

# Environmental, Social and Governance Report 2023

**WuXi Biologics (Cayman) Inc.**  
**藥明生物技術有限公司 \***

(Incorporated in the Cayman Islands with Limited Liability)  
Stock Code: 2269

*\* For identification purpose only*

**WuXi Biologics**  
Global Solution Provider

The logo graphic consists of a blue horizontal bar on the left, followed by a diagonal bar that transitions from green to yellow on the right.

[www.wuxibiologics.com](http://www.wuxibiologics.com)



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## A Message from Our CEO

As a participant of the United Nations Global Compact — the world’s largest corporate sustainability initiative — WuXi Biologics regards sustainability as the cornerstone of business development strategy, staying true to the vision and mission. While 2023 was a year with both opportunities and challenges for the industry, WuXi Biologics maintained sustainable growth momentum through our unique CRDMO business model. We have demonstrated a deep commitment to upholding our shared responsibility supporting positive social and environmental impacts across the whole value chain together with our global clients.

Guided by its ESG strategy, WuXi Biologics has established strong governance mechanism, which includes oversight by the Board-level ESG Committee, guidance by the Company’s ESG Steering Group, and efficient implementation by the dedicated ESG department and cross-functional task forces for ESG material issues. In line with the United Nations Sustainable Development Goals, the Company remains committed to a science-based and measurable ESG target matrix, and has subsequently developed refined roadmaps while tracking progress for continuous improvement.

WuXi Biologics has made great efforts to maintain a transparent dialogue and build strong connections with all stakeholders. It implements a zero-tolerance policy toward unethical behaviors and commits to the highest standards of integrity and business ethics. In 2023, an Ethics and Compliance Committee was established to serve as the highest compliance management body to reinforce its ability to prevent and address compliance risks. To actively promote industry progress, the Company conducts regular audits and works closely with suppliers to ensure supply chain robustness and foster the sustainable development of suppliers.

WuXi Biologics’ business success is attributable to its employees. WuXi Biologics has over 12,000 employees who are highly dedicated and experienced professionals, representing 56 nationalities with diverse backgrounds. In 2023, the Company established a Diversity, Equity, and Inclusion (DEI) Committee comprised of employees from different departments and countries to formulate and oversee implementation of DEI strategies. The Company encourages the career development of women in the areas of Science, Technology, Engineering and Mathematics (STEM). Currently, 53% of STEM positions are held by female employees, far exceeding the industry average.



WuXi Biologics sees community engagement as a vital social responsibility. In 2023, over 8,000 employee volunteer hours were logged. Using core competencies to benefit patients worldwide is one of the Company's three-pillar corporate social responsibilities. As part of its business, the Company works closely with global clients to bring their novel treatments to patients with rare diseases. Currently there are 19 ongoing rare disease projects on the Company's integrated platform. In 2023, the Company has enabled the approval of an innovative Pompe disease therapy in EU, UK and the U.S. To celebrate this milestone, the Company launched Run for Health, a charitable initiative to raise scholarship funds for students with rare diseases. The program has been supported by over 1,500 employee volunteers from 10 sites worldwide.

For businesses around the world, achieving and maintaining environmental sustainability has become a critical part of their long-term sustainable development. In 2023, WuXi Biologics committed to Science Based Targets initiative (SBTi), marking a new milestone in its Net-Zero journey. The Company has seen fruitful progress

in tackling climate change and reducing carbon emission. Since the base year 2020, the Company has achieved a 29% intensity reduction of its Scope 1 and Scope 2 greenhouse emission in 2023. Furthermore, WuXi Biologics achieved its water consumption intensity reduction target ahead of schedule, and proactively upgraded its target from 18% to 30% by the year 2025 since the base year 2019.

To advance an eco-friendly transition for the biopharmaceutical industry, WuXi Biologics has integrated ESG concepts into multiple innovative technology platforms, including WuXiBody™, WuXiUP™, WuXiUI™, to offer an end-to-end green CRDMO solutions for global clients. The Company also utilizes Lean Management processes and completed over 150 Kaizen projects that yielded environmental and economic outcomes, including improved operational efficiency and reduced resource consumption.

WuXi Biologics is honored to be recognized by major ESG rating agencies for its progress towards reaching its commitments. In 2023, we were named to S&P Dow Jones Sustainability™ World Index and Emerging Markets Index; granted the AAA rating from MSCI ESG Ratings; awarded the distinguished Platinum Medal by EcoVadis; recognized as both an Industry and Regional Top-Rated Company by Sustainalytics; named to the CDP Water Security "A list"; and awarded an "A-" CDP Climate Change score.

As we pursue our 2024 goals with boldness and determination, WuXi Biologics will continue to integrate sustainability into the core commitment that has always defined us: enabling global clients to bring life-changing treatments to patients worldwide.

**Dr. Zhisheng Chen**  
Chief Executive Officer  
Chairman of ESG Committee

# 2023 Highlights

As of December 31, 2023



## Enhancing Governance

### ESG Committee

Comprised of four board members led by CEO

**22**

Material ESG issues

**100%**

Participation in business ethics and anti-corruption training

**100%**

Supplier Code of Conduct sign off

**ISO 27001**

Information security management certification

## Empowering People

**47%**

Female employees in managerial positions

**53%**

STEM positions held by female employees

**56**

Nationalities of our global employees

**73 hours**

of training per employee

**ISO 45001**

Occupational health & safety management certification

## Giving Back to Society

**698**

Integrated projects

**33**

Inspections by global regulatory agencies were passed

**1,200+**

Client quality audits were passed

**19**

Rare disease projects on the platform

**8,017**

Volunteer hours for community

## Greening Our Business

**29%**

Reduction of GHG emission intensity from 2020 (Scope 1 and Scope 2)

**Upgraded Water Target**

30% reduction of water consumption intensity by 2025 from 2019

**ISO 14064**

GHG emissions verification

**ISO 14001**

Environmental management certification

**ISO 50001**

Energy management certification



# Company Overview

## Introduction

WuXi Biologics is a leading global Contract Research, Development, and Manufacturing Organization (CRDMO) offering end-to-end solutions to enable partners to discover, develop and manufacture biologics — from concept to commercialization — for the benefit of patients worldwide.

Over the past decade, WuXi Biologics has experienced robust growth momentum, driven by the successful execution of the Company’s “Follow and Win the Molecule” strategies. With over 12,000 employees in China, Ireland, Germany, Singapore and the United States, WuXi Biologics leverages its technologies and expertise to provide customers with efficient and cost-effective biologics discovery, development and manufacturing solutions.

In 2023, we continued to expand our capacity to meet growing client demand worldwide, demonstrating great synergy within our existing network and a strong commitment to our “Global Dual Sourcing” strategy. Our global manufacturing facilities ensure that products can be manufactured, and materials can be sourced at multiple WuXi Biologics locations around the world.

Revenue

**17,034** million RMB

Gross profit

**6,828** million RMB

## Our Vision

“Every drug can be made and every disease can be treated” by building an open-access platform with the most comprehensive capabilities and technologies in the global biologics industry.

## Our Mission

To accelerate and transform the discovery, development and manufacturing of biologics through a comprehensive open-access platform, enabling our global healthcare partners and benefiting patients worldwide.

## Business Performance

Free cash flow of RMB0.6 billion to underpin sustainable growth

132 added integrated projects in 2023, bringing total to 698

51 Phase III and 24 commercial manufacturing projects with potential for future growth

Sufficient capacity to start any project within 4 weeks

# Public Recognition Awards

WuXi Biologics has gained global recognition in a number of key areas. The following is a selection of some of our recent awards and honors.



## INDUSTRY LEADERSHIP

-  Life Science Leader  
CDMO Leadership Awards in all six core categories. Additional recognition as one of the CHAMPIONS in the Capabilities category. 2018–2023
-  IMAPAC  
Bioprocessing Excellence Award 2021–2023
-  IMAPAC  
Best CDMO Award 2023
-  Asia-Pacific Biologics CMO Excellence Awards  
Best Biologics CMO Award for Automation 2023
-  ISPE  
Facility of the Year Award (FOYA) in the Operations category 2023

## ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

-  The Asset  
ESG Corporate Awards — Platinum Award 2021–2023

## EMPLOYER BRANDING

-  LinkedIn  
Talent Awards — Best Talent Acquisition Team/  
Talent Insights Pioneer 2022–2023
-  Universum  
China’s Most Attractive Employers — Top 2 in  
Pharma and Biotech Industry 2023
-  Dingge Award  
Digital Transformation Pioneer List  
Global Collaborative Award of the Year for  
Outbound Enterprise 2023
-  sHero  
Prime Employers for Women Award 2022–2023

-  The Chamber of Hong Kong Listed Companies  
Honourable Mentions for Awards of Excellence  
in Corporate Governance and ESG 2023



# ESG Performance and Commitments



Named to 2023 Dow Jones Sustainability™ World Index and Emerging Markets Index, identified as an industry mover and included into Sustainability Yearbook



Received an AAA rating from MSCI



Awarded a distinguished Platinum Medal by EcoVadis in recognition of its sustainability achievements



Recognized as both an Industry Top-Rated and APAC Regional Top-Rated Company by Sustainalytics



Named to CDP Water Security “A list”; Received a CDP Climate Change “A-” Leadership-level score

WuXi Biologics’ outstanding ESG performance has been recognized by the world’s leading ESG rating agencies.

WuXi Biologics has actively engaged in multiple Initiatives to drive a more sustainable business model



A participant of the United Nations Global Compact, demonstrating commitment to robust sustainability



Committed to Science Based Targets Initiative (SBTi), a new milestone towards net-zero



- ISO 27001 Information Security Management
- ISO 45001 Occupational Health and Safety Management
- ISO 14001 Environmental Management
- ISO 50001 Energy Management
- ISO 14064 GHG Emissions Verification



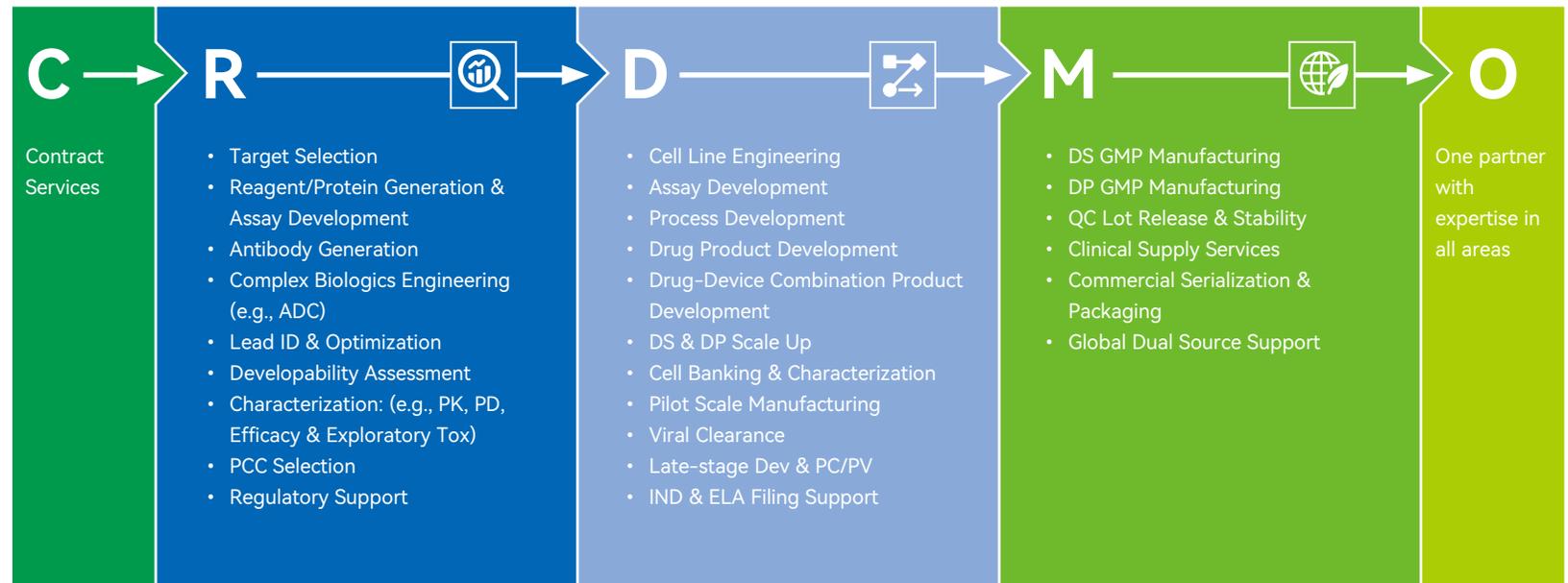
# Benefiting Patients, Benefiting the Earth

## Green Solutions across R/D/M Driven by Innovation

Throughout the years, WuXi Biologics has consistently engaged in the innovation and development of pioneering technology platforms. These efforts have successfully addressed industry technological pain points, thereby advancing biotechnological innovation. Ultimately, this endeavor aims to enhance the capabilities of our global partners and to make high-quality biologics more accessible and affordable for patients worldwide.

To further help the eco-friendly and low-carbon transformation of the global biopharmaceutical industry driven by technological innovation, WuXi Biologics takes a pioneering stance with a strategy of incorporating green concepts into every facet of our operations, including our innovative technology platforms in Research (R), Development (D) and Manufacturing (M). This strategy, based on innovative technology, is seamlessly integrated across all of our business operations, including the selection of raw materials or components, direct operations, production and manufacturing processes, internal distribution, storage and transportation. We aim to enhance resource efficiency of our products, and maximize productivity and quality, while minimizing environmental impacts to deliver greater value for our partners and patients worldwide.

To implement this strategy, we cultivate a range of industry-leading technology platforms that cover the full spectrum of drug discovery, development and manufacturing, delivering best-in-class biotechnological solutions with positive ESG impacts through innovation, process optimization and management improvements. Our goal is to empower our partners to engage in Green Research (R), Green Development (D) and Green Manufacturing (M) of biologics.





## Green Research (R)



Proprietary Universal Bispecific Antibody Platform



Advanced Hybridoma-Monoclonal Antibody Technologies



Human Naïve Library

### Green Solutions in Research (R)

WuXi Biologics offers a full spectrum of discovery services and technologies for the generation, characterization, engineering, optimization and selection of high-potency novel antibody therapeutics. These proprietary platforms accelerate the drug development process and drive ongoing cost reduction during the scale-up phase of drug development and commercial production.

Bi-specific antibodies (bsAbs) are spearheading a new era in biopharmaceuticals. However, their research and development may encounter obstacles, such as incorrect molecular assembly and poor developability, which can lead to a prolonged timeline, the more sophisticated process development, even clinical failures, and ultimately increased costs and higher demand for natural resources and energy.

Our innovative proprietary technology platform, WuXiBody™, ensures bsAbs with correct molecular assembly, and, at the same time, offers three key advantages:

- **Universality.** With WuXiBody™, almost any (>90%) monoclonal antibody (mAb) pairs can be used to construct bsAbs, which can be easily produced while at the same time maintain comparable functionality with their parental mAbs.
- **Flexibility.** WuXiBody™ bsAbs can be generated in various formats and valences (1+1, 1+2, 2+2) to meet a wide range of biological needs.
- **Excellent Developability.** WuXiBody™ bsAbs exhibit developability properties comparable to mAbs, including high titer, yield, solubility and stability.

These WuXiBody™ platform advantages not only simplify the discovery stage and reduce trial-and-error, but also eliminate the need for complex process development and extremely strict environment maintenance conditions — including temperature and humidity — for protein culture, harvest, selection, storage and transportation.

The ability of the WuXiBody™ platform to streamline the discovery and development process of bsAbs can translate into a timeline savings of 6–18 months, and — by lowering the environment maintenance demand for natural resources and energy — the platform also significantly reduces environmental impact. This advancement holds promise for more efficient, cost-effective and environment-friendly bsAbs development in the future.



## Green Development (D)



Ultra-High Productivity Continuous Bioprocessing Platform



Ultra-Intensified Fed-Batch Production Platform



Rapid, High-Quality Protein Production Platform



Proprietary High Titer Production CHO K1 Cell Line Development Platform



Comprehensive ADCs Development Platform

### Green Solutions in Development (D)

WuXi Biologics has established one of the world's largest and most experienced development team to ensure we have the resources and expertise to assist our clients in the most efficient and cost-effective manner. Our advanced development platforms offer advantages such as high product quality, high economic efficiency, and high facility flexibility providing our global partners with more diversified choices, whether for fed-batch or continuous manufacturing processing.

To address the problem of an excessive metabolic by product accumulation and its negative impact on protein production during the latter stages of fed-batch processes, our WuXiUI™ platform introduces an innovative cell culture bioprocess. The process combines ultra-high seeding density and intermittent-perfusion fed-batch to achieve 3 to 6-fold higher productivity than traditional fed-batch processes while maintaining the highest product quality. The platform's distinctive design allows for outstanding adaptability across all common cell lines and diverse modalities and is readily scalable to 2,000 L–12,000 L (e.g., 6 x 2,000 L or 3 x 4,000 L) with high productivity and 60–80% reduced manufacturing cost of goods (COGs). It also has a lower carbon footprint than traditional or other intensified fed-batch processes due to its more efficient media consumption, lower waste generation and less demand for building space in the production line.

Continuous processing is a next-generation solution for biomanufacturing, designed to address the production difficulty and inefficiency of either labile/difficult-to-express or low-expressing-level proteins with minimized environment impact and resource demand. Our WuXiUP™ platform employs an intensified perfusion culture process and continuous harvest, allowing for the manufacture of different types of pharmaceutical proteins with significantly higher productivity (5–15X greater) compared with traditional fed-batch and perfusion culture. This improvement is particularly notable when the process is scaled to 1,000 L–2,000 L using disposable bioreactors. With stainless steel bioreactors, similar productivity can be obtained only by scaling to 10,000 L–20,000 L. The WuXiUP™ platform achieves not only higher productivity but also significantly reduces resin usage, with a smaller facility footprint. All these factors collectively lead to substantial cost savings and reduced environmental impact on protein mass basis.

While dedicated to high quality and rooted in green principles, our technology platforms in Development (D) achieve unparalleled productivity at every stage compared to traditional technologies. They enhance the competitiveness of commercialized products by significantly reducing investment and production costs, accelerating the drug launch process and — with a focus on green benefits — minimizing impact on the environment.



## Green Manufacturing (M)

**Single-Use Technology (SUT):** Allows for highly flexible and cost-effective manufacturing technology that is environmentally friendly.

**Scale-Out Biomanufacturing:** Enlarges inherent advantages of single-use technology and achieve higher production volume.

**Robotic Aseptic Filling:** Reduces drug-product fill risk and provides greater aseptic assurance using the gloveless isolator design.

**Continuous Manufacturing Process:** Combines with intensified perfusion culture (IPC) and continuous direct product capture (CDPC).

**Lean Manufacturing:** Features comprehensive continuous Kaizen of production operations and processes by WuXi Biologics Business System (WBS) to lift efficiency and reduce environmental impact.

### Green Solutions in Manufacturing (M)

WuXi Biologics' diverse technology platforms and next-generation manufacturing strategies demonstrate how the Company incorporates the concept of sustainable innovation into our CRDMO business and embeds a green mindset across all process and manufacturing operations.

As a pioneer in the application of large-scale SUT through our scale-out manufacturing paradigm, WuXi Biologics collaborates with SUT suppliers to improve the sustainability performance of our manufacturing process. Relevant research and our practical experience show that SUT can greatly reduce the need for equipment-cleaning and disinfection, thus lessening water usage and waste. A water savings of up to 70% can be attained compared to stainless steel technology at the same production scale. Throughout the Life Cycle, SUT can also decrease resource use by approximately 33% and minimize the negative effect on climate change by approximately 40%, while having negligible end-of-life impacts. Even though SUT solutions offer significantly reduced environmental impacts compared with traditional stainless steel technology, WuXi Biologics continues to explore additional sustainable solutions with clients and suppliers for plastic waste treatment including recycling and waste-to-energy (WTE) initiatives.

Through the adoption of cutting-edge manufacturing technologies like SUT, innovative proprietary technology platforms — such as WuXiUI™ and WuXiUP™ and operational excellence driven by WBS, WuXi Biologics realizes substantial green benefits by minimizing environmental impact across all of its operational sites, while continuing to empower our partners by achieving maximum productivity.

### Lean Management in Manufacturing Process in Wuxi site

The Wuxi site actively undertook a comprehensive Kaizen for production operations and processes based on workflow, including material, equipment and solution preparation, as well as process operation and facility infrastructure like air conditioning. Taking MFG4 in Wuxi site as an example, by adopting a standardized and systematic lean approach, embedding green concepts into the entire manufacturing process and daily operation, the facility has achieved annual reduction of waste by 9.5 tonnes, water usage cut of 8 tonnes, and decrease in GHG emissions by 8.8 tonnes, made by electricity savings of 10,495 kWh and natural gas savings of 500 cubic meters.



# Empowering Sustainability Through WBS

Guided by our lean culture and enabled by the WBS, WuXi Biologics applies lean management principles and methods to support continuous improvement and make measurable progress in achieving ESG objectives. Through the adoption of its WBS tools, the Company is able to streamline operations, improve quality management, boost client satisfaction, foster a more engaged and empowered workforce, and improve resource efficiency, leading to an improved overall ESG performance.



## WBS Achievements in 2023

<b>Quality Management</b>	Reduced quality risks and increased customer satisfaction through such initiatives as Poka-yoke, and made improvements in the areas of standard work, process optimization and training.
<b>Operational Efficiency Enhancement</b>	Greatly improved the operational efficiency of field management and standardized operations.
<b>Workflow Optimization</b>	Identified and eliminated redundant processes to streamline multiple workflows, and increased efficiency by using value stream and processes analysis.
<b>Material Cost Saving</b>	Identified material cost-saving opportunities, enhanced material-use flexibility and decreased waste to improve gross profit margin and competitiveness.
<b>Inventory Management</b>	Reduced inventory and material impairment, and lowered storage and transportation costs through inventory strategy optimization.
<b>Capacity Increase</b>	Increased multiple facilities' capacity through improvements that included fast change-over between batches and optimization of solution preparation.
<b>Delivery Speed</b>	Significantly shortened turnaround time for testing reports and batch releases.

# 376

Completed Kaizen Projects in 2023

# 160

million RMB  
Revenue increased from WBS projects to improve capacity.

# 245

million RMB  
Internal material, expense, and capital expenditure investment savings.

# 1,000k

labor hours  
Saved from WBS projects to improve labor efficiency.

# 270

million RMB  
Inventory reduced through Kaizen projects.



**18,183** tCO<sub>2</sub>e  
annual carbon reduction

**51,486** tonnes  
annual water reduction

**1,351** tonnes  
annual waste reduction

**42%** of Kaizen projects  
achieved ESG improvements

### Deep Integration of WBS and ESG

WuXi Biologics strives to achieve deep integration of its WBS approaches with ESG to continuously drive ESG improvements throughout our operations. Out of all the completed Kaizen projects in 2023, 42% achieved ESG improvements.

### ESG Guideline for Kaizen Project

To further the integration of WBS and ESG, WuXi Biologics developed an *ESG Guideline for Kaizen Projects*, which serves as a useful tool to help all employees effectively identify ESG opportunities and track progress with clearly defined indicator metrics.

### ESG Kaizen of The Year Award

In 2023, WuXi Biologics initiated the ESG Kaizen of The Year Award for the purpose of acknowledging outstanding Kaizen projects that had significant ESG benefits, outstanding alignment with company ESG strategies, and demonstrable value for dissemination. Ten projects were selected as the 2023 ESG Kaizen winners, and the winning teams received rewards and internal publicity recognition.

#### Selection Criteria:

- **Quantifiable Benefits:** How the ESG improvement was generated and whether it resulted in significant or multiple ESG benefits.
- **Contribution Level:** Whether the improvement aligns with the Company's ESG strategy and contributes to the Company's overall ESG objectives.
- **Dissemination Value:** The extent to which the improvement measures and resulting ESG benefits can be disseminated or serve as a reference for other departments.

### 2023 ESG Kaizen Award Projects

- Standardization of Membrane Usage
- Reduction of DS Filter Changeover and Filter Integrity Testing
- Low Energy Operating Mode for Site Facilities
- Wuxi Site Electricity Saving
- Suzhou Site Production, Internal & Regional Warehouse Auto Replenishment
- Clean Utilities System Water Saving Optimization in Shanghai Site
- Reduction of Industrial Steam Cost in Hangzhou Site
- Reduction of Downstream Raw Material Cost of Traditional Fed-Batch Manufacturing
- Harvest Process Optimization for 3L Bioreactors
- Wuxi Site Hazardous Waste Management Optimization



# ESG Strategy

In line with United Nations Sustainable Development Goals (SDGs), WuXi Biologics is committed to delivering superior ESG performance which helps us contribute sustainable value for our business and society. With our ESG strategy, ESG priorities are organized into four themes: enhancing governance, giving back to society, greening our business, and empowering our people. These four areas enable us to address major global sustainable issues and also create long-term value by continuously challenging ourselves to innovate, leading with accountability, and forming collaborative partnerships.





# ESG Targets and Progress in Line with SDGs

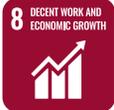
	Topics	Goals and Targets	2023 Progress	Related SDGs
Enhancing Governance	Business Ethics	Maintain 100% anti-corruption training coverage every year	Achieved	 
	Sustainable Supply Chain	Ensure that 100% of new suppliers and targeted suppliers sign the <i>Code of Business Conduct and Ethics of WuXi Biologics Business Partner</i> every year	Achieved	
		Ensure 100% of procurement staff trained on sustainable procurement	Achieved	
Being Responsible to Society	Diversity, Equity, and Inclusion	Ensure 50% of overall workforce is comprised of women and achieve 45% of women in managerial positions globally every year	Achieved: 54% of women in overall workforce and 47% of women in managerial positions globally	 
	Talent Development	Ensure that 100% of employees receive training every year	Achieved	 
	Occupational Health and Safety	Keep the Lost Time Incident Rate (LTIR) $\leq 0.063$	Achieved: 0.009 in 2023	 
	Community Engagement	Continually expand community involvement and employee volunteer hours	On Track: 8,017 hours and 1,907 person-times of volunteer participation	 
Greening Our Business	Climate Change and Energy Saving	Mid-term Goal: Reduce Scope 1 and Scope 2 greenhouse gas (GHG) emissions intensity by 50% by 2030 from the base year 2020 (tonnes/RMB10,000)	On Track: 29% decrease in Scope 1 and Scope 2 GHG emission intensity from the base year 2020	
		Long-term Goal: Achieve net-zero emissions from overall operations by 2050		
	Water Management	Original target: reduce water consumption intensity by 18% by 2025 from the base year 2019	Achieved	 
		Upgraded target: reduce water consumption intensity by 30% by 2025 from the base year 2019	On Track: 23% decrease in water intensity from the base year 2019	 
Waste Management	Implement Water Excellence Stewardship (WES) <sup>1</sup> on our priority sites by 2027	On Track: Draft of WES developed		
	Reduce waste intensity, including hazardous and non-hazardous waste by 10% (tonnes/RMB10,000) by 2027 from the base year 2022	On Track: 23% decrease in hazardous waste intensity and 1% decrease in non-hazardous waste intensity compared with the base year 2022		



## The Big Picture

As a global citizen, WuXi Biologics not only embeds sustainability concepts into our daily operations as a fundamental part of the Company's operational mindset, but also collaborates with global partners to foster the sustainable development of communities. We consistently align our actions and targets with the SDGs to make meaningful contribution to society and the communities where we operate.

UN SDGs Indicator	Contributing to SDGs
<p><b>Goal 3</b></p>  <p>Good Health and Well-Being</p> <p><b>Ensure healthy lives and promote well-being for all at all ages</b></p>	<p>With the vision that “Every drug can be made and every disease can be treated”, we are dedicated to accelerating and transforming the discovery, development, and manufacturing of biologics through our comprehensive open-access platform. We work closely with our global health partners to empower them, thereby benefiting patients worldwide. We also support the R&amp;D efforts of companies specializing in rare and major diseases to fulfil the unmet medical needs and participate in epidemic prevention to benefit people worldwide. Meanwhile, the health and safety of our employees are of great importance to us, laying the foundation for their well-being.</p>
<p><b>Goal 4</b></p>  <p>Quality Education</p> <p><b>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</b></p>	<p>Talent is crucial for the growth and success of our company. We are striving to develop a skilled and motivated workforce to better accomplish our mission of benefiting patients worldwide. We believe in the merit of comprehensive and lifelong learning; therefore, we offer our employees an extensive array of learning opportunities, encompassing professional development, leadership training, and a variety of essential skills, among other programs. In addition, collaborative learning is encouraged. Seminars and workshops are held for employees to share their own knowledge and experience with their peers, fostering an interactive and mutually beneficial learning environment. As part of our effort to give back to society, we collaborate with local schools to provide on-site learning opportunities in STEM fields and offer scholarships to students with rare diseases, aiming to ease their challenge at school.</p>
<p><b>Goal 5</b></p>  <p>Gender Equality</p> <p><b>Achieve gender equality and empower all women and girls</b></p>	<p>We are dedicated to creating a diverse and inclusive working environment, ensuring equitable opportunities for all employees, regardless of gender. We have set targets to achieve balanced gender representation and have surpassed our goal by achieving 47% female representation in managerial positions globally in 2023. The percentage of women in executive management positions increased from 30% to 33%. As part of our commitment to fostering an inclusive culture, we have launched initiatives to encourage female employees to increase their representation and unlock their potential in STEM fields. By the end of 2023, women held 53% of STEM roles at WuXi Biologics, showcasing our strides towards gender equality in the workplace. In 2023, we established the DEI Committee, which is responsible for directing and developing DEI objectives and strategies, overseeing the progress of DEI projects and conducting performance tracking, among other duties.</p>
<p><b>Goal 6</b></p>  <p>Clean Water and Sanitation</p> <p><b>Ensure availability and sustainable management of water and sanitation for all</b></p>	<p>We strive to achieve good water stewardship throughout our operations as an effort to mitigate global water scarcity and promote water conservation. We seek to increase water efficiency by reducing water consumption at the source by applying SUT technologies in manufacturing processes, and maximize the use of recycled water by establishing rainwater harvesting system. In addition, we annually assess water related risk for all operational sites. In 2023, having achieved our water consumption intensity reduction goal ahead of schedule, we proactively upgraded this target from an 18% to a 30% reduction by 2025, using 2019 as the baseline. Additionally, we aim to implement Water Excellence Stewardship (WES) on our priority sites by 2027, focusing on site-specific water management, ensuring access to safe drinking-water, sanitation and hygiene (WASH), and further reducing water usage. This year, WuXi Biologics was named to CDP 'A List' for water security, reflecting our dedicated efforts toward combating global water scarcity and our strong dedication to environmental sustainability and supporting SDG 6.</p>

	UN SDGs Indicator	Contributing to SDGs
Goal 7	 <p>Affordable and Clean Energy</p>	<p><b>Ensure access to affordable, reliable, sustainable and modern energy for all</b></p> <p>Acknowledging the significance of the clean energy transition in mitigating and adapting to climate change, we are firmly committed to reducing energy use and maximizing access to renewables. We have set mid-and long-term GHG reduction goals and committed to SBTi in 2023, aligning our climate actions with the <i>Paris Agreement</i>. We established an internal energy management system aligned with ISO 50001 standard to enhance energy efficiency and systematically reduce energy consumption. By adopting cutting-edge technologies and advancing green process and manufacturing, we have managed to reduce energy use during manufacturing. Furthermore, we actively deploy photovoltaic systems, biomass solutions, and purchase renewable electricity at our sites to fulfil the clean energy transition. As a result, our energy consumption intensity (kWh/RMB10,000) has achieved a 28% decrease over the last three years.</p>
Goal 8	 <p>Decent Work and Economic Growth</p>	<p><b>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</b></p> <p>Decent work and productive environment are vital to sustainable economic growth. We value diversity and generate equal opportunities for all employees, firmly opposing any form of discrimination or illegal employment practices, including child and forced labor. Our commitment to integrity is highlighted by our zero-tolerance policy towards discrimination and harassment, ensuring a respectful and safe working environment. We ensure fair compensation, adhere to minimum living wage standards, and provide competitive benefits, reflecting our commitment to our employees' welfare. Our approach focuses on developing a skilled and motivated workforce prepared for future challenges through continuous learning and professional development opportunities. To gauge and improve employee engagement, we conduct surveys every two years, acting on feedback to enhance our work environment. We also actively pursue our CSR strategy, recognizing that charitable donations are a vital way to give back to our communities and strengthen our public bonds. By dedicating resources to support various causes, WuXi Biologics reaffirms its commitment to making a positive impact.</p>
Goal 9	 <p>Industry, Innovation and Infrastructure</p>	<p><b>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</b></p> <p>We consistently invest in innovation to enhance our operational efficiency and are at the forefront in adopting the sector's cutting-edge technologies in core operations. WuXi Biologics spearheads the eco-friendly and low-carbon transformation within the biopharmaceutical industry by integrating sustainability across all facets of our operations, including research and development (R&amp;D) and manufacturing. By leveraging technologies such as SUT and our innovative proprietary platforms (e.g., WuXiUI™ and WuXiUP™), we achieve significant environmental benefits and minimize our ecological footprint. To further our commitment, we integrate sustainability into the design of our sites and establish green and low-carbon facilities worldwide to move towards a greener future. Moreover, we understand that integrating a robust Environmental Management System (EMS) throughout our operations enables us to effectively coordinate our efforts for resource conservation and waste reduction. This, in turn, enhances our environmental compliance and minimizes our operational impact on the environment. We continuously monitor our environmental performance through regular internal and external audits, aligned with ISO standards, across all operational sites. Furthermore, we actively promote communication on environmental management issues internally and externally, fostering inclusive industry collaboration and supporting sustainable industrial practices.</p>



UN SDGs Indicator	Contributing to SDGs
<p><b>Goal 10</b></p>  <p>Reduced Inequalities</p> <p><b>Reduce inequality within and among countries</b></p>	<p>At WuXi Biologics, we believe that a diverse and inclusive workforce is essential for fostering new ideas, perspectives, and developing solutions that can make positive impacts on our clients and patients worldwide. We are committed to empowering every employee, ensuring that no one is discriminated against based on age, sex, disability, race, ethnicity, origin, religion or economic or other status. Our <i>WuXi Biologics Diversity, Equity, and Inclusion Policy</i> not only clarifies but also reinforces the critical role of DEI in our workplace culture. We actively support this commitment by providing our employees with a comprehensive range of DEI-focused training programs. Moreover, we uphold the principles of the <i>UN Guiding Principles on Business and Human Rights</i>, demonstrating our unwavering commitment to respecting and protecting human rights. Since 2023, WuXi Biologics has proudly been a participant of the UN Global Compact, further solidifying our dedication to labor and human rights, anti-corruption, and environmental sustainability.</p>
<p><b>Goal 11</b></p>  <p>Sustainable Cities and Communities</p> <p><b>Make cities and human settlements inclusive, safe, resilient and sustainable</b></p>	<p>Building inclusive, safe, resilient, and sustainable cities and communities is pivotal as part of our strategy to give back to society. We proactively engage with local communities where we operate, maintaining close relationships by, for example, contributing to disaster recovery efforts and supporting local disadvantaged populations through various channels.</p>
<p><b>Goal 12</b></p>  <p>Responsible Consumption and Production</p> <p><b>Ensure sustainable consumption and production patterns</b></p>	<p>We continue to pursue responsible production and are committed to reducing our adverse environmental impacts by advancing green process and manufacturing. We promote the efficient, circular use of water and packaging materials to ensure responsible production and disposal. We give preference to suppliers offering low-carbon, environmentally sustainable products, and demonstrating strong commitments to social responsibility. Suppliers must adhere to our <i>Code of Business Conduct and Ethics of WuXi Biologics Business Partner</i>, affirming their dedication to ethical business practices. Furthermore, we conduct sustainability risk assessments and on-site audits to monitor and mitigate potential risks within our supply chain.</p>



UN SDGs Indicator	Contributing to SDGs
<p><b>Goal 13</b></p>  <p>Climate Action</p> <p><b>Take urgent action to combat climate change and its impacts</b></p>	<p>The recent United Nations Climate Change Conference (COP28) called for urgent action to address climate change and to keep the global warming objective of the <i>Paris Agreement</i> within reach. WuXi Biologics stands firmly committed to decreasing our energy use and reducing emissions. We have set mid-term targets for reducing the intensity of Scope 1 and Scope 2 greenhouse gas (GHG) emissions and long-term targets for achieving net-zero emissions from our overall operations by 2050. To realize these targets, we take a series of actions on carbon reduction and energy efficiency improvement, including adopting low-carbon design for all new construction projects, integrating renewable energy into our energy mix, and maximizing energy efficiency for our manufacturing and operations through technological solutions and actions. Furthermore, we promote wider cooperation to intensify decarbonization efforts across our value chain, including with suppliers, clients, and employees. We firmly align our targets and actions with the <i>Paris Agreement</i>, aiming to contribute to addressing one of the greatest threats to human.</p>
<p><b>Goal 16</b></p>  <p>Peace, Justice and Strong Institutions</p> <p><b>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</b></p>	<p>Our pursuit of peace, justice, and strong institutions is fundamental to our sustainability strategy, with integrity as a core value and business ethics integral to our operations. We prioritize the development of effective, accountable, and transparent institutions at all levels while rigorously combating corruption and bribery in all forms. We ensure consistent communication and provide training on business ethics, achieving 100% anti-corruption training coverage annually. Through regular audits and risk assessments, we proactively identify risks and assess the impact of our anti-corruption practices and information security systems. Our <i>Whistleblowing and Investigation Policy</i> safeguards whistleblower rights and empowers our employees to maintain high ethical standards. We diligently conduct due diligence on business ethics, including anti-bribery and corruption measures, for all new business partners, such as suppliers, contractors, and consultants. Our ongoing collaboration includes continuous compliance monitoring through audits and risk assessments. Moreover, we have integrated sustainable supply chain targets into our procurement policies, steering the Company towards a supply chain that is not only more transparent and ethical but also responsible.</p>
<p><b>Goal 17</b></p>  <p>Partnerships for the Goals</p> <p><b>Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development</b></p>	<p>WuXi Biologics is fully committed to ethics and anti-corruption mandates as well as external mandates to protect human rights. We firmly uphold the principles and values laid out in the <i>United Nations International Bill of Human Rights</i>, the <i>International Labor Organization's Declaration on Fundamental Principles and Rights at Work and its Follow-up</i>, and the <i>UN Guiding Principles on Business and Human Rights</i>. In 2023, we proudly became a participant to the UN Global Compact, committing to implement the ten principles concerning human rights, labor, environment and anti-corruption. Through the operations of our WuXi Biologics Charity Foundation, we harness our resources to fulfill our commitment to contributing to society. For example, in 2023, we provided donations for disaster relief efforts following the earthquake in Gansu and Qinghai.</p>



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In the pursuit of corporate objectives, governance serves as the foundation for WuXi Biologics' compliant and effective business management. We operate with a comprehensive governance mechanism and seek transparent dialogues with our stakeholders. Recognizing ourselves as a corporate citizen, we uphold high standards of ethical behavior and extend the same expectations to our partners and suppliers.

# ENHANCING GOVERNANCE

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# Corporate Governance

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## The Big Picture

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As we face multiple challenges of adapting to constant environmental and social changes, a strong governance framework and effective management procedures have enabled us to embed sustainability into our business strategy and everything we do. By enhancing supervision, transparency and effectiveness, WuXi Biologics is striving to deliver long-term value for all stakeholders.

ESG GOVERNANCE

BOARD STATEMENT

STAKEHOLDER ENGAGEMENT



## Governance Structure

Five Board-level committees have been established with clearly delineated duties, building up our robust corporate governance framework and accelerating operational excellence. Under the guidance of these committees, we are taking steps to achieve greater transparency and accountability for our stakeholders.

### Board Governance Structure



## Board Diversity

A diverse board is essential for us to operate effectively in the changing business environment. The Company is committed to supporting and encouraging the diversity of the Board in terms of skills, experience, background, race, gender, etc. We have established a *Board Diversity Policy*, which includes our approach to achieving and maintaining the diversity of the Board. All Board members are appointed based on their individual competencies and abilities, such as diverse and differentiated technical and managerial skills, regional and industry experience, and financial and risk management expertise, among other considerations. This is to ensure an optimal representation of extensive high-level perspectives in the Company.

### ESG GOVERNANCE

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# ESG Governance

## Why It Matters

Oversight and management of ESG issues from the Board level ensures that the Company’s management procedures are effective and that adequate resources are allocated to improve our ESG performance. By virtue of the ongoing attention of the Board and the active executive engagement in ESG topics, we drive the integrity of corporate governance structure and enhance corporate competitiveness.

## ESG Governance Structure

Our Board of Directors is our highest decision-making and governing body regarding ESG issues. Composed of executive directors and independent non-executive directors, our ESG Committee takes primary oversight responsibility for formulating the Company’s sustainability vision, target, policy, strategy and progress tracking, evaluating ESG trends, opportunities and risks, in areas such as Business Ethics and Information Security, Environmental Protection and Climate Change, Human Capital and DEI, Sustainable Supply Chain, among others. To drive continuous improvement of our sustainability performance, we have incorporated ESG metrics into the performance and remuneration measurement of Chief Executive Officer, senior executives and relevant management teams through pre-defined indicators and targets. Their contributions toward our ESG performance are evaluated annually as part of the short-term and long-term incentive mechanisms, continuously promoting effective management of our prioritized ESG issues.

**ESG Management Structure**

Organization	Members	Responsibilities
<b>ESG Committee</b>	Chaired by the CEO Composed of an executive director and three independent non-executive directors	<ul style="list-style-type: none"> <li>• Reviews ESG trends, oversees ESG issues and identifies sustainability opportunities.</li> <li>• Directs and develops vision, objectives, strategies and structures.</li> <li>• Oversees ESG governance framework and the implementation progress of ESG targets.</li> </ul>
<b>ESG Steering Group</b>	Company senior executives from all business units	<ul style="list-style-type: none"> <li>• Provides insights into material issues for ESG Department to ensure objectives align closely with business.</li> <li>• Coordinates resources to ensure effective implementation of ESG strategy and plan.</li> </ul>
<b>ESG Department</b>	Dedicated ESG management in parallel with all Business Units, part of company core leadership team	<ul style="list-style-type: none"> <li>• Evaluates ESG performance, with reference to long-term strategy and globally recognized ESG standards.</li> <li>• Proactively communicates with stakeholders about material issues and provides advice, directions and suggested solutions for ESG decision-making.</li> <li>• Refines action plans for ESG targets approved by the Board and coordinates implementation across departments.</li> </ul>
<b>Material Issues Task Forces and Relevant Departments</b>	Head of each department and their designated ESG representatives	<ul style="list-style-type: none"> <li>• Jointly promote the implementation of ESG strategies and action plans.</li> <li>• Keep innovating and refining operational excellence to improve ESG performance.</li> </ul>

**ESG GOVERNANCE**

BOARD STATEMENT

STAKEHOLDER ENGAGEMENT



# Board Statement

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## WuXi Biologics Board of Directors' Statement

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### Supervision of the Board

The Board holds overall accountability for the Company's ESG governance. As the decision-making body, the Board reviews all the progress on ESG targets and ESG implementation.

ESG Committee is appointed by the Board and chaired by the CEO, Dr. Zhisheng Chen. It also includes three independent non-executive directors to ensure its independence and effectiveness. To support the Board's oversight responsibilities for ESG management and performance, the ESG Committee regularly monitors the development and implementation of the Company's ESG vision, strategies, policies, governance structure, and objectives; approves and assures that all priority topics are covered in our ESG report; and reports on ESG progress and recommendations to the Board.

### Work Implementation

An ESG Steering Group, formed by the Company's senior leadership team, was set up to provide strategic insights and resource support for ESG work. ESG Department reports to the ESG Committee on a regular basis to provide professional advice. It is also tasked with facilitating communications about ESG implementation and coordinating the engagement of relevant departments, with the goal of embedding ESG strategy into daily operations. The department's output and recommendations are overseen and endorsed by the ESG Committee.

### Risk Management

We take a disciplined approach to our risk identification and review process to make sure all ESG-related risks are fully considered and integrated into our enterprise risk management (ERM) system. As a key category in our ERM, ESG risks are assessed by identifying the concerns of our stakeholders, with the integration of our annual materiality assessment results.

Potential ESG-related impacts will be fully monitored and discussed by the Audit Committee should any emerging risk be identified. All ESG-related risks and potential impacts are overseen and endorsed by the Audit Committee.

### ESG Targets and Progress Tracking

To help assure that we attain ESG targets, we assign employees to take responsibility for target achievement, and to regularly collect data, track progress and review performance.

The Board is committed to tracking ESG progress towards goals in response to the concerns and expectations of stakeholders.

### ESG Material Issues

WuXi Biologics is committed to incorporating stakeholders' shared values into its ESG strategy. We have established a smooth and transparent communication mechanism with all stakeholders to identify and assess ESG material issues, in terms of ESG issues' financial impact as well as company operation's social and environmental impact. The Board and ESG Committee meet regularly to discuss stakeholders' area of concerns, identify ESG material issues, and review and assess ESG performance. This allows us to continuously refine our sustainable development strategy and protocols.

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# Stakeholder Engagement

## Why It Matters

The direction of WuXi Biologics' ESG development is decided by a systematic evaluation process in which both the impact of ESG issues on the Company and the impact of the Company's operations on the environment, society and other external stakeholders are considered. Besides conducting assessments and updating our materiality annually, we also have established regular dialogues with all stakeholders to evaluate importance of ESG issues as well as impacts of our operations, to better understand their expectations and concerns.

## Material ESG Issues

In 2023, we conducted a comprehensive double materiality analysis. By distributing questionnaires and conducting extensive interviews with all stakeholders, including clients, government and regulatory agencies, suppliers, social organizations, media, board members, senior management, relevant departments, and general employees, we identified the potential financial impacts of each ESG issue on our Company, as well as the social and environmental effects arising from our business operations. Materiality assessment has been integrated into ERM system process.

## Assessment Process

### Step 1

#### Create a pool of ESG issues

Based on the industry features and the characteristics of the Company, formulate engagement strategies for relevant stakeholders, and establish a preliminary topic library containing 30 ESG issues:

- Review the readiness of internal data
- Soliciting internal opinions on the topic library
- Analyze industry trends and international standard requirements

### Step 2

#### Materiality assessment

Assess the financial impact of ESG issues on the Company, as well as the environmental and social impacts caused by the Company's operations:

- Evaluate the impact, risk, and opportunities of each ESG issue
- Refer to preset standards to determine materiality: the criteria for assessing impact materiality includes severity and likelihood; the criteria for assessing financial materiality include the degree and likelihood of financial impact

### Step 3

#### Select material issues

Review and select material issues: Thoroughly assess the issues based on their financial, environmental and social impact and select 22 material issues, disclose response strategies to address these issues according to the ESG strategy.



- 1 Corporate Governance
- 2 Business Ethics
- 3 Intellectual Property Protection
- 4 Information Security
- 5 Sustainable Procurement
- 6 Supplier Engagement
- 7 Risk Management
- 8 Responsible Marketing
- 9 Product Safety and Quality
- 10 Customer Relationship
- 11 Employee Rights and Development
- 12 Access to Healthcare
- 13 Community Investment and Development
- 14 Diversity, Equity and Inclusion
- 15 Occupational Health and Safety
- 16 Environment Management
- 17 Climate Change
- 18 Water Resources Management
- 19 Waste and Discharge Management
- 20 Technology and Innovation
- 21 Energy Management
- 22 Green Process and Manufacturing

Based on the materiality assessment, we further identified multiple ESG topics that have a material impact on external stakeholders. In 2023, we used a quantitative metric to measure the direct environmental and social impact of our business activities. We conducted an impact valuation by converting the output metrics into an impact metric to measure the external societal or environmental impact. Our materiality assessment metrics and the 2023 materiality matrix have been reviewed and approved by the Board of Directors.

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### Impact Assessment — Product/Service Quality & Safety

Type of impact: Positive

Based on our assessment, external stakeholders hold the same opinion that WuXi Biologics is a high performer in this aspect. Leveraging industry-leading technologies, world-class quality system, and effective execution, we have been enabling our global partners to discover, develop, and manufacture biologics, accelerating their efforts to bring lifesaving therapeutics to benefit patients around the world. Quality is a core value embedded in our culture. Going forward, we will continue to maintain our world-class quality standards and bring long-term value for our clients and patients worldwide.

### Impact Assessment — Climate Change

Type of impact: Positive

Pursuit of environmental sustainability has become a consensus among human society, and is considered as an imperative for every company to achieve long-term goals. At WuXi Biologics, we take innovative actions to address climate change and to minimize our impacts on the environment through GHG emission reduction. We set long-term goal to realize Net-Zero emissions by 2050 from overall business operations, and try to reduce our carbon footprint with green technologies and platforms. Across our global sites, we have built “Factory of the Future” facilities with innovative green design concept and green manufacturing process, all to accelerate the climate-change transition of the industry and create positive impacts on the whole value chain.



## Stakeholder Communications

We disclose our major activities on material issues through ESG reporting for transparent communication with stakeholders. In addition, we established regular communication channels with major internal and external stakeholders to openly and dynamically report on our ESG performance and progress regarding our common goals.

Stakeholders	Common Goals	Communication Channel
<b>Board of Directors</b>	Corporate governance Product safety and quality guarantee Information security Climate change and Energy management	<ul style="list-style-type: none"> <li>• Board meetings</li> <li>• ESG committee meetings</li> </ul>
<b>Clients</b>	Superior delivery capabilities Product safety and quality guarantee Intellectual property protection Information security	<ul style="list-style-type: none"> <li>• Client communication and complaint mechanisms</li> <li>• Client satisfaction surveys</li> <li>• Transparent disclosures</li> <li>• Client audits</li> </ul>
<b>Employees</b>	Salary and benefits Safeguarding of employee rights and interests Employee developments and training A culture of diversity, equity and inclusion	<ul style="list-style-type: none"> <li>• Staff Townhall</li> <li>• CEO mailbox</li> <li>• HR Hotline and service desk</li> </ul>
<b>Investors</b>	Corporate governance Business ethics and compliance Technology and innovation	<ul style="list-style-type: none"> <li>• Annual general meetings</li> <li>• Investors meetings</li> </ul>
<b>Suppliers</b>	Supply chain management Supply chain safeguards	<ul style="list-style-type: none"> <li>• Supplier approvals and audits</li> <li>• Communication channels include email, call, regular meetings, and trainings</li> </ul>
<b>Government and Regulatory Authorities</b>	Business ethics and compliance Product safety and quality guarantee Climate change and Energy management	<ul style="list-style-type: none"> <li>• Transparent disclosures</li> </ul>
<b>The Public</b>	Benefits for patients Community engagement and development	<ul style="list-style-type: none"> <li>• Transparent disclosures</li> <li>• WuXi Biologics Charity Foundation and Volunteer Association</li> <li>• Enabling clients to accelerate the launch of new drugs</li> </ul>

ESG GOVERNANCE

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# Operational Governance

## The Big Picture

Operating responsibly is a vital step in establishing close connections with the society. WuXi Biologics honors the trust that our clients, partners, employees, and communities put in us, and strives to retain it by upholding the highest standards of business ethics. Our key efforts involve anti-corruption, risk management, intellectual property protection, information security, responsible marketing, and animal welfare.

BUSINESS ETHICS

RISK MANAGEMENT

INTELLECTUAL PROPERTY AND TRADE SECRETS MANAGEMENT

INFORMATION SECURITY

RESPONSIBLE MARKETING

ANIMAL WELFARE



# Business Ethics

## Why It Matters

With integrity as one of our core values, WuXi Biologics is committed to identifying and addressing any potential business ethics risks in our operations. Business ethics are deeply embedded in the way we work, and we aspire to generate real, lasting, positive impacts on the value chain by also requiring that our business partners hold to the same ethical standards.

### BUSINESS ETHICS

RISK MANAGEMENT

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INFORMATION SECURITY

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## Management Structure and Policies

Our ethics and compliance management system consists of the Ethics and Compliance Committee, the Compliance, Audit and Risk Management Department, and other specialized teams on various compliance issues. The Audit Committee of the Board of Directors oversees the effectiveness of our compliance system and programs.

The Ethics and Compliance Committee — chaired by the Chief Executive Officer and composed of members from the Company's senior management level — exercises comprehensive control of the Company's compliance risk management. The Committee receives quarterly reports on the Company's compliance status and formulate strategies to ensure execution and continuous improvement of the Company's business ethics and compliance management system.

The Compliance, Audit and Risk Management Department is responsible for establishing and monitoring the implementation of our compliance system and policies, and for reporting any anti-corruption and business ethics-related issues directly to the Audit Committee.

In 2023, WuXi Biologics, as part of its ongoing commitment to advancing its business ethics and compliance system, established internal policies on business ethics that guide and mandate all employees conduct their work with integrity and honesty. The Company's *Code of Business Conduct and Ethics*, which outlines our compliance principles and standards in detail, applies to all directors, managers and employees of the Company, including its worldwide holding subsidiaries and affiliated companies.

In addition to the *Code of Business Conduct and Ethics*, our *Anti-Corruption Policy* and *Conflict of Interest Policy* were established to address different forms of corruption and bribery. We carry out regular audits on the conformance of our ethical standards and anti-corruption policies to ensure their effectiveness. The frequency of these audits is to be increased in areas where high risks are identified.

## Our Approach

WuXi Biologics' business ethics and compliance programs are designed to ensure the effective implementation of our high ethical standards, and to prevent, identify, and respond in a timely manner to any potential business ethics risks. Key elements of the ethics and compliance programs include communication and training, regular audits and risk assessments, employee incentives linked to compliance, and well-established reporting and incident investigation procedures.

### Communication and Training

WuXi Biologics steadfastly embeds a culture of compliance within its core values, employing a comprehensive training program to ensure employees understand our business ethics standards. In 2023, we extensively overhauled our business ethics compliance training modules to align with the expanding global scope of our operations, covering essential compliance topics such as our code of conduct, trade secret protection, anti-corruption and anti-bribery, conflict of interest, and privacy protection. To constantly reinforce the importance of business ethics and compliance, we also leveraged diverse educational channels, including our internal online training platforms, team compliance meetings, specialized lectures, and annual compliance training. Furthermore, we mandate that all employees annually confirm and sign off on compliance policies such as the *Code of Business Conduct and Ethics* and the *Anti-Corruption Policy*. To solidify understanding and compliance, we deliver a sequence of online courses followed by assessments that affirm employee commitment to our business ethics standards.



Parallel to our full-time personnel, we expect the same level of adherence to the compliance culture from our part-time employees (interns) and contractors. We enforce completion of compliance training prior to their onboarding and continuously offer comprehensive training sessions. Part-time employees are required to participate in annual compliance training and examinations. Contractors undergo a distinct compliance training program, complete with necessary examinations. This program encompassing topics such as trade secret protection, anti-bribery and anti-corruption, conflict of interest, and privacy protection. All the contractors were required to complete the training and pass the corresponding examination this year. These compliance education programs — mandated across all workforce tiers — ensure ongoing awareness and conformity with our ethical and regulatory guidelines, a reflection of our steadfast dedication to maintaining organizational integrity.

## BUSINESS ETHICS

RISK MANAGEMENT

INTELLECTUAL PROPERTY AND TRADE SECRETS MANAGEMENT

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### Regular Risk Assessments and Audits

WuXi Biologics' Compliance, Audit and Risk Management Department undertakes all-encompassing annual risk assessments — including on anti-bribery and anti-corruption topics — across our global operations through comprehensive mechanisms that incorporate in-depth engagements with the line managers of each department. These assessments aim to detect areas of high risk and evaluate the possible impact on our business and its severity. We identify business activities and operations with high corruption risks through audits and other control procedures, and our Compliance, Audit and Risk Management Department issues investigation reports on any confirmed cases and takes actions accordingly.

The internal audit plan at the Group level is developed annually. These internal audits, which focus on key risk areas identified through risk assessments, encompass our global operations and all departments. The 2023 audit plan progressed in line with our timelines and forecasts. In 2023, the Internal Audit team performed comprehensive evaluations of our international operations, ensuring full coverage of operational sites through a risk-based approach and tackling business ethics issues.

We take forceful measures to deter non-compliance and reduce exposure to unethical opportunities, and we endeavor to eliminate conflicts of interest by sharing information internally on a need-to-know-basis. We also promote transparency in our organization by encouraging employees to understand and identify conflicts of interest, disclose them in a timely manner, and seek guidance when in doubt. Background checks are used to confirm employees' history of ethical conduct.

### Incentives and Discipline Linked to Compliance

The Company incorporates ethical conduct as part of our employee performance appraisals, with significant violations will directly affect the yearly performance results for both the individuals involved and their departments. We award incentives to employees who actively monitor and report corrupt behaviors, and we implement appropriate disciplinary actions for affirmed cases of non-compliance. In 2023, no violations were noted in areas of corruption or bribery, conflict of interest, money laundering, insider trading, or customer privacy.

### Reporting and Incident Investigation Procedures

We strive to cultivate an open environment and encourage our employees, clients, suppliers, and other stakeholders to raise concerns on any suspected violations. A 24/7 global hotline and an online reporting platform ([wuxibiologics.ethicspoint.com](http://wuxibiologics.ethicspoint.com)) — with local language services across our operational sites — are operated by an independent third-party to ensure independency. This service, available to both internal and external stakeholders, provides valuable input to support the effective oversight of WuXi Biologics' business ethics.

We adhere firmly to the *WuXi Biologics Whistleblowing and Investigation Policy*, which sets out clear protocols for reporting, investigation, rewards, and disciplinary measures. This policy is designed to protect all stakeholders who report concerns and to foster an environment where doing the right thing is valued. We endorse confidential and anonymous reporting channels, assuring full confidentiality and implementing robust measures to shield whistleblowers from retaliation. Any retaliation against individuals for reporting concerns in good faith or collaborating with inquiries is strictly prohibited. Strong safeguards for the rights of whistleblowers are detailed in our *Whistleblowing and Investigation Policy*.



100%

of Board Directors participated in training on ethical standards and anti-corruption

100%

of employees (including part-time employees) participated in annual training and examination on ethical standards and anti-corruption

In 2023, through our reporting channels, we received 26 reports related to business ethics. All identified issues, including ethical violations and Company policy breaches were subject to a structured follow-up process to ensure proper resolution. During the reporting period, WuXi Biologics faced no lawsuits or legal actions regarding business ethics violations<sup>2</sup>, nor were any administrative penalties levied.

**Training on Reporting Concerns and “Speak-Up” Culture**

In 2023, we further refined our reporting and investigating system to address the concerns of whistleblowers and move forward efficiently with investigations of reported incidents. To promote a healthy “Speak-Up” culture that empowers employees to raise issues or questions, two training sessions were provided for all employees regarding the whistleblowing mechanism and process. During the training, we conveyed the attitude of the Company and management towards whistleblowing and investigation, answered questions from employees, and addressed their potential concerns on reporting misconduct.

**Advancing Integrity and Transparency**

WuXi Biologics is dedicated to promoting a culture of integrity in business, fostering a workplace atmosphere characterized by uprightness and honesty, and championing a compliance culture that establishes a clear and transparent business environment. In 2023, we actively joined the Integrity Alliance and the Corporate Anti-Fraud Alliance and set up a dedicated section on the Anti-Fraud Alliance’s official website. This space provides detailed information about our Company and publicizes our channels for reporting fraud, underscoring our relentless effort to nurture an ethical, open business landscape.

Indicator	Unit	Launched in 2023
Training on the Code of Business Conduct and Ethics and Anti-corruption Policy that each Board Director received	Hour	0.5
Percentage of Board Director participated in training on ethical standards and anti-corruption	%	100
Training on the Code of Business Conduct and Ethics and Anti-corruption Policy that each employee (including part-time employees) received	Hour	1
Percentage of employees (including part-time employees) participated in training on ethical standards and anti-corruption	%	100

**BUSINESS ETHICS**

RISK MANAGEMENT

INTELLECTUAL PROPERTY AND TRADE SECRETS MANAGEMENT

INFORMATION SECURITY

RESPONSIBLE MARKETING

ANIMAL WELFARE



# Risk Management

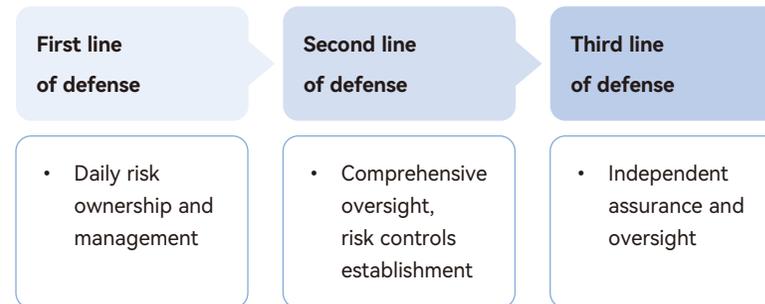
## Why It Matters

As a company operating on a global scale, WuXi Biologics actively takes actions to mitigate various internal and external risks that could potentially impact our operations. We continually work on enhancing our risk management system to boost resilience and integrate it into everything we do.

## Management Structure

We have established a comprehensive risk management system that covers all key business modules and stages to identify risks, formulate risk management strategies, and implement risk management measures in a timely manner. The Board of Directors holds the overall responsibility for the risk management system, and our Audit Committee oversees the appropriateness and effectiveness of the system as well as the overall management structure.

The three lines of defense are designed to support and improve our risk management structure. Throughout this framework, our objective is to develop a top-tier compliance and risk management system that drives the Company’s sustainable, long-term progression.



The first line of defense consists of front-line employees, such as managers and designated individuals within business units who are directly engaged in creating and providing products and services to clients. These team members bear the responsibility for owning and managing risks inherent in daily operations.

The second line of defense in our risk management hierarchy is the Compliance, Audit, and Risk Management Department and other Operation Units (such as Finance, Legal and HR). The Compliance, Audit, and Risk Management Department is presided over by WuXi Biologics’ Chief Compliance Officer (CCO), who reports directly to the CEO. This department — along with the Ethics and Compliance Committee chaired by the CEO and composed of senior management — exercises comprehensive oversight regarding the Company’s compliance risk management. The Committee reviews quarterly reports on our compliance initiatives, reinforcing constant enhancement and execution of our business ethics and compliance framework. The second line of defense is responsible for establishing the control mechanisms executed by the first line of defense.

The third line of defense is our Internal Audit Department, which serves as an independent assurance provider, certifying that organizational practices align with the Company’s risk strategy and policies as operationalized by the first and second lines of defense. With a focus on significant risk areas identified through targeted risk assessments, the Department conducts meticulous audits that unearth pivotal issues. Deploying professional and systematic methodologies, it not only offers critical insights for enhancing our risk management strategy but also ensures fidelity to our overarching risk governance. Reporting directly to the Board of Directors, the Internal Audit Department plays a crucial role in supporting the board’s oversight and refining the Company’s risk mitigation practices even further.

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## Our Approach

### Risk Management Strategy

Risk management is incorporated into the strategic and operational processes at all levels within WuXi Biologics to minimize the impact of risk. Following the COSO<sup>3</sup> Enterprise Risk Management Framework and guided by internal policies, we conduct annual formalized risk assessment, which includes the identification, prioritization, measurement and categorization of all key risks that could potentially affect the Company’s objectives. We continuously evaluate our risk exposures to adapt to shifting risk dynamics, strengthening the Company’s resilience to potential threats. In 2023, we launched a comprehensive Compliance Risk Obligation Identification, meticulously identifying core compliance-related risk responsibilities involved in various departments. Additionally, we conducted a Business Continuity Management (BCM) Survey and Risk Assessment to further solidify our preparedness and response strategies.

WuXi Biologics has developed a rigorous Business Continuity Management System (BCMS), creating a dynamic framework that regularly refines our Business Impact Analyses and Disruption Risk Assessments. Our intentional design focuses on pre-emptively recognizing and strategizing for possible business disruptions, and developing resilient Business Continuity Plans (BCP) that underpin the seamless operations of our enterprise. The BCMS is meticulously monitored by the Business Continuity Management Committee and managed by our Global Operations Support department, which assesses and assures the effectiveness and practicality of our system.

Across our global operations, each facility has implemented a tailored BCP, and a BCM Coordinator role has been instituted at each site to facilitate coordination with tailored site-specific contingency protocols. The BCP, strengthened by routine drilling exercises, ensure business continuity is consistently upheld and effectively executed at every level — departmental, site and corporate. In 2023, we executed numerous BCM exercises across our global operations, verifying the effective functionality of each BCP, promptly resolving any identified issues, and assuring our readiness for swift operational recovery in the event of disruption.

### Risk Management Culture

To embed an effective risk management culture into our daily operations, we use an approach that includes a series of actions aimed at making risk management a collective responsibility for our employees at all levels.

#### Regular Risk Education

We strive to increase employees’ awareness of compliance and risk management through training and communications that cover a wide range of focus areas, including compliance, cybersecurity, quality, and environment, health and safety. Our internal compliance and risk control policies and procedures are clearly communicated to all employees through dedicated training sessions and weekly compliance meetings. Our BCMS culture is strengthened through rigorous adherence to the Company’s compliance directives and document control protocols. To maintain readiness, each of our sites and business divisions systematically updates and conducts annual refresher training for their BCP.

### Incentive Scheme

We have developed a set of compliance and risk management-related metrics — such as compliance and risk control — and incorporated it into our organization and employee performance appraisal system. The evaluation procedure applies to both senior executives and line managers. In addition, rewards are provided to employees who proactively identify and report potential risks.

#### Risk Reporting Mechanism

Beyond our whistleblowing mechanism, we’ve developed a compliance risk reporting channel, (ASK COMPLIANCE), to promote risk management as a collective duty throughout the Company, encouraging proactive risk identification and reporting by employees. Aligning with our BCM protocols, each site and business unit’s Business Continuity Management Team ensures that risks related to business disruptions are reported in a timely manner, as per BCM stipulations. This guarantees that our BCP are activated promptly, effectively, and with rigorous supervision when necessary.

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### Risk Management Process





## Emerging Risks Evaluation and Mitigations

We annually evaluate emerging risks coming from the dynamic environment to effectively manage potential risks that may affect our business operations in the long term.

### Emerging Risks Due to Expanding Global Climate Policies

With international efforts intensifying to combat climate change, an evolving landscape of climate policies presents significant long-term risks for global companies. WuXi Biologics, which operates bases in China, Ireland, Germany, the United States, and Singapore, must proactively navigate a patchwork of environmental regulations that affect our operations. These policies — aimed at reducing greenhouse gas emissions and promoting sustainability — affect diverse aspects of our business, from energy use to facility operations and supply chain management.

China is heavily investing in achieving carbon neutrality by 2060, introducing restrictions and incentives that could affect our production. The EU’s carbon reduction targets impact our operations in Ireland and Germany. The US’s renewed environmental focus and Singapore’s Green Plan 2030 also pose compliance and adaptation challenges for WuXi Biologics.

As WuXi Biologics steps forward to address risks tied to escalating climate policies, we are refining our operations to ensure alignment with global sustainability goals. To govern this transition, our Board and senior leadership have established a robust risk management framework that thoroughly assesses the potential impacts on our business. We carefully incorporate this evaluation into our strategic planning, ensuring that governance and risk management remain top priorities.

Our mitigation actions are focused on:

- **Advanced Energy Management:** Aligning with ISO 50001 standard, we are systematically improving energy efficiency to shrink our energy footprint.
- **Efficient Resource Utilization:** We are dedicated to enhancing our operational processes to maximize resource efficiency and minimize environmental impact.
- **Sustainable Infrastructure:** Proactive investment in sustainable infrastructure equips our facilities with the means to effectively reduce energy consumption.
- **Collaborative Decarbonization:** By engaging with internal teams and external partners, we aim to collectively diminish our carbon footprint across the value chain.

In alignment with the SBTi, we endorse measures that guide our path to a net-zero emissions target by 2050. As climate policy continues to expand worldwide, these strategic initiatives lay the groundwork for WuXi Biologics to navigate this evolving environment resiliently and sustainably.

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# Intellectual Property and Trade Secrets Management

## Why It Matters

At WuXi Biologics, protecting intellectual property, including vital trade secrets, is pivotal to maintaining the trust of our clients. These assets, central to our collaborative achievements, are guarded by principles of integrity, state-of-the-art security, and strict policy enforcement. A zero-tolerance stance and proactive legal defense affirm our dedication to secure and preserve the valuable proprietary knowledge that fuels innovation and business growth.

## Management Structure and Systems

The Company’s legal department holds the responsibility for designing and implementing our intellectual property protection strategy across the organization. Our internal policies on intellectual property management are aligned with standards and principles such as the GB/T 29490–2013 *Administration of Intellectual Property Rights of Enterprises*, and we stringently enforce policies and procedures to ensure accountability in cases of infringement. In 2023, we further optimized our approach by revising and refining our internal intellectual property management guidelines, and during the year, we successfully passed audits from external certification bodies, maintaining our certified status as evident from our Intellectual Property Management Certificates. Moreover, the Shanghai Intellectual Property Administration awarded an “excellent” evaluation to our patent pilot project in their assessment.



Intellectual Property Management Certificates

Trade secret protection is a fundamental priority at WuXi Biologics. We have instituted a dedicated Trade Secret Protection Department, which is tasked with overseeing regulatory compliance and administering comprehensive management systems. This ensures that the safeguarding of trade secrets is woven seamlessly into our key business activities, from research and development to production and day-to-day operations.

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## Our Approach

### Intellectual Property Protection Measures

We take an all-encompassing approach to protecting intellectual property. Internally, our efforts focus on raising awareness and enhancing IT infrastructure. To enhance risk monitoring and management, we have a clear escalation protocol in place and encourage all employees to report any potential intellectual property infringement. To minimize the risk of intellectual property infringement when we collaborate with a third party, we require our suppliers to sign the *Suppliers Intellectual Property Declaration*, which explains the application of intellectual property rights and describes our dispute settlement procedures.

### Trade Secret Protection Measures

**Risk Assessment:** Through ongoing internal evaluations and oversight, WuXi Biologics identifies risk points in trade secret management, continually enhancing our ability to manage these confidential assets. Additionally, we have developed a digital platform to oversee and control the risk of trade secret disclosure.

**Training and Awareness:** Our comprehensive training programs aim to boost trade secret protection awareness across WuXi Biologics. We offer regular company-wide sessions, including departmental and all-staff meetings, alongside annual training with assessments. Specialized, department-focused training is also conducted, as well as onboarding sessions that embed trade secret principles for new hires and contractors from the start.

#### Safeguarding Measures for Trade Secrets

Aspect	Descriptions
Information Classification	Trade secrets are rigorously categorized by relevance and sensitivity, with access limited by role, necessity, and strict oversight. Protective measures safeguard each secret throughout its lifespan.
Technical Safeguards	To prevent data breaches, we deploy sophisticated tools such as encryption software, behavior monitoring systems, secure endpoints, and data transfer protocols that limit unauthorized use of removable media.
Client Project Security	We protect client-related projects with a unique coding system, ensuring data is accessible only by the assigned team. We maintain strict confidentiality through project-specific firewalls and secure communication channels.
Pre-Launch Assessments	Before initiating key business systems, we conduct exhaustive trade secret protection reviews, scrutinizing the system's any possible vulnerabilities related to authorization, data transit, and storage.

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# Information Security

## Why It Matters

At WuXi Biologics, information security and data privacy are a top priority. The stability and efficiency of our services depend on critical information systems and the secure transmission of data, and we are committed to respecting and protecting data privacy in all our operations and activities. To that end, we pay close attention to potential information security risks, and are diligent in our efforts to identify and quickly respond to any conceivable security incident or data breach, going to great lengths to protect the information entrusted to us by our clients and partners.

- BUSINESS ETHICS
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## Management Structure, Systems and Policies

### Information security

The effectiveness of the information security system is supervised by WuXi Biologics' executive management team. Our Information Security Management Committee — headed by the CEO, one of the Board members — is responsible for the establishment of strategy and the review/approval of relevant policies. Moreover, our Chief Technology Officer (CTO) on the executive management team is tasked with overseeing cybersecurity within the Company. Also at the executive level, we have an Information Security Working Committee — composed of members from various business units — which is responsible for executing related tasks and performing security risk assessments for major projects. Throughout the year, the Board receives quarterly reports from relevant departments regarding informational security matters.

WuXi Biologics' information security management system is built in accordance with the requirements of ISO 27001. We have established comprehensive policies and processes to control potential information security risks, including *Information Systems Business Continuity & Disaster Recovery Plan for WuXi Biologics*, *WuXi Biologics Information Security Management Manual*,

*WuXi Biologics Information Security Risk Management Standard*, *WuXi Biologics Information Security Policy*, *WuXi Biologics Third Party Security Management Standard*, *WuXi Biologics Acceptable Use Policy*, and *WuXi Biologics Information Security Incident Management Standard*. In addition, we created an Application Security Assessment Platform that optimizes security requirements analysis, security design review, vulnerability scanning, code auditing, and penetration testing processes throughout the entire lifecycle of internal information assets. Company policies regarding information security are provided to all employees and updates are made through email transmissions and training sessions to ensure that current rules are well known and followed. Our suppliers are also required to abide by our information security policies. We have established the *WuXi Biologics Third Party Security Management Standard* to conduct risk-based management of third-party suppliers.

We have obtained ISO 27001 certification<sup>4</sup>, having met the requirements of that standard for Information Security Management Systems (ISMS). In addition, our key internet-facing systems, including company website and Customs management system, have met level-II requirements of the Multi-Level Protection System (MLPS) by cybersecurity regulatory bodies. This ensures the strict adherence of our system to the framework and standards of industry cybersecurity management.



ISO 27001 Certificate



### Data privacy

To aid the Company in adhering to laws and regulations related to data while safeguarding our data assets, we established globally applicable *WuXi Biologics Data Protection Guidelines*, *WuXi Biologics Information Classification and Grading Standards*, and *WuXi Biologics Data Privacy Policies*. Additionally, we have appointed a Data Protection Officer and established the *Internal Group Data Transfer Agreement (IGDTA)* to outline compliance principles for data processing. A dedicated internal data privacy compliance team conducts assessments and provides recommendations for compliance in scenarios involving the collection, processing, storage, external provision, and cross-border transfer of personal information. We regularly update company data privacy policies, privacy statements, and other documents, and provide specialized training on personal privacy protection for all employees.

### Our Approach

#### Information security

We use a rigorous proactive approach to protect the Company's assets, systems, and information from potential technical failure, human error, or malicious attacks. External and internal audits are conducted every year. In 2023, we received IT audits from our clients and invited an external party to conduct independent IT audits. There were no major findings or evidence of business information leaks. Moreover, there were no confirmed information security incidents.

To prevent and control risk at its source, we employ a series of precautionary measures, including raising security awareness through regular staff training sessions, integrating information security metrics into employee performance evaluations, and opening reporting channels that enable internal and external stakeholders to raise concerns.

To ensure business continuity and maintain client trust, we continuously enhance our defense technologies and infrastructure to cope with possible external cybersecurity risks. Formulating proactive contingency plans for common information security incidents of different levels, and conducting annual training and drills. The contingency plans are tested at least semi-annually to increase resilience and further optimize the original plans. Additionally, cyber security insurance strengthens our company's information security defense, mitigates any financial burden brought by potential risks, and helps ensure the continuity of business operations. We continuously monitor and collect vulnerability disclosures through threat intelligence systems, assess and track vulnerability fixes.

Holding our business partners to the same standards, we conduct information security due diligence on those third parties. High-risk suppliers involved in storing, processing, or accessing WuXi Biologics' sensitive information must undergo security assessments. Risks identified during these security assessments are tracked for remediation progress, and an annual reassessment is required. In 2023, we conducted security assessments for medium to high-risk suppliers and performed on-site audits for high-risk suppliers. Information security clauses have been explicitly outlined in procurement contracts.

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**Achievements in Protecting Information Security**

Gateway Optimization	Threat Identification
<ul style="list-style-type: none"> <li>• Optimization of 142 rules related to email security gateway black and white lists.</li> <li>• Deployment of technology against advanced email threat.</li> <li>• Blocking of approximately 160 million external attacks, 4 million phishing/spam emails, and 4,000 computer virus/malware attempts in 2023.</li> </ul>	<ul style="list-style-type: none"> <li>• Penetration testing from two external organizations annually, ensuring that risks are identified from an independent and multidimensional perspective.</li> <li>• Full application security assessments for hundreds of IT and business projects.</li> </ul>
Training	Drilling
<ul style="list-style-type: none"> <li>• Renewal of training materials for new hires.</li> <li>• Information security training courses for all new employees, including part-time employees and contractors.</li> <li>• 4 information security training sessions for all employees, including part-time employees and contractors.</li> <li>• 3 dedicated training sessions for all IT employees (include part-time employees and contractors) on IT application security to improve their IT skills and raise awareness regarding information security.</li> </ul>	<ul style="list-style-type: none"> <li>• 42 information system technical recovery drills conducted in 2023.</li> <li>• 4 separate tests of the contingency plans.</li> <li>• 4 rounds of phishing email simulations for all employees (include part-time employees and contractors).</li> </ul>

**Data privacy**

WuXi Biologics classifies and grades company trade secrets and personal information, strictly controlling access to sensitive data such as confidential client project information and personal privacy data. We have implemented security standards and measures related to information transmission and storage encryption, data expiration deletion, and media secure destruction.

To prevent data breaches, employees' work computers are equipped with hard disk encryption and data leakage prevention software. We set strict restrictions on email outbound, cloud storage usage, instant messaging tools, and mobile terminal usage.

To enhance data security management, we conduct regular permissions reviews for shared storage and important application systems to mitigate the risk of information leakage. There was no information leakage in 2023.

To raise awareness, we provide specific training sessions on personal data security and conduct quarterly phishing email drills for all employees.

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## Email Security Immune System



In 2023, we conducted multi-departmental information security emergency drills, simulating various scenarios from receiving phishing emails to critical system lockdowns, business interruptions, ransom emails and data breaches. Our emergency response capabilities and the collaboration among cross-departmental teams were significantly enhanced. Additionally, quarterly phishing email drills were conducted for all employees, and an in-house phishing testing platform was established. Our goal is to build an email security immune system that continues to strengthen WuXi Biologics' security defenses.

## Information Security Month

In 2023, we held WuXi Biologics' first Information Security Month, featuring a series of eight online and on-site activities aimed at raising employees' awareness on data and information security globally. These activities included:

- Woodpecker Action
- Data and Information Security Knowledge Contest
- Phishing Drill Testing
- Application Security Development Training
- Data and information Security Tips
- Security Q&A offline Event
- Office Information Security Check
- Annual Training on Information Security SOP

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# Responsible Marketing

## Why It Matters

Marketing compliance is a key component of our overall business ethics management. As part of our mission to improve people’s lives, WuXi Biologics aims to ensure that our marketing behaviors are honest, accurate, and consistent with our company values. The Company strictly abides by all applicable legal requirements and industry guidelines regarding ethical marketing, and is committed to demonstrating socially responsible values when communicating, promoting and marketing the Company’s services to stakeholders.

## Management Structure and Policies

Our ethical marketing practices are supported by a robust governance structure. We have established a Steering Committee that provides oversight and guidance for responsible marketing issues. The Steering Committee Chair reports directly to the CEO and holds overall responsibility for the Company’s marketing behavior. We also have a Marketing Committee in place to support the Steering Committee in developing and implementing strategy and providing regular training in responsible marketing.

We have established *WuXi Biologics Responsible Marketing Policy* with provisions that help relevant employees regulate their ethical interactions and communications with all stakeholders, including our customers, the public, etc. Based on the policy, ethical reviews are carried out regularly to ensure that the context of promotional materials meets our ethical standards. We have also established a systematic audit procedure for marketing compliance that involves multiple internal and external reviewers. Marketing materials must be approved by authorized management personnel and departments before being published or disclosed to any party for the purposes of printing and publication. For more information on our marketing material risk assessment and control procedure, refer to *WuXi Biologics Responsible Marketing Policy*.

Marketing Material Risk Assessment and Control Procedure at WuXi Biologics			
Applicant	Line manager	PR & Marketing Department	Legal Department
Submit marketing materials	Review the context of submitted materials	PR reviews corporate messages (facts and numbers), visual identity (logo, template) and sensitivity (undisclosed client/business)  Marketing reviews potential misrepresented products, services, or prices and misleading statement of competitor	Review context related to IP, non-disclosure information and competitor

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## Our Approach

We make every effort to identify, assess and minimize potential compliance risks associated with marketing misconduct. The Company has established a marketing material reviewing and monitoring system focused on policy compliance, where due diligence is conducted at all levels of the marketing team.

To increase employees' awareness of responsible marketing and facilitate their understanding of our policies and procedures, we require all employees, including part-time employees and contractors, to receive annual training on *Responsible Marketing Policy*. Our training covers various ethical marketing areas related to our business, including social media communications, antitrust and competition principles, and anti-bribery during marketing activities. Those courses and training on the audit and approval of publicity material are mandatory for all new employees. In 2023, 100% of employees have received training on responsible marketing.

In addition, for business development personnel and employees who engage in marketing, communications, and sales we regularly offer in-depth and role-specific training on responsible marketing to ensure that our marketing activities are being implemented in an appropriate way. Ethical training is provided regarding relevant topics such as public external speech, webinars and events, and promotional and non-promotional materials.

We also have reporting channels in place to engage stakeholders in helping us manage our marketing compliance risks. Any employee, client, supplier, or other third party may report potential marketing violations. All reports of misconduct will be taken seriously and an investigation will be conducted consistent with the established investigation procedure if necessary. The investigation team will involve department such as Internal Audit, Compliance, Legal, HR and etc. Corrective action will be taken accordingly. In the case of a possible illegal or criminal offence, we will seek legal advice and refer to relevant authorities. For more information on our procedures for investigating marketing violations uncovered through monitoring, auditing or reporting mechanisms, refer to the *WuXi Biologics Whistleblowing and Investigation Policy* and *Code of Business Conduct and Ethics*.

In 2023, no administrative penalties or litigation arose from marketing violations.



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# Animal Welfare

## Why It Matters

WuXi Biologics takes effective measures to ensure that laboratory animals are treated ethically and humanely, and that their use is scientifically justified. We strictly abide by all applicable guidelines and regulations in each country or region in which we operate, and uphold the highest standards for animal care.

In 2023, we maintained our accreditation from AAALAC International (the Association for Assessment and Accreditation of Laboratory Animal Care).

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## Management Structure and Policies

The compliance and management of animal research is under the supervision of our Institutional Animal Care and Use Committee (IACUC), with the Chair of the committee reporting directly to our CEO on the management and ethical conduct of animal tests. The committee carries out semi-annual audits to evaluate the necessity, rationality, and standardization of the use of laboratory animals. The audit outcomes are used to identify opportunities for alternative (non-animal) methods and detect gaps in the processes or procedures. We have established sound animal welfare policies and standard operating procedures on responsible animal use, which provide guidance for relevant personnel in our animal research. WuXi Biologics is committed to conducting animal testing only under legal and regulation circumstances, and we refer to best practice standards and requirements for animal testing certification.

## Our Approach

Subscribing to the recognized 3Rs principle (Replace, Reduce, Refine), we work to reduce the use of laboratory animals to a strictly necessary minimum, while we also implement effective programs to ensure that animals are treated ethically and humanely, and that appropriate designs and sanitary facilities are provided to promote their comfort and well-being.

Initiatives to Enhance Animal Welfare		
Replace Animal Testing	Reduce Animal Testing	Refine Animal Testing
<ul style="list-style-type: none"> <li>Conduct in vitro testing when selecting the suitable molecules as an alternative to animal testing, allowing molecules to be studied safely and ethically without subjecting animals to possible side effects or toxicity.</li> </ul>	<ul style="list-style-type: none"> <li>Before granting permission for an animal test, conduct a series of evaluations to identify whether use of animals is scientifically justified.</li> <li>Increase the enrolment rate during the IACUC audit to reduce animal use.</li> <li>Improve the skills and performance of relevant personnel to minimize unnecessary animal use.</li> </ul>	<ul style="list-style-type: none"> <li>Select advanced equipment and refine experimental methods, and minimize discomfort, pain and stress to animals.</li> <li>Design optimal animal living environments to ensure that each animal has an appropriate activity space. Continuously monitor temperature and humidity.</li> <li>Provide toys to animals for their well-being.</li> </ul>

WuXi Biologics provides technical and compliance training on a regular basis to ensure that all personnel in our animal research centers remain aware of their ethical and legal responsibilities. Additionally, external training on professional skills related to laboratory animals is provided for all professional staff, including part-time employees and contractors.

In 2023, zero misconduct and non-compliance regarding animal welfare occurred.



# Supply Chain Management

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## The Big Picture

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As a global company, WuXi Biologics collaborates with business partners worldwide. We are committed to working with supply chain business partners who operate in line with our ethical standards and principles, and we strive to integrate environmental and social sustainability into our supplier management system, engaging and collaborating with our suppliers to drive best practices and bring positive impact to our value chain.

PROCUREMENT MANAGEMENT

SUSTAINABLE SUPPLY CHAIN



# Procurement Management

## Why It Matters

Effective procurement management is essential for WuXi Biologics to ensure we meet customer demands in a timely manner and with the highest possible quality. We have implemented a rigorous supply chain management process — from initial vendor assessment and approval, and supplier risk assessment and fulfilment evaluation to annual audits and corrective plan implementation — with the goal of minimizing supply chain risks and scaling quality assurance.

## Our Approach

### Full Lifecycle Supply Chain Management System



### Supplier Admission

Together with strict product quality requirements and Good Manufacturing Practice (GMP) reviews, we conduct due diligence with respect to our suppliers’ qualifications and review sustainability performance through our supplier management process. To assure that our suppliers are operating in a responsible way, we also include social and environmental sustainability criteria in our supplier assessment forms and all supplier contracts.

Our criteria for admitting suppliers includes: establishing the required material and quality standards; ensuring that product conforms to national, industry and company standards; checking supplier’s production capacity and conditions, and quality assurance; confirming that after-sales service meets our requirements as well as supplier’s reputation and provision of quality service; prioritizing suppliers with low-carbon and environmentally friendly products, and those with a good record of corporate social responsibility.



### Supplier Audit

In 2023, we updated the design of our supplier audit system, which includes non-quality and quality audits. The non-quality audits, guided by PSCI<sup>5</sup> principles, assess ethical, environmental, and labor compliance, while the quality audits — conducted by our Quality Assurance team — focus on pharmaceutical GMP requirements. We conduct annual audits of our suppliers' facilities and processes, covering all significant suppliers as well as selected general suppliers. Our internally developed audit criteria enable us to comprehensively evaluate suppliers in terms of product safety and quality management, internal management, production reliability, and other factors. Manufacturers or distributors of raw material, as well as GMP service providers, are qualified only after being certified against our internal quality standards, which are in line with GMP requirements. Aside from auditing direct suppliers, we also test and certify all the raw materials we use to ensure they meet our quality standards, and we continue to monitor our raw material quality on an ongoing basis.

Our audits take the form of document audits and on-site audits to verify that a supplier's production and operation are responsible and meet our expectations. In response to audit findings, we may instruct our suppliers to devise targeted correction plans, and track their implementation for additional quality management. Suppliers who fail to pass the audit twice are blacklisted.

### Supplier Engagement

We have established an open and constant communication mechanism with each supplier, sharing with them the latest standards and updates, as well as providing any needed support during day-to-day business. We organize regular strategic, technical, and operational meetings with suppliers, helping them to improve their efficiency and quality of delivery.

To drive innovation and industry development, we once again held a Supply Chain Innovation Day in 2023 in cooperation with our strategic suppliers, covering various topics such as cutting-edge technology and innovation case studies.

### PROCUREMENT MANAGEMENT

#### SUSTAINABLE SUPPLY CHAIN

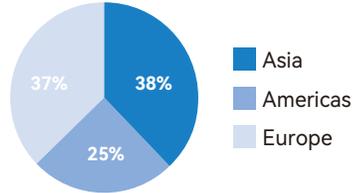
### Supplier Classification

We screen all approved suppliers and then classify them as either significant (including strategic and preferred) or general suppliers, identifying them by procurement volume, nature of the procured item, and substitutability. Sector-specific and commodity-specific risks are also considered in the screening process for significant suppliers. We have implemented various management approaches — based on the classification — for effective supplier management.

Supplier Classification and Management			
Category	Significant Suppliers		General Suppliers
	Strategic Suppliers	Preferred Suppliers	
Key Features	<ul style="list-style-type: none"> <li>High purchasing volume</li> <li>Provide critical component(s)</li> <li>Provide multiple categories of products/ services</li> </ul>	<ul style="list-style-type: none"> <li>Cooperation time is more than one year</li> <li>No major quality complaints</li> <li>Selected through competitive bidding</li> </ul>	<ul style="list-style-type: none"> <li>Comply with supplier admittance process</li> <li>Pass quality audit</li> </ul>
Extent of Management	<ul style="list-style-type: none"> <li>Monthly performance evaluations</li> <li>Quarterly quality and technical exchanges</li> <li>Biannual leadership team communications</li> <li>Ongoing strategic synergy and relationship management</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly performance evaluation</li> <li>Annual due diligence and risk assessment</li> <li>Ongoing business continuity risk management</li> <li>Ongoing procurement cost management</li> <li>Ongoing alternative supply development</li> </ul>	<ul style="list-style-type: none"> <li>Day-to-day supply management</li> <li>In major event cases, activation of risk substitution strategy</li> </ul>



### Supplier Geographical Distribution by Spend



### Supplier Management

WuXi Biologics' Supplier Dynamic Performance Management system employs a standardized scoring method for ongoing management. It facilitates real-time updates of online material inventories and e-catalog purchasing, allowing for immediate tracking of supplier performance. In addition, this system incorporates the Supplier Exception Recording System, comprising three stages: information input, proposal confirmation and supplier feedback. The proposer provides a factual statement about an exception and submits a request, and the supplier management staff categorizes these exceptions and monitors the resolution process. Procurement staff are responsible for liaising with suppliers regarding

the exception and managing their performance. Results from the exception recording system contribute to the overall Supplier Daily Dynamic Performance Management system, which is subject to real-time updates. This system ensures active engagement and support for suppliers, reinforcing efficiency and quality in our supply chain.

### Supplier Continuity

Ensuring supply chain continuity remains one of our top priorities, and we consistently maintain our multiple-sourced procurement and safety stock. To safeguard a steady supply source, we have established an effective inventory strategy by proactively assessing and classifying high-risk materials and suppliers. For those identified as high risk, we apply a dual-sourcing plan to keep backup vendors available in our supplier pool.

Indicator	Unit	2023
Total number of significant suppliers in Tier 1 <sup>6</sup>	Number	92
Percentage of total spend on significant suppliers in Tier 1	%	78

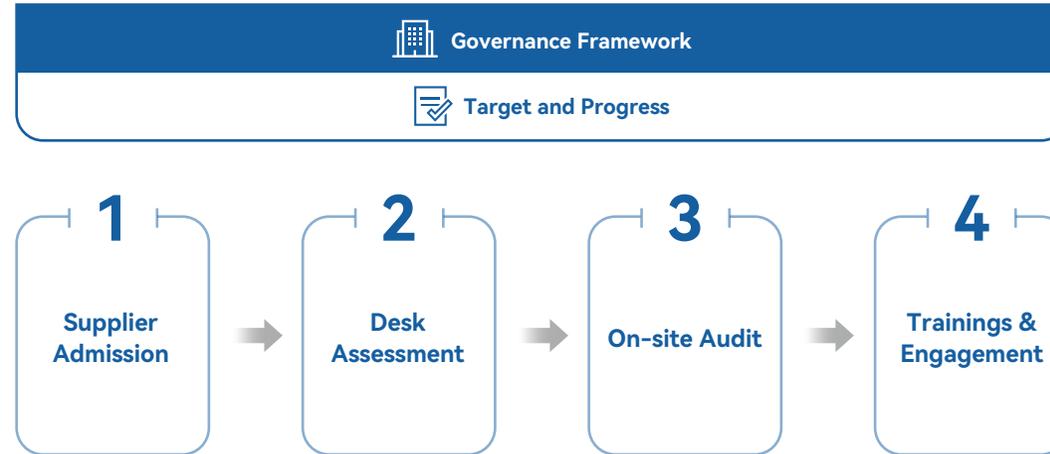


# Sustainable Supply Chain

## Why It Matters

An inclusive, responsible, and resilient supply chain is key to the long-term success of our business. We are working to embed sustainability in all our business dealings through continuing collaboration with our suppliers. With ongoing training, communication, and sustainability programs, we aim to promote environmentally and socially responsible practices within our value chain.

## Principles



WuXi Biologics strives to conduct business with partners who share our commitment to high ethical standards and who operate in a socially and environmentally responsible manner. We developed responsible purchasing principles, and, when admitting and assessing prospective suppliers, we consider their sustainability performance — among other factors — to ensure alignment with our responsible supply chain principles. We also include environmental sustainability criteria as part of our selection process, prioritizing suppliers with low-carbon and environment-friendly products.

### Governance Framework

To further advance our social and environmental commitments, we published the *Code of Business Conduct and Ethics of WuXi Biologics Business Partner* and updated a series of procurement-related policies, such as *WuXi Biologics Procurement Policy* and *WuXi Biologics Supplier Management Standards* with more detailed requirements regarding business ethics, anti-bribery and corruption, labor and human rights, health and safety, environmental protection, quality control, and an overall compliance management system.

In 2023, we updated our *New Supplier Introduction Management Procedure*, mandating new suppliers to sign the *Code of Business Conduct and Ethics of WuXi Biologics Business Partner*, and introducing a stringent trade compliance assessment to ensure integrity and compliance in our supply chain. During our collaboration, we continually supervise their compliance through audits and risk assessments. The supplier ESG programs are under the oversight of the Board and reviewed by management quarterly.

Throughout the lifetime of our relationship with all suppliers, we seek to keep them well-informed of our internal policies and standards, and ensure that their conduct meets our expectations. We communicate and emphasize our anti-bribery and corruption requirements to all business partners and ensure that they fully acknowledge and comply with our policies by signing the *Code of Business Conduct and Ethics of WuXi Biologics Business Partner*.



## Target and Progress

We have established and included suitable sustainable supply chain targets in our procurement-related policies, guiding the Company towards a more transparent, ethical, and responsible supply chain.

Target	2023 Progress
Require that all new suppliers sign the <i>Code of Business Conduct and Ethics of WuXi Biologics Business Partner</i> .	100% new suppliers and all existing significant suppliers have signed.
Conduct an annual sustainability risk assessment that covers at least 75% of the entire supplier base by spend.	All significant suppliers were included in the 2023 sustainability risk assessment, covering 78% of the entire supplier base by spend.

## Approach

### Supplier Admission

Our criteria for admitting suppliers reflect our firm commitment to a sustainable supply chain. Sustainable background investigation is mandatory in the supplier selection process to understand suppliers' ESG performance. We prioritize suppliers who have demonstrated strong ESG performance, such as suppliers that adhere to high business ethics standards, empower their employees through trainings and benefits, and provide healthy and safe working environments.

We incorporate a questionnaire to assess supplier diversity, including their ownership, employment structure, business type, and DEI policies. We actively engage in business cooperation with a range of small and middle-size suppliers, enabling them to provide products and services to WuXi Biologics. In addition, we conduct due diligence for new business partners — suppliers, contractors, and consultants — regarding their business ethics, including anti-bribery and corruption.

### Risk Assessment

We actively identify, assess, monitor, and mitigate suppliers' sustainability risks through desk assessments with systematic verification of evidence. In 2023, we conducted a supplier sustainability risk assessment by sending questionnaires to all of our significant suppliers, covering 78% of our entire supplier base by spend. The four major areas of assessment were business ethics and anti-bribery & corruption, labor and human rights, environment and climate change, and sustainable procurement. We applied customized metrics to evaluate suppliers' policies, actions, and performance in the four major areas, and provided audit feedback and improvement plans to targeted suppliers.

### Supplier Sustainability Risk Definitions

Level of Risk	Descriptions
Low Risk	<ul style="list-style-type: none"> <li>Structured and proactive CSR management</li> <li>Detailed policies and tangible actions in place on major ESG issues</li> <li>Evidence of implementation</li> <li>Performance and actions around ESG indicators fully disclosed</li> </ul>
Medium Risk	<ul style="list-style-type: none"> <li>Structured and proactive CSR management</li> <li>Detailed policies and tangible actions in place on major ESG issues</li> <li>Performance and actions around ESG indicators partially disclosed</li> </ul>
High Risk	<ul style="list-style-type: none"> <li>Lack of policies or actions on ESG issues</li> <li>Evidence of serious misconduct in specific areas (e.g., pollution, corruption)</li> </ul>

**Measures to Improve Supplier's Sustainability Performance**

	High Risk	Medium Risk	Low Risk
Sign the <i>Code of Business Conduct and Ethics Commitment of Business Partners</i> and the <i>Integrity Agreement for Cooperation</i>	✓	✓	✓
Participate in annual sustainability risk assessment (desk or on-site) carried out by referencing PSCI principles.	✓	✓	✓
Participate in supplier on-site assessments conducted by contracted consultants or an independent accredited auditing body	✓	✓	✓
Participate in our training and communications	✓	✓	✓
Strengthen ESG performance through corrective action or improvement plans	✓	✓	

Indicator	Unit	2023
Total number of suppliers assessed via desk assessments	Number	92
Percentage of suppliers assessed via desk assessments by spend	%	78
Number of suppliers assessed that had potential negative impacts	Number	15
Percentage of suppliers that had potential negative impacts and agreed to corrective improvement plan	%	100
Number of suppliers that had substantial potential negative impacts and were terminated	Number	0
Total number of suppliers supported in corrective action plan implementation	Number	3

PROCUREMENT MANAGEMENT

**SUSTAINABLE SUPPLY CHAIN**



100%

Targeted suppliers with contracts that include environmental and social clauses

100%

New suppliers and targeted suppliers that have signed the *Code of Business Conduct and Ethics of WuXi Biologics Business Partner*

100%

Procurement staff trained on sustainable procurement

### On-site Audit

Based on the risk assessment results, we engaged as necessary with suppliers through detailed on-site audits, training and education, and, if needed, established effective remedial action plans to improve their sustainability performance. We provided suppliers with remote or on-site support for the implementation of corrective or improvement actions, and offered one-on-one technical assistance to build capacity before reassessing and checking for improvements.

In 2023, guided by PSCI principles, we conducted the on-site audit of a strategic supplier. This comprehensive assessment covered five critical dimensions: labor and human rights, health and safety, management systems, environment, and ethics.

### Trainings and Engagement

#### Supplier Engagement and Development

Based on the supplier performance evaluation, we actively engaged suppliers with sustainable capacity-building programs, including training on quality assurance as well as our supplier ESG program, process and sustainable requirements. We offer various training to all suppliers on an annual basis to help them refine their quality management. We also proactively share our peers' benchmark and best practice of ESG governance to help empower our suppliers for continuous improvement. In 2023, we conducted two engagement meetings with our strategic suppliers during which we exchanged insights on ESG performance requirements and sustainable technologies.

#### Empowerment of Procurement Personnel

Training for buyers and internal stakeholders is essential for the effectiveness of our sustainable supply chain management system. We integrated the sustainable supply chain targets into the performance evaluation of our procurement personnel. Training programs on sustainable purchasing are provided annually to all procurement personnel to ensure their understanding of social and environmental issues, and how those issues are factored into our procurement process.

Indicator	Unit	2023
Percentage of procurement personnel trained on sustainable procurement	%	100



# GIVING BACK TO SOCIETY



As a responsible corporate citizen, WuXi Biologics always strives to advance equity and opportunities for our clients, employees, and the communities we reach, while creating broad value to society. We aim to fulfil our clients' expectations, empower our people, and serve our communities through technology and innovation.

<b>Enabling Clients</b>	53
<b>Empowering Our People</b>	59
<b>Fostering Communities</b>	75



# Enabling Clients

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## The Big Picture

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As a leading global open-access biologics technology platform, WuXi Biologics offers end-to-end solutions and technologies to empower our clients to bring ground-breaking therapies to people in need. We regard our clients as an indispensable part in shaping our sustainable development strategy, and strive to provide our clients with the most comprehensive capabilities.

QUALITY MANAGEMENT

CLIENT ENGAGEMENT



# Quality Management

## Why It Matters

Quality is a core value embedded in our culture to assure that the biopharmaceutical products manufactured at WuXi Biologics are of the highest level of efficacy and safety as per our clients' expectations. For our global partners, our commitment to premier world-class quality is key to enabling hundreds of biologics to enter the different stages of clinical trials and the market.

## Management Structure and Policies

Quality is the hallmark of WuXi Biologics. We have developed a unified *Global Quality Manual* that provides the basis for 38 Quality Standard Guidelines and thousands of Standard Operating Procedures. We detail our commitment to an effective and modern Pharmaceutical Quality System (PQS) and the highest standards of product quality and safety. The PQS assures the quality of the products and services provided to our clients, and ensures the excellent execution of all production-related activities. Additionally, it provides guidance towards achieving our quality objectives of maintaining product quality, product safety, compliance, and customer satisfaction, while minimizing inefficient practices as well as failure costs.

WuXi Biologics has established a Quality Governance framework to guarantee transparency of quality issues at all levels of management. Quality information is systematically and continually gathered, and reported at periodic quality review meetings, with potential risks promptly identified and escalated. Our Chief Quality Officer takes the leading role in ensuring effective and comprehensive implementation of our quality system, supported by the five forces of our quality management system.

At each global/regional organizational level, the quality lead chairs a cross-functional Quality Committee to review quality and compliance. At the site or facility level, information is escalated to senior management from various Specific Quality Review Committees. Quality Governance establishes clearly delineated management responsibilities, along with efficient reporting and escalation across local, regional, and global scales.

### The Five Forces of the WuXi Biologics Quality System

Global Quality Compliance	Quality Assurance	Quality Control	Training Center	Regulatory Affairs
Ensures consistency in quality protocols and practices across sites and departments	Ensures products meet the requirements for registration and use	Produces high-quality data to ensure the Company's product quality	Implements trainings and programs under strict compliance requirements	Provides clients with the best drug application strategies to ensure product safety, efficacy, and quality

## Our Approach

### Global Quality System

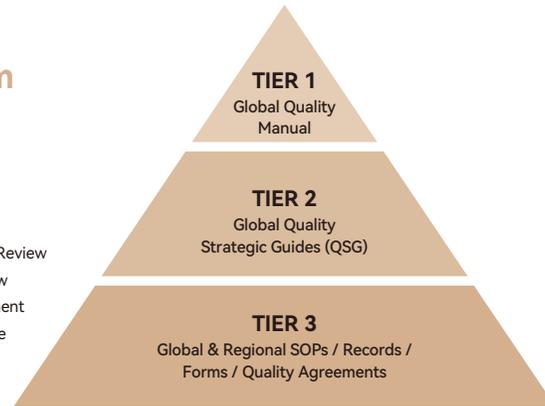
To ensure safe and efficacious biotherapeutics and vaccines, global manufacturing regulatory agencies provide drug manufacturers with a comprehensive set of guidelines and regulations that covers all aspects of product development and manufacturing. Meeting these guidelines and regulations is the utmost priority for WuXi Biologics, and we commit to the highest level of production quality in accordance with GMP requirements.



## One Global Quality System

### Key Components of the WuXi Biologics Quality System:

- Documentation Management
- Personnel and Training
- Supplier Management
- Deviation/OOS Management
- Change Management
- Data Integrity
- CAPA
- Audit and Inspection
- Risk Management
- Quality Management Review
- Annual Product Review
- Compliance Management
- Regulatory Intelligence



Our comprehensive Global Quality System was established based on GMP requirements and governs 100% of our manufacturing operations globally. It has been audited by multiple regulatory agencies including, but not limited to, the FDA, EMA, NMPA, PMDA, MFDS, HSA, ANIVSA, HPRA and Health Canada.

The key components of our quality system are quality risk management, quality control, quality inspection and certification, and quality training.

### Quality Risk Management

Quality risk management is an integral part of our Global Quality System, and is embedded throughout the full product lifecycle at all our R&D and manufacturing sites. We have established a Quality Risk Management (QRM) system in accordance with the guidance of GMP, and it is a systematic process for the assessment, control, communication, and review of risks related to the quality of the medicinal products. The evaluation of quality risks is based on scientific knowledge and experience with the process, and is ultimately linked to the protection of patients.

### QUALITY MANAGEMENT

CLIENT ENGAGEMENT

We closely monitor product quality, safety performance and the related metrics, and conduct rigorous investigations of any deviations, findings from self-inspections or external inspections, complaints, and recalls. We strictly follow a series of SOPs on product recall and the deposition of recalled products. An appropriate level of root-cause analysis is applied during the investigation of deviations, suspected product defects and other issues, as determined by our QRM principles. Corrective and/or preventive actions are identified and taken in response to investigations, and the effectiveness of such actions is monitored and assessed to assure alignment with our QRM principles.

### Quality Control

WuXi Biologics has a systematic quality control process with robust in-house quality testing capabilities, supported by quality control laboratories located around the world. This helps enhance our quality through regular precautionary testing for emerging quality/safety concerns in all products and services, and includes such aspects as raw material testing, in-process testing, process control and validation, product release testing, and stability testing for biologic products. In addition, we provide information regarding potential health and safety impacts in products and services through our quality risk management process, a systematic process for the assessment, control, communication and review of possible risks to the quality of the product across the product lifecycle.

### Quality Inspection and Certification

Our globally unified quality standards are based on GMP requirements, along with the guidelines of multiple regulatory agencies — such as NMPA, FDA and EMA — and company standard operating procedures. We conduct internal audits annually at all of our operating facilities in strict accordance with internal quality standards. Designated departments are involved to analyze audit results, develop appropriate solutions, and implement improvement measures in coordination with the on-site quality assurance and quality control departments.



## Supplier Quality Management

We review all material for our GMP service suppliers before their admission. Quality certification includes examining their qualification documents, conducting quality questionnaires and signing a quality agreement.

### Measures for Suppliers in Various Categories

Audit and Communication	Daily Quality Management	Material Certification
<ul style="list-style-type: none"> <li>Conduct on-site audits for key suppliers to confirm the compliance of relevant quality systems and our requirements and needs.</li> <li>Provide our quality regulations and requirements.</li> <li>Share better practices with suppliers.</li> </ul>	<ul style="list-style-type: none"> <li>Manage supplier daily quality performance and changes through supplier compliant process, supplier performance evaluation and supplier change notification evaluation.</li> <li>Initiate supplier causal audit for quality issues if necessary.</li> <li>Establish regular communication mechanism with strategic suppliers.</li> </ul>	<ul style="list-style-type: none"> <li>Confirm the Certificate of Analysis (CoA), TSE/BSE Certificate, Nitrosamine Impurities and Melamine free certificate (if necessary according to FDA requirements).</li> <li>Collect information on biosafety and sterilization process on a continual basis.</li> </ul>

## Quality Training

Building a quality-focused company culture is vital for deploying quality standards and regulating day-to-day operations. Our Training Center is responsible for implementing training policies, developing the annual training plan, and conducting the training programs. In-depth quality trainings include job-specific training and product quality practice promotion, among others, and the trainings are applied to all employees — including full-time and part-time — as well as contractors.

New employees in R&D, production, quality, and other related positions receive training on GMP, production and quality control, along with hands-on laboratory practice. Annual trainings and up-skilling trainings are offered to existing employees for quality knowledge updates. All employees can access online courses through the iGrow training platform to continually improve quality awareness. We also use Virtual Reality (VR) training to facilitate training on the Operation and Cleaning of the Biowelder/Biosealer, making the practicing process repeatable and observation more immersive. In addition, we cooperate with a third-party partner to provide fresh and diverse training programs for our employees. In 2023, we provided trainings on production processes, quality testing and process development with our partner.

To help ensure the continued effectiveness of our quality training, we have strict rules for the preparation and evaluation of each quality training, and require that each training be followed by examinations, data collection, survey feedback, reports generation, and record archiving.

## QUALITY MANAGEMENT

### CLIENT ENGAGEMENT

### Continuous Training Framework

All employees also receive periodic continuous trainings to maintain, review and reinforce their knowledge and skills on product quality, including the annual GMP training, routine training and annual On the Job Training (OJT).

Type	Objective and contents
Annual GMP Training (Covered 5,300 employees across sites)	<ul style="list-style-type: none"> <li>• Ensure employees have clear understanding of GMP requirement and cGMP guidelines.</li> <li>• Mandatory for employees performing GMP relevant work.</li> </ul>
Routine Training (Covered 8,000 employees across sites)	<ul style="list-style-type: none"> <li>• Ensure employees grasp newly formulated or revised knowledge-based documents.</li> </ul>
Annual OJT Training (Covered over 900 employees at the Wuxi site)	<ul style="list-style-type: none"> <li>• Provide periodic training and assessment for certain qualifications and skills requiring re-confirmation.</li> </ul>

### Quality Certification Training

We provide trainings to facilitate employees obtaining certifications related to quality management.

Deviation training is designed to provide trainees with a comprehensive understanding of deviation handling procedures, including reporting, evaluation, investigation, grading, approval, closure, and revision processes. Through a combination of online instruction and offline case studies, the training aims to prepare participants with the necessary qualifications to effectively investigate deviations.



The Trainer Qualification Program (TQP) is designed to train and certify production OJT trainers. The program created a standardized training model, combining with GMP standards and requirements, and comprises four stages: project launch, technical training, soft skills training and final evaluation.



# Client Engagement

## Why It Matters

Candid engagement facilitates mutual understanding between clients and WuXi Biologics, and we can better leverage client input to address any issues or concerns in a timely manner and deliver value more effectively throughout the collaboration journey. We aim to build trust and strengthen relationships with our clients, which leads to improved outcomes and higher levels of satisfaction.

# 89.2

Customer satisfaction rate

QUALITY MANAGEMENT

CLIENT ENGAGEMENT 

## Our Approach

We are committed to delivering the best product and service experience for our worldwide clients with speed, flexibility, and quality. To achieve this, we monitor client satisfaction, maintain communications, and follow rigorous recall procedures. We also practice dual sourcing and multi-sourcing of materials globally to meet client demands, improve stability of supply, and fulfill client expectations.

### Customer Satisfaction

To effectively gather feedback from our clients, we conduct customer satisfaction surveys and carefully review the results every year. In 2023, with the survey focused on those customers who account for over 74% of revenue, our overall customer satisfaction rate reached 89.2, exceeding the 2023 target of 82.

## Voice of Clients

“ I have worked with 12 CMOs over the past six years. WuXi Biologics’ quality standard and adherence to the schedule are truly outstanding. WuXi Biologics’ team is very flexible and goes the extra mile to meet schedule requirements.”

“ The best team that I have ever worked with in my 40-year career. It is very special and rare in the industry to have so many projects going on at the same time but WuXi Biologics makes it happen.”

“ Far beyond our expectations. We expect to pay for services but were surprised at the level of commitment and collaboration that was included — hard to achieve in a tough year.”

“ Someone asked me my thoughts of WuXi Biologics. I said it’s very difficult for other companies to compete with the one that says yes all the time.”

### Client Communication and Feedback

Maintaining communication with our clients is an important way to help us improve the quality of our services, and we have set up complaint channels for receiving their feedback. We require that product complaints be investigated in a timely manner by qualified and trained individuals, that investigations be documented with a written report, and that appropriate actions be taken as a result of an investigation. Complaints are reviewed periodically to detect trends that might suggest changes needed to improve product quality or operational processes.

In 2023, we received and properly addressed three client complaints related to the products and services we provide. We reviewed the causes, strengthened communication between relevant suppliers, and prevented recurrence via internal training, the upgrading of the relevant documents or SOPs, and in specific instances, the filing of supplier complaints.

### Product Recall Process

As a Contract Manufacturing Organization, WuXi Biologics is responsible only for releasing products to our clients, who then release the products to the market. Product recalls are not initiated by WuXi Biologics, but we actively cooperate with clients in the event of recalls and we have established effective product recall processes to respond to potential product quality incidents. Different scenarios and levels of recalls are specified to ensure timely and appropriate response. In addition, to improve our resilience to product recall, we conduct mock recalls annually and invite clients to participate.

While we actively work to prevent product quality and safety incidents, in the event of non-compliance, we will publicly report on product/service safety issues to protect our clients and maintain transparency. In 2023, no product recalls occurred.

### Meeting Client Needs with Flexibility

To deliver projects at the fastest speed with the highest quality, we deploy a Global Dual Sourcing manufacturing strategy with built-in contingency plans and mitigation controls. With facilities located in the United States, Ireland, Germany, Singapore, and China, our biomanufacturing capacity is able to meet the growing needs of our clients worldwide, while ensuring a robust global supply chain.



# Empowering Our People

EMPLOYMENT COMPLIANCE

DIVERSITY, EQUITY, AND INCLUSION (DEI)

TALENT DEVELOPMENT

EMPLOYEE ENGAGEMENT

OCCUPATIONAL HEALTH AND SAFETY

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## The Big Picture

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The WuXi Biologics team comprises highly dedicated and experienced talents, who are our greatest asset and help maximize our competitive advantage. The well-being and growth of our employees is invaluable to our business and sustainability strategy. By fostering a welcoming and respectful atmosphere, we remain dedicated to creating a diverse, equitable and inclusive workplace for all employees.



# Employment Compliance

## Why It Matters

Productive employment and decent work are fundamental to sustainable growth. WuXi Biologics is committed to providing all employees with a fair, just and sustainable work environment. We strive to create an inclusive and supportive environment where employees are treated with dignity and respect, and are free from inappropriate behaviors such as bullying, harassment, and discrimination.

## Policy and Commitment

WuXi Biologics firmly upholds the principles and values laid out in the *United Nations International Bill of Human Rights* (consisting of the *Universal Declaration of Human Rights* and its associated covenants), the International Labor Organization’s *Declaration on Fundamental Principles and Rights at Work and its Follow-up*, and the *UN Guiding Principles on Business and Human Rights*. Our *Code of Business Conduct and Ethics* serves as the overarching policy that guides everything we do. Additional requirements regarding recruitment and employment align with regional and country guidelines where we operate.

The policies are available in relevant languages and communicated globally to all employees. Additionally, we provide training sessions that address discrimination, harassment, and other forms of misconduct, as well as sessions on other human rights issues, to emphasize our zero-tolerance stance.

## Our Approach

### Talent Acquisition

WuXi Biologics believes that transparency in the hiring process helps attract high potential talents. We are committed to diversifying our hires and maintaining a fair and equitable recruitment process, during which our standards are communicated to all candidates in a transparent manner. Our hiring team is made up of recruiting

managers and interviewers from diverse backgrounds. We evaluate candidates objectively and use standardized methods to ensure that we consider only their competence and individual merit. We treat every applicant equally, and do not discriminate on the basis of ethnicity, gender, race, region, religion, form of employment, or any other factors.

We conduct annual talent reviews and human capital risk assessments to identify current workforce skill gaps, forecast talent supply and demand, and establish talent pipeline strategies. Starting in 2023, we launched the Successor Assessment Project across selected business units. This initiative encompasses talent assessments, providing business teams with the resources they need to evaluate the capabilities and readiness of their talent. The program serves as a valuable supplementary tool for our talent reviews, enhancing our ability to effectively identify and meet our internal succession needs. Our HR Dashboard and HR Analytics Platform are used to facilitate these processes.

In 2023, the Company’s recruitment team made a conscious effort to expand its global recruitment channels, identify key job directions, and design talent community projects to recruit experts with diverse backgrounds. We have developed various channels to find new hires, including campus recruitment seminars, online recruitment, talent recruitment fairs, internal referrals, and internal transfers.

## Seeds Program

The Seeds Program is our flagship internship program that offers practical training opportunities to university students and full-time positions to top performers. We have formed long-term partnerships with over 30 universities to recruit interns. The Seeds Program lasts from 3 to 6 months, during which we offer systematic and comprehensive learning roadmaps along with tailored training plans. In 2023, the Seeds Program effectively converted the majority of its participants into permanent roles via internal rotations, while continuing to nurture ties with partner educational institutions, culminating in the signing of new collaborative agreements.

## Elite Program

At WuXi Biologics, the Elite Program is designed to cultivate high-potential talents at the beginning of their careers and develop them into future leaders in the biopharmaceutical industry. This is achieved through job rotations, individual development plans, mentor coaching, and a combination of online and offline training methods. These activities help elite trainees solidify their professional and management skills, and develop the ability to handle responsibility and withstand pressure. As a result, elite trainees experience rapid growth in their careers through this program. In 2023, we organized the “Experts Campus Tour” event globally for the first time. So far, we have conducted four online promotional events in Europe, the United States, Singapore, etc.

### EMPLOYMENT COMPLIANCE

DIVERSITY, EQUITY, AND INCLUSION (DEI)

TALENT DEVELOPMENT

EMPLOYEE ENGAGEMENT

OCCUPATIONAL HEALTH AND SAFETY



## Human Rights Protection

We continue to make progress in expanding our efforts to ensure respect for human rights in five priority areas: labor practices; diversity, equity, and inclusion; occupational health and safety; environment protection; and data privacy. As part of those efforts, we updated the *Employee Handbook* by revising and supplementing the employee code of conduct, personal information protection and reporting procedures. We openly solicited employee feedbacks during the policy updating process. In addition, we proactively updated our onboarding management manual by refining the information review process to prevent the employment of child labor and establishing precautionary remedial protocols. We have also updated our *Whistleblowing and Investigation Policy* regarding the division of responsibilities and management rules for the investigation departments.

## EMPLOYMENT COMPLIANCE

DIVERSITY, EQUITY, AND INCLUSION (DEI)

TALENT DEVELOPMENT

EMPLOYEE ENGAGEMENT

OCCUPATIONAL HEALTH AND SAFETY

Human rights topics were covered as part of the two main assessment processes: annual corporate risk assessment and ESG materiality assessment. Additionally, we take proactive measures to identify, assess and mitigate potential risks<sup>8</sup> across our value chain, new business relationships, and other activities related to our business. We also involve internal expert teams to conduct targeted due diligence during any mergers and acquisitions (M&A) transaction process. Relevant stakeholders are considered and particular attention is paid to groups that are widely regarded to have a heightened risk of vulnerability<sup>9</sup>. We engaged with a wide range of internal and external stakeholders to identify and assess the issues covered in these processes and maintain continuous communication and response mechanisms.

Employee rights protection is an indispensable element of a fair and equitable workplace. Our Human Resources Department has implemented a range of actions to enhance fair labor practices in our operations and create a respectful and just working environment for our employees, where we prohibit illegal employment, respect freedom of association, promote equality and decency, monitor risks or violations concerning human rights, and maintain a healthy and harassment-free workplace.

We maintain a zero-tolerance policy regarding illegal employment, including child labor and forced labor, and any form of discrimination and harassment. We advocate the principle of “openness, transparency, and proactive communication” through our PROUD<sup>10</sup> culture, encouraging our employees to express their opinions. To report misconduct, policy violations, or inappropriate behaviors that are detrimental to a healthy workplace culture, including but not limited to discrimination, sexual harassment and improprieties, employees can use various public channels provided by the Company or directly to their immediate supervisors and the Human Resources Department. The Company will conduct a comprehensive investigation while guaranteeing anonymity and prohibiting any form of threat or retaliation against the reporter.

At WuXi Biologics, we are committed to offering equal remuneration, guaranteeing minimum living wages, and providing fair and competitive pay and benefits. Salaries are reviewed on a regular basis to keep up with market trends, and staff are rewarded based on their performance and contribution. For extra or out-of-hours work, we pay overtime or offer reasonable time off. We also make an effort to promote the work-life balance of our employees and reduce excessive working hours.

We strive to prevent human rights violations, and are committed to identifying risks and implementing actions to eliminate, isolate or minimize the risk of harm through continuous monitoring and internal auditing. Any suspected human rights concerns or violations can also be reported through our confidential grievance reporting and escalation channels, which are publicly available and have been broadly introduced to both internal and external stakeholders. All reported violations are subject to a thorough and timely investigation, and actions are taken for prevention, mitigation and remediation. In 2023, there were no human rights violation incidents reported.



# Diversity, Equity, and Inclusion (DEI)

## Why It Matters

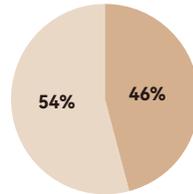
At WuXi Biologics, we believe that a diverse and inclusive workforce is essential for fostering new ideas, perspectives, and developing solutions that can make positive impacts on our clients and patients worldwide. We are committed to providing an equal and inclusive environment for talents with different backgrounds, and enabling every employee to reach their full potential.

## Management Structure and Policies

WuXi Biologics has established a robust DEI governance structure and ecosystem, integral to our commitment to inclusivity and equitable practices. Our Board of Directors plays a critical oversight role by conducting an annual review of our DEI strategy and its execution. The founding of the DEI Committee in 2023 brought together representatives from various departments and regions to steer DEI objectives and monitor initiatives. Our global DEI taskforce concurrently champions diverse initiatives throughout the Company, supported by dynamic, employee-driven DEI communities, including localized Women in STEM (WiSTEM) committees, which drive employee participation and bolster our collective DEI efforts.

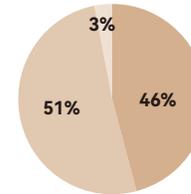
Our *WuXi Biologics Diversity, Equity, and Inclusion Policy* clarifies and reinforces the importance of DEI in our workplace. We provide mandatory training to all employees on our DEI Policy, covering topics such as workplace DEI culture, anti-discrimination and anti-harassment measures, human rights, employee well-being, and the available reporting channels. In 2023, we offered a variety of awareness training sessions to educate, influence, and inspire positive behaviors throughout the Company. These included a session titled “Build an Inclusive Workplace” that underscored our strong stance against discrimination or harassment, offering practical steps to create a welcoming work environment. Additionally, we held a session led by an external coach on how male allyship can further advance a collaborative culture.

Employees by Gender



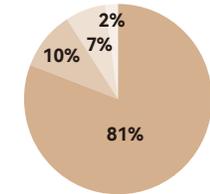
- Male
- Female

Employees by Age



- Under 30
- 30-50
- Over 50

Employees by Job Level



- General Staff
- Primary Management
- Middle Management
- Senior Management

EMPLOYMENT COMPLIANCE

**DIVERSITY, EQUITY, AND INCLUSION (DEI)**

TALENT DEVELOPMENT

EMPLOYEE ENGAGEMENT

OCCUPATIONAL HEALTH AND SAFETY



47%

Percentage of female in managerial positions

53%

Percentage of female in STEM-related positions

## Our Approach

### Equitable Opportunities

WuXi Biologics believes in building inclusive environments where everybody has the opportunity to thrive. We actively seek to hire diverse talents, and we ensure equitable opportunities are available to all<sup>11</sup>. This contributes to our business excellence and drives our diverse and inclusive culture into every corner of the Company.

WuXi Biologics has set targets to ensure that women comprise 50% of our overall workforce and to achieve that 45% of managerial positions are held by women across our global operations. To reach these goals, we have undertaken several initiatives and actions including the global WiSTEM program. In 2023, the percentage of female in managerial positions reached 47%, outperforming our target of 45%.

Another aspect of the active role we take in fulfilling our corporate social responsibility is the assurance of equal opportunities and benefits for our employees with disabilities, akin to their colleagues, which includes comprehensive insurance coverage. We are also proud to partner with non-profit organizations that advocate disability rights, reflecting our inclusive ethos. Currently, 0.8% of our employees are people with disabilities. For their safety and convenience, we have designed and set up accessible facilities at each of our sites, such as elevators, entrance ramps, and designated parking.

EMPLOYMENT COMPLIANCE

DIVERSITY, EQUITY, AND INCLUSION (DEI) 

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## Women in STEM

Acknowledging the invaluable contributions of women in STEM fields, WuXi Biologics continued its commitment through 2023 with our WiSTEM program, initially launched in 2022 by our CEO, Dr. Zhisheng Chen, to elevate and motivate our female workforce. As we review the past year, it is noteworthy that women held 53% of STEM roles at WuXi Biologics by the end of 2023, reflecting our focused efforts on gender parity in the industry.

During Women's Month in March 2023, our DEI taskforce launched a series of initiatives to support women in STEM, including a WiSTEM survey, online training, and forums with female leaders and male allies in various STEM fields. In the U.S., we hosted a WiSTEM Panel Discussion with influential Function Leaders, and in Ireland, we invited an esteemed executive coach, to speak on enhancing collaboration through male allyship. These efforts culminated in the creation of our global WiSTEM community, offering women at WuXi Biologics the opportunity to connect, share, and progress within their careers. In March 2024, our quarterly DEI Read & Share gathering celebrated International Women's Day, focusing on women's narratives. Guided by a management mentor, participants engaged in book discussions that highlighted pivotal female contributions, evidencing our commitment to gender diversity and fostering a tightly-knit community.

At WuXi Biologics, we are not only celebrating advancements in our WiSTEM initiatives, we are shaping the future through a vibrant tapestry of programs blending education, hands-on experience, and mentorship to inspire women in science and technology. From the "Girls in STEM Science Camp" in Shanghai to interactive STEM kits for primary students in Ireland, and "Girls Day" activities in Germany, we strive to spark curiosity and showcase STEM careers up close. Our comprehensive approach includes mentor-led discussions, a scholarship program to support university students, and community-building through WiSTEM committees. These synchronized efforts across different regions emphasize our ongoing commitment to creating an inclusive and supportive environment where female talents can explore, learn, and thrive in their future careers.





56

Total number of employee nationalities

### Continuous Monitoring of DEI

Continuing our dedication to fostering an inclusive workplace, we persistently collect and analyze employee diversity data to measure our year-over-year progress. Our HR dashboard, a refined diversity tracking tool, allows for ongoing assessment, a crucial practice for implementing and enhancing diversity throughout the Company.

WuXi Biologics upholds the principle of equal pay for equal work, and strives to ensure equal wages for men and women who perform equivalent work. We not only perform an annual in-depth assessment on compensation data for continuous monitoring, but also conduct audits of our gender pay gap, analyze the audit findings, take follow-up actions, and disclose the metrics annually. The gender pay gap<sup>12</sup> was 8.0% in 2023.

### Cultural Mix Initiatives

As WuXi Biologics continues its rapid global expansion, we are drawing in a diverse talent pool from various cultural backgrounds, enriching our company with a plethora of ideas and perspectives. This diversity fuels our commitment to fostering a workplace where innovation flourishes and inclusive decision-making is commonplace. Our initiatives are tailored to promote collaboration, open dialogue, and mutual respect — a foundation where every individual can excel and contribute uniquely.

To navigate the complexities of international business and lead teams of diverse cultural backgrounds, we recognize the need for leaders with a global mindset. To address this, the Company has developed a bespoke “Becoming a Global Leader” program, which comprises three key modules: “Cross-Cultural Communication,” “Developing a Global Mindset,” and “Adapting to Change,” all aimed at nurturing such leaders. The program has attracted a significant number of participants worldwide and has achieved a high satisfaction rate, reinforcing our commitment to equipping leaders with the tools to manage diversity effectively.

Our cross-cultural celebration events emphasize the beauty of diversity. From Chinese New Year to St. Patrick's Day, each celebration is a showcase of our workforce's rich cultural heritage. By appreciating one another's backgrounds, we strengthen our sense of unity and belonging.

EMPLOYMENT COMPLIANCE

**DIVERSITY, EQUITY, AND INCLUSION (DEI)**

TALENT DEVELOPMENT

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# Talent Development

## Why It Matters

Talent development is essential for the growth and success of any organization. WuXi Biologics truly cares about and invests in our people, striving to develop a skilled and motivated workforce that is fully equipped to meet the challenges of the future. We inculcate a culture of continuous learning, where employees are provided with a variety of training programs and ongoing career development opportunities to help them grow professionally and succeed at work.

EMPLOYMENT COMPLIANCE

DIVERSITY, EQUITY, AND INCLUSION (DEI)

**TALENT DEVELOPMENT** ▾

EMPLOYEE ENGAGEMENT

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## Our Approach

### Employee Training

We believe that effective and comprehensive training not only improves employee and corporate performance, but also help retain top talents. We have built a thorough annual training and development plan in response to business demands, and established an efficient talent training and development system for all employees<sup>13</sup>. In 2023, we aimed for at least 95% satisfaction in our training programs and achieved an impressive average rate of over 96%.

WuXi Biologics' iGrow online learning platform — with multiple language options and covering our global employees — helps staff access relevant courses related to their career development and skill enhancement. The iGrow platform leverages resources from well-known training hubs<sup>14</sup> and learners can have access to other learning platforms for additional resources.

Our training program framework is detailed as the following:

Types	Trainees	Training Contents and Objectives
<b>Orientation</b>	All Employees	Within the first 12 months after onboarding, new employees will go through the New Employee Orientation (NEO) learning journey, including online and offline training on company culture, professionalism, and career story sharing from management. The comprehensive courses guides their career development, equips them with soft skills, helps them integrate knowledge with hands-on practice, and facilitates their personal growth and development.
	All Management	Within the first 6 months after onboarding, new leaders will join in the “Navigator Program” and gain a deep understanding of our culture, business model, different functions, and key focuses, as well as expectations for middle to senior leaders.
<b>Leadership</b>	All Employees	Leadership training for general staff focuses on self-awareness, project management, effective communication, and personal effectiveness, etc.
	Primary Management	Junior Level Leadership program is a blended learning journey designed to improve the management capabilities of junior managers. This program focuses on topics such as manager role change, performance management and team roles, effective communication, employee coaching & motivation, etc.
	Middle Management	Middle Level Leadership program is a blended learning journey designed to improve leadership of mid-level managers. This program focuses on the topics such as effective decision-making, self-management, leading high-performance team, leader as coach, influence by storytelling, etc.
	Senior Management	Through the Senior Level Leadership Program, leaders can develop a deep level of self-awareness by mindfulness, leader as coach training, and 1:1 coaching. This will help senior leaders to lead their teams more effectively and improve organizational capability, etc.



# 100%

Training Coverage

# 73

Average training hours per employee

Types	Trainees	Training Contents and Objectives
<b>Professional and Job-Specific</b>	Junior Specialist	On-the-job training and standard operating procedure training help technical staff adjust quickly and master core knowledge and technology.
	Mid-Level Specialist	Mid-level technical experts gain advanced knowledge and strengthen their project management skills so they can grow into technology-driven managers.
	Senior Specialist	Through training camps and programs, we enhance our specialists' drug research and innovation, enabling them to become experts in their fields.
<b>Educational</b>	All Employees	We encourage employees to obtain on-the-job graduate and doctoral degrees from partner universities to improve their professional skills. We also provide tuition support.
	All Employees	English and German learning opportunities are offered and tuition support is provided to encourage all employees to improve their language skills.
<b>General Skills</b>	All Employees	The iGrow online learning platform covers office skills, soft skills, and fundamental leadership skills. We have also conducted courses on technical sharing to foster an environment for knowledge exchange.
<b>Vocational</b>	All Employees	Employees in various functions are encouraged, with financial support, to undertake vocational training and obtain related occupational certificates.

## The “LEAP” Series Employee Development Training Program

In 2023, we continued to develop and refine our talent development program system, resulting in the creation of the LEAP talent development programs:

- L represents the “Leadership Transition Program”, which is designed for frontline managers to enhance their leadership skills, help them develop role awareness, and strengthen the reserve of mid-level management talent.
- E stands for “Elite Program”, a customized talent development project designed by the Company to foster the next generation of top talents in the industry and train future leaders.
- A is for the “Advancing Program”, which is designed for mid-level managers to build high-performing teams and enhance the organization's core strengths through leadership projects.
- P is for the “Pilot Program”, which is designed for senior level managers and focuses on leadership projects that achieve team and organizational change through self-awareness.

In 2023, approximately 140 targeted online and offline courses and seminars were offered. By the end of December, a total of 4,050 participants had participated in the leadership training projects, with a talent retention rate of 97%.

EMPLOYMENT COMPLIANCE

DIVERSITY, EQUITY, AND INCLUSION (DEI)

**TALENT DEVELOPMENT** ▾

EMPLOYEE ENGAGEMENT

OCCUPATIONAL HEALTH AND SAFETY



**Talent Retention and Promotion**

To effectively identify, develop, retain, and grow our talents, WuXi Biologics established a comprehensive individual performance management and review system.

In 2023, we implemented a matrix reporting structure with dotted-line managers for those relevant employees. During the annual performance goal-setting process, line managers, dotted-line managers and employees engage in in-depth discussions to establish performance goals. The setting of both team and individual performance goals are aligned with WuXi Biologics’ organizational strategy and operational objectives, and the Company’s key performance indicators are cascaded down to the teams and individuals.

During the annual performance review, we analyze each employee’s current competencies and develop an Individual Development Plan (IDP) that aligns with their personal career development targets and the Company’s organizational objectives. Multidimensional performance appraisals<sup>15</sup> are conducted on an annual basis that cover all employees. We determine key evaluation indicators based on job requirements and establish formal comparative ranking of employees. We have taken the necessary steps to spread an open-feedback culture throughout the Company, resulting in improved transparency and clarity during the employee appraisal process. We operate with a formal mechanism where managers provide feedback to their direct reports, and employees can also provide upward feedback about their supervisors.

During individual performance mid-year reviews, employees and managers review goals and progression and exchange feedbacks on performance areas that requires further improvement. Apart from regular reviews of team goals and personal goals twice per year, continuous conversations and feedback between employees and their line managers and dotted-line managers are required to keep track of progress and ultimately achieve the performance targets for both individuals and the organization. In 2023, 98% of employees received an annual review on performance and career development. The remaining 2% of employees, who had been with the Company for less than three months, were not subject to the annual performance review process.

EMPLOYMENT COMPLIANCE

DIVERSITY, EQUITY, AND INCLUSION (DEI)

**TALENT DEVELOPMENT** ▾

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**“The Ming Shi Tang” Internal Trainer Program**

“The Ming Shi Tang” Internal Trainer Program aims to promote a culture of learning and personal development. Structured around guided course instruction, annual empowerment activities, and ongoing curriculum development, this program equips our employees with the tools to excel and grow, and cultivates internal trainers to support the growth of individuals, departments, and the Company as a whole. By the end of 2023, a total of 88 internal trainers participated in this program, and 23 of them received the “Training the Trainer to Train” (TTT) certification within the year. Together, the program involved over 400 teaching hours, achieving an average satisfaction rate of 97%.

**WuXi Biologics Learning Month**

The event focused on four developmental dimensions: Achieving, Thinking, Self-Awareness and Relating. It revolved around four main themes: Business Insights, Breakthrough Thinking, Personal Development and Interpersonal Influence. The initiative was designed to educate employees on the latest business dynamics and technology trends; explain how to undertake company-wide business expansion, and the value of lean thinking for both the Company and individual employees. During the event, more than 3,100 employees participated in live online broadcasts, while more than 1,600 employees engaged in reviewing through recorded videos. The overall learning experience satisfaction rate was 96%.



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# 93.11%

Talent retention rate<sup>16</sup>

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# 12,740

Number of employees

To empower our talents to fulfil their potential and facilitate internal career mobility, we put in place formal promotion and transfer processes as part of our talent development initiative. Our development plan and assessment standards are based on a comprehensive talent inventory and take into account individual ability, strengths and potential. The “Fresh Water” program we have implemented promotes cross-regional and departmental rotations, expanding career opportunities and supporting our company’s growth. In 2023, the WE DO 2.0 program was launched, facilitating global talent mobility and granting all employees fair chances at international positions by simplifying the process for team members to pursue roles in our global locations, including Singapore, Europe, and the US, as well as vital business areas. Aimed at unlocking employee potential and diversifying career paths, the program has also notably improved the recruitment and onboarding experience for new employees, streamlining their integration into diverse workplace environments.

WuXi Biologics continuously benchmarks and optimizes its compensation and benefits to maintain strong competitiveness within the industry. Our remuneration system includes fixed

and variable pay components, and all employees are eligible for high performance rewards as part of our annual performance bonus plan. At the implementation level, the Company ensures that high-performing employees are recognized through various salary adjustment methods — including annual increases, promotions, and special adjustments — and has innovated its stock incentive model based on performance, linking long-term incentives to both company and individual performance. In addition, incentive mechanisms have been expanded based on the needs of the business pipeline, encouraging a spirit of co-creation among employees for the overall business of the Company.

After approving various compensation and incentive policies, the HR Department actively communicates with employees through various channels, such as policy releases and online and offline discussions, to clearly communicate the value proposition and key points of the policies and answer any questions. At the same time, HR coordinates internally and externally to ensure a comprehensive understanding of policies and responsibilities, and monitors the distribution of compensation and incentives.

By leveraging resources such as online education platforms and partnerships with educational institutions, WuXi Biologics keeps exploring various ways to cultivate and nurture talents. We support employees in pursuing higher education degrees and obtaining professional certifications, offer graduate traineeship programs, and partner with educational institutions to develop and deliver joint training programs. We provide opportunities for our employees to pursue advanced academic degrees to further their careers. By providing tuition sponsorship and partnering with universities, we hope to lower the barrier for employees to obtain advanced education. We have partnered with several universities — such as Fudan University, Jiangnan University, and Zhejiang University — to offer graduate programs in a variety of disciplines, including bioengineering, biotechnology, and pharmacy, and with Tsinghua University to offer a doctoral program in chemical engineering.

EMPLOYMENT COMPLIANCE

DIVERSITY, EQUITY, AND INCLUSION (DEI)

**TALENT DEVELOPMENT** ▾

EMPLOYEE ENGAGEMENT

OCCUPATIONAL HEALTH AND SAFETY



# Employee Engagement

## Why It Matters

Decent work, authentic recognition, a high level of engagement, and improved overall well-being can make employees feel appreciated and valued. WuXi Biologics is deeply aware of the importance of retaining high-quality, talented individuals and generating employee loyalty. We are dedicated to providing a broad range of benefits for employees and actively organizing cultural and recreational activities to enrich their work experience.

EMPLOYMENT COMPLIANCE

DIVERSITY, EQUITY, AND INCLUSION (DEI)

TALENT DEVELOPMENT

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## Our Approach

### Employee Communication

At WuXi Biologics, a great variety of transparent and inclusive communication channels are available — such as the Company intranet, CEO mailbox and corporate WeChat — that help create a strong mutual bond between managers and general staff. In addition, we have established accessible, comprehensive and confidential internal reporting channels, including a reporting platform, email and hotline. We listen attentively to the requests and opinions of our employees, and seek to proactively address problems through staff townhalls, regular internal evaluations and targeted improvement initiatives.

### Employee Engagement Survey

In 2022, we conducted an employee engagement survey (PROUD survey) covering all employees of WuXi Biologics. We achieved a response rate of 86%, which exceeded our target of 72%. The survey evaluated the employee experience across multiple dimensions, inquiring about job satisfaction, internal motivation, stress, happiness in the workplace, and more. The results highlighted a robust overall engagement rate of 87%, indicating a positive organizational climate.

Based on the 2022 survey findings, we identified gaps and actionable items for improvement. All departments were involved in developing and implementing action plans in to address the issues identified and continually improve employee engagement.

**Enhanced Communication** — In response to our employee engagement survey, we have optimized our communication channels and integrated the PROUD culture into our daily work, focusing on “diversity” and “transparent communication” to ensure full dialogue between management and our diverse team. Through such communication, employees can gain a deep understanding of the Company’s business direction and achievements. This not only promotes connections among employees but also forms a strong collaborative culture. We advocate an “open door policy” to further encourage direct communication and simplify the communication and problem-solving process across different levels. We have also adjusted and differentiated our communication strategies — based on cultural and regional differences — to ensure the creation of an inclusive and attractive work environment for everyone, encouraging employees to be their authentic selves.

**Efficiency Boost** — To enhance organizational efficiency, we have bolstered cross-team collaboration by clearly defining roles and responsibilities, fostering information sharing, and refining workflows with a series of WBS Kaizen Projects. We also conducted a thorough review and execution of the Delegation of Authority (DOA) to streamline the workflows and approval processes across diverse teams and countries.

**Compensation Benchmarking** — Regarding equitable compensation, we continuously conduct benchmarking analyses to ensure our compensation levels are competitive. We have strengthened the link between pay and contribution, and have clearly communicated compensation principles and structures to our employees.

**Onboarding Experience** — To optimize the onboarding experience for new employees, we have improved the onboarding training process, with a special focus on necessary software and hardware training. Additionally, we have organized a variety of welcome events to foster a sense of community and belonging among team members.



## PROUD Day

In August, 2023, WuXi Biologics hosted the PROUD Day celebration globally with 5,577 employees participating both on-site and online. The employee satisfaction rate reached 95.4%, with over 95% of participants feeling that the event deepened their understanding of the corporate culture and increased their pride in the Company. The event promoted greater mutual understanding and cultural integration among employees from different countries, and provided a platform for employees at all levels around the world to showcase their spirit and ethos.



EMPLOYMENT COMPLIANCE

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## Employee Benefits

At WuXi Biologics, we ensure that all employees receive their social insurance payments in full and on time, in accordance with regional and country guidelines where we operate. We also offer a wide range of non-pay benefits to all our employees, such as paid parental leave, paid family or care leave, and commuting subsidies. As part of our efforts to support and facilitate global talent mobility, we provide assignees with special benefits that include long-term incentives, global health insurance, relocation allowance, temporary living arrangements, family allowance for spouse or children, and assistance with children’s education<sup>17</sup>. We ensure that part-time employees and contractors working at our company receive the same routine benefits (such as meal allowances, vacations, holiday gifts, family day site visits) as full-time employees.

We recognize the importance of employees’ mental health and well-being, and offer various stress-management support options. An Employee Assistance Program (EAP) hotline is available for one-on-one mental health counselling, and we also invite internal and external experts to provide training sessions on emotional and stress management.

We encourage work-life balance and can offer remote and flexible working options to accommodate employees’ needs. Additionally, we organize corporate culture and employee appreciation events at our different business locations, and also support various sports clubs and hobby associations. We regularly hold sports competitions and social activities to enrich the cultural life of our employees and foster a positive work environment.

Types of benefits	Details
Statutory Benefits	<ul style="list-style-type: none"> <li>• Pension</li> <li>• Medical insurance</li> <li>• Unemployment insurance</li> <li>• Disability insurance</li> <li>• Work-related injury insurance</li> <li>• Birth insurance</li> <li>• Housing provident fund</li> </ul>
Supplementary Benefits	<ul style="list-style-type: none"> <li>• Paid annual leave</li> <li>• Supplementary commercial insurance<sup>18</sup></li> <li>• Annual health examinations</li> <li>• Commuting subsidies</li> <li>• Free transitional housing</li> <li>• Paid leave during high temperatures</li> <li>• Overtime pay and time off in lieu</li> </ul>
Flexibilities	<ul style="list-style-type: none"> <li>• Flexible working hours</li> <li>• Remote working arrangements</li> </ul>
Family-Friendly Benefits	<ul style="list-style-type: none"> <li>• Paid maternity leave</li> <li>• Paid paternity leave</li> <li>• Prenatal check-up leave</li> <li>• Paid parental leave</li> <li>• Paid family or care leave beyond parental leave</li> <li>• Breast-feeding/lactation leave</li> <li>• Nursing room</li> </ul>





## Our Approach

### Risk Assessment

The first and foremost approach to providing our employees with a healthy and safe work environment is prevention, which includes avoiding workplace injuries, operational accidents or interruptions. Our preventive measures are based on the occupational health and safety risk assessment conducted by third-party agencies to identify what could potentially cause harm in the workplace.

Based on the risk assessment, prevention plans are developed accordingly and actions are prioritized to address any risks identified. Our prevention plans include making regular occupational health medical check-ups compulsory for employees, informing them of potential occupational hazards, providing them with personal protective equipment as well as relevant training, and conducting regular occupational hazardous factor assessment. Taking noise prevention as an example, in order to further protect employees from noise hazards at workplaces, our sites adopted multiple noise-

mitigation measures such as using decorative sound-absorbing materials, reducing machinery noise, and installing silencing equipment.



In 2023, to help prevent or reduce the risk of repetitive strain injury (RSI), we upgraded the *WuXi Biologics Ergonomics Evaluation Guidelines* to promote best ergonomics practices at workplaces, including risk assessment for typical activities, such as manual material handling, tool-assisted material handling, improper working postures, repetitive work activities, and human-machine work environments. Improvement measures were implemented in accordance with the principles of ergonomics, thereby mitigating or preventing employee injuries to employees during work activities.

To measure and keep improving our preventive measures, WuXi Biologics sets targets for its lost work day case-rate, which are linked to the performance evaluations of all departments and employees, including management. Our progress towards these targets is evaluated every year and we continually track health and safety related metrics.

### Safety Inspections and Audits

We conduct safety inspections routinely and encourage employees to report potential risk in the workplace. Our EHS Department follows up on the reports promptly to inspect and resolve any issues identified. Various types of EHS inspections are carried out, including daily inspections, pre-holiday inspections, and cross-department joint inspections. Moreover, security patrols are conducted at a specific frequency by on-site security guards to detect potential emergencies in a timely manner. Health and safety audits for all sites are carried out at least once every three years to identify safety hazards, supervise the implementation of our EHS policies, and discover and correct any unsafe conditions or unsafe behaviors in a timely manner.

Any issues identified during audits are entered into our system and followed up for corrective actions and preventive actions. In addition to internal safety inspections and audits, an independent annual external verification of health and safety was also conducted in 2023 in accordance with ISO 45001.

### Potential Risk Reporting

At WuXi Biologics, our commitment to cultivating a safe and inclusive workplace environment is demonstrated through initiatives like the “Woodpecker Action”. This program encourages employees to proactively identify and report occupational health and safety incidents, risks, and concerns via internal communication channels. Upon receipt of an employee’s health and safety potential risk report, our EHS department promptly coordinates with relevant stakeholders to implement corrective and preventive measures. Additionally, employees who actively contribute to potential risk identification are duly recognized and rewarded.

EMPLOYMENT COMPLIANCE

DIVERSITY, EQUITY, AND INCLUSION (DEI)

TALENT DEVELOPMENT

EMPLOYEE ENGAGEMENT

**OCCUPATIONAL HEALTH AND SAFETY**

### Incident Response

When a work-related injury occurs, first aid will be administered immediately. The injury will be promptly reported and the injured person will be sent to the hospital (if necessary). During the handling process, we follow the local work-injury and accident-insurance-declaration requirements to make reports, and we assign experts to provide employee care and psychological services. Once the workplace accident has happened, an accident investigation team is set up immediately to conduct an investigation, analyze root causes and carry out corrective and preventive actions. Between 2020 and 2023, WuXi Biologics operated safely, with no work-related fatalities among employees and contractors.

### Training and Drill

Employee training is essential to raise awareness and reduce operational health and safety incidents. We conduct regular safety training and drills for all employees and also invite contractors and visitors on-site to participate.

EMPLOYMENT COMPLIANCE

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## OHS Training

### Routine Safety Training Sessions

The EHS Department regularly organizes online and offline training sessions to continually strengthen employees' safety awareness, with a variety of safety related topics including electrical safety, chemical safety, traffic safety, fire safety, work permits, OHS laws and regulations, occupational hazard protection, ergonomics, incidents sharing, personal protective equipment, and special equipment safety.



### First Aid Training

Our aim of our first aid training is to equip employees with life-saving skills. The training covered cardiopulmonary resuscitation, the Heimlich maneuver, and the use of automated external defibrillators (AEDs), etc.



# 100%

of sites which an employee health & safety risk assessment has been conducted

# 100%

of employees who received safety training

## OHS Drills



### Fire Drills

To improve our employees' ability to respond to emergencies and familiarize them with emergency evacuation routes, WuXi Biologics conducts two fire evacuation drills per year, which involve all employees, contractors, and visitors. The comprehensive drill for emergency evacuation and rescue simulates the entire process including the discovery of fire incidents, reporting of alarms, firefighting coordination, emergency evacuation, rescue operations, and medical assistance. with active cooperation from multiple departments and local firefighters.



### Drills for Safety Emergencies

To enhance our employees' ability to respond to various safety emergencies, we organize specialized drills, for handling such emergencies as natural-gas leakage, elevator entrapment, and electric shock.



EMPLOYMENT COMPLIANCE

DIVERSITY, EQUITY, AND INCLUSION (DEI)

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**OCCUPATIONAL HEALTH AND SAFETY** 🏠

### Drills for Environmental Emergencies

To help our employees better prepare for and respond to environmental incidents, while raising awareness about potential environmental hazards, we organized drills for handling environmental emergencies, such as chemical spill, to minimize the impact of potential incidents, protect the environment, and safeguard public health and safety.

### Biosafety Drills

In 2023, we conducted a biosafety drill to help prepare employees for potential biological emergencies and assess their readiness.



### Supplier and Contractor Safety

In addition to protecting the health and safety of our own employees, we are acutely aware of the safety of those under our supervision, including contractors and project construction workers. Our safety requirements extend to all personnel at WuXi Biologics' work sites, and OHS criteria is included in our procurement and contractual requirements. For contractors, we conduct training programs specific to their job responsibilities — such as hazardous waste management training for relevant personnel — and ensure that they are all trained on safety rules and regulations. Additionally, suppliers and contractors are pre-screened for safety performance and risks by project specialists prior to admission and during operation, and their OHS performance is continually monitored on site. Our objective is to eliminate safety risks and incidents for all personnel working at our operational sites, including our visitors and contractors.

### Contractor Fire Extinguishing Training

Our practical trainings also extend to our contractors to better prepare them for emergencies.





# Fostering Communities

BENEFITING PATIENTS WORLDWIDE

PROTECTING THE ENVIRONMENT

COMMUNITY ENGAGEMENT

## The Big Picture

Generating social value is at the heart of WuXi Biologics' sustainability strategy. We are dedicated to conducting our business in a way that improves society, enhances the welfare of local communities and benefits patients worldwide. And we established three pillars of corporate social responsibility, including use our core competencies to benefit patients worldwide; protect the environment and promote a low-carbon ethos and engage with communities through volunteerism and donations. Based on the three pillars and linked to company's business strategy, we aim to bring about positive change in social and environmental well-being and reflect a broad extension of our dedication to enhancing public health. In addition, we have set up the WuXi Biologics Charity Foundation and the WuXi Biologics Volunteer Association as part of our continuing commitment to putting our CSR strategy into action.

# Benefiting Patients Worldwide

## Why It Matters

At WuXi Biologics, we are dedicated to accelerating the development of biologics for the ultimate benefit of patients and global health. We also strive to raise awareness of rare diseases and address other public health issues through our platforms, expertise, community engagement, and charity events.

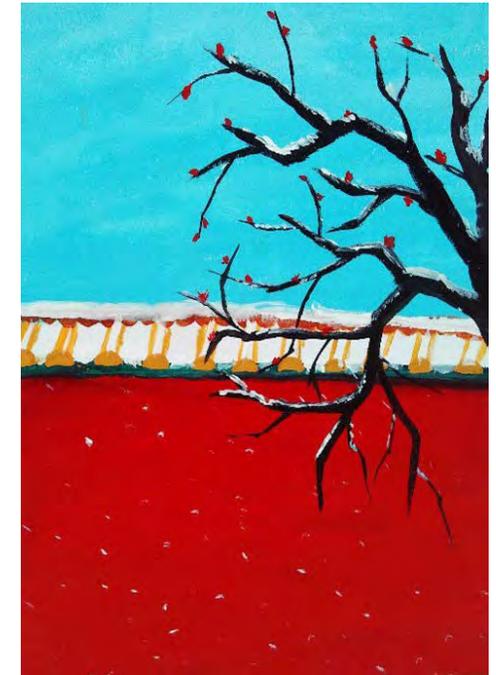
## Our Approach

Public health is integral to the work we do at WuXi Biologics. We leverage our strengths to benefit patients worldwide, especially in the area of rare disease, supporting the R&D of firms specializing in rare disease drugs, and helping to advance better care for these patients.

Diseases with an incidence of 0.65‰ to 1‰—such as Pompe disease, Fabry disease, hemophilia, thalassemia, amyotrophic lateral sclerosis and Gaucher disease – are defined as rare diseases by the World Health Organization (WHO). More than 300 million people around the world live with one or more of 7,000 rare diseases. Over the past decade, WuXi Biologics has empowered our clients worldwide to accelerate the development of innovative biologic medicines that can treat rare diseases. We have cooperated with and enabled many global innovative biotechnology companies to explore and develop rare disease therapeutics. As of December 31, 2023, there are 19 ongoing rare disease projects on our platform.

## Granting Scholarships to Students Suffering from Rare Diseases

In China, we have been providing scholarships to students with rare diseases for over three years. We have established an educational support program for high school and college students affected by these diseases. So far, we've granted scholarships and educational gift packages to 62 students, demonstrating our dedication to protecting and improving children's rights, particularly those affected by rare diseases.



Paintings by Rare Disease Children

### BENEFITING PATIENTS WORLDWIDE ▀

PROTECTING THE ENVIRONMENT

COMMUNITY ENGAGEMENT

## Run for Health, Chasing the Miracle!

In September 2023, we inaugurated a global charity run named “Run for Health, Chasing the Miracle”. This initiative celebrates WuXi Biologics’ new chapter in our commitment to enhancing and advocating for the field of rare diseases. Furthermore, it aims to elevate awareness across all societal sectors about rare diseases, fostering a collaborative effort to support the rare disease community.

Volunteers who participated in the event contributed by donating their daily steps and running distances, amassing a total of approximately 100,426 kilometers. These efforts were translated into charitable donations by our company, earmarked for rare disease education programs.



### BENEFITING PATIENTS WORLDWIDE

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## Caring for Breast Cancer Patients 100K in 30 Days in Ireland

For the third consecutive year, the CSR committee of WuXi Biologics and WuXi Vaccines Ireland is sponsoring the impactful “100K in 30 Days” initiative for Breast Cancer Ireland. This sponsorship is a testament to our unwavering commitment to Corporate Social Responsibility, perfectly aligning with our vision to foster a healthier future and give back to our community. By supporting this initiative, we not only contribute to vital research and patient support but also actively engage in raising awareness about breast cancer, encouraging early detection and treatment. Together, with every step we take and every euro raised, we are not just envisioning but actively building a pathway towards a future where the shadow of breast cancer no longer looms over our communities.





# Protecting the Environment

## Why It Matters

Human health is closely tied to the natural environment. WuXi Biologics, as a company devoted to enhancing public health and protecting people's right to a healthy environment, raises awareness, promotes environmental sustainability, and generates ideas and initiatives that support our environmental objectives.

## Our Approach

We empower our employees to protect the environment, promoting a low-carbon ethos throughout the Company. We advocate and initiate environmental protection activities across our sites related to energy conservation, emissions reduction, and a low carbon footprint.

### Litter Pick-up in Haggards town, Ireland

At a litter pick-up event in Ireland, held in collaboration with Haggards Town Tidy Towns, a devoted team of 20 WuXi Biologics employees and their families collect over 1,000 liters of litter, fostering a cleaner and healthier community. The event was in keeping with this dedication to environmental responsibility, contributing to the well-being of our local communities and promoting a culture of environmental consciousness among our employees.



## “Energy Saving NOW!” Campaign

We promote and call employees for creative “Golden Ideas” aimed at energy conservation. From the start of the program in 2022 through the end of 2023, we have received 141 energy-saving “Golden Ideas” from 11 sites covering various working scenarios, including utilities, offices, manufacturing areas, and labs.

To help our staff better understand and apply new energy-saving ideas, and actively contribute to the process, the selected “Golden Ideas” were shared across the Company on a regular basis. Employees were encouraged to learn from other's best practices.



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# Community Engagement

# 8,017

Volunteer hours donated to communities

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## Why It Matters

WuXi Biologics prioritizes social interconnection and proactively undertakes initiatives that address social and environmental challenges in our communities. Our employees are encouraged to volunteer and demonstrate their social and environmental commitment. This not only makes our work more rewarding but also benefits the communities we cherish. Charitable donation is also a direct and impactful means by which WuXi Biologics gives back to our communities and strengthens our bond with the public. To that end, we set aside dedicated resources to financially support various causes.

## Our Approach

### Facilitating Volunteerism

WuXi Biologics has established a company-wide volunteer association with site-level divisions and corresponding volunteer platforms to provide specialized resources for global employees who seek to make an impact in their communities.

In 2023, WuXi Biologics' volunteer contribution for community service totalled 8,017 volunteer hours and 1,907 person-times of participation.

## Unite for Nature During Earth Week

During the earth week, employees from all over the United States participated in a variety of nature related causes. The program allowed employees to volunteer for a cause they were passionate about, whether through individual participation or organized group activities. Throughout the week, employees signed up for 173 different opportunities, and by the end of the week, they had volunteered for 250 hours. With a diverse range of causes to choose from, our employees demonstrated their dedication to making a difference in their communities. The impact of our collective efforts was evident in the significant hours they volunteered.



## Sparking Curiosity in Young Minds

At our Dundalk site in Ireland, we have pioneered the inaugural Engineering Week. This initiative reflected our dedication to fostering educational growth and enthusiasm for engineering within our community. By engaging with local schools and communities, we are investing in the future and laying the groundwork for a brighter tomorrow. Our goal is to spark curiosity in young minds and inspire them to become innovative engineers of future, ready to tackle tomorrow's challenges.



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## Immersing Ourselves in Community

At the 11th Schwebbahnlauf in Wuppertal, on the 5 km course, employees from WuXi Biologics braved the almost 30 degrees in Wuppertal and celebrated together at the finish line!

This event, along with our other initiatives, represents our commitment to community engagement and fostering a sense of camaraderie and teamwork in our employees. Beyond simply sponsoring events, we actively participate and immerse ourselves in community activities. We believe in the power of community and the positive impact we can have when we come together to support common goals and initiatives. Our community involvement is a testament to our dedication to creating a positive, sustainable impact on society.



## Volunteer Association

In the spirit of fostering a sense of community, we organized a series of activities with employee volunteers, such as site family days and charity bazaars, employee volunteers use their expertise and spontaneously participate in various community welfare and assistance activities to become WuXi Biologics' important force in fulfilling social responsibilities.



### Charitable Donations

To systemize and enhance the transparency of our charitable efforts, we took a significant step in 2022 by establishing the WuXi Biologics Charity Foundation. This Foundation serves as a formal and non-profit organized platform that allows us to coordinate our philanthropic activities more effectively.

The Foundation operates under the guidance of the *WuXi Biologics Charity Foundation Charter*, which strictly complies with relevant laws and regulations regarding charities and donations and ensures that our Foundation maintains the highest standards of legality and ethicality in all its activities.

In 2023, the Foundation saw significant advancements in both development and operation. With the help of standardized operation and management, it earned a series of honors and validations, including charitable volunteer practice site, tax-exempt and tax deduction qualifications, which were awarded in June and December respectively.

In 2023, WuXi Biologics donated cash and tangible assets to various causes across five countries through different sites in China, the United States, Germany, Ireland, and Singapore. The donations were aimed at supporting local charities, communities, and individuals in need.

### Donating for Disaster and Emergency Relief after the Gansu and Qinghai Earthquake

On December 18, 2023, a magnitude earthquake struck Jishishan and several counties in Gansu and Qinghai Province. The Company quickly coordinated various of relief materials. The materials were urgently dispatched to the front lines of the disaster within three days.

In addition, the WuXi Biologics Charity Foundation opened a special donation channel within the Company named “Supporting Gansu and Qinghai” to employees. The Foundation engaged in matching gift proportionally to the donation from the employees. During this donation process, we received donations from more than 400 employees. In total, we have donated materials worth more than RMB440,000 to the earthquake-stricken areas in Gansu and Qinghai, and raised cash donations (including donations from WuXi Biologics employees and matching donations from the WuXi Biologics Charity Foundation) of RMB560,000, with a total donation value of over RMB1 million.



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# GREENING OUR BUSINESS

NET ZERO 2050



Pursuit of environmental sustainability has become a consensus of human society, and is considered an imperative for every business to achieve their long-term goals. At WuXi Biologics, we take innovative actions to address climate change and optimize our environmental management system, aiming to continue to greening our business and influencing the wider value chain.

<b>Climate Change and Energy Saving</b>	<b>83</b>
<b>Environment Protection</b>	<b>99</b>



# Climate Change and Energy Saving

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## The Big Picture

The 2023 United Nation Climate Change Conference (COP28) in Dubai was seen as a critical milestone to keep the global warming objective of the *Paris Agreement* alive, calling for immediate actions around the world to transition away from fossil fuels and scaling renewables. As climate change impact intensifies globally, WuXi Biologics stands firmly committed to decreasing our energy use and reducing emissions. In addition, as a global corporation, we shoulder the responsibility to minimize our carbon footprint and build business resilience against climate change throughout our own operations, as well as the upstream and downstream value chain.

The Task Force on Climate-related Financial Disclosures (TCFD) guides our understanding of risks and opportunities that may arise from climate change, and we developed our *Climate Change Policy* accordingly. With reference to the recommendations of the TCFD, we conduct and communicate climate-related disclosures under the four core categories of governance, strategy, risk management, and metrics and targets.

We actively take steps to transparently disclose our GHG emissions reduction progress and other critical climate-related information to our valued stakeholders; establish and track our context-specific plans to adapt to physical and transition risks in existing and/or new operations; implement mitigation actions by avoiding and reducing our energy consumption; replace current energy sources with clean energy; and contribute to an overall reduction in GHG emissions through carbon offset.



# Governance

At WuXi Biologics, governance of climate-related issues is incorporated into our comprehensive ESG structure to ensure that the topic of climate change is considered equally with other material ESG issues in the Company's strategy-making process.

The Board takes ultimate responsibility for oversight and review of climate change-related strategies, the identification and management of climate-related risks and opportunities, and the Company's decarbonization performance on an annual basis. A dedicated task force and various related departments are involved to ensure sufficient knowledge and resource allocation for managing climate-related issues across all sites.

The process of identifying climate-related risks is incorporated into the risk assessment practice carried out company-wide. The assessment is part of a holistic and integrated risk management system that is aligned with the *COSO Enterprise Risk Management Framework — Aligning Risk with Strategy and Performance*.

To effectively guide our goal-setting and actions related to climate change, we developed a *Climate Change Policy* in 2021, which addresses our commitments, targets, strategy and roadmap for reducing GHG emissions and environmental impacts, decarbonizing our business, and managing and adapting to climate risks. The policy is regularly reviewed and updated as necessary.

As a further driver to the achievement of our environmental and climate-change targets, and the promotion of low-carbon operations, we link climate change and environmental management key performance indicators to the performance reviews and remuneration packages of the Company's CEO and all related senior executives and employees.

## Climate-related Governance Responsibilities

### ESG Committee

- The Board-level ESG Committee is responsible for:
- Guiding and formulating the Company's climate-related vision, goals, strategies, roadmap and structure.
  - Determining material climate risks and opportunities.
  - Tracking the execution and progress of climate-related goals.
  - Scheduling an annual board meeting review of climate-related issues.

### ESG Steering Group

- The ESG Steering Group, composed of the Company's senior executives, is responsible for:
- Providing business insights into the Company's Climate Change strategy, including the monitoring and management of climate risks and opportunities.
  - Ensuring resources allocation for the implementation and enforcement of climate-related strategies and climate-related risk management.

### ESG Department and Climate Change Task Force

- The Climate Change Task Force — composed of experts from various key departments and facilitated by an independent ESG department — is responsible for:
- Communicating with stakeholders and providing insights and advice for identifying climate risks and opportunities, and formulating climate-related strategies.
  - Continually monitoring climate-related performance and refining action plans for achieving climate-related goals.

### Business Units and All Sites

- Relevant business units — including research and development, manufacturing, EHS — together with all sites are responsible for:
- Implementing climate-related adaption and mitigation strategies.
  - Proposing and implementing innovations and operational excellence practices to advance the Company's climate-related vision.

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# Strategy



Given the cumulative and multifaceted impacts of climate-related risks on our business, effective assessment and management of those risks is essential for the continuity of our operations. When formulating strategy, we consider external factors — such as government policies and plans — that may influence our operations; and historical records and future projections of extreme weather events; and internal factors such as operational characteristics and business growth. To facilitate our physical and transition risk identification and prioritization process, we applied four climate scenarios for analysis: “Representative Concentration Pathways (RCP) 2.6” and “Net Zero Emissions by 2050 Scenario (NZE)” as 2 °C or below scenarios, and “Representative Concentration Pathways (RCP) 8.5” and “Stated Policies Scenarios (STEPS)” as above 2 °C scenarios<sup>19</sup>.

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Climate-related Scenario	RCP 2.6 (IPCC) <sup>20</sup>	RCP 8.5 (IPCC) <sup>21</sup>
Description	This scenario is consistent with ambitious reduction of GHG emissions in line with the <i>Paris Agreement</i> , which would peak around 2020, then decline on a linear path and become net negative before 2100.	The high-emissions scenario, consistent with a future where no policy changes are made to reduce emissions, and characterized by increasing GHG emissions that lead to high atmospheric GHG concentrations.
Temperature Rise by 2100	1.8 °C	4.4 °C
Approach of Analysis	Physical risks are analyzed, responding to physical impacts on our assets and across value chain over the short-, mid- and long-term.	

Climate-related Scenario	NZE (IEA) <sup>22</sup>	STEPS (IEA) <sup>23</sup>
Description	A scenario that sets out a pathway for the global energy sector to achieve net zero CO <sub>2</sub> emissions by 2050. It does not rely on emissions reductions from outside the energy sector to achieve its goals.	A scenario that reflects current policy settings based on a sector-by-sector and country-by-country assessment of the specific policies that are in place, as well as those that have been announced by governments around the world
Temperature Rise by 2100	1.4 °C (with a 50% probability)	2.4 °C (with a 50% probability)
Approach of Analysis	Transition risks and opportunities are analyzed, responding to adapting and mitigating climate transition impacts over the short-, mid- and long-term.	

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### Risk and Opportunity Identification & Evaluation Process

#### Step 1 Developing a Risk and Opportunity Register

Screening and identifying risks/opportunities thoroughly — considering both the Company’s own operations and the value chain — based on TCFD recommendations, peer benchmarking and stakeholder communications.

#### Step 2 Qualitative Assessment and Prioritization

Ranking risks and opportunities from both likelihood and impact perspectives, as well as considering qualitative factors such as policy and social impact, business continuity and strategy attainment.

#### Step 4 Response Strategy Planning

Applying differentiated response strategies based on the qualitative and quantitative assessment of climate related risks and opportunities, which are integrated into our overall business planning to strengthen climate resilience throughout our operations.

#### Step 3 Quantitative Assessment of Prioritized Risk and Opportunity

Assessing the financial and non-financial impacts associated with climate risks through internal workshops and internal analysis processes under selected scenarios; and evaluating the opportunities that may contribute to our operations and the wider environment arising from our current and future practices over the short-, mid- and long-term.

The prioritized risks and opportunities, the associated financial impact under different scenarios over time, and our response strategy are detailed in the accompanying graphic. Please note that scenario analysis is a tool used to better visualize how the physical and transition risks/opportunities of climate change may impact our businesses, strategies, and financial performance over time. It is not intended in any way to convey predictions about the future.



## Detailed List of Climate-Related Risks and Opportunities

Risk/Opportunity	Description	Financial Impact	Impact Rating under Scenario Analysis			Response Strategy	
			Scenario	Time Horizon			
				Short-term (by 2025)	Mid-term (by 2030)		Long-term (by 2050)
<b>Physical Risks</b>	<p><b>Acute Physical Risk</b></p> <p>Increased severity and frequency of extreme weather events resulting from climate change — such as heat waves, cyclones and floods — may disrupt our ability to operate effectively due to interruption of energy and transport infrastructure.</p> <p>Typhoons and rainstorms could sever transportation routes and disrupt both upstream and downstream activities throughout our supply chain.</p>	Increased operating costs from reinforcement of site infrastructures and additional engineering costs.	RCP 2.6	Very Low	Very Low	Low	<ul style="list-style-type: none"> <li>Pay close attention to weather forecasts and issue timely alerts in the case of extreme weather events.</li> <li>Develop early warning systems, evacuation plans, and emergency response measures to prepare for extreme weather events.</li> <li>Develop supply chain continuity plans accounting for upstream and downstream suppliers' climate-related risks, and apply dual-sourcing plans accordingly.</li> </ul>
	RCP 8.5		Very Low	Low	Medium		
<b>Chronic Physical Risk</b>	Chronic physical risks arising from climate change may include temperature rise, sea level rise, and long-term shifts in climate patterns. Rising temperature may require more energy to regulate site temperatures. Coastal sea level rise and coastal flooding may have a significant impact on critical public infrastructure, which could potentially impact a site's ability to operate efficiently.	Increased operating costs due to the additional energy needed to maintain optimal temperatures at our manufacturing sites, and additional subsidies and insurance to ensure employee health in hot temperatures.	RCP 2.6	Very Low	Very Low	Very Low	<ul style="list-style-type: none"> <li>Transition to more efficient heating and cooling systems, and track and analyze energy consumption trends on an annual basis.</li> <li>Provide employees with paid leave or flexible work arrangement during high temperature days.</li> </ul>
			RCP 8.5	Very Low	Low	Medium	

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Risk/Opportunity	Description	Financial Impact	Impact Rating under Scenario Analysis			Response Strategy	
			Scenario	Time Horizon			
				Short-term (by 2025)	Mid-term (by 2030)		Long-term (by 2050)
Policy and Legal Risk	As governments review, update, and deliver on their commitments to the <i>United Nations Framework Convention on Climate Change</i> and the <i>Paris Agreement</i> , GHG emission policies and regulatory measures continue to evolve. As a result, the carbon price is expected to rise, and additional resources will be needed to stay current with regulatory changes and eliminate risk exposure to litigation related to climate change.	Increased operating costs from future implementation of carbon pricing schemes in more jurisdictions.	NZE	Very low	Low	Medium	<ul style="list-style-type: none"> <li>Stay updated on the latest climate-related regulations, at both the national and international level.</li> <li>Evaluate our operations, products, and supply chain to understand the risks posed by new regulations and how they may affect our business.</li> </ul>
			STEPS	Very Low	Very Low	Very Low	
Technology Risk	Our endeavors to transition to low-carbon operation will require us to invest in energy-efficient equipment as well as clean energy and low-carbon production technologies.	Decreased asset value from the need to upgrade to low-carbon technologies. Decreased asset useful life, asset impairment or early retirement of existing asset might occur.	NZE	Low	Medium	Medium	<ul style="list-style-type: none"> <li>Optimize business processes and strive for green manufacture and lean management.</li> <li>Consider environmental impact and energy efficiency when acquiring new equipment.</li> <li>Explore clean energy alternatives and expand the use of clean energy.</li> </ul>
			STEPS	Low	Low	Low	
Market Risk	As climate change intensifies globally and the propensity of clients to use environmentally friendly products and services rises, WuXi Biologics will invest in enhancing our competitive advantage by proactively adopting a strategy of improving the environmental performance of products and services. Failure to do so may cause us to lose market share and decrease market demand for our services.	Increased cost to respond to client changes in preference towards more environmentally friendly products and services.	NZE	Low	Medium	Medium	<ul style="list-style-type: none"> <li>Maintain close communications with our key clients regarding their expectations of our environmental performance.</li> <li>Enhance transparency of our environmental performance.</li> </ul>
			STEPS	Low	Low	Low	
Reputation Risk	The expectations of stakeholders — including clients, employees, investors, and shareholders — regarding our contribution to a lower-carbon economy could affect the Company's value, which may decrease if our performance in relation to climate goals and actions is seen as insufficient.	Potential decrease in company value from failure to meet stakeholders' expectations.	NZE	Very Low	Very Low	Very Low	<ul style="list-style-type: none"> <li>Strengthen communications with stakeholders and gather timely feedback regarding any concerns about our climate-related responses.</li> <li>Maintain transparent disclosure on climate-related efforts.</li> </ul>
			STEPS	Very Low	Very Low	Very Low	



Risk/Opportunity	Description	Financial Impact	Impact Rating under Scenario Analysis				Response Strategy
			Scenario	Time Horizon			
				Short-term (by 2025)	Mid-term (by 2030)	Long-term (by 2050)	
<b>Resource Efficiency</b>	By seeking technology improvement and process innovation, opportunities may arise from more efficient use of utilities including steam, water, and electricity. Improved resource efficiency and enhanced process efficiency will bring positive business impact.	Reduced operating cost from improved resource efficiency.	NZE	Medium	High	Very High	<ul style="list-style-type: none"> <li>Take advantage of opportunities to optimize business processes and strive for green manufacture and lean management.</li> </ul>
			STEPS	Medium	Medium	Medium	
<b>Energy Source</b>	As we integrate more renewable energy into our energy mix — such as installing more photovoltaic systems — it will not only lower our emissions but also decrease energy costs.  In addition, governments globally are rolling out policies and incentives in favor of renewable energy development and trading, which provides promising opportunities for us to actively and easily adopt more renewable energy.	Returns on investment in renewable energy projects.  Reduced operating cost from potential policy incentives.	NZE	Low	Medium	High	<ul style="list-style-type: none"> <li>Actively explore ways to continue shifting our energy mix to include more renewable sources.</li> <li>Keep updated on national and international renewable energy policies to amplify both environmental and financial outcomes.</li> </ul>
			STEPS	Low	Low	Low	
<b>Opportunities</b>	<b>Market</b>  Opportunities might be found in existing and new markets through low carbon solutions, and working together with value-chain partners towards a more sustainable economy.	Increased revenue from tapping into expanded and new markets with a broader client base.	NZE	Medium	High	Very High	<ul style="list-style-type: none"> <li>Expand collaboration with industry partners on low-carbon solutions, and products research and development.</li> </ul>
			STEPS	Medium	Medium	Medium	
<b>Products and Services</b>	The implementation of green manufacturing — including operation efficiency enhancement and manufacturing process improvement — will help attract and retain clients and gain competitive advantage, as more clients are incorporating environmental aspects in their tender criteria.	Increased revenue resulting from increased demand for products and services provided through an energy-efficient and low-emission platform	NZE	Medium	High	Very High	<ul style="list-style-type: none"> <li>Enhance competitive advantage by proactively optimizing operation efficiency and processes, enabling clients to lower a product's carbon footprint.</li> </ul>
			STEPS	Medium	Medium	Medium	
<b>Resilience</b>	As WuXi Biologics continues to enhance our capacity to better combat climate risks and expand opportunities, we enable not only ourselves but also our suppliers and clients to become more resilient to climate change by increasing the reliability of our supply chain and strengthening the ability to operate under various conditions.	Increased market valuation through resilience planning.  Reduced operating costs from enhanced supply chain stability and reliability.	NZE	Medium	High	High	<ul style="list-style-type: none"> <li>Participate in climate-related programs and adopt energy-efficiency measures.</li> <li>Advocate for suppliers and clients to also engage in these resilience-enhancing activities.</li> </ul>
			STEPS	Medium	Medium	Medium	



# Risk Management

The Company is working both internally and externally to minimize and mitigate identified material climate risks. The processes for identifying, assessing, and managing climate-related risks are essential elements of our current risk management system, which is aligned with the *COSO Enterprise Risk Management Framework — Aligning with Strategy and Performance* and is designed to assess and manage multidisciplinary risks and opportunities. Our climate-related strategy is built on three pillars: transparency, adaptation and mitigation.

## Transparency

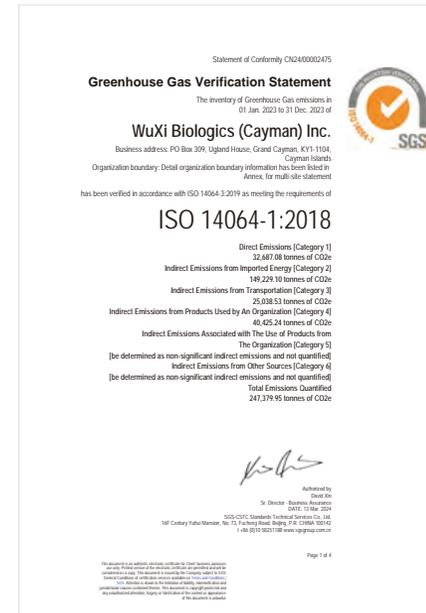
### Compliance and Disclosure

WuXi Biologics ensures full and consistent compliance with international standards as well as the national laws and regulations wherever the Company operates. We believe that being valued and trusted by our stakeholders is critical to our business and development, and that transparent disclosure can foster their confidence and reliance.

We constantly monitor our climate-change and environmental performance, as well as track and evaluate our GHG emissions-reduction progress through annual carbon inventory. We are committed to providing regular, fair and balanced information regarding our progress, initiatives, opportunities and risks of environmental protection, and climate-change topics. At the same time, we actively and transparently communicate with our stakeholders on an ongoing basis — through formal stakeholder engagement and analysis — regarding climate-change issues deemed material.

## GHG Emission Measurement and Verification

In 2023, we invited an independent and accredited professional agency to conduct carbon accounting across the Company based on the ISO 14064 standard<sup>24</sup> for Scope 1, Scope 2 and Scope 3. Their analyses allowed us to lay a solid foundation for an energy-saving and carbon-reducing roadmap, and to track our progress against our GHG target. As a result, we were able to estimate our long-term carbon emissions using capacity planning and present a rationale based on science.



ISO 14064 Certificate

## Life Cycle Assessment (LCA)

As market demands are shifting to more sustainable and low-carbon products, WuXi Biologics aims to minimize our environmental impacts and risks throughout the entire life cycle of our products to bring wider benefits. We have conducted a full LCA, in accordance with the ISO 14067 Standard, to evaluate potential environmental impacts (climate change) throughout a product’s life cycle. We are taking steps to extend our LCA to other environmental impacts, such as our water footprint and resource footprint, to comprehensively review the environmental performance of our products, leading to more eco-friendly products for our clients.

## Target Setting

WuXi Biologics is fully aware that GHG reduction is key for mitigating both physical and transition climate-related risks. We set GHG emission reduction targets based on different time horizons.

Our mid-term goal is to reduce our Scope 1 and Scope 2 GHG emission intensity by 50% (tonnes/RMB10,000) by 2030 from a 2020 base year.

Our long-term goal is to achieve net-zero emissions from overall operations by 2050.

In 2023, we committed to SBTi, aligning our climate actions with the *Paris Agreement*, which pursues efforts to limit global warming to 1.5°C above pre-industrial levels.



## Adaptation

### Addressing Climate Risks

We aim to create a climate-resilient workplace and build a climate-literate workforce, equipping ourselves to better cope with the physical impacts of climate change. As such, with consideration of our response strategies, we formulate context-specific plans with various physical risk adaptation initiatives in both existing and new operations.

During the planning for new construction — whether a new site or expansion at an existing location — WuXi Biologics applies the highest environmental standards. This includes integrating sustainability criteria into the risk assessment process for new mergers and acquisitions, such as resilience analysis, flood risk assessment, energy efficiency evaluation, and carbon emissions calculations.

To adapt to the climate risks at existing operations, we conduct substantive analysis on each site and develop targeted response programs as needed, such as introducing adaptive design by developing weather early-warning systems; designing emergency response measures and evacuation plans; implementing energy reserves; and initiating soil and water conservation programs.

### Adaptive Design: Make-up Air Unit (MAU) Seasonal Switching

When designing the MAU system for the WuXi Biologics Hebei site, we took full account of the climatic conditions in Hebei, specifically the seasonal trend of local air humidity. When the dryness of the air meets the requirements of the Air Handling Unit (AHU) and there is no need to dehumidify the air, we stop the operation of the dehumidifying machine and instead meet the fresh air demand of the AHU through natural air extraction, thus effectively reducing the dehumidifier's energy consumption.

At the same time, by continually optimizing the design of the winter fresh air ducts of the MAU system, we ensure the stability of the system when the air is taken and switched, and reduce the power consumption of the fresh air unit's fan motor, which is expected to reduce carbon emissions by about 146 tCO<sub>2</sub>e per year.

### Business Contingency Plan Optimization

As a key part of our operations risk adaption strategy, we developed business continuity plans that take into consideration possible disruptions due to extreme weather events — among other potential incidents or risks — and ensure that we will maintain critical crisis management and execution capabilities. To protect our business from physical risks, we pay close attention to weather changes, and allocate protective devices and emergency equipment ahead of possible climate disasters. In addition, we conduct annual drills to evaluate the effectiveness of our emergency response. In 2023, there were no safety accidents or production impacts caused by extreme weather at WuXi Biologics.

### Training

Employee engagement is critical for achieving our GHG goals and implementing our climate adaption plans. To raise employee awareness regarding climate change topics, we actively provide them with training curricula, lectures and other internal communications. In addition, the Company encourages employees to contribute their knowledge and ideas to help reach carbon-reduction goals in their daily work. We incorporate energy management performance into department assessments, link relevant indicators to individual performance reviews, and reward projects and innovations that offer notable energy conservation and carbon-reduction results.

### 2023 Environmental Sustainability Workshop

WuXi Biologics held the 2023 Environmental Sustainability Workshop at our Wuxi site, with 300 colleagues across all departments joining in person or online. The workshop shared best practices around three key themes — climate change, water management and waste management — and unveiled 20 best practice awards in carbon reduction, water-saving, and waste reduction to various sites.

During the workshops, the sites shared information on policy requirements, trends, challenges, initiatives and achievements, as well as practical experiences in executing energy-saving projects; implementing water and waste recovery initiatives; and deploying onsite solar panels. Participants from each site actively exchanged ideas on techniques, equipment indexes and practical details with a view to improving their environmental sustainability performance.



### Industry Cooperation

WuXi Biologics strives to boost the ability of our businesses, our employees, our suppliers and the communities in which we operate to better adapt to climate change. This involves having — and helping to provide access to — information, skills and physical resources. We are committed to following public policies related to climate change that align with the *Paris Agreement*. We also collaborate with trade associations and global organizations that have the same philosophy to develop and test methods for increasing energy efficiency, find the best solutions on climate change, and improve environmental performance in our business. A reviewing and monitoring process was set up to continually assess whether our public policy engagement and collaborations are aligned with the *Paris Agreement*.

In 2023, we committed to TCFD supporters and SBTi for setting near-term science-based emissions reduction targets and net-zero targets in line with the SBTi criteria and recommendations. We also participated in the CDP environmental disclosure and assessment process to share our corporate climate-change activities, with a view to contributing industry-specific insights for securing a sustainable net-zero and water-secure world. In recognition of our leadership in disclosing information, identifying and managing risks, addressing challenges, and setting significant, ambitious goals, WuXi Biologics' score on climate change improved significantly from previous years and we received A-for Climate Change from CDP in 2023.

### Mitigation

In addition to adapting to ever-changing climate risks, we also proactively embed various mitigation plans into our climate response strategy. Pursuant to our commitment to reducing our carbon footprint, we set mid-and long-term GHG emission-reduction targets with four main pathways: avoiding and reducing GHG emissions by enhancing our energy management system; integrating energy-conservation and emissions-reduction measures throughout our design, manufacturing and operation processes; replacing fossil fuels with renewable energy; and seeking carbon-offset opportunities to reduce overall emissions.



#### Avoid and Reduce Energy Management

We established an internal energy management system aligned with the ISO 50001 standard and formulated various internal policies for using energy in an efficient way, enhancing energy efficiency, and reducing energy consumption through a systematic and comprehensive management structure. Internal audits of the energy management system are conducted annually to assess conformity and effectiveness. We developed our WuXi Biologics Energy Management Standards to define responsibilities and guide our approaches to energy conservation and emission reduction.

Through the comprehensive and systematic energy management system, we vigorously adopted energy-efficient technologies and equipment, and focused on increasing the proportion of clean-energy usage. WuXi Biologics is committed to aligning all future capital expenditures with our long-term GHG target, and to facilitating decarbonization throughout the design, construction and daily operation phases of our facilities.

**Energy-Efficient Building Design**

Energy-saving and a low-carbon concepts are integrated into the design and construction of our new sites to reduce future energy consumption.

**Low-Carbon Design**

- Meet or exceed the relevant local and international standards of green building in all new construction projects.
- Adopt low-energy consumption, low-carbon and environmentally friendly products as building materials.
- Design the external features and architectural form with consideration of the climate environment.

**Energy Efficiency Upgrade**

- Create a monitoring system to identify key control points of energy consumption; monitor the operation status of production facilities and equipment; and strengthen energy information collection, daily monitoring and management.
- Adopt energy-efficient production facilities and equipment — such as fresh air systems and clean utility facilities — while continually optimizing equipment parameters to improve energy-use efficiency and reduce GHG emissions.
- Take advantage of natural light to reduce the demand for indoor lighting and install intelligent lighting systems with controls that will help reduce electricity consumption.
- Select suitable building materials and improve the airtightness of windows and doors to improve building insulation and reduce HVAC energy consumption.
- Maximize the use of natural cooling capacity and save electricity consumption.

**Reusing and Recycling**

- Establish water recycling systems for rainwater, condensate, and grey water to save water resources and improve water-use efficiency.

**Clean Energy**

- Integrate into the energy mix renewable sources, such as green electricity, photovoltaic power, and wind power.

**Cutting-Edge Technologies**

- Integrate innovative continuous manufacturing processes and environmentally friendly SUT to improve energy efficiency, reduce water consumption, and minimize environmental impacts.
- By combining SUT with our new-generation continuous biologics manufacturing platform, we are estimating that water usage will be reduced by approximately 70% and energy consumption by 33% compared to traditional stainless-steel technology.

Going forward, we will continue to integrate the concept of sustainability into the design of our sites, establish green and low-carbon facilities worldwide, and move towards a greener future.

**Energy-Efficient Manufacturing and Operation**

Recognizing energy consumption as one of the Company's most significant aspects in achieving our GHG emission reduction goal, we set a target of continually improving energy efficiency and reducing energy consumption during our business and manufacturing operations. For effective energy management at our operational sites, the Company established an energy management team in each site to monitor resource use in real time, detect and rectify abnormalities, and conduct regular inspections.

WuXi Biologics diligently seeks opportunities to decrease our energy consumption. We have adopted key mitigation technologies in all aspects to achieve this objective, including process optimization, equipment upgrades, infrastructure replacement and renovation, and energy-saving initiatives in offices. In 2023, 15,287 MWh of electricity, 1,031,928 cubic meters of natural gas, and 26,950 GJ of steam were saved, leading to a 16,641 tCO<sub>2</sub>e reduction in Scope 1 and Scope 2 GHG emissions.



### Examples of Actions Taken at Various Sites to Improve Energy Efficiency and Reduce Energy Consumption

Process Optimization	Machine/Equipment Replacement	Maintenance Program
<ul style="list-style-type: none"> <li>Optimizing production process system parameters to enhance energy efficiency.</li> <li>Implementing real-time manufacturing process monitoring and automated controls to reduce equipment idle time.</li> <li>Optimizing compressed air system for energy conservation.</li> </ul>	<ul style="list-style-type: none"> <li>Selecting the latest energy-efficient process equipment in the market to maintain highly efficient energy use.</li> <li>Carrying out a low-nitrogen retrofit for boiler burners.</li> <li>Deploying a multiple-tier energy metering device to monitor and further control equipment electricity use.</li> </ul>	<ul style="list-style-type: none"> <li>Repairing and coating the surface of the impeller and worm gear to improve the surface's finish and reduce its adhesion effect, thus increasing the operating efficiency of the pump and decreasing energy use.</li> <li>Adding automatic start/stop devices to air curtain units.</li> <li>Strengthening insulation effects for steam pipelines.</li> <li>Cleaning equipment regularly.</li> </ul>
Annual GHG emissions reduction 4,318 tCO <sub>2</sub> e	Annual GHG emissions reduction 1,225 tCO <sub>2</sub> e	Annual GHG emissions reduction 420 tCO <sub>2</sub> e
Cooling Technology	Heating, Ventilation, Air-Conditioning and Cooling (HVAC)	Waste Heat Recovery
<ul style="list-style-type: none"> <li>Utilizing free cooling system to maximize the use of natural cooling.</li> <li>Equipping chiller rooms with Maglev chillers.</li> <li>Adding an atomization system on the air-cooling unit to bring down the temperature of the air cooler owing to increasingly hot weather.</li> <li>Adding automatic control programs for the cooling system.</li> </ul>	<ul style="list-style-type: none"> <li>Installing heat pipe modules on the cool section of the air conditioning unit to recover the energy from the dehumidification process and thus reduce energy loss.</li> <li>Adopting an air recirculation system to optimize the proportion of fresh air.</li> <li>Adopting a Building Management System (BMS) for better control of energy consumption for heating, ventilation and air-conditioning.</li> <li>Setting an optimal indoor temperature that prevents wasting electricity on air-conditioning.</li> </ul>	<ul style="list-style-type: none"> <li>Adding a heat recovery unit and cooling tower to recover heat from steam condensate.</li> <li>Employing a double-loop U-shaped heat recovery system that simultaneously recovers the cooling capacity of the exhaust side and the rear sides of the cooling coil.</li> </ul>
Annual GHG emissions reduction 1,694 tCO <sub>2</sub> e	Annual GHG emissions reduction 6,667 tCO <sub>2</sub> e	Annual GHG emissions reduction 346 tCO <sub>2</sub> e
Renewable Energy	Reuse of Steam	Lighting
<ul style="list-style-type: none"> <li>Deploying a photovoltaic system.</li> <li>Purchasing renewable energy.</li> <li>Using biofuels to replace fossil fuels</li> </ul>	<ul style="list-style-type: none"> <li>Re-using steam condensates for exchanging heat with water supply and replenishing water in the cooling tower.</li> <li>Using compressed air to reduce humidity and steam usage.</li> </ul>	<ul style="list-style-type: none"> <li>Using Light Emitting Diode (LED) light sources for lighting fixtures.</li> <li>Installing sensor lights.</li> <li>Keeping the lights off in non-working areas.</li> </ul>
Annual GHG emissions reduction 876 tCO <sub>2</sub> e	Annual GHG emissions reduction 865 tCO <sub>2</sub> e	Annual GHG emissions reduction 230 tCO <sub>2</sub> e



## Energy Saving and Carbon Reduction Whitepaper

The Company proactively promotes the implementation of energy-saving and carbon-reducing initiatives during our daily operations. In 2023, the Company released the *Energy Saving and Carbon Reduction Whitepaper* to further encourage all our global sites to explore the potential for energy saving and carbon reduction. The whitepaper systematically outlines our strategy and roadmap on climate change actions — taking stock of the energy-saving and carbon-reduction projects from all operation sites within the Company — to further intensify our decarbonization efforts and reaffirm our commitment on our journey to net zero.



### *Decarbonizing Our Value Chain*

Reducing GHG emissions from our value chain is an integral part of the Company’s strategy to accelerate decarbonization in the industry and drive positive changes through proactive engagement with our key stakeholders — suppliers, clients and employees.

#### **Suppliers**

As the climate performance of our suppliers is crucial to the performance of our Scope 3 GHG emissions, we are dedicated to promoting wider cooperation with our key suppliers to achieve GHG reduction in the value chain. We engage with our suppliers through risk assessment, audits, incentive programs, training and education, and have established effective remedial action plans to improve their sustainability performance.

We are highly aware that collective efforts along our supply chain are required for tackling climate change. To enhance climate resilience and minimize our environmental footprints, we have incorporated climate change-related requirements in our procurement process covering all our suppliers, and we prioritize the purchase of low-carbon and environmental-friendly products. We educate our suppliers on climate change and emission reduction, and encourage them to incorporate best practices into their operations.

### Optimization of Warehouse Shipment and Inventory Management at Suzhou Site

In 2023, our Suzhou site optimized the shipment and inventory management processes through Kaizen, redefining the material storage strategy for three warehouses. This involves implementing measures such as centralized allocation, Electronic-Kanban information sharing, and the establishment of new replenishment rules. These actions reduce transport frequency and labor hours, achieving coordination among the three warehouses. As a result, it optimized the warehouse storage space, and significantly reduced diesel usage by 2,189 liters and the consequent GHG emissions from upstream transportation by 5.8 tCO<sub>2</sub>e in 2023.



### Clients

WuXi Biologics continues to foster transparency and regular communication with our clients on climate-related issues. Collaboration and innovation with clients allow us to better understand their concerns and requirements.

In 2023, based on pre-defined criteria, we identified key clients who were likely to be the most impactful regarding our Scope 3 emissions. We conducted regular engagement with these clients via one-on-one meetings, workshops and visits, email and online communications to ensure transparent disclosure, open dialogue, and collaboration on decarbonization.

### Employees

We raise awareness for our employees through training programs and communications, driving positive behavior that contributes to a reduction in Scope 3. In particular, we actively encourage and promote environment-friendly business travel.

### Green Commuting

We have implemented a number of initiatives to empower our staff to travel in an eco-friendly way:

- Reducing dependence on private cars by offering 128 electric shuttle buses for daily commuting.
- Providing 225 electric vehicle chargers for employees.
- Encouraging staff to use business taxis that are electric vehicles. In China, 80% of business taxis taken by our employees are e-cars.



### Substitute

Shifting our energy mix to renewable sources is crucial for our decarbonization strategy, and we continually explore opportunities for generating and purchasing more renewable energy. We encourage all our operations to expand their use of renewable energy, to replace energy sources with green alternatives when possible — such as green electricity, photovoltaic power, and wind power — and reduce the use of fossil fuels.

In step with WuXi Biologics' commitment to increasing the use of renewable energy, some sites are actively experimenting with new energy sources. For example, our Dundalk, Ireland site gets 100% of its power supply from renewable energy. Further advancing our renewable energy journey, a number of PV power installation projects, among other improvements, were completed recently at the Wuxi site, the Shanghai site, the Ireland site, and several other operational sites. In 2023, we consumed 2,797,037 kWh of renewable electricity through the use of decentralized or embedded site renewables.

### Offset

In accordance with WuXi Biologics' *Climate Change Policy*, carbon removal and verified carbon offsets form part of our strategy. We are dedicated to supporting nature-based solutions and other emerging carbon offset technologies, and focusing our efforts on carbon credit purchasing, and carbon capture and storage.



# Performance and Metrics

In this report, we disclose Scope 1 GHG emissions<sup>25</sup>, Scope 2 GHG emissions<sup>26</sup> and part of Scope 3 GHG emissions<sup>27</sup> (refer to Appendix I for details). All data, including GHG emissions and energy consumptions, are verified by an independent and accredited third party.

In 2023, our GHG emissions intensity (Scope 1 and Scope 2) decreased by 29% compared with the baseline year 2020.

Climate change is, and will continue to be, a defining issue for our business and for the world. We will strengthen our efforts to decarbonize our business through such actions as improving energy efficiency, reducing energy waste, increasing the use of renewable energy and offsetting carbon, and will make periodic reports regarding our progress.

# 29%

decrease in Scope 1 and Scope 2 GHG emission intensity compared with the baseline year 2020

GOVERNANCE

STRATEGY

RISK MANAGEMENT

**PERFORMANCE AND METRICS** 





# Environment Protection

ENVIRONMENTAL MANAGEMENT  
WASTE AND DISCHARGE CONTROL  
RESOURCE MANAGEMENT

## The Big Picture

We believe that business growth should not come at the expense of the environment. In addition to compliance with applicable environmental laws and regulations, we continually improve our environmental management system, aiming to minimize our environmental impact through effective waste management and discharge control in our operations while protecting valuable resources.

We prioritize proper waste disposal and pollutant management, and constantly seek to identify waste reduction and recycling opportunities. Furthermore, WuXi Biologics places a high value on the protection of water resources and the economical use of packaging materials. We strive to set targets for water use, emissions, and waste reduction that will lead us to take prompt action in reducing environmental impacts, and empower energy and resource saving initiatives.



# Environmental Management

## Why It Matters

A robust Environmental Management System (EMS) is indispensable to WuXi Biologics' sustainability strategy. We recognize that by integrating a sound EMS into all aspects of our business, we can coordinate our plans for overall resource conservation and waste reduction, which helps further improve our environmental compliance and reduce operating impacts on the environment.

### Certifications and Awards

ISO 14001 Certification

*Leading Green Development Enterprise of Jiangsu Province* by the Department of Ecology and Environment of Jiangsu Province

*Water-Saving Corporation of Jiangsu Province* by the Water Resource Department of Jiangsu Province

*Water-Saving Corporation of Shanghai Municipality* by the Shanghai Municipal Commission of Economy and Informatization and Shanghai Water Authority

*Environmental Protection Demonstration Enterprise* by the Bureau of Ecology and Environment of Wuxi City

*Clean Production Enterprise* by the Bureau of Ecology and Environment of Wuxi Xinwu District

## Management Structure and Policies

Our Board of Directors undertakes the overall responsibility for the Company's environmental management strategy, oversees the implementation of relevant environmental policies, and monitors the progress and improvement of our environmental performance. The Environmental Health & Safety (EHS) Department is responsible for instructing other departments regarding the implementation of environmental management initiatives, and for monitoring and recording environmental performance in daily operations. All employees — from entry-level to senior management — are actively engaged in all environmental efforts, and contributing in facility design, construction and operation. We link key environmental performance indicators to the performance reviews of all employees, and any inappropriate behaviors — such as non-compliance of regulations—can negatively affect the result.

WuXi Biologics has established, implemented, and maintained a global EHS policy clarifying our environmental management framework and environmental commitments, which applies to all our business and employees. Our *WuXi Biologics EHS Policy* and *WuXi Biologics EHS Standards* provide the guiding principles for environmental management, including for key issues such as emergency response, contractor management, air emission management, water and wastewater management, waste management, EHS by design and management of change, and noise management. We integrate EHS into our overall business strategy throughout operations, products and services, distribution and logistics, due diligence, and mergers and acquisitions.

#### ENVIRONMENTAL MANAGEMENT

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Through these comprehensive environmental management policies and standards, we ensure our compliance with all applicable EHS laws and regulations, as well as company EHS standards and industry practices in all operational activities. To further ensure our compliance, we regularly conduct environmental compliance assessments. When there are new or updated environmental laws and regulations, we determine whether they apply to us and update our EHS law and regulation list in a timely manner. We set up quantitative environmental targets and objectives, manage environmental risks effectively, and use management systems to identify hazards, establish prioritization and action plans, and drive environmental performance into continual improvement. Our policies are publicly communicated with the purpose of showing commitment to our employees and fostering a transparent dialogue with internal and external stakeholders regarding our environmental efforts and progress.

ENVIRONMENTAL MANAGEMENT

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In 2023, we complied with all environmental laws and regulations of the jurisdictions in which we operate, and we had no reported external environmental pollution incidents or environmental penalties.



ISO 14001 Certificate

Our Approach

Environmental Management System

WuXi Biologics has in place a reliable, effective, and responsible environmental management system that was developed according to the latest ISO 14001 standard. It covers all countries and regions where we operate, and governs our operations and sustainability efforts. Following the requirements of our EMS, the Company manages the environmental elements of its operation, identifying products, activities and services that have significant impacts on the environment. We are committed to reducing the generation of pollutants while complying with local laws and regulations for waste and emissions. In our environmental management procedures, we define the responsibility of related departments in managing solid waste, wastewater, air emissions and noise, as well as the principles of such management. Independent third-party inspections and audits on environmental performance are conducted regularly and recorded for further compliance on waste and discharge management. We also conduct regular monitoring of air emissions, wastewater discharge, and boundary noise emissions to ensure compliance with applicable standards. In addition, we have developed contingency plans for environmental emergencies, and have made relevant arrangements for responding to environmental pollution accidents with the aim of eliminating adverse environmental impacts. Additionally, we obtained ISO 14001

certification<sup>4</sup>, and a series of environmental internal policies were established in accordance with ISO 14001.

For new sites and extensions of existing sites, as well as sites added from acquisitions, we ensure strict compliance with the “Three Simultaneities” principle and identify significant environmental impacts in accordance with local laws and regulations. At the early stage of mergers and acquisitions, our EHS team comprehensively assesses the environmental, health and safety risks of the project by conducting on-site inspections, hiring a third party to assess for soil and groundwater contamination, and providing the Company with EHS risk management recommendations. The EHS team is also involved at a project’s designing stage to evaluate and monitor environmental risks. We conduct environmental impact assessments and get approval by authorities before project implementation. Continuing its oversight and following our management framework, the EHS team organizes environmental risk assessments at least once a year to identify and record environmental risks of our operations — according to the “Environmental Impact Checklists” — and formulates targeted measures. In 2023, environmental risk assessments were conducted at all our sites.



---

# 100%

of employees who received environmental training courses

---

# 100%

of sites which an environmental risk assessment has been conducted

### Chemical Management

WuXi Biologics endeavors to ensure the safe and compliant management of all chemicals used at our operation sites. We have implemented a chemical classification and labelling system in alignment with the *Globally Harmonized System of Classification and Labelling of Chemicals* (GHS), as well as and relevant local standards, such as the *Inventory of Existing Chemical Substances in China* (IECSC). In 2023, to streamline the management of Safety Data Sheets (SDS) for our chemicals and products, we introduced an SDS management platform that facilitates transparent and efficient sharing of SDS resources and generates chemical labels compliant with GHS requirements. By centralizing SDS access and eliminating the need for separate requests from suppliers, as well as maintaining SDS libraries at individual sites, the platform enables us to enhance the operational efficiency, reduce labor costs, and mitigate environmental compliance risks.

### Internal and External Audits

We monitor our environmental performance at all operational sites — through internal EHS audits — for compliance with environmental laws and regulations, implementation of environmental management procedures, and risk management measures. Internal audits on EHS procedures and implementation of key EHS risk management measures are conducted at least once a year, with audits on compliance with EHS laws and

regulations conducted at least once every three years. In 2023, WuXi Biologics conducted its annual internal EHS audits, covering all operational sites, based on our environmental management system.

In addition, external audits are conducted in accordance with the ISO 14001 standard at least once a year. We actively encourage internal and external communications on environmental management issues and welcome remote and onsite visits from clients and governmental officials. In 2023, sites visited by our clients and their audit officers were highly praised for our EHS management system. All audits reported no critical finding of policy or procedural breaches.

We take corrective and preventive actions if any issues arise, aiming for further improvement and continual compliance. A corrective action plan and preventive action plan are developed once incidents happen, and presented in a management review meeting if it requires adjustments to our environmental management system. The management review meeting is organized and attended by top management and conducted at least once a year, where EHS policies, targets, and management initiatives are discussed and adjustments are made to the environmental management system as needed to align with our commitment to continual improvement.

### EHS Training

To help our employees understand the impact of their work activities on the environment and raise their awareness of environmental protection, our EHS team organizes regular training for general staff, senior managers and executives, covering such topics as environmental management, environmental compliance, hazardous substances management, water efficiency management programs, and waste classification and reduction. We conduct specific training for the EHS team at all of our sites on the latest updates of environmental laws and regulations. Furthermore, we organize drills of simulated environmental emergencies to improve staff’s emergency response capabilities. In 2023, all of our employees participated in and completed the environmental training courses.

In addition to raising the awareness and competence of our employees through training, we also encourage internal communications on environmental management issues through a series of activities, such as our “2023 Environmental Sustainability Workshop”, which shares best practices from different sites and departments on environmental protection and reduction of carbon, waste and water usage.

## ENVIRONMENTAL MANAGEMENT

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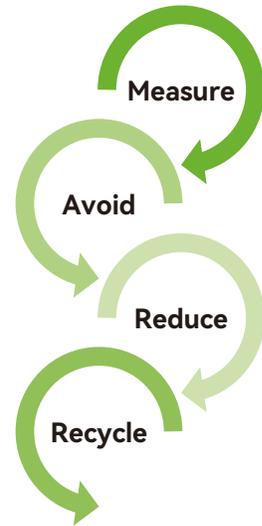
# Waste and Discharge Control

## Why It Matters

WuXi Biologics strives to reduce the amount of hazardous and non-hazardous waste, wastewater, and waste gas emissions. We have developed specific internal policies and auditing procedures on waste management and discharge control to further compliance. In 2023, all waste and discharge were compliant and no cases of pollutant discharge exceeded regulatory limits or violated relevant industrial standards.

## Our Approach

WuXi Biologics has set up waste management programs to continuously identify areas where waste performance can be improved, and we take proactive actions to minimize waste generation, by mobilizing resources on initiatives that work towards waste reduction at all our operational sites and lead to a decrease in the total waste to landfill. We spare no effort to explore environmental-friendly waste management practices and have adopted a systematic approach to waste reduction:



### Measure

- Map waste streams for all operational sites and identify main source.
- Establish baseline and target set-up for mature sites.

### Avoid

- Operate own waste/wastewater treatment facilities if possible.
- Work with suppliers to eliminate non-recyclable packaging.

### Reduce

- Achieve waste reduction via technical/process/behavior transition.
- Integrate material reduction and waste-related indicators into WBS.

### Recycle

- Select waste suppliers/partners based on sustainability performance.
- Employ internal reuse system for consumables and packaging.

## Waste Management

WuXi Biologics strictly supervises the collection, classification, storage, and transfer of different kinds of waste to prevent environmental pollution and maintain compliance. We are committed to regularly monitoring and analyzing our waste streams, and to reducing both hazardous and non-hazardous waste in a targeted manner. In 2023, we stayed on track to reach our waste reduction target on both hazardous and non-hazardous waste.

### Our Measures

To ensure waste is properly managed and to reduce our environmental impact, the Company’s hazardous and non-hazardous waste are separated, collected on the site of generation, and disposed of through qualified third-party waste management companies in accordance with our policies and all applicable legal requirements. In 2023, the Company — through an internal environmental database — continually measured and monitored both hazardous and non-hazardous waste generation volumes and disposal methods.



100%

of waste treatment compliant

100%

of wastewater treatment compliant

**Non-hazardous Waste**

Non-hazardous waste includes office waste, domestic waste and general industrial solids. Once the waste has been collected and classified as non-hazardous waste, it is stored in a proper place to prevent it from polluting land and soil, before it is transferred to a garbage recycling station for centralized collection and disposal.

**Hazardous Waste**

Hazardous waste is produced mainly from R&D processes and manufacturing, and includes liquid, consumables, and waste activated carbon. We follow local environmental regulations and requirements regarding storing, segregating, labelling and documenting hazardous waste, and meet stringent requirements for decontaminating biohazardous waste prior to final disposal. All hazardous waste is classified into different categories based on their properties before being stored temporarily in a warehouse, and a registration form must be completed before the transfer. Additionally, hazardous waste labels in compliance with local regulatory requirements

are required to be put on all waste containers and storage bags. All biohazardous waste is final disposed of by qualified third parties. To improve our hazardous waste handling capacity and ensure the compliant disposal of hazardous waste, we conduct hazardous waste training for all employees and contractors entering the site.

We perform EHS audits of all our hazardous waste vendors for compliance. A database of hazardous waste suppliers established in 2021 has been continually optimized to allow comprehensive evaluations of our suppliers. In 2023, we conducted an on-site assessment of our hazardous waste vendors. The assessment included the status of the suppliers' environmental evaluation documents, discharge permits, ledgers, environmental penalty records, environmental treatment facilities, employee training, and security. Sites located in the same region share information on waste disposal suppliers, and set up backups to mitigate the impact of an emergency or the unavailability of a single supplier.

WuXi Biologics is committed to reducing the intensity of waste — including hazardous and non-hazardous waste — by 10% (tonnes/RMB10,000) by 2027 from the base year 2022 as one of our sustainable development targets. To meet this target, we are proactively developing innovative and impactful waste reduction opportunities. Our EHS Department is in charge of developing and improving the management plan for hazardous waste and developing initiatives that will help reduce hazardous waste and its perniciousness.

**Optimization of Raw Material Usage for Traditional Fed-batch Manufacturing**

While also achieving cost-reduction goals, this project aims to reduce the usage of chemicals, increase the membrane loads, and consolidate the reuse of collection and storage bags. These initiatives resulted in an annual reduction of waste generation by 1.41 tonnes and a reduction of water usage by 1.26 tonnes from rinsing, disinfection, and other steps.



In 2023, we have implemented a variety of initiatives to reduce hazardous waste and optimize waste management across all of our operational sites. These programs, which involved collaborative efforts from various departments, included constructing new wastewater treatment stations; improving wastewater treatment processes to reduce hazardous waste volumes; allocating R&D resources and adopting flexible methods for solution preparation to minimize waste; optimizing storage tank designs to enhance utilization; and implementing recycling practices for packaging materials.

### Process Optimization to Reduce Hazardous Waste Generation

WuXi Biologics continues to take the initiative in reducing hazardous waste generation through technical upgrade and process optimization. In 2023, the Wuxi site undertook a risk management analysis and upgraded its GMP process, which resulted in reduced turnaround time and more efficient manufacturing. The upgrade further decreased our consumptions of consumables by 23 tonnes per year and the discharge of flushing waste liquid by 1,932 tonnes per year.

### Standardization of Membrane Usage Initiative at Shanghai Site

The Shanghai site analyzed its raw materials costs and identified cost-saving opportunities for membrane usage. They developed an initiative that aims to reduce material usage and waste volume by using a standardized approach, including improvement of the development load of Ultrafiltration/Diafiltration (UF/DF) membrane, reduction of the safety margin of production membrane, and optimization of both the operating process and the delivery sample strategy. The initiative resulted in an annual reduction in material usage by 13.83 tonnes, waste by 15.1 tonnes and water usage by 1.27 tonnes.

### Harvest Process Optimization for Bioreactors

This Kaizen project successfully reduced the number of harvests in a 3L bioreactor by 45% in the product development phase, which not only reduced operation time and material consumption, but also helped save water resources and decrease wastewater discharge and electricity consumption. For harvested 3L bioreactors, we utilized the Failure Mode and Effect Analysis (FMEA) approach to conduct a thorough risk assessment and simplify operational steps. Additionally, we reused filters to further reduce solid waste generation. These measures resulted in an annual reduction of electricity consumption by 18,600 kWh, waste generation by 5.13 tonnes, and water usage by 5.04 tonnes.



## Water Discharge Management

WuXi Biologics attaches great importance to wastewater management and wastewater quality improvement, and we strictly abide by laws, regulations, and standards of wastewater treatment in all countries and regions where we operate.

## Our Measures

All of the Company’s wastewater is first collected in tanks or reservoirs and treated in our internal wastewater treatment facilities. It is then tested according to local permits before being discharged into the industrial park or municipal sewage system, to prevent its polluting the environment, soil or groundwater. In addition, we have implemented a monitoring system that detects abnormalities — such as Ammonia Nitrogen and Chemical Oxygen Demand (COD) — to ensure that wastewater is discharged only after reaching standard allowable levels. The system alerts the responsible personnel in a timely manner when abnormalities are identified, and immediate corrective actions are taken to ensure we remain in compliance.

Wastewater generated by office and other non-laboratory operations is collected separately before it is discharged to the industrial park or municipal station for further treatment. Sludge generated from the treatment is dehydrated and transported to qualified third party disposal plant.

Internal inspections are carried out periodically as required by local environmental law and regulation requirements. For a further check on compliance, we engage third-party institutions to regularly monitor the quality of wastewater that is discharged. Based on the results of our monitoring and inspection systems, all our wastewater discharge has proven compliant.

## 2023 Wastewater Management Programs

WuXi Biologics strives to reduce wastewater discharge and improve wastewater quality by adopting a waste reduction approach to map and evaluate wastewater streams across all operational sites. In 2023, several initiatives were undertaken to reduce our wastewater discharge and improve wastewater quality, including the construction of new wastewater treatment facilities (informed by the evaluation of wastewater streams), technical enhancements to existing wastewater treatment facilities, and the implementation of advanced treatment processes to improve efficiency and mitigate environmental risks.



ENVIRONMENTAL MANAGEMENT

**WASTE AND DISCHARGE CONTROL**

RESOURCE MANAGEMENT



## Air Emission Management

In addition to the importance we place on reducing the emission of greenhouse gases, we are highly aware that the management of non-GHG emissions – such as soot/Particulate Matters, NOx, and SOx – is also important to our operations and to the environment. We require all our facilities to have strong air emission management programs in place and to take any and all necessary steps to reduce non-GHG emissions and ensure environmental protection.

## Our Measures

WuXi Biologics makes proactive efforts to control and reduce air emissions through continuous investment and technical improvement of our emission control equipment at emission points. We take the initiative and continue to implement high-efficiency filters and activated carbon in our sites to reduce non-GHG emissions and prevent air pollutants from entering the environment. In addition, we engaged a third-party institution that regularly monitors and audits emission concentrations to ensure ongoing compliance. To reduce overall air pollutant emissions, our sites continued to refine their machinery and improve air emission treatment methods in 2023.

In 2023, we implemented a variety of initiatives to reduce non-GHG emissions across all of our operational sites.

## 2023 Air Emission Reduction Programs

To protect the environment and ensure our compliance on air emissions, we consistently review our air emission treatment facilities and in 2023 implemented a number of initiatives, including: constructing new air emission treatment facilities; adding technical enhancements to existing air emission treatment facilities; and installing an additional activated carbon treatment system for laboratory exhaust gas to enhance treatment efficiency and reduce non-GHG emissions into the atmosphere. For example, at our Suzhou site, the installation of an additional set of activated carbon treatment units to treat exhausts from laboratories enhanced the treatment efficiency by 80%.



ENVIRONMENTAL MANAGEMENT

**WASTE AND DISCHARGE CONTROL**

RESOURCE MANAGEMENT



# Resource Management

## Why It Matters

Natural resources and other materials are essential to the existence of human beings, and are indispensable in medical research, development and production. We protect the environment and pursue sustainability by operating responsibly, reducing our adverse environmental impacts through efficient, circular use of water and packaging materials to ensure responsible production and disposal.

## Water Resource Management

Water is used for various purposes across our daily operations, including for washing, cleaning and sanitation, and as a product ingredient. Water we use for operations comes from municipal water systems, and a small amount for irrigation and road cleaning comes from harvested rainwater. We provide all employees with safe drinking-water, sanitation and hygiene, and we also work continuously to reduce water usage. Our sites actively participate in local water-saving initiatives where we operate. For example, our Wuxi site and Shanghai site participate in their local community’s initiative of water-saving enterprises establishment, and have been recognized as a “Water-saving Corporation” by the local water management agencies. Our Shanghai site is cooperating with other companies operating at the same industry campus to carry out water-saving projects.

## Our Approach

WuXi Biologics has set up water efficiency management programs to conduct water use assessments that identify opportunities for water efficiency improvements, and lead to proactive actions for reducing water consumption and improving wastewater quality. We also actively carry out water recycling initiatives and hold water-use awareness trainings for employees. We spare no effort to explore environmental-friendly water management practices and adopted a systematic approach to water reduction:



### Measure

- Annually assess water-related risk for all operational sites.
- Establish baseline and target set-up for mature sites.

### Avoid

- Ensure every new site will be the best ESG site — Water Saving Design.
- Adopt less water-intensive production techniques, such as SUT.

### Reduce

- Achieve water saving via technical/process/behavior transition.
- Integrate water-related indicators into WBS.

### Recycle

- Promote water recycling including reclaimed or condensed water.
- Capture rainwater and reuse where possible.



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# 23%

reduction in water consumption intensity since 2019

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## Water Target Achieved Ahead of schedule

### Our Targets

Having achieved our water consumption intensity reduction target ahead of schedule, we have actively upgraded the target from 18% to 30% by the year 2025 from the base year 2019.

This reaffirmed our commitment to good water stewardship — improving our water efficiency performance and minimizing our reliance and impact on water resources — and we are committed to implementing Water Excellence Stewardship (WES) at our priority sites by 2027. In line with our targets, we formulated a water consumption reduction plan, and continually monitor water consumption performance and our progress towards the targets.

### Our Measures

#### Water-Stress Assessment

Before beginning a new project, WuXi Biologics conducts a water-stress assessment at the potential site to evaluate water scarcity and water-related risks and opportunities — including physical, regulatory and reputational — and develops a site-specific water management plan based on the assessment result. During operations, we conduct regular water risk assessments and scenario analysis within our direct operations and other stages of the value chain. We dedicate financial expenditure for costs associated with water-related risks — including Investment in R&D and facility upgrades to mitigate water-related risks and we strive to reduce our own water use as well as safeguard water resources in the regions where we operate.

### Reducing and Recycling water

We focus our efforts on reducing our water consumption at the source, and maximize the use of recycled water in manufacturing processes across all sites. To optimize the utilization of water resources, we establish and operate water recycling facilities that can adjust water balance and recycle water between facilities with different water needs, and we use reclaimed and pre-treated water to replenish a cooling tower, and for irrigation and road cleaning. We also engage with our value chain on water-reduction issues.

#### Technology Optimization

We seek innovative solutions to enhance the water efficiency of our equipment and process. To support the Company's green development and save water resources, our sites actively adopt rainwater harvesting technology to meet the demand for facility grounds' irrigation. As an example, our Shanghai site saved 629 tonnes of water in 2023.



We will continue to make a concerted effort in the area of water conservation and are confident we will successfully meet our updated targets. In 2023, WuXi Biologics had no incidents of non-compliance with water quality or quantity permits, standards or regulations.

### Digital Management System for Flexible Water Use at Shanghai site

In 2023, our Shanghai site adopted a digital management system for flexible water use. The system enabled site operations to provide intermittent and real-time water supply to better satisfy water needs from the demand side. It is estimated that 1,682 tonnes of steam, 431 MWh of electricity, and a total of 13,600 tonnes of water can be saved per year through the use of the digital management system.

### Optimization of Filter Usage and Integrity Testing Strategy at Wuxi Site

This initiative aims to optimize the usage and integrity testing strategy of filters in the raw material area of our Wuxi site. Encompassing regulatory requirements, it aimed to apply scientific risk assessment methods to evaluate key risk-control points of different filters in equipment and processes. Through the collaborative efforts of the team members, a risk-based strategy for filter replacement and integrity testing was ultimately formulated. Additionally, the integrity assurance of filters was moved from post-usage testing to pre-usage testing, contributing to significant ESG improvements. It is estimated 851 tonnes of water was saved annually through this initiative.

### Packaging Optimization

The 3R concept (Reduce, Reuse, Recycle) is becoming more important in all phases of product lifecycles — from development and production to use and final disposal. WuXi Biologics directly and indirectly uses various types of packaging materials in our manufacturing and transporting processes. We carefully consider the impact of our products on the environment through all stages of their lifecycles.

### Our Approach

We make great effort to use more recyclable, reusable or industrially compostable materials while also reducing the use of plastic and working on better packaging solutions. The main types of packaging used for our clients' finished drug products are medicine bottles/vials, rubber stoppers/plugs, aluminum caps, labels, honeycomb covers and carton boxes. To prevent the waste of packaging materials and lessen the use of excessive and unneeded packaging, we work with suppliers to eliminate non-recyclable packaging, and we reduce the use of materials by managing the source of product packaging and streamlining the manufacturing process. We also actively seek out new packaging materials that are made from sustainable components — 100% of our paper packaging for drug products are Forest Stewardship Council (FSC) certified — while ensuring they are of the same or even better quality. We classify left-over packaging materials and reuse them internally for other purposes when possible. If they cannot be used internally, we cooperate with qualified third-party agencies to maximize the recycling or reuse of packaging materials.



# Appendix I

## Key Performance Indicators

Environmental performance indicators Type	Unit	2020	2021	2022	2023
<b>Energy indicators</b>					
Direct energy consumption — Gasoline	Liters	—	12,974	10,764	52,203
Direct energy consumption — Diesel fuel	Liters	—	60,314	16,470	36,350
Direct energy consumption — Natural gas	m <sup>3</sup>	5,665,031	10,575,955	11,875,465	10,432,418
Indirect energy consumption — Purchased electricity	kWh	81,128,859	145,487,253	166,417,679	173,378,300
Indirect energy consumption — Purchased steam	GJ	—	62,708	108,021	187,216
<b>Energy consumption indicators<sup>28</sup></b>					
Total energy consumption <sup>29</sup>	MWh	—	278,070	325,195	332,191
Integrated energy consumption intensity	MWh/10,000RMB	—	0.270	0.213	0.195
<b>Greenhouse gas emissions indicators</b>					
Scope 1 Emissions	tCO <sub>2</sub> e	11,042	29,917	33,762	32,687
Scope 1 Emissions Intensity	tCO <sub>2</sub> e/10,000RMB	0.020	0.029	0.022	0.019
Scope 2 Emissions <sup>30</sup>	tCO <sub>2</sub> e	74,361	114,292	136,067	149,229
Scope 2 Emissions Intensity	tCO <sub>2</sub> e/10,000RMB	0.132	0.111	0.089	0.088
Totals (Scope 1 + Scope 2)	tCO <sub>2</sub> e	85,403	144,209	169,829	181,916
Total Emission Intensity (Scope 1 + Scope 2)	tCO <sub>2</sub> e/10,000RMB	0.152	0.140	0.111	0.107
Scope 3 Emissions — Fuel and energy-related activities	tCO <sub>2</sub> e	—	—	—	35,385.14
Scope 3 Emissions — Upstream transportation and distribution	tCO <sub>2</sub> e	—	—	2,431.75	2,251.28
Scope 3 Emissions — Waste generated in operations	tCO <sub>2</sub> e	—	—	2,944.18	5,040.10
Scope 3 Emissions — Business travel	tCO <sub>2</sub> e	—	—	—	2,101.23
Scope 3 Emissions — Employee commuting	tCO <sub>2</sub> e	—	—	20,400	19,654.27
Scope 3 Emissions — Downstream transportation and distribution	tCO <sub>2</sub> e	—	—	1,169.96	1,031.75



# Appendix I

## Key Performance Indicators (Cont.)

Environmental performance indicators					
Type	Unit	2020	2021	2022	2023
<b>Waste indicators</b>					
Hazardous waste produced volume	tonnes	1,626.78	3,021.99	3,337.11	2,852.50
Hazardous waste treatment — Landfilled	tonnes	0	0	0.0068	0.05
Hazardous waste treatment — Incinerated with energy recovery	tonnes	318.32	1,144.43	2,866.50	1,839.30
Hazardous waste treatment — Incinerated without energy recovery	tonnes	956.31	1,774.60	438.69	917.95
Hazardous waste treatment — Recycled/Reused	tonnes	163.80	0	6.32	54.60
Hazardous waste treatment — Other treatments	tonnes	188.35	102.96	25.59	40.60
Hazardous waste Intensity	tonnes/10,000RMB	0.0029	0.0029	0.0022	0.0017
Non-hazardous waste produced volume	tonnes	2,107.31	2,687.07	2,671.93	2,962.67
Non-hazardous waste treatment — Landfilled	tonnes	0	0	12.00	39.11
Non-hazardous waste treatment — Incinerated with energy recovery	tonnes	1,287.66	1,384.68	2,317.19	2,488.83
Non-hazardous waste treatment — Incinerated without energy recovery	tonnes	10.05	57.42	42.32	268.34
Non-hazardous waste treatment — Recycled/Reused	tonnes	38.54	51.69	171.42	160.04
Non-hazardous waste treatment — Biological treatment	tonnes	0	0	25.00	6.35
Non-hazardous waste treatment — Other treatments	tonnes	771.06	1,193.28	104.00	0
Non-hazardous waste intensity	tonnes/10,000RMB	0.0038	0.0026	0.0017	0.0017
<b>Water discharge indicators</b>					
Total water discharge	tonnes	343,350	765,480	1,410,253	1,657,000
Off-site water treatment total discharge <sup>31</sup>	tonnes	343,350	765,480	1,396,193	1,629,345
Beneficial/other use total discharge	tonnes	0	0	14,060	27,655
Other destination total discharge	tonnes	0	0	0	0
COD discharge	tonnes	—	—	101.91	63.79
NH <sub>3</sub> -N discharge	tonnes	—	—	6.81	4.02



# Appendix I

## Key Performance Indicators (Cont.)

Environmental performance indicators					
Type	Unit	2020	2021	2022	2023
<b>Exhaust gas indicators</b>					
NO <sub>x</sub> emissions	tonnes	2.66	5.67	3.53	5.04
SO <sub>x</sub> emissions	tonnes	—	—	0.005	0.018
Soot/Particulate Matters emissions	tonnes	0.02	0.12	0.19	0.26
<b>Water consumption indicators</b>					
Total water consumption/withdrawal <sup>32</sup>	tonnes	935,046	1,500,923	2,108,001	2,373,618
Municipal water supply	tonnes	935,046	1,500,923	2,106,456	2,372,989
Harvested rainwater	tonnes	0	0	1,545	629
Other sources	tonnes	0	0	0	0
Water consumption/withdrawal intensity	tonnes/10,000RMB	1.67	1.46	1.38	1.39
Total water recycling	tonnes	—	—	15,605	40,132
Harvested rainwater	tonnes	—	—	1,545	629
Condensed water	tonnes	—	—	—	11,848
Reclaimed water	tonnes	—	—	14,060	27,655
<b>Packaging material consumption indicators</b>					
Packaging material consumption	kg	23,400	126,651	219,325	177,824
Packaging material consumption intensity	kg/10,000RMB	0.042	0.123	0.144	0.104



# Appendix I

## Key Performance Indicators (Cont.)

Social performance indicators						
Type	Unit	2020	2021	2022	2023	
<b>Personnel employment indicators</b>						
Number of employees	Number	6,646	9,864	12,461	12,740 <sup>33</sup>	
Male	Number	2,772	4,236	5,808	5,922	
Female	Number	3,470	4,865	6,653	6,816	
Gender unknown	Number	—	—	—	2	
Under 18	Number	—	—	—	0	
18 to 30	Number	3,463	4,970	6,546	5,929	
30 to 50	Number	2,677	4,003	5,591	6,458	
Over 50	Number	102	128	324	353	
Full-time employees	Number	6,646	9,864	12,461	12,740	
Part-time employees	Number	178	161	409	179	
Contractors <sup>34</sup>	Number	—	—	—	78	
Senior management	Number	101	191	218	251	
Middle management	Number	350	997	1,161	867	
Primary management	Number	807	684	927	1,308	
General staff	Number	4,984	7,992	10,155	10,314	
Asia	Number	—	—	11,217	11,110 <sup>35</sup>	
America	Number	—	—	359	411	
Europe	Number	—	—	885	1,219	
New employees	Number	—	4,189	3,826	1,688	
Male	Number	—	—	1,714	824	
Female	Number	—	—	2,112	843	
Gender unknown	Number	—	—	—	1	



## Appendix I

### Key Performance Indicators (Cont.)

<b>Social performance indicators</b>						
Type	Unit	2020	2021	2022	2023	
Under 18	Number	—	—	—	0	
18 to 30	Number	—	—	2,649	997	
30 to 50	Number	—	—	1,098	607	
Over 50	Number	—	—	79	64	
Average years employed by the Company - Male	Year	—	—	1.9	3.2	
Average years employed by the Company - Female	Year	—	—	2.0	3.2	
<b>Employee equality and diversity metrics</b>						
Total number of employee nationalities	Number	14	16	49	56	
Percentage of non-Chinese employees	%	—	—	8.6	9.5	
Percentage of non-Chinese employees in all management positions	%	—	—	14.1	12.4	
Percentage of employees from minority ethnic groups	%	—	—	2.3	4.2	
Percentage of employees from minority ethnic groups in all management positions	%	—	—	1.2	3.6	
Percentage of employees from minority ethnic group in senior management	%	—	—	—	2.4	
Percentage of female employees in executive management	%	—	—	30	33	
Percentage of female employees in senior management	%	—	38	39	39	
Percentage of female employees in middle management	%	—	—	46	45	
Percentage of female employees in primary management	%	—	—	50	50	
Percentage of female employees in management positions in revenue-generating functions	%	—	—	44	45	
Percentage of female employees in STEM-related positions (as % of total STEM positions)	%	—	—	53	53	
Percentage of employees with disability	%	—	—	0.8	0.8	



# Appendix I

## Key Performance Indicators (Cont.)

Social performance indicators			2020	2021	2022	2023
Type		Unit				
<b>Average salary comparison between genders</b>						
General staff	Base salary	%	—	—	101	101
Primary management	Base salary	%	—	—	97	97
	Base salary + bonus	%	—	—	—	97
Middle management	Base salary	%	—	—	97	99
	Base salary + bonus	%	—	—	—	99
Senior management	Base salary	%	—	—	87	84
	Base salary + bonus	%	—	—	—	84
<b>Employment compliance metrics</b>						
Number of reported incidents of discrimination and harassment		Number	—	—	0	0
Number of reported incidents of forced labor or child labor		Number	0	0	0	0
Percentage of employees covered by collective bargaining agreements		%	—	—	32	28
<b>Employee retention metrics</b>						
Total employees lost		Number	909	1,249	1,300	1,393
Total employee turnover <sup>36</sup>		%	14	13	10	11
Male		%	15	13	11	12
Female		%	14	12	10	10
Under 30		%	17	13	10	14
30 to 50		%	11	12	10	8
Over 50		%	14	11	14	14
China		%	14	12	10	11
Outside China		%	6	16	16	14
Internal employee transfers		Number	—	1,500	1,176	953



# Appendix I

## Key Performance Indicators (Cont.)

<b>Social performance indicators</b>					
Type	Unit	2020	2021	2022	2023
<b>Occupational health and safety indicators</b>					
Number of deaths due to work injuries — Employees	Number	0	0	0	0
Number of deaths due to work injuries — Contractors	Number	0	0	0	0
Number of lost work days due to work injuries — Employees	Day	45	32	103	6
Lost-time injury rate — Employees	Times/200,000 working hours	0.038	0.042	0.040	0.009
<b>Employee training indicators</b>					
Percentage of employees trained	%	100	100	100	100
Male	%	44	47	47	46
Female	%	56	53	53	54
General staff	%	80	81	82	81
Primary management	%	12	7	7	10
Middle management	%	6	10	9	7
Senior management	%	2	2	2	2
Average number of training hours per full-time employee	Hours	78	73	72	73
Male	Hours	78	73	71	73
Female	Hours	78	73	73	73
General staff	Hours	78	69	72	73
Primary management	Hours	78	69	75	76
Middle management	Hours	77	74	72	70
Senior management	Hours	66	77	57	64
Average number of training hours per part-time employee	Hours	—	—	—	40
Average number of training hours per contractor	Hours	—	—	—	13
Total investment in training	10,000RMB	127	330	1,335	1,601



# Appendix I

## Key Performance Indicators (Cont.)

<b>Social performance indicators</b>					
Type	Unit	2020	2021	2022	2023
<b>Social contribution indicators</b>					
Employee volunteering hours	Hours	—	3,192	5,996	8,017
Times of volunteer participation	Person-times	—	798	1,371	1,907
<b>Governance performance indicators</b>					
Type	Unit	2020	2021	2022	2023
<b>Supplier Distribution</b>					
Total number of suppliers	Companies	—	3,419	2,884	2,962
Number of suppliers in Asia	Companies	—	3,079	1,468	1,423
Asian supplier distribution by purchase volume	%	—	31	27	38
Number of suppliers in Europe	Companies	—	205	480	1,019
European supplier distribution by purchase volume	%	—	38	38	37
Number of suppliers in America	Companies	—	135	936	520
American supplier distribution by purchase volume	%	—	31	35	25



## Appendix II

### HKEX Environmental, Social and Governance Reporting Guide Index

Subject Areas, Aspects, General Disclosures and KPIs		Index
<b>A. Environmental</b>		
<b>Aspect A1: Emissions</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Greening Our Business-Climate Change and Energy Saving  Greening Our Business-Environment Protection
KPI A1.1	The types of emissions and respective emissions data.	Greening Our Business-Climate Change and Energy Saving-Performance and Metrics  Greening Our Business-Environment Protection-Waste and Discharge Control
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I: Key Performance Indicators  Greening Our Business-Climate Change and Energy Saving-Performance and Metrics
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I: Key Performance Indicators  Greening Our Business-Environment Protection-Waste and Discharge Control
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.(e.g. per unit of production volume, per facility).	Appendix I: Key Performance Indicators  Greening Our Business-Environment Protection-Waste and Discharge Control
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Appendix I: Key Performance Indicators  ESG Targets and Progress Greening Our Business-Environment Protection
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	ESG Targets and Progress Greening Our Business-Environment Protection-Waste and Discharge Control



## Appendix II

### HKEX Environmental, Social and Governance Reporting Guide Index (Cont.)

Subject Areas, Aspects, General Disclosures and KPIs		Index
<b>Aspect A2: Use of Resources</b>		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Greening Our Business–Environment Protection–Environmental Management
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Appendix I: Key Performance Indicators
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix I: Key Performance Indicators
KPI A2.3	Description of energy-use efficiency target(s) set and steps taken to achieve them.	Greening Our Business–Climate Change and Energy Saving–Risk Management
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	ESG Targets and Progress Greening Our Business–Environment Protection–Resource Management
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Appendix I: Key Performance Indicators
<b>Aspect A3: The Environment and Natural Resources</b>		
General Disclosure	Policies on minimising the issuer’s significant impacts on the environment and natural resources.	Greening Our Business–Climate Change and Energy Saving
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Greening Our Business–Environment Protection Greening Our Business–Climate Change and Energy Saving Greening Our Business–Environment Protection
<b>Aspect A4: Climate Change</b>		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Greening Our Business–Climate Change and Energy Saving
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Greening Our Business–Climate Change and Energy Saving



## Appendix II

### HKEX Environmental, Social and Governance Reporting Guide Index (Cont.)

Subject Areas, Aspects, General Disclosures and KPIs		Index
<b>B. Social</b>		
<b>Employment and Labour Practices</b>		
<b>Aspect B1: Employment</b>		
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.	Giving Back to Society-Empowering Our People
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Giving Back to Society-Empowering Our People-Diversity, Equity, and Inclusion (DEI) Appendix I: Key Performance Indicators
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix I: Key Performance Indicators
<b>Aspect B2: Health and Safety</b>		
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.	Giving Back to Society-Empowering Our People-Occupational Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each past three years including the report year.	Giving Back to Society-Empowering Our People-Occupational Health and Safety
KPI B2.2	Lost days due to work injury.	Appendix I: Key Performance Indicators
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Giving Back to Society-Empowering Our People-Occupational Health and Safety



## Appendix II

### HKEX Environmental, Social and Governance Reporting Guide Index (Cont.)

Subject Areas, Aspects, General Disclosures and KPIs		Index
<b>Aspect B3: Development and Training</b>		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Giving Back to Society-Empowering Our People-Talent Development
KPI B3.1	The percentage of employees trained by gender and employee category.(e.g. senior management, middle management).	Appendix I: Key Performance Indicators
KPI B3.2	The average training hours completed per employee by gender and employee category.	Appendix I: Key Performance Indicators
<b>Aspect B4: Labour Standards</b>		
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.	Giving Back to Society-Empowering Our People-Employment Compliance
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Giving Back to Society-Empowering Our People-Employment Compliance
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Giving Back to Society-Empowering Our People-Employment Compliance
<b>Aspect B5: Supply Chain Management</b>		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Enhancing Governance-Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Enhancing Governance-Supply Chain Management-Sustainable Supply Chain Appendix I: Key Performance Indicators
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Enhancing Governance-Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Enhancing Governance-Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Enhancing Governance-Supply Chain Management



## Appendix II

### HKEX Environmental, Social and Governance Reporting Guide Index (Cont.)

Subject Areas, Aspects, General Disclosures and KPIs		Index
<b>Aspect B6: Product Responsibility</b>		
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.	Enhancing Governance–Operational Governance Giving Back to Society–Enabling Clients
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Giving Back to Society–Enabling Clients–Client Engagement
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Giving Back to Society–Enabling Clients–Client Engagement
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Enhancing Governance–Operational Governance–Intellectual Property and Trade Secret Management
KPI B6.4	Description of quality assurance process and recall procedures.	Giving Back to Society–Enabling Clients
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Enhancing Governance–Operational Governance–Information Security
<b>Aspect B7: Anti-corruption</b>		
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.	Enhancing Governance–Operational Governance–Business Ethics
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Enhancing Governance–Operational Governance–Business Ethics
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Enhancing Governance–Operational Governance–Business Ethics
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Enhancing Governance–Operational Governance–Business Ethics



# Appendix II

## HKEX Environmental, Social and Governance Reporting Guide Index (Cont.)

Subject Areas, Aspects, General Disclosures and KPIs		Index
<b>Community</b>		
<b>Aspect B8: Community Investment</b>		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Giving Back to Society-Fostering Communities-Community Engagement
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Giving Back to Society-Fostering Communities-Community Engagement
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Giving Back to Society-Fostering Communities-Community Engagement
		Appendix I: Key Performance Indicators



# Appendix III

## GRI Standard Index

<b>Statement of use</b>	WuXi Biologics has reported the information cited in this GRI content index for the period January 1, 2023 to December 31, 2023 with reference to the GRI Standards.	
<b>GRI 1 used</b>	GRI 1: Foundation 2021	
<b>GRI Standard</b>	<b>Disclosure</b>	<b>Index</b>
<b>GRI 2: General Disclosures 2021</b>		
<b>The organization and its reporting practices</b>		
2-1	Organizational details	Company Overview-Introduction
2-2	Entities included in the organization's sustainability reporting	About the Report
2-3	Reporting period, frequency and contact point	About the Report
2-4	Restatements of information	No
2-5	External assurance	Appendix IX: External Assurance Report
<b>Activities and works</b>		
2-6	Activities, value chain and other business relationships	Company Overview-Introduction Enhancing Governance-Supply Chain Management
2-7	Employees	Giving Back to Society-Empowering Our People
2-8	Workers who are not employees	Giving Back to Society-Empowering Our People
<b>Governance</b>		
2-9	Governance structure and composition	Enhancing Governance-Corporate Governance
2-10	Nomination and selection of the highest governance body	Enhancing Governance-Corporate Governance
2-11	Chair of the highest governance body	See Annual Report
2-12	Role of the highest governance body in overseeing the management of impacts	Enhancing Governance-Corporate Governance
2-13	Delegation of responsibility for managing impacts	Enhancing Governance-Corporate Governance
2-14	Role of the highest governance body in sustainability reporting	Enhancing Governance-Corporate Governance-Board Statement
2-15	Conflicts of interest	See Annual Report
2-16	Communication of critical concerns	Enhancing Governance-Corporate Governance-Board Statement
2-17	Collective knowledge of the highest governance body	Enhancing Governance-Corporate Governance-Board Statement



## Appendix III

### GRI Standard Index (Cont.)

2-18	Evaluation of the performance of the highest governance body	Enhancing Governance–Corporate Governance–ESG Governance
2-19	Remuneration policies	See Annual Report
2-20	Process to determine remuneration	See Annual Report
2-21	Annual total compensation ratio	See Annual Report
<b>Strategy, policies and practices</b>		
2-22	Statement on sustainable development strategy	ESG Strategy
2-23	Policy commitments	Enhancing Governance–Business Ethics
		Enhancing Governance–Sustainable Supply Chain
		Giving Back to Society–Empowering Our People–Employment Compliance
2-24	Embedding policy commitments	Enhancing Governance–Business Ethics
		Enhancing Governance–Sustainable Supply Chain
		Giving Back to Society–Empowering Our People–Employment Compliance
2-25	Processes to remediate negative impacts	Enhancing Governance–Operational Governance–Business Ethics
2-26	Mechanisms for seeking advice and raising concerns	Enhancing Governance–Operational Governance–Business Ethics
2-27	Compliance with laws and regulations	Enhancing Governance–Operational Governance–Business Ethics
2-28	Membership associations	Company Overview–Public Recognition
<b>Stakeholder engagement</b>		
2-29	Approach to stakeholder engagement	Enhancing Governance–Corporate Governance–Stakeholder Engagement
2-30	Collective bargaining agreements	Giving Back to Society–Empowering Our People–Employment Compliance



# Appendix III

## GRI Standard Index (Cont.)

<b>GRI 3: Material Topics 2021</b>		
3-1	Process to determine material topics	Enhancing Governance–Corporate Governance–Stakeholder Engagement
3-2	List of material topics	Enhancing Governance–Corporate Governance–Stakeholder Engagement
<b>Material Issues</b>		
<b>GRI 202: Market Presence 2016</b>		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Giving Back to Society–Empowering Our People–Employment Compliance  Giving Back to Society–Empowering Our People–Diversity, Equity, and Inclusion (DEI)  Appendix I: Key Performance Indicators
<b>GRI 205: Anti-corruption 2016</b>		
205-1	Operations assessed for risks	Enhancing Governance–Operational Governance–Business Ethics
205-2	Communication and training about anti-corruption policies and procedures	Enhancing Governance–Operational Governance–Business Ethics
205-3	Confirmed incidents of corruption and actions taken	Enhancing Governance–Operational Governance–Business Ethics  Appendix I: Key Performance Indicators
<b>GRI 206: Anti-competitive Behavior 2016</b>		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Enhancing Governance–Operational Governance–Business Ethics
<b>Environment</b>		
<b>GRI301: Materials 2016</b>		
301-1	Materials used by weight or volume	Greening Our Business–Environment Protection–Resource Management  Appendix I: Key Performance Indicators



## Appendix III

### GRI Standard Index (Cont.)

<b>GRI 302: Energy 2016</b>		
302-1	Energy consumption within the organization	Appendix I: Key Performance Indicators
302-3	Energy intensity	Appendix I: Key Performance Indicators
302-4	Reduction of energy consumption	Greening Our Business-Climate Change and Energy Saving Appendix I: Key Performance Indicators
<b>GRI 303: Water and Effluents 2018</b>		
303-1	Interactions with water as a shared resource	Greening Our Business-Environment Protection-Resource Management
303-2	Management of water discharge-related impacts	Greening Our Business-Environment Protection-Resource Management
303-4	Water discharge	Appendix I: Key Performance Indicators
303-5	Water consumption	Greening Our Business-Environment Protection-Resource Management  Appendix I: Key Performance Indicators
<b>GRI 305: Emissions 2016</b>		
305-1	Direct (Scope 1) GHG emissions	Appendix I: Key Performance Indicators
305-2	Energy indirect (Scope 2) GHG emissions	Appendix I: Key Performance Indicators
305-3	Other indirect (Scope 3) GHG emissions	Appendix I: Key Performance Indicators
305-4	GHG emissions intensity	Greening Our Business-Climate Change and Energy Saving Appendix I: Key Performance Indicators
305-5	Reduction of GHG emissions	Greening Our Business-Climate Change and Energy Saving Appendix I: Key Performance Indicators
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Appendix I: Key Performance Indicators



## Appendix III

### GRI Standard Index (Cont.)

<b>GRI 306: Effluents and Waste 2016</b>		
306-1	Waste generation and significant waste-related impacts	Greening Our Business-Environment Protection-Waste and Discharge Control Appendix I: Key Performance Indicators
306-2	Management of significant waste-related impacts	Greening Our Business-Environment Protection-Waste and Discharge Control Appendix I: Key Performance Indicators
306-3	Waste generated	Appendix I: Key Performance Indicators
306-4	Waste diverted from disposal	Appendix I: Key Performance Indicators
306-5	Waste directed to disposal	Appendix I: Key Performance Indicators
<b>GRI 308: Supplier Environmental Assessment 2016</b>		
308-1	New suppliers that were screened using environmental criteria	Enhancing Governance-Supply Chain Management
308-2	Negative environmental impacts in the supply chain and actions taken	Enhancing Governance-Supply Chain Management
<b>Society</b>		
<b>GRI 401: Employment 2016</b>		
401-1	New employee hires and employee turnover	Appendix I: Key Performance Indicators
401-3	Parental leave	Giving Back to Society-Empowering Our People-Employee Engagement
<b>GRI 403: Occupational Health and Safety 2018</b>		
403-1	Occupational health and safety management system	Giving Back to Society-Empowering Our People-Occupational Health and Safety
403-2	Hazard identification, risk assessment, and incident investigation	Giving Back to Society-Empowering Our People-Occupational Health and Safety
403-3	Occupational health services	Giving Back to Society-Empowering Our People-Occupational Health and Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Giving Back to Society-Empowering Our People-Occupational Health and Safety
403-5	Worker training on occupational health and safety	Giving Back to Society-Empowering Our People-Occupational Health and Safety



## Appendix III

### GRI Standard Index (Cont.)

403-6	Promotion of worker health	Giving Back to Society-Empowering Our People-Occupational Health and Safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Giving Back to Society-Empowering Our People-Occupational Health and Safety
403-8	Workers covered by an occupational health and safety management system	Giving Back to Society-Empowering Our People-Occupational Health and Safety
403-9	Work-related injuries	Appendix I: Key Performance Indicators
<b>GRI 404: Training and Education 2016</b>		
404-1	Average hours of training per year per employee	Appendix I: Key Performance Indicators
404-2	Programs for upgrading employee skills and transition assistance programs	Giving Back to Society-Empowering Our People-Talent Development
404-3	Percentage of employees receiving regular performance and career development reviews	Giving Back to Society-Empowering Our People-Talent Development
<b>GRI 405: Diversity and Equal Opportunity 2016</b>		
405-1	Diversity of governance bodies and employees	Giving Back to Society-Empowering Our People-Diversity, Equity, and Inclusion
405-2	Ratio of basic salary and remuneration of women to men	Appendix I: Key Performance Indicators
<b>GRI 406: Non-discrimination 2016</b>		
406-1	Incidents of discrimination and corrective actions taken	Giving Back to Society-Empowering Our People
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>		
<b>GRI 408: Child Labor 2016</b>		
408-1	Operations and suppliers at significant risk for incidents of child labor	Giving Back to Society-Empowering Our People-Employment Compliance
		Enhancing Governance-Supply Chain Management
<b>GRI 409: Forced or Compulsory Labor 2016</b>		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Giving Back to Society-Empowering Our People-Employment Compliance
		Enhancing Governance-Supply Chain Management



## Appendix III

### GRI Standard Index (Cont.)

<b>GRI 413: Local Communities 2016</b>		
413-1	Operations with local community engagement, impact assessments, and development programs	Giving Back to Society-Fostering Communities
413-2	Operations with significant actual and potential negative impacts on local communities	Giving Back to Society-Fostering Communities
<b>GRI 414: Supplier Social Assessment 2016</b>		
414-1	New suppliers that were screened using social criteria	Enhancing Governance-Supply Chain Management
414-2	Negative social impacts in the supply chain and actions taken	Enhancing Governance-Supply Chain Management
<b>GRI 416: Customer Health and Safety 2016</b>		
416-1	Assessment of the health and safety impacts of product and service categories	Giving Back to Society-Enabling Clients-Quality Management
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Giving Back to Society-Enabling Clients-Quality Management
<b>GRI 417: Marketing and Labeling 2016</b>		
417-1	Requirements for product and service information and labeling	Enhancing Governance-Operational Governance-Responsible Marketing
417-2	Incidents of non-compliance concerning product and service information and labeling	Enhancing Governance-Operational Governance-Responsible Marketing
417-3	Incidents of non-compliance concerning marketing communications	Enhancing Governance-Operational Governance-Responsible Marketing
<b>GRI 418: Customer Privacy 2016</b>		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Enhancing Governance-Operational Governance-Information Security



## Appendix IV

### SASB Index

Issues	Accounting Standards	Encoding	Index
General Health Care	Description of actions and initiatives for inclusive health care for priority diseases in developing countries. Includes research and development, pricing, public policy development and market impact, manufacturing and distribution, patents and licensing, product donations, and philanthropic activities.	HC-BP-240a.1	Giving Back to Society-Fostering Communities
Drug Safety	Number of recalls, total number of recalled products.	HC-BP-250a.3	Giving Back to Society-Enabling Clients
	Number and type of enforcement actions taken against breaches of good manufacturing practices (cGMP) by the FDA or equivalent institutions in other regions.	HC-BP-250a.5	Giving Back to Society-Enabling Clients
Ethical Marketing	Total monetary losses incurred by the Company due to legal proceedings related to false marketing claims.	HC-BP-270a.1	Enhancing Governance-Operational Governance
Employee recruitment, development and retention	Business strategies for recruiting and retaining scientists and R&D talent.	HC-BP-330a.1	Giving Back to Society-Empowering Our People
	(1) Voluntary and (2) Non-voluntary turnover rates: (a) Supervisors/Senior Management (b) Middle Management, (c) Professionals, and (d) All other employees.	HC-BP-330a.2	Giving Back to Society-Empowering Our People Appendix I: Key Performance Indicators
Business Ethics	Total monetary losses incurred due to legal proceedings related to corruption and bribery.	HC-BP-510a.1	Enhancing Governance-Operational Governance

# Appendix V

## TCFD Recommendation Index

TCFD Pillar	Recommended Disclosures	Index
Governance	a) Describe the board's oversight of climate-related risks and opportunities.	Greening Our Business—Climate Change and Energy Saving—Governance
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	Greening Our Business—Climate Change and Energy Saving—Governance
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Greening Our Business—Climate Change and Energy Saving—Strategy
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Greening Our Business—Climate Change and Energy Saving—Strategy
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Greening Our Business—Climate Change and Energy Saving—Strategy
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks.	Greening Our Business—Climate Change and Energy Saving—Risk Management
	b) Describe the organization's processes for managing climate-related risks.	Greening Our Business—Climate Change and Energy Saving—Risk Management
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Greening Our Business—Climate Change and Energy Saving—Risk Management
Metrics and Targets	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Greening Our Business—Climate Change and Energy Saving—Metrics and Targets
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Greening Our Business—Climate Change and Energy Saving—Metrics and Targets
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Greening Our Business—Climate Change and Energy Saving—Metrics and Targets



## Appendix VI

### Activities Aligned with UN Global Compact

Areas	Principles	Index
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not complicit in human rights abuses.	
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: the elimination of all forms of forced and compulsory labour; Principle 5: the effective abolition of child labour; and Principle 6: the elimination of discrimination in respect of employment and occupation.	Giving Back to Society — Empowering Our People — Employment Compliance  Giving Back to Society — Empowering Our People — Diversity, Equity and Inclusion (DEI)
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies.	Greening Our Business
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Enhancing Governance — Operational Governance — Business Ethics



# Appendix VII

## List of Notes

1. Water Excellence Stewardship (WES) is an internal water management plan at site specific to manage the water quality, provide employees with safe drinking-water, sanitation and hygiene (WASH), reduce our water use and etc., based on the principles of Measure, Avoid, Reduce and Recycle. This plan will also refer to GB/T 38966, International Water Stewardship Standard and other industry standards.
2. The violations encompass, but are not limited to, corruption and bribery, anti-competition/antitrust, money laundering/insider trading, conflicts of interest, and fraud.
3. COSO refers to The Committee of Sponsoring Organizations of the Treadway Commission.
4. The latest coverage of ISO certification can refer to our company website. (<https://www.wuxibiologics.com/iso-certification-status/>)
5. Pharmaceutical Supply Chain Initiative.
6. Suppliers in Tier 1 denotes suppliers that directly supply goods, materials or services (including intellectual property/patents) to the Company.
7. This includes but not limited to discrimination, human trafficking, child labor, slavery, DEI, health and safety, etc.
8. The potential risks include human trafficking, discrimination, child labor, slavery and impact on environment as well as local communities.
9. This refers to women, children, persons with disability, third-party contracted labor, and local communities and students.
10. PROUD stands for Passion, Reward, Ownership, Unity and Determination.
11. This includes people in minority groups and people with disabilities.
12. This refers to WuXi Biologics median gender pay gap in China.
13. This includes part-time employees and contractors.
14. This includes DDI, CEIBS Business Online, and LinkedIn.
15. This includes Business indicators and PROUD Competence indicators.
16. Talent retention rate = 1 — Voluntary employee turnover rate. Voluntary employee turnover rate = Total number of voluntary turnovers/Total number of employees by year-end.
17. The Company offers assistance with children's education by providing information on local schooling through third-party vendors.
18. The Company partners with insurance institutions to offer discounted commercial insurance packages. Employees can choose to purchase these packages, which include an employee plan as well as a plan for their spouse and children.
19. Under the 2015 *Paris Agreement*, nearly 200 countries agreed to limit global warming to no more than 2°C by 2100, and to aim for a no more than 1.5°C increase. 2°C or below 2°C scenarios are the global community's accepted limitation of temperature growth to avoid significant and potentially catastrophic changes to the planet, which can also be referred to as '*Paris Aligned*'. Above 2°C scenarios show a potential situation where this agreement is not met.
20. The RCP scenarios are pathways that the IPCC (Intergovernmental Panel on Climate Change) used in the Sixth Assessment Report (AR6).
21. NOAA. (2013). *Climate Model: Temperature Change (RCP 8.5) — 2006–2100*.
22. The IEA (International Energy Agency) scenarios are used in its flagship publication — *World Energy Outlook (WEO)* on the global energy system every year.
23. IEA. (2022). *Understanding GEC Model scenarios*.
24. Follow Operational control approach.
25. Direct greenhouse gas emissions (such as from natural gas and gasoline). The natural gas emission factor is calculated based on GB/T 2589-2020 and IPCC 2006.
26. Indirect greenhouse gas emissions (from purchased electricity and steam). The electricity emission factor is calculated based on the average carbon dioxide emission factor of China's provincial power grids in 2010. The steam emission factor is calculated based on the default value from *Guidelines for Accounting and Reporting of Greenhouse Gas Emissions for Enterprises in Other Industrial Sectors (Trial)*.
27. Emissions from activities like upstream transportation and distribution, downstream transportation and distribution, waste generated in operations, fuel and energy-related activities, business travel, and employee commuting—collectively known as Scope 3 emissions — also contribute to our GHG emissions.
28. Refer to GB/T 2589-2020 General Principles for Calculation of Comprehensive Energy Consumption, and the GHG Protocol released by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD).
29. In 2023, total renewable energy consumption is 2,797MWh, total non-renewable energy consumption is 329,394 MWh.
30. Applies location-based approach.
31. This includes 3,364.3 tonnes of waste liquids collected by a qualified third party and discharged off-site as wastewater.
32. Water we use for operations comes from municipal water systems and a small amount for irrigation and road cleaning comes from harvested rainwater, we do not take water from water stressed areas.
33. This includes employees in the Health Care Team.
34. The project contractors are excluded.
35. This refers to the actual locations where employees work.
36. Total employee turnover = Total number of turnovers (retirement included)/Total number of employees by year-end
37. All operational sites refer to all the sites put into operation before June 30, 2023, so that comprehensive and valid data can be measured. This includes the Wuxi Mashan site, Shanghai Waigaoqiao site, Shanghai Fengxian site (Phase I), Suzhou Biologics site, Zhejiang site, Suzhou Biosafety Testing site, Hangzhou site (MFG14), WuXi XDC Shanghai site, and WuXi XDC Wuxi site.

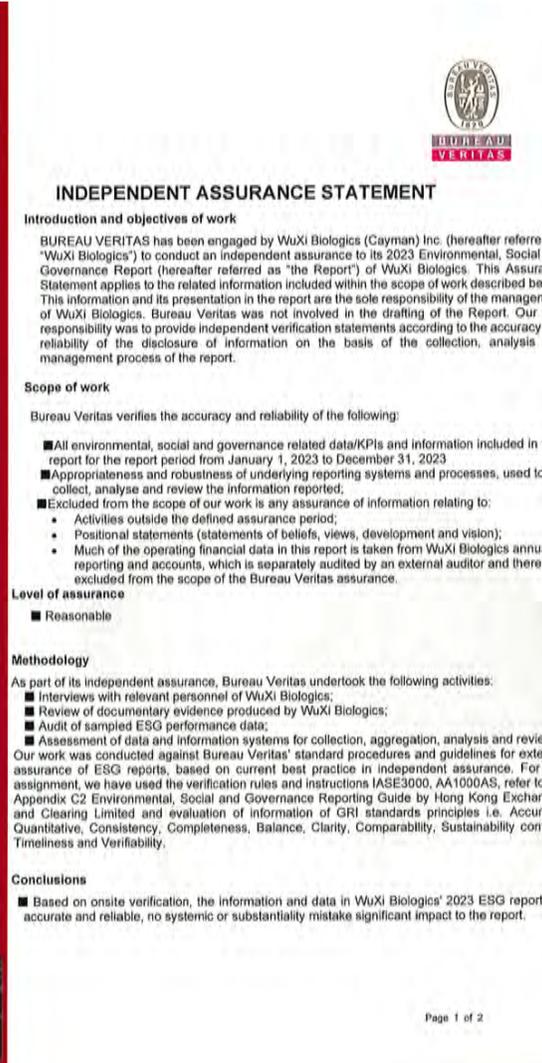


# Appendix VIII

## External Assurance Report



Bureau Veritas Certification



### INDEPENDENT ASSURANCE STATEMENT

#### Introduction and objectives of work

BUREAU VERITAS has been engaged by WuXi Biologics (Cayman) Inc. (hereafter referred as "WuXi Biologics") to conduct an independent assurance to its 2023 Environmental, Social and Governance Report (hereafter referred as "the Report") of WuXi Biologics. This Assurance Statement applies to the related information included within the scope of work described below. This information and its presentation in the report are the sole responsibility of the management of WuXi Biologics. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent verification statements according to the accuracy and reliability of the disclosure of information on the basis of the collection, analysis and management process of the report.

#### Scope of work

Bureau Veritas verifies the accuracy and reliability of the following:

- All environmental, social and governance related data/KPIs and information included in the report for the report period from January 1, 2023 to December 31, 2023
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported;
- Excluded from the scope of our work is any assurance of information relating to:
  - Activities outside the defined assurance period;
  - Positional statements (statements of beliefs, views, development and vision);
  - Much of the operating financial data in this report is taken from WuXi Biologics annual reporting and accounts, which is separately audited by an external auditor and therefore excluded from the scope of the Bureau Veritas assurance.

#### Level of assurance

- Reasonable

#### Methodology

As part of its independent assurance, Bureau Veritas undertook the following activities:

- Interviews with relevant personnel of WuXi Biologics;
  - Review of documentary evidence produced by WuXi Biologics;
  - Audit of sampled ESG performance data;
  - Assessment of data and information systems for collection, aggregation, analysis and review.
- Our work was conducted against Bureau Veritas' standard procedures and guidelines for external assurance of ESG reports, based on current best practice in independent assurance. For this assignment, we have used the verification rules and instructions IASE3000, AA1000AS, refer to the Appendix C2 Environmental, Social and Governance Reporting Guide by Hong Kong Exchanges and Clearing Limited and evaluation of information of GRI standards principles i.e. Accuracy, Quantitative, Consistency, Completeness, Balance, Clarity, Comparability, Sustainability context, Timeliness and Verifiability.

#### Conclusions

- Based on onsite verification, the information and data in WuXi Biologics' 2023 ESG report are accurate and reliable, no systemic or substantiality mistake significant impact to the report.



Bureau Veritas Certification

#### Objectivity

- The information and data disclosed in the ESG report are accurate and reliable. WuXi Biologics collects, organizes the data and information about environmental, social and governance through data information system. During on-site verification, the evidence provided by WuXi Biologics is accurate, reliable and traceable.

#### Materiality

- The report is compiled based on the Appendix C2 Environmental, Social and Governance Reporting Guide of by Hong Kong Exchanges and Clearing Limited, the Global Commission on Sustainability Standards (GSSB) GRI standards; the Sustainable Development Accounting Standards Board Foundation (SASB) accounting standards for sustainable development-biotechnology and pharmaceutical industries, and the Task Force on Climate-Related Financial Disclosures (TCFD). And the report had reasonably identified, disclosed the ESG issues and information involved in the company, it is materiality.

#### Completeness

- The report covers WuXi Biologics and its subsidiaries, it focuses on "A Message from our CEO", "Company Overview", "Enhancing Governance", "Giving Back to Society", and "Greening Our Business" and also discloses the company's ESG governance, environmental responsibility and social responsibility which concern from stakeholders.

#### Responsiveness

- The report basically covers the concerns of stakeholders, fully identifies relevant risks, and objectively describes the measures taken by the company, the results achieved or to be achieved.

#### Suitability

- The report disclosed the value management activities and achievements of WuXi Biologics in environmental, social and governance, reflected the WuXi Biologics corporate culture, ESG management mechanism, business activities and service characteristics.

#### Statement of independence, impartiality and competence

The Bureau Veritas Group is an independent professional services company that specializes in Quality, Health, Safety, Social and Environmental management with over 190 years history in providing independent assurance services.

No member of the verification team has a business relationship with WuXi Biologics, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

The Bureau Veritas Group has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

Roger Hu  
Assurance Team Leader  
2024-03-20

Fanny Zou  
General manager, Certification, I&F China  
2024-04-09



# About the Report



## Reporting Scope and Limits

The Scope of the Environmental, Social and Governance Report (the present report) is consistent with the Company's annual report. In view of the importance of our business' impact on the environment, the scope of our environmental data includes all operational sites owned and managed by WuXi Biologics (Cayman) Inc.<sup>37</sup>

## Reporting Period

This report covers the period from January 1, 2023 to December 31, 2023 (the Reporting Period). To complete the comprehensive suite of data contained in this report, some content considers previous years or extends to the first quarter of 2024.

## Reporting Standards

This report is compiled based on the *Environmental, Social and Governance Reporting Guide, Appendix C2 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (HKEX)*; with reference to the *Global Sustainability Standards Board (GSSB) GRI Standards*; the *Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations of The Financial Stability Board (FSB)*; and the *Sustainable Development Accounting Standards Board Foundation (SASB) Accounting Standards for Sustainable Development – Biotechnology and Pharmaceutical Industries*; *The Ten Principles of the United Nations Global Compact*.

## Indicators Selection

The indicators in the report were selected and elaborated on following the principles of “materiality, quantitative measurement, balance, and consistency” as described further below, to disclose performance of the material issues. Continuous updates and optimization of the disclosure indicators will be provided in subsequent reports.

**Materiality:** WuXi Biologics uses the stakeholder engagement mechanism and materiality assessment matrix to identify corporate and social responsibility issues that are material or relevant to the Company and its stakeholders.

**Quantitative Measurement:** WuXi Biologics embodies the quantitative principle by disclosing measurable key performance indicators.

**Balance:** WuXi Biologics presents its work in the environmental, social and governance aspects in a fair and objective manner in this report.

**Consistency:** WuXi Biologics has adopted a consistent approach to data disclosure and data comparison across time periods covered by the report, and has noted the changes in statistical methods and key performance indicators.

## Explanation of Terms

For clarity of presentation and ease of reading, “WuXi Biologics (Cayman) Inc.” is also referred to in this Report as “WuXi Biologics”, “the Company” or “we”.

## Sources and Reliability

The qualitative and quantitative information used in this report comes from WuXi Biologics' publicly available information, internal documents and related statistical data. The Company's Board of Directors guarantees that this report is free from any misrepresentation or misleading statements, and is responsible for the truthfulness, accuracy and completeness of its contents.

## Confirmation and Approval

This report was approved by the Board of Directors on March 26, 2024, following confirmation by management.

## Report Access

The online version of this report is available for download on the website of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and that of WuXi Biologics ([www.wuxibiologics.com](http://www.wuxibiologics.com)).

