HARBOUR BIOMED

和鉑醫藥控股有限公司
HBM HOLDINGS LIMITED

（於開曼群島註冊成立的有限公司）

股份代號：02142

2024
Environmental, Social, and Governance Report

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About the report

• Information about This Report

This report is the fifth Environment, Social, and Governance (hereinbelow referred to as **"ESG"**) Report issued by HBM Holdings Limited (hereinbelow referred to as the **"Company"**). This report is published annually and aims to comprehensively and truly show the management practices and achievements of the Company in the ESG field in 2024.

•Report Scope

The scope of this report covers HBM Holdings Limited and its subsidiaries (collectively referred to as **"the Group"**, **"HBM"** or **"We"**). Unless otherwise stated, the scope of disclosure of the key performance indicators (**"KPIs"**) in the social area of this report is the same as that disclosed in the annual report; the scope of disclosure of the KPIs in the environmental area of this report covers the Company's premises that have a material impact on the environment in the course of our operations, i.e., the main office premises in Suzhou and Shanghai. The data contained in this report covers the period from January 1, 2024, to December 31, 2024, (hereinbelow referred to as **"the year"** or **"the reporting period"**), with some references to information from prior years to increase the completeness and comparability of the report.

•Abbreviation

Abbreviation	Reference
The Group, HBM, We	HBM Holdings Limited and its subsidiaries
The Company	HBM Holdings Limited
Nona Biosciences	Nona Biosciences (Suzhou) Co., Ltd, Nona Biosciences (Shanghai) Co., Ltd

•Reporting Principles

This report was prepared in accordance with the Environmental, Social and Governance Reporting Guide (the **"ESG Reporting Guide"**), as set out in Appendix C2 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (**"HKEx"**), and adheres to the principles of "Materiality", "Quantitative", "Balance", and "Consistency" of the ESG Reporting Guide.

"Materiality": Stakeholder engagement and materiality assessment are included in the preparation of this report as the basis for determining material ESG issues and responses to each important issue are provided in the respective sections of the report.

"Quantitative": This report presents the KPIs at the environmental and social levels with quantitative information, and states the statistical scope or calculation method.

"Balance": This report strives to provide an unbiased picture of our ESG performance following the principle of balance.

"Consistency": The information disclosure and statistical methods of KPIs used in the environmental and social categories are consistent with the ones used in 2023 to ensure the comparability of information.

•Source and Reliability Assurance

Unless otherwise stated, the data in this report were obtained from the Company's internal documents, survey interview records, financial reports and other public documents. All monetary amounts in this report are denominated in US$, and certain amounts and percentage figures contained herein have been rounded off. The Board of Directors of the Company (the "Board") undertakes that this report does not contain any false information or misleading statements and that the Board is responsible for the truthfulness, accuracy, and completeness of its contents.

•Confirmation and Approval

This report was confirmed by management and approved by the Board on March 31, 2025.

•Access to and Feedback on This Report

This report is available in both traditional Chinese and English. An electronic version of the report is available on our website: www.harbourbiomed.com/investor and on the website of the HKEx: www.hkexnews.hk. In case of any discrepancy between the English and Chinese versions of this report, please refer to the English version.

Management Message

This report is the fifth ESG report issued by HBM, aiming to report our efforts and achievements in social responsibility, environmental sustainability, and corporate governance for the year 2024 to all stakeholders, including users, employees, governments, investors, and people who care about HBM.

As a global biopharmaceutical company focused on developing innovative drugs for immunological diseases and oncology, HBM always adheres to the corporate mission of "Healthy Life, Breakthrough Medicines". By expanding the application of our core technology platform in the global innovative research and development field through independent research and development, cooperative development, and other diversified models, we contribute to the advancement of human health. We integrate ESG principles into the corporate strategy and operational decision-making processes, continuously strengthen ESG management capabilities and performance, further enhance the resilience and scalability of the business model, and create sustainable long-term value for all stakeholders. In 2024, the Company maintains a steady development momentum, and the strategic goal of innovative research and development and diversified business modules advancing in tandem is being steadily achieved.

Governance serves as our cornerstone, with integrity guiding our operations. We have consistently elevated our corporate governance standards, implemented exemplary business ethics, refined our risk management frameworks to fortify the foundation for sustainable growth. We also actively promote the integration of sustainable development and corporate governance, establishing a top-down ESG governance structure, and continuously improving ESG governance efficiency.

Driven by innovation, we strive to make health accessible. We are intensifying our efforts to strengthen the two core pillars of Harbour Therapeutics and Nona Biosciences, constructing diversified business modules and models. Utilizing our industry-leading innovation capabilities and rigorous quality management, we are expanding our product portfolio and differentiated pipelines, capitalizing on our technology platform collaborations to pioneer next-generation therapies and enhance the accessibility of medical services.

We believe in collaboration for mutual success and synergistic growth. We are dedicated to developing a responsible supply chain, collaborating with partners across the supply chain to drive sustainable industry practices. Our core strategy emphasizes external cooperation, engaging in profound collaborations with global biopharmaceutical leaders and academic institutions. Through various initiatives like joint research and technology licensing, we expedite the transformation and application of innovative outcomes, propelling the industry towards high-quality development.

Together, we embrace unity and collective efforts in striving for a brighter future. Talent is the lifeblood of the enterprise. We are committed to protecting employee rights, actively listening to their voices, and fostering a diverse, inclusive, safe, and healthy work environment. We place a high priority on employee development, offering extensive training resources and ample career advancement opportunities, fully empowering our employees to grow and share in the success of the Company.

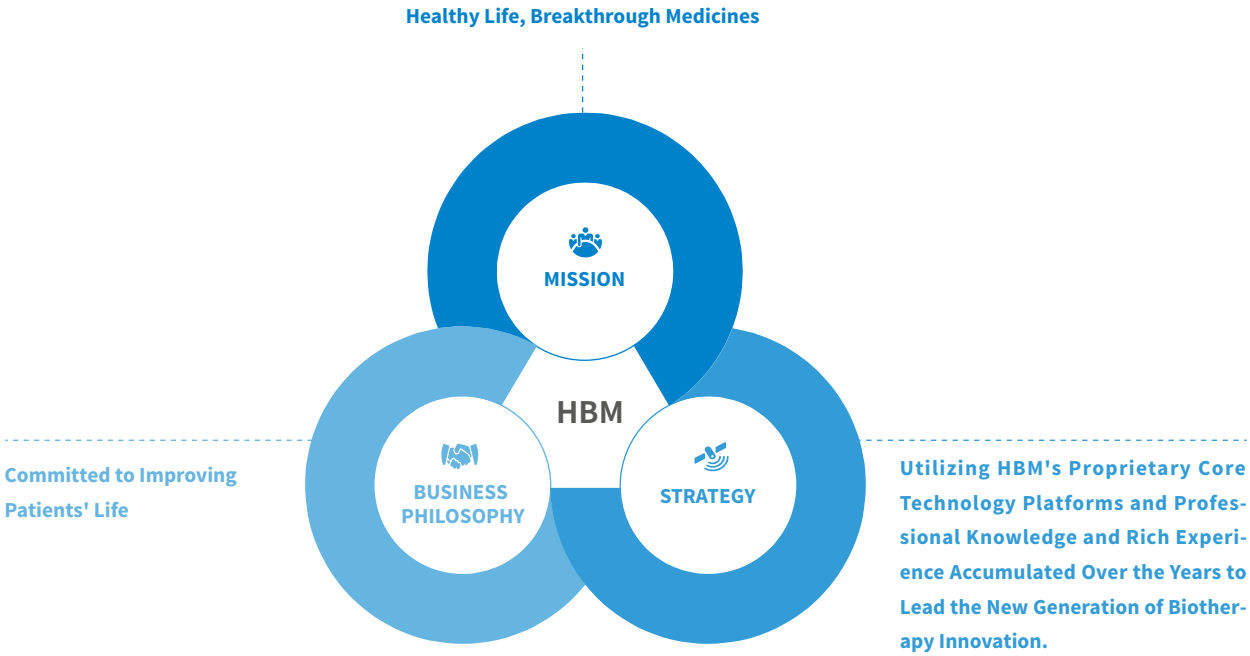
We are dedicated to promoting green development and fostering ecological friendliness. In response to the pressing challenges of global climate change, we are advancing our climate initiatives, systematically assessing climate-related risks and opportunities to formulate effective management strategies that enhance our corporate resilience. We are committed to green development, continuously improving our environmental management practices, ensuring compliance, and increasing resource efficiency to accelerate our transition to a low-carbon future.

Looking forward, HBM will steadfastly advance on the path of specialization, characteristics, and novelty. We will continue to adhere to the concept of sustainable development, actively addressing the needs and expectations of our stakeholders, deepening our ESG practices, and integrating high-quality corporate growth with social value creation. Meanwhile, we are dedicated to expanding the boundaries of innovation in life and health sciences, delivering more innovative therapeutic solutions to patients around the world.

About HBM

About Us

As a clinical-stage biopharmaceutical company, HBM was incorporated in July 2016 to engage in research and development of differentiated antibody therapeutics in the field of tumor immunity and autoimmune diseases. We have been using the world's leading innovative antibody development platform technology as an engine since the beginning, insisting on source innovation and leading the industry at the forefront of innovation.



HBM's efforts are driven by our mission of "Healthy life, Breakthrough Medicines". In order to achieve this mission, we collaborate with leading academic institutions and biopharmaceutical companies worldwide to foster internationally innovative partnerships. Through independent innovation and diverse collaborations, we comprehensively advance the research and development of next-generation innovative therapies. At the same time, the Group also offers technology licensing to global biopharmaceutical companies and academic institutions, enhancing industry innovation capabilities and accelerating the delivery of more innovative therapies to patients.

In 2022, we established Nona Biosciences, structuring our overall business into two primary pillars: Harbour Therapeutics and Nona Biosciences. Harbour Therapeutics focuses on promoting the research and development of its global product pipelines and transformative therapies, and Nona Biosciences, relying on the Company's strong platform technology and accumulated expertise, accelerates global biotherapeutic innovation and benefits patients around the world through an open and innovative business model.

Based on our proprietary technology platforms such as Harbour Mice®, we have built a differentiated product pipeline comprising more than ten potential differentiated drug candidates. Among these, HBM9161, HBM7020, and HBM9378 stand out as our flagship products, with a proven track record of success.

Additionally, we continue to leverage our technological platforms to collaborate with global academic institutions, biotech firms, and pharmaceutical companies. Nona Biosciences is also expanding HBM's global collaboration network with industry pioneers and academic researchers through platform-based research offerings, platform licensing offerings, and molecule-based licensing offerings. By the end of the reporting period, we have garnered the trust of over 100 partners, initiated more than 250 research and development projects, and over 19 of these projects have advanced into clinical development stages.

Annual Honors

HBM was listed in the "2024 Top 5 Chinese Biopharmaceutical Innovation Companies in the Bispecific Antibody Track" by E Pharma Manager.

HBM1020 was awarded the "Pioneering Drug Innovation Award" at the 2024 Drug Innovation Jishi Award.

HBM received the Zhuoyue List "Annual Medical Health Product Authorization and Cooperation" Award.

HBM was recognized as a "Shanghai Municipal Enterprise Technology Center".

Nona Biosciences was honored with the title of "2024 Jiangsu Gazelle Enterprise".

Nona Biosciences was named one of the "Top 50 Most Innovative Companies in the Biopharmaceutical Innovation Field" by the Xingyao List.

Sound Governance

ESG Topics:

- Risk Management
- Business Ethics
- Sustainability Governance

HBM firmly believes that a sound governance system is the cornerstone of the Company's long-term stable operation. We uphold high standards of ethical business practices, maintaining integrity and compliance in our operations while continuously strengthening the Company's risk management framework. We also fully integrate ESG principles into our operational decision-making to effectively safeguard the long-term interests of all stakeholders.

Corporate Governance

The Group strictly abides by the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies*, the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* and other laws and regulations of the place where we operate. We have formulated the *Articles of Association* as well as various rules and regulations applicable to the development of the Group. We regularly review compliance with legal regulations, the implementation of corporate governance systems, and policies, striving to ensure sound operations of the Company through standardized and effective governance.

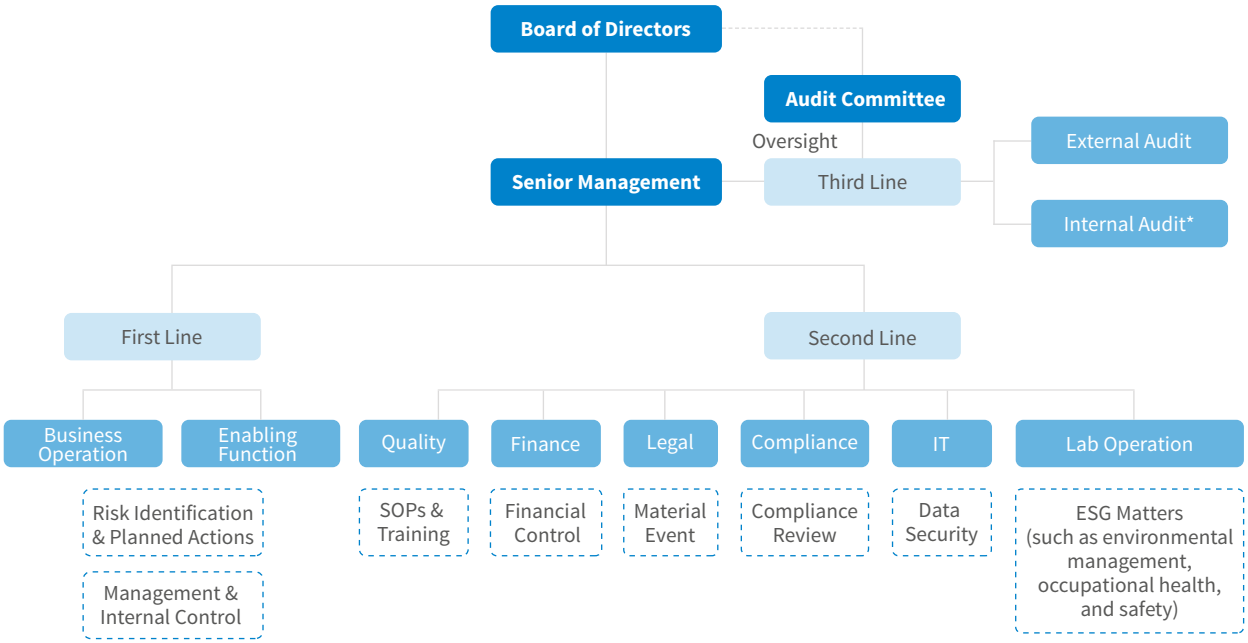
The Group has established a three-tier governance structure comprising the "general meeting of shareholders, the Board, and the management". Among them, the Board consists of the Audit Committee, the Remuneration Committee, and the Nomination Committee, which are obliged to provide support and advice to the Board to support efficient, standardized and scientific decision making. The Board, both directly and indirectly through the Committees, leads and provides guidance to management, including monitoring the Group's operational and financial performance and ESG performance by formulating strategies and overseeing the implementation of the strategies, ensuring the completeness and effectiveness of the internal control and risk management system.

We have established board diversity policy, under which the Nomination Committee reviews and evaluates the composition of the Board by taking into account individual skills and experiences, and strives to promote diversity in terms of gender, age, professional qualifications, industry experience, cultural and educational background, geography, and ethnicity. As of the end of the reporting period, the Board consists of 6 directors, including 4 independent non-executive directors and 1 female director. Additionally, 5 of the current directors hold doctoral degrees. The Board possesses diverse and extensive experience in fields such as finance and accounting, clinical medicine, and biomedical sciences, providing comprehensive and integrated perspectives to enhance the efficiency of the Board and maintain the highest standards of governance. Furthermore, we encourage members of the Board to participate in various professional skill enhancement and compliance training programs to multi-dimensionally improve the knowledge and capabilities required for their roles.

Risk Management

The Group attaches great importance to risk management and has formulated a risk management framework with "three lines of defense". The Board serves as the highest decision-making body for the Group's risk management and internal control, being fully responsible for establishing and improving the Group's risk management and internal control system and reviewing its effectiveness. Senior management coordinates all business units in identifying and managing risks, covering proactive detection in business processes by operational departments and various risk management measures across key areas such as quality, finance, legal, compliance, data security, and ESG issues. Our Audit Committee assists the Board in leading senior management and collaborates with internal audit (internal control mechanisms) and external auditors to comprehensively monitor risk management practices, ensuring the effective implementation of all risk management and internal control efforts.

HBM Risk Management and Internal Control Structure



First line of defense (Business function)

- In the course of business activities, all functional departments, business units, and personnel in their respective business positions take the lead in undertaking risk identification and management for matters within the scope of their job responsibilities.

Second line of defense (Supervision and support for risk management)

- Relevant functional departments shall assist the front-line business departments to assume joint responsibilities for overseeing, inspecting, and evaluating those works relating to the implementation of risk management.

Third line of defense (Independent assurance)

- The Audit Committee of the Board shall be responsible for overseeing and reviewing the results of risk management and external audit report.

* As of the end of the reporting period, we do not have a specific internal audit function. We are committed to continuously monitoring and assessing the need for establishing a specific internal audit function on an annual basis. During the reporting period, we reviewed and concluded that the current internal control mechanisms are sufficient to ensure the effective operation of the Group's risk management systems.

We continuously improve our risk management and internal control mechanism, regularly testing and reviewing key aspects of internal controls, formulating review reports, and reporting to the Board and the Audit Committee. In the event of identifying significant weaknesses, we will convene senior management meetings to optimize risk management and internal control processes, strengthen risk prevention barriers, and promote governance improvements.

During the reporting period, we also conducted an annual risk assessment to identify and evaluate major risks, including the trade environment, talent attraction and retention, regulatory approval policies, and the quality and quantity of products and services. Based on the identification of significant risks for the year, we ensure clarity in our risk management objectives. Furthermore, in accordance with the results of the risk assessment, we develop and implement risk mitigation action plans and regularly monitor the progress and effectiveness of these actions to ensure risks are eliminated or their impact is minimized.

We regard a good reputation as an intangible asset that ensures corporate sustainable development. We have incorporated public opinion monitoring and crisis management into the key areas of risk management, formulating the *HBM Crisis Handling Procedure*, regularly reviewing and updating relevant Standard Operating Procedures (SOPs) to adapt to the Company's development needs, and establishing a crisis management team to ensure proper handling of potential crisis situations. We have established fixed and mobile monitoring mechanisms, ensuring at least two public opinion searches per day and at least one weekly review of monitoring dynamics. We develop optimization plans to comprehensively and in real-time monitor global pharmaceutical industry policy topics, industry trends, and public opinion regarding the Company, ensuring rapid and appropriate responses to potential public opinion events.

HBM Crisis Management Team Structure

Executive Management of the Group	Team Leader	Develop work and action plans
Corporate Public Relations and Legal Department	Team Members	Gather internal and external risk information to provide professional advice to the team leader
Corporate Public Relations	Team Coordinator	Monitor public opinion risk events and maintain information exchange with internal and external stakeholders

HBM Full-cycle Crisis Management Process

Crisis warning

All employees can identify and report any incidents that may affect the Group's reputation.

Crisis triggered

The crisis-management team makes crisis responses according to the *HBM Crisis Handling Procedure.*

Crisis response

External communication by the Department of Public Relations is key to the crisis response.

End crisis

The working group decides whether to end the crisis response and issues a recovery plan, depending on the situation.

Compliance Operation

The Group regards integrity and honesty as the foundation of the enterprise and considers business ethics management as a key task in compliance management. We strictly comply with the *Criminal Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, the *Bidding Law of the People's Republic of China* and other laws and regulations. We have established various business ethics management systems, including the *HBM Compliance Policy*, the *Gift Acceptance Policy,* and *Employee Handbook*, which clearly regulate ethical standards, anti-corruption, anti-bribery, whistleblowing, and external incident management.

We adhere to the highest standards of business ethics and adopt a "zero tolerance" approach to any form of corruption, fraud, extortions, malpractice, and money laundering. We implement a series of management measures to regulate employee business conduct and ethical standards. Moreover, we require our suppliers and other partners to adhere to the same standards of business ethics, striving to build a clean and transparent business ecosystem.

For our employees, we have established internal policies and systems to provide guidance on on project promotion, industry communications, event sponsorship, and other activities. The compliance department sends company-wide compliance reminder emails during important holidays to ensure that employees' gift acceptance behavior complies with the Company's gift acceptance policy. We regularly conduct compliance awareness campaigns through employee training, email communication, and other methods. We require all directors of the Board and employees to participate in online compliance training at least twice a year, covering topics such as the Company's compliance policy, gift acceptance policy, conflict of interest, data security, and privacy protection. We also require all new employees to participate in business ethics training conducted in both Chinese and English to enhance their understanding of the Company's ethical standards. To ensure the effectiveness of the Company's compliance management system, we conducted three compliance audits during the reporting period for high-risk compliance events such as expert activity management, and all processes complied with the Company's compliance policies and standards.

In addition, we insist that our business partners should uphold the same anti-corruption stance as we do, considering it an important component of the Company's business ethics management system. We advocate for our partners to comply with HBM's policies and compliance systems, requiring suppliers to sign the *HBM's Suppliers Code of Ethics for Business Conduct* to enhance their understanding and compliance of the Company's compliance and integrity policies.

During the reporting period, 100% of the 73 new suppliers of the Group signed the commitment.

We are committed to building an open and transparent compliance culture, encouraging all employees and external parties to report suspected illegal or non-compliant behavior through hotlines, supervisory email, and other channels. The Audit Committee oversees the handling and investigation of reported incidents, ensuring the independence and effectiveness of whistleblowing management. Additionally, we firmly protect whistleblowers' rights, strictly maintaining the confidentiality of whistleblower information and prohibiting any form of retaliation against whistleblowers. Any retaliation will be dealt with severely in accordance with laws and regulations. During the reporting period, the Group did not receive any reports or incidents involving corruption, bribery, extortion, fraud, or money laundering.

Practice ESG Management

Board of Directors Statement

The Group strictly adheres to the requirements of the HKEx's ESG Reporting Guide, integrating ESG principles into corporate management. We continuously strengthen the Board's involvement in and oversight of ESG-related matters, establishing a sound ESG governance system and implementing good ESG practices to comprehensively enhance the Group's ESG performance.

Responsibilities of Board of Directors

The Board is the highest decision-making body for ESG governance, ultimately responsible for ESG strategy, assessing ESG risks and opportunities such as climate change, setting ESG goals, and evaluating ESG performance. The Board regularly holds meetings to review ESG strategies, manage ESG risks and opportunities, and monitor the progress of ESG-related goals. Based on the current status of ESG management and the Group's strategy, business model, and operational processes, the Board discusses whether updates are needed for key ESG focus areas to ensure the Group's sustainable development.

- **ESG Risk Management**

To effectively manage various potential ESG risks that may impact the Group's sustainable development, the Board is responsible for assessing and making decisions regarding ESG-related risks, such as climate change. The Audit Committee, as the oversight body for ESG matters, supervises the identification and management of ESG risks and opportunities, regularly reporting to the Board.

- **ESG Work Execution**

The Audit Committee is responsible for coordinating the execution of ESG matters and overseeing the ESG working group in implementing strategies, goals, and management policies. This ensures the integration of sustainability factors into daily operations.

- **Priority ESG Topics**

We have established effective and transparent communication mechanisms with internal and external stakeholders to understand their concerns. We continuously monitor ESG compliance requirements, development trends, and peer performance, discussing and identifying risks and opportunities related to the environment, society, and governance in line with the Company's strategic development. We assess the importance of ESG topics to clarify the focus of the Group's ESG management, and continuously improve our ESG management policies and strategies to ensure that ESG-related work remains up-to-date and effectively addresses the demands and expectations of stakeholders.

ESG Governance Structure

The Group has established a three-tier ESG governance structure consisting of the "Board of Directors - Audit Committee - ESG Working Group", clearly defining the responsibilities and scope of each level. We comprehensively identify and actively respond to ESG risks and opportunities, promote the implementation of major ESG decisions and business practices, and, while ensuring the achievement of the Company's business goals, continue to create long-term development value.

HBM ESG Governance Structure

Stakeholder Engagement

The Group places great importance on stakeholder engagement, establishing diversified and regular communication mechanisms to closely monitor stakeholder demands, continuously optimizing ESG management, and enhancing information disclosure to actively respond to stakeholder concerns and expectations. The Group's key stakeholders include shareholders and investors, governments and regulatory bodies, employees, communities and the public, suppliers, partners, and customers.

Stakeholders	Issues of Concern	Communication Channels
Shareholders and investors	Investment return Information disclosure Compliant operation	Annual reports, financial statements and announcements General meeting, performance presentation and roadshow Investor research Investor email, forum and other online communication Company announcement WeChat official account
Government and regulatory authorities	Compliant operation Paying taxes according to law Contribution to the society	Business communication Research and investigation Press releases, news bulletins
Employees	Protecting employees' rights and benefits Occupational health and safety Improving employee benefits Equal opportunity and diversity	Employee communication conference Employee activities Suggestion box
Communities and the public	Actively participating in public welfare Focusing on the needs of doctors and patients	Community services Company announcement WeChat official account Follow-up visit
Suppliers	Fairness and justice Win-win cooperation	On-site assessment Evaluation and assessment Business communication Technical training
Partners	Promoting industry development	Industry exchange conferences Industry-university-research cooperation
Customers	Compliance with the law Integrity Quality products and services Customer privacy protection	Business communication Customer communication meeting Seminar Customer feedback

Materiality Assessment

In accordance with the ESG Reporting Guide, we have identified 28 key ESG issues based on daily stakeholder communication, industry trend tracking, analysis of corporate operational characteristics and strategic direction, and benchmarking against peer ESG priorities. We regularly engage third-party professional organizations to conduct materiality assessments to clarify ESG priorities and define the focus of ESG management practices and information disclosure.

Step 1: Identify ESG issues

- Review ESG work and stakeholder feedback
- Benchmark against major concerns in the industry and good practices from peers
- Refer to the ESG Reporting Guide and ESG Rating Focus Elements

Step 2: Stakeholder communication and research

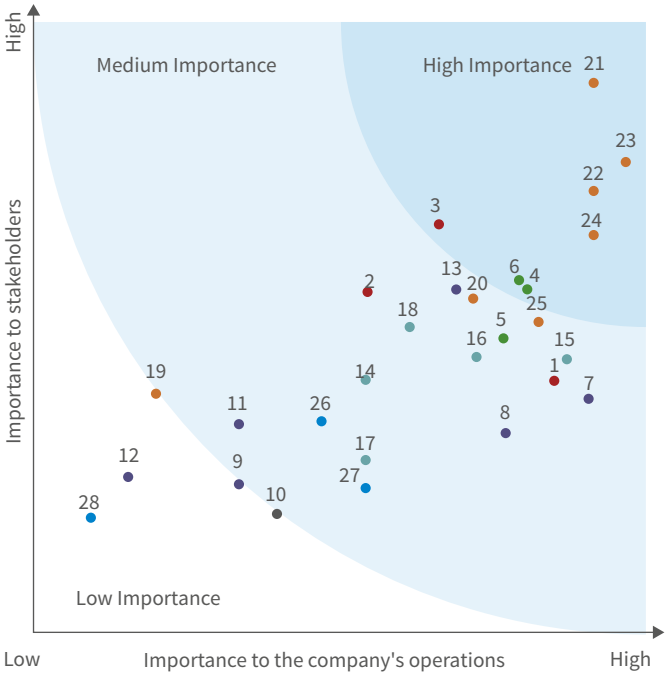
- Communicate with internal and external stakeholders
- Rank the importance of ESG materiality issues

Step 3: Assessment of materiality issues

- Rank the importance of issues based on two dimensions: importance to stakeholders and importance to the company's operations
- The Board of Directors and ESG Working Group review and confirm the assessment results

During the reporting period, due to no significant changes in the business operation model of the Group, after reviewing the ESG issues and assessment results, we believe that the results are still applicable to the Group. The materiality matrix is as follows:

Materiality matrix of HBM Holdings Ltd in 2024



Economic issues*

1. Tax transparency
2. Government support
3. Trade environment impact

Governance issues*

4. Sustainability governance
5. Risk management
6. Business ethics

Environmental issues

7. Emission management
8. Water use management
9. Energy use
10. Materials and packaging use management
11. Biodiversity
12. Animal welfare
13. Combating climate change

Labor issues

14. Employee diversity and equal opportunities
15. Occupational safety and health
16. Employee development and training
17. Compliance employment
18. Employee rights and welfare

Product and value chain issues*

19. Supplier ESG performance
20. Intellectual property protection
21. Product development capability
22. Product and service quality
23. Product safety and traceability
24. Privacy protection
25. Complaint management

Community issues

26. Inclusive healthcare
27. Public service and charity activities
28. Community involvement

** Bold font indicates high importance materiality issues.*

Health Accessibility

ESG Topics:

- Product Development Capabilities
- Intellectual Property Protection
- Product and Service Quality
- Product Safety and Traceability
- Animal Welfare
- Privacy Protection
- Complaint Management

HBM always practices the corporate mission of "Healthy life, Breakthrough Medicines" in the field of tumor immunology and immunological diseases. By leveraging leading independent innovation capabilities and comprehensive solid quality management, we expand our product portfolio and differentiated pipelines, develop next-generation therapies to meet the medical needs of patients and promote the accessibility of medical services.

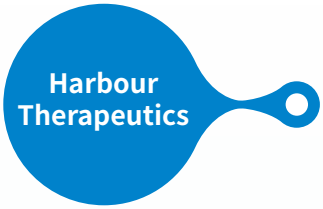
Innovation-Driven

HBM consistently regards technological innovation as a core driver, leveraging a robust portfolio of technology platforms and a comprehensive R&D management system to build a strong and diversified product pipeline, bringing breakthrough treatment options to patients worldwide.

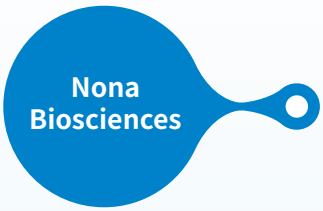
Innovation Leadership

As a global biopharmaceutical company focused on developing innovative drugs for oncological and immunological diseases, the Group rapidly expands the innovative medicine research and development pipeline through independent research, collaborative development, and other diverse models. We are committed to strengthening the two core pillars of Harbour Therapeutics and Nona Biosciences, continuously incubating globally leading innovative projects, and broadening the innovation boundaries of life science.

Innovation Strategic Pillars of HBM



Through in-depth exploration of biotherapeutic innovation, we are committed to the discovery, development and commercialization of innovative antibody therapeutics in the oncology and immunology fields, and to the creation of a rich and differentiated product pipeline, aiming to lead the next generation of oncology immunotherapy.



Leveraging the technical strengths of our proprietary antibody technology platform and experienced therapeutic antibody discovery team, we are committed to providing holistic solutions that empower innovation for our partners from research institutions, biotech startups and global biopharmaceutical giants on a global scale. The team's one-stop antibody development services range from antigen preparation, animal immunization, single B-cell screening, generation of lead antibodies, and engineering modification, modifications, as well as evaluating exploitability and related pharmacological assessments.

HBM Technology Platform

Harbour Mice® Platform – Generating Human Antibodies for Therapy

With broad application value and potential, we produce fully human monoclonal antibodies in the classical two heavy and two light chain H2L2 format as well as heavy chain only format.

•Our H2L2 Platform generates, at a rapid rate and in a scalable fashion, classical two heavy and two light immunoglobulin chain antibodies (H2L2) with optimized fully human variable regions, allowing for endogenous affinity maturation and immune effector function.

•Our HCAb Platform is a human antibody platform that engineers Heavy Chain only Antibodies (HCAb) in a wide variety of formats (such as mRNA, nanobodies, bispecific or multispecific antibodies, and CAR-T) and with favorable developability.

Single Cell Technology Platform

We introduced the Beacon Optofluidic technology, pioneering its use in China, and established the full process of single B cell cloning, including murine CD138+ plasma cell enrichment, single B cell separation in chip, antibody binding and functional in-chip screening methods, single cell antibody sequencing, high throughput recombinant antibody production and verification, etc. Comparing with the traditional monoclonal antibody screening technology, the single B cell cloning as an advanced new technology can greatly increase the efficiency and productivity of antibody drug discovery, enhancing our fully human antibody discovery capability and single cell analysis for translational cancer research.

HBICE® Platform: HCAb Based Immune Cell Engagers

HCAb platform can generate diverse and stable fully human Heavy Chain only Antibodies (HCAbs) and derive human VH single-domain moieties. On top of this, we have established proprietary HCAb-Based Immune Cell Engagers (HBICE) platform to quickly develop multi-specific antibodies that redirect immune cells to the tumor microenvironment (TME) to eradicate tumors. HBICE® technology provides the flexibility to generate molecules with different architectures and avidity to achieve different mechanisms of action that are unachievable by combo therapies.

HBICA™ Platform: HCAb-based immune cell antagonist

Building on the HCAb platform, we have also established an HCAb-Based Immune Cell Antagonist (HBICA) platform, which provides strong support for the development of innovative biopharmaceuticals in the field of immune and inflammatory diseases.

HCAb Plus™ Platform: Next-Generation Therapeutic Modalities

Leverage the potent penetration, high flexibility, and other advantages of HCAb that can combine multiple molecular patterns to develop various new drugs and next generation of innovative therapy to boost industrial development.

Antibody Discovery Solution

Leveraging the advantages of Harbour Mice®platforms, Single B Cell technology, and experienced therapeutic antibody discovery team, we provides integrated antibody discovery services from antigen preparation, animal immunization, single B cell screening, to antibody lead generation through engineering, developability assessment and pharmacological evaluation.

2024 Highlight Innovation Achievements

Batoclimab (HBM9161)	• Resubmitted the biologics license application (BLA) to the National Medical Products Administration (NMPA) for the treatment of generalized myasthenia gravis (gMG). • Published clinical results of HBM9161 in the treatment of generalized myasthenia gravis in *JAMA Neurology*.
Porustobart (HBM4003)	• Published Phase I clinical results of Porustobart combined with anti-PD-1 antibody in the treatment of advanced melanoma and other solid tumors in the *Journal for ImmunoTherapy of Cancer.*
HBM9027	• Received Investigational New Drug (IND) approval from the US Food and Drug Administration (FDA) to initiate the first-in-human (FIH) clinical trial in the US.
HBM9378/WIN378	• Submitted an IND application to the NMPA for chronic obstructive pulmonary disease (COPD) • Reached a licensing agreement with Windward Bio.
HBM1020	• Presented the latest clinical data on HBM1020, a first-in-class fully human monoclonal antibody targeting B7H7 Please confirm whether HHLA2 is correct. in patients with advanced solid tumors at the 2024 European Society for Medical Oncology (ESMO) Annual Meeting.
Academic articles/ conference posters	• Published in *Toxicon X* on the development of human monoclonal antibodies and heavy-chain-only antibodies for the treatment of snakebite. • Published in *Nature Communications* on the development of a novel human heavy-chain-only antibody that mitigates neutralizing antibody resistance in SARS-CoV-2 variants. • Presented a poster at the American Association for Cancer Research (AACR) on the development of a direct CAR-based library screening platform. • Presented a poster at the European Immuno-Oncology Summit on the development of mRNA-encoded T-cell engagers for cancer immunotherapy. • Presented a poster at the Boston Protein Engineering and Cell Therapy Summit on the development of anti-TFR1 human heavy-chain-only antibodies and blood-brain barrier shuttle technology. • Presented a poster titled "Fully Human Heavy Chain Only Antibodies to BCMA Identified by NonaCarFxTM Platform" at the CAR - TCR Summit in September 2024.
Patent	• Filed 333 patent applications, with 16 invention patents granted by the China National Intellectual Property Administration (CNIPA). As of December 31, 2024, 293 patent applications remain pending.

Harbour Therapeutics, while maintaining the international competitiveness of its core oncology pipeline products, is gradually increasing its presence in the fields of inflammatory and immune disease treatment, continuously exploring breakthroughs to provide more efficient and convenient treatment solutions for patients. Additionally, Nona Biosciences has established a robust set of platforms—including a powerful antibody discovery platform, protein engineering platform, conjugation technology platform, HCAb-CAR screening platform, and a delivery technology platform that utilizes mRNA-encoded target genes as antigens to address challenging targets—which will drive the Group to advance toward more novel and challenging drug targets globally.

R&D Management

The Group continuously improves its R&D innovation management system, refining R&D management models to accelerate the transformation and application of innovative achievements. We have established the Company Project Review Board (CPRB) as the highest decision-making body for R&D management, clearly defining project responsibilities and implementing a project leader and project manager collaboration model. We continuously improve meeting decision-making, project execution, and tracking mechanisms to collaboratively advance research projects. We follow documents such as the *Data Monitoring Committee Management Process, Study Management Process,* and *Crisis Incident Management Process* to standardize our R&D work. During the reporting period, Nona Biosciences revised the *Biological Sample Transportation Management* and issued a series of new regulations and SOP to standardize all R&D activities.

In order to consolidate our differentiated leading advantages, we continue to increase investment in innovative R&D, focusing on talent recruitment, team development, and technical capacity building. During the reporting period, the Group's R&D expenditure totaled approximately US$21.0 million, achieving multiple breakthrough results in clinical development and academic research. We place great emphasis on the development and training of our R&D team, supporting and encouraging employees to participate in external professional training and industry academic conferences to stay updated on the latest industry technologies. By improving the comprehensive capability of R&D personnel, we inject innovative momentum into the Company's sustainable development.

Organizing Employees to Participate in Peking University's "International Advanced Course on Innovative Drug R&D and Management (CCDRS)"

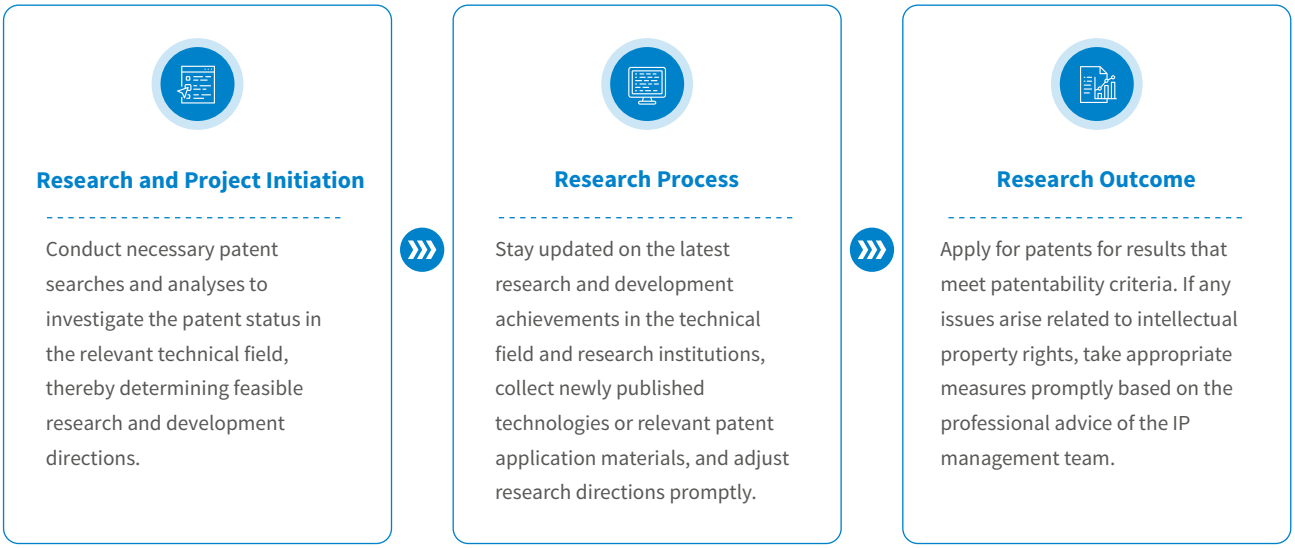
In 2024, the Group encouraged employees to actively participate in Peking University's "International Advanced Course on Innovative Drug R&D and Management (CCDRS)". Employees can learn through four modules: "Global Drug R&D and Business Environment", "Molecular Discovery, Preclinical Experiments, and Modeling-Based Proof of Concept", "Methods and Considerations for Late-Stage Confirmatory Clinical Trials", and "Global Innovative Drug Registration, Post-Market Development, and Business Considerations", mastering scientific, effective, economical, and forward-looking new drug R&D and management methods to maintain competitiveness in the rapidly evolving biopharmaceutical field.

Intellectual Property Management

The Group regards intellectual property (IP) protection as the foundation for maintaining core competitiveness. We strictly comply with the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China*, and other relevant laws and regulations, strictly prohibiting any infringement of intellectual property rights. While protecting our own intellectual property, we ensure respect for others' intellectual property, safeguarding our competitive advantages and brand reputation.

We have formulated and adhere to the *Intellectual Property Management System*, with the Legal Affairs Department's intellectual property team responsible for the unified management of IP matters, including the application, registration, annual fee payment, and changes in recorded information for the Company's patents, trademarks, copyrights, and other items. The team provides full-process patent technology guidance for scientific research and development to effectively reduce the risk of IP infringement. Based on the continuous improvement of the management mechanism, we have established an intellectual property and patent management system and regularly conduct IP training for new employees in batches, guiding IP managers, R&D personnel, and patent agencies to jointly participate in and complete the management and protection of intellectual property in a safe, efficient, and transparent manner.

HBM Full-process of Intellectual Property Management



We actively conduct multi-dimensional patent mining and applications, holding regular cross-departmental seminars to promptly transform R&D achievements into intellectual property, building a patent protection wall. Additionally, we continuously monitor the updates of competitive products and technologies, analyzing and determining the patent protection scope of third-party similar products through seminars to prevent patent infringement risks. To better stimulate employees' innovation enthusiasm, we continuously improve the *Intellectual Property Agreement*, clearly stipulating the principles of authorship and reward distribution for job-related inventions or intellectual achievements to avoid potential disputes. During the reporting period, we filed 71 new invention patent applications, bringing the total number of patent applications to 333, of which 70 were approved. And we have total 75 trademark applications.

Quality Management

HBM is committed to the promise of quality and safety for patients, adhering to a high-standard quality management system. We are dedicated to ensuring the quality and safety of medications for patients, striving to provide excellent, reliable, and valuable products and services that enhance the quality of life for patients.

Quality Assurance

We strictly comply with the *Product Quality Law of the People's Republic of China*, the *Drug Administration Law of the People's Republic of China*, and other relevant laws and regulations, following internal quality management-related systems and SOPs such as the *Product Quality Standard Management Regulations*, the *Quality Risk Management*, the *GxP Self-Inspection Management Regulations*, and the *GxP Supplier Management*. We have established and continuously improved a quality management system (QMS) covering the entire product lifecycle. We have set up a quality management structure including GCP (Good Clinical Practice) quality, GLP (Good Laboratory Practice)/GCLP (Good Clinical Laboratory Practice)/GRLP (Good Regulatory Laboratory Practice) quality, GMP (Good Manufacturing Practice) quality, and GxP data integrity, clearly defining management responsibilities at all levels to strictly control quality at each stage.

HBM Quality Management Structure

Head of Quality Department

GCP Quality	• Report to Head of Quality, set up or support business to set up and maintain QMS to ensure GCP processes/activities in compliance with applicable current guidelines and country/regional regulations, in accordance with the company strategies. • Work with Clinical Development team to support and ensure the quality of the processes/activities.
GLP/GCLP/GRLP Quality	• Report to Head of Quality, set up or support business to set up and maintain QMS to ensure GLP/GCLP/GRLP processes/activities in compliance with applicable current guidelines and country/regional regulations, in accordance with the company strategies. • Work with Translational Development team and Nona Biosciences to support and ensure the quality of the processes/activities.
GMP Quality	• Report to Head of Quality, set up or support business to set up and maintain QMS to ensure GMP processes/activities in compliance with applicable current guidelines and country/regional regulations, in accordance with the company strategies. • Work with CMC team to support and ensure the quality of the processes/activities.
GxP Data Integrity	• Report to Head of Quality, set up or support business to set up and maintain QMS to establish lifecycle management of Data Integrity for GxP process, ensure all the GxP processes/activities meet the requirements of regulations. • Perform quality oversight on process/system of GxP area regarding DI, create and maintain computerized system inventory, provide quality oversight for computerized system supplier and CSV supplier. • Work with ITS team and relevant business units to support and ensure DI and CSV.

We attach great importance to the identification and control of quality risks, establishing an internal quality audit mechanism. The Quality Department regularly conducts audits of various quality-related management plans and processes, ensuring the comprehensive implementation of quality control and management systems. Additionally, we follow GCP requirements and internal SOPs to develop quality audit plans, conducting various forms of internal and external audits on all ongoing clinical trials by internal quality control departments, third-party audit companies, and external quality assurance teams. Audit content includes the completeness of trial documents, the standardization of trials, safety, ethics, etc., to ensure that clinical trials comply with trial protocols, SOPs, and relevant laws and regulations, safeguarding the safety and rights of subjects. During the reporting period, we updated the Quality Agreement for external partners, conducted two internal self-inspections, four external on-site audits, and three supplier audits, developing corrective action plans and solutions based on identified deficiencies to continuously optimize the quality management mechanism.

On the basis of improving systems and mechanisms, we are committed to enhancing quality management levels through digital process management, quality awareness cultivation, and quality team building. We apply digital technology to quality management processes, following regulatory requirements for data integrity, using Veeva QualityDocs software to complete the full lifecycle audit, tracking, and tracing of quality process documents and information, ensuring agile and efficient management processes. To continuously promote a quality culture, we have developed an employee quality training matrix, conducting company-wide quality knowledge advocacy training and targeted departmental quality training. We also encourage employees to actively participate in external training and quality-related industry conferences and forums, implementing the concept of total employee participation in quality management. During the reporting period, our ComplianceWire employee training system included an additional 19 quality training sessions, with employees completing over 2,600 related training sessions in total. Employees from clinical research, GCP quality, and other departments participated in five external training sessions and quality exchange forums.

Participating in the 2024 Annual Meeting of the China Quality Assurance Forum (CQAF)

In September 2024, HBM's clinical research personnel participated in the CQAF 2024 Annual Meeting. The meeting, themed "Based in China, Global Vision—Building the Capabilities and Competitiveness of Quality Professionals", focused on quality planning and implementation for innovative drug development, EMA/FDA inspection experience, and other topics. Our clinical researchers engaged in in-depth discussions and experience sharing with peers on multiple topics, further deepening the global perspective on quality management.

Medication Safety

We strictly comply with the *Drug Administration Law of the People's Republic of China*, the *Measures for the Reporting and Monitoring of Adverse Drug Reactions*, *the Good Pharmacovigilance Practice,* and other laws and regulations, establishing and continuously optimizing a pharmacovigilance system. We have developed a series of pharmacovigilance SOPs and system documents, such as the *Collection, Processing and Reporting of Individual Safety Reports in Clinical Trials*, the *Preparation and Submission of Safety Update Reports during R&D*, regularly reviewing the effectiveness of these documents to ensure the safety, rationality, and effectiveness of patient medications. We have established an independent pharmacovigilance team, continuously evaluating the safety characteristics of investigational drugs during clinical development in accordance with SOPs and guidelines, further strictly preventing medication safety risks.

For adverse drug events, we have established a standardized full lifecycle management mechanism, with the pharmacovigilance officer, clinical research physicians, and contract research organization (CRO) pharmacovigilance physicians jointly responsible for event collection, reporting, and evaluation, and promptly taking response measures to effectively monitor and control drug safety, maximizing patient safety.

HBM Adverse Events Risk Management Process

Event collection

HBM collects and records all adverse events during clinical research through a series of standard operating procedures. All adverse events, whether or not related to the drug study, that occur from the time the patient signs informed consent form to the time of safety follow-up visit must be collected and recorded by the investigator.

Event report

HBM uses a drug safety information system to manage adverse events and has dedicated staff to ensure the security and authenticity of the information system and its data.

Event evaluation

The personnel in charge of pharmacovigilance and clinical research physicians regularly review case-by-case safety reports, and conduct medical evaluations on all safety reports of serious adverse events in clinical studies together with entrustedCRO pharmacovigilance physicians.

Animal Experiment Management

We adhere to research ethics, strictly comply with the *Regulations for the Administration of Affairs Concerning Experimental Animals* and the *Administrative Measures for Laboratory Animal Licenses (Trial)* and other relevant regulations. We have developed the *Animal Use Policy (AUP)* and established a SharePoint Workflow digital process management system to standardize laboratory animal management processes, ensuring the compliance of animal experiments.

We have established an Institutional Animal Care and Use Committee (IACUC) as the core body for animal experiment management and ethical review, responsible for supervising the Company's animal experiments and continuously improving laboratory animal welfare standards. We continue to collaborate with Charles River Laboratories, using their facilities for the management and use of laboratory animals. During experiments, we strictly comply with the facility's regulations, with IACUC providing supervision and guidance. Additionally, we regularly commission third-party organizations to conduct environmental, water quality, and microbial testing on animal laboratories to avoid environmental pollution. All personnel involved in animal experiments must undergo strict internal training before starting work, including new employee orientation and detailed experimental work training, to help them quickly familiarize themselves with the work environment and understand job requirements. As of the end of the reporting period, the Group has three certified experimental personnel conducting animal-related experiments, and all Suzhou laboratory employees have passed the training and assessment of the Jiangsu Laboratory Animal Association.

Protection of Patients' Rights and Interests

HBM places great importance on the rights of patients and customers, firmly protecting the rights of subjects, including health rights, personal information, and privacy security. We have established and continuously improved subject services, providing comprehensive rights protection mechanisms and high-quality service systems for patients.

Protection of Subject Privacy

We strictly comply with relevant laws and regulations as well as policy documents those relate to the protection of subjects' privacy, such as the *World Medical Association Declaration of Helsinki*, the *Civil Code of the People's Republic of China*, and the *Good Clinical Practice (GCP)*. We conduct ethical reviews for all clinical projects, ensuring that biomedical research complies with ethical principles such as "informed consent" and "protection of privacy". We have stipulated data and privacy protection for experimental subjects in internal policies and SOPs such as the *Information Security Policy* and the *Data Protection and Privacy Policy*, standardizing clinical trial data management.

We integrate privacy protection principles into the full lifecycle management of clinical trials. Before the start of clinical trials, we strictly follow the informed consent process, ensuring that subjects fully understand the risks of the investigational drug and informing them of the usage rights of trial data and privacy protection measures. Subjects can fully protect their rights based on this information. During the trial, subjects are assigned unique codes to replace names and other identifiable information, with the Group's electronic data collection system managing anonymized experimental data. Original medical data files are stored at the research center, and only authorized clinical research monitors, auditors, sponsor quality control personnel, ethics committee members, and regulatory agency personnel can directly access them. For employees performing clinical trial-related operations, we conduct GCP and business SOP training before the start of related activities to strengthen employees' awareness of subject privacy protection.

We also continuously strengthen internal information security management, regularly conducting internal information security policy training, and annually performing disaster recovery drills for core enterprise resource planning (ERP) systems. We have installed complete firewalls to ensure network security. During the reporting period, the Group did not experience any information security or data leakage incidents.

Customer Service System

As of the end of the reporting period, all our products are in the pre-market development phase, with feedback primarily sourced from clinical trial participants and Contract Research Organizations (CROs). We have established a comprehensive set of internal procedures and Standard Operating Procedure (SOP) documents that clearly define the management processes for quality complaints, adverse event feedback, and product recalls, aiming to continuously optimize product and service quality and enhance the experience of participants and CROs.

We encourage participants and CROs to provide feedback through various channels, including telephone, web, email, and on-site visits, and have established feedback and complaint handling procedures to ensure that issues are resolved promptly and efficiently. Upon receiving feedback, the clinical operations department, through Clinical Research Associates (CRAs), conducts targeted investigations based on the specifics of the business and project. Following a collaborative analysis by operations management, quality, and other relevant functional departments, we formulate targeted solutions and promptly inform the hospitals. If participant feedback involves compensation for adverse events in clinical trials, we will process it in accordance with the insurance claims process and the clinical trial agreements signed with hospitals, actively cooperating to complete the relevant compensation procedures to safeguard the rights of participants. We place great emphasis on customer service quality and regularly conduct specialized training for employees involved in various business types, covering but not limited to clinical trial management and external business liaison. Additionally, we invite external hospital researchers to share their experiences, laying a solid foundation for better customer service.

During the reporting period, the Group did not experience any product recall incidents due to safety and health reasons, nor did it receive any complaints regarding products or services.

Collaborate for Mutual Success

ESG Topics:

- Supplier ESG Performance
- Government Support
- Inclusive Healthcare
- Public Service and Charity Activities

For a long time, HBM has adhered to the philosophy of cooperation and mutual benefit, working jointly with global partners to continuously promote the optimization and upgrading of the supply chain, injecting strong momentum into the high-quality development of the industry. We uphold the core strategy of external cooperation, collaborating with global biopharmaceutical companies and academic institutions in cooperative research and development, technology licensing, and more. Together, we drive continuous innovation and breakthroughs in the value chain, providing patients with more innovative therapies and promoting global health.

Responsible Supply Chain

Supplier Management

The Group has established a comprehensive supplier management system that classifies and grades suppliers. We have developed documents such as the *Indirect Logistics* and *Service Procurement Process* and the *GxP Supplier Quality Management*, which clearly define the lifecycle management requirements for supplier admission, review, evaluation, and exit. We rely on a digital Supplier Management System (SMS) to continuously enhance supply chain management efficiency.

Supplier Admission

We implement classified admission management for prospective suppliers based on the type of procurement. For critical suppliers, we form a procurement team comprising members from the Procurement and Quality Departments to conduct a comprehensive assessment based on quality, cost, and cultural fit. We also verify the authenticity and validity of their business license documents, system certificates, product inspection reports, and other relevant qualification materials. Under equal conditions, we prioritize cooperation with suppliers that have certifications in environmental management systems and occupational health and safety management systems. Additionally, we conduct on-site or online audits of new suppliers based on actual needs, and only those that pass the audit can be included in the qualified supplier database. We also sign quality agreements with newly qualified suppliers to further ensure the stability of supplier quality.

Supplier Assessment

We have established a supplier assessment mechanism and developed an annual review plan. The quality team oversees the annual audits of suppliers, using supplier questionnaires to conduct comprehensive evaluations across compliance, quality, and technology dimensions, ensuring that supplied products meet our quality standards. For critical suppliers, we regularly conduct quality risk assessments and implement differentiated management based on the assessment results, reinforcing the prevention of supply quality risks.

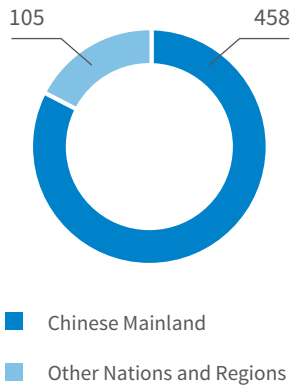
Supplier Elimination

For suppliers that do not meet standards in the annual audit, we provide improvement suggestions and assist them in formulating corrective action plans, tracking and reviewing the implementation of these improvements. If they still do not meet standards after remediation, we will take necessary measures to terminate cooperation.

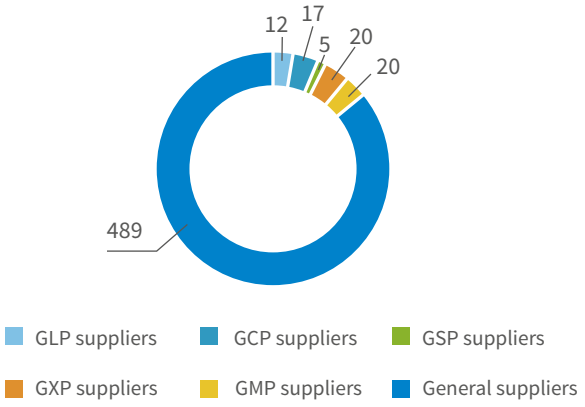
While establishing a scientific and effective supplier management system, we value communication and collaboration with suppliers, striving to build efficient interaction mechanisms to achieve mutual development. We use various forms such as phone communication and on-site visits to conduct routine supervision of supplier product quality and service performance. Additionally, we organize in-depth exchanges between key employees and suppliers to systematically review and summarize performance evaluation results and issues encountered during cooperation, assisting them in resolving development bottlenecks.

By the end of the reporting period, HBM has a total of 563 suppliers. Among them, 113 suppliers have obtained ISO 9001 quality management system certification, and 47 suppliers have obtained ISO 14001 environmental management system certification. The specific distribution of suppliers is as follows:

Number of Suppliers by Region



Number of Suppliers by Service Type



Supply Chain Risk Management

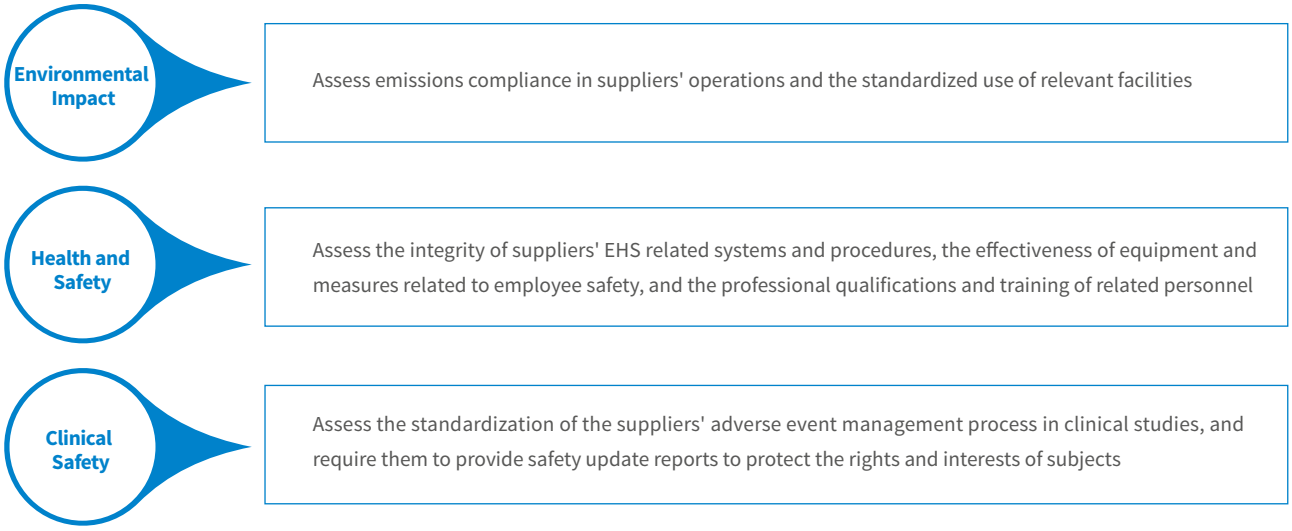
The Group believes that a stable and sustainable supply chain is crucial for achieving high-quality development. We integrate ESG management requirements such as business ethics, environmental protection, and social responsibility into supplier management, continuously improving supply chain risk prevention and control capabilities, and striving to enhance supply chain resilience.

Supply chain risk identification and control

The Group regularly conducts supply chain risk assessments to identify potential risk points and formulate response strategies, ensuring the effectiveness of risk management. During the reporting period, to mitigate risks such as extended delivery cycles, supply shortages, and reduced transportation capacity that may arise from geopolitical factors, we actively promoted the localization project for reagents and consumables. We also planned to gradually increase the proportion of local procurement to reduce supply chain uncertainties. For the assurance of key raw materials, we established a list of alternative suppliers and strengthened the refined management of critical material inventories through regular stocktaking and supply-demand forecasting, ensuring business continuity and supply stability.

We conduct internal assessments to review suppliers' ESG risks, evaluating their performance in fulfilling environmental and social responsibilities during the annual review. Through in-depth analyses of sustainability risks among cooperative suppliers, we guide them in responsibly managing environmental, safety, and business ethics issues, which enhances their ESG performance and further reduces ESG risks in the supply chain. During the reporting period, the Group did not terminate any supplier relationships due to ESG-related issues.

Indicators adopted in the ESG performance evaluation for HBM suppliers



Responsible procurement

We maintain a "zero-tolerance" stance towards commercial bribery and unethical business practices. *The Indirect Logistics and Service Procurement Process* clearly outlines the procurement workflow and business ethics standards to ensure fairness, impartiality, and transparency in procurement projects, thereby preventing illegal and disciplinary risks. To further strengthen supplier behavior requirements, we revised the *Suppliers Code of Ethics for Business Conduct* during the reporting period, adding management requirements for supplier labor rights, occupational health and safety, and environmental protection. The Code also specifies reporting channels for violations. To ensure the effective implementation of the new code, we require all new suppliers to sign the commitment and achieve 100% coverage. Additionally, we emphasize ESG-related requirements in the supplier admission, bidding, and performance evaluation processes, continuously advancing responsible procurement practices.

Strengthening green procurement

We prioritize the environmental and sustainable attributes of supplied products, actively promoting green procurement to minimize the negative environmental impact from the upstream value chain. During the reporting period, we introduced two eco-friendly packaging materials, IMARK and NERA D30. Compared to traditional packaging materials, these two packaging options offer advantages such as being environmentally friendly, reusable, and providing insulation, which helps reduce environmental pollution during use. Additionally, their reusable nature enhances resource efficiency and lowers resource consumption and waste generation.

Communication and Cooperation

The Group deeply embodies the mission of " Healthy Life, Breakthrough Medicines" and is committed to promoting the integration of innovative resources and cross-industry collaboration from a global perspective. We establish deep connections with top global academic institutions and biopharmaceutical companies, continuously exploring various collaboration models such as external licensing related to products, technical licensing, cooperative R&D, joint venture projects and academic exchanges. This approach aims to create a new industry ecosystem that integrates industrial technology transfer, forward-looking scientific research innovation, breakthrough fundamental research, and coordinated development across the upstream and downstream sectors, accelerating the empowerment of global biotherapeutic innovations for the benefit of patients worldwide. During the reporting period, we reached a global licensing and option agreement with AstraZeneca for a monoclonal antibody project. Additionally, we engaged in industry-academia-research collaborations with companies such as Boostimmune, Alaya.bio, and Umoja Biopharma, focusing on cutting-edge areas like antibody-drug conjugates and CAR-T cell therapy to address key challenges in tumor immunotherapy.

Reaching Global Licensing and Option Agreement with AstraZeneca for Monoclonal Antibody Project

On May 23, 2024, the Group entered into a preclinical monoclonal antibody project licensing agreement with AstraZeneca, a global leading pharmaceutical company, to accelerate the development of tumor-targeted therapies. This strategic collaboration highlights our technological advantages in antibody discovery and its international innovation capabilities, marking a significant breakthrough in the field of tumor-targeted treatment. Through this strong partnership with AstraZeneca, our innovative antibodies are expected to be developed into new anti-cancer drugs, providing more effective treatment options for patients worldwide.

Signing Cooperation Agreement with Boostimmune to Develop Antibody-Drug Conjugates Targeting Innovative Targets

On February 27, 2024, the Group signed a cooperation agreement with Boostimmune, a biotechnology company focused on developing next-generation anti-tumor therapies by modulating the immune system. This collaboration aims to leverage our proprietary Harbour Mice® H2L2 (two heavy and two light immunoglobulin chain antibodies) antibody platform to develop antibody-drug conjugates (ADCs) targeting innovative targets. Using our expertise and experience accumulated in ADC therapy discovery, along with the advanced antibody R&D platforms validated by numerous global partners, this collaboration will accelerate the development of globally innovative ADC therapies for tumor treatment, potentially bringing revolutionary cancer treatments to patients.

Collaborating with Candid to Explore a New Future for Autoimmune TCE Therapies

On December 16, 2024, the Group announced a collaboration agreement with Candid Therapeutics, Inc. to jointly develop a new generation of T-cell engagers (TCEs). Leveraging our HBICE® technology platform, we aim to work with Candid to drive innovations in TCE molecules related to precise targeting, flexible formats, enhanced efficacy, and optimized safety. This collaboration seeks to improve the precision and effectiveness of TCE technology in the treatment of autoimmune diseases, ultimately providing patients with a better therapeutic experience.

We also actively participate in various industry exchange activities, engaging in in-depth discussions with industry partners to explore future development directions in the biopharmaceutical field. During the reporting period, we participated in the Yixing Medical and Health Industry Collaborative Development Conference, the 3rd BIONNOVA Beijing Innovation Forum, and the Chinese Annual Meeting of the American Chinese Biopharmaceutical Association, and the China Conference of the International Chinese Statistical Association, among others.

HBM Attended the Yixing Medical and Health Industry Collaborative Development Conference:

In October 2024, HBM was invited to attend the inaugural Yixing Medical and Health Industry Collaborative Development Conference, gathering with numerous opinion leaders from government, industry, academia, research institutions, healthcare providers, and the investment community. The conference focused on the new ecological industrial cluster in the fields of medical care, senior care, and chronic disease management, with in-depth discussions on cutting-edge academic achievements, innovative technological advancements, and the current status, opportunities, and challenges of industrial development. Through this conference, we aim to collaborate with all sectors of the industry to deeply connect core resources related to medical care, senior care, and chronic disease management, build a cross-border exchange platform, leverage the influence of leading enterprises and the combined efforts of government, industry, academia, research, healthcare, and investment, and fully create a new model for collaborative development in the medical and health industry to contribute to the Healthy China initiative.

HBM Attends the 3rd BIONNOVA Beijing Innovation Forum

From September 26 to 27, 2024, the 3rd BIONNOVA Beijing Innovation Forum was held in Beijing, focusing on in-depth exchanges regarding cutting-edge innovative drugs and breakthrough therapies, including antibody drugs, cell and gene therapies, small molecule innovative drugs, nucleic acid drugs, peptide drugs, and conjugated drugs. On the first day, during the "Progress in the Development of Novel Antibody Drugs" sub-forum, we delivered a keynote speech on "Quality Management in Clinical Trials," introducing the necessity of quality management in drug clinical trials to the attendees. By sharing practical experience and insights on clinical trial quality management, we aim to improve the success rate of new drug development, promote the translation of innovative achievements in the pharmaceutical industry, and ultimately benefit a wide range of patients.

HBM Attended the Chinese Annual Meeting of the American Chinese Biopharmaceutical Association (CBA-China)

From June 28 to 29, 2024, several senior executives from HBM were invited to participate in the inaugural CBA-China Annual Meeting, which brought together experts from biopharmaceutical enterprises, investment institutions, universities, and government agencies. The conference centered on trending topics such as advanced therapies and technological advancements in ADCs (antibody-drug conjugates) and biological macromolecules, new technology applications represented by AI, investment and financing, regulatory affairs and registration, and clinical research. Focusing on topics like novel target innovative drug development, globalization, and international cooperation, our team engaged in discussions with attendees through individual presentations, roundtable discussions, and fireside chats to explore innovation and collaboration, jointly promoting high-quality development in the industry.

Benefiting Society

"Improving patients' quality of life and serving the health of mankind" is the philosophy that HBM is committed to practicing, as well as our original intention and steadfast belief. We deeply integrate this social responsibility into our corporate strategy, leveraging our innovative resources and technological advantages in the pharmaceutical field to support the clinical trials and future commercialization of our collaborative products. We are dedicated to promoting the accessibility and affordability of differentiated antibody therapies, benefiting patients and their families while safeguarding human health and quality of life.

At the same time, we are constantly concerned about people's well-being, actively fulfil social responsibilities, and pay close attention to industry hotspots. We also strive to contribute to charitable public welfare and social assistance, so as to jointly build a beautiful home where everyone is involved in helping each other and make contributions to the construction of a harmonious society.

People Oriented

ESG Topics:

- Compliance Employment
- Employee Rights and Welfare
- Employee Diversity and Equal Opportunities
- Employee Development and Training
- Occupational Safety and Health

HBM firmly believes that talent is the source of the Company's development and values the creativity and contributions of every employee. We fully respect employees' rights and actively promote and build a diverse, inclusive, and equitable corporate culture, creating a safe and healthy work environment for our staff. We also provide ample opportunities and resources for career development, empowering employees' growth in all aspects, and striving to achieve an organic unity between the Company's development and employees' self-worth.

Employee Rights

We respect the unique qualities of each employee, value and effectively safeguard their rights, and provide all staff with competitive compensation and benefits. We actively foster a positive and equitable corporate atmosphere to fully realize the value of our talent.

Compliance Employment

The Group strictly complies with to the *Labor Law of* the *People's Republic of China*, the *Provisions on the Prohibition of Using Child Labor* and other relevant laws and regulations, as well as the legal requirements of the countries and regions where we operate overseas. We are committed to respecting and protecting the legal rights of all employees. We strictly prohibit the employment of child labor, forced labor, and other illegal employment practices. During the recruitment process, we require all applicants to complete an application form to verify their identity and age, thereby preventing the hiring of child labor at the source. In the event of any violation of employment regulations, we will handle the matter strictly in accordance with relevant laws and regulations and hold those responsible accountable. By the end of the reporting period, the Group had no incidents involving child labor or forced labor.

We have developed a diversified recruitment strategy, continuously optimizing and upgrading campus recruitment and social recruitment channels, while expanding overseas recruitment channels to build a global talent acquisition network. During the reporting period, we deepened our cooperation with government agencies and universities by participating in the Shanghai Youth Internship Program and conducting campus recruitment activities at Soochow University, providing young talent with practical platforms and injecting fresh vitality into the Group.

Compensation and Benefits

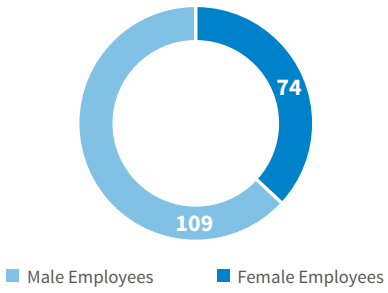
We continuously refine the compensation management mechanisms, conducting annual market salary surveys and analyses to develop compensation strategies that align with market trends, offering industry-competitive salaries to our employees. During the reporting period, we made salary adjustments for key positions to better attract, motivate, and retain core talent. Additionally, we provide an employee stock option plan, allowing employees to share in the Company's growth.

In accordance with national and local government regulations, we contribute to employees' basic pension insurance, basic medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, and housing provident funds, while also offering a variety of welfare allowances to comprehensively protect employee rights. Our overseas employees also enjoy medical insurance, life insurance, disability insurance, and 401K retirement plans. In terms of leave, we provide annual leave, sick leave, maternity leave, nursing leave, marriage leave, and bereavement leave, among others. Additionally, beyond statutory maternity leave, our female employees in the United States are entitled to an extra 8 days of leave.

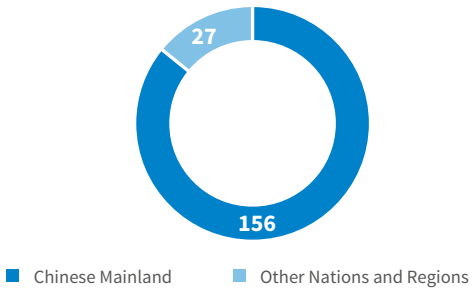
Equality, Diversity, and Inclusion

We are committed to creating a diverse, equal, and inclusive workplace environment. The principles and codes of conduct related to this commitment are clearly outlined in the *Employee Handbook* of the United States office. We prohibit discrimination against any job applicant or employee based on personal characteristics such as race, gender, skin color, age, family background, ethnic tradition, religious belief, physical condition, or nationality. Additionally, in the promotion process, we strictly adhere to the principle of equality, ensuring that employees of different genders have equal opportunities for career development. Furthermore, we continuously provide suitable positions and employment opportunities for disadvantaged groups, such as individuals with disabilities, helping them better integrate into the workplace and realize their self-worth. As of the end of the reporting period, HBM had 183 full-time employees and employed a total of 3 individuals who are persons with disabilities or veterans.

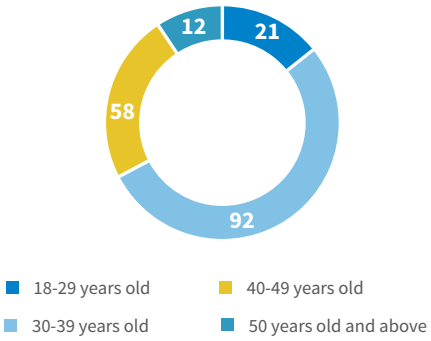
Number of Employees by Gender
Unit: Person



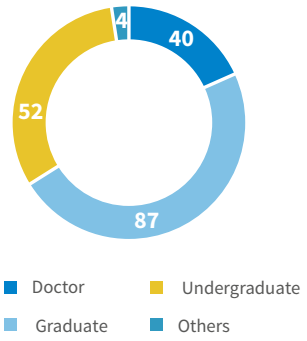
Number of Employees by Region
Unit: Person



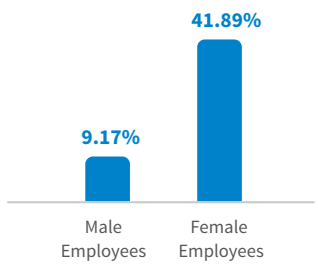
Number of Employees by Age
Unit: Person



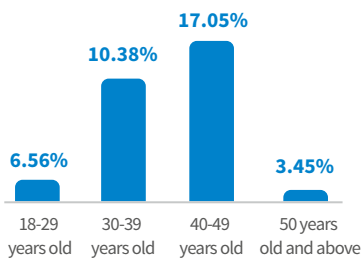
Number of Employees by education background
Unit: Person



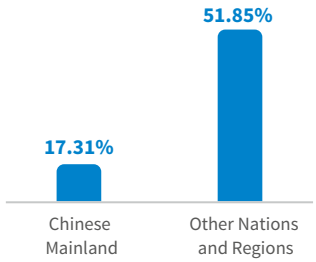
Employee Turnover Rate by Gender



Employee Turnover Rate by Age



Employee Turnover Rate by Region



Notes:
Turnover rate of employees by category = number of employees of the category who left during the reporting period/total number of employees in the category * 100%

Talent Development

The Group regard employee development as the core driving force of corporate growth. We provide multi-level and diversified training resources for employees at different stages and in various positions, striving to establish a career platform that enables employees to utilize their talents and comprehensively promote their growth and value enhancement.

Employee Training

We continuously improve our employee training system by offering courses in professional skills, management skills, and corporate culture to help employees enhance their professional and managerial capabilities. During the reporting period, we introduced three new types of training courses to further meet the diverse needs of employees in their career development. We actively explore innovative training formats, leveraging digital employee training platforms such as the Talent Management System (TMS) to accurately match employee needs and continuously improve the relevance and effectiveness of training. To support employees' long-term development, we have established the *Education Aid Policy*, providing financial support to encourage employees to continuously refine their professional skills and empower their personal growth.

Professional Training

- We regularly carry out training on Fridays in the form of technical seminars to stimulate the learning enthusiasm, expand the knowledge, and improve the professionalism of our employees.

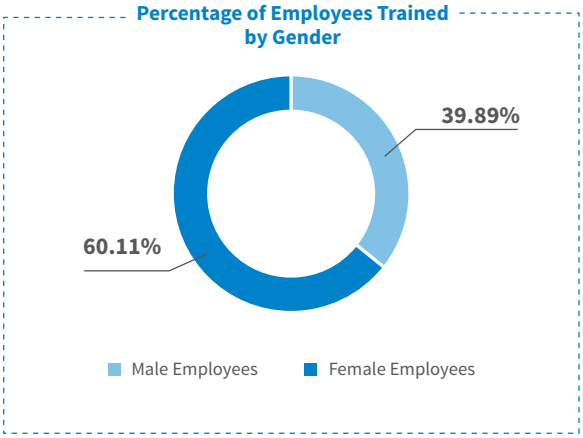
Management Training

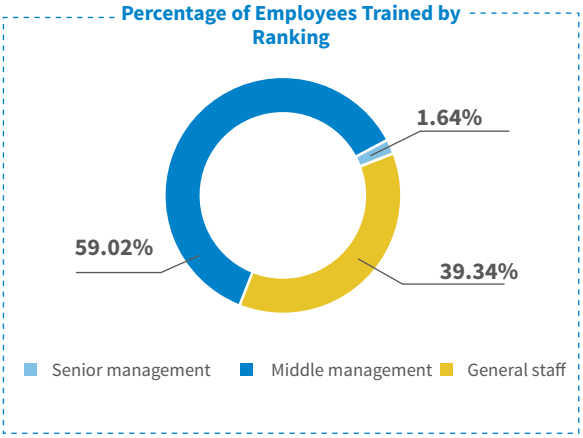
- We engage professional third-party organizations to conduct training for management through Workshop to enhance their comprehensive management capabilities, including leadership, coordination, decision-making, and crisis management.
- We organize weekly meetings with team managers to constantly learn their managerial concepts and modes that advanced with the times by exchanging ideas on management topics.
- We conducted training on leadership and competency assessment, assessed the core talents based on the external assessment system. We also conducted training and provided guidance based on the assessment results.

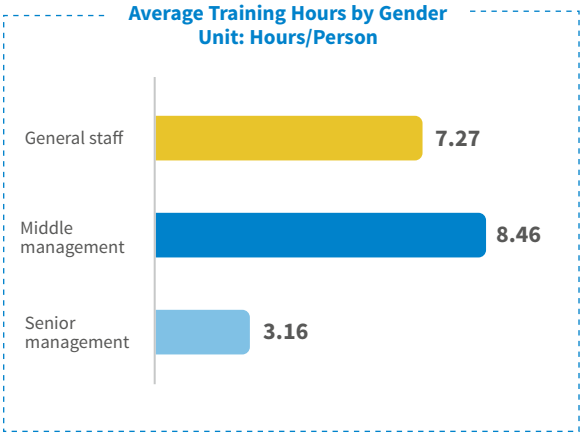
Corporate Culture Training

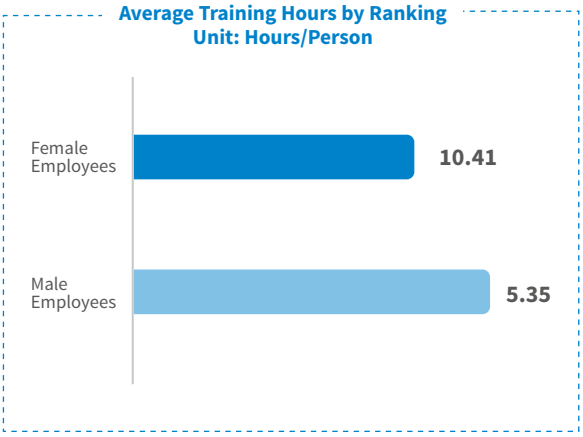
- We regularly organize cultural Workshops for new employees and the management to help them understand what kind of roles they are playing in the corporate culture and help them practice our corporate culture.

By the end of the reporting period, we invested a total of US$ 14,746 in employee training with a total of 1,353 training hours, averaging 7.39 hours per capita.









Note:
Percentage of employees trained in each category = number of persons trained in that category/total number of employees trained * 100%
Average training hours per employee in each category = total training hours of employees in a specific category /number of employees in that specific category

Career Development

We have established clear, transparent, and well-defined career development paths and channels. We have formulated and implemented the Position and Rank Management Regulations, providing employees with ample opportunities for growth and development to help them achieve their professional value. At critical stages of employee promotion, we offer one-on-one communication opportunities with the Human Resources Department and line managers, aligning with employees' personal development needs to help them identify their career direction. To promote the diversified development of internal talent, we provide all employees with opportunities for internal transfers, striving to optimize the allocation of talent resources and broaden employees' professional horizons. We have also established a scientific and fair performance evaluation mechanism, conducting top-down mid-year and year-end performance reviews to help employees fully understand their work performance and identify their strengths and areas for improvement.

Health and Safety

HBM prioritizes the health and safety of employees in talent management. We strictly comply with relevant laws and regulations such as the *Work Safety Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases,* the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and the *Fire Protection Law of the People's Republic of China.* We have established the *Comprehensive Emergency Plan for Production Safety Accidents of Harbour BioMed (Shanghai) Co., Ltd.* and continuously improve the management level of employee health and safety.

We adhere to the management goal of "preventing and reducing work injuries for safe production", establishing an all-encompassing EHS (Environment, Health, and Safety) prevention and control management framework involving "department heads - EHS coordinators - all employees and contractors," with clearly defined responsibilities at each level. We continuously improve the occupational health and safety management system, implementing effective management measures in hazard control, occupational disease prevention, and accident prevention to effectively safeguard employee health and safety. There was no incident of casualty in the past three years. During the reporting period, HBM lost no working days due to work-related injuries.

Risk control

During the reporting period, we engaged third-party professional agencies to identify occupational health hazards in accordance with the "Technical Specifications for Occupational Health Surveillance" (GBZ188-2014) and other relevant standards, implementing standardized controls to reduce occupational hazard risks in the workplace. For workplaces where acute occupational hazards may occur, we have installed communication alarm devices and emergency facilities to ensure that emergency plans can be immediately activated in case of an incident, including stopping operations, evacuating personnel, and organizing rescue efforts.

Occupational disease prevention

We advocate for reducing the use of toxic and harmful reagents in experiments, prioritizing the use of non-toxic or low-toxicity reagents to replace highly toxic ones, thereby reducing the risk of occupational diseases at the source. Additionally, we sign the *Notice of Occupational Disease Hazards* with employees, clearly outlining potential hazards and protective measures. If an employee contracts an occupational disease, we will strictly follow relevant regulations to provide treatment. We also offer annual health check-ups for all employees and provide pre-employment, on-the-job, and post-employment occupational health check-ups for employees in key positions such as laboratory roles, effectively safeguarding their health rights.

Accident prevention

We have established emergency response procedures for safety incidents, clearly defining the responsibilities of various organizations and personnel, and continuously strengthening employee safety education. During the reporting period, we conducted training on chemical environmental protection, special equipment fire safety, and biological laboratory safety to enhance employees' safety awareness and emergency response skills. Additionally, we conducted fire emergency drills to help employees familiarize themselves with evacuation routes, exit paths, and the use of fire extinguishers, improving their ability to self-rescue in fire emergencies.

Employee Care

HBM values the voices and feelings of its employees, actively understanding and responding to their needs through various channels. We strive to enhance employee well-being and continuously improve their sense of happiness, recognition, and belonging.

Employee Communication

We have established open and transparent communication channels for employees, including HR mailboxes, one-on-one talks with the CEO, Townhall Meetings, and Leadership Team Meetings. Additionally, we utilize the HBM Recognition System and the Give-a-Like platform, which provide employees with an online channel for mutual encouragement, recognition, and real-time communication, fostering a positive, supportive, and harmonious work environment and corporate culture.

Employee Communication Channels at HBM

HR mailbox	Employees can contact their respective HRBP for job inquiries and communication by emailing the HR or by face-to-face communication directly.
One-on-one interviews with the CEO	The CEO holds regular one-on-one interviews with some of the employees to share work experience, listen to their recent updates, encourage them to speak their minds, and understand their expectations.
Townhall Meeting	The Company shares the latest development trends, business status, and policy advocacy directly with all employees through regular Townhall Meeting. Employees can raise their questions in the Q&A session and the CEO answers questions on the spot. In addition, the Company awards outstanding individuals and teams at staff meetings to strengthen the identity of all employees.
Leadership Team Meeting	The Company holds regular management meetings and monthly Executive Meetings to discuss major management issues of the Company. Leadership Team Meeting (include middle managers) is arranged as required to convey important development strategies and corporate decisions, and discuss important matters for business development.

Employee Activities

HBM advocates a positive and healthy work-life balance, providing a variety of extracurricular activities to enhance employee participation. During the reporting period, we organized activities such as Baduanjin exercise, National Day bamboo weaving art activity, and cross-department team-building events to boost team cohesion and a sense of belonging.

"Celebrating National Day" Bamboo Weaving Activity

On the eve of the 2024 National Day holiday, HBM organized a DIY bamboo weaving activity. Employees had the opportunity to create their own bamboo woven artworks, experiencing the fusion of traditional craftsmanship with modern creativity, and gaining a deeper appreciation for the charm of traditional culture. This event not only enriched employees' leisure time but also significantly strengthened team cohesion.

Interdepartmental Team Building

In 2024, we organized a cross-department team-building activity involving multiple departments, aimed at enhancing interdepartmental communication and improving collaboration skills. Through a variety of engaging team games, collaborative tasks, and sharing sessions, employees fostered communication and coordination among departments. In a relaxed and enjoyable atmosphere, they deepened their understanding of one another and strengthened team cohesion.

Low-Carbon and Eco-Friendly

ESG Topics:

- Combating Climate Change
- Emissions Management
- Water Use Management
- Energy Use
- Material and Packaging Use Management

HBM fully embraces the concept of green development, closely monitoring climate change and its impacts while continuously enhancing the Company's green innovation competitiveness. We also optimize our environmental management, improve resource utilization efficiency, reduce the environmental impact of our operational activities, and promote harmonious development between the Company and the environment.

Response to Climate Change

Governance

HBM recognizes that climate-related risks and opportunities will have a profound impact on the development of the global economy and social environment in the short, medium, and long term. The Company incorporates climate change-related matters into the oversight of the Board and supervises, manages, and makes decisions on these issues through the ESG governance framework. The Board holds annual meetings to oversee the management of climate-related topics, assess and make decisions regarding climate-related risks and opportunities, and review progress towards achieving climate-related goals, effectively promoting the Group's long-term sustainable development objectives in the context of climate change. We have integrated climate change mitigation and adaptation into the work scope of relevant business units and the EHS department, while also considering the expectations of regulatory bodies, shareholders, and other stakeholders regarding the Group's response to climate issues, thereby enhancing the effectiveness of climate change topic management.

Strategy

In order to better understand and address the systemic impacts of climate change and ensure a competitive edge during the low-carbon transition, we regularly conduct the identification and assessment of climate-related risks and opportunities. We also develop corresponding risk mitigation measures and strategies to seize opportunities, proactively managing the impact of climate change on our business operations.

During the reporting period, referencing the climate disclosure framework requirements of the HKEx and International Financial Reporting Standards (IFRS), and considering the Company's operational status, business planning, peer research, and global climate regulatory trends, we identified three climate-related risks and three climate-related opportunities that could impact the operations and value chain of HBM, as follows:

Risk Type	Risk Description and Impact		Time-frame	Impact on Value Chain	Financial Impact	Response Measure	Impact
Physical risks	Acute risk	• **Increased Frequency of Extreme Weather:** Increased frequency and severity of extreme weather events such as typhoons may damage company infrastructure, disrupt business operations, and hinder transportation	Short and medium term	• Inbound logistics • Operation • Outbound logistics	•Increase in operating costs	• Establish a daily meteorological information monitoring mechanism, formulate the *HBM (Suzhou) Emergency Response Plan for Environmental Incidents* and the *HBM (Shanghai) Emergency Response Plan for Environmental Incidents*, and conduct emergency drills and training to strengthen the ability to prevent extreme weather • Establish a diversified supplier network to ensure production continuity	Low
Transition risks	Policy and legal risks	• **Strengthening of regulation on existing products and services:** Governments around the world are accelerating the fulfillment of their commitments under the United Nations Framework Convention on Climate Change and the Paris Agreement, leading to stricter climate policies and regulations	Long term	• Operation • Marketing and sales	•Increase in operating costs	• Closely monitor climate-related policies and regulatory changes, continuously strengthen climate management capabilities, and enhance information disclosure	Low
	Market Risk	• **Increase in raw material price:** Climate change may restrict the production of some raw material suppliers, leading to increased prices for pharmaceutical raw materials, logistics, or packaging	Medium term	• Inbound logistics • Operations • Outbound logistics	• Increase in operating costs • Decrease in operating income	• Reduce dependence on a single supply source, seek and develop alternative materials	Low

Opportunity Type	Opportunity Description and Impact	Timeframe	Impact on Value Chain	Financial Impact	Response Measure	Impact
Resource utilization efficiency	• More efficient R&D and operational models: Improving R&D efficiency, accelerating technological iteration, and optimizing operational processes can lead to more efficient use of resources, positively impacting company operations	Short and medium term	• Operations	• Decrease in operating costs	• Build digital platforms, optimize management processes, and enhance the efficiency of using various resources required in daily operations	Low
Market	• Emerging markets: Climate change is impacting human health, potentially increasing demand for existing or innovative drugs, presenting new market opportunities	Medium and long term	• Operations • Marketing and sales	• Increase in operating income	• Monitor climate-related disease trends, explore the potential of existing drugs in treating climate-related diseases	Low
Resilience	• Resource substitution/diversification: Strengthening supply chain stability and reliability through multiple sourcing methods to ensure business continuity	Short, medium, and long term	• Inbound logistics • Operations • Outbound logistics	• Decrease in operating costs • Increase in operating income	• Collaborate with value chain partners to jointly promote resource substitution and diversification practices	Low

Note: Considering the Company's business planning and climate-related policies of countries or regions, we define the short-term, medium-term, and long-term time spans as 0-3 years, 3-10 years, and 10 years or more.

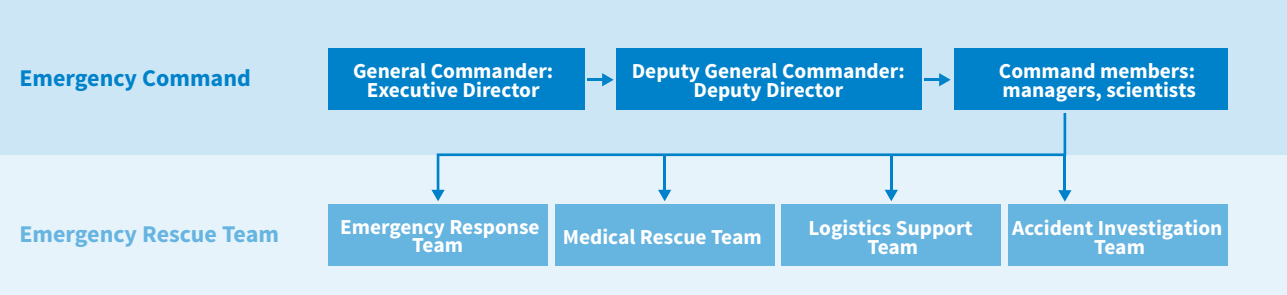
HBM recognizes the systemic and long-term nature of climate change. The physical and transition risks the Company faces are influenced by international trends and national policies, and future climate scenarios are highly uncertain. We will consider adopting scenario analysis methods in the future to further assess the impact of climate change on HBM and our climate resilience level, in line with the HKEx's climate disclosure requirements.

Risk Management

Based on the identification and assessment of climate-related risks and opportunities from dimensions such as time horizon, value chain impact links, probability of occurrence, and degree of impact, we proactively strengthen management, gradually incorporate climate factors into daily risk management in our operations, and plan to develop a more systematic and applicable climate risk management strategy to continuously enhance the company's climate resilience.

Meanwhile, we optimize the environmental management system, strengthen responses to identified climate-related risks, and establish a scientific emergency organizational structure and management process to effectively mitigate the adverse effects of climate change. Additionally, we regularly conduct environmental hazard inspections and remediation, equip sufficient environmental emergency supplies, facilities, and equipment, and maintain them regularly to respond to accidents or emergencies in an orderly manner. Furthermore, we organize regular emergency drills and training based on emergency plans to strengthen overall risk prevention awareness.

Emergency Organization Framework



Emergency Response Procedure

Discover

If an environmental accident occurs, employees should use the most convenient means (walkie -talkies, mobile phones, fire alarms, etc.) to report, and immediately carry out emergency response work if they have the ability to deal with the accident (using fire extinguishers to put out initial fires, etc.).

Judge

The Company emergency center must make a preliminary judgement based on the incident about whether the incident is controllable within the enterprise. If it may affect the external environment or require external rescue, the center should immediately report it to the Pudong New Area Ecological Environment Bureau, Shanghai Zhangjiang Science City Construction Management Office, and other departments.

Rescue

If the incident is controlled within the enterprise, the emergency general commander shall record the time and content after receiving the accident report call, and report it to the relevant members of the emergency command according to the classification of the accident, so as to immediately carry out rescue under the premise of ensuring personnel safety and minimizing property loss.

Evaluate

The emergency command team shall make a preliminary assessment of the time to confirm the emergency state and effectively confirm the emergency level. The emergency general commander shall issue the rescue action order and start the emergency plan; In case of emergency, the discoverer on the scene can call the emergency number of relevant government departments.

HBM regards a low-carbon operational model as a long-term mechanism to address climate change risks and considers energy management as one of its foundational tasks. The Group strictly adheres to the *Energy Conservation Law of the People's Republic of China*, the *Energy Policy Act of the United* States and other relevant laws and regulations. We have established energy consumption management systems for laboratories, construction sites, and offices. Meanwhile, we continuously implement various energy-saving measures to improve energy efficiency and reduce energy consumption.

Energy-saving measures

Reduce energy waste:	Assign dedicated personnel to inspect and turn off unneeded equipment during and after office hours; clean and maintain high-power equipment such as air conditioners to ensure optimal operation and reduce energy consumption
Equipment optimization:	Install lighting delay switches, and use variable-frequency air conditioners
Process optimization:	Use commercialized consumables that have been radiation sterilized as much as possible, and avoid steam pressure sterilization to reduce energy consumption

Metrics and Targets

The Company actively responds to global climate action initiatives, regarding 2022 as the baseline year to set emission and energy efficiency targets and define the path to achieve them. We regularly disclose climate-related metrics in annual ESG reports to monitor target achievement. As global climate governance progresses, HBM will further review our climate management status and based on business strategy, market changes, and management plans, timely review and assess climate targets and progress, planning to optimize climate target setting in future years.

Emission Target

2022-2026 Scope 1 and 2 greenhouse gas emission intensity (greenhouse gas emission/R&D investment) compound reduction of no less than 3%

Paths to the Target

- Integrating energy-saving design into the construction of new facilities
- Increase the investment and use of renewable resources
  Gradually integrate the current and future "dual carbon"
- goals and relevant policy guidance into the Company's emission management

Energy Efficiency Target

From 2022 to 2026, power consumption intensity (consumption/R&D investment) will decrease by no less than 3%

Paths to the Target

- By using innovative production technology, reduce the energy demand in the production process
- Improve the energy efficiency of each facility
  Use innovative renewable energy technologies

During the reporting period, the Group's energy consumption and greenhouse gas emissions were as follows:

Specific items	Unit	2022	2023	2024
Direct energy consumption'	MWh	/	/	42.70
Including: Gasoline consumption[2]	MWh	/	/	42.70
Indirect energy consumption	MWh	1,940.23	1,713.06	1,804.65
Including: Purchased electricity consumption	MWh	1,940.23	1,713.06	1804.65
Comprehensive energy consumption	MWh	1,940.23	1,713.06	1,847.35
Comprehensive energy consumption intensity[3]	MWh/US$ million R&D investment	14.36	38.00	87.97
Total GHG emissions[4]	tCO2e	916.77	819.55	887.30
Scope 1 GHG emissions	tCO2e	/	/	10.44
Scope 2 GHG emissions	tCO2e	916.77	819.55	876.86
GHG emission intensity[5]	tCO2e/US$ million R&D investment	6.78	18.18	42.25

[1] The Group's energy consumption calculations refer to GB/T 2589–2020 General Principles for Calculation of Comprehensive Energy Consumption.

[2] In 2024, the Group strengthened the management of official vehicles and included gasoline usage in the calculations of energy consumption and GHG emissions.

[3] In 2024, adjustments to the Group's business plan resulted in a decrease in R&D investment compared to 2023, which consequently led to an increase in energy consumption intensity.

[4] The Group's direct greenhouse gas emissions partly result from fugitive emissions caused by refrigerant use. Due to their minimal volume and significant data collection challenges, these emissions are not disclosed. In 2024, the emission factors for purchased electricity in the Group's Suzhou and Shanghai regions adopted the Jiangsu provincial power grid emission factors from the *Announcement on the Release of CO2 Emission Factors for Electricity in 2022* issued by the Ministry of Ecology and Environment of China and the National Bureau of Statistics, and the Shanghai electricity emission factors from the *Notice on Adjusting the Emission Factor Values in the City's Greenhouse Gas Emission Accounting Guidelines* issued by the Shanghai Municipal Bureau of Ecology and Environment. For the greenhouse gas accounting basis for 2023 and 2022, please refer to the Group's 2023 and 2022 ESG reports.

[5] In 2024, adjustments to the Group's business plan resulted in a decrease in R&D investment compared to 2023, which consequently led to an increase in GHG emissions intensity.

Resource Utilization

Water Resource Management

HBM is committed to improving the rationality, and efficiency of water resource usage, strictly adhering to the *Water Law of the People's Republic of China* and other local laws and regulations, and strictly controlling water usage. Our operational water is sourced from municipal water supplies. Guided by water efficiency targets[6], we implement various water-saving measures to continuously reduce water waste and improve water resource efficiency. We also strengthen employee water-saving awareness through internal campaigns, encouraging full participation in water-saving practices to promote sustainable water resource utilization.

[6] The Group's water efficiency targets are set with 2022 as the baseline year. The Company will further review water resource management status, timely review and assess water efficiency targets and progress, and plan to optimize water efficiency target setting in future years based on business strategy, market changes, and management plans.

Water Use Efficiency Target

After 2026, the water resources use intensity (consumption/R&D investment) will achieve negative growth

Paths to the Target

- Assess water risk in the R&D and production process
- Maximize water recovery and reuse

During the reporting period, the Group's water usage was as follows:

Specific items	Unit	2022	2023	2024
Water usage	ton	2,162.00	1,137.00	1,225.00
Water usage intensity[7]	ton/US$ million R&D investment	16.00	25.22	58.34

[7] In 2024, adjustments to the Group's business plan resulted in a decrease in R&D investment compared to 2023, which consequently led to an increase in water usage intensity.

Office Supplies and Packaging Management

HBM actively practices green office concepts, integrating sustainable development into daily operations and fostering green, low-carbon work habits among employees. In office supply management, we promote double-sided printing, black-and-white printing, and the priority use of draft paper to effectively reduce paper consumption. We also advocate for reducing the use of disposable items and encourage the recycling of reusable items to continuously improve resource efficiency. Additionally, we strengthen green office education through posters and environmental-themed activities, encouraging employees to prioritize public transportation to reduce carbon emissions and contribute to environmental protection.

During the reporting period, the Group's packaging material consumption were as follows:

Specific items	Unit	2022	2023	2024
Total packaging material used	kg	300.00	70	60
Intensity of packaging materials used	kg/US$ million R&D investment	2.22	1.55	2.86

Pollution Prevention and Control

HBM strictly complies with the *Environmental Protection Law of the People's Republic of China* and the environmental compliance requirements of the Netherlands, the United States, and Australia. We have established the *Guidelines for EHS* and EHS-related SOPs, and other systems and procedures. We regularly review and revise the policies to adapt to new industry requirements and regulatory changes, continuously improving the effectiveness of the EHS management system. Furthermore, with 2022 as the baseline year, we established waste reduction targets to guide our environmental management efforts and outline implementation pathways. We conducted annual reviews to assess the consistency of management practices and target achievement, thereby accelerating our green development initiatives.

Wastewater Management

HBM strictly adheres to the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Clean Water Act of the United States*, as well as local laws, regulations, and industry standards. We optimize wastewater management mechanisms, quarterly commissioning professional third parties to test wastewater discharge to ensure harmful substance concentrations comply with the *Pollutant Discharge Standards for Pharmaceutical Industry*. For various laboratory wastewater, we strictly implement harmless treatment processes and discharge through dedicated experimental wastewater pipelines into the sewage network. During the reporting period, we increased the contact time between experimental wastewater and chlorine tablets to improve disinfection effectiveness and further reduce wastewater pollution risks. For domestic sewage, we regularly add disinfectant tablets and ammonia nitrogen removers to ensure treatment compliance before discharge into the municipal sewage network. Additionally, we regularly clean wastewater pools and properly handle wastewater sludge to ensure stable discharge water quality.

During the reporting period, the wastewater discharge of HBM was as follows:

Category	Item	Unit	2022	2023	2024
Waste water	Waste water discharge	m^3	1,946.8	1,023.3	1,102.50

Waste Gas Management

HBM attaches great importance to waste gas management, strictly complying with the *Air Pollution Prevention and Control Law of the People's Republic of China*, the *Clean Air Act of the United States*, and other regulatory requirements in the regions where we operate Our waste gas is mainly from various physical and chemical experiments. To ensure effective waste gas treatment, we install activated carbon adsorption devices at laboratory fume hoods and exhaust systems to filter waste gas before discharge and regularly replace the activated carbon filters in the fresh air system. We also continuously monitor waste gas according to local standards and quarterly commission professional third parties to test waste gas emissions to ensure compliance.

During the reporting period, the waste gas emissions of HBM were as follows:

Category	Air emission	Unit	2022	2023	2024
Air emission[9]	Air emission	m^3	$1.07*10^8$	$9.73*10^7$	$1.51*10^7$
	Emissions of volatile organic compounds (VOC)	kg	56.33	27.85	18.12

[10] In 2024, due to the upgrade of the Group's R&D equipment and processing technologies, emissions of exhaust gases and volatile organic compounds (VOCs) decreased compared to 2023.

Solid Waste Management

HBM strictly complies with waste management requirements in the countries and regions where we operate, adhering to the *Hazardous Waste Storage Pollution Control Standard (GB 18597-2001),* the *Hazardous Waste Collection, Storage and Transportation Technical Specifications (HJ 2025-2012),* and the *Standards for Pollution Control of General Industrial Solid Waste Storage and Disposal Sites (GB 18599-2020),* and the *Standards for Pollution Control of General Industrial Solid Waste Storage and Disposal Sites (GB 18599-2020)*, implementing classified management of hazardous and non-hazardous waste. To achieve waste reduction targets, we establish and maintain solid waste management ledgers, strengthening fine management of waste. For hazardous waste, we annually report to the Shanghai Hazardous Waste Management Information System, set up hazardous waste temporary storage areas for isolated storage, and regularly commission qualified third-party institutions for disposal. For non-hazardous waste, we implement recyclable classification management and uniformly transport it to designated recycling points. During the reporting period, to reduce packaging waste, we actively participated in supplier reagent outer packaging box recycling projects to improve packaging recycling rates.

Waste Reduction Targe

The final waste discharge amount outperforms the standard of the local waste discharge requirements of the production facility

Paths to the Target

- Commit to taking the first-level of cleaner production as a benchmark, adopt advanced and applicable technologies, processes and equipment to implement cleaner production technological transformation, and promote the full coverage of cleaner production
- Conduct laboratory waste assessment to reduce the generation of hazardous waste
- Assess opportunities for reducing and recycling materials
- Advocate a paperless office

During the reporting period, the solid wastes generated by HBM were as follows:

Category	Item	Unit	2022	2023	2024
Hazardous Waste	Medical waste	ton	6.36	3.50	1.91
	Other wastes	ton	11.43	5.94	6.88
	Total hazardous waste	ton	17.79	9.44	8.79
	Intensity	ton/ US$ million R&D investment	0.13	0.21	0.42
Non-hazardous Waste	Non-recyclable waste	ton	12.58	10.05	8.00
	Recyclable domestic waste	ton	3.95	2.98	2.60
	Total non-hazardous waste	ton	16.53	13.03	10.60
	Intensity	ton/ US$ million R&D investment	0.12	0.29	0.50

Noise Management

HBM strictly abides by the *Law of the People's Republic of China on Prevention and Control of Pollution from Environmental Noise*. We strengthen the noise source monitoring and management, and quarterly commission third party organizations to test the noise near the building, to ensure that the noise meets the *Emission Standard for Industrial Enterprises Noise at Boundary*.

Appendix: Index to the HKEx's ESG Reporting Guide

Subject Areas, Aspects, General Disclosures and KPIs		Title of sections
Aspect	Description	
A: Environmental		
A1	Emissions	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. *Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations.* *Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.* *Hazardous wastes are those defined by national regulations.*	8.3. Pollutant Prevention and Control
A1.1	The types of emissions and respective emissions data.	8.3. Pollutant Prevention and Control
A1.2	Direct (Scope 1) and energy direct (Scope 2) greenhouse gas emissions (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	8.1. Response to Climate Change
A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	8.3. Pollutant Prevention and Control
A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	8.3. Pollutant Prevention and Control
A1.5	Description of emission target(s) set and steps taken to achieve them.	8.1. Response to Climate Change 8.3. Pollutant Prevention and Control
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.	8.3. Pollutant Prevention and Control
A2	Use of Resources	
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. *Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.*	8.1. Response to Climate Change 8.2. Resource Utilization
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).	8.1. Response to Climate Change
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	8.2. Resource Utilization
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	8.1. Response to Climate Change
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.	8.2. Resource Utilization
A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	8.2. Resource Utilization
A3	The Environment and Natural Resources	
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	8.3. Pollutant Prevention and Control

A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	8.3. Pollutant Prevention and Control
A4	Climate Change	
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	8.1. Response to Climate Change
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	8.1. Response to Climate Change
B: Social		
B1	Employment	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	7.1. Employee Rights
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	7.1. Employee Rights
B1.2	Employee turnover rate by gender, age group and geographical region.	7.1. Employee Rights
B2	Health and Safety	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	7.3. Health and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	7.3. Health and Safety
B2.2	Lost days due to work injury.	7.3. Health and Safety
B2.3	Description of occupational health and safety measures adopted and how they are implemented and monitored.	7.3. Health and Safety
B3	Development and Training	
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. *Note: Training refers to vocational training. It may include internal and external courses paid by the employer.*	7.2. Talent Development
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	7.2. Talent Development
B3.2	The average training hours completed per employee by gender and employee category.	7.2. Talent Development
B4	Labor Standards	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	7.1. Employee Rights
B4.1	Description of measures to review employment practices to avoid child and forced labor.	7.1. Employee Rights

B4.2	Description of steps taken to eliminate such practices when discovered.	7.1. Employee Rights
B5	Supply Chain Management	
General Disclosure	Policies on managing environmental and social risks of the supply chain.	6.1. Responsible Supply Chain
B5.1	Number of suppliers by geographical regions.	6.1. Responsible Supply Chain
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	6.1. Responsible Supply Chain
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	6.1. Responsible Supply Chain
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	6.1. Responsible Supply Chain
B6	Product Responsibility	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	5.2. Quality Management 5.3. Protection of Patients' Rights and Interests
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	5.3. Protection of Patients' Rights and Interests
B6.2	Number of products and service-related complaints received and how they are dealt with.	5.3. Protection of Patients' Rights and Interests
B6.3	Description of practices relating to observing and protecting intellectual property rights.	5.1. Innovation-Driven
B6.4	Description of quality assurance process and recall procedures.	5.2. Quality Management
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	5.3. Protection of Patients' Rights and Interests
B7	Anti-corruption	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	4.3. Compliance Operation
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	4.3. Compliance Operation
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	4.3. Compliance Operation
B7.3	Description of anti-corruption training provided to directors and staff.	4.3. Compliance Operation
B8	Community Investment	
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	6.3. Benefiting Society
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	6.3. Benefiting Society
B8.2	Resources contributed (e.g. money or time) to the focus area.	6.3. Benefiting Society