药明巨诺
JW Therapeutics

JW (Cayman) Therapeutics Co. Ltd
藥明巨諾(開曼)有限公司*
(Incorporated in the Cayman Islands with limited liability)
Stock Code: 2126



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2022

* For identification purpose only

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MESSAGE FROM THE CO-FOUNDER, CHAIRMAN AND CHIEF EXECUTIVE OFFICER



"Patient first is always our Company's top core value. We are committed to taking an innovation-first approach and becoming a leader in cellular immunotherapy to bring hope of a cure to Chinese and global patients."

Dr. Yiping James Li

Co-founder, Chairman and Chief Executive Officer

Dear Readers,

I am honored to share JW Therapeutics' 2022 Environmental, Social and Governance (ESG) Report with you.

2022 was the first full year of CAR-T product commercialization in China, and we have had the privilege of providing a breakthrough and high-quality cell immunotherapy product to serve Chinese patients. In 2022, we have demonstrated the excellent safety and efficacy of JW Therapeutics' core product Carteyva® to the world and continued to leverage our strong R&D capabilities to conduct clinical research for our key product pipelines, achieving product breakthroughs, and leading the development of cell immunotherapy industry. At the same time, we have always been committed to fulfilling our social responsibilities, continuously improving our ESG management system and performance, and fully integrating ESG considerations into all aspects of our production and operation, helping the Company to achieve sustainable development based on the following discussions:

Solid Corporate Governance

We are committed to strengthening corporate risk management by establishing a sound internal control and risk management framework and promoting the collaboration among different functional departments to ensure compliant and stable business operation. We also keep enhancing our board structure and promoting the diversity of our Board to guide corporate management with a more comprehensive and wider perspective. Guided by a multi-dimensional ESG strategy, we have established an ESG governance framework composed of the Board of Directors, the Risk Management Committee, and the ESG Working Group. The Board of Directors is the highest governance body of the Company's ESG structure, whose responsibilities include assessing and determining risks and opportunities associated with ESG issues and regularly review the Company's progress made against the declared goals. The Board of Directors has also appointed the Risk Management Committee to coordinate, manage and supervise all ESG-related matters. For details in relation to the Board's ESG management approach, strategy and review procedures, please refer to the section headed "ESG Governance Structure" in this report. The ESG policy system was based on the Environment, Social and Governance Policy, and incorporated important ESG issues including environmental protection, quality management, and labor rights in our operations to continuously improve ESG governance. In 2022, we reinforced our information security management by launching a data leak prevention system, delivering information security protection training for employees, and enhancing data security control to ensure information security of our operation.

Hope for a Cure

As an independent and innovative biotechnology company focusing on developing, manufacturing and commercializing cell immunotherapy products, JW Therapeutics is committed to becoming an innovation leader in cell immunotherapy. Based on this foundation, we continue to focus on the development and expansion of product pipelines, establish an innovation-oriented intellectual property management strategy, with a focus on the research and development of cell therapy across the entire industry chain, constantly exploring innovative medical achievements. In addition, we place great emphasis on product quality management, continuously improving our multi-level quality management policy system, implementing advanced pharmacovigilance and control mechanisms, introducing intelligent management systems, and promoting multi-departmental collaboration to jointly create a robust quality culture, providing product quality assurance for patients.

Patient First

JW Therapeutics is dedicated to creating a new cell immunotherapy ecosystem around the patients' benefits, providing high-quality treatment and comprehensive care for patients and expanding cooperation with business partners to improve the affordability and accessibility of our products. By the end of 2022, Carteyva® has been listed in 56 commercial insurance products and 75 local governmental supplementary medical insurance plans. Meanwhile, we maintain close communications with medical institutions and physicians to ensure that our products are being used effectively through strict medical institutions access and certification mechanisms, and communication with our in-house Medial Science Liaisons ("MSLs"). Moreover, to make the treatment process more convenient, we have explored a commercial operation management system based on a strong supply chain and distribution network, to benefit more patients.

Eco-friendly Development

As we expand our business, we also actively fulfill environmental responsibility by continuously tracking the progress towards our targets for greenhouse gas emissions, energy consumption, water use, and waste disposal, taking action to address climate change, strengthen resource and waste management and improve energy utilization efficiency to reduce the impact of production and operation on the environment. In addition, we have identified and assessed climate-related risks with reference to the methodologies and framework recommended by the Task Force on Climate-Related Financial Disclosures ("TCFD"), and have integrated relevant actions into environmental management to minimize our carbon footprint and achieve eco-friendly operations.

People Oriented

We believe that creating a corporate culture of integrity and inclusivity and supporting employees in self-realization are the important cornerstones for the Company's long-term development. To this end, we strictly adhere to various labor standards to protect employee rights and interests, and have established diverse talent recruitment channels providing competitive corporate welfare and talent incentive programs to attract outstanding individuals. At the same time, we also strive to empower our talents and assist them in their career development and established a training system with "Onboard Excellence", "Leadership Effectiveness" and "Organizational Effectiveness" as the three main pillars. Moreover, we always prioritize the occupational health and safety of employees and enhance employees' safety awareness through continuous training to ensure their personal health and safety in the workplace.

Responsible Citizen

While focusing on our own development, we also strive to promote the healthy development of the entire value chain, and actively participate in social welfare activities to benefit more patients. We implement strict admission evaluation for suppliers and actively participate in industry sharing activities, empowering our cooperative partners through the supply chain, and jointly creating a healthy and win-win industry chain. During the year, we have organized various patient care activities, increasing society's attention to lymphoma patients and spread the hope of cure.

I sincerely invite you to read our report to learn more about our progress in ESG this year and our efforts to promote sustainability throughout our operations and development processes. In the future, we will strive to bring hope for cure to more China's and global patients with breakthrough and high-quality cell immunotherapy products while upholding the principle of sustainable development. It is also our commitment to fulfill our corporate social responsibility, promote green and low-carbon operations, strengthen product safety and quality assurance measures, create a responsible production value chain, and contribute to the development of social public welfare undertakings.

ABOUT THIS REPORT

The report is the third Environmental, Social, and Governance Report (hereinafter referred to as "ESG Report" or the "Report") issued by JW (Cayman) Therapeutics Co. Ltd (the "Company"), its subsidiaries and consolidated affiliated entity (hereinafter referred to as "JW Therapeutics", the "Group" or "we"). This Report is to explain the Company's strategies, policies, measures and achievements in sustainability to all stakeholders objectively and fairly, and focus on the disclosure of information on the Company's performance in environmental, social and governance.

Reporting Period

The period of the Report covers the information and data of the Company from January 1, 2022 to December 31, 2022 (the "Reporting Period").

Reporting Boundary

The boundary of the Report covers the core business of the Group, including our manufacturing sites, R&D center and offices in Shanghai and Suzhou.

Reporting Standards and Principles

The Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") as set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("HKEX").

The Report has been prepared in accordance with the following reporting principles of the ESG Reporting Guide:

- "**Materiality**": Material ESG issues are identified through communication with stakeholders and materiality assessment, and disclosed in the ESG Report.
- "**Quantitative**": Quantitative information such as environmental and social key performance indicators disclosed in the Report has been accompanied by an explanation, claiming its purpose and impacts.
- "**Consistency**": The Report uses statistical methods consistent with previous years, allowing for meaningful comparisons.
- "**Balance**": The Report presents the Company's environmental, social and governance performance in an impartial manner.

Sources of Information and Assurance of Reliability

The data and examples in the report were derived mainly from the Company's statistical reports and relevant documents. The Company undertakes that this Report does not contain any false records or misleading statements and the Company is responsible for the truthfulness, accuracy, and completeness of its contents.

Access and Response to the Report

This Report is published in traditional Chinese and English. In case of any ambiguity between the contents, the English version shall prevail. In consideration of environmental protection, we recommend reading the electronic report, which can be found on the Company's official website (https://www.jwtherapeutics.com/).

We attach great importance to the opinions of our stakeholders and welcome the readers to contact us through the following contact information. Your comments are appreciated for our consideration to continuously improve this report and the overall environmental, social and governance performance.

Contact information

Email: IR_JW@jwtherapeutics.com; communications@jwtherapeutics.com
Address: 5F, Bldg.B, Wison Center, No. 633 Zhongke Road, Pudong New Area, Shanghai, PRC

Confirmation and Approval

The Report was confirmed by management and approved by the Board of Directors.

ABOUT JW THERAPEUTICS

JW Therapeutics (HKEX: 2126) is an independent and innovative biotechnology company focusing on developing, manufacturing and commercializing cell immunotherapy products, and is committed to becoming an innovation leader in cell immunotherapy. Founded in 2016, JW Therapeutics has built a world-class platform for comprehensive product development in cell immunotherapy, as well as a product pipeline covering hematologic malignancies, solid tumors and autoimmune diseases. JW Therapeutics is committed to bringing breakthrough and quality cell immunotherapy products and the hope of a cure to patients in China and worldwide, and leading the healthy and standardized development of China's cell immunotherapy industry.

We are an early entrant into the field of cell-based immunotherapy in China. Cell-based immunotherapies, including CAR-T treatments, are an innovative treatment method that uses human immune cells to fight cancer, representing a paradigm shift and the latest innovation in cancer treatment. Our lead product, Carteyva®, is an autologous anti-CD19 CAR-T cell immunotherapy product independently developed by us based on a CAR-T cell process platform of Juno Therapeutics (a Bristol Myers Squibb company). Carteyva® has been approved by the National Medical Products Administration ("NMPA") for two indications, including the treatment of adult patients with relapsed or refractory large B-cell lymphoma ("r/r LBCL") after two or more lines of systemic therapy, and the treatment of adult patients with relapsed or refractory follicular lymphoma ("r/r FL"), in which a relapse occurs within 24 months second-line or higher systemic treatment. Carteyva® is the first CAR-T product approved as a Category 1 biologics product in China, and currently it is the only CAR-T product in China that has been simultaneously included in the National Significant New Drug Development Program and granted priority review and breakthrough therapy designations.

2022 was the first full year of CAR-T product commercialization in China. Given the unmet medical needs that can be effectively addressed by CAR-T therapies, the market for CAR-T therapies in China is expected to experience strong growth through 2030, according to Frost & Sullivan. We believe that we are well-positioned to take advantage of this growing market, based on the best-in-class potential of our anti-CD19 CAR-T product profile; our robust and differentiated cell therapy pipeline covering both hematological cancers and solid tumors; our fully integrated cell therapy development platform; our leading commercial manufacturing infrastructure and supply chain; and our seasoned management and strong support from the shareholders of the Company (the "Shareholders"). In 2022 we made significant progress on the development of Carteyva® for the treatment of hematological malignancies, expanded our portfolio of products for the treatment of solid tumors, and advanced Carteyva® as a potential treatment for systemic lupus erythematosus, an autoimmune disease widely prevalent in China.

JW Therapeutics is committed to developing innovative cell therapy methods and becoming a leader in cellular immunotherapy, thereby bringing revolutionary new treatments to patients. We will uphold the concept of "quality first" and devote ourselves to serving patients with world-class quality products, bringing hope of life to patients in China and all over the world.

OUR VISION

Become an Innovation Leader in Cell Immunotherapy

OUR MISSION

Bring Hope to Patients in China
Work Together and Realize the Potential for JW Therapeutics and Its Employees

OUR VALUES

Quality-Centered
Results-Oriented
Patient First
Integrity, Respect, Inclusion, Collaboration
Innovation-Driven

OUR COMMITMENT

To our patients

We are committed to continuously promoting R&D innovation, optimizing product processes, and meeting the unmet medical needs with world-class products. We strive to explore a multi-layer medical care system for treatment and improve the patient affordability through innovative payment and insurance method.

To our employees

We are committed to supporting our employees to fulfill their career development through an advanced employment, compensation and training management system. We are committed to creating a healthy and safe working environment through competitive employee welfare and care solutions.

To our shareholders

We are committed to promoting business expansion by expanding pipeline and market coverage, realizing economies of scale, achieving revenue growth, and helping maximize the interests of shareholders.

To our communities

We are committed to continuously participating in industrial collaboration and driving the industry development, supporting the government and regulators to formulate industry norms and standards, and contributing to the development of China's cellular immunity industry.

To our environment

We are committed to actively fulfilling environmental goals and reducing the environmental impact of production and operations on resource utilization, energy consumption, waste disposal and other areas. We promise to contribute to the sustainable development.



RECOGNITION AND AWARD IN 2022



The Most Valuable Pharmaceutical and Medical Company

On January 11, 2022, at the "2022 Global Investment Trends Forum, and the 6th Golden-Hong Kong Stock Awards Ceremony" held in Shenzhen, JW Therapeutics won the "Most Valuable Pharmaceutical and Medical Company" award. Winning this award shows that JW Therapeutics has obtained recognition of the industry and investors, which is a great encouragement for JW Therapeutics.

Top 10 Pharmaceutical Innovative and Cutting-Edge Companies of the Year

On May 14, 2022, JW Therapeutics was awarded the "Top 10 Pharmaceutical Innovative and Cutting-edge Companies of the Year " at the "2021 Drug Innovation Awards Annual Selection" event held by Securities Times. This award recognizes JW Therapeutics' innovation-driven development of breakthrough cellular immunotherapy products that bring hope to patients in China and around the world.

Ranked in the Top 30 List of Innovative Power of China's New Technology Drug Enterprises

On September 16, 2022, JW Therapeutics was successfully selected into the "Top 30 List of Innovative Power of China's New Technology Drug Enterprises" at the "Only Innovators Can Achieve Stability — 2021 China Biopharmaceutical Enterprises Innovation Top 100 List Release". This award highlights JW Therapeutics' outstanding innovation capabilities and innovative achievements.

2022" Dingge Award" Digital Transformation Pioneer List — Annual Industry Chain Innovative Enterprise Award

In November 9, 2022, hosted by Harvard Business Review (Chinese Edition) and academically supported by Institution for Global Industry, the result of "Dingge Award" Digital Transformation Pioneer List was announced, aiming to exploring the excellent cases of digital transformation and lightening up the road towards development of new era. The project "SAP S4HANA" applied by JW Therapeutics during the selection was successfully awarded the 2022 "Dingge Award" Digital Transformation Pioneer List — Annual Industry Chain Innovative Enterprise Award.



Winning the Credit Rating A of Shanghai Pharmaceutical Quality Association

In early January 2023, JW Therapeutics (Shanghai) Co., Ltd. received an excellent grade of A (87.5 points) in the credit rating evaluation organized by the Shanghai Pharmaceutical Quality Association. Credit rating evaluation is an important indicator to measure the development and operation of an enterprise in a multi-dimensional manner including medicine production credentials, medical management capabilities, social credit, market competitiveness, etc., which gives JW Therapeutics an affirmation of its comprehensive performance.

2022 HIGHLIGHTS

ESG STRATEGY AND CORPORATE GOVERNANCE

Completion Percentage of Compliance and Anti-corruption Training by Employees

100%

Percentage of Female Directors of the Board

33%

(*As of the Reporting date)

Number of ESG Issues Assessed for Materiality

22

FINANCIAL PERFORMANCE

Revenue

145.7 million RMB

(+373.1% year-on-year)

Gross Margin of Sales

40.3%

(increased from 29% to 40.3%)

Research and Development Expenses Proportion

52.4%

Cash and Cash Equivalents

1,383.3 million RMB

COMMERCIALIZATION PROGRESS

Certificated Hospitals

96

Prescriptions

165

Infusions

141

EMPOWERING EMPLOYEE

Total Number of Employees

528

Female Employee Proportion

58%

Training Coverage

100%

Training Hours per Employee

17

ENVIRONMENTAL SUSTAINABILITY

Comparing with 2021, the environmental performance in 2022 was as below:

Energy Consumption Intensity

76% ↓

GHG Emissions Intensity

80% ↓

Water Consumption Intensity

70% ↓

Waste Management

100% compliant disposal of hazardous waste

100% recycling rate of cartons

EFFORTS IN PATIENT AFFORDABILITY

Number of Commercial Insurance Products that Carteyva® has been listed on

56

Number of Local Government Complementary Medical Insurance Programs that Carteyva® has been listed on

75

Percentage of Carteyva®-Infused Patients Received Insurance Reimbursements

24%

Expense Coverage Range

38% to 100%

1. SOLID CORPORATE GOVERNANCE

— Maintaining solid corporate governance and operation compliance

UNSDGs	Topics	Actions
	• Board Governance and Diversity	• Establish a board that covers different genders, age groups, and educational backgrounds
	• Internal Control and Risk Management • Business Ethics • Information Security	• Conduct annual risk assessment and implemented mitigation measures for identified risks to strengthen the breadth and depth of risk management • All levels of employees must complete annual code of conduct training • Establish a comprehensive information security management system and carried out information security training for all employees

JW Therapeutics' culture is rooted in solid corporate governance based on strong foundation of integrity. We strictly abide by relevant laws and regulations and define the corporate governance standards accordingly. We keep refining our structure and responsibilities of the board, enhancing internal control and risk management, and maintaining the highest ethical standards, in an effort to protect the shareholders' rights and interests effectively through optimizing corporate governance and overseeing the corporate operation and management.

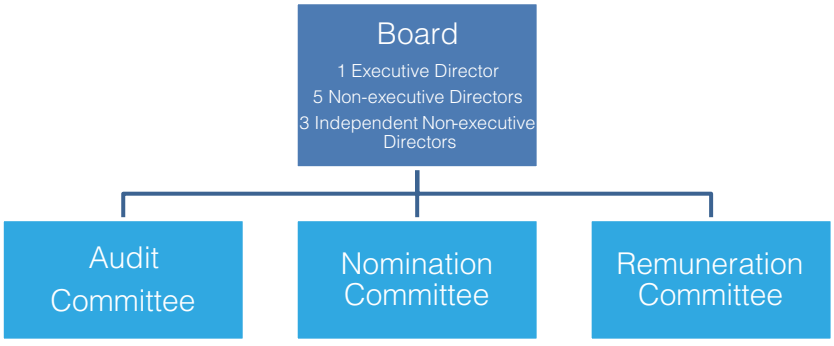
1.1 Board Governance and Diversity

A diversified board of directors and a clear delineation of board powers and responsibilities are key to achieving scientific and effective corporate governance. JW Therapeutics continues to improve the board structure through selecting the Board member based on comprehensive considerations of backgrounds according to the JW Therapeutics Board diversity policy. We balance diversified experience and skills of Board members to enhance the effectiveness of governance.

1.1.1 Board Governance Effectiveness

We established three board-level committees to provide a comprehensive and responsive governance framework and continually optimize governance structure and ability.

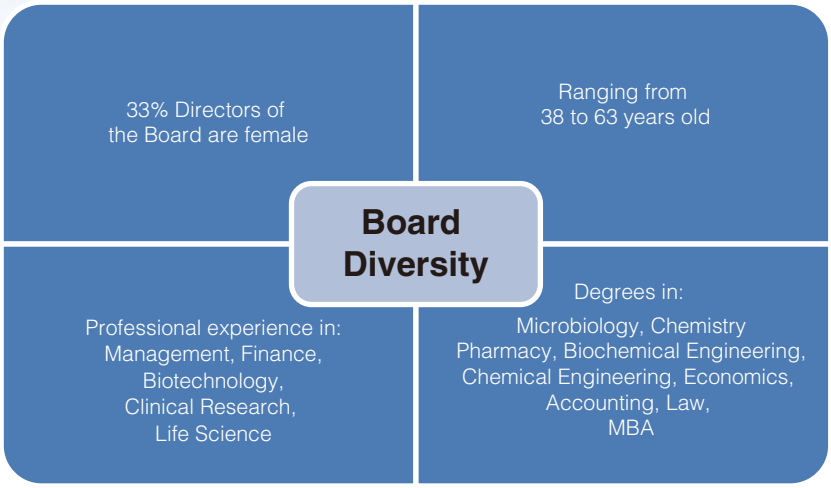
The Board and its Committees are responsible for overseeing the Company's financial and non-financial performance along with the risks associated with the business including ESG risks, developing strategy, as well as monitoring and receiving reports from management to ensure that the Company has a sound internal control and risk management system. The terms of reference of the Board of Directors are published on the Hong Kong Stock Exchange, and are available to shareholders upon request.



JW Therapeutics Board Structure

1.1.2 Board Diversity

We recognize the importance of board diversity to the improvement of efficiency of the Board and making sure the scientific decision-making of the Board. JW Therapeutics formulates the Board Diversity Policy, the implementation of which by our Company is reviewed annually by the Board with the assistance of the Nomination Committee, to ensure that a wide range of professional experience, educational background, knowledge and expertise, ages, and gender are represented on the Board.



Board Diversity of JW Therapeutics

1.2 Internal Control and Risk Management

As product commercialization progresses and market uncertainties increase, JW Therapeutics has effectively strengthened the breadth and depth of risk management as one of the priorities in consolidating our corporate governance. We prevent and respond to risks in production and operation by improving the internal control and risk management structure, executing the annual risk assessment and mitigation, expanding the coverage of internal audits, and driving improvements on audit findings.

1.2.1 Internal Control and Risk Management Structure

JW Therapeutics has established a sound risk management structure involving various levels of employees from different departments, as demonstrated in the following:

Audit Committee	• Evaluate and supervise the overall risks related to business and operation • Review and approve annual internal audit plan • Review and approve annual risk management and internal control reports
Corporate Risk Management Committee	• Formulate and update risk management policy and target • Review and approve major risk management issues • Provide guidance and feedback on risk management practices to cross departments • Ensure appropriate structure, supervise the compliance and effectiveness of the ESG working procedure
Internal Audit	• Assist the Board of Directors and the Audit Committee to review the adequacy and effectiveness of risk management and internal control • Drive the execution of corporate risk management committee • Independently examine key risks in relation to material controls • Conduct audit programs and supervise on mitigations
Legal & Compliance	• Set up Legal and Compliance related policies • Provide compliance-related trainings and govern the compliance matters

Internal Control and Risk Management Structure

The Corporate Risk Management Committee plays a crucial role in internal control and risk management. Led by the Chief Executive Officer ("CEO") and supported by the Chief Financial Officer ("CFO") and Internal Audit Department, the committee members are composed of department heads of Legal & Compliance, Finance, Human Resources, Quality, Medical, Commercial, Technical Operation and Environment, Health and Safety ("EHS"). The Committee holds regular meetings to review and discuss annual corporate risk assessment and supervise the implementation of risk mitigation measures related to our business.

Different working groups serve in the Committee as experts of specific fields working cross-functionally to drive alignment and execute specific objectives. We also engaged a third-party lawyer as the compliance consultant, who provides insights on the latest guidance related to compliance operations and internal controls to the Board of Directors and the management team.

1.2.2 Annual Risk Assessment and Audit Program

In 2022, JW Therapeutics conducted an annual risk assessment. The leaders of each department identified multi-dimensional risk factors through internal interviews, covering market and economic risks, technology risks, and compliance risks, etc. The identified key risks were classified, evaluated, managed and monitored in conjunction with the Company's strategic objectives and taking into account interviews with key departments. For key risks, we have completed the follow-up mitigation actions in a timely manner and been monitoring on an ongoing basis.

The internal audit department developed an audit plan based on the Company's development and risk identification, and conducted internal audits accordingly. 2022 is the first full year of commercialization of JW Therapeutics' products. To this end, our annual risk assessment and audit scope were expanded to cover topics related to marketing compliance, clinical research and development operations, export compliance, procure-to-pay, financial reporting and employee reimbursement, over the past few years. For key issues identified during the audits, functional departments developed plans promptly and followed-up to resolve them. During the Reporting Period, the Internal Audit department reviewed the corresponding corrective action results and reported them to the Audit Committee and management in a timely manner.

1.3 Business Ethics

JW Therapeutics takes a zero-tolerance approach to bribery, corruption and fraud, and we are committed to acting professionally, fairly and with integrity at all times. We promulgated and strictly implement the Company Code of Conduct, Standard Operating Procedure ("SOP") for Anti-Fraud and Anti-Bribery, and a series of medical compliance policies, and ensure high business ethical standards throughout our operations with the Board and Management's leadership.

1.3.1 Compliance Culture

Conducting business in an ethical and compliant manner is at the forefront of all interactions. Our Code of Conduct and values guide everything we do and ensure that we deliver life-changing medicines in a responsible way. All employees are required to complete annual Code of Conduct and medical compliance training with a specific focus on recognizing, avoiding and reporting any actual or suspected corruption activities. Those who violate the Code of Conduct and the anti-corruption and anti-fraud requirements may face disciplinary action according to the seriousness of the situation.

We hold our suppliers to the same ethical standards as well. Suppliers that we cooperate with are required to sign the Compliance Commitment Letter, which sets out commitments to working against corruption and bribery. Policy requirements for ethical conduct are also provided to suppliers for them to abide by during our cooperation.

1.3.2 Compliance Training

JW Therapeutics expects all employees to perform with integrity across all divisions and locations. To reinforce our compliance culture, we provide compliance trainings to all employees online and offline, and the content covers laws and regulations, corporate ethics, anti-fraud, and anti-corruption. For instance, except for the mandatory compliance training for new joiner, we organized the annual 'Code of Conduct, medical compliance and business ethics training' and require all employees including contractors to finish and pass the tests within an appointed time period. Meanwhile, commercial employees are required to conduct business activities only if they completed the pharmaceutical compliance and business ethics training. We also engaged external legal counsel regularly to provide various legal and compliance training courses for our directors, senior managers, and people in selected higher-risk roles. During the Reporting Period, all board members finished the planned trainings and all employees completed and passed the compliance training.

Tailored compliance training for key departments

In order to further strengthen the compliance culture of JW Therapeutics, we formulated specific legal compliance training for colleagues in key departments such as commercial and supply chain. We conducted advertisement compliance training for mid-level and above managers in the commercial team, systematically introducing the laws and regulations of pharmaceutical advertising compliance and analyzing law enforcement trends and cases. For colleagues in the supply chain and procurement department, we provided basic lectures on the contract chapter of the Civil Code of the People's Republic of China, including comprehensive interpretation of contract formation, terms, performance, breach and termination, combined with targeted reinforcement on practical issues that frequently occur in the operation level.

1.3.3 Whistle-blowing Channel

Anyone inside or outside JW Therapeutics can raise concerns through our whistle-blowing channels regarding ethical violations or fraud. We also set up a public whistle-blowing mailbox to encourage all employees to report on corruption, fraud or violations of business ethics in the workplace. We have procedures and policies in place to protect whistleblowers from retaliation and to ensure that violations are investigated and handled independently, objectively, and fairly.

During the Reporting Period, we complied with relevant laws and regulations that have a significant impact on us relating to prevention of bribery, extortion, fraud and money laundering. There were no legal cases regarding corrupt practices reported during the Reporting Period.

1.4 Information Security

With the further development of our product commercialization and the gradual advancement of our product development pipeline, information security has become increasingly crucial to stakeholders including patients, customers, suppliers, and employees. Thus, we have strengthened our information security management and further safeguarded information security by formulating policies, optimizing management systems, strengthening data risk prevention and control, and enhancing employees' awareness of data security.

JW Therapeutics formulated electronic data protection policies and guidelines including IT Computerized System Management Measures, JW Therapeutics Data Security IT Management System, Information Security Management Overview, Staff IT Information Security Guidelines, and Information Security Emergency Response Process to ensure data security. We also established a comprehensive information security management system considering the Company's business characteristics and organizational structure. We have established an organizational structure that includes the head of IT department, IT information security executive group, head of IT infrastructure, and head of IT terminal management to strengthen and standardize the management of information security. During the Reporting Period, the Company completed the information system security filing of JW Therapeutics E System and obtained the filing certificate.

In 2022, we launched the Data Loss Prevention ("DLP") system for comprehensive data risk prevention and control. The DLP system's data leakage prevention management and security alert functions support IT departments and core business departments to improve their ability to identify and prevent potential data leakage risks, as well as strengthen control over employee data protection behaviors.

We carefully manage our employees' information transmission behaviors and specify requirements for data protection, account management, internal file decryption processes, computer viruses, file retention and transmission in our Code of Conduct. We also strictly review employees' information transmission when they leave the Company. According to the Data Security IT Management System of JW Therapeutics, each employee is required to initiate an information security audit when leaving the Company and their data transmission behaviors will be reviewed and confirmed through technical means in conjunction with the HR department and relevant department heads. During the Reporting Period, no information security or data leakage incidents occurred in JW Therapeutics.

To further enhance employees' awareness of information security, we organized information security protection training through our online training platform during the Reporting Period. The training covered contents on information security awareness and norms followed by examinations, and was attended by all employees.

2. ESG GOVERNANCE AND STRATEGY

— Adhere to sustainable development and contribute to society

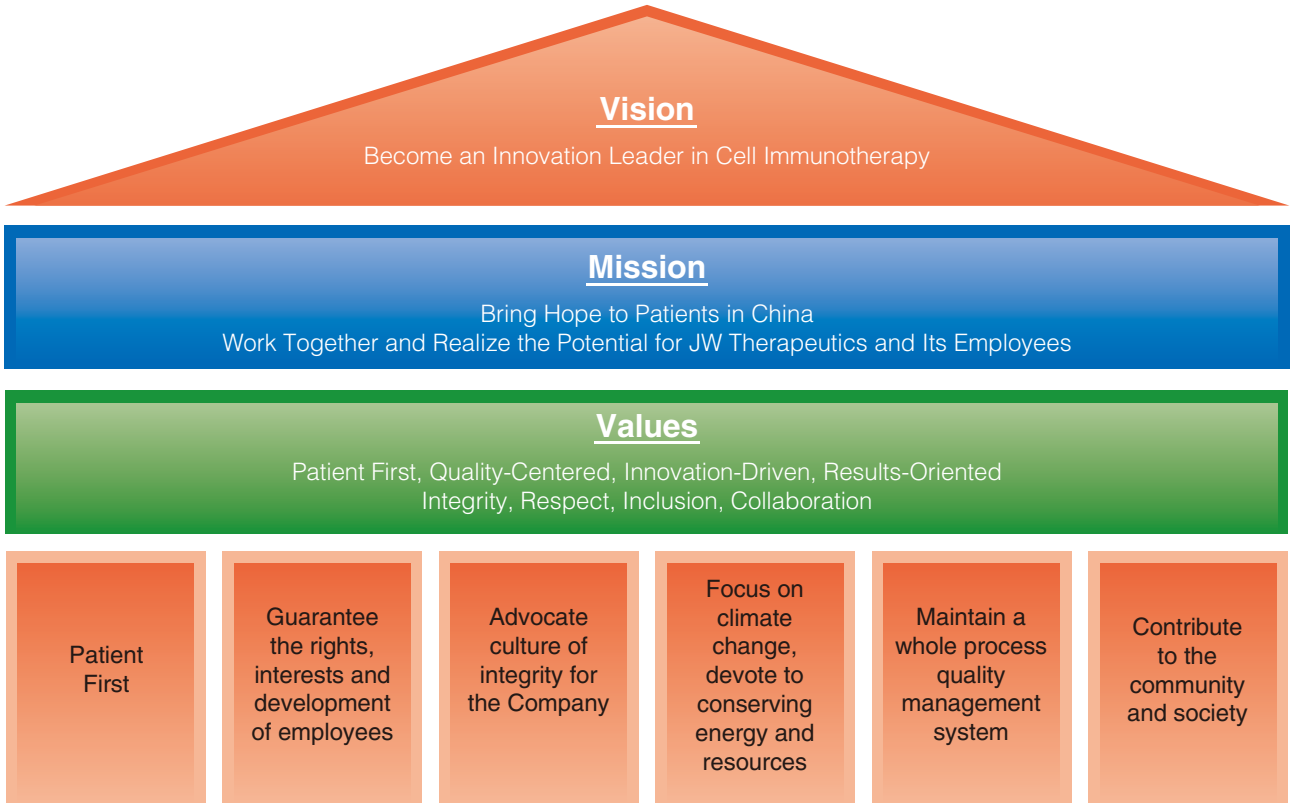
SDGs	Topics	Actions
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	• ESG Strategy • ESG Governance • ESG Policy • Stakeholder Engagement and Materiality Analysis	• Develop an ESG strategy to guide the Company's sustainable development • The Board has the ultimate responsibility for ESG strategy and ESG governance

JW Therapeutics incorporates ESG factors into Company's strategy while developing its business, and thoroughly implements the concept of sustainable development throughout the business operation. We drive corporate sustainable development through our integrated platform, strengthened in-house R&D capabilities, and strategic alliance with cooperation partners. Additionally, we actively take environmental and social responsibilities to respond to global challenges such as climate change and extreme weather, and focus on both of the talent and social sustainable development to continuously create values.

2.1 ESG Strategy

Our Board of Directors has the overall responsibility for the Company's ESG integration and the development of our ESG strategy. Our ESG strategy is guided by our Vision, Mission and Values, and focuses on those issues of high priority relating to the business nature and our stakeholders' expectation.

Our ESG strategy provides directional guidance for the Company's sustainable development and pinpoints the direction that can bring the greatest positive impact.



JW Therapeutics' ESG Strategy

2.2 ESG Governance Structure

In accordance with the Company's ESG strategy, we have established an ESG governance structure comprising of the Board of Directors, the risk management committee and the ESG working group. The roles and responsibilities for each hierarchy are clearly defined as below.



JW Therapeutics' ESG Governance Structure

Board of Directors

The Board of Directors is the highest governance body of the Company's ESG structure, whose responsibilities include: assess and determine the risks and opportunities associated with ESG issues; ensure proper and effective ESG risk management and internal control systems; approve the Company's ESG strategies and policies; regularly review the Company's progress made against the declared goals and targets; and approve the disclosure of the Company's ESG report.

Risk Management Committee

The Board of Directors appoints the Risk Management Committee to coordinate and manage ESG matters, supervise and ensure that all departments fulfill ESG-related responsibilities. The committee is chaired by the CEO and supported by the CFO and the Internal Audit department. The committee is also responsible for overseeing the Company's sustainability performance and driving the management and implementation of ESG issues.

ESG Working Group

We have established an ESG Working Group under the Risk Management Committee to execute required actions. The group is led by the CFO, facilitated by Internal Audit department, and is composed of core members from the relevant departments such as Legal & Compliance, HR, Quality, Technical Operations, Regulatory, Research and Development ("RR&D"), EHS, PV, Commercial and Government Affairs, etc. The main responsibilities of the ESG Working Group includes ESG-related work plans and day-to-day management to implement sustainability goals guided by the Company's ESG strategy.

2.3 ESG Policy

We have established the Environment, Social and Governance Policy as a guidance document for JW Therapeutics' ESG issues. The policy defines the Company's ESG management structure and the roles and responsibilities, and also covers the principles and requirements regarding various major ESG issues including EHS, environmental protection and resource conservation, quality management system, human resources management, protection of the rights and interests of patients, suppliers and partners, public relations and social welfare system.

2.4 Board Statement

Board's ESG Responsibilities

The Board of Directors assumes overall responsibility and plays a leading role for the Company's ESG strategy and ESG governance. The responsibilities of the Board defined in ESG policy mainly include:

- Assess and determine the risks and opportunities associated with ESG issues;
- Ensure proper and effective ESG risk management and internal control systems;
- Approve the Company's ESG strategies and policies;
- Regularly review the Company's progress made against the declared goals and targets;
- Approve the Company's ESG report.

ESG Management Execution

- In order to implement the ESG agenda, the Board of Directors delegates the corporate risk management committee chaired by the Company's CEO to manage ESG-related risks and implement the ESG strategy.
- The committee formulates ESG-related objectives and targets, drives the execution of ESG management, and ensures compliance with the ESG-related laws and regulations. The output and recommendation from the committee should be endorsed by the Board.
- In addition, we have established an ESG working group, led by the CFO and supported by Internal Audit department, together with related department leaders, who are responsible for ESG-related policy formulation and the execution of the ESG works.

Material ESG Issues Assessment and Risk Control

- JW Therapeutics conducts regular communications with stakeholders through various channels to identify and evaluate the Company's material ESG-related issues. Furthermore, the prioritized ESG risks and corresponding action plans are defined to ensure compliance and continuous improvement. On top of that, we optimize our ESG strategy and take actions to fulfill the demand of various stakeholders and continuously improve the Company's overall ESG performance. The Board of Directors discusses and approves the ESG strategy, materiality and risk assessment results, and regularly oversees the progress made against the ESG targets.

Board Statement

2.5 Stakeholder Engagement and Materiality Analysis

JW Therapeutics' key stakeholders include the government and regulatory agencies, investors, suppliers, business partners, communities, customers and employees. During the Reporting Period, we communicated with our stakeholders through various channels to understand and respond to their demands. We hope to pursue maximized benefits with all stakeholders by adhering to our ESG strategy and constantly improving our ESG performance.

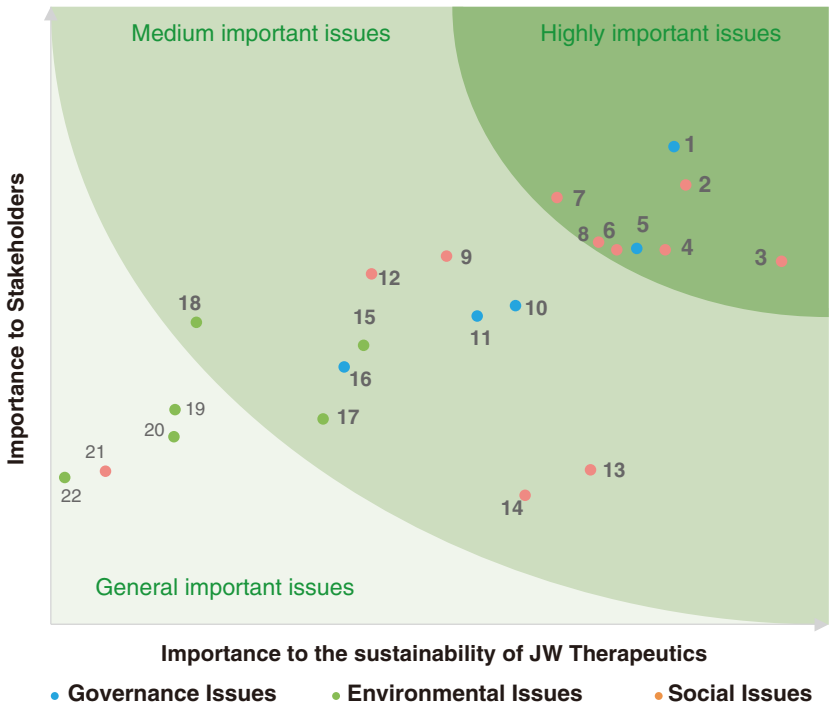
The communication mechanisms with our key stakeholders are as follows:

Key Stakeholders	Issues of Concern	Main communication mechanisms
Government and Regulatory Agencies	• Corporate Governance • Information Security • Intellectual Property ("IP") Protection • Systematic Environmental Management • Public Welfare and Charity • Code of Business Conduct and Anti-corruption • Anti-unfair competition behavior	• Questionnaires • Regular meetings and conferences • Feedback and suggestions on policy
Investors	• Product Research and Innovation • Product Accessibility • IP Protection	• Company official website • Announcement on the HKEX platform • Annual General Meeting ("AGM")/ Extraordinary General Meeting ("EGM") • Questionnaire • Telephone communication • Face-to-face discussion
Suppliers	• Sustainable Supply Chain Management • Systematic Environmental Management • Information Security	• Regular communication and meetings • Performance evaluation • Onsite coaching and inspection • Questionnaires
Business Partners	• Code of Business Conduct and Anti-corruption • Anti-unfair Competition Behavior • Information Security • Supply Chain Management • Supplier Environmental and Social Assessment • Product Safety and Quality • Environmental Regulatory Compliance • Energy Management	• Industry alliances • Workshops and seminars • Project cooperation • Questionnaires
Communities	• Corporate Governance • Code of Business Conduct and Anti-corruption • Information Security • Product Safety and Quality • Technology and Innovation • Product Accessibility • Systematic Environmental Management • Energy Management	• Public welfare activities • Public health promotion events • EHS associations • Questionnaires

Key Stakeholders	Issues of Concern	Main communication mechanisms
Customers	• Product Safety and Quality • Technology and Innovation • Product Accessibility • Information Security • Public Welfare and Charity	• Company email • Formal meetings and visits • Informed consent form • Patient service • JW Therapeutics Hotline
Employees	• Inclusion and Diversity • Employees' Health and Safety • Compliance Employment • Employees' Rights and Benefits • Employees' Training and Development	• Town hall meetings • Training and performance reviews • Seminars and workshops • Team building • Questionnaires

In 2022, we reviewed the material issues with the Board of Directors based on our communications with various stakeholders, the direction of the Company's development, and analysis of the market environment. Considering that the development of the Company's business segments and the industry that we operate in have not had a material impact on the identified ESG issues, we did not adjust the materiality issue matrix. The 22 material issues identified in 2021 and their prioritization remain highly relevant and provide guidance for the key disclosure content of the Report.

JW Therapeutics' 2022 ESG Materiality Matrix



● Governance Issues ● Environmental Issues ● Social Issues

Degree of Importance	Number	Issue	Category (Environmental, Social, Governance)
High Importance	1	IP Protection	Governance
	2	Product Research and Innovation	Social
	3	Product Safety and Quality	Social
	4	Employees' Health and Safety	Social
	5	Information Security	Governance
	6	Compliant Employment	Social
	7	Sustainable Supply Chain Management	Social
	8	Product Accessibility	Social
Medium Importance	9	Employees' Rights and Benefits	Social
	10	Corporate Governance	Governance
	11	Code of Business Conduct and Anti-corruption	Governance
	12	Public Welfare and Charity	Social
	13	Employees' Training and Development	Social
	14	Inclusion and Diversity	Social
	15	Solid Waste Management	Environmental
	16	Anti-unfair Competition Behavior	Governance
	17	Energy Management	Environmental
	18	Systematic Environmental Management	Environmental
General Importance	19	Emissions Management	Environmental
	20	Waste Resources Utilization	Environmental
	21	Supplier Environmental and Social Assessment	Social
	22	Packaging Material Management	Environmental

3. BRINGING HOPES FOR CURE

— Enhancing access to CAR-T therapies and bring hopes for cure to more patients through innovation-driven and quality-centered products

SGDs	Topics	Actions
	• Product Research and Development • Product Quality	• Develop a robust and differentiated cell therapy pipeline • Enhance R&D innovation through management system improvement and IP protection • Advance new scientific technologies to improve the efficacy and safety of CAR-T cell therapy • Enhance quality control across the whole product life cycle to ensure product quality and safety

As an independent and innovative biotechnology company with innovation as its main driving force, JW Therapeutics has been committed to improving innovative research and development, ensuring product quality and safety through a sound quality management system, and thus providing patients with reliable and assured drugs and hopes for cure.

3.1 Product Research and Development

JW Therapeutics' promising R&D strategies, diverse R&D pipeline, standardized product R&D management, and rigorous IP and data privacy management enable continuous innovations and change.

Relevant laws and regulations that we strictly adhere to include but are not limited to:
• International Conference on Harmonization ("ICH") standards • Good Clinical Practice ("GCP") • Good Manufacturing Practice ("GMP") • Good Pharmacovigilance Practice ("GVP")

Internal policies that we developed include but are not limited to:

Standard Operating Procedures

- RR&D SOPs cover the following aspects
  - Clinical quality assurance & risk management
  - Pharmacovigilance
  - Clinical operations
  - Data management
  - Biostatistics
  - Regulatory affairs
  - Medical affairs
  - Clinical development
- Data Integrity
  - Data Integrity & Record Retention
  - Internal Transfer of Clinical Data and Results
  - External Transfer of Clinical Data and Results
  - Study Quality Oversight
  - Data Management Quality Control
  - Lifecycle Management of RR&D Procedural Documents
  - Lifecycle Management of Computerized System in RR&D
- Clinical Ethics
  - Development Review Approval and Maintenance of ICF
- Information and Privacy Protection
  - Information Technology Computerized System Management Regulations
  - JW Therapeutics Data Security IT Management System
  - Employee IT Information Security Codes
- IP
  - Regulations on Intellectual Property Rights

During the Reporting Period, we complied with relevant laws and regulations that have a significant impact on us in respect of health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.

3.1.1 R&D Strategy

Adhering to the core values of patient-first and innovation-driven, JW Therapeutics addresses the enormous unmet medical needs and socio-economic burdens faced by patients through our innovative cell therapies. The following considerations guide our R&D strategy decision making progress:

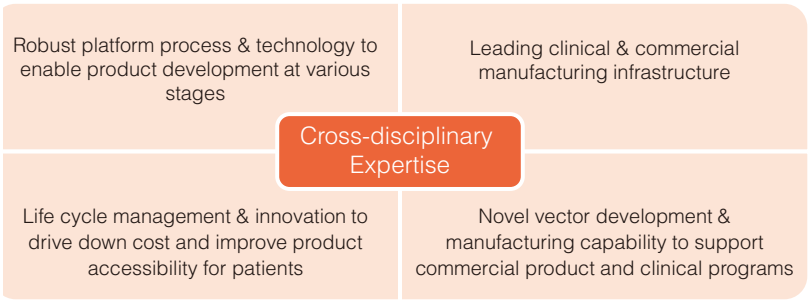


Consideration Factors of Our R&D Strategy and Development

Specifically, we focus on the following R&D strategies to solidify our current product development progress and expand the applications:

Solidify our leadership in hematological cancers by continuing to develop Carteyva® for earlier lines of treatment and additional indications, as well as further expanding clinical development for autoimmune diseases
Our approach to expand Carteyva®'s indications involves two key pillars for hematological cancers: advancing Carteyva® into earlier lines of LBCL treatment and developing Carteyva® as a potential therapy for other hematological cancers that express the CD19 antigen. With the infrastructure we have built, and if our development plan is realized, Carteyva® will have great potential to be the leading cell therapy product for treatment of hematological cancers. Furthermore, to further expand Carteyva®'s potential in broader disease area, we initiated a clinical study for Chinese patients with moderately or severely active SLE. We have already received NMPA approval of our IND application relating to Carteyva® as a treatment for SLE in April, 2023 with the goal of securing a first-mover or early-mover advantage in a highly promising market through development of such therapy.
Leverage our integrated cell therapy platform to expand into the solid tumor market
Our solid tumor portfolio includes indications such as HCC, lung cancer and others. With multiple cell therapy platforms we already integrated, we aim to achieve breakthroughs in the field of solid tumors through deep collaborations with world-class cell therapy partners, ultimately serving more patients. We have announced the commencement of IIT relating to JWATM204, which was acquired from Eureka, and JWATM214, which combines Eureka's ARTEMIS® platform with Lyell's T-cell anti-exhaustion technology. In 2022, we further expanded our solid tumor pipeline through strategic alliance with 2seventy bio, Inc and deepened our collaboration with Juno Therapeutics to develop novel TCR-T and CAR-T products. We believe there is an opportunity to use these technologies as a platform for multiple new cell therapies that can be applied across a broad range of rare and prevalent solid tumors, including HCC, lung cancers as well as others.

To facilitate the implementation of our R&D strategies, we have established a fully integrated cell therapy innovation and commercialization platform with cross-disciplinary expertise. The platform processes support R&D for multiple indications and patient populations, enable programs at discovery and early clinical stages with speed and quality, accumulate process knowledge to support late development, commercialization, and life cycle management, expedite program development timeline, and reduce development cost from plasmid design to clinical.



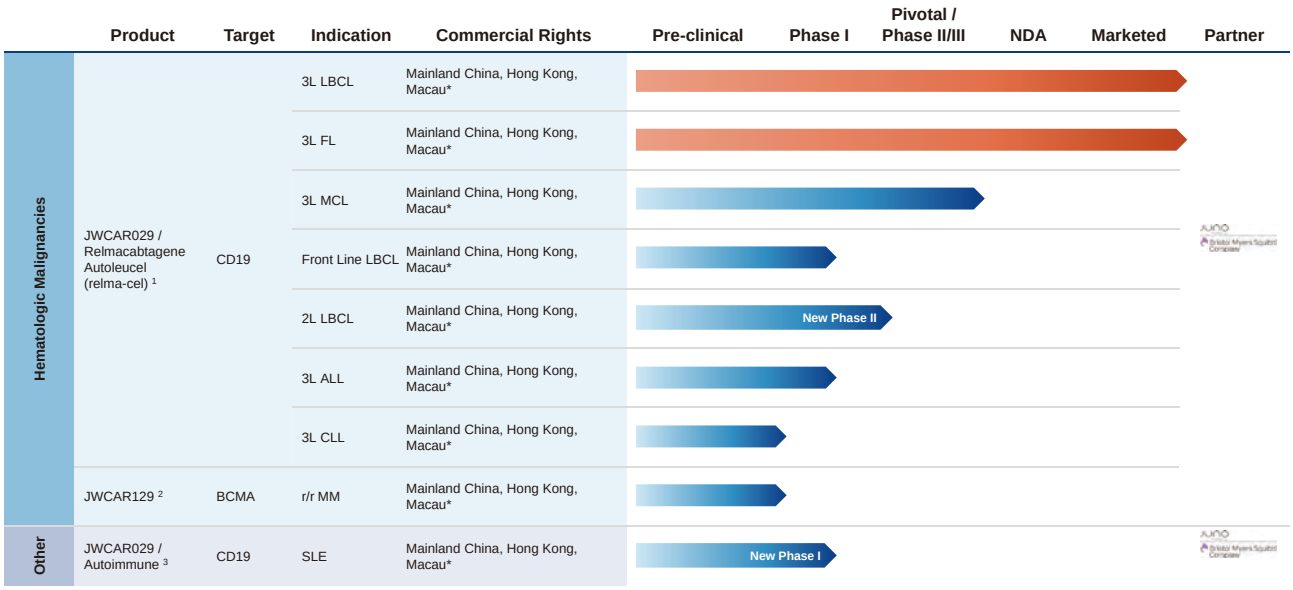
Our Integrated Cell Therapy Innovation and Commercialization Platform

In addition, in January 2022, we strengthened our in-house R&D capabilities with the appointment of a Chief Scientific Officer ("CSO"), who chairs the Scientific Advisory Committee. Under the CSO's leadership, we have established an in-house early discovery and pre-clinical team with the goal of developing novel products reflecting three key attributes: (i) global commercial rights; (ii) incorporation of additional protein components called "Armored" elements to enhance product performance and increase the duration of clinical response; and (iii) taking advantage of our new next-generation product processing methods to reduce costs. The Scientific Advisory Committee, along with our Development and Commercialization Governance Committee chaired by a Chief Medical Officer ("CMO"), the two committees — consisting of scientists and physicians with extensive industry experience — provide scientific leadership and strategic guidance to develop a robust cell immunotherapy pipeline for the Company.

3.1.2 Product Pipeline

Guided by our clear R&D strategy and rigorous product development processes, we are committed to expanding our current pipelines and developing new technologies to improve the efficacy and safety of CAR-T cell therapy. In 2022 we made significant progress on the development of Carteyva® for the treatment of hematological malignancies, expanded our portfolio of products for the treatment of solid tumors, and advanced Carteyva® as a potential treatment for systemic lupus erythematosus, an autoimmune disease widely prevalent in China. For more detailed information of each product candidate, please refer to the "Our Product Pipeline" section in JW Therapeutics' 2022 Annual Report.

The following chart summarizes the current development status of our hematology pipeline which includes hematologic malignancies and autoimmune diseases:



Abbreviations: LBCL = large B-cell lymphoma; FL = follicular lymphoma; MCL = mantle cell lymphoma; ALL= acute lymphoblastic leukemia; CLL = chronic lymphocytic leukemia; MM = multiple myeloma; NHL = non-Hodgkin lymphoma; SLE = systemic lupus erythematosus.

* Mainland China, Hong Kong and Macau refer to Mainland China, Hong Kong (China) and Macau (China), respectively.

1. Relma-cel is based on the same chimeric antigen receptor ("CAR") construct as the product lisocabtagene maraleucel (Breyanzi or lisocabtagene or liso-cel) of Juno Therapeutics, which was approved by the U.S. Food and Drug Administration ("FDA") in February 2021.

2. JWCAR129 is based on the same CAR construct as Juno Therapeutics' product orvacabtagene autoleucel (orva-cel).

3. SLE is a chronic autoimmune disease characterized by the production of autoantibodies and abnormal B-lymphocyte function. To further extend relma-cel's potential in broader disease area, we are planning a study to evaluate the safety, tolerability, and pharmacokinetic profile of relma-cel in Chinese patients with moderately or severely active SLE.

The following chart summarizes the current development status of each of solid tumor candidates:

	Product	Target	Indication	Commercial Rights	Pre-clinical	Phase I	Pivotal / Phase II/III	NDA	Marketed	Partner
Solid Tumors	JWATM204 [1]	GPC3	HCC	Mainland China, Hong Kong, Macau, Taiwan, and member countries of ASEAN*						EUREKA
	JWATM204	GPC3	NSCLC/HAS	Mainland China, Hong Kong, Macau, Taiwan, and member countries of ASEAN*						EUREKA
	JWATM214 [2]	GPC3	HCC	Mainland China, Hong Kong, Macau, Taiwan, and member countries of ASEAN*						Lyell EUREKA
	JWATM203 [1]	AFP	HCC	Mainland China, Hong Kong, Macau, Taiwan, and member countries of ASEAN*						EUREKA
	JWATM213	AFP	HCC	Mainland China, Hong Kong, Macau, Taiwan, and member countries of ASEAN*						Lyell EUREKA
	JWTCR001	MAGE-A4	various solid tumors	Mainland China, Hong Kong, Macau*	New Product					2seventybio
	JWCAR031	DLL3	SCLC	Mainland China, Hong Kong, Macau*	New Product					Bristol Myers Squibb

Product Pipeline

Abbreviations: HCC = hepatocellular carcinoma; NSCLC = non-small cell lung cancer; AFP = alpha-fetoprotein; GPC3 = glypican-3; r/r = relapsed or refractory; HAS = hepatoid adenocarcinoma of the stomach; MAGE-A4 = melanoma associated antigen A4; DLL3 = Delta-like ligand 3.

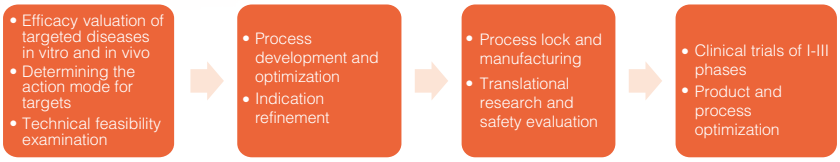
* Mainland China, Hong Kong, Macau and Taiwan refer to Mainland China, Hong Kong (China), Macau (China) and Taiwan (China), respectively.

1. JWATM204 is in a Phase I investigator-initiated trial in China. Eureka's products based on the CAR constructs underlying JWATM203 and JWATM204 are currently in Phase I/II trials in the US conducted by Eureka under an IND application. In November 2021, the U.S. FDA granted Fast Track Designation to Eureka's counterpart to JWATM203 for the treatment of hepatoblastoma ("HB") and HCC in pediatric patients, as well as "rare pediatric disease designation" for the treatment of HB. In February 2022, the U.S. FDA granted Orphan Drug Designation to Eureka's counterparts to JWATM203 and JWATM204.

2. Developing using Lyell technology.

3.1.3 Standardized Product R&D Management

A robust quality management structure is the cornerstone for enhancing R&D innovation and assuring R&D data reliability. We have built a standardized product development process to ensure the efficiency and effectiveness of our R&D endeavors. The general process consists of four main stages:



Overview of the Product Development Process

We have established the clinical quality management system ("cQMS") to standardize the quality management approaches of all clinical trials and ensure compliance of all regulated RR&D activities.

We recognize that continuous improvement and skill enhancement are crucial to developing the R&D personnel, and we hold training for them on an ongoing basis, including the New Hire Onboard Training and Monthly RR&D Learning Seminars in accordance with external regulations and internal quality requirements. Furthermore, we launched a new Veeva Training Module to optimize training management in RR&D, which enables adequate oversight of training compliance and the central electronic filing of training records.

3.1.4 IP Management

JW Therapeutics is acutely aware of the importance of intellectual property in the operation and innovative development of our business. We have formulated the *Intellectual Property Rules* that specify the definition of IP, the basic duties and responsibilities of our employees in relation to IP, and the reporting procedures for trade secrets, copyrights and trademarks. The Rules were also incorporated in the Confidentiality Agreement signed by our employees along with the labor contract. With our continued efforts in discovery and preclinical research, we also introduced the *JW Therapeutics Intellectual Property Guidelines* in June 2022, which clearly define our intellectual property management system and patent application and maintenance. At the same time, we have developed a progressive IP strategy to support our innovative R&D process, including:



Our IP Protection Strategy

To protect our IP in the highly competitive biotechnology market and further protect corporate benefits and stakeholder interests, we designated the Legal and Compliance Department to coordinate all IP related affairs including the application and management of patents and trademarks, and refined the obligations and responsibilities of every employee regarding IP protection. During the Reporting Period, we have also appointed an in-house IP counsel to support the IP management and operations.

As of the end of the Reporting Period, we had 2 utility models patents approved, 4 invention patent applications under preliminary examination, and more than 10 invention patent licenses introduced from our partners. We also obtained 85 trademarks registered with the China National Intellectual Property Office ("CNIPO"), and near 52 trademarks in Hong Kong and Macau.

Patent Training

In June 2022, the Company's Legal and Compliance Department conducted patent application training for personnel in the R&D department. The training covered patent basics, searching and interpreting patents, corporate patent strategy, patent application practices, and other related matters. A total of 29 personnel in R&D positions attended the training and provided positive feedback.

3.1.5 R&D Data and Privacy Protection

While striving to bring hopes to patients with cutting-edge innovation and reliable products, our scientific research attitude is deeply rooted in high standards of clinical ethics and process integrity, which requires stringent protection of information security and privacy data.

- *R&D Data Protection*

Ensuring R&D data integrity lays the foundation for R&D management efficiency and R&D result validity. JW Therapeutics has set up a series of data integrity related SOPs to ensure rigorous management of R&D data. We also utilized the Veeva application system for digitalized clinical documentation and process document management, as well as the Managed File Transfer ("MFT") application for clinical data storage. These system applications enable the real-time monitoring and management of clinical trials quality, improve cross-function collaboration efficiency, and ensure clinical data security.

Data protection measures

We implemented strict data protection measures to protect our product and research achievements and prevent data breaches:

- Built firewalls and online behavior management devices at various sites and enabled advanced protection functions, such as Internet Protocol Suite ("IPS").
- Implemented restrictions on portable storage devices, preventing all office computers from using portable storage devices.
- Established a Data Leak Prevention system to monitor employee behavior in the Company's sensitive data transmissions.
- Conducted security assessments and set up a web security firewall to prevent application data leakage.
- Deployed Managed File Transfer ("MFT") in JW Therapeutics server for exchanging clinical data internally and externally to ensure the security and efficiency of data transfer.

- *Privacy Protection*

We are committed to protecting the privacy of those who entrust us with their personal information during our research and development. For each trial, the expected benefits and potential risks of participating are clearly communicated to the participants through the sign-off of the Informed Consent Form ("ICF"). We ensure our patients' right to be informed about the whole trial process, including the withdrawing options. In addition, we attach great importance to the patient privacy protection and avoid the collection of personal information unrelated to the purpose of treatment. In the process of file collection, patients' personal information will also be anonymized before uploading to ensure their privacy. We also ensure that biobanking and bioanalysis of patient samples (for the purpose of monitoring their safety and efficacy) were consented before enrollments. In addition, we follow the GCP guidance for these samples' chain of custody and interrogation using validated methods.

3.2 Product Quality

To continuously promote commercialization and ensure a stable supply of high quality products and bring hopes to more patients, we are constantly improving quality management system and creating a robust quality assurance culture in which all employees participate to assume product responsibility.

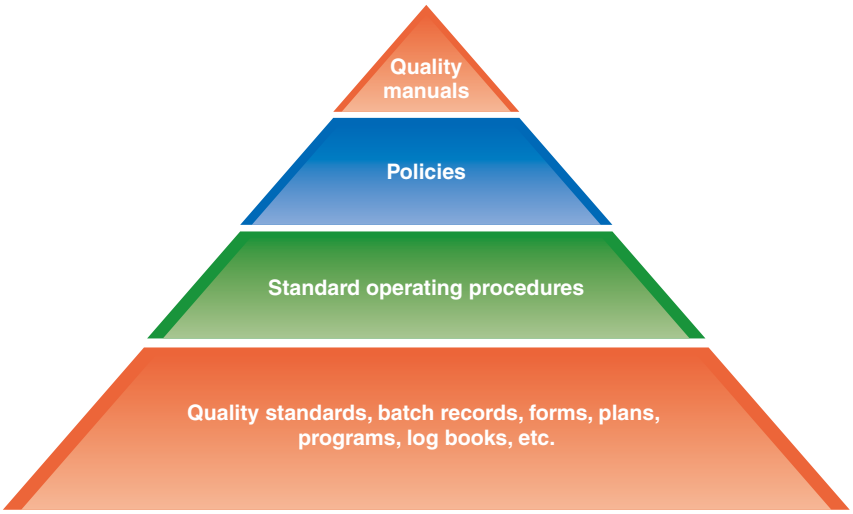
Laws and regulations that we strictly adhere to include but are not limited to:
• Good Laboratory Practice ("GLP") • Good Clinical Practice ("GCP") • Good Manufacturing Practice ("GMP") • Good Supply Practice ("GSP")
Internal policies that we developed:
• Quality manuals • Quality management policy • Quality standards, batch records, forms, plans, programs, logbooks

3.2.1 Quality Management System

JW Therapeutics follows the global cutting-edge quality management concept of "Quality by Design", and has established a GMP-compliant pharmaceutical manufacturing quality management system based on international standards in compliance with Chinese pharmaceutical regulations, covering quality management elements at all stages of the drug production life cycle, including R&D, technology transfer, manufacturing inspection and post-marketing risk monitoring, incorporating the whole "end-to-end" process according to the characteristics of cell therapy products.

JW Therapeutics emphasizes the quality responsibilities of each manager, encourages continuous practice and learning across all departments, utilizes risk management tools, and continuously strengthens quality management systems and processes. We have established a quality management team with ultimate responsibility from senior management and are committed to achieving synergy among quality management, manufacturing, production science and technology, warehouse, supply chain, engineering, purchasing, and finance. We have also developed a dedicated analytical method development team that is responsible for developing practical material and product analysis strategies to ensure a smooth quality control process.

Based on all applicable laws and regulations regarding quality management practices in the pharmaceutical industry, we have developed a Quality Manual as well as various policies and management procedures to conduct regular, comprehensive risk assessments of the five major elements of GMP including institutional personnel, facilities and equipment, logistics management, regulations, and pharmaceutical hygiene, and to continuously review and improve our management system. In addition, we have developed a quality management policy system consisting of four levels, so that "there are rules to follow, manuals to refer, and rules to check". As of the end of the Reporting Period, we have established a total of 2,169 quality management documents, including various policies, procedures, quality standards and forms, covering various aspects such as process procedures, material risk assessment management procedures, corrective action and preventive action management procedures.



Quality Management Policies and Guidelines

Quality Management System Optimization

JW Therapeutics continued to enhance the quality management system construction. In 2022, we enhanced several management optimization measures in the following areas.

Policy and Procedure Enhancement
In accordance with quality control related laws and regulations, we continue to optimize the internal quality management policies to standardize production, product quality control, quality standard supervision and other processes. During the Reporting Period, we added a total of 402 quality management documents and continuously optimized our quality management policies and operating procedures to meet our quality management needs.
Process Optimization
We implement advanced quality control processes, including quality warning mechanism and visual dynamic management system, etc., to improve the overall quality management efficiency. During the Reporting Period, we continued to optimize the document management process related to quality management and used the eDOC document management system to improve the traceability of quality processes. At the same time, we continue to optimize corrective and preventive measures for drug quality issues and continue to improve the accuracy, comprehensiveness and compliance of internal processes by conducting case studies of critical events.
Quality Team Capacity Enhancement
We continue to improve the capability of our quality team to fully ensure the quality of our products. In 2022, the total number employees in our quality team reached 101, an increase of 9 compared to last year.

In April 2022, the NMPA organized and formulated the *Regulations on the Management of Drug Annual Reports* (hereinafter referred to as the Regulations) and the Drug Annual Report Template (2022 Edition) to further implement the relevant requirements of the *Pharmaceutical Administration Law of The People's Republic of China* and the *Provisions for Drug Registration* and the *Measures for the Supervision and Administration of Drug Production*. In this regard, our Quality Department has established standard operating procedures for the management of drug annual reports to guide the preparation of drug annual reports.

JW Therapeutics 2022 Drug Annual Report
During the Reporting Period, in accordance with the requirements of the NMPA, JW Therapeutic organized the drafting of the 2021 drug annual report, which was completed in mid-August 2022. The first annual report of Relma-cel reviews the completion of the quality management of drug production from the approval of marketing on September 01, 2021 to the end of 2021. The report demonstrates that JW Therapeutic has established a quality management system for the commercial production of cellular therapy products that includes the management of drug market holders; the production conditions and capabilities of the consignee, Suzhou JW Therapeutic, as well as quality assurance systems such as quality inspection and testing equipment can meet the needs of consigned production and can ensure the safety, efficacy and quality control of drugs. The Company's pharmacovigilance system process has been established and implemented, and the Company's post-marketing studies in accordance with the drug approval certificate documents and the requirements of the drug regulatory authorities have been fully implemented.

Intelligent Management System

- *Manufacturing Execution System ("MES")*

To meet the GMP standards and reduce the potential manual errors during production, we launched an industry-leading MES to manage and control each production step, from sorting, activation, transduction, amplification and harvesting, to recording and confirming material and quality control samples in the relevant production areas. The system greatly facilitates the quality control of product in commercial production. In 2022, we optimized the MES functions such as material records and label records to improve product production traceability, and created multiple zones in the system to prevent patient confusion.

- *Laboratory Information Management System ("LIMS")*

We launched LIMS to guarantee the accuracy and integrity of laboratory material and equipment information. We optimized laboratory equipment and system and launched the LIMS to ensure information accuracy and the completeness of laboratory materials and equipment.

- Updated the rules for calculating the expiration date of finished batches to ensure accurate display of sample label information and accurate compliance of retained samples;
- Added the new function of querying information of multiple batches of samples, which can help lab supervisors and managers to effectively track and pay attention to the status of batches of samples;
- Added new raw material retention function and adjusted the rules for calculating batch expiration dates of raw and auxiliary materials to manage raw and auxiliary material retention samples through the system to facilitate verification, audit and tracking; and
- Launched the ELN module to realize the paperless testing process of laboratory products, improving the efficiency of testing and reduce testing errors, and realizing the informatization inventory management of reagents with the powerful audit and tracking capability of the LIMS platform.

3.2.2 Quality Culture

Quality Assurance Responsibility

The Quality-centered principle is deeply embedded in our company value and culture. We require all employees to strictly comply with the quality management related laws and internal policies. In order to motivate employees to take quality responsibility, we incorporate performance indicators related to quality management into employee performance assessment, so as to build a cultural atmosphere in which all employees participate in product quality assurance. During the Reporting Period, we set up a "Golden Idea" platform to encourage all employees to provide innovative ideas including production quality and safety improvement, management, production, R&D process optimization and other dimensions, and encourage employees to participate in quality system construction.

Quality Training

We have established a comprehensive quality training system based on Personnel Training and Qualification, covering four dimensions of company-level training, department-level training, job-level training and job skills training, and four forms of training: new employee training, on-the-job continuous training, special training and commercialized training, to continuously improve the quality awareness of employees.

New Employee Training	On-the-job Training	Special Training	Commercialization Training
• GMP training for new employees • Professional training program	• Annual training • Periodic retraining • Ad-hoc training • External training • Documentation training	• Clinical production training • Cell immunotherapy and gene therapy technology background and key points	• Commercial production training • Regulatory training for post-market changes

Quality Training System

During the Reporting Period, we continued to optimize the training process, training content and training format. We also improved the training management process, increased the frequency of classroom and hands-on training, optimized the assessment methods, and put training courses online to the LIMS and eDOC quality document management system to enhance training efficiency and flexibility. We have also established a mechanism for regular communication and sharing of regulations and training materials to ensure that employees have access to the latest regulatory information, thereby consolidating their knowledge of regulations in quality and improving their overall capabilities.

Annual Quality Training

During the Reporting Period, JW Therapeutics conducted a multitude of annual training on 13 topics, covering drug laws and regulations, GMP and related appendices, *Good Manufacturing Practice (2010 Revision)* and other legal contents, involving various sections such as biosafety, personnel hygiene and aseptic behavior, and data integrity, to continuously strengthen employees' quality management awareness. In addition to company-level training, each department also develops department-level annual training based on the department need to enhance employees' quality management knowledge base in a targeted manner.





Quality Week Activities

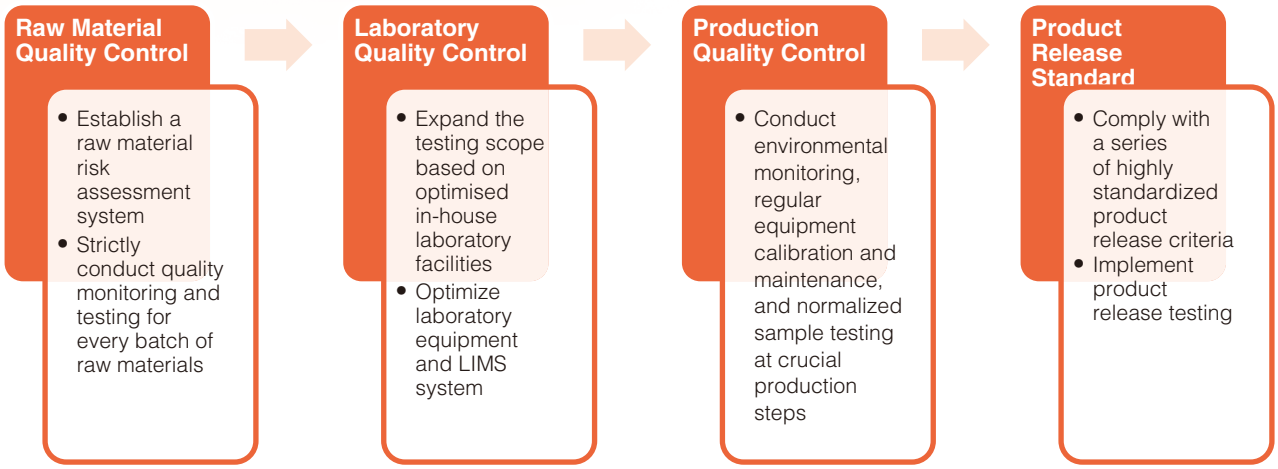
From October 24 to 27, 2022, JW Therapeutics held Quality Week with the theme of "Right First Time" to strengthen employees' awareness of implementing and enforcing various quality-related regulations and standards in their daily work, therefore continuously promoting quality culture and quality philosophy. During the event, the employees actively participated and gained a deeper understanding of the company's quality management philosophy.





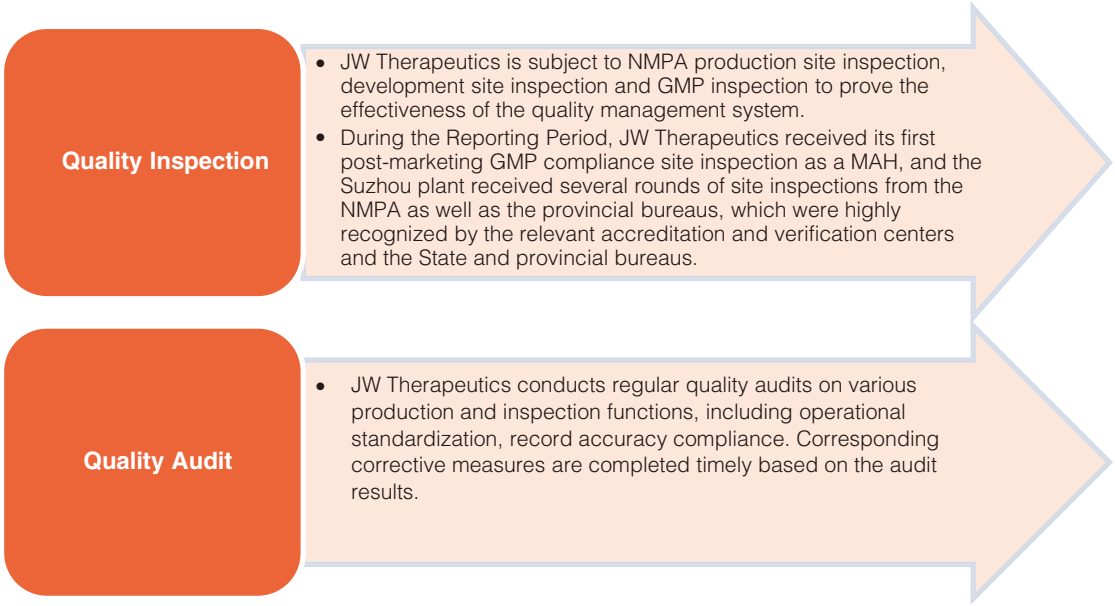
3.2.3 Quality Control across the whole Chain

We have established a quality control procedure across the whole chain through raw material supply, laboratory R&D, production process, and product release to ensure product quality and safety.



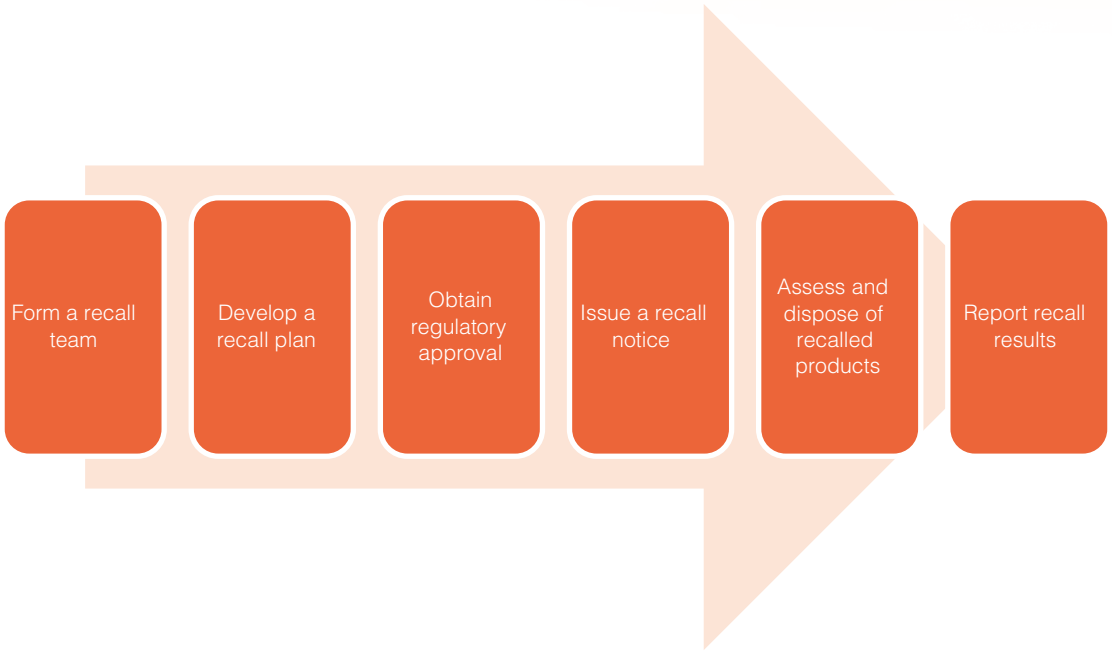
Full-Chain Quality Control Process

In addition to our strict internal quality control procedures, we also conduct regular internal and external audits to verify the robustness and integrity of our quality management system and to ensure that we meet product quality standards.



Quality Inspection and Quality Audit Progress

To enhance our ability to respond to and handle product quality emergencies, we have designed a product recall drill program and conduct regular drills. We also continuously conduct product recall effectiveness evaluation and recall situation analysis to further identify enhancement points of our recall system. During the Reporting Period, JW Therapeutics did not have any product recalls due to safety or health reasons.



Product Recall Process

Product Recall Drill

In August 2022, we conducted a mock recall for our first cellular therapy product, relma-cel. The total duration of this recall exercise was 7 hours and 33 minutes, and the total time frame for completion met the requirements for a Level 1 recall (within 24 hours). The time frame and accuracy rate of each sub-step met the design requirements of the mock recall plan, and verified the recall between Shanghai JW Therapeutics (MAH) and Suzhou JW Therapeutics (the CMO factory), between Shanghai JW Therapeutics and the primary distributor, and between the primary distributor and the downstream secondary distributor, Direct to Patient ("DTP") pharmacies (channels), including logistics providers, thus demonstrating that the recall system for relma-cel can work effectively.

4. PATIENT FIRST

— Adhere to patient-first and bring hope to patients through innovative and accessible therapies

SGDs	Topics	Actions
3 GOOD HEALTH AND WELL-BEING	• Patients-centered Ecosystem • Pharmacovigilance • Responsible Marketing	• Continue to promote the "Six P Strategy" and strengthen communication with various stakeholders • Implement pharmacovigilance management to ensure patient safety • Improve the level of responsible marketing management and achieve sustainable development of commercialization

JW Therapeutics adheres to the core values lead by "Patient First". We are not simply selling the product. We are shouldering the great responsibility of leading the development of cell immunotherapy industry in China, while devoting to creating a cell therapy new ecosystem revolving around the patients' interests.

4.1 Patients-centered Ecosystem

Industry standards and guidelines that we strictly adhere to (including but not limited to):

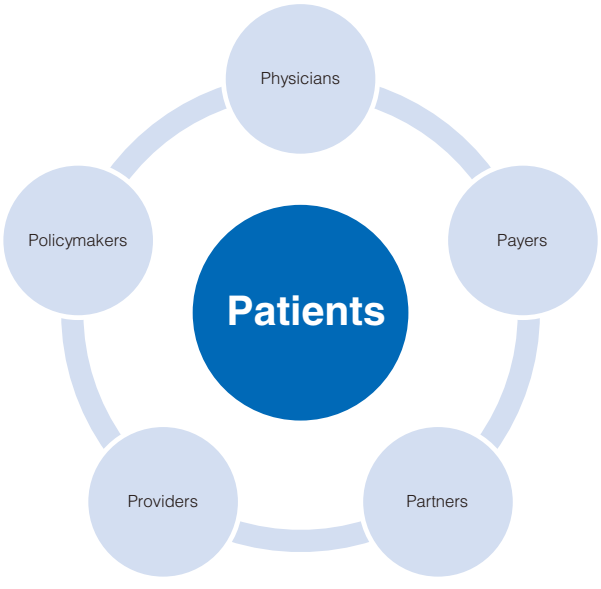
- *Diagnosis and Treatment Standards for the Whole Process Management of Relma-cel Treatment of B-NHL*
- *Guidelines for Quality Management of Cell Therapy Products (Trial)*
- *Technical Specification for Clinical Application of Chimeric Antigen Receptor T Cell Therapy Drugs (2022 Edition)*

Internal policies that we developed (including but not limited to):

SOPs

- Medical Science Liaisons — Role and Capability
- Medical Science Liaisons — Governance and Compliance
- Medical Information Enquiry

We have developed a 6P strategy for the overall management involving key stakeholders in the whole treatment process of CAR-T therapy, including Patients, Payers, Physicians, Providers, Partners, and Policymakers. We put in efforts in management and control for all aspects of the CAR-T therapy, aiming to bring our patients quality therapy and thorough care. We continue to enhance the affordability of payers and support patients throughout the entire process through cooperation with medical institutions and business partners.

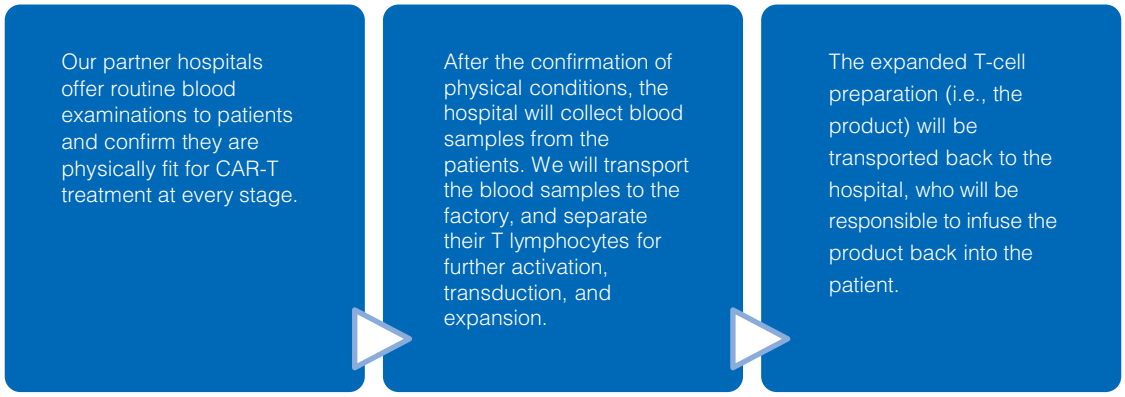


Patient-centric 6P Strategy

4.1.1 Safeguarding Patients and Payers

Caring for Patients

As a pioneer of CAR-T therapy, we have a responsibility to inform patients of the potential benefits of CAR-T therapy and to demonstrate a complete and correct treatment process. We strictly follow the CAR-T treatment process and set up a procedure to ensure patient safety and treatment results.



The CAR-T Therapy Treatment Process

JW Therapeutics cares about the safety of patients in the entire treatment, and we assign dedicated teams that are held accountable in each stage of our vein-to-vein process. We care about patient's experience during treatment, carefully trace every single blood sample in our supply chain, and follow-up with patients.

Quality Control	Sample Tracing	Customer Service and Follow-up
• During the apheresis and infusion process, procedural management and quality control measures are strictly followed and monitored by our client service team, including confirmation of physician qualifications, temperature control, medical device check, and time node control for each step.	• We trace blood samples throughout the process of transportation and product manufacturing, to ensure the product quality and safety. • In this process, we conduct strict management and adopt COI system for tracking consistency to prevent the potential human error from affecting the efficacy of the treatment.	• After the treatment, we also take long-term follow-up with our patients and physicians. We have a hotline with professional crew to provide instant response to any inquiry and complaint arise after commercialization. In the Reporting Period, we received zero complaints.

Measures to Safeguard the Patients

Improving Affordability for Payers

JW Therapeutics is committed to bringing cellular immunotherapy to more patients, and we work with all sectors of society to improve the affordability and accessibility of our products, actively address the commercialization challenges of innovative products, and promote the further development of Carteyva®'s commercialization process.

We have expanded the insurance coverage of Carteyva® through cooperation with our partners, and established a multi-layer medical care system by listing Carteyva® in local governmental complementary medical insurance programs, commercial insurance products and innovative payment platforms. During the Reporting Period, we successfully established partnerships with major insurance companies, innovative payment platforms and philanthropic foundations. In the future, JW Therapeutics will continue to work towards including Carteyva® in more insurance programs to improve affordability for patients and payers.

We worked with innovation payment platforms which are able to provide installment payment services or mortgage loans to potential recipients of Carteyva® as a treatment.

As of the end of December 2022, Carteyva® has been listed in 56 commercial insurance products and 75 local governmental complementary medical insurance programs.

We collaborated with charitable platforms to provide charities aid foundation and crowd-funding for patients.

Multi-layer Insurance System

Carteyva® has been successfully included in 2022 Huhuibao medical insurance

In May 2022, our CAR-T product Carteyva® was officially included in the Shanghai city level supplementary medical insurance, "Huhui Insurance". This signifies that Carteyva® has achieved all-round protection for Shanghai patients, covering different levels such as innovative payment, Huimin insurance and social crowdfunding.

Nationwide, dozens of patients have already received reimbursement for CAR-T treatment through Huimin Insurance, and we believe that with our continuous efforts, Carteyva® will be included in more and more local insurance systems to alleviate patients' illnesses and bring hope to more patients.

Carteyva® was officially included in the "2022 Shanghai Innovative Products Recommended Catalogue"

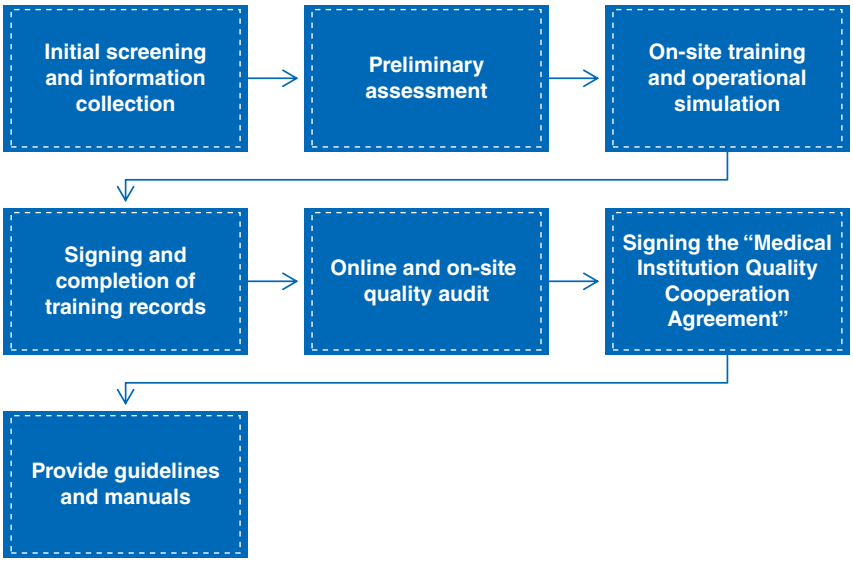
In January 2023, the Shanghai Municipal Commission of Economy and Information Technology released the "2022 Shanghai Innovative Products Recommended Catalogue", and JW Therapeutics' Carteyva®, as a product first introduced to the market, was officially included in the "Shanghai Innovative Products Recommended Catalogue" (hereinafter referred to as the "Recommended Catalogue") after government evaluation and public announcement, which will be used as a reference for government procurement, procurement by enterprises and institutions, funding support, and investment decisions by investment and financing institutions. The successful inclusion in the Recommended Catalogue will help promote the commercialization, industrialization and scale up of the product, which will in turn enable Carteyva® to benefit more patients.

At the same time, in order to improve affordability for payers and expand access to our products, we are further strengthening innovation, optimizing manufacturing, enhancing supplier localization, and setting medium-and long-term cost reduction targets based on steady growth in production scale and orders to improve affordability for patients, while ensuring production compliance and high product quality.

4.1.2 Empowering Providers and Physicians

Selecting and Certifying Providers

To ensure proper administering and monitoring of the treatment process, our products could only be provided to patients through selected and quality-certificated hospitals and DTP pharmacies. We conducted trainings and dry-runs for the top 96 hospitals across China that meet our requirements, and certified those hospitals to administer Carteyva® through the following steps:



Providers Cooperation Process

We have also established a product storage management process for DTP pharmacies to ensure that product quality is not compromised during storage.

Preliminary assessment	Assess the pharmacy in accordance with the relevant GSP requirements.
Confirmation of storage conditions	Inspect the storage conditions of the pharmacy, and confirm that the pharmacy has a separate storage area and has a double lock and 24-hour real-time monitoring.
Confirmation of access and maintenance processes	Confirm the in/out storage and maintenance process of medicines in the pharmacy.
Inspection of equipment maintenance records	Regularly review the maintenance records of pharmacy equipment to confirm that the equipment maintenance meets the requirements.
Inspection of temperature and humidity records	Review the temperature and humidity inspection records of the pharmacy.

DTP Pharmacy Storage Quality Management Process

When a medical institution becomes our eligible partner, we will list it in the Chain of Identity ("COI") system for full product traceability and easy management. We conduct on-site review of eligible medical institutions every two years and provide occasional training as needed to ensure the quality of their services.

Communicating and Collaborating with Physicians

Physicians play a key role in advancing CAR-T therapy, conducting the treatment process and managing adverse reactions. JW Therapeutics is committed to advancing its collaboration with physicians to benefit more patients.

We have established an in-house Medial Science Liaisons ("MSLs") team to communicate with physicians, assist them in understanding our products and ensure our products are used effectively. We also provide advice in terms of treatment and timely information about relevant clinical data to reach better treatment result.

We will continue to enhance our existing collaboration with these physicians and other stakeholders through establishment of a specialized team to oversee their practice, carry out training and provide support to physicians during CAR-T treatment.

4.1.3 Cooperating with Business Partners

JW Therapeutics anticipates for the cooperation with the partners who hold the same vision to promote a better future of China's cell immunotherapy industry. We form strategic cooperation with outstanding partners in the industry to ensure the high-quality service and drive the industry development.

Access Evaluation

We conducted a comprehensive evaluation regarding transportation and storage conditions, temperature control, storage capacity, etc., during the distributor assessment to formulate a reliable supply chain in meeting the GMP relevant requirement. In 2022, Shanghai Pharma KDL is continuously engaged as our national distributor and will provide professional delivery service for each patient.

Distribution Management

Together with our partner, we explored a commercial operation management system equipped with competitive nationwide distribution network, advanced cold chain delivery system and experienced DTP management capability. The system accelerates the treatment process of Carteyva® and therefore benefit more patients.

Training and Qualification

JW Therapeutics provided trainings, dry runs and refreshing workshop for our partners. We conduct essential training for our tier-one distributors, and the training is passed on to tier-two distributors and DTP pharmacies. Only personnel who have completed the training are allowed to operate with JW Therapeutics' products.

We also required our partners to develop operation manuals and trainings for their employees to ensure that all the quality and operation requirements are properly met. The training records regarding our products are mandatory to be filed by the partners' logistics department, and any non-registered personnel are not allowed to operate our products.



4.1.4 Assisting with Policy Maker

As CAR-T therapies are a new and comprehensive treatment process that is unlike any other treatment currently approved in the Chinese market, we have closely collaborated with government agency, advising on the regulation and development of cellular immunotherapy, actively participating in the formulation and implementation of policies, regulations and industry standards, to establish best practices and industry standards for CAR-T therapies and promote the standardized, healthy and sustainable development of China's cellular immunotherapy industry.

Participate in Industry Standards Formulation

Regulations of Shanghai Pudong New Area for Promoting the Construction of Innovation Heights of Biomedical Industry in Zhangjiang	In order to implement the "Opinions on Promoting the High-quality Development of Biomedical Industry in Shanghai" and solve the pain points and critical bottlenecks in the field of cell (gene) therapy, Shanghai carried out the research on topics related to the system's first trial and key breakthroughs. As a member of the project team, JW Therapeutics was invited to participate in the kick-off meeting of the project and to take part in the pilot study of the system. The topic, "Research on Promoting the Development of Biomedical Industry in Pudong New Area through Legislation", was successfully concluded in the afternoon of January 28, 2022; on December 29, 2021, the Standing Committee of Shanghai Municipal People's Congress adopted the "Regulations of Shanghai Pudong New Area for Promoting the Construction of Innovation Heights of Biomedical Industry in Zhangjiang", which was effective from January 1, 2022.
"Technical Requirements for Validation of Rapid Aseptic Inspection Method for Cell and Gene Therapy Products" Group Standard	JW Therapeutics, together with Shanghai Biomedical Science and Technology Development Center, Shanghai Drug Review and Verification Center, Shanghai Institute of Food and Drug Inspection, Shanghai Pharmaceutical Industry Association and other subject units, jointly conducted research on "the development of standards related to the quality control of cell and gene therapy", and on the basis of this subject, released the group standard, "Technical Requirements for the Validation of Rapid Aseptic Inspection Method for Cell and Gene Therapy Products" (T/SHPPA 012-2022), in June 2022, which helped promote the rapid aseptic inspection method for cell and gene therapy products.
Interim Regulations on Supervision and Administration of Autologous CAR-T Cell Therapy Drugs in Shanghai	In order to facilitate the dynamic scientific regulation of cell therapy drugs in Shanghai and promote the healthy and standardized development of the cell therapy drug industry, JW Therapeutics and other companies participated in the drafting of the Interim Regulations on the Supervision and Administration of Autologous Chimeric Antigen Receptor T Cell (CAR-T) Therapy Drugs in Shanghai, led by Shanghai Drug Administration, which came into effect on September 1, 2022 and would be valid for two years.
Technical Specifications for the Clinical Application of Chimeric Antigen Receptor T Cell Therapy Drug (2022 Edition)	In the capacity of technical expert, JW Therapeutics co-authored and formulated the Technical Specifications for Clinical Application of Chimeric Antigen Receptor T Cell Therapy Drug (2022 Edition) with more than seventy multidisciplinary experts organized by the Lymphoma Expert Committee of the Chinese Society of Clinical Oncology ("CSCO"), with technical support from the Health Development Research Center of the National Health Commission and the Hebei Tsinghua Development Research Institute. The specifications were officially released in November 2022 at the 25th National Congress of Clinical Oncology and the 2022 CSCO Academic Annual Meeting, promoting the clinical standardized application of CAR-T therapy.
The "Relma-cel Treatment for B-NHL Whole Process Management Treatment Regulation"	JW Therapeutics and the expert advisory group have developed the "Diagnosis and Treatment Guideline for the Whole Process Management of Relmacabtagene Autoleucel in Treating B-NHL", which was officially released during the "2022 JW Therapeutics Cell Therapy Expert Advisory Meeting" in November 2022. As an upgraded version of the "Guiding Principles for the Clinical Application of Relmacabtagene Autoleucel Injection (2021 Edition)", this regulation has segmented the whole process management of Relma-cel treatment, and refined the diagnosis and treatment specifications around three major parts, namely patient screening assessment and single-collection assessment, bridging clearance, and adverse reaction management, to assist clinicians to use Relma-cel more effectively and maximize the clinical benefits for patients.

Inclusion in the Industrial Pilot Policies

As a pioneer of the cell immunotherapy enterprise, JW Therapeutics was listed in the whitelist for material importation, and the pilot enterprise list under "One Enterprise, One Policy" by Pudong Customs. In 2022, we continue to keep close cooperation with the local government and regulators, including Shanghai Pudong Customs, Commerce Commission and Market Supervision Bureau, to accelerate the industry regulation development.

Promoting the establishment of Shanghai, Suzhou material import whitelist and interdepartmental joint supervision mechanism

Ensuring the smooth import of R&D materials is crucial for the cell therapy industry to continue to promote R&D innovation. In order to solve the bottleneck problem of importing materials for R&D, JW Therapeutics continues to discuss with the regulatory authorities in Shanghai and Suzhou about the entry of specialty items for biopharmaceutical enterprises and assist the regulatory authorities in optimizing relevant policies and measures from the industry perspective. Since 2019, the regulatory authorities have implemented or introduced a number of policies and regulatory mechanisms for cell therapy industry materials, including the whitelist for entry of biopharmaceutical R&D items in Pudong New Area, the "White List" for entry of special items for biopharmaceutical R&D in Pudong New Area, "Shanghai Joint Supervision Mechanism for Entry and Exit of Special Goods for Cell Therapy, Suzhou Area's "White List" for Import of Biopharmaceutical R&D Goods (R&D 2.0), the first batch of pilot joint supervision mechanism for special goods, etc. JW Therapeutics continues to play a leading role as a benchmark enterprise in the industry and optimize the policy and regulatory environment for industrial operation.

Contributing to the customs policy, "One Enterprise, One Policy"

JW Therapeutics helped customs and other regulatory agencies to understand the special characteristics of the cellular immunotherapy industry and the materials involved, and helped Pudong Customs to include it in the list of pilot enterprises in the Yangtze River Delta region for customs local taxpayer management, and customized service, including guiding JW Therapeutics to apply for pre-classification rulings, solving the obstacles in classification for new drug exports, conducting tariff research for three consecutive years, and partially reducing the tariff on the raw and auxiliary materials, "culture medium", to solve the problems of importing materials in terms of the import tariff rate, so as to reduce the R&D costs of enterprises and benefit more patients.

4.2 Pharmacovigilance

Laws and regulations that we strictly adhere to (including but not limited to):

- The Pharmacovigilance Quality Control Regulation

Internal policies that we developed (including but not limited to):

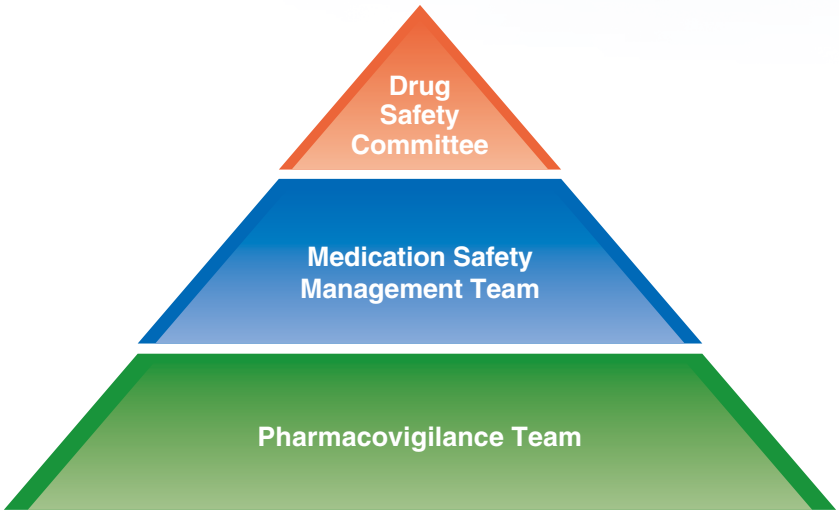
SOPs

- Pharmacovigilance Management
- Set up and Operation of Safety Management Team
- Safety Signal Management

We updated the following SOPs in 2022:

- Management of Individual Case Safety Report ("ICSR")
- Management of Suspected Unexpected Serious Adverse Reaction ("SUSAR")

We have specified the organizational structure, personnel responsibility, safety information processes, management system, and operation standards of pharmacovigilance, and follow a three-tier pharmacovigilance management structure to govern the related activities in complying with pharmacovigilance regulations as a responsible marketing authorization holder.



Pharmacovigilance Management Structure

Drug Safety Committee

- The drug safety committee is directly supervised by the Chief Medical Officer ("CMO") and responsible for making major safety decisions that could substantially affect the well-being of patients or subjects
- Conducts major risk assessments, major event or emergency management, risk control decisions, and other significant matters related to pharmacovigilance

Medication Safety Management Team

- The medication safety management team is responsible for reviewing the drug safety information, including suspected safety signals identified by the pharmacovigilance team
- Identifies potential risks and consults with the Medication Safety Committee
- Identifies and communicates safety signals and potential safety issues
- Identifies significant potential drug safety risks and formulates response plans

Pharmacovigilance Team

- The pharmacovigilance team is responsible to implement daily pharmacovigilance activities
- Regularly reviews and verifies safety data and reports suspected safety signals to the pharmacovigilance management team

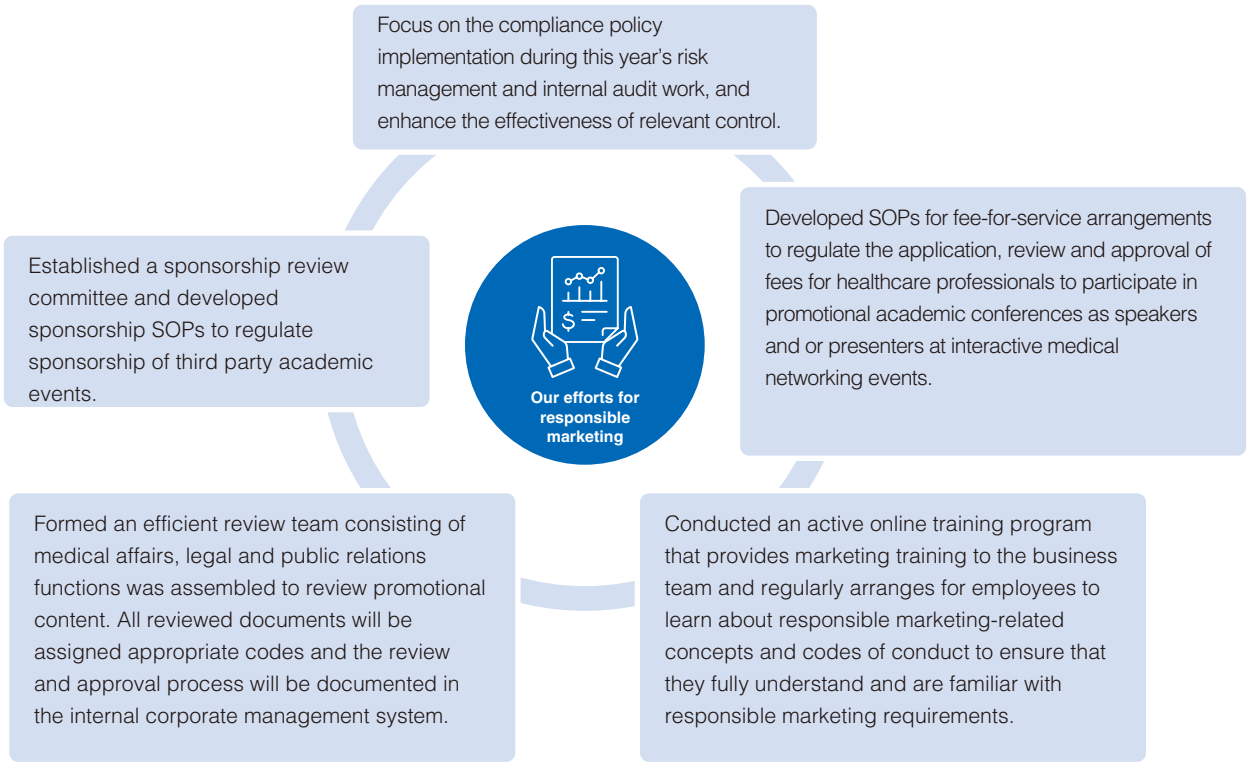
Our Pharmacovigilance department developed the Risk Management Plan and Risk Evaluation and Mitigation Strategies ("REMS"), which ensures that our product can only be accessed from the certified hospitals, and all relevant healthcare professionals ("HCP") are qualified through proper training to distribute, infuse and administer the products, and handle the potential adverse effects.

In 2022, we published the "Pharmacovigilance Annual Report 2021" to highlight the pharmacovigilance activities carried out in 2021, including the reporting of individual adverse reactions, submission of regular safety reports, monitoring of safety signals and risk assessment, etc. We also published the first Periodic Benefit-Risk Assessment Report of Relma-cel and analyzed the clinical and post-marketing safety data within one year after the marketing of Relma-cel, to confirm that the expected benefits of patients with clinical indications outweigh the identified and potential risks associated with Relma-cel injection.

4.3 Responsible Marketing

Laws and regulations that we strictly adhere to (including but not limited to):
• *The Advertising Law of the People's Republic of China* • *Anti-Unfair Competition Law of the People's Republic of China*
Internal policies that we developed (including but not limited to):
SOPs • Promotional Material Review • Non-promotional Material Review • Corporate Communications

JW Therapeutics commits to all the stakeholders that we shall not deliver any exaggerated or false advertising content of our products. During our first full year of commercial operations, we further strengthened our responsible marketing management. With the collective efforts of all employees, we established a professional team to enhance our responsible marketing risk management, ensuring strict compliance with applicable laws, regulations, and internal management systems when conducting marketing activities.



5. ECO-FRIENDLY DEVELOPMENT

— Pursuing environmental goals to protect our planet

SGDs	Topics	Actions
	• Resource Management • Emissions and Discharge Management	• Regularly inspect and maintain water supply facilities and equipment • Strictly classify and manage wastewater from the lab, wastewater from production, and sludge for centralized treatment • Separately treat wastewater to reduce the Chemical Oxygen Demand ("COD") content
	• Climate Change	• Adjust the site environmental control parameters to reduce industrial electricity consumption during the summer peak period • Reduce steam consumption for humidification and heating in the winter and recover waste heat
	• Resource Management • Emissions and Discharge Management	• Full lifecycle traceability of waste and digital management for whole process
	• Climate Change • Environmental Management	• Identify climate-related risks in the context of the Company's business developments and industrial development • Take measures to mitigate the risks identified

Our stewardship of the environment and natural resources are core to our sustainability strategy. JW Therapeutics is committed to reducing the environmental footprint of our operations and products by taking actions to combat climate change, enhancing resources and waste management, and improving energy efficiency.

5.1 Climate Change

Climate change is a worldwide concern and carbon neutrality is a common goal amongst many nations and organizations. To combat the unprecedented challenges posed by climate change, JW Therapeutics has identified and assessed climate-related risks with reference to our business development and nature of the industry, and according to the methodologies and framework laid out by TCFD, and integrated climate actions into environmental management to minimize our carbon footprint.

5.1.1 Governance

We have built a clear top-down ESG governance structure consisting of the Board of Directors, the Risk Management Committee and an ESG working group and integrated climate change-related issues into the Company's ESG governance structure. The Risk Management Committee takes leading responsibility in identifying climate change-related risks, formulating mitigation and adaptation measures and reporting them to the Board of Directors. The ESG Working Group is responsible for the implementation of relevant measures.



JW Therapeutics ESG Governance Structure

5.1.2 Risk Identification and Response

JW Therapeutics identified physical and transitional risks that may exist in the Company's operations based on the guidance of TCFD and with reference to the potential climate changes set out in the Assessment Report of the United Nations Intergovernmental Panel on Climate Change ("IPCC"). Taking into account the characteristics of the Company's business and the nature of the industry, we have formed the following list of physical and transition risks, covering descriptions of the identified risks and their potential impacts on the Company's operation along with the response measures.

Climate Change Risks	Risk Description	Response Measures
Acute and Chronical Physical Risks	• Acute: The frequent occurrence of natural disasters (such as typhoons and floods) may cause damage to the Company's assets and equipment, affect the production and operational stability of JW Therapeutics, and lead to further increase in operating costs. • Chronical: Extreme weather conditions such as high temperatures brought about by long-term changes in weather patterns can also threaten the safety of employees. Resulting investment in heat subsidies and employee insurance can lead to increased labor costs.	• Pay close attention to the weather forecast and alert all employees in time when extreme weather event occurs • Conduct routine inspections of sites and lab equipment • Develop extreme weather contingency plans

Climate Change Risks	Risk Description	Response Measures
Transition Risks — Market	Changes in the supply and demand for certain goods, products, and services resulting from transitioning to a low-carbon economy may lead to higher raw material costs, which could increase JW Therapeutics' operating costs.	• Continuous improvement of supplier risk assessment and management • Regularly monitor raw material pricing trends in the international markets
Transition Risks — Policies and laws	With the gradual development of laws, regulations and systems related to carbon emissions and carbon trading, enterprises are facing higher requirements for emission reduction path and disclosure. In the future, the investment in tracking and reducing carbon emissions throughout the life cycle may also increase the operating costs of JW Therapeutics.	• Understand the latest climate-related laws, regulations, and policies, and take timely action • Actively explore opportunities related to carbon emissions trading
Transition Risks — Reputation	If stakeholders including customers, employees, investors and shareholders regard the Company's performance on climate action as less than expected, it could affect JW Therapeutics' reputation in the marketplace and make it hard to raise capital.	• Pay close attention to the requirements for enhanced climate information disclosure • Enhance the communication with stakeholders

5.1.3 Indicator and Target Tracking

In 2021, we set energy consumption and GHG emissions targets to make our efforts towards combating climate change measurable and traceable. For each target, we evaluate our performance against the target every year, and will continue to reduce our environmental footprint. During the Reporting Period, JW Therapeutics effectively implemented energy saving and emission reduction measures, and the energy consumption density was reduced by 76%, and GHG emissions density was reduced by 80% in 2022 with our efforts.

Key Performance Indicator ("KPI")	2021 Performance	Target by 2025 Year End	2022 Performance
Comprehensive energy consumption density	3.23 MWh/RMB10,000 revenue	40% decrease compared to 2021	0.76 MWh/RMB10,000 revenue 76% decrease compared to 2021
GHG emissions density (scope 1 & scope 2)	1.78 tCO_2e/RMB10,000 revenue	40% decrease compared to 2021	0.36 tCO_2e/RMB10,000 revenue 80% decrease compared to 2021

5.1.4 Measures Taken

To further consolidate our achievements in energy saving and emission reduction targets, we implement energy saving and emission reduction measures and actions through strengthening energy measurement, upgrading production equipment to optimize energy consumption ratio, and enhancing energy saving practices during operation and production.

Daily Operation	Production Process	Green Office
• Keep monitoring energy consumption • Hold quarterly EHS meeting to review energy consumption progress	• Design plants with full consideration of energy-saving attributes • Increase the ambient temperature of the clean rooms • Reduce the operating load of the refrigerators • Modify production equipment to optimize energy consumption ratio	• Use inverter air conditioners and fans to centrally control office temperatures • Paper-less office • Organize activities to raise and reinforce employees' awareness of energy conservation

Saving Electricity

In response to the government's call for energy conservation and emission reduction, we limited and adjusted industrial electricity consumption during the peak electricity consumption period in summer 2022. We saved electricity by turning off some lights in non-critical areas, raising the temperature of air conditioners in office areas, adjusting the temperature and humidity control points of fresh air units, reducing dehumidification and cooling loads, and shutting down one refrigeration unit.

During the 2022 winter steam heating period, we reduced humidification steam consumption while still meeting the GMP environment requirements. The control point was reduced from 55% to 45% by adjusting the relative humidity control of the air conditioning system. The temperature of the carrier workshop was reduced from 20 degrees to 18.5 degrees without affecting production, effectively reducing energy consumption for heating. Meanwhile, we installed the steam condensate of the clean steam generator to the condensate heat recovery system. By using the waste heat as the heating source for the air conditioning system, energy consumption was further reduced in winter.

Performance Metrics

Energy Consumption	Unit	2021	2022
Indirect Energy Consumption			
Total purchased electricity	kWh	5,943,306.20	6,828,230.00
Total purchased steam	tons	3,827.20	4,089.90
Direct Energy Consumption			
Diesel	kg	546.22	0.00
Comprehensive Energy Consumption[1]			
Direct Energy Consumption	MWh	6.48	0.00
Indirect Energy Consumption	MWh	9,948.01	11,107.82
Total Energy Consumption	MWh	9,954.49	11,107.82
Total Energy Consumption density	MWh/RMB10,000 revenue	3.23	0.76

[1] Direct energy consumption includes diesel consumption; indirect energy consumption includes the purchased electricity and steam. The comprehensive energy consumption calculation refers to the "General Rules for Calculation of the Comprehensive Energy Consumption" issued the State Administration for Market Regulation.

Energy Consumption	Unit	2021	2022
GHG Emissions[2]			
Scope 1	tCO_2e	178.52	99.32
Scope 2	tCO_2e	5,311.34	5,105.81
Total GHG emissions	tCO_2e	5,489.86	5,205.13
GHG emissions density	tCO_2e/RMB10,000 revenue	1.78	0.36

5.2 Environmental Management

JW Therapeutics strictly complies with environmental laws and regulations. We have established environmental management systems and devised guidance documents in line with the laws and regulations to guide the implementation of environmental management measures.

Laws and regulations that we strictly adhere to including but not limited to:

- *Environmental Protection Law of the People's Republic of China*
- *Energy Conservation Law of the People's Republic of China*
- *Environmental Impact Assessment Law of the People's Republic of China*
- *Environmental Protection Tax Law of the People's Republic of China*

Internal policies that we developed, including but not limited to:

- EHS Compliance Management Procedures, involving regular assessment and follow-up rectification actions to standardize EHS compliance management

Our management system:

- JW Therapeutics integrated the EHS Compliance Management Procedures and EHS-related standard operating procedures into daily work based on the requirement of ISO 14001 environmental management system

In order to implement environmental-friendly practices in all departments, JW Therapeutics has set up an independent EHS Committee with the heads of the production and R&D departments acting as the members. The EHS Committee collaborates with multiple departments to implement the EHS management requirement, and EHS meetings are held regularly to discuss the latest requirements on environmental management and EHS indicator performance. Furthermore, we have engaged a third-party EHS regulation consulting platform to assist us in keeping up with EHS-related legal updates and developments and revising the SOP accordingly.

Before the launch of every new construction and renovation project, we will access the compliance with environmental laws and regulations, and obtain the environmental impact assessment report and permit from the environmental protection department. In 2022, we applied for and updated the emission permits in accordance with laws and regulations, and discharged pollutants strictly as permitted. Since obtaining the emission permit, we have been reporting our emissions quarterly and annually. During the Reporting Period, we had no external environmental pollution incidents and did not receive any notice on environmental penalties.

[2] Scope 1 GHG emissions are derived from diesel and refrigerant consumption; scope 2 GHG emissions are derived from purchased electricity and steam. The 2021 electricity emission factor adopts the average factor of Eastern China electricity emission 0.7035 tCO_2/MWh from "*2011 and 2012 China Regional Grid Average Carbon Dioxide Emission Factors*". The 2022 electricity emission factor adopts the average factor of national electricity emission factor 0.5703 tCO_2/MWh in 2022 from "*Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions of Enterprises in Other Industrial Sectors (Trial)*" issued by the National Development and Reform Commission of the People's Republic of China.

5.3 Resource Management

JW Therapeutics is committed to reducing our impact on the planet through efficient and circular use of water and other natural resources to ensure responsible sourcing, consumption, production, and disposal. Within our production and operations, the major types of resources involved are water and packaging materials.

5.3.1 Water Management

There is a growing interest concerning water management globally as water crisis is becoming more prevalent. In response, JW Therapeutics strictly abides by the laws and regulations of all places in which we operate, and constantly enhances our water resource management. All water used by us comes from the municipal water supply system and is used mainly for domestic water and production operations.

During the Reporting Period, our total water consumption was 22,986.00 m^3, and there were no issues in sourcing water that is fit for purpose.

We have set medium and long-term conservation targets since 2021, and continue to work towards enhancing the management capability and use efficiency of water resources. With our efforts, the water consumption density reduced by 70% in 2022.

Target Tracking

Water Consumption	2021 Performance	Target by 2025 Year End	2022 Performance
Water consumption density	5.30 m^3/RMB10,000 revenue	20% decrease compared to 2021	1.58 m^3/RMB10,000 revenue 70% decrease compared to 2021

To fulfill our water consumption target, we have launched a series of water-saving measures in the production process and daily operation.

Production water supply inspection

- To prevent water loss from drips and leaks, we routinely examine and repair the infrastructure and machinery that store and supply water.

Daily water conservation awareness

- We display signage in public areas to enhance the awareness of water conservation among employees to save water and avoid waste.

Water-saving Measures

5.3.2 Packaging Material Management

JW Therapeutics evaluates materials used in our production and value chain, and proactively looks for opportunities to reduce source consumption. We are therefore committed to working with our clients to reduce unnecessary and excessive packaging by choosing simplified and eco-friendly packaging materials (e.g., recyclable plastic plates). We are also dedicated to reducing the environmental footprint of packaging by promoting the use of green packaging materials through collaboration with packaging material suppliers. During the Reporting Period, we mainly used cartons as packaging materials. The total amount of packaging materials used was 46.97 kg.

Performance Metrics

Packaging Material Consumption	2021 Performance	2022 Performance
Total packaging material consumption	17.68 kg	46.97 kg
Packaging material consumption density	0.01 kg/RMB10,000 revenue	0.0032 kg/RMB10,000 revenue

5.4 Emissions and Discharge Management

JW Therapeutics is highly conscious of the gas emission, water discharge and solid waste generated in our production operations. We strive to minimize gas emissions, water discharge and waste generation, and improve recycling rates, and actively fulfills our obligations to minimize environmental impacts.

Laws and regulations that we strictly adhere to, including but not limited to:
• *Law of the People's Republic of China on the Prevention and Control of Air Pollution* • *Law of the People's Republic of China on the Prevention and Control of Water Pollution* • *Comprehensive Sewage Discharge Standard* • *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*
Internal policies that we developed, including but not limited to:
• Sewage Treatment System Operation and Maintenance Regulations • Hazardous Waste Disposal • Waste Disposal of Waigaoqiao Site • Hazardous Waste Disposal Procedures of Zhangjiang • General Waste Disposal • Pollutant Discharge Management for Waigaoqiao Site

5.4.1 Air Emissions Management

JW Therapeutics has implemented strict air emission treatment measures to reduce pollutant emitted from our laboratories and production site. The main air pollutant is non-methane hydrocarbon ("NMHC") generated from alcohols during the experimental and production process and waste gas discharged from the wastewater treatment plant. NMHC is collected by the ventilation system and treated by activated carbon adsorption devices before ultimately discharged. For the waste gas discharged from the wastewater treatment plant, we use a low-temperature plasma device for treatment before discharge. We regularly monitor the exhaust gas to ensure that the concentration of exhaust gas emissions meets the national standards. During the Reporting Period, our total NMHC emissions reached 92.46 kg, decreased by 45% compared with 169.39 kg in 2021.



5.4.2 Wastewater Management

JW Therapeutics has formulated internal policies in strict compliance with the waste water discharge standards of the areas in which we operate to ensure effective management over water discharge. We set up industrial wastewater treatment plants in all sites and follow the processes below to ensure the concentration of pollutant is within the limit of discharge standards. Detailed wastewater treatment procedures are implemented as follows:

Wastewater from the lab

- We have set up wastewater treatment devices using the membrane bioreactor ("MBR") technology and/or ultraviolet sterilizers in different laboratories to disinfect and treat wastewater from the lab. After treatment, the wastewater from the lab goes into the municipal sewage pipe network together with domestic sewage and enters the sewage treatment plant for centralized treatment.

Wastewater from production

- After multiple pH adjustments, we carry out strong oxidation and ultrafiltration treatment of production wastewater, and the filtered wastewater enters the reverse osmosis system. The fresh water produced after the reverse osmosis treatment can re-enter the production system for reuse, and the concentrated water is disposed of as hazardous waste by third-party professionals.

Sludge treatment

- We collect the sludge generated by the sewage treatment system through the plate and frame filter press, and then outsource the sludge to third party agencies after dewatering the filter press.

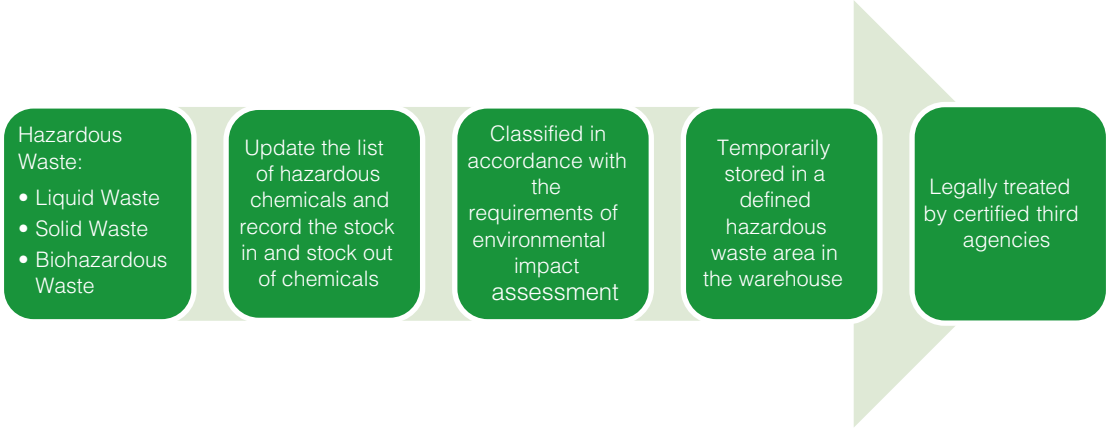
Sewage diversion

- The wastewater with lower COD content will be discharged into the cesspool to cool down as a buffer before it is discharged to the wastewater well in order to meet the discharge compliance requirements.
- In 2022, we connected the lab wastewater drainage pipeline of Building 21 to Building 15 for centralized treatment. We implemented sewage diversion for wastewater with lower COD from sterilization cabinet drainage and made it as public auxiliary drainage directly into the cooling pond. Steam with relatively high temperature is cooled down before discharge to reduce the burden of the wastewater treatment plant.

Wastewater Treatment Procedures

5.4.3 Hazardous and Non-hazardous Waste Management

Our main hazardous waste includes liquid and solid waste from R&D experiments and manufacturing, biological waste from research and testing, and medical apparatus and instruments used for clinical tests. The hazardous waste is classified in accordance with the requirements of environmental impact assessment and temporarily stored in a defined hazardous waste area in the warehouse, and we signed long-term contract with certified third-party agencies for legal treatment.



Hazardous Waste Disposal Procedures

In addition, in order to further implement the latest requirements of the waste discharge policy of Jiangsu Province, we have traced the waste throughout its lifecycle. The whole process of hazardous waste from generation to final disposal is precisely tracked by scanning the QR code during the process of sourcing, transferring, collecting, storing and disposal. Meanwhile, we conduct training for relevant employees to help them understand the latest waste management measures and reduce waste generation in production at source.

JW Therapeutics' non-hazardous waste mainly includes general industrial solid waste and office garbage, which are collected and handled by cleaners every day. The general solid waste disposal is sent to a contracted third-party waste-disposal facility for further treatment. Office garbage is transferred to a garbage recycling facility in the bio-industrial park for centralized collection and disposal. During our daily operation, we encourage our employees to use double-sided printing and recycle shredded paper, and provide training for cleaners on garbage classification to improve their awareness of recycling. We strictly comply with the policies of garbage classification in the areas we operate by separating trash cans for sorting different types of garbage.

Target Tracking

Waste Indicator	Target by 2025 Year End	2022 Performance
Compliant disposal of hazardous waste	100%	100%
Recycling rate of cartons in general industrial solid waste	100%	100%

Performance metrics

Emissions Performance	Unit	2021	2022
Air emissions			
Total emission of non-methane hydrocarbons	kg	169.39	92.46
Wastewater discharge			
Total wastewater discharge	ton	14,703.30	17,968.60
Non-hazardous waste			
Total non-hazardous waste	kg	78,590.00	78,132.20
Recyclable non-hazardous waste	kg	17,799.00	19,217.20
Non-recyclable non-hazardous waste	kg	60,791.00	58,915.00
Non-hazardous waste density	kg/RMB10,000 revenue	25.52	5.36
Hazardous waste			
Total hazardous waste	kg	34,996.00	52,275.55
Hazardous waste density	kg/RMB10,000 revenue	11.36	3.59



6. PEOPLE ORIENTED

— Empower employees to provide inexhaustible power for enterprise development

SDGs	Topics	Actions
	• Employment Management • Communication and Care • Employee Development • Occupational Health and Safety	• Recruit diverse talents through various channels, vigorously promote internal recommendation, and encourage employees to recommend talents • Promote mutual communication between employees and the Company and establish employee appeal channels • Establish a training system with "Excellence in Onboarding", "Leadership Effectiveness" and "Organizational Effectiveness" as the three main pillars • Provide diversified corporate benefits, medical benefits, and talent incentive programs • Establish a sound health and safety management system and biosafety management system to standardize occupational health and safety management

A fulfilling working experience is critical to attract, retain and motivate the best people. At JW Therapeutics, we empower our employees, provide them with welfare, and inspire them to grow up with the Company.

6.1 Employment Management

In compliance with the guidelines under the relevant laws and regulations of the People's Republic of China on labor management, we have set up our internal policies and management systems to ensure effective implementation of the related laws and regulations.

Laws and regulations that we strictly adhere to (including but not limited to):
• *Labor Law of the People's Republic of China* • *Labor Contract Law of the People's Republic of China*
Internal policies that we developed (including but not limited to):
• JW Therapeutics Employee Handbook
Our management system:
• JW HR information system — SAP SuccessFactor

During the Reporting Period, we complied with relevant laws and regulations that have a significant impact on us relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

6.1.1 Employment Compliance

JW Therapeutics adopts zero tolerance policy on any violation behavior of child labor, forced labor, and other forms of labor abuse. As emphasized in the JW Therapeutics Employee Handbook, we conduct explicit background checks and verifications of all new hires, including their identity documents and ages, to avoid employment of child labor. In case of any violation, we will conduct investigations and take necessary measures accordingly. During the Reporting Period, there was no incident of child labor or forced labor.

We attract talents through various recruitment channels, such as head-hunters, campus recruitment, online channels and internal referrals. For internal recommendation, we regularly release internal recruitment information to encourage employees to recommend excellent candidates so that we can quickly reach potential candidates. During the Reporting Period, more than 30% of new employees joined the Company through internal referral channels. For campus recruitment, we actively cooperate with universities and other institutions to provide internship opportunities for students, and outstanding interns are provided with return offers. During the Reporting Period, we established a school-enterprise partnership with Suzhou Institute of Health Technology and introduced 25 interns into our Company. Meanwhile, we continue to improve the breadth and depth of cooperation with schools to create a win-win collaboration model for schools and enterprises.

6.1.2 Diversity, Equity, and Inclusion

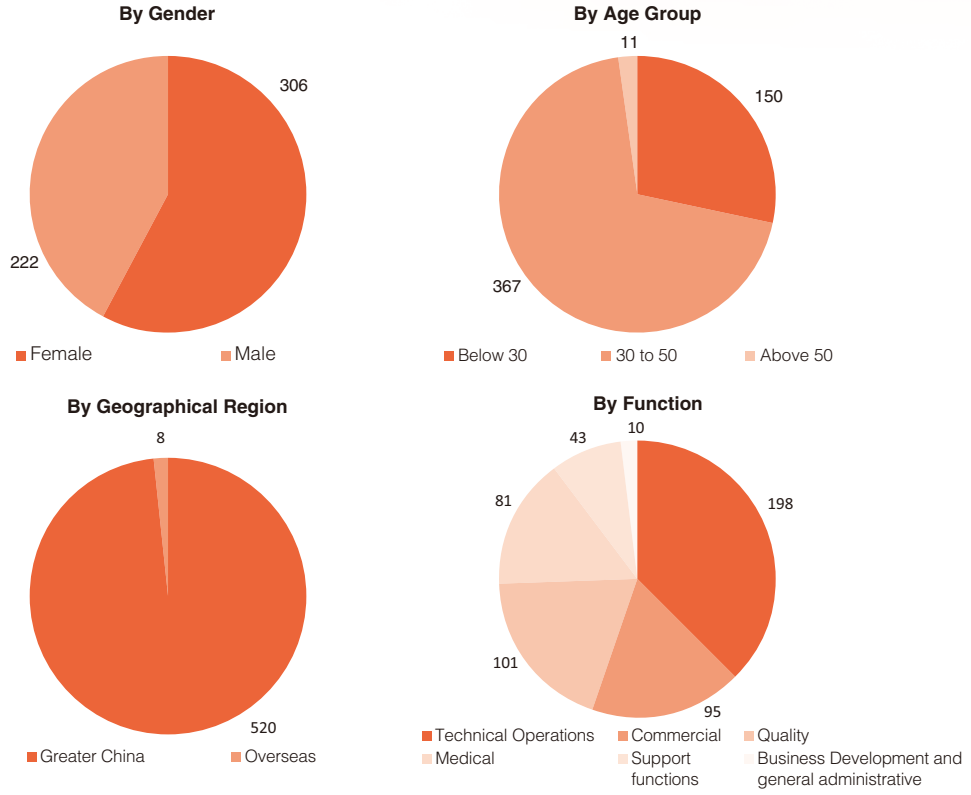
JW Therapeutics welcomes talents from diverse backgrounds regardless of their ethnicity, race, religious beliefs, age, nationality, and physical disabilities. We seek talented employees who are equipped with knowledge and skills to add value for the Company. It is important to our long-term growth to foster a fair, transparent, diverse, and inclusive culture where all employees embrace and leverage each other's backgrounds.

We provide fair and equal employment opportunities, and employment decisions are made on the basis of merit, qualifications, skills and achievements. We are committed to creating a culture of respect for each of our employees and has no tolerance for any form of discrimination and harassment. Employees who suffer from discrimination or harassment can raise their concerns to related authorities. Punishment including termination of employment will be incurred when discriminating or harassing behaviors are found to be true. During the Reporting Period, there was no discrimination and harassment reported.



6.1.3 Number of Employees

During the Reporting Period, the Company had 528 full-time employees and no part-time employee. Distribution of employees by various dimensions is as follows:



As of the end of 2022, JW Therapeutics' employee turnover rate was 21.8%.

Social Indicators	Unit	2021	2022
Number of Employees			
Total number of employees	Number of People	534	528
By Gender			
Male	Number of People	237	222
Female	Number of People	297	306
By Age Group			
Below 30	Number of People	159	150
30 to 50	Number of People	366	367
Above 50	Number of People	9	11
By Geographical Region			
Greater China	Number of People	526	520
Overseas	Number of People	8	8

Social Indicators	Unit	2021	2022
By Function			
Technical Operations	Number of People	222	198
Quality	Number of People	92	101
Medical	Number of People	71	81
Commercial	Number of People	98	95
Business development and general administrative	Number of People	9	10
Support functions	Number of People	42	43
Voluntary Turnover Rate			
Total employee voluntary turnover rate	%	17.15%	21.80%
By Gender			
Male	%	17.52%	23.48%
Female	%	16.84%	20.53%
By Age Group			
Below 30	%	14.05%	22.78%
30 to 50	%	18.58%	21.05%
Above 50	%	9.52%	34.78%
By Geographical Region			
Greater China	%	17.15%	21.80%
Overseas	%	0.00%	0.00%

6.2 Communication and Care

JW Therapeutics is committed to creating a supportive work environment. Through holding regular team building and development activities, we aim to enhance team cohesion, fulfill employees' expectations, and strengthen their sense of fulfillment and belongings.

6.2.1 Employee Communication

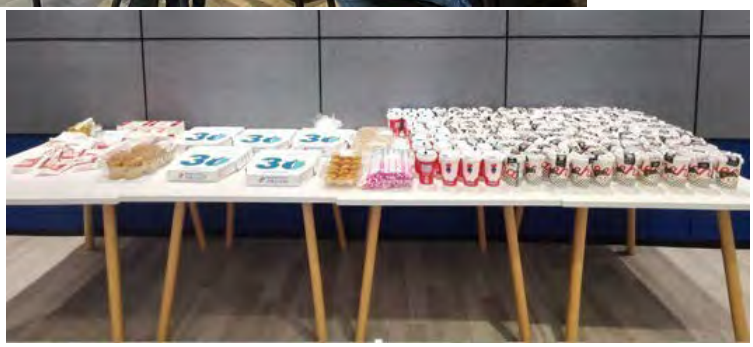
We attach high importance to the mutual communications between employees and the Company. We set up diverse communication channels in the workplace, such as a culture wall, through which we communicate our vision, mission and corporate culture to our employees. Various communication channels are also established for management to listen to employees' voices. Specifically, we organize regular staff communication meetings to understand and resolve our employees' problems. In 2022, we conducted at least three staff communication meetings at the corporate level and six communication meetings at the site level. In addition, we convey the Company's information and activities to employees through the monthly newsletter to effectively interact with the employees.

Quarterly site communication meeting in Suzhou production base

Our Suzhou production base holds a communication meeting every quarter, where the management team communicates with all employees regarding plant safety, quality, achievement of business objectives, product delivery progress, improvement project progress, award and recognition, etc., and answers employees' questions. In 2022, we focused on communicating the achievement of business objectives, product delivery progress, and improvement project progress to employees, so that employees can clearly understand the progress of the Company's business performance. At the same time, it enables employees to see how achieving personal goals impacts the Company's goals. Through these communications, employees and the Company can better work in the same direction to achieve the objectives.







An employee appeal channel is also set up to protect the rights of employees. Anyone can report violations of their rights through this channel, and we will conduct investigations to verify the allegation and take actions against the offender accordingly.

6.2.2 Employee Benefits and Care

In addition to the basic social benefits including social security plan, medical insurance, disability insurance and housing fund, JW Therapeutics also provides additional benefits such as housing rent allowance, commercial health and life insurance, annual medical examination, paid sick leave, and holiday benefits. Through diversified benefits and welfares, our employees are ensured and have a sense of belonging. Besides that, a variety of incentives, recognition, and talent-retention programs including group annual bonus plan and sales incentive scheme are provided to recognize employees' high performance.

Diversified Corporate Benefits

- We offer additional benefits to our employees, including annual paid holidays, housing rent allowance, transport allowance, meal allowance, and team- building fund.
- We offer employees festival and birthday celebration benefit in forms of points-based benefit on our platform.

Medical Benefits

- We care about the health of our employees and provide them with comprehensive medical benefits, including a medical check-up program, paid-sick leave, and commercial health and life insurance. During the Reporting Period, we increased the number of medical examination facilities and locations to provide more convenient services for employees. The physical examination items have been optimized, and the health examination package has been added to provide employees with more diversified and personalized services to meet their needs and reflect the Company's long-term care for employees' health.

Talent Incentive Program

- To recognize, reward and share the Company's achievements with our staff, we provide a variety of incentives, recognition, and talent-retention programs, including group annual bonus plan, sales incentive scheme, quarterly best employee recognition, quality star, and annual best team award.

Staff Benefit Program of JW Therapeutics

JW Therapeutics advocates work-life balance. We regularly organize various staff activities, such as annual meetings, monthly birthday parties, regular sports activities, monthly cultural activities, and regular reunion activities. Employees are further bonded through these activities, which leads to more cohesive teams.

"Being Present While Away" — epidemic online check-in event

To help employees better get through quarantine, an activity called "Being Present While Away" was launched to encourage colleagues to share their life during quarantine and convey the belief of "being together" in the team.

2022 Online annual party

The 2022 Annual Meeting was held online, where employees and group leaders prepared a variety of programs, as well as interactive raffle games. This annual meeting was relaxing and lightened the spirit, and at the same time promoted employee bonding and improved team cohesion.





Walk with love and light up hope

In May 2022, in Suzhou production base, an employee's daughter was diagnosed with acute leukemia, requiring a large amount of treatment costs. Upon hearing the news, JW Therapeutics immediately issued a "Love Initiative" to our employees, hoping that everyone would contribute and do their part to bring hopes of life with love. After the launch of the Initiative, all employees actively participated, and through water drop fundraising and other fundraising, we quickly raised the initial medical expenses within two weeks and transferred all the donations to the employee.

At present, the employee's daughter has finished the initial treatment. Everyone's care and help also brought strength to the employee's family, enhanced their confidence in overcoming the disease, and demonstrated the cohesion of JW Therapeutics.

We will continue to take care of employees' physical and mental health and improve their quality of life, develop care and assistance measures to help employees facing difficulties, and truly achieve "think what employees think and worry about what employees are worried about". At the same time, we also sincerely help the people around us, continue to play the power of kindness and love, and bring hope for more people in the future.

6.3 Employee Development

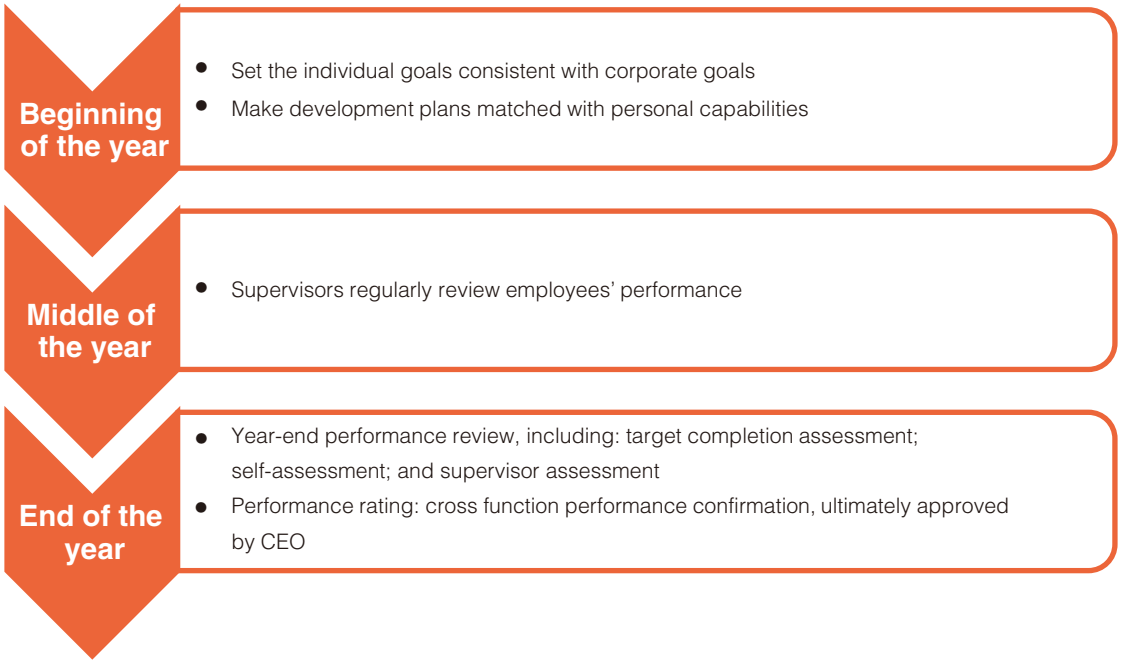
We value our employees as our core power and established a comprehensive talent promotion path and employee training system to help employees to discover their potential and inspire their work enthusiasm.

6.3.1 Career Development and Promotion Path

We provide various career development channels for employees, among which promotion paths are divided into management path and professional path. At the same time, we offer promotion opportunities twice a year to encourage our employees to set career goals and flexibly adapt to the rapid changes in the market. In addition, we have an internal transfer mechanism that applies to all employees, and positions are released regularly to employees.

6.3.2 Performance Management

JW Therapeutics has established a comprehensive performance management mechanism to provide fair and transparent promotion opportunities to each employee. Our performance procedures include multiple assessments at different points in time to ensure that employees' progress is on track and provide timely feedback. The Performance Management Procedures for employees are detailed as below:



Performance Management Procedures

6.3.3 Training and Development System

We believe that a culture of continuous learning is crucial to enable innovative breakthroughs and long-term success. Our learning and development strategy aims to fulfill short-term and long-term business needs by advancing the capabilities of employees and the organization. Our comprehensive training mechanism contains three pillars: enabling onboarding excellence, strengthening leadership, and improving organizational effectiveness.

Based on the three pillars, we provide basic training along with tailored programs for our employees. To enhance efficiency and flexibility, we have also created an online digital learning platform in addition to offline training to cater to employees' flexibility needs. During the Reporting Period, we launched various courses as follows:

Enabling onboarding excellence

To ensure new employees have an in-depth understanding of our values and culture, we offer a range of new employee orientation programs, workshops, online courses and buddy programs.

- New Hire Onboarding Program
- New Hire Orientation ("NEO")
- Line Manager Workshop
- Buddy Program

Strengthening leadership

We focus on leadership development and develop a variety of leadership-related programs to continuously improve the leadership skills of our employees.

- Leadership group coaching
- Project management leadership
- New manager growth engine
- Cross team boundaries
- Convincing presentation and communication
- Best Front line leader skills

Improving organizational effectiveness

We value the importance of providing our staff with training in various business skills, including staff communication skills training, departmental customised training, and other programs.

- Offsite Strategy Workshop
- Lunch and Learn
- Functional tailor-made programs
- Learning Community

Three Pillars of Training System

We foster a corporate culture of continuous learning and continuous improvement by providing different types of training each year. This enables employees to learn, adapt and remain competitive. During the Reporting Period, our employee training coverage was 100% and the average number of training hours completed per employee was 17 hours. Other employee training statistics are as follows:

Social Indicators	Unit	2021	2022
Percentage of Employees Trained			
By Gender			
Male	%	44.38%	42.05%
Female	%	55.62%	57.95%
By Job Grade			
Senior management	%	6.18%	6.25%
Middle management	%	20.97%	23.48%
Junior management	%	33.71%	31.06%
General employees	%	39.14%	39.21%
Training Hours per Employee			
Average training hours	hours	17	17
By Gender			
Male	hours	15	17
Female	hours	18	17
By Job Grade			
Senior management	hours	22	10
Middle management	hours	31	10
Junior management	hours	20	18
General employees	hours	13	23

Leadership training for management level

According to the training needs of business units combined with the Company's skill requirements for middle and senior management level, in October 2022, the HR department organized two leadership development trainings for the technical operations (Tech Ops) and quality departments in Suzhou and Shanghai, respectively, and about 70 colleagues participated in the trainings. By sharing and discussing the pain points in the management team, the course introduced management concepts and tools, described the specific changes required from "individual contributor" to "lead manager", and discussed and analyzed through multiple practical cases. Colleagues who participated in the training gave positive feedback for this course.

6.4 Occupational Health and Safety

We have established internal policies, management systems and prevention measures under the guidelines of the relevant laws and regulations of the People's Republic of China on occupational health and safety management to ensure effective implementation of the policies.

Laws and regulations that we strictly adhere to (including but not limited to):
• *Law of the People's Republic of China on Work Safety* • *Law of the People's Republic of China on Prevention and Control of Occupational Diseases*
Internal policies that we developed:
• ESG Policy-Health and Safety Policy
Our management systems:
• Occupational Health and Safety System; Biosafety Management System; Laboratory Filing Certificate

During the Reporting Period, we complied with relevant laws and regulations that have a significant impact on us relating to providing a safe working environment and protecting employees from occupational hazards.

Suzhou production base won the "Social Responsible Enterprise on Safe Production"

As a representative biopharmaceutical enterprise in Suzhou Park, JW Therapeutics (Suzhou) Co., Ltd. strictly follows the guidelines of the Safe Production Alliance. In addition to assuring our own safety management, we also actively communicate with peers in the region and share experiences regarding the pharmaceutical industry and laboratory safety management.

In 2022, JW Suzhou outperformed over 1,000 enterprises among Suzhou Industrial Park Safe Production Alliance, and was awarded as "Social Responsible Enterprise on Safe Production" as one of the fifty excellent enterprises.



The leading responsible personnel of safe production in Suzhou manufacturing site was honored as "Excellent Pilot of Safe Production in Suzhou Industrial Park".



6.4.1 Risk Control Mechanism of Health and Safety

At JW Therapeutics, we have established an occupational health and safety system which covers risk assessment, hidden danger investigation, accident management and emergency response plan for production safety incidents. The risk control mechanism includes risk assessment, hidden danger reporting system, regular hazard monitoring and ongoing inspections, and correction measures taken timely in response to the risks identified.

- Conduct job hazard analysis and risk assessment for all posts, and formulate corresponding risk prevention measures, and update the hazard analysis and risk assessment in time for any change in position.
- Establish EHS hidden danger reporting system, and EHS department shall collect risk and hidden danger information to evaluate and formulate rectification measures.
- For all employees who may be involved in occupational health hazard positions, we promptly inform them of the occupational health hazards to which they may be exposed at work and sign an occupational health hazard notification letter. In addition, we arrange occupational health exams, establish health monitoring files for them and regularly monitor the risk of occupational health hazards.
- Regularly carry out a series of safety inspections, including daily inspections, special inspections, multi-department joint inspections, and seasonal inspections, to eliminate potential safety hazards and develop rectification plans.

Risk Control Procedures

In addition to the general risk control process, we have also set up biosafety management mechanism and established the Biosafety Committee. The Biosafety Committee is responsible for supervising safe production and biosafety risk management, regularly carrying out the troubleshooting of biosafety hazards and supervising the rectification, and regularly conducting emergency drills to ensure the implementation of biosafety management. In addition, we have developed the following management mechanisms for laboratory biosafety and chemical safety:

Laboratory biosecurity	• All existing laboratories are required to complete BSL-2 filing. • Corresponding biosecurity management systems such as the Biosecurity Management Procedures and the Emergency Preparedness and Response for Biosafety Incidents are formulated.
Chemical safety	• Conduct regular inspection • Implement record and registration for the purchase of regulated hazardous chemicals to ensure the safety of chemical purchase, storage and use.

Management Mechanisms of Laboratory Biosafety and Chemical Safety

6.4.2 Daily Management and Awareness Enhancement

Our EHS committee is responsible for ensuring the daily occupational health and safety of employees, and regularly improving the safety awareness of each employee through training and drills. EHS committee provides occupational health and safety training covering EHS basic training, laboratory safety, biological safety, chemical safety, electrical safety, and fire safety. EHS committee also provides special occupational health and safety training for employees involved in production as well as for contractors and suppliers before they enter the factory.

Occupational health examinations

- We offer occupational health examinations for employees in positions that may involve occupational hazards, including new employee medical examinations, in-service medical examinations and exit medical examinations.

Emergency drills

- In 2022, we conducted 16 emergency drills, including 5 fire evacuation drills, infectious substance emergency drills and spill drills.

Occupational Health and Safety Measures

During the Reporting Period, EHS has carried out a series of safety production activities.

2022 Production Safety Month Activities

The theme of this year's Production Safety Month is "Abide by the Safety Production Law and be the first responsible person". In order to foster a safety-centric culture and improve the safety awareness of employees, the EHS committee organized a series of production safety activities around this theme.

Biosafety Training

The EHS committee invited experts from Suzhou Municipal Health Commission and CDC to carry out laboratory biosafety training, which is also one of the annual trainings at the Company level, and 335 people participated online and offline.



Biosafety Training

"Production safety responsibility is on everyone"

To better delineate the responsibility of the Company's production safety and hold people accountable, the personnel of all relevant departments have signed the 2022 safety production responsibility document.

Production Safety Month Knowledge Contest

A total of 222 employees from Technical Operations, Quality, HR, RR&D, Finance, and Government Affairs and Public Relations departments participated in the contest, of which 80 won the prize with perfect scores. The safety knowledge was distributed 11,260 times, which made significant impact.



Production Safety Month Knowledge Contest Winners

Production Safety Month Theme Salon

Suzhou production base conducted a production safety month salon activity to visit and exchange with other excellent enterprises in the park, and won the excellent enterprise organization award of "Production Safety Month" in Science and Education Innovation Zone, Dushu Lake District, Suzhou in 2022.



Suzhou Production Base Won the Excellent Enterprise Organization Award of "Production Safety Month"

Emergency Drill and Training

Based on the specific risks of each site, the EHS committee organized and carried out emergency drills with different themes, such as desktop or on-site drills and training for infectious substance leakage, occupational injury accident emergency and epidemic prevention and control emergency drills, to further improve the emergency response ability of employees.



Emergency Drill and Training

Emergency Guide Manual

The EHS committee has compiled a manual on emergency response for laboratory emergencies, fires, medical emergencies, and natural disasters, which is designed to help employees understand how to avoid emergencies and raise their awareness of emergency response. The emergency guide has been bound and distributed for easy access at any time.

We have set up a series of safety accident prevention measures and continuously optimized the occupational injury treatment process to reduce the risk of safety accidents for employees and protect their health and safety.

During the Reporting Period, there was one work-related injury[3], which was a traffic accident on the way to work and did not cause fatality. The number of working days lost due to work-related injury was 211 days. In the past three years, there was no fatality due to work.

[3] The injury was resulted from a commuting incident where the transport was not organized by the Company, and it occurred outside of the business hours and operation site.

7. RESPONSIBLE CITIZEN

— Boosting industry development and common prosperity

SDGs	Topic	Actions
	• Supply Chain Management • Support Industry Development • Charity Activities	• Strictly manage supplier access and assessment, continue to empower the supply chain, and ensure the quality of products and services • Promote industry sharing and communication, and drive the development of cell immunotherapy industry • Organize diversified patient care activities to raise social attention to lymphoma patients

Based on our solid sustainable development foundations, we strive to create long-term value for our stakeholders as a sustainable business partner and deliver more values to the greater society through cooperation and innovation.

7.1 Supply Chain Management

Collaboration with suppliers and procurement management have become increasingly important for JW Therapeutics with further development of our product commercialization. We strictly follow the relevant laws and regulations to ensure compliance of suppliers in all aspects. We have also enhanced policies to drive the localization of suppliers, booster supplier training and protect animal welfare to achieve a stable value chain and sustainable development.

Laws and regulations that we strictly adhere to (including but not limited to):
• Good Laboratory Practice ("GLP")
Internal policies that we developed (including but not limited to):
• Supplier Access Policies • Supplier Code of Conduct • Supplier Performance Evaluation SOP
Our management system:
• Enterprise Resource Planning ("ERP") system

7.1.1 Supplier Selection

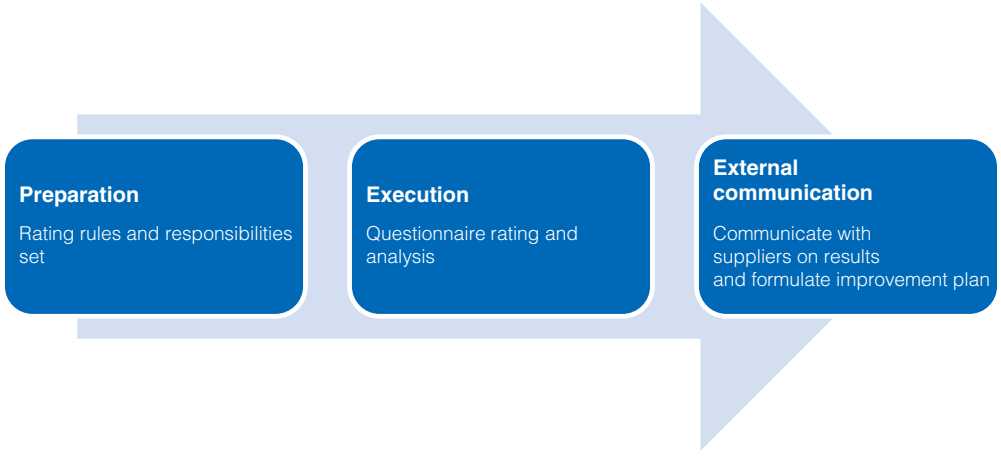
JW Therapeutics holds a high standard in supplier admittance to ensure the quality of our products. Only qualified suppliers who meet our requirements are permitted to establish partnership with JW Therapeutics. All of our current suppliers have been reviewed to assess their suitability to be our suppliers based on the following screening criteria.

Compliance Requirement	We regulate the business behaviors of suppliers to ensure compliance. Our suppliers are required to sign the Compliance Commitment Statement and the Confidentiality Agreement to ensure that they acknowledge all the regulations before they are accepted as qualified suppliers.
Due Diligence	We conduct a due diligence review of all aspects of our potential suppliers, including industry experience, credit rating, product and service quality, innovation capabilities and operational compliance.
EHS Performance	We take into account criteria such as their EHS management capabilities, employment compliance, and business ethics into consideration in our access review. The ISO 14001 Environmental Management System Certification is mandatory especially for the chemical related suppliers.

Considerations for Supplier Selection

7.1.2 Supplier Assessment

We perform periodical evaluation to assess performance of suppliers. The assessment includes three phases: preparation, execution, and external communication, covering multiple dimensions such as quality, cost, delivery, risk, service and EHS performance, to further strengthen supplier risk management.



Suppliers' Performance Evaluation Process

We conduct a comprehensive evaluation based on two dimensions, the purchase amount and supply risk. Suppliers are classified into strategic, leveraged, bottleneck, and general suppliers, and corresponding evaluation management strategies are formulated for different types of suppliers. In particular, strategic suppliers are evaluated annually and leveraged suppliers are evaluated every three years.

For suppliers whose performance requires improvement based on the evaluation, we will communicate with them and follow up on improvement plans. We uphold zero tolerance for non-compliance of suppliers and will terminate the cooperation with suppliers who violate the compliance requirement.

7.1.3 Supplier Training

We aim to achieve a long-term and mutually beneficial cooperation with suppliers by actively sharing our expertise and compliance requirements with them through training to help them meet the requirements of Carteyva® commercialization. During the Reporting Period, we provided the following training to our suppliers:

- Compliance training: our compliance team provided training related to our compliance policies and systems to suppliers to ensure their compliance.
- Safety assurance: we conducted EHS training for all contractors and suppliers before their entrance into our factories to ensure the standardized operation and safe production of the suppliers when they were on site.

Supplier Training

During the Reporting Period, we actively implemented supplier training, conducted three supplier training sessions, and invited all suppliers to participate in the trainings. We sent training content to all suppliers by email and answered suppliers' questions online. The training content included anti-corruption, anti-commercial bribery, anti-unfair competition, procurement process requirements, financial system requirements and digital system FAQs. We also had discussion with suppliers through the Q&A session. All materials and documents were sent to all suppliers by email after the training.

7.1.4 Supplier Localization

We are dedicated to accelerating the supplier localization strategy in various phases of production to enhance supply chain resilience and optimize product costs, and thereby improving the affordability for patients.



Supplier Localization Measures

We also actively work with domestic suppliers to carry out joint research cooperation, including high-value material sub-assembly and aseptic packaging development, to further optimize drug costs and operating costs while enhancing the ability to respond to supply chain risks. During the Reporting Period, we completed the domestic substitution of 13 GMP materials for commercial production, and plan to complete domestic substitution of 11 GMP materials for commercial production in 2023. At present, our key domestic substitution material "recombinant human interleukin-2 for injection" has completed the production process validation, and is expected to be used for commercial production from the second half of the year 2023.

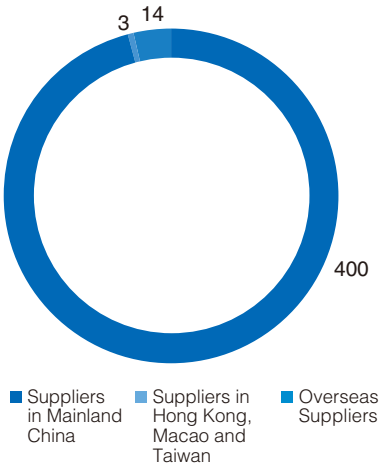
With the continuous development and improvement of the upstream industry chain of domestic biopharmaceutical industry, the domestic GMP suppliers in our major pipelines are expected to grow in proportion from 50% to 70% in the next five years.

As at the end of the Reporting Period, we had a total of 417 suppliers.

Total Number of Suppliers	2021	2022
	358	417

Number of Suppliers

The number of suppliers by region is as follows:



Number of Suppliers by Region

7.1.5 Animal Welfare

From the ethical and scientific perspectives, animal research is an unavoidable necessity to ensure the safety and efficacy of our products. Although animal usage cannot be completely avoided, JW Therapeutics is committed to reducing, refining and replacing the use of animals through demanding the highest ethical and animal welfare standards when contracting with a qualified third party for animal research. We do not conduct animal testing by ourselves, and we maintain regular communications with our animal testing suppliers and verify that their laboratory procedures in all animal testing comply with the principles of "3Rs".

Reduction

Minimizing the number of animals used to the extent of obtaining statistically meaningful results

Replacement

Adopting mice as the primary animal in vivo animal model for efficacy and safety purpose on the basis of CAR-T's specific immunological features and the international common practice, through which to avoid using monkeys and other primates that might be subjected to GvHD (graft-versus-host disease) or other immunological responses

Refinement

Continuing to explore other research and trial methods that is free from animal trials; requiring suppliers to treat animals to their best by improving the experiment conditions

Animal Welfare Principle of "3Rs"

We also negotiate with our in-house and collaborating statisticians the number of animals needed and incorporate the vivo study experience and common practice in the field of animal welfare. Our preclinical and translational researchers are accredited or certified by the American Board of Toxicology, the Regulatory Affairs Professional Association and other international associations. Our annual auditing of suppliers indicates that their vivarium is currently maintaining the certificate from the Association for Assessment and Accreditation of Laboratory Animal Care ("AAALAC"), an international standard for animal welfare. We are committed to maintaining professionalism and standardization of animal welfare with our suppliers at all times.

Our certification:

100% Association for Assessment and Accreditation of Laboratory Animal Care ("AAALAC") certified

7.2 Support Industry Development

JW Therapeutics is committed to driving growth not only for our business, but also for the regulated and healthy development of the cell immunotherapy industry. We actively participate in industry activities to share our experience and contribute to help cultivate innovative talents in the cell immunotherapy industry. While building a benchmark enterprise in the CAR-T industry, we contribute to advance the public understanding, regulation standardization and practices of cell immunotherapy.

7.2.1 Empower Clinical Practice

We work closely with medical institutions to enhance the standardization of the clinical application of cell immunotherapy by providing comprehensive solutions on the clinical side, holding academic conferences, and publishing clinical guidelines. Meanwhile, we have built and maintained a CAR-T treatment exchange and sharing platform to share new experience of CAR-T treatment through the official WeChat account and media platform. We have also set up a treatment hotline with partnered institutions to provide consultation to patients, and actively participate in social welfare activities to promote exchanges.

JW Therapeutics built a CAR-T nursing exchange platform

In 2022, together with the national CAR-T treatment-related nursing experts, we built a CAR-T nursing exchange platform with the themes of "Promise to Guard the Whole Process" and "Case Sharing for More Lives". The nursing experts discussed the technical difficulties and considerations in the whole process of care, such as single collection, reinfusion, patient education and case management, showing unwavering commitment to providing better care to CAR-T patients.





Establishing the academic platform

In 2022, JW Therapeutics set up an online academic platform and invited national hematology and oncology experts to deeply discuss CAR-T clinical research and clinical practice to enhance clinicians' knowledge of CAR-T cell immunotherapy and the brand awareness for Carteyva® (Relmacabtagene Autoleucel).



7.2.2 Build Ecology

JW Therapeutics, together with other enterprises in the industry, co-founded the Shanghai Cell Immunotherapy Industry Alliance in 2017, and established the Shanghai Pharmaceutical Quality Association of Cellular Immunotherapy Quality Management and Research Specialty Committee in August 2018 with the support of the Shanghai Municipal Health and Health Commission, Shanghai Food and Drug Inspection Institute, Shanghai Pharmaceutical Quality Association and other relevant departments (hereinafter referred to as "Shanghai Cellular Immunotherapy Specialized Committee") to build a technical exchange platform for the cell immunotherapy industry. We are dedicated to promoting scientific and reasonable regulation and the standardized and healthy development of the industry, while enhancing the competitiveness of the cell immunotherapy industry in Shanghai. During the Reporting Period, JW Therapeutics, as the rotating director of Shanghai Cell Immunotherapy Specialized Committee, has been working to build the professional and technical platform, standardize the innovative development of the industry, promote academic exchanges domestically and abroad, collect feedback on industrial policies and promote the development of group standards to accelerate the development of the cell immunotherapy industry.

Host academic exchange events

- Co-organized the 2021 CSGCT Gene and Cell Therapy Medicine Summit
- Hosted the Enterprise Business Capacity ("EBC") 2022 session on the theme of "From CAR-T to the Next Commercialized Product"

Feedback on industry policies

- Organized member units of the association to discuss the Implementation Rules of the Regulations on the Management of Human Genetic Resources (draft for comments) of the Ministry of Science and Technology and form a letter of opinion from the association

Promote the development of industry group standards

- Participated in the development of the provisional regulations for the supervision and administration of autologous CAR-T cell therapy drugs in Shanghai
- Participated in the discussions of policies for the Demonstration Zone of Innovation Leadership Zone in Pudong
- Participated in the discussion and development of "Shanghai Action Plan for Promoting Cell Therapy Science and Technology Innovation and Industrial Development (2022-2024)" led by the Municipal Science Committee
- Participated in the discussion of the rules of Shanghai Municipal Economic and Information Commission regarding exploration of commercial insurance payment and investment of diversified entities
- Participated in the discussion of the group standard of "Technical Requirements for the Validation of Rapid Aseptic Inspection Method for Cell and Gene Therapy Products"

2022 Highlights of Shanghai Cellular Immunotherapy Special Committee

Literature Discovery Library-Unraveling the mystery of CAR-T cell therapy

In 2022, JW Therapeutics invited nearly 100 well-known lymphoma experts and scholars in China to discuss hot topics such as basic and clinical research related to lymphoma through the "Literature Discovery Library" series of academic activities, and sorted out the high-quality literature in the field of CAR-T cell therapy in recent years from the aspects of treatment status, long-term benefits of CAR-T therapy, and CAR-T research data, so as to bring us professional, deep, comprehensive and easy-to-understand literature interpretation and enhance the whole society's awareness of CAR-T treatment.



JW Therapeutics presented Cell Immunotherapy Innovations at the 5th China International Import Expo

In November 2022, JW Therapeutics was invited to the Fifth China International Import Expo (hereinafter referred to as "CIIE") and officially presented at the Opening-up Achievements Exhibition in the featured Shanghai Exhibition Zone, marking the first time for us to join CIIE. We presented samples of Carteyva® at the exhibition platform of the Shanghai Exhibition Zone at the Opening-Up Achievements Exhibition themed "China in the Past Decade" and demonstrated the scientific principle and breakthrough efficacy of CAR-T cell immunotherapy in a multimedia format through science videos and showed our corporate commitment and innovative achievements in leading the cell immunotherapy industry and devotion to serving the patients.

7.3 Charity Activities

On the way of the Company's sustainable development, we care about our patients, strive to understand the needs of the patient communities, and ensure our charity activities take the interests of the patient communities into consideration. We continue to call for more attention from the society to support lymphoma treatment, bringing hopes and warmth to patients.

During the Reporting Period, the Company carried out the social welfare related activities with an investment of RMB2.14 million, among which the main activities were as follows:



Photo by the official channel of organizer

On September 15, 2022, the 19th "World Lymphoma Day," a live lymphoma patient exchange with the theme of "Lighting up the day, promising the life," jointly organized by Peking University International Hospital, Peking University Cancer Hospital and JW Therapeutics, came to a successful conclusion. The experts celebrated the birthday together with the patients and their families and performed a song called "The Sound of Life." The composer, who was once a lymphoma patient, returned to normal life after receiving treatment with Carteyva®.

JW Therapeutics continues to bring hope to lymphoma patients and establish a patient-centered management standard for the whole process of cellular immunotherapy, and enhance the academic status and influence of Chinese hematology-oncology treatment in the world.

In 2022, JW Therapeutics continued to support the public welfare project of spreading lymphoma knowledge. Through inviting medical professionals to conduct lymphoma-related science popularization through social media and other online platforms, we introduced lymphoma disease knowledge to patients and built a professional education platform for lymphoma patients.

We share the journey of the patients that have been cured by CAR-T treatment through influential public accounts, aiming to encourage more patients with true stories of curing and going back to the workplace.



Photo by the official live streaming platform



In 2022, JW Therapeutics launched the "Infinite Vitality" patient counter campaign visual toolkit program, which demonstrates the commitment to continually providing high-quality and innovative cellular immunotherapy drug to benefit patients through regular patient count updates.

As of March 29, 2023, JW Therapeutics' cellular immunotherapy drug (including marketed products and drug candidates) successfully treated 406 patients by infusion (including clinical studies and commercialization phase), bringing hope to patients and their families.

2022 Social Welfare Highlights

JW Therapeutics contributed to fight against COVID-19 in Shanghai

In 2022, the COVID-19 epidemic in Shanghai was severe. In response to the call for nucleic acid testers by the municipal government, certain JW Therapeutics' employees joined the "Big White" volunteer team. After passing the training and examination, the volunteers worked 12 hours every day for sample processing, nucleic acid spiking and machine testing, contributing to fighting the COVID-19 epidemic and safeguarding Shanghai.





Appendix I: HKEX ESG Reporting Guide Index

Subject Areas, Aspects, General Disclosures and KPIs		Index
A. Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	5.2 Environmental Management
KPI A1.1	The types of emissions and respective emissions data.	5.4 Emissions and Discharge Management
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	5.1 Climate Change
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	5.4 Emissions and Discharge Management
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.(e.g. per unit of production volume, per facility).	5.4 Emissions and Discharge Management
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	5.1 Climate Change
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	5.4 Emissions and Discharge Management
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	5.3 Resource Management
KPI A2.1	Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	5.1 Climate Change
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	5.3 Resource Management
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	5.1 Climate Change
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	5.3 Resource Management
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	5.3 Resource Management

Subject Areas, Aspects, General Disclosures and KPIs		Index
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	5.2 Environmental Management
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	5.2 Environmental Management
Aspect 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.	5.1 Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	5.1 Climate Change
B. Social		
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	6.1 Employment Management
KPI B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	6.1 Employment Management
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	6.1 Employment Management
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	6.4 Occupational Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	6.4 Occupational Health and Safety
KPI B2.2	Lost days due to work-related injury.	6.4 Occupational Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	6.4 Occupational Health and Safety

Subject Areas, Aspects, General Disclosures and KPIs		Index
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	6.3 Employee Development
KPI B3.1	The percentage of employees trained by gender and employee category. (e.g. senior management, middle management).	6.3 Employee Development
KPI B3.2	The average training hours completed per employee by gender and employee category.	6.3 Employee Development
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	6.1 Employment Management
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	6.1 Employment Management
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	6.1 Employment Management
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	7.1 Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	7.1 Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	7.1 Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	7.1 Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	7.1 Supply Chain Management

Subject Areas, Aspects, General Disclosures and KPIs		Index
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	3 Bringing Hopes for Cure 4 Patient First
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	4.2 Pharmacovigilance
KPI B6.2	Number of product and service-related complaints received and how they are dealt with.	4.1 Patients-centered Ecosystem
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	3.1 Product Research and Development
KPI B6.4	Description of quality assurance process and recall procedures.	3.2 Product Quality 4.2 Pharmacovigilance
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	3.1 Product Research and Development
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	1.3 Business Ethics
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	1.3 Business Ethics
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	1.3 Business Ethics
KPI B7.3	Description of anti-corruption training provided to directors and staff.	1.3 Business Ethics
Community		
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	7.3 Charity Activities
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	7.3 Charity Activities
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	7.3 Charity Activities