drill at the Hangzhou Plant in an effort to further improve employees' fire safety awareness and emergency escape ability. The local emergency management personnel at the plant demonstrated systematic emergency response capabilities by responding promptly and effectively to simulated scenarios such as an incipient fire and reporting the situation to the EHS Department in a timely manner. After the Company-level emergency response procedures were activated, relevant personnel followed unified command, assembled rapidly, and coordinated their actions to efficiently complete the emergency response tasks.



Picture: Fire evacuation drill at the Hangzhou Plant

Indicators	2023	2024	2025	Unit
Number of work-related fatalities in each of the past three years (including the reporting year)	0	0	0	person
Rate of work-related fatalities in each of the past three years (including the reporting year)	0	0	0	%
Lost workdays due to work-related injuries	0	0	0	day

IV. ADVANCING SHARED PROSPERITY THROUGH GOODNESS IN ACTION

3. EMPLOYEE DEVELOPMENT AND TRAINING

The Company regards employee development as a core driver of growth and views training as a critical bridge for organizational advancement and individual improvement. The Company has established a differentiated training system that covers various levels and positions, supporting employee development and corporate growth through diversified models and enriched content. In 2025, the Company made systematic progress in building its training system and developing internal training resources, and continued to carry out and complete a group-wide competency assessment project. Assessments were conducted separately for senior management, middle management and employees, and differentiated training and development directions were formulated based on the results.

In 2025, the Company launched the “Transcenta Internal Trainer Development Program” to provide training for key personnel. The Human Resources Department organized dedicated workshops in Suzhou, Hangzhou and Shanghai, with a total of 54 employees participating in the training. The training conducted in-depth discussions on topics such as internal trainer role positioning, characteristics of adult learning, teaching process and skills, and response to abnormal situations, and systematically explained the full process of course development, including topic analysis, goal setting, structure building and teaching design. In the workshops, employees created an active learning atmosphere through various forms such as video observation, case analysis, group discussions and on-site drills. After the training, some participants conducted trial teaching sessions and integrated the learned skills into practical work to achieve effective transfer of knowledge and skills. Through this program, Transcenta fully leveraged internal resources, accumulated and extracted organizational wisdom, enhanced employee competencies, and achieved organizational empowerment.



Photos: trainings provided by the internal trainers of Transcenta

IV. ADVANCING SHARED PROSPERITY THROUGH GOODNESS IN ACTION

In terms of professional capability development, various departments of the Company independently organized specialized training sessions based on actual business needs, covering areas such as Good Manufacturing Practice (GMP) and Good Clinical Practice (GCP). The training content closely aligned with industry regulations and operational requirements, and effectively improved the professional competence and compliance execution capabilities of relevant personnel. All training processes and outcome data were recorded, tracked and statistically analyzed through the Company's unified TMS training management system to achieve continuous optimization of the training management system.

Case: The "Industry and Talents Collaboration for a Healthy Future" special event

In December 2025, the 2025 Jinji Lake Human Resources Ecology Week and the "Industry and Talents Collaboration for a Healthy Future" biopharmaceutical and big health industry special event were held successfully at the Suzhou Industrial Park. With the theme of "Activating Endogenous Resources to Empower Talent Development", the Company shared its innovative practice, experience and achievements in attracting, nurturing, organizing, developing talent and building the talent ecosystem with the guests and industry peers, and received high recognition and positive feedback from the attending guests. Through this sharing for public benefits in the industry, the Company has further deepened exchange and cooperation with peer enterprises and continued to convey the corporate talent concept and employer brand value.



Photo: the "Industry and Talents Collaboration for a Healthy Future" special event

In respect of corporate culture, in 2025, Transcenta continued to build an open and shared learning organization culture, and encouraged the flow of knowledge and collective growth through special activities such as "90 days drifting of books". In the course of the activity, the employees selected some books for mind enhancement and humanities exploration and circulated them among colleagues, so that every colleague could gain wisdom and broaden vision through reading.

IV. ADVANCING SHARED PROSPERITY THROUGH GOODNESS IN ACTION

Through the “sharer – seeker” mutual interaction, the drifting of books not only provided diversified learning vehicles for employees, but also built a cross-departmental platform for exchange of ideas. Everyone deepened his understanding of self-management, team collaboration and industry development through reading and sharing, integrated professional knowledge and humanistic qualities into daily work and further cohered the consensus of “lifelong learning and mutual growth” in corporate culture.



Photo: the “sharer – seeker” book corner

In respect of staff promotion, based on the talent growth system of the dual-track development model, the Company divides the job positions into Technical Sequence (S Sequence) and General Sequence (G Sequence) according to the characteristics of each role to provide employees room for development with more freedom. In 2025, the Company conducted two rounds of special promotions at the beginning and the end of the year, focusing on motivating outstanding employees to create value more proactively and to undertake more responsibilities under the conditions of limited resources. In respect of performance management, the Company has initiated the annual performance appraisal, all processes are completed online through the HRIS system. The contents of appraisal include performance appraisal on the achievement of annual targets and behavior appraisal on the implementation of the Company's core values. The assessment process includes self-assessment by the employee, review by each senior level and the final confirmation, and an optional segment of "inter-departmental invitation assessment" has been added to increase objectivity of the performance appraisal results. After completion of the appraisal, the direct supervisors communicate with the employees on their appraisal results, reach consensus on the performance, analyze deficiencies and formulate improvement plans to drive further growth of employees and enhancement in organizational efficiency.

IV. ADVANCING SHARED PROSPERITY THROUGH GOODNESS IN ACTION

Case: Developing Party and government building

In 2025, the Party branch of HJB (Hangzhou) Co., Ltd., under the leadership of the higher-level Party working committee, adhered to political guidance, implemented the "first issue" system, studied the Party's innovation theories in a diversified manner, and strengthened its ideals and beliefs. The Company integrated the education on the spirit of the Central Committee's Eight-Point Rules into daily work to promote the improvement of conduct. The Company standardized the implementation of the system of "three meetings and one class" to reinforce cohesion of the branch by planning and organizing health seminars, red studies, cultural and sports activities on thematic Party days in festive seasons and according to demands of employees; focused on organization building and refined management of Party members, rationally divided Party groups and gave full play to the role of the grassroots; actively participated in the first friendship tournament of "Happy Badminton Players" at the Hangzhou Pharmaceutical Port to integrate sports activities into culture building among Party members. In addition, the branch actively promoted the integration of Party building and enterprise development, organized key Party members to participate in the reception and presentation for visiting lecturers and students from colleges and universities, and integrated Party building tasks with enterprise talent reserve and brand building so as to expand the development of party building services. During the year, the Party building work of the branch achieved initial results. The Company will continue to deepen integration of Party building and biopharmaceutical core business in the future, innovate the forms of learning and activities, and empower the high-quality development of the enterprise with high-quality Party building.



Photo: the first friendship tournament of "Happy Badminton Players" at the Hangzhou Pharmaceutical Port

IV. ADVANCING SHARED PROSPERITY THROUGH GOODNESS IN ACTION

Indicator		2025	Unit
Percentage of trained employees by gender	Male	41.88	%
	Female	58.12	%
Percentage of trained employees by rank	Senior management	8.97	%
	Middle management	23.08	%
	Junior	67.95	%
Average training hours by gender	Male	49.32	hours
	Female	48.54	hours
Average training hours by rank	Senior management	5.30	hours
	Middle management	26.00	hours
	Junior	62.37	hours
Average training hours per person		48.87	hours

4. CONTRIBUTING TO SOCIAL WELFARE

Transcenta strongly believes that value of an enterprise is not only in creating economic value, but also in making active contributions to social welfare. In 2025, the Company provided pharmaceutical assistance to patients based on the principle of “compassionate drug use” to help patients continue their treatment. We actively fulfilled our responsibility of caring for patients and laid a solid foundation for building an improved patient assistance system.

We have been actively promoting collaboration between the enterprise and education institutions. Through immersive experience of integrating theory and practice, we help students from colleges and universities to directly understand the practical application of biopharmaceutical professional knowledge in the scenarios of production and operation in an enterprise, GMP quality management, industrialization implementation and other scenarios, broaden their professional vision, improve practical capabilities and reserve talents with practical qualities for the industry. At the same time, the Company delivers professional value through an open and shared industrial platform, further strengthens the brand recognition and industry influence among students from colleges and universities and young people, and achieves a win-win situation in enterprise development, talent nurturing and industry empowerment.

HJB (Hangzhou) Co., Ltd., a wholly-owned subsidiary of Transcenta, is a provincial training base for Zhejiang Gongshang University and has long opened a practical platform for colleges and universities to assist in the nurturing of biopharmaceutical professionals and popularize industry science. In 2025, HJB (Hangzhou) Co., Ltd. continued to deepen collaboration between the enterprise and education institutions and a total of 9 batches of lecturers and students with a total number of 378 persons from colleges and universities, including Zhejiang University of Technology, College of Pharmaceutical Sciences of Zhejiang University and Zhejiang Gongsheng University, had visited the subsidiary for immersive visits, exchanges and on-the-job internships.

We actively engaged in performing social responsibilities, In December 2025, an employee of the Company participated in the voluntary blood donation activity with the theme of “Life flows by your contribution” and donated 400ml of blood, conveying the positive energy of caring for life and contributing to the society with practical actions. In addition, the Company encouraged its employees to take the initiative to participate in voluntary services, and organized and launched the environmental protection public welfare activity with the theme of “Picking plastics on Mountains”. Employees provided voluntary services for 4 hours to protect the natural environment and fulfill their green responsibilities through practical actions.

APPENDIX 1 TABLE FOR KEY PERFORMANCES IN 2025

• ENVIRONMENTAL

Aspect	Indicators	2025	Unit	
Emissions	Exhaust emissions	Oxide emissions	0	tonnes
		Nitrogen oxides emissions	0.01	tonnes
		Particulate matters	0	tonnes
	Hazardous waste	Hazardous waste discharge	10.40	tonnes
		Intensity of hazardous waste discharge	1.40	tonnes/RMB million
	Non-hazardous waste	Non-hazardous waste discharge	7.20	tonnes
		Intensity of non-hazardous waste discharge intensity	0.97	tonnes/RMB million
		Total volume of waste recycled and reused	0.46	tonnes
		Intensity of waste recycled and reused	0.06	tonnes/RMB million
		Percentage of waste recycled and reused	6.39	%
Greenhouse Gas (GHG)	Total GHG emissions (Scope 1+Scope 2)	1,786.46	tonnes of CO ₂ equivalent	
	Intensity of GHG emissions (Scope 1+Scope 2)	240.28	tonnes of CO ₂ equivalent/RMB million	
	Direct (Scope 1) GHG emissions	9.94	tonnes of CO ₂ equivalent	
	Intensity of direct (Scope 1) GHG emissions	1.34	tonnes of CO ₂ equivalent/RMB million	
	Indirect (Scope 2) GHG emissions	1,776.52	tonnes of CO ₂ equivalent	
	Intensity of indirect (Scope 2) GHG emissions	238.94	tonnes of CO ₂ equivalent/RMB million	
	Scope 3 GHG emissions	35.03	tonnes of CO ₂ equivalent	
	Intensity of Scope 3 GHG emissions	4.71	tonnes of CO ₂ equivalent/RMB million	
Use of resources	Comprehensive energy consumption	840.28	tonnes of standard coal	
	Intensity of energy consumption	113.02	tonnes of standard coal/RMB million	
	Water consumption	20,677.9	tonnes	
	Intensity of water consumption	2,781.16	tonnes/RMB million	
	Waste water discharge	7,640.47	tonnes	
	Electricity consumption	3,348,136.4	kWh	
	Gasoline consumption	4,456.67	litres	
	Diesel consumption	0	litres	
	Purchased heat	12,427	GJ	
	Natural gas consumption	0	m ³	
	Packaging materials consumption	0	tonnes	
	Intensity of packaging materials consumption	0	tonnes/RMB million	
	Office paper usage	590.75	kg	
	Number of administrative penalty related to environmental event or aspect	0	times	

APPENDIX 1 TABLE FOR KEY PERFORMANCES IN 2025

- SOCIAL**

Aspect	Indicators	2025	Unit	
Staff employment	Total number of employees	164	persons	
	Number of employees by type	full-time	155	persons
		post-retirement employment	4	persons
		dispatched labour	3	persons
		non full-time	1	person
		disabled	1	person
	Number of employees by rank	senior management	15	persons
		middle management	37	persons
		junior	112	persons
	Number of employees by gender	male	66	persons
		female	98	persons
	Number of employees by age	below 30 years of age	14	persons
		30-50 years of age	134	persons
		above 50 years of age	16	persons
	Number of employees by geographical region	Chinese mainland	149	persons
		Hong Kong, Macau and Taiwan	0	persons
		overseas	15	persons
	Number of employees by ethnicity	Han	147	persons
		Korean	1	person
		Hui	1	person
		Manchu	2	persons
		Zhuang	1	person
		others	12	persons
	Number of employees by education level	doctoral	12	persons
		postgraduate	64	persons
		undergraduate	69	persons
		others	19	persons
	Percentage of employees by gender	male	40.24	%
		female	59.76	%
	Percentage of employees by age	below 30 years of age	8.54	%
30-50 years of age		81.71	%	
above 50 years of age		9.76	%	

APPENDIX 1 TABLE FOR KEY PERFORMANCES IN 2025

Aspect	Indicators	2025	Unit
Percentage of employees by type	full-time	94.51	%
	post-retirement employment	2.44	%
	dispatched labour	1.83	%
	non full-time	0.61	%
	disabled	0.61	%
Percentage of employees by geographic region	Chinese mainland	90.85	%
	Hong Kong, Macau and Taiwan	0.00	%
	overseas	9.15	%
Percentage of employees by rank	senior management	9.15	%
	middle management	22.56	%
	junior	68.29	%
Percentage of employees by ethnicity	Han	89.63	%
	Korean	0.61	%
	Hui	0.61	%
	Manchu	1.22	%
	Zhuang	0.61	%
	Others	7.32	%
Percentage of employees by education level	doctoral	7.32	%
	postgraduate	39.02	%
	undergraduate	42.07	%
	post-secondary below	11.59	%
Coverage ratio of labour contract		100	%
Coverage ratio of social insurance		100	%
Number of employee turnover		37	persons
Turnover rate of employees		22.56	%
Turnover rate by gender	male	25.76	%
	female	20.41	%
Turnover rate by age	below 30 years of age	7.14	%
	30-50 years of age	22.39	%
	above 50 years of age	37.50	%
Turnover rate by geographical region	Chinese mainland	18.79	%
	Hong Kong, Macau and Taiwan	0.00	%
	overseas	53.33	%

APPENDIX 1 TABLE FOR KEY PERFORMANCES IN 2025

Aspect	Indicators	2025	Unit	
Health and safety	Health examination ratio of all employees	89	%	
	Occupational health examination ratio	100	%	
	Number of work-related fatalities	0	persons	
	Hours of work loss due to injury	0	hours	
	Days of work loss due to injury	0	days	
	Production safety incidents	0	cases	
Development and training	Total hours of employee training	11,434.88	hours	
	Coverage ratio of employee training	100	%	
	Average training time per employee	48.9	hours	
	Participation of employee training by gender	male	98	persons
		female	136	persons
	Participation of employee training by rank	senior management	21	persons
		middle management	54	persons
		junior	159	persons
	Proportion of employees participating in training by gender	male	41.88	%
		female	58.12	%
	Proportion of employees participating in training by rank	senior management	8.97	%
		middle management	23.08	%
		junior	67.95	%
	Average training time per person by gender	male	49.32	hours
		female	48.54	hours
Average training time per person by rank	senior management	5.30	hours	
	middle management	26.00	hours	
	junior	62.37	hours	

APPENDIX 1 TABLE FOR KEY PERFORMANCES IN 2025

Aspect	Indicators	2025	Unit	
Product responsibility	Total R&D investment	140.8	RMB million	
	R&D investment as a percentage of revenue	18.94	%	
	Size of R&D team	62	persons	
	Proportion of R&D personnel	37.80	%	
	Number of licensed patents	39	patents	
	Number of valid patents per RMB1 million of revenue	5.25	patents	
	Number of patent under review	190	patents	
	Number of registered trademarks	94	trademarks	
	Number of software copyrights	11	items	
	Number of complaints on products and services	0	cases	
	Number of customer complaints per RMB1 million of revenue	0	cases	
	Complaint handling rate	100	%	
	Number of intellectual property litigations	0	cases	
Supply chain management	Total number of suppliers	338	suppliers	
	Number of suppliers by geographical region	Overseas	18	suppliers
		East China	278	suppliers
		South China	6	suppliers
		North China	30	suppliers
		Central China	1	supplier
		Northwestern China	3	suppliers
		Northeastern China	0	suppliers
	Southwestern China	2	suppliers	
	Number of suppliers conducted on-site inspection	4	suppliers	
	Coverage ratio of suppliers that incorporate environmental and social impact into the evaluation questionnaire of suppliers	63	%	
	Number of suppliers with sustainability certifications	98	suppliers	
Proportion of suppliers with sustainability certifications	30	%		
Proportion of localized suppliers	91	%		
Proportion of localized procurement	91	%		

APPENDIX 1 TABLE FOR KEY PERFORMANCES IN 2025

Aspect	Indicators	2025	Unit	
Anti-corruption	Number of concluded lawsuits related to corruption	0	cases	
	Training on business ethics and anti-corruption	Number of directors trained	6	persons
		Number of employees trained	120	persons
		Number of training hours per employee	81.10	hours
Community investment	Duration of employee volunteer participation	4	hours	

APPENDIX 2 INDICATOR INDEX OF HKEX ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE

Environmental, Social and Governance Aspects and General Disclosure and Key Performance Indicators (KPI)			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 exhaust emissions, waste discharges into water and land, and generation of hazardous and non-hazardous waste.	4.1 Exhaust emissions management
	A1.1	The types of emissions and respective emissions data	4.3 Waste management Appendix 1: Table for Key Performances in 2025
	A1.3	Total hazardous waste produced and intensity	4.3 Waste management Appendix 1: Table for Key Performances in 2025
	A1.4	Total non-hazardous waste produced and intensity	4.3 Waste management Appendix 1: Table for Key Performances in 2025
	A1.5	Description of emission target(s) set and steps taken to achieve them	4.3 Waste management
	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	4.3 Waste management
A2: Use of resources	General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	2 Energy Management 3 Water Resources Management
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total and intensity	2 Energy Management Appendix 1: Table for Key Performances in 2025
	A2.2	Water consumption in total and intensity	3 Water Resources Management Appendix 1: Table for Key Performances in 2025
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	3 Water Resources Management
	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	3 Water Resources Management
	A2.5	Total quantity of packaging materials used for finished products and the percentage for per unit produced	Appendix 1: Table for Key Performances in 2025

APPENDIX 2 INDICATOR INDEX OF HKEX ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE

Environmental, Social and Governance Aspects and General Disclosure and Key Performance Indicators (KPI)			Section
A3: Environment and natural resources	General disclosure	Policies on minimizing the issuer’s significant impacts on the environment and natural resources	2 Energy Management
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	2 Energy Management 3 Water Resources Management 5 Responding to 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	1 Protecting the Interests of Employees
	B1.1	Total workforce by gender, employment type, age group and geographical region	1 Protecting the Interests of Employees Appendix 1: Table for Key Performances in 2025
	B1.2	Employee turnover rate by gender, age group and geographical region	1 Protecting the Interests of Employees Appendix 1: Table for Key Performances in 2025
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	2 Employee Health and Safety
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years	2 Employee Health and Safety
	B2.2	Loss of working days due to work injury	Appendix 1: Table for Key Performances in 2025
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored	2 Employee Health and Safety

APPENDIX 2 INDICATOR INDEX OF HKEX ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE

Environmental, Social and Governance Aspects and General Disclosure and Key Performance Indicators (KPI)			Section
B3: Development and training	General disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	3 Employee Development and Training
	B3.1	The percentage of employees trained by gender and employee category	Appendix 1: Table for Key Performances in 2025
	B3.2	The average training hours completed per employee by gender and employee category	Appendix 1: Table for Key Performances in 2025
B4: Labour standards	General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	1 Protecting the Interests of Employees
	B4.1	Description of measures to review employment practices to avoid child and forced labour	1 Protecting the Interests of Employees
	B4.2	Description of steps taken to eliminate such practices when discovered	1 Protecting the Interests of Employees
B5: Supply chain management	General disclosure	Policies on managing environmental and social risks of the supply chain	3 Responsible Supply Chain
	B5.1	Number of suppliers by geographical region	Appendix 1: Table for Key Performances in 2025
	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	3 Responsible 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	3 Responsible 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	3 Responsible Supply Chain

APPENDIX 2 INDICATOR INDEX OF HKEX ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE

Environmental, Social and Governance Aspects and General Disclosure and Key Performance Indicators (KPI)			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	2 Quality and Safety Assurance
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	2.2 Full lifecycle quality management
	B6.2	Number of products and services related complaints received and how they are dealt with	Appendix 1: Table for Key Performances in 2025
	B6.3	Description of practices relating to observing and protecting intellectual property rights	1.3 Intellectual property protection
	B6.4	Description of quality assurance process and recall procedures	2.2 Full lifecycle quality management
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	5 Information Security and Privacy Protection
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	3 Business Ethics
	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	3 Business Ethics
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	3 Business Ethics
	B7.3	Description of anti-corruption training provided to directors and staff	Appendix 1: Table for Key Performances in 2025
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	4 Contributing to Social Welfare
	B8.1	Focus areas of contribution	4 Contributing to Social Welfare
	B8.2	Resources contributed to the focus area	Appendix 1: Table for Key Performances in 2025

APPENDIX 2 INDICATOR INDEX OF HKEX ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE

Part D Climate-related Disclosure		Section
Governance	Disclosure of information on the governance institution and individual responsible for oversight of climate-related risks and opportunities, including how to ascertain competence of skills, method and frequency of knowing risks and opportunities, how to consider and oversee the formulation of targets and progress of achievement in the course of decision-making, and the role of management in the relevant process and its integration with internal functions	5 Responding to Climate Change
Strategy – Business model and value chain	Description of current and anticipated effects of climate-related risks and opportunities on business model and value chain, and specify the concentrated areas	5 Responding to Climate Change
Strategy – Strategies and decisions	Disclosure of strategies and plans in response to risks and opportunities, including changes to business model, adaptation or mitigation efforts, transition plans, method of achieving climate objectives, and plans for provision of resources for the actions and the progress of preceding plans	5 Responding to Climate Change
Strategy – Financial position, financial performance and cash flows	Disclosure of current and anticipated financial effects of climate-related risks and opportunities on the financial position, financial performance and cash flows of the issuer during the reporting period	5 Responding to Climate Change
Strategy – Resilience	Disclosure of information on the Company's assessment on its climate-related attributes and its analysis of climate-related scenarios	5 Responding to Climate Change
Risk management	Disclosure of information on the identification and assessment of climate-related risks and opportunities, the determination of their significance and priorities and continuous monitoring of the processes and relevant policies, and the integration of climate-related risks and opportunities into the overall risk management process of the Company	5 Responding to Climate Change
Metrics and Targets – Greenhouse gas emissions	Disclosure of absolute gross emissions of Scope 1, Scope 2 and Scope 3 greenhouse gas emissions during the reporting period, and explanation on the method of measurement, input data, assumptions and reasons of changes, disclosure of location-based Scope 2 emissions and the categories included within Scope 3	5 Responding to Climate Change Appendix 1: Table for Key Performances in 2025
Metrics and Targets – Climate-related targets	Disclosure of climate-related qualitative and quantitative targets, including the setting of indicators, objectives, applicable scope, period, benchmark period, staged targets, types of targets, relation with international protocol; disclosure of audit method for targets, indicators for monitoring the progress of target achievement, target performance and trend analysis; provide explanation on the targets of greenhouse gas emissions, including the gases covered, the scope of emissions, total volume or net amount of the targets	5 Responding to Climate Change

APPENDIX 3 SUMMARY OF ABBREVIATIONS IN THE REPORT

For the convenience of presentation and reading, unless otherwise specified in the context, the following terms and expressions used in this year's ESG report have the following meanings:

- AACR: American Association for Cancer Research
- ADC: Antibody-Drug Conjugate
- AI: Artificial Intelligence
- APRIL: A Proliferation-Inducing Ligand
- ASCO: American Society of Clinical Oncology
- BMS: Building Management System
- CAPOX: Capecitabine and Oxaliplatin, a chemotherapy regimen commonly used in the treatment of colorectal cancer and other gastrointestinal tumors
- CDE: Center for Drug Evaluation, National Medical Products Administration
- CMC: Chemistry, Manufacturing, and Controls
- COO: Chief Operating Officer
- CMC: Chemistry, Manufacturing, and Controls
- EDR: Endpoint Detection and Response
- EHS: Environment, Health and Safety
- EMS: Environment Management System
- ESG: Environmental, Social and Governance
- FDA: Food and Drug Administration
- GCP: Good Clinical Practice
- GMP: Good Manufacturing Practice
- HRIS: Human Resource Information System

APPENDIX 3 SUMMARY OF ABBREVIATIONS IN THE REPORT

- IMTB: Immunological Tolerance Barrier Breakthrough (IMTB) Technology Platform of Transcenta
- IND: Investigational New Drug
- IT: Information Technology
- KPI: Key Performance Indicator
- MFDS: Ministry of Food and Drug Safety
- NMPA: National Medical Products Administration
- PDX: Patient-Derived Xenograft (PDX) model
- PET: Positron Emission Tomography
- QA: Quality Assurance
- SDGs: Sustainable Development Goals
- SOC: Security Operations Center
- TMS: Training Management System