Aurisco
奥锐特药业

2025

Environmental, Social, and Governance (ESG) Report



Aurisco Pharmaceutical Co., Ltd.

About the Report

This is the 2025 Environmental, Social and Governance (ESG) Report issued by Aurisco Pharmaceutical Co., Ltd., and is the second ESG report of the Company, which aims to provide our stakeholders with comprehensive information on our ESG practices and relevant performance in 2025.

Reference Standards

The standards, frameworks and principles referenced for the preparation of the Report are as follows:

- *Sustainability Reporting Standards* (GRI Standards 2021) issued by the Global Sustainability Standards Board (GSSB)
- Framework of the Task Force on Climate-related Financial Disclosures (TCFD)
- United Nations Sustainable Development Goals (UN SDGs)
- Standards of the Sustainability Accounting Standards Board (SASB)
- No. 14 Guidelines for Self Governance of Listed Companies of the Shanghai Stock Exchange - Sustainable Development Reports (Trial) (hereinafter referred to as the "Guidelines")
- No. 4 Guidelines for Self Governance of Listed Companies of the Shanghai Stock Exchange - Preparation of Sustainable Development Reports (Revised in January 2026)

Scope of the Report

Time Period: The Report covers our activities undertaken from January 1, 2025 to December 31, 2025, and may refer to the information of other years in order to improve its comparability and perspectiveness.

Organizational Scope: The Report covers Aurisco Pharmaceutical Co., Ltd. and its subsidiaries, consistent with the scope of the annual report.

Designations

To facilitate the presentation, the titles of the subjects involved in the Report are hereby explained. "Aurisco", "the Company" or "We" refers to Aurisco Pharmaceutical Co., Ltd., "Yangzhou Aurisco" refers to Yangzhou Aurisco Pharmaceutical Co., Ltd., and "Yangzhou Lianao" refers to Yangzhou Lianao Biopharmaceutical Co., Ltd.

Data Sources

The data presented in the Report is extracted from the original data of the Company's actual operation and the public data from government departments. Unless otherwise stated, the data in the Report are measured in metric system and the currency is denominated in Renminbi (RMB). Should there be any discrepancies with the financial statements, the latter shall prevail.

Reliability Statement

We promise that there is no false record, misleading statement, or significant omission, and we will assume full liabilities for its authenticity, accuracy, and completeness.

Report Approval

The Report was reviewed and approved by the Board of Directors.

Access to the Report

The electronic version of the Report is available for download on the Company's official website (www.aurisco.com) and the official website of the Shanghai Stock Exchange.

For any questions or access to further information, please contact us with the contact information below:

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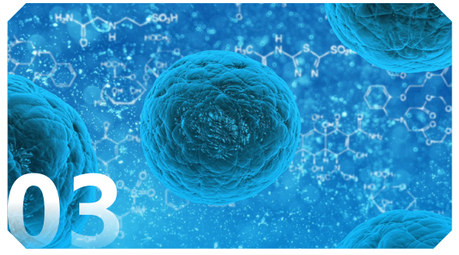
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Message from the Chairman



"A Superior Physician Treats Before Illness; A Great Way Benefits All People." ——The pharmaceutical industry holds life in every decision and bears on people's well-being in every detail. At present, sustainable development has become a consensus of the times, and ESG is no longer a "bonus item" for corporate operation, but a "must-answer question" for pharmaceutical enterprises to uphold their original aspiration and pursue steady and long-term development. On the occasion of the release of the 2025 ESG Report, on behalf of Aurisco, I would like to extend my sincere respect and gratitude to all leaders, shareholders, employees, customers, suppliers and other partners, as well as all sectors of society, who have long been concerned about and supported the development of the Company.

Since its founding, Aurisco has deeply embraced the corporate spirit of "holding integrity and responsibility, forging ahead with concerted effort, and keeping harmonious and win-win development", upheld the mission of "creating a better world through providing our clients the highest quality pharmaceutical products", and integrated the ESG philosophy into its strategic structure and operational DNA. We firmly believe that the high-quality development of a pharmaceutical enterprise requires not only consolidating the foundation of quality through scientific and technological innovation, but also responding to the expectations of the times with a strong sense of responsibility. From the early exploration and practice of ESG to the current establishment of a comprehensive sustainable development system, we have always followed the philosophy of "harmony between man and nature, following the laws of nature" to preserve the ecological foundation in green production; adhered to the principle of "people-oriented, prosperity shared" to gather development momentum through talent empowerment; and pursued the ideal of "prosper with a mission, benefit the world with good" to convey corporate warmth in giving back to society.

We adhere to the development philosophy that "lucid waters and lush mountains are invaluable assets" and integrate green and low-carbon practices throughout the entire chain of production and operations. From the establishment of a water-saving benchmark enterprise to refined control of pollutants, from the promotion and application of clean energy to systematic response to climate risks, we practice the circular economy principle of "reduce, reuse, recycle" with concrete actions, contributing Aurisco's solutions to the green transformation of the industry.

We inherit the cultural genes of Tiantai Mountain of "helping the needy and relieving the distressed, benefiting the world with compassion and duty" and integrate the "Harmony Culture" into our responsibility practices. We adhere to the management wisdom of "governing by non-interference", build a broad platform for employees to display their talents, and enable employees to grow together with the Company through equity incentives, diversified benefits and career development paths; we focus on people's livelihood concerns, engage in public welfare donations, rural revitalization and other undertakings to ensure that the achievements of development benefit a wider range of social groups; we abide by the principle that "quality is life", strictly control product quality in line with world-class standards, and safeguard human health and well-being with reliable and trustworthy medicines; we are committed to improving medical accessibility, promoting the downsizing of marketing channels and the expansion of medical insurance online listing, bringing high-quality medical resources to the grassroots and fulfilling the original aspiration and mission of "universal health care".

We take compliance as the principle and transparency as the goal to build a sound and efficient governance system. We regard the improvement of the internal control mechanism as the cornerstone for the steady and long-term development of the enterprise, and integrate ESG governance into the whole chain of board decision-making, management execution and staff action; we abide by business ethics, oppose commercial bribery and unfair competition, and ensure every transaction is open and transparent; adhering to the concept of "joint consultation, joint contribution, win-win cooperation and symbiotic development", we have established a full-chain ESG management and control standard covering raw material procurement, production and manufacturing, and logistics distribution, and are striving for a greener, more compliant and globalized supply chain by optimizing the distributor network, promoting the layout of formulation products overseas, and strengthening low-carbon collaboration in the supply chain.

"Lofty goals rely on aspiration; great achievements depend on diligence." Over the past year, we have taken another solid step forward in our journey toward "becoming a world-class pharmaceutical enterprise". Standing at a new starting point for development, we will continue to take innovation as the engine, responsibility as the bond, and green development as the foundation; with medicine as the bridge and responsibility as the vessel, we will keep forging ahead diligently on the path of safeguarding life and health, march forward courageously on the journey of promoting sustainable development, and write a responsible answer for pharmaceutical enterprises in the new era with professionalism and commitment!

Chairman: Peng Zhien

About Aurisco

Company Profile

Aurisco Pharmaceutical Co., Ltd. (stock code: 605116), established in 1998, focuses on the R&D, production and sales of complex active pharmaceutical ingredients (API) and formulations. It has established six major technology platforms of a biofermentation technology platform, a complex synthesis technology platform with multi-chiral centers, a synthetic biology technology platform, a photochemical technology platform, a crystal research and micro-powder technology platform, and a solid-phase synthesis technology platform.

The Company's APIs and intermediates have expanded from traditional small-molecule drugs to peptide drugs and oligonucleotide drugs. Among them, small-molecule APIs and intermediates mainly cover products for the respiratory system, cardiovascular, anti-infection, nervous system, anti-tumor, and female health. TIDES (peptide/oligonucleotide) APIs mainly serve therapeutic areas including diabetes, weight management, fat reduction, and rare diseases.

The Company's APIs and intermediates feature complex production processes, stringent product quality requirements, and high entry barriers. Its customers are mainly large international pharmaceutical companies, with business covering Europe, South America, North America and Asia. Through long-term service to renowned overseas pharmaceutical enterprises, the Company has gained a deeper understanding of regulated pharmaceutical markets. It has obtained certifications from regulatory authorities including NMPA, FDA, BGV, WHO and ANVISA, built a highly competitive independent brand, and become one of the domestic enterprises with a large export volume of specialty APIs.

Aurisco has a complete production line of pharmaceutical APIs, intermediates, formulations, and advanced testing equipment and facilities, as well as reliable three-waste treatment facilities, safety and fire control systems and other public works facilities. In recent years, the Company has established a relatively complete scientific research system, introduced and trained a group of high-end technicians, and carried out a series of industry-academia-research cooperation projects. It has focused on independent research and development, with cooperative research and development as a supplement. Oriented at market and driven by innovation, we have cooperated with excellent research institutions and universities, comprehensively improving the Company's technical merit and R&D strength, and create the core competitiveness.

Aurisco has been rated as National High-Tech Enterprise, National SRDI "Little Giant" Enterprise, "Hidden Champion" Enterprise in Zhejiang Province, Zhejiang Leading Enterprise in Average Benefits per Mu of Manufacturing Industry in 2019 (among the Top 20 Biopharmaceutical Companies), Zhejiang AAA Enterprise of Keeping Promise & Honoring Contracts, Zhejiang High-Growth Enterprise in Biomedicine Industry, and Taizhou Headquarters Enterprise. It has established "Zhejiang Key Enterprise Research Institute", "High-Tech Enterprise Research and Development Center", "Enterprise Technology Center", "Postdoctoral Workstation", and" Taizhou Key Laboratory".

SDGs



Corporate Culture

Mission Creating a better world through providing our clients the highest quality pharmaceutical products.

Vision Strive to be a leading pharmaceutical company through our continuous efforts and a respected enterprise for our employees, clients, partners, and the communities we live in.

Core Values Focus on customers; continuous innovation; Teamwork spirit; equal treatment and incentive to employees; hard work.

Spirit Hold integrity and responsibility; forge ahead with concerted effort; keep harmonious and win-win development.

Aurisco adheres to the philosophy of "Developing the Enterprise through Innovation, Strengthening the Enterprise with Talents, Establishing the Enterprise with Integrity, and Empowering the Enterprise with Culture".

Developing the Enterprise through Innovation

Innovation is the eternal driving force for enterprise development. Aurisco allocates a certain proportion of its annual sales revenue to scientific research and product development. From intermediates to APIs and formulations, and from small molecules to peptides and oligonucleotides.

Strengthening the Enterprise with Talents

Aurisco continues to adhere to the people-oriented principle, and has established mechanisms and management systems for talent attraction, motivation and development. It fully taps domestic and international talent resources, optimizes talent allocation, promotes the rational distribution of talents, and ensures that the Company maximizes the attraction and utilization of talent advantages.

Establishing the Enterprise with Integrity

Aurisco has always adhered to the principle of "valuing customer interests, employee interests and investor interests", and has built a brand image integrating corporate brand, entrepreneur brand and product brand.

Empowering the Enterprise with Culture

Aurisco has forged a corporate culture that inherits traditions, faces modernization, emphasizes innovation and pragmatism, and meets its own development needs. Aurisco's corporate culture philosophy is extensive and profound, serving as the fundamental guideline for all of the Company's operations.

Milestones in Development

2025
China's first generic Complex Packaging stradiol Tablets/Estradiol and Dydrogesterone Tablets AOSHUTONG® has been approved for marketing

2024
Achieved Gold in EcoVadis sustainability rating

2023
Obtained the approval for the first generic drug Dydrogesterone Tablet in China

2022
Commenced to construct Cangshan Production Base

2021
Established Shanghai Aurisco Biotech, focusing on the R&D of oligonucleotide drugs

2020
Listed Aurisco on the Main Board of the Shanghai Stock Exchange

2019
Acquired APOTEX Tianjin R&D Center and established Aurisco Tianjin Company

2017
Established Aurisco Pharmaceutical Co., Ltd.

2015
Established Yangzhou Aurisco

2006
Established Yangzhou Lianao

1998
Established Dagu Chemical, the predecessor of Aurisco

Honors and Awards



EcoVadis Granted
EcoVadis Sustainability Rating - Gold



EcoVadis Granted
EcoVadis Sustainability Rating - Gold
(Yangzhou Aurisco)



Department of Science and Technology of Zhejiang Province
Zhejiang Provincial Department of Finance Zhejiang Provincial Tax Service, State Taxation Administration Granted
High-tech Enterprise Certificate



Department of Science and Technology of Zhejiang Province Granted
Acceptance Certificate for Zhejiang Provincial Science and Technology Plan Project



Department of Commerce of Zhejiang Province Granted
Zhejiang Famous Export Brand



Zhejiang Administration for Market Supervision Granted
Zhejiang AAA Enterprise of "Keeping Promise & Honoring Contracts"



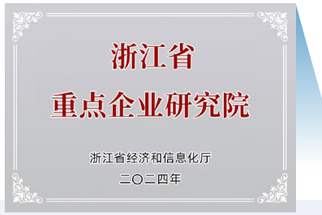
State Intellectual Property Office Granted The 25th China Patent Excellence Award



Zhejiang Office of Water Conservation Department of Water Resources of Zhejiang Province Economy and Information Technology Department of Zhejiang Department of Housing and Urban-Rural Development of Zhejiang Province Granted
Zhejiang Water Conservation Benchmark Enterprise



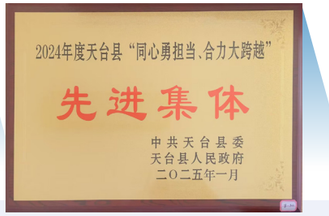
China Creative Studies Institute GrantedThe 15th "Creative Achievement Award of China Creative Studies Institute" (Second Prize of Scientific and Technological Progress Award)



Economy and Information Technology Department of Zhejiang Granted
Zhejiang Key Enterprise Research Institute



Organizational Department of the CPC Taizhou Municipal Committee Working Committee for New Economic and Social Organizations of the CPC Taizhou Municipal Committee GrantedTaizhou "Dual Integration & Dual Strength" Demonstration Base for Party Building in New Economic and Social Organizations



CPC Tiantai County Committee People's Government of Tiantai County Granted 2024 Advanced Collective of "Unity and Courage for Responsibility, Joint Efforts for Great Leap Forward" in Tiantai County

Ministry of Industry and Information Technology Granted
National SRDI "Little Giant" Enterprise

Economy and Information Technology Department of Zhejiang、Zhejiang Provincial Department of Finance、Zhejiang Provincial Tax Service, State Taxation Administration、Hangzhou Customs District P.R. China
Hidden Champion Enterprise in Zhejiang Province

Economy and Information Technology Department of Zhejiang Granted
Hidden Champion Enterprise in Zhejiang Province

Economy and Information Technology Department of Zhejiang Granted
Zhejiang High-Growth Enterprise in Biomedicine Industry

Taizhou Municipal Bureau of Economy and Information Technology Granted
Taizhou Municipal Green and Low-Carbon Factory

01

Integrating Responsibility into Business, Driving Sustainable Development

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- ESG Management
- Communication with Stakeholders
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SDGs

ESG Management

Aurisco anchors at the frontier of sustainable development and fully integrates the ESG philosophy into the entire process of strategy formulation, operation management and business expansion. With systematic development as the core, the Company continuously improves its three-tier ESG governance structure of "decision-making, management and execution". It is committed to building an ESG governance system featuring both commercial value and social responsibility, ensuring that the potential impacts, risks and opportunities of ESG factors are fully considered in business decision-making, so as to empower high-quality and sustainable development.

ESG Management Framework

Decision-making Level Board of Directors

- Lead the Company's ESG affairs and formulate the ESG strategic plans and policies;
- Supervise the assessment on the Company's ESG-related impacts, risks, and opportunities;
- Review and approve the Company's annual ESG report;
- Supervise and inspect the implementation of ESG-related work, and provide guidance when appropriate.

Management Level Senior Management

- Evaluate and manage the material topics to provide analysis and recommendations for discussion at the decision-making level, ensuring oversight by the Board of Directors;
- Promote and guide the ESG work of all functional departments and subsidiaries;
- Review and submit the annual ESG report to the Board of Directors.

Execution Level Functional Departments and Subsidiaries

- Develop stakeholder engagement plans and organize stakeholder communication activities;
- Take charge of ESG-related management, data, case statistics, and analysis;
- Regularly report the ESG achievements to the management;
- Coordinate the preparation of annual ESG reports.

The Company integrates the UN Sustainable Development Goals (SDGs) into its sustainable development strategy in a coherent manner, actively participates in global sustainable development governance practices, empowers social development with corporate strength, and enables commercial value and social value to grow in tandem.

Response to the UN Sustainable Development Goals

SDGs	Our Actions	Corresponding Chapters
	◆ Relying on a sound employee support mechanism, we promptly launch targeted care and assistance for employees suffering from serious illnesses or encountering unexpected difficulties, and provide practical and warm measures to help them solve problems. ◆ We actively responded to the call of the Chinese People's Political Consultative Conference of Tiantai County, enthusiastically participated in the first donation of the Committee Members' Fund for Assisting the Disabled and Promoting Common Prosperity, and provided employment opportunities to help persons with disabilities secure jobs, increase income and integrate into society, contributing more to advancing common prosperity and spreading social warmth.	Protection of Employees' Rights and Interests Improving People's Well-being
	◆ We take salary guarantee and equity as the pillars of protecting employees' rights and interests. Guided by the principle of "Fair Empowerment and Value Symbiosis", we abide by laws and regulations, and build a standardized salary system and non-discriminatory equality mechanism to make salary an important link in safeguarding employees' rights and interests, stimulating vitality and promoting sustainable corporate development. ◆ We continue to optimize the welfare management system, establish a full-coverage, full-cycle and multi-level welfare security system that is compliant, competitive and humane, and strive to enhance employees' sense of gain, happiness and belonging. ◆ We focus on employees' mental well-being, set up professional psychological care and counseling channels, popularize mental health literacy, help employees relieve stress and nurture inner strength, and consolidate a healthy workplace foundation with in-depth spiritual care. ◆ We have established a dedicated occupational health and safety management department, clarified the responsibilities and objectives of each department to ensure the effective implementation and continuous improvement of the occupational health and safety management system. We are committed to creating a healthy, hygienic and safe working environment, and effectively protecting employees' occupational health and life safety.	Protection of Employees' Rights and Interests Safeguarding Health and Safety
	◆ We conduct stratified and customized training for all employees under the guidance of the Company's development strategy, based on the post competency model, and focused on the actual needs of employees. ◆ We vigorously support educational innovation and talent development. Through student assistance, quality improvement and specialized support, we help upgrade infrastructure and education quality of local schools, inject new vitality into high-quality regional education development, and empower the construction of a "modern harmonious city". In 2025, the Company donated 300,000 yuan to Chicheng Middle School and a specialized fund of 1,000,000 yuan for the construction of a science and innovation laboratory at the Foreign Language School.	Promoting Employee Growth Improving People's Well-being
	◆ We firmly eliminate gender discrimination and ensure that female employees enjoy fully equal opportunities and rights as male employees in recruitment, salary and benefits, promotion, and professional title evaluation and appointment. ◆ We provide additional specialized health checks and professional consultation for female employees, strictly implement protection requirements during the "three periods" (pregnancy, childbirth and lactation), provided suitable positions and working conditions for female employees during "the periods", and offered convenience by building dedicated facilities such as nursing rooms and rest rooms for pregnant employees.	Protection of Employees' Rights and Interests
	◆ We have formulated standard operating procedures for wastewater treatment, established a sound wastewater treatment mechanism, and equipped supporting wastewater treatment and monitoring facilities to ensure that wastewater is discharged up to standard. ◆ We have established a strict and sound water use and conservation management system, set up a water conservation management team, and assigned corresponding management and technical personnel to maintain water metering and supervision, and repair leakage in a timely manner to ensure safe, continuous and stable water supply.	Standardization of Pollution and Waste Treatment Optimization of Resource Utilization
	◆ We launched a photovoltaic self-generation energy project in 2024, making full use of idle roofs and open spaces in the factory. Adopting the model of "self-consumption first, surplus power to the grid", we aim to replace traditional power with renewable energy and promote the low-carbon and clean transformation of the production energy system.	Optimization of Resource Utilization
	◆ We have formulated and issued the *Labor and Human Rights Management Policy*, which defines core requirements and management objectives covering working conditions, prohibition of child labor and forced labor, protection of female employees, equality and diversity, and occupational health and safety. We have also established a rapid response and accountability mechanism for violations of labor and human rights, as well as remedial policies and corresponding measures. ◆ We have established and improved the trade union organization and the employee representative congress system. By formulating and implementing management systems such as democratic consultation and collective bargaining, we have refined the election procedures, rules of procedure and resolution implementation mechanisms for employee representatives, so as to ensure the extensiveness and representativeness of democratic participation. ◆ We have implemented a parallel "dual-channel" mechanism, enabling every employee to achieve sustained development along a path matching their own strengths.	Protection of Employees' Rights and Interests Promoting Employee Growth

SDGs	Our Actions	Corresponding Chapters
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	◆ We have built a R&D organization system featuring "six major platforms, five centers, team collaboration, and external cooperation", and are committed to the R&D of small-molecule drugs, peptide drugs and oligonucleotide drugs.	Deepening Innovation-Driven Development
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	◆ We place quality management at the core of the Company's development strategy. We always focus on customers' needs and expectations, rely on our technological advantages, continuously optimize production processes, and establish a sound and strict quality assurance system to steadily improve product quality. We provide high-quality products to global customers and partners in a compliant and efficient manner. ◆ We regard customer service as the foundation of corporate competitiveness. We deeply engage in the global pharmaceutical market and gradually form a customer service management system "guided by customer needs, supported by professional capabilities, and aimed at long-term trust".	Striving for Supreme Quality Sincere Customer Service
13 CLIMATE ACTION	◆ We actively respond to the strategic goals of "carbon peaking" and "carbon neutrality", integrate climate change governance into the ESG governance system, and establish a top-down three-tier climate governance structure. ◆ With reference to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the *Second Part on Climate Change Response Topic* in *No. 4 Guidelines for Self Governance of Listed Companies of the Shanghai Stock Exchange – Preparation of Sustainable Development Reports*, we systematically analyze climate-related impacts, risks and opportunities.	Climate Change Response
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	◆ We anchor at the frontier of sustainable development and fully integrate the ESG philosophy into the entire process of strategy formulation, operation management and business expansion. With systematic development as the core, we continuously improve the three-tier ESG governance structure of "decision-making, management and execution", and are committed to building an ESG governance system featuring both commercial value and social responsibility. ◆ We adhere to the five principles of comprehensiveness, materiality, checks and balances, adaptability and cost-effectiveness. Based on the five elements of internal environment, risk assessment, control activities, information and communication, and internal supervision, we establish and implement an effective internal control system to reasonably ensure the legality and compliance of operations, asset safety, authenticity and integrity of financial reports and relevant information, improves operational efficiency and effectiveness, and facilitates the achievement of the enterprise's development strategies. ◆ We have formulated policies such as the *Business Ethics Management Policy*, covering anti-corruption, anti-bribery, anti-unfair competition, anti-monopoly, anti-commercial fraud and anti-money laundering. We require all employees to strictly abide by these rules to consciously maintain the Company's reputation and image and set a benchmark for the healthy development of the industry.	ESG Management Internal Control and Risk Management Compliance with Business Ethics
17 PARTNERSHIPS FOR THE GOALS	◆ We have established regular communication platforms and diversified channels to fully listen to the voices of stakeholders, respond to their concerns in a timely manner, and achieve value co-creation and shared development. ◆ We deeply integrate the sustainable development concept into the entire supply chain management process, and establish and improve a sustainable supply chain management system in line with international standards to effectively prevent supply chain risks. ◆ We actively participate in industry exchanges, maintain close communication with industry regulators, service institutions, associations and learned societies, conduct in-depth exchanges on new synthetic processes, analytical technologies, and pharmaceutical standard optimization, share experience in preparing for international quality standard certification, and strive to promote product standardization, compliant production and international quality across the industry.	ESG ManagementSustainable Supply Chain Driving Industry Development

Case | Yangzhou Aurisco Awarded Gold in EcoVadis Sustainability Rating

Following Aurisco's first Gold in the 2024 EcoVadis Sustainability Rating, Yangzhou Aurisco was also awarded Gold in EcoVadis Sustainability Rating in September 2025.

Yangzhou Aurisco achieved a score of 80 in this EcoVadis Sustainability Rating, ranking among the top 3% of rated enterprises and reaching an industry-leading level. This rating affirms the achievements of Yangzhou Aurisco in the areas of environment, labor and human rights, business ethics, and sustainable procurement. It also reflects that Aurisco has integrated the sustainable development concept into its development strategy and throughout its entire operation and management process.



Communication with Stakeholders

Aurisco firmly believes that working hand in hand with all stakeholders is fundamental to sustainable development. The Company has established regular communication platforms and diversified channels to fully listen to stakeholders and respond to their concerns in a timely manner, achieving value co-creation and shared development. In accordance with the four principles of the AA1000 Stakeholder Engagement Standard (AA1000 SES): inclusivity, materiality, responsiveness and impact, the Company has identified its key stakeholders as: board members, employees, shareholders and investors, governments and regulators, suppliers, contractors, customers, partners and the community public.

Stakeholders	Primary Stakeholders	Concerned Topics	Common Communication Channels
Board Members	Members of the Company's Board of Directors	• Environmental, Social, Company Governance • Risk Management • Quality of Products and Services • Industrial Development and Win-Win Cooperation	Board of Directors
Employees	Company Employees	• Talent Development and Retention • Employee Rights and Interests & Benefits • Occupational Health and Safety • Labor and Human Rights • Diversity and Equality	Policy Issuance Management Meetings and Employee Congress Internal Online Communication Platforms Employee Activities Employee Training
Shareholders and Investors	Investors and investment institutions investing in the Company	• Environmental, Social, Company Governance • Risk Management • Technology and Innovation	Shareholders' Meeting Information Disclosure
Government and Regulatory Authorities	National ministries, local governments, CSRC, market regulation, emergency management, etc.	• Emission Management • Business Ethics and Anti-Corruption • Community and Public Welfare	Institutional Inspections Official Document Exchange Policy Implementation Information Disclosure
Suppliers	Suppliers of raw materials and equipment	• Environmental, Social, Company Governance Management	Supplier Evaluation Supplier Communication and Training
Contractors	Organizations providing engineering and labor services	• Safety • Labor and Human Rights	Personnel Training Communication Meetings
Customers	Pharmaceutical enterprises, start-ups, research institutions, entrepreneurs, etc.	• Intellectual Property Protection • Commercial Information Security • Product and Service Quality • Business Ethics and Anti-Corruption • Responsible Marketing • Environmental, Social, Company Governance Management	Customer Research Technical Seminars Customer Service Hotline Customer Satisfaction Survey
Partners	Industry Associations	• Industrial Development and Win-Win Cooperation	Exchanges and Visits Industry Forums
Community and Public	Surrounding community residents, NGOs, social organizations, media, etc.	• Community and Public Welfare • Safety	Volunteer Services Community Activities Interviews and Exchanges Mass Media and Social Media

Material Topics Management

Identification and assessment of material topics is the cornerstone of ESG management and information disclosure. Aurisco refers to domestic and international ESG standards including the *No. 14 Guidelines for Self Governance of Listed Companies of the Shanghai Stock Exchange - Sustainable Development Reports (Trial)* and *GRI 3: Material Topics*, and conducts a dual materiality analysis of material topics from the perspectives of impact materiality and financial materiality. Material topics are highlighted and addressed in this Report.

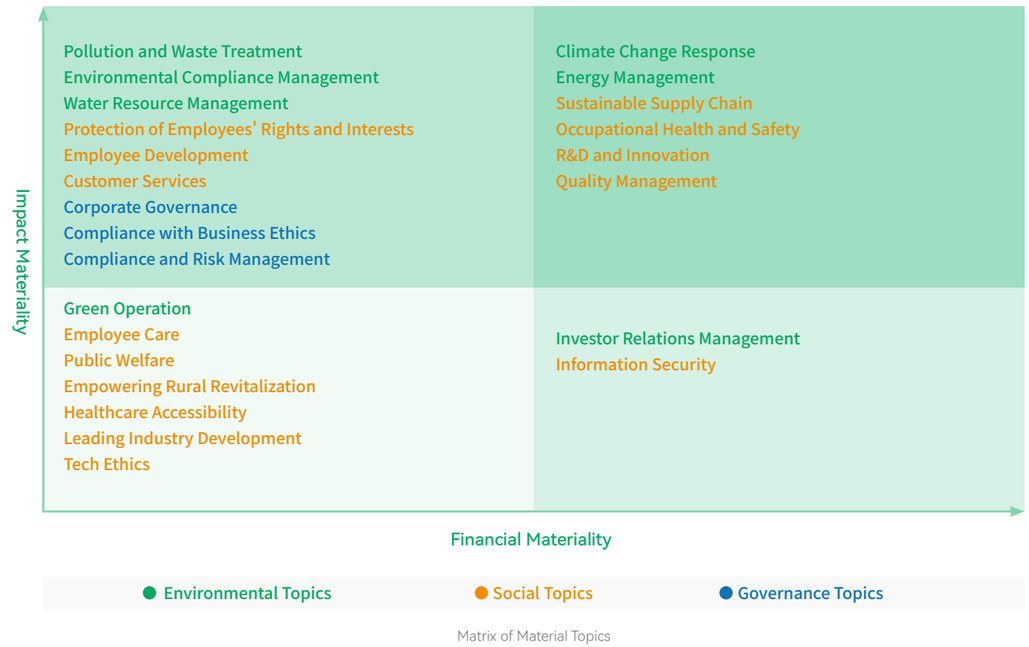
Dual Materiality Analysis

Financial Materiality

Whether the topics are expected to have a significant impact on the Company's business model, business operations, development strategy, financial position, operating results, cash flow, financing methods and costs in the short, medium and long term.

Impact Materiality

Whether the Company's performance on the relevant topics has an actual or potential significant impact on economy, society and environment.



Matrix of Material Topics

Flow Sheet of Topic Materiality Analysis

Step 1	Understand the context of the Company's activities and business relationships	1. Get to know the activities and business relations of the Company	◆ Analyze the Company's growth plans and strategies; ◆ Examine the Company's activities, products, services, etc.
		2.Get to know the external objective environment	◆ Analyze legal and regulatory policies related to the Company; ◆ Analyze unclassified documents.
		3.Get to know the key affected stakeholders	◆ Identify key stakeholders; ◆ Analyze existing stakeholder engagement approaches.
Step 2	Prepare a list of topics	1.Identify other potential material topics based on relevant standards and guideline	◆ Identify other topics of financial or impact materiality based on industry characteristics, development stages, business models, and value chains.
		2.Identify the impacts, risks, and opportunities related to the agenda, summarize them, and make a list of topics	◆ Identify material topics and improve the topics list through internal processes such as due diligence and risk management, as well as organizing relevant regulatory policies, rules, industry standards and development trends, and peer analysis.
Step 3	Assess and confirm the materiality of the topics	1.Assess the impact materiality	◆ Primarily meet the information needs of affected stakeholders, and provide sustainability-related information that helps assess the externalities of the Company's operations.
		2.Assess the financial materiality	◆ Primarily meets the information needs of key users of general-purpose financial reports. The financial materiality assessment is first to identify the risks and opportunities that affect or may affect the Company's business operations, financial condition, operating results, cash flows, etc., and then assess whether there are significant financial impacts.
		3.Integrate the results of impact and financial materiality	◆ Summarize the results after evaluating the impact, risks, and opportunities of each topic.
Step 4	Report the topics	1.Summarize the process, methodology and conclusions of the double materiality analysis of topics	◆ After completing the materiality assessment process, disclose the analysis process and results of topic materiality.
		2.Disclose the topics	



02

Compliance as Foundation, Steadfastness for Long-Term Success

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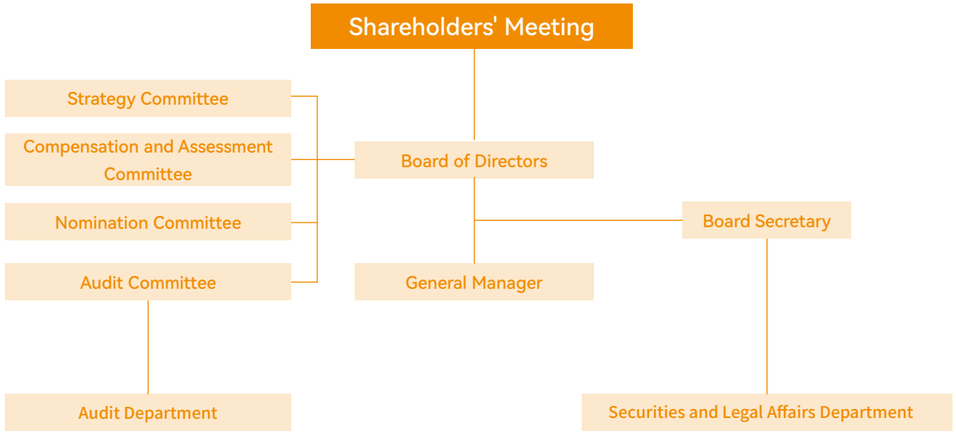
- Consolidating Corporate Governance
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SDGs

Consolidating Corporate Governance

Governance System

Aurisco adheres to the philosophy of scientific governance and strictly complies with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, relevant regulations of the China Securities Regulatory Commission and the Shanghai Stock Exchange, as well as the provisions of the Company's Articles of Association. The Company has established and improved a governance structure consisting of the shareholders' meeting, the board of directors and senior management, forming a governance mechanism with clearly defined rights and responsibilities, separate duties, mutual coordination and effective checks and balances. It gives full play to the role of all governance bodies in major decision-making, operation and management and supervision, so as to promote the compliant, steady, efficient and sustainable development of the Company.



Governance Structure



Shareholders' (General) Meeting

- As the Company's highest authority body, it reviews and approves major corporate decisions.

Convened **2** shareholders' (general) meetings and reviewed and approved **10** proposals.

Board of Directors

- Responsible for the shareholders' (general) meeting, it implements the resolutions of the shareholders' (general) meeting. It has four special committees under it: the Strategy Committee, Audit Committee, Compensation and Assessment Committee, and Nomination Committee, which provide consultation and recommendations for the Board's decision-making.

Convened **6** meetings and reviewed and approved **39** proposals.

Strategy Committee

- Conducts research and provides recommendations on the Company's long-term development plans, business objectives, development guidelines, and business strategies.

Convened **2** meetings.

Compensation and Assessment Committee

- Formulates and reviews compensation policies and plans for directors and senior management, including compensation decision mechanisms, decision-making processes, payment and suspension/pursuit arrangements.

Convened **2** meetings.

Audit Committee

- Exercises the functions and powers of the board of supervisors as stipulated in the *Company Law of the People's Republic of China*. It is responsible for reviewing the Company's financial information and its disclosure, supervising and assessing internal and external audit work, and internal control.

Convened **4** meetings.

Nomination Committee

- Develops selection criteria and procedures for directors and senior management, and selects and reviews candidates for directors and senior management as well as their qualifications.

Senior Management

- Responsible for the execution of specific affairs, and the management of production, operation, and daily operations.

Board Development

The Board of Directors of the Company consists of 9 directors, including 3 independent directors and 1 employee representative director. There are 1 Chairman and 1 Vice Chairman of the Board, who are elected by the Board of Directors by a majority vote of all directors.

Board diversity brings extensive perspectives and in-depth insights to the Company. In nominating and appointing directors, the Company closely aligns with its governance needs and fully considers factors such as gender, age, cultural background and professional expertise of candidates, so as to continuously enhance the scientificity and comprehensiveness of the Board's decision-making. The Company's directors feature a wellstructured professional composition, with backgrounds in pharmaceutical chemistry, investment management, R&D and innovation, finance and accounting, as well as abundant knowledge, skills and experience required to perform their duties. They are able to provide scientific and forwardlooking opinions for the Company's strategic decisions and lay a solid foundation for addressing complex challenges and achieving sustainable development.

The independent directors of the Company perform their duties independently in accordance with the *Work Rules for Independent Directors*, free from influence by the Company, its major shareholders, actual controllers and other entities or individuals. They play the roles of decision participation, supervision and checks and balances, and professional consultation on the Board, so as to safeguard the overall interests of the Company and protect the legitimate rights and interests of minority shareholders. In 2025, the independent directors of the Company were diligent and responsible, and faithfully performed their duties. With extensive professional knowledge and experience, they actively attended meetings of the Board of Directors, its specialized committees and the Shareholders' (General) Meeting. They fulfilled their duties in the daily work and decisionmaking of the Board, issued independent and objective opinions on major matters reviewed by the Board, supported the scientific decisionmaking of the Board, promoted the standardized operation of the Company, and effectively protected the rights and interests of all shareholders from infringement.

Board Composition

Name	Position	Gender	Professional Background	Term of Office
Peng Zhien	Chairman Legal Representative Non-independent Director	Male	Chemistry	Strategy Committee
Chu Dingjun	General Manager Non-independent Director	Male	Chemical Technology	Strategy Committee
Chu Yizhou	Vice Chairman Non-independent Director	Male	Chinese	Compensation and Assessment Committee
Wang Guoping	Deputy General Manager Non-independent Director	Male	Chemistry	Strategy Committee
Qiu Peijing	Non-independent Director	Female	Chemical Engineering Economic Management	Nomination Committee
Li Jinliang	Employee Representative Director	Male	Organic Chemistry Applied Chemistry	Strategy Committee Audit Committee
Su Weike	Independent Director	Male	Organic Chemistry Chemical Engineering	Nomination Committee Audit Committee
Zhong Yongcheng	Independent Director	Male	Accounting	Compensation and Assessment Committee Audit Committee
Chen Yingchun	Independent Director	Male	Organic Chemistry Medicinal Chemistry	Strategy Committee Compensation and Assessment Committee

Investor Relations Management

Compliance Information Disclosure

Standardized information disclosure is the cornerstone for a listed company to gain a firm foothold in the capital market. In strict accordance with laws and regulations as well as the content and format requirements for information disclosure stipulated in the *Articles of Association*, Aurisco discloses information in a truthful, accurate, complete, timely, clear, concise and easy-to-understand manner, fully embodying the principle of openness, fairness and impartiality to all shareholders and disclosing information publicly to all investors. The Company has established a full-process controlled information disclosure management system to level-by-level consolidate responsibilities, effectively prevent illegal and non-compliant risks in information disclosure, and provide effective references for investors in their decision-making.

The Company received the highest grade of Grade A in the *Evaluation Results of Information Disclosure Work of Shanghai Stock Exchange Listed Companies (2024–2025)* issued by the Shanghai Stock Exchange. This reflects the Company's outstanding performance in corporate governance, information disclosure, investor relations management and other aspects, and also fully demonstrates the Company's modern governance capacity and high-quality development level.

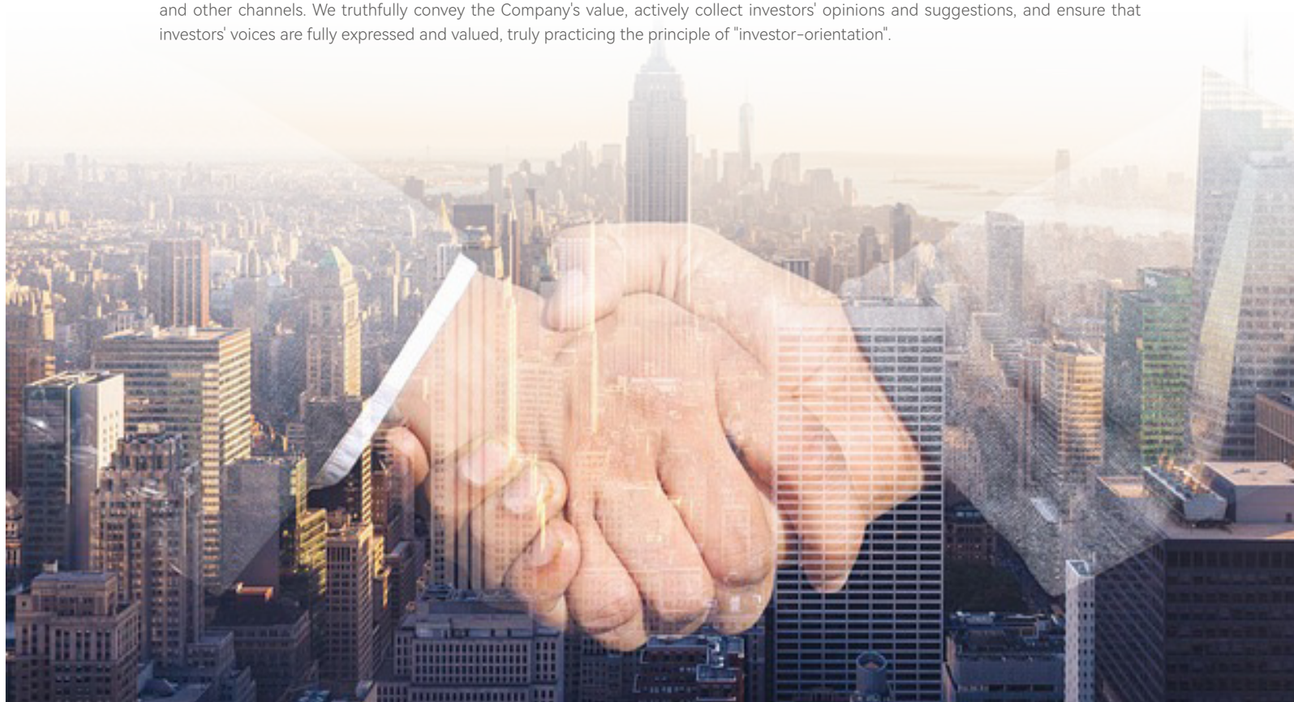
2025 Key Performance Indicators

Number of periodic reports issued: **4**

Number of interim announcements issued: **90**

Investor Communication

The Company is committed to establishing smooth investor communication channels and effectively protecting the right to information of all shareholders. We have established a multi-level and multi-platform sound interaction mechanism with investors through shareholders' (general) meetings, performance briefings, on-site research visits, SSE e-Interaction, hot-lines, investor relations email and other channels. We truthfully convey the Company's value, actively collect investors' opinions and suggestions, and ensure that investors' voices are fully expressed and valued, truly practicing the principle of "investor-orientation".



Internal Control and Risk Management

Internal Control

In accordance with the *Basic Standards for Enterprise Internal Control* and *Guidelines for Enterprise Internal Control Application*, Aurisco adheres to the five principles of comprehensiveness, materiality, checks and balances, adaptability and cost-effectiveness. Based on the five core elements of internal environment, risk assessment, control activities, information and communication, and internal supervision, the Company has formulated the *Internal Control Management Manual* and established and implemented an effective internal control system. This system reasonably ensures the legality and compliance of operation and management, the safety of assets, the authenticity and integrity of financial reports and relevant information, improves operational efficiency and effectiveness, and facilitates the realization of the Company's development strategy.

To ensure the smooth progress of the internal control system and the full implementation of various internal control policies, the Company has set up an Internal Control System Construction Team (the "Internal Control Team") as the leading department and daily management body for internal control compliance. The Internal Control Team conducts overall planning of the Company's internal control system in line with relevant requirements, supervises the overall progress of internal control mechanisms, and guarantees their sound operation.

By the end of 2025, the Company had established 39 policy documents at the decision-making level and 164 policy documents at the management level, covering organizational structure, development strategy, human resources, social responsibility, corporate culture, fund activities, procurement business, asset management, sales, R&D, engineering projects, guarantee business, business outsourcing, financial reporting, comprehensive budgeting, contract management, internal information transmission, information systems, internal control assessment and other fields. These have provided solid institutional support for the efficient and sound operation of the internal control system.



Risk Management

Risk Management System

The Company integrates all requirements of risk management into its operation, management and business processes, and has established a risk management system covering risk assessment, risk response, monitoring and improvement to keep risks within an acceptable range. The Company applies information technology to all risk management work and has built a risk management information system covering the basic risk management processes and all links of the internal control system, which conducts quantitative analysis and testing of various risks and issues alerts for major risks exceeding the risk warning threshold.

Meanwhile, the Company has established a three lines of defense for risk management: relevant functional departments and business units as the first line of defense, functional departments responsible for risk management as the second line of defense, and the internal audit department and the Audit Committee under the Board of Directors as the third line of defense. The responsibilities of each line are clearly defined to implement comprehensive risk management.

Risk Event CAPA[1] Management

The Company has formulated the *Risk Event CAPA Management Measures* to further standardize risk management, clarify responsibilities related to risk events, and improve the quality of rectification tracking and the efficiency of risk event management. The responsible department analyzes risk events based on the Company's actual situation and gives priority to risk elimination strategies; if risk elimination is excessively costly or practically unfeasible, risk reduction or risk sharing strategies may be adopted; if risk reduction and risk sharing are excessively costly or practically unfeasible, risk avoidance strategies may be adopted. The Internal Control Team tracks the rectification of risk events and supervises the responsible department to complete rectification in a timely manner. In addition, based on the *Risk Event Management Ledger*, the Internal Control Team conducts regular reviews of rectification measures, focusing on the effectiveness of CAPA implementation within one year after rectification and the distribution of such measures. It summarizes and analyzes the root causes affecting the operation of the management system, providing accurate data support and decision-making basis for optimizing the management system, improving risk prevention and control mechanisms, and enhancing internal control efficiency.

[1]CAPA refers to Corrective Action and Preventive Action. Corrective Action refers to measures taken to eliminate detected non-conformities or other undesirable situations. Preventive Action refers to measures taken to eliminate the causes of potential non-conformities or other undesirable situations.

Risk Management Culture

The Company vigorously fosters a sound risk management culture, guides employees to establish a correct risk management philosophy, and turns risk management awareness into common understanding and voluntary actions. In light of its business characteristics, the Company sorts out core risk management concepts applicable to all employees and position-specific risk awareness points, and carries out targeted risk management training to improve risk prediction and response capabilities. Meanwhile, the management takes the lead in promoting risk management culture, strictly abides by risk management systems in daily work, fully considers risk factors in decision-making, and conveys the philosophy that "every detail matters in risk management" through practical actions.

Compliance with Business Ethics

Aurisco adheres to integrity in operation and strictly follows high-standard business ethics, committing to building a clean, fair and transparent business environment. The Company has formulated policies including the *Business Ethics Management Policy* covering anti-corruption, anti-bribery, anti-unfair competition, anti-monopoly, anti-commercial fraud and anti-money laundering, and requires all employees to strictly abide by them to consciously safeguard the Company's good reputation and image and set a benchmark for the healthy development of the industry.

The Company has established sound procedures for the identification, assessment and control of business ethics risks, and systematically sorts out business ethics risks in its operations. The Company adopts scientific method to determine the level of existing and potential risks. Where necessary, brainstorming, interviews and surveys, on-site observation and process analysis are introduced for classification and identification. The Company formulates management policies and control measures, clarifies division of responsibilities, implementation standards and supervision mechanisms, and forms a closed-loop management system to effectively prevent and defuse business ethics risks.

Anti-Corruption and Anti-Bribery

The Company has established a comprehensive anti-corruption and anti-bribery management system in accordance with the ISO 37001 standard and maintains a "zero-tolerance" attitude toward corruption. In January 2025, the Company formulated and published the *Code of Business Conduct* on its official website, explicitly opposing all forms of corruption and bribery. The Code applies to Aurisco, its branches and subsidiaries, and all employees, and requires all stakeholders having business dealings with the Company (including suppliers and other partners) to strictly comply. By the end of 2025, Aurisco, Yangzhou Lianao and Yangzhou Aurisco had maintained valid ISO 37001 anti-bribery management system certification.



ISO 37001 Anti-Bribery Management System Certification Certificate

Based on our sound anti-corruption and integrity system, we conduct a variety of anti-corruption and integrity training sessions. We provide detailed interpretations of the Company's business ethics policies, and combine typical industry cases and new forms of corruption to help employees fully understand the importance of anti-corruption, master methods and skills to identify and address corruption risks, continuously foster a culture of integrity, and strengthen employees' awareness of integrity and self-discipline. In November 2025, we organized 5 business ethics training sessions covering all employees, promoting the integration of integrity values into daily work processes.



Business Ethics Training

Case | "Anti-Bribery Guidelines and Policies" Training Held by Yangzhou Lianao

On August 14, 2025, Yangzhou Lianao conducted a training session on "Anti-Bribery Policies and Guidelines" training to ensure all staff understand the Company's anti-bribery guidelines, policies and key provisions. The training clarified legal red lines and behavioral boundaries, improved employees' ability to identify and prevent various bribery and interest conveyance risks, promoted the implementation of anti-bribery policies in all departments and business processes, and fostered a clean and upright corporate culture.

Fair Competition

A fair competitive environment is an important foundation for the efficient operation of the market mechanism. The Company strictly abides by all applicable laws against unfair competition and anti-monopoly laws, and commits to winning the market through fair competition. The Company firmly opposes unfair competition, including exaggerating the efficacy of pharmaceutical products, concealing side effects, misleading consumers and medical personnel, and selling drugs at prices below cost with the intent to exclude competitors.

Adhering to the anti-monopoly philosophy, the Company prohibits abuse of a dominant market position (such as price manipulation and market division), cracks down on false advertising, commercial bribery, theft of trade secrets and other practices, and refuses to enter into monopoly agreements with any entity or individual. It opposes other monopolistic practices that have or may have the effect of eliminating or restricting competition.

In 2025, the Company had no incidents of unfair competition, monopolistic practices or related legal disputes.

Anti-Commercial Fraud and Anti-Money Laundering

The Company strictly prohibits and severely cracks down on all forms of commercial fraud, including but not limited to financial fraud, product fraud and service fraud, so as to effectively safeguard market order and the business ecosystem. Meanwhile, the Company strictly examines the background and identity of transaction counterparts, implements necessary payment and receipt control measures, and requires all employees to comply with anti-money laundering regulations and refrain from involvement in any money laundering activities.

Complaint and Reporting Mechanism

We provide open complaint and reporting channels for employees, suppliers, customers and other stakeholders, encouraging them to report personnel and practices in violation of the *Code of Business Conduct* to the Audit Department. The Company accepts both signed and anonymous reports. Reporters should provide a basic description of the incident, the names and address information of the parties involved, as well as relevant evidence or materials as much as possible.

Complaint and Reporting Channels

Reporting Tel.: 0576-83177335

Reporting Email: shenji@aurisco.com

The Company takes every report seriously, verifies and investigates reported matters, and strictly implements a reporter protection mechanism. Discrimination or retaliation against reporters is prohibited. Reporters whose reports are verified and who help the Company recover or avoid significant losses will be appropriately rewarded. Malicious reporting, false accusation, framing of others, or disclosure of reporter information will be dealt with in accordance with regulations, and the Company reserves the right to refer such cases to judicial authorities.

03

Innovation Drives Growth, Quality Upholds Craftsmanship

Innovation and quality are the powerful dual engines for pharmaceutical enterprises to achieve steady and long-term development, as well as the solid foundation for practicing the ESG concept and protecting public health. Relying on six engineering and technological innovation platforms, Aurisco integrates an innovation gene into the entire R&D process and strengthens the technological foundation of its products. Guided by full life cycle quality management, the Company has built an integrated, full-chain quality control system. With robust technical strength and stringent quality standards, Aurisco embodies the ultimate pursuit of quality in every product, promotes the high-quality and sustainable development of the pharmaceutical industry, and injects inexhaustible impetus into safeguarding human health and well-being.

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- Striving for the Premium Quality
- Upholding Scientific and Technological Ethics
- Safeguarding Information Security

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Deepening Innovation-Driven Development

Innovation Governance

Governance Structure

With the mission of "creating a better world through providing our clients the highest quality pharmaceutical products", Aurisco has established a full-chain technological innovation governance system covering strategic guidance, organizational guarantee, institutional support, resource driving, and open collaboration, continuously enhancing its independent innovation capability.

The Company has set up a three-level technological innovation governance structure of "Board of Directors–Management–R&D Center", which defines the responsibilities of each level and forms a governance closed loop featuring scientific decision-making, effective execution, and robust supervision.

Strategic Decision-Making Level Board of Directors

- Review and approve the Company's technology innovation strategy and medium-to-long term R&D plans
- Approve the initiation and budget of major R&D projects
- Decide on major R&D-related investments and cooperation

Overall Management Level General Manager and Senior Management Team

- Formulate annual R&D plans and budgets
- Organize and implement annual R&D plans
- Coordinate the allocation of R&D resources
- Supervise the progress and quality of R&D projects
- Review R&D achievement transformation plans

Implementation & Operation Level R&D Center and Professional Project Teams

- Undertake the implementation of R&D projects
- Conduct technical research and innovation
- Apply for and protect intellectual property rights
- Facilitate the industrialization of R&D achievements
- Cultivate technical talents and build professional teams

Organizational System

Supported by a sound and efficient governance structure, the Company has established a R&D organizational system featuring "six major platforms, five major centers, team collaboration, and external cooperation", and remains committed to the R&D of small-molecule drugs, peptide drugs, and oligonucleotide drugs.



Five Major Centers

Shanghai R&D Center

- Process development for oligonucleotide APIs, development and validation of analytical methods, preparation and standardization of working standards and impurity standards
- AI-driven discovery of innovative oligonucleotide drugs



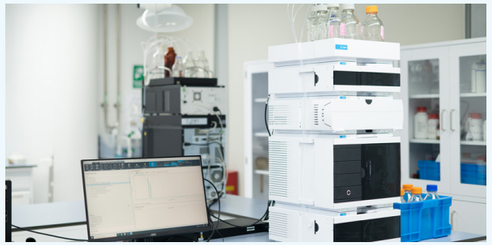
Tianjin R&D Center

- Process development, development and validation of analytical methods for small-molecule APIs, preparation and standardization of working standards and impurity standards
- Process and analytical method development for modified phosphoramidite monomers and delivery systems
- Preparation and standardization of working standards and impurity standards



Hangzhou R&D Center

- New technology development
- Flow chemistry
- Synthetic biology technology development platform



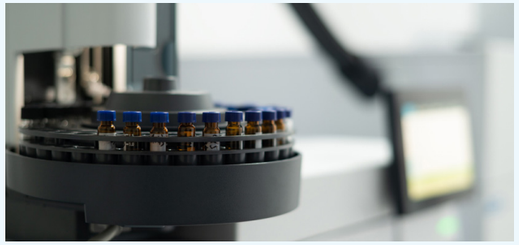
Tiantai R&D Center

- Development and validation of small-molecule processes and analytical methods
- Development and commercial production of solid formulations
- Process development and production of micro-powder, spray drying, and hot-melt extrusion



Yangzhou R&D Center

- Process validation of small-molecule APIs
- Process development and commercial production of synthetic/recombinant peptides
- Fermentation process development and commercial production



Project Management

The Company has formulated management regulations including the *R&D Project Management System*, which refines the whole life cycle management and control process of projects, and clarifies management standards for key links such as project initiation, implementation and progress, fund utilization, and achievement transformation, so as to ensure the efficient and orderly progress of R&D projects. We have established a project change control mechanism to effectively respond to uncertainties including market changes and technical bottlenecks. Phased evaluation is implemented during project implementation, with rigorous reviews conducted at key nodes such as project initiation, pilot test and industrialization, so as to strike a balance between R&D compliance and efficiency.

Team Development

The Company closely integrates talent development with corporate development. Adhering to the principle of independent cultivation as the mainstay, supplemented by external introduction and joint cultivation, we have built a strong R&D team with solid technical strength, rich practical experience and a rational age structure.

By the end of 2025, the Company had a total of **303** R&D personnel with diverse academic backgrounds including doctorate, master's degree and bachelor's degree, among whom **281** personnel held a bachelor's degree or above, accounting for **92.74%** of the total R&D staff. The team covers pharmaceutical R&D, new process R&D, scaled-up production, analytical R&D, quality research and other fields, and is capable of providing comprehensive technical support and innovative solutions for the R&D needs of different products.

The Company has formulated innovation incentive policies including the *Measures for R&D Project Incentive Management* and the Patent Reward System, and continuously improved incentive mechanisms such as those for scientific and technological progress. These initiatives motivate employees' enthusiasm, initiative and creativity in R&D innovation and the transformation of scientific and technological achievements, promote the development of innovative teams and the cultivation of core talent echelons, and provide strong human capital support for translating innovative achievements into driving forces for corporate development.

Hardware Facilities

We have continuously increased investment in the construction of hardware facilities for various research centers. To date, the Company has been equipped with a wide range of advanced research, testing and inspection equipment, including AKTA oligonucleotide solid-phase synthesis and purification systems, low-, medium- and high-pressure preparative chromatography, HPLC, UPLC-MS, UHPLC-QTof, GC-MS, Malvern laser particle size analyzers, infrared spectrometers and other analytical instruments, providing strong support for relevant R&D activities and the transformation of R&D achievements.

External Cooperation

The Company has established long-term cooperative relationships with universities and research institutes including Shanghai Jiao Tong University, Zhejiang University, Zhejiang University of Technology, Shanghai Institute of Organic Chemistry, Chinese Academy of Sciences, Shanghai Institute of Pharmaceutical Industry Co., Ltd., East China University of Science and Technology, and East China Normal University. Based on the development and industrialization of APIs, formulations and innovative drugs with high technological content, advanced processes and low three-waste pollution, the Company promotes the in-depth integration of scientific and technological innovation and industrial development.

Case | Aurisco and East China Normal University Signed Cooperation Agreement to Co-build "AI-Powered Small Nucleic Acid Drug Discovery Joint Laboratory"

On March 11, 2025, Aurisco and East China Normal University signed an agreement to jointly establish the "AI-Powered Small Nucleic Acid Drug Discovery Joint Laboratory". Aiming at metabolic diseases, the laboratory will fully leverage the advantages of artificial intelligence technologies to accelerate the discovery process of small nucleic acid drugs and strive to build an innovation highland for small nucleic acid drug research.







Innovation Strategy

Aurisco has always adhered to the core philosophy of "innovation-driven development". Based on innovation risk identification and assessment, innovation opportunity exploration and review, and continuous improvement of the innovation management system, the Company takes "innovation-oriented, health-serving" as the cornerstone of its "APIs and formulation integration" development strategy, and has established an innovation strategy oriented toward "combination of generic and innovative drugs, focus on core businesses, and technology leadership":

Combination of Generic and Innovative Drugs

We adhere to the integration of generic and innovative drug development. On the one hand, relying on six major engineering and technological innovation platforms, including biofermentation, complex synthesis of multi-chiral centers, synthetic biology, photochemistry, crystal research and mic-powder technology, and solid-phase synthesis, we efficiently and rapidly explore new product opportunities, enrich the product portfolio, and achieve a diversified product layout. On the other hand, we conduct R&D of innovative drugs, gradually shifting from generic drugs to a combination of generic and innovative drugs, laying a solid technological foundation for the Company' s high-quality and sustainable development.

Focus on Core Businesses

We have long focused on the R&D, production and sales of characteristic APIs, pharmaceutical intermediates and formulations, covering cardiovascular diseases, female health and other therapeutic areas. While consolidating our market advantages in characteristic APIs, we accelerate expansion into oligonucleotide drugs, peptide drugs and formulations to foster new growth drivers.

Technology Leadership

Driven by breakthroughs in core technologies, we continue to strengthen research on cutting-edge technologies such as oligonucleotide synthesis, enzyme catalysis and continuous-flow processes. We promote the upgrading of the R&D model toward data-driven, AI-enabled and closed-loop iterative development, and build end-to-end technological capabilities covering molecular design, process development, quality research and clinical translation.

Relying on the construction of the six major platforms, the Company continuously promotes R&D and innovation. By improving and optimizing the production processes of existing core products and upgrading existing equipment and facilities, we further enhance EHS performance, improve production efficiency, strengthen product quality stability, and maintain the sustainable market competitiveness of the Company's products.

Case | The Birth of AOXINTONG®, Glory of Chinese Medicine——The Innovation Journey of AOXINTONG®

In June 2023, Aurisco Pharmaceutical's "Dydrogesterone Tablets" AOXINTONG® received marketing approval from the NMPA. It became the first generic dydrogesterone tablet launched in China and also Aurisco's first approved finished pharmaceutical product.

Since its launch in 1961, dydrogesterone has been hailed as the "Monut Everest" of hormonal drugs due to its extremely high R&D and manufacturing difficulty and massive investment requirements. For over 60 years, no generic drugs had been developed globally, leaving the market long monopolized by foreign manufacturers and Chinese patients entirely dependent on imports.





Guided by the strategy of "combination of generic and innovative drugs, focus on core businesses, and technology leadership", Aurisco conducted in-depth discussions with industry experts multiple times in 2015. Following a comprehensive assessment of the Company's innovation resources and production capabilities, the decision was made to initiate the R&D project.

Dydrogesterone is a polycyclic steroid compound with an extremely complex synthetic process, involving fermentation, synthesis, and 2 consecutive photochemical reaction steps. Its key technical processes span not only organic chemistry but also interdisciplinary fields including physical chemistry, analytical chemistry, pharmaceutics, optics, and engineering equipment. Additionally, industrialization faced numerous challenges such as complex process steps, high impurity levels, difficult purification, and high production costs.

With unwavering determination and perseverance, the Aurisco team bravely confronted countless seemingly insurmountable setbacks and challenges. Through repeated technical breakthroughs, continuous exploration, and process optimization, the Company successfully resolved the bottlenecks in synthetic technology and industrial scale-up. In 2020, Aurisco' s dydrogesterone API was successfully developed and launched in the market, and simultaneously obtained the European CEP certificate, making Aurisco the only dydrogesterone API manufacturer worldwide outside the original drug manufacturer.

While advancing breakthroughs in dydrogesterone API development, Aurisco initiated the development of dydrogesterone tablets in 2017. Adhering to the "Quality by Design" philosophy, the Company collaborated with renowned domestic formulation research teams at critical stages to ensure multi-layered quality assurance. Through comprehensive, multi-angle analysis of the reference listed drug and meticulous refinement of formulation and manufacturing processes, the team overcame hurdles at every stage from laboratory-scale trials to pilot production and finally to industrial manufacturing, culminating in "the birth of AOXINTONG®". Testing across multiple batches confirmed that AOXINTONG® exhibits even lower impurity levels than the original drug. Bioequivalence studies verified that the pharmacokinetic data and safety profiles under fasting and postprandial conditions are consistent with the reference listed drug, providing assurance for the safe and effective clinical use of the product.

AOXINTONG® originated from the collision of ideas and collaborative efforts between scientists and entrepreneurs. It is a vivid testament to the solid implementation of Aurisco's innovation strategy and the crystallization of the Aurisco team's sense of responsibility and collective striving. Looking ahead, under the guidance of "innovation-driven development", Aurisco will continue to break new ground and forge ahead in safeguarding female health.

Innovation Achievements

Relying on a scientific innovation governance system and guided by a clear innovation strategy, Aurisco has continuously increased investment in science and technology, strengthened the development of R&D teams and facilities, and cultivated and enhanced its independent innovation capabilities. In 2025, the Company achieved fruitful outcomes in pharmaceutical R&D, technological breakthroughs, platform development, intellectual property protection and other fields, injecting strong impetus into the high-quality development of the Company:

- The annual R&D investment reached **154** million yuan, accounting for **9.04**% of operating revenue.
- During the reporting period, the Company and its subsidiaries filed **26** new invention patent applications domestically, **3** new PCT international invention patent applications, and **12** new national-phase invention patent applications in foreign countries, with **18** domestic invention patents newly granted. By the end of the reporting period, the Company and its subsidiaries had been awarded a total of **74** valid invention patents in China and **4** invention patents in foreign countries.
- Key progress was made in the peptide drug sector, a key focus of the Company's layout. The semaglutide APIs production line with an annual capacity of **300** kg has passed completion acceptance and been officially put into production, marking an important step forward for the Company in the application of synthetic biology and the industrialization of peptide APIs.

Case | Approval of "AOSHUTONG®", Adds Another Reliable Guarantee for Female Health

On November 18, 2025, "Complex Packaging Estradiol Tablets/Estradiol and Dydrogesterone Tablets" (AOSHUTONG®) developed by Aurisco was approved by the National Medical Products Administration. Following the approval of AOXINTONG® Dydrogesterone Tablets, this is the second approved formulation product of Aurisco in the field of female health, and also the first generic version of Complex Packaging Estradiol Tablets/Estradiol and Dydrogesterone Tablets in China, marking that China has broken the monopoly of foreign drugs in the field of menopausal hormone therapy. Verified by in-depth studies of multiple batches, AOSHUTONG® is consistent with the reference listed drug in quality, providing a strong guarantee for the safety and effectiveness of clinical medication.





Case | Invention Patent Won the 25th China Patent Excellence Award

In June 2025, the China National Intellectual Property Administration announced the 25th China Patent Awards. Aurisco was awarded the China Patent Excellence Award with the invention patent "Preparation Method of Eplerenone" (Patent No.: ZL200910049351.0). This award represents high recognition of Aurisco's technological innovation capability and patent value, highlights the Company's leading position in the field of eplerenone APIs, and provides strong support for enhancing brand influence, market competitiveness and further advancing the globalization strategy.



Striving for the Premium Quality

In advancing the strategy of APIs and formulation integration, Aurisco places quality management at the core of its corporate development strategy. The Company always takes customer needs and expectations as the central focus, and leverages its technological advantages to continuously optimize and improve production processes. Meanwhile, it has established and improved a rigorous and standardized quality assurance system to steadily enhance product quality, and provide high-level quality products to global customers and partners in a compliant and efficient manner.

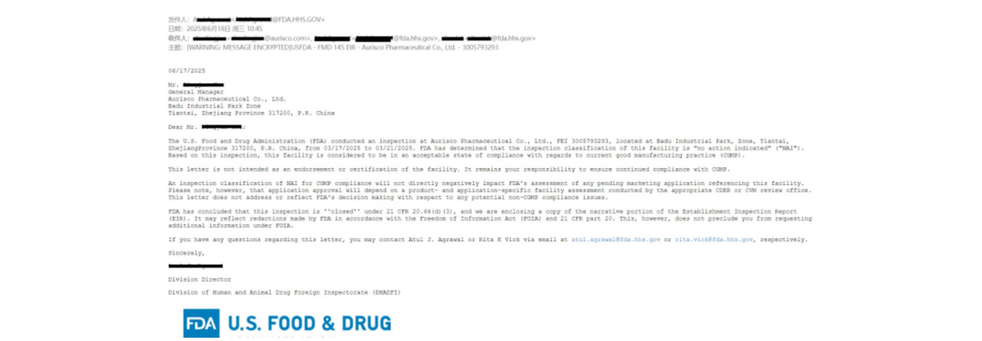
Building a Solid Quality Foundation through Compliance

Aurisco deeply integrates sustainable development and compliance into its quality strategy. Guided by the principle of "Precision Manufacturing, High Quality and Efficiency, Sincere Service, and Continuous Innovation", the Company has established and improved a quality management system aligned with international standards.

The Company strictly adheres to Chinese GMP as well as EU and US cGMP pharmaceutical manufacturing regulations and concepts, ensuring that quality management and production comply with the regulatory standards of major international pharmaceutical authorities including China NMPA, US FDA, and EU EMA. The multi-dimensional, global compliance layout is not a static achievement; instead, it is continuously consolidated through regular official inspections at home and abroad, as well as quality audits by international leading formulation manufacturers, building core access advantages for products to enter the global market.

Case | Aurisco Successfully Passed USFDA Inspection

In June 2025, Aurisco successfully passed the cGMP inspection conducted by the US Food and Drug Administration. The Company underwent an on-site cGMP inspection by the USFDA in March 2025, covering a routine GMP audit of its quality system. The Company has received the notification letter and the Establishment Inspection Report from the USFDA with a No Action Indicated (NAI) classification, confirming that Aurisco' s quality management system fully complies with USFDA cGMP standards.



Meanwhile, in strict accordance with applicable domestic and international regulatory requirements for pharmaceuticals and chemicals, the Company applies for compliance registration, certification, approval, export certificates and other documents for APIs and finished pharmaceutical products respectively in applicable jurisdictions, so as to ensure the legal and compliant market access of its products worldwide. As of December **31**, 2025, the Company and its subsidiaries had submitted domestic filings for **26** API varieties and marketing applications for **7** formulations. Of these, **11** APIs and **2** formulations passed domestic GMP compliance inspections; **22** products obtained certificates for API export to the European Union; **11** API products were granted EU CEP certificates; and **3** API products passed European official (BGV) inspections. Furthermore, **37** APIs and intermediates were submitted for U.S. DMF registration, with **13** products having completed evaluation; **7** APIs were submitted for registration in Brazil, of which **1** API passed evaluation; **3** products obtained registration in Taiwan, China; **2** products obtained registration in India; **1** product passed evaluation in the Republic of Korea; and **1** formulation was registered in Singapore, Indonesia and Saudi Arabia. The Company continues to expand the regulatory registration coverage of its mainstream products, building a global compliance access matrix covering major pharmaceutical markets around the world.

Driving Quality Improvement with Standards

Aurisco has established a full-cycle management and control mechanism of "Demand Orientation–Standard Implementation–Inspection and Release": Production plans are based on customer demand and market forecasts, clarifying quality standards and objectives from the source; Incoming materials are subject to strict batch-by-batch inspection to ensure raw materials meet internal control standards before production; During production, multiple standards including process procedures, post SOP and equipment operation specifications are strictly implemented to ensure stable and controlled processes; Before delivery, finished products undergo a full set of quality inspections and risk assessments to ensure each batch complies with registration standards and customer-specific requirements. This closed-loop management not only ensures batch-to-batch consistency but also drives a step-change improvement in product quality through data-driven continuous enhancement.

We have strengthened employees' quality awareness, cultivated standardized operating habits and improved quality assurance capabilities by conducting regular, systematic and Company-wide thematic training on product knowledge, quality standards, process procedures and equipment operation. Supported by such platforms as quality culture walls, benchmark team evaluations and Quality Month activities, the concept that "Standards are the lifeline" has been deeply integrated into employees' daily operations. This ensures every procedure serves as a solid fulfillment of our quality commitment, making "zero defects" not merely a goal, but a measurable, traceable and verifiable daily practice.

Case | **Aurisco's Quality Management Experts Assist Tiantai Team Won First Prize at 2025 Taizhou Pharmaceutical Industry Production & Quality Management Vocational Skills Competition**

On September 11, 2025, the Taizhou Pharmaceutical Industry Production and Quality Management Vocational Skills Competition concluded successfully. Centered on the theme of "Strengthening Corporate Primary Responsibility", the competition conducted comprehensive assessments focusing on pharmaceutical laws and regulations, good manufacturing practices and other key areas, consisting of theoretical knowledge contests and practical skills competitions. It tested not only professional knowledge but also practical operational capabilities.

In the competition, employees of the Company demonstrated solid professional expertise, rigorous quality awareness and excellent competitive performance, helping the Tiantai Team won the Group First Prize, which fully reflects the Company's professional competence and talent strength in the field of pharmaceutical production and quality management.



Case | **Yangzhou Lianao Won Group Second Prize at Yangzhou Pharmaceutical Manufacturing Enterprise Employees GMP Knowledge & Skills Competition**

On November 2, 2025, the final of the Yangzhou Pharmaceutical Manufacturing Enterprise Employees GMP Knowledge and Skills Competition was successfully held. The competition was hosted by the Yangzhou Federation of Trade Unions and co-organized by the Yangzhou Inspection Branch of Jiangsu Medical Products Administration, Yangzhou Market Supervision Administration, Yangzhou Pharmaceutical Association and other institutions.

More than 1,000 employees from over 20 pharmaceutical manufacturing enterprises in Yangzhou participated in the event. After five months of intense training, examinations, selections and competitions, Yangzhou Lianao won the Group Second Prize, which fully demonstrates the Company's solid foundation in implementing GMP standards, developing a strong quality culture and strong team cohesion.



Strengthening the Safety Bottom Line with Risk Control

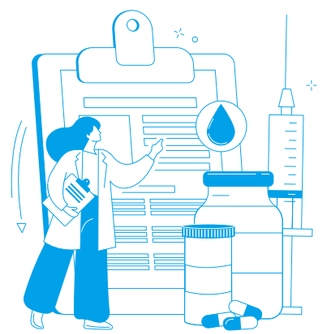
Aurisco has established a dynamic risk control system featuring "Identification–Assessment–Control–Monitoring" that covers the entire chain of R&D, procurement, production and delivery: in R&D, forward-looking risk analysis is conducted to define product quality standards against advanced benchmarks; in procurement, a strict supplier screening system is implemented to ensure the quality of raw and auxiliary materials; in production, routine self-inspections are carried out to avoid compliance risks; and in after-sales, market information tracking enables timely response to quality feedback. By strengthening the dual-track mindset of "proactively meeting demand and reversely preventing risks" and establishing a forward-leaning quality risk management mechanism, the Company has upgraded quality activities from passive response to active prevention, driving continuous improvement of the quality management system.

From APIs to formulations, from the domestic market to global layout, Aurisco has built a solid, traceable and verifiable quality management system through sustained compliance certification, full-process standard implementation and forward-leaning risk control. Every tablet and every batch of raw material delivered to global customers carries Aurisco's awe and commitment to the dignity of life.

Chapter Topic: Product Recall

Aurisco has formulated the *Product Recall Management Procedure*, which clarifies the responsibilities and collaboration mechanisms of all departments to ensure timely and effective recall of products from the market when quality defects or potential safety hazards are identified, thereby safeguarding customer use and patient medication safety. For actual product recall incidents, the Company prepares a *Product Recall Report* documenting the cause, notification issuance, handling process and results of the recall, while proposing rectification objectives and plans as well as corresponding preventive measures to avoid recurrence of similar incidents. During the reporting period, there were no product recall incidents.

The Company regularly conducts simulated recall drills to verify the feasibility and effectiveness of product recall management measures and procedures. From late August to early September 2025, Yangzhou Aurisco carried out a full-process simulated drill based on the scenario of "Exceeded related substances detected in a batch of Bempedoic Acid during retention sample reinspection". The drill covered all key steps in detail of defect detection and reporting, defect and recall assessment, recall confirmation, recall notification issuance, inventory sealing, recovery of distributed products, disposal of defective products, customer comfort and compensation, and corrective and preventive actions. With strong customer support and efficient cross-departmental collaboration, the drill fully validated the effectiveness and implementability of the product recall process. Following the simulation, Yangzhou Aurisco compiled the *2025 Simulated Recall Report*, which recorded and summarized the drill in detail, providing high-quality reference and guidance for the Company and all its operating entities.



Upholding Scientific and Technological Ethics

Aurisco has always integrated scientific and technological ethics into the entire process of pharmaceutical R&D, clinical trials, production and manufacturing. The Company strictly complies with policies and regulations including the *Opinions on Strengthening the Governance of Scientific and Technological Ethics* and the *Measures for the Review of Scientific and Technological Ethics (Trial),* and has established a systematic scientific and technological ethics management system to build a solid ethical foundation for the Company's high-quality innovative development.

The Company has set up a Scientific and Technological Ethics Committee, composed of senior executives, R&D directors, medical experts, legal experts and external ethical consultants. The Committee is responsible for overall system approval, decision-making on major ethical issues, ethical review and supervision. R&D, human resources, audit and other departments jointly carry out ethical risk identification and assessment, scientific and technological ethics training, ethical compliance audits and rectification, forming a full-chain and full-scenario ethical risk prevention and control network.

Adhering to the principles of advancing human well-being, respecting life and rights, upholding fairness and justice, reasonably controlling risks, and maintaining openness and transparency, the Company has formulated a series of scientific and technological ethics systems, including the *Measures for the Ethical Review of Clinical Trials, Measures for the Identification and Management of Conflicts of Interest,* and *Regulations on the Management of Scientific and Technological Information Security.* These documents clarify ethical review standards, conflicts of interest avoidance mechanisms and data security requirements, ensuring the authenticity of R&D data, full protection of the rights and interests of clinical subjects, and clear and controllable boundaries for technology application.

The Company conducts ethical compliance qualification reviews of suppliers, medical institutions and other partners, specifies ethical compliance requirements in cooperation agreements, and strengthens supervision over the cooperation process to prevent acts and incidents violating scientific and technological ethics. A reporting and complaint mechanism for violations of scientific and technological ethics has been established, with public reporting telephone, email addresses and other channels, clear processing procedures and time limits, and strict confidentiality of whistleblower information. The Company encourages employees and the public to supervise violations, forming a joint internal and external supervision force.**In 2025, the Company received no reports or complaints related to violations of scientific and technological ethics, and no major violations of scientific and technological ethics occurred.**

Case | Yangzhou Aurisco Steadily Advances Scientific and Technological Ethics Management

Yangzhou Aurisco has firmly implemented national policies and regulations on scientific and technological ethics as well as the Company's relevant systems, and comprehensively promoted scientific and technological ethics management:

Strengthening the Institutional Foundation

In 2025, Yangzhou Aurisco further revised and improved 4 systems, including the *Measures for the Ethical Review of Clinical Trials and Regulations on the Management of Scientific and Technological Information Security,* and newly formulated the *Detailed Rules for the Management of R&D Data Integrity*. These efforts enhanced the scientificity and operability of the systems, ensuring that the scientific and technological ethics management system is more aligned with actual operations.

Enhancing Ethical Awareness

Scientific and technological ethics training has been integrated into the annual employee training plan, with a tiered and categorized system established for R&D personnel, clinical trial staff, managers and all employees. In 2025, a total of 4 scientific and technological ethicsrelated training sessions were held, achieving 100% employee coverage and improving ethical awareness of all employees. Meanwhile, the Company strengthened the development of an ethical culture through internal bulletin boards, the corporate intranet, case-sharing meetings and other channels, fostering a sound atmosphere where "everyone practices ethics, everything abides by ethics.".

Strengthening Risk Prevention and Control

In 2025, 4 scientific and technological ethics risk assessments were conducted, identifying and rectifying 5 potential risks. The Company strengthened information security protection with no incidents involving the leakage of R&D data or trade secrets. It also standardized partner management by conducting ethical compliance qualification reviews of 20 partners, ensuring commercial cooperation meets ethical and compliance requirements.

Strict Ethical Review

In 2025, the Company carried out 12 R&D projects, including 5 clinical trial projects. The Scientific and Technological Ethics Committee strictly performed its review responsibilities, completing 12 preliminary ethical reviews and 8 follow-up reviews. It timely proposed rectification opinions on 3 detailed issues identified during the review (such as nonstandard expressions in informed consent forms and insufficiently detailed risk prevention and control measures for subjects). All relevant projects proceeded only after rectification, ensuring full ethical compliance of all scientific and technological projects. No incidents involving infringement of subjects' rights or violation of ethical requirements in trial protocols occurred throughout the year.

Safeguarding Information Security

Consolidating the Governance Foundation

Aurisco takes compliance management and control and risk prevention as its core priorities and strictly abides by laws and regulations including the Data Security Law of the People's Republic of China and the Personal Information Protection Law of the People's Republic of China. Guided by the principle of "Safety first, prevention-oriented, law-abiding; full participation, comprehensive risk governance, continuous improvement", the Company continuously enhances its information security governance system in accordance with ISO 27001. It has formulated information security management systems covering the full life cycle covering information asset identification, information security risk assessment, information security incident response, and information security audit. A three-in-one information security protection system of "systems + technology + personnel" has been established.**During the reporting period, the Company, together with Yangzhou Aurisco and Yangzhou Lianao, successfully passed the ISO/IEC 27001 Information Security Management System annual surveillance audit. No information security incidents or customer privacy breaches occurred throughout the year.**



ISO/IEC 27001 Information Security Management System Certification Certificate

We regard information security training as a key part of employee capability development and have established a systematic and full-coverage training system. Starting from policy and regulation publicity, applied technology instruction, practical drills, and typical case warnings, we have comprehensively improved employees' information security awareness and operational capabilities. Through the closed-loop training model of "policy guidance + scenario-based teaching + assessment implementation", we have built the first line of defense for information security.





Information Security Training

Ensuring Risk Prevention and Control

Aurisco has formulated internal regulations including the *Information Security Risk Management Procedure*, which clarifies the responsibilities of the authorities and departments responsible for information security risk management, and sorts out and standardizes the work standards and procedural requirements for information assets and their risk identification, risk assessment and treatment. The Company has established an Information Security Risk Assessment Team to coordinate the implementation of information security risk assessments. During the reporting period, the annual information security risk assessment was carried out as planned, covering all business areas including R&D, production, sales and administration. A total of 765 information assets were identified, including 487 critical assets; 485 risks were identified, of which 35 were assessed as high-risk. Targeted management measures were formulated and implemented for all high-risk items, and after the measures took effect, the number of residual risks was reduced to 0. In the same year, Yangzhou Aurisco and Yangzhou Lianao both conducted independent information security risk assessments and completed the rectification of high-risk items, effectively preventing potential information security threats.

The Company has formulated internal regulations including the *Information Security Incident Management Procedure*, which clarifies the classification and grading of information security incidents, reporting channels, response procedures and handling time limits, so as to ensure the timeliness of incident response and professional handling. After proper handling of information security incidents, the Company conducts timely root cause analysis and review, and continuously optimizes the incident response mechanism to promote the closed-loop iterative upgrade of "Discovery–Response–Review–Prevention", effectively improving the overall risk prevention resilience.

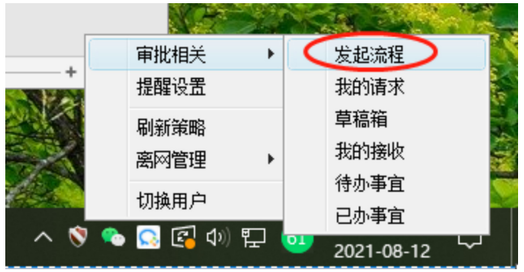
The Company carries out regular emergency drills targeting the actual operating environment and high-frequency risk scenarios. By simulating real scenarios, it improves employees' ability to respond to sudden information security incidents. During the reporting period, the Company organized typical emergency drills including ransomware attacks, phishing email penetration and core system downtime. Participants covered R&D, IT, production and functional departments, which tested the efficiency of collaborative handling and rapid recovery capabilities for emergencies, and effectively improved the organization's overall information security resilience and business continuity assurance level.

Strengthening the Technical Foundation

Aurisco has established and improved a full-link technical protection system covering computer room facilities, network equipment and networks, terminals, systems and applications, as well as data transmission and storage, by increasing investment and improving policies and systems. Through the deployment of next-generation firewalls, intrusion detection and prevention systems (IDS/IPS), endpoint EDR security platforms, and a global data encryption mechanism, the Company has achieved intelligent interception at network boundaries, real-time detection of abnormal behaviors, second-level response to terminal threats, precise vulnerability remediation, and full-life-cycle encryption protection and dynamic desensitization of sensitive data. In this way, a comprehensive technical barrier featuring defense-in-depth and active immunity has been built.

Case | File Encryption

We have deployed a file encryption application on the internal network to encrypt files of all types during their generation, transmission and storage. Combined with technical and management measures such as file access control and physical isolation, we ensure the security of files and related data. For decryption operations required by business needs (e.g., file review necessary for external certification and audits), decryption and access are only permitted after submission of an application and approval through strict authority and process control.



Enhancing Management Security

The Company continuously optimizes its information security management system. Based on actual operations and regulatory requirements, it dynamically updates various management systems and operating procedures, including computer room access, internal and external network access, terminal equipment management, data classification and grading, storage media management, account and permission allocation, and data backup. It strengthens full-process and full-element management and control, and embeds compliance review and risk assessment nodes.

In addition, we attach great importance to information security risks in the supply chain and implement full-cycle management of suppliers, including information security access assessment, contractual constraints, security audits, and performance appraisal, to ensure that third-party services comply with regulatory requirements and the Company's management standards throughout the process. We have also established a supplier security incident joint response mechanism, clarifying collaborative handling processes and responsibility boundaries to prevent external risks from spreading internally.





04

Value Chain Collaboration, Industry Co-prosperity

The value chain serves as a key link connecting the industrial ecosystem and all stakeholders. Aurisco has always integrated the sustainable development concept into the entire layout of the value chain.We take customer demand as our orientation, deepen value connections with customers relying on our global sales network and full-industry-chain technological advantages; build a green and sustainable procurement system through transparent procurement and supplier empowerment to consolidate the foundation of industrial development; and advance the integrated development strategy of APIs and formulations to support innovation and upgrading of the pharmaceutical industry, promoting inphase resonance and collaborative progress across the sector. Striving to fulfill its corporate mission—— "creating a better world through providing our clients the highest quality pharmaceutical products", Aurisco is committed to deepening value across the entire chain and building a more resilient and dynamic pharmaceutical industrial ecosystem.

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- Sincere Customer Service
- Sustainable Supply Chain
- Driving Industry Development

SDGs

Sincere Customer Service

APIs and Intermediates

As an international enterprise focused on specialty APIs and intermediates, Aurisco operates in an industry characterized by "high technical barriers, long registration cycles and strict quality requirements". The Company regards customer service as the cornerstone of its competitiveness, deeply engages in the global pharmaceutical market, and has gradually established a customer service management system "oriented by customer demand, supported by professional capabilities and aimed at longterm trust," laying a solid foundation for sustainable business growth. To date, the Company has established a complete APIs sales system in Europe, the Americas and Asia, and has built stable longterm cooperative relationships with many worldrenowned pharmaceutical enterprises. Meanwhile, the Company has vigorously expanded the domestic market and carried out multiproduct cooperation with leading domestic pharmaceutical companies.

Aurisco's customers for APIs and intermediates are mainly APIs and formulation manufacturers. The Company's Marketing Center takes unified responsibility for product sales. The marketing team conducts indepth market research and expands the market through global pharmaceutical exhibitions, customer visits, online channels, traders and referrals.

While selling its own products, the Company also engages in the trading of APIs and pharmaceutical intermediates. In providing trading services to customers, the Company leverages its industry expertise to quickly identify qualified suppliers and products that meet customer requirements, helping customers solve pain points in "onestop procurement". At the same time, relying on profound understanding of global pharmaceutical regulations, the Company supports domestic suppliers in improving their GMP systems and assists them in completing APIs and intermediate registration procedures. This helps customers avoid hidden costs in supplier screening, quality verification and compliance checks from the source, significantly improving procurement efficiency.

The Company has set up a dedicated aftersales team to handle customer feedback and established "onetoone" service files to record key information such as cooperation history, demand preferences and compliance requirements. A 24hour response mechanism has been established for technical support, quality inquiries, logistics coordination and other issues. For complex demands such as registration and filing and process optimization, the Company coordinates R&D and compliance departments to form dedicated service teams and provide customized solutions, enhancing service professionalism and timeliness. The Company regularly conducts customer satisfaction surveys and optimizes service processes based on feedback, including anticipating raw material supply cycles and developing stocking plans in advance to meet the needs of formulation enterprises.

Formulation

Aurisco has established a domestic finished formulation products marketing center, which is mainly responsible for marketing activities including brand promotion, customer service, agreement signing, bidding and tendering, payment collection, sales flow tracking, receivables control, after-sales service and sales network development for finished formulation products in the domestic market. It also collects market information and sales data, defines product positioning, and develops and implements academic promotion plans for products. The sales of the Company's finished formulation products mainly adopt the distribution model: products are sold to end customers such as hospitals at all levels, primary medical and health institutions, and pharmacies through pharmaceutical circulation enterprises holding Drug Distribution Licenses.

Facing an increasing number of approved competitive products and intensifying competition, the Company has continuously increased investment to improve and optimize its national distributor network and distribution system. By leveraging the quality advantages of products such as AOXINTONG®, and carrying out academic promotion and strengthening the expert system, the Company has steadily promoted hospital access, especially in tertiary hospitals.

While expanding the marketing network for finished formulation products, the Company takes sincerely serving patients as its ultimate goal and continuously deepens the patient-centered service philosophy. Through surveys of product usage among distribution partners, hospitals and clinical departments, and on the basis of strictly protecting patient privacy, the Company understands patients' medication status and feedback on therapeutic effects to help continuously optimize medication guidance programs. Meanwhile, the Company has launched a patient medication consultation hotline and an official WeChat service account to provide patients with health services including pharmaceutical knowledge popularization and safe medication guidance, extending product value to disease prevention and health management.



AOXINTONG® WeChat Account (screenshot)

Sustainable Supply Chain

Sustainable Supply Chain Management Structure

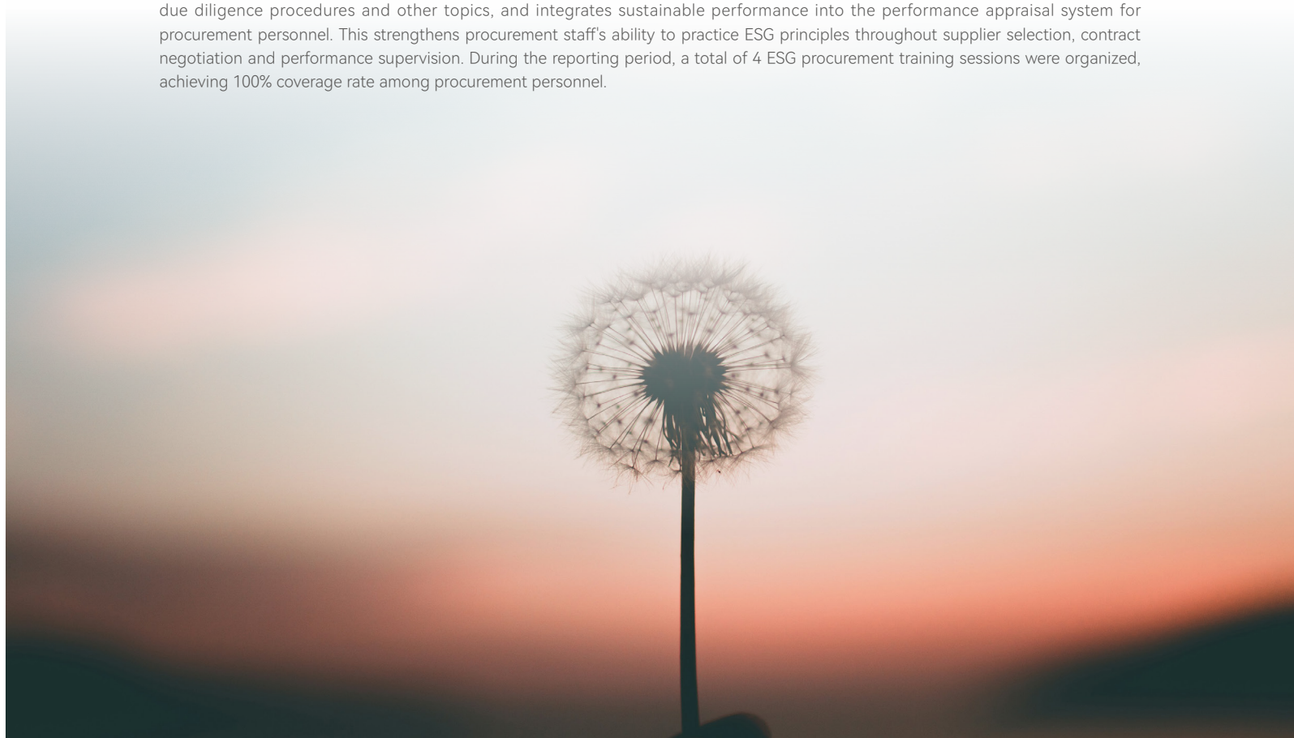
Aurisco deeply integrates the sustainable development concept into the entire process of supply chain management, and has established a three-level closed-loop governance system of "Top-level Design-Institutional Assurance-Implementation", with clear division of responsibilities and collaboration mechanisms. The senior management team led by the General Manager is responsible for approving strategic objectives and major policies for sustainable procurement. As the core department, the Logistic Department takes the lead in policy formulation, supplier risk assessment, ESG indicator monitoring and performance tracking. Production, Quality, Legal and other departments refine implementation measures in accordance with their functional divisions, forming a cross-departmental collaborative network. Meanwhile, the Company has established and improved a sustainable supply chain management system in line with international standards to effectively prevent supply chain risks and enhance the resilience and transparency of the Company's supply chain. During the reporting period, Yangzhou Aurisco was certified with ISO 28000: 2022 *Security and Resilience-Security Management Systems-Requirements* for its supply chain management system.



ISO 28000 Certification Certifictae of Yangzhou Aurisco

The Company has formulated and issued the *Sustainable Procurement Policy*, which clarifies full-process requirements including supplier access, process management and control and compliance review, and establishes a dynamic management and optimization mechanism for the supply chain. The procurement policy is continuously improved in line with updates to laws and regulations, upgrades of industry standards and feedback from stakeholders, to ensure that procurement activities meet environmental, social and governance (ESG) requirements.

As frontline implementers of the sustainable supply chain, procurement personnel are regarded as a key focus in sustainable supply chain development. The Company regularly provides specialized training on ESG procurement guidelines, green supplier assessment, due diligence procedures and other topics, and integrates sustainable performance into the performance appraisal system for procurement personnel. This strengthens procurement staff's ability to practice ESG principles throughout supplier selection, contract negotiation and performance supervision. During the reporting period, a total of 4 ESG procurement training sessions were organized, achieving 100% coverage rate among procurement personnel.



Supplier Full Life Cycle Management System

Screening and Access

The Company has adopted the supplier access principle of "Compliance First, Dual-line Certification, Multi-dimensional Assessment". In addition to requiring potential suppliers to provide basic qualifications such as business licenses and production licenses, the Company clearly stipulates that key raw material suppliers must hold corresponding certifications and capabilities in quality management systems, environmental management systems, and occupational health and safety management systems.

We screen and assess suppliers through a multi-dimensional approach of "document review + questionnaire assessment + on-site audit": document review focuses on suppliers' compliance qualifications, system certification certificates and product quality performance reports in recent years; questionnaire assessment covers core indicators such as environmental management, labor rights and business ethics; on-site audit is conducted by a joint audit team formed by Procurement, Quality, EHS and other departments to conduct on-site inspections of suppliers' production workshops, environmental protection facilities, employees' working environments and other aspects. We record the audit results and submit them for cross-departmental review, suppliers that meet the Company's established access standards are included in the *Qualified Supplier List*; for suppliers that fail to meet the standards, the Company puts forward targeted rectification requirements within a time limit, and re-assessment is required after rectification; suppliers that refuse to rectify or still have serious ESG risks after rectification are denied access.

Process Control and Empowerment

Aurisco conducts annual reviews of qualified suppliers and establishes a continuous monitoring and dynamic assessment mechanism to assess their overall performance in product quality, delivery capability, service response, and ESG performance. Annual review results serve as an important basis for supplier classification, order allocation, and continued cooperation.

For suppliers with outstanding responsibility and performance, under equal conditions, the Company provides incentives including priority qualification and strategic cooperation, priority invitation to bidding, increased procurement proportion, and favorable payment terms. Correspondingly, for suppliers with responsibility risks, differentiated control measures are applied based on risk severity and improvement progress, including but not limited to: oral or written warnings, required improvement within a time limit, reduced procurement volume and proportion, suspension of procurement, or termination of cooperation.

We require suppliers to sign the *Supplier Code of Conduct* to acknowledge and abide by basic cooperation bottom lines. Meanwhile, based on full communication and negotiation with suppliers, ESG factors such as quality, service, environment, and social responsibility are incorporated into framework procurement contracts or agreements, clarifying the responsibilities, obligations and rights of both parties in ESG governance as legally binding terms. This strengthens mutual commitment to sustainable development and effectively ensures supply chain stability and procurement business continuity.

For issues identified in supplier assessments and reviews, we guide suppliers to carry out timely rectification. We also provide targeted training for suppliers——including but not limited to supplier code of conduct, anti-corruption and business ethics, quality management, occupational health and safety, environmental management, and labor rights and interests, to further improve the overall sustainable development capacity of the supply chain.

Target-oriented Management

To encourage suppliers to adopt ESG management practices, continuously improve their ESG governance capabilities and performance, and enhance collaborative value across the entire supply chain, Aurisco has set clear phased objectives for building a sustainable supply chain under the guidance of its *Sustainable Procurement Policy*.

Using 2023 as the base year, the Company aims to achieve the following targets by 2027:

the coverage rate of key raw material suppliers with environmental and occupational health and safety certifications will exceed **90**%;

the coverage rate of suppliers subject to social responsibility audits (including on-site audits and questionnaire assessments) will reach**100**%;

the signing rate of the Supplier Code of Conduct will reach**100**%;

and the coverage rate of procurement contracts incorporating social and environmental protection clauses will reach**100**%。

Environmental Sustainability Practices in the Supply Chain

Aurisco actively responds to the goals of "carbon peaking and carbon neutrality" and integrates climate action into supply chain management. We explicitly require suppliers to abide by environmental protection laws and regulations, and establish a sound system for pollutant emission control, monitoring and reporting in accordance with regulatory standards, so as to ensure environmental compliance and transparency. We encourage suppliers to formulate scientific carbon reduction pathways, prioritize clean energy and low-carbon technologies, implement water recycling, conserve raw materials, and establish a sustainable waste classification and treatment system. Meanwhile, we work with suppliers to conduct product carbon footprint research and jointly promote the green transformation of the supply chain.

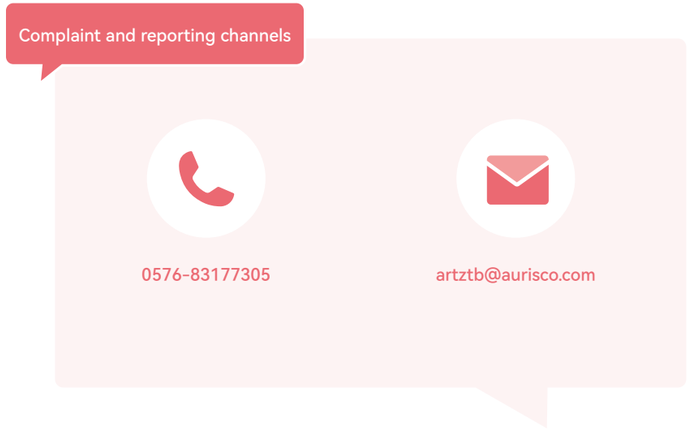
Social Responsibility Collaborative Practices in the Supply Chain

Based on "compliance", Aurisco clarifies requirements for suppliers to strictly abide by relevant laws and regulations of the pharmaceutical industry as well as international conventions through issuing the Sustainable Procurement Policy, signing the *Supplier Code of Conduct* and conducting compliance requirements. Suppliers are required to eliminate violations such as bribery, corruption and commercial bribery, and properly protect intellectual property rights including trade secrets and technical patents involved in cooperation.

We continue to expand the scope of supplier selection. Under equal conditions, priority is given to partnering with high-quality, steadily-operated, enterprising and highly socially responsible suppliers owned by female, vulnerable groups, small and medium-sized manufacturing suppliers, and local suppliers, so as to build a more diversified and inclusive supply chain and promote diversified economic and social development.

The Company strictly prohibits the use of child labor and forced labor by suppliers, and requires suppliers to take proper measures to protect the legitimate rights and interests of employees, including providing a safe and healthy working environment, guaranteeing reasonable compensation and working hours, implementing equal employment and anti-discrimination policies, and earnestly fulfilling social responsibilities. We also promote the establishment of a supply chain employee empowerment mechanism and support suppliers in carrying out vocational training and skill improvement programs to enhance long-term sustainable development capacity.

We have set up a specialized complaint and reporting channel for all stakeholders in the supply chain (Tel.: 0576-83177305; Email: artztb@aurisco.com), encouraging all partners and their employees to report any suspected violations of sustainable procurement principles. We solemnly promise to attach great importance to and respond promptly to every report to ensure proper handling of issues. Meanwhile, we strictly protect whistleblower information to ensure that the legitimate rights and interests of whistleblowers are not infringed.



Driving Industry Development

As a benchmark enterprise in the field of specialty APIs in China, Aurisco Pharmaceutical Co., Ltd. has been deeply engaged in the industry for more than 20 years. Guided by "Exchange for Common Progress, Collaboration for Development", the Company has continuously made efforts in school-enterprise cooperation, government-enterprise connection, and industry resource sharing, injecting vitality into the development of the pharmaceutical industry ecosystem through diverse interactive practices.

With industry-university-research cooperation as a link, the Company has built an industrial innovation platform. By carrying out regular academic exchanges, sharing laboratory equipment and research resources, accelerating the transformation of technological achievements, and improving talent mobility and training mechanisms, the Company promotes the in-depth integration of industry, university and research, and provides sustained and leading innovation momentum for industrial development.

Case | Building a Cooperative Development and Achievement Transformation Platform

On August 19, 2025, the signing ceremony of the Cooperation and Joint Construction Agreement on Cooperative Development and Achievement Transformation between Shanghai Institute of Biomedical Technology and Aurisco Pharmaceutical Co., Ltd. was held at Shanghai Institute of Biomedical Technology. The cooperation includes the joint construction of a collaborative innovation platform, a clinical transformation platform, an advanced scientific research system, and an academic exchange platform. The two sides will jointly commit to the R&D of female health medicines, accelerate the transformation of scientific research achievements from laboratories to clinical applications, and promote scientific and technological innovation and common development.



In the field of technical standards and quality improvement, Aurisco actively participates in government-enterprise interaction and industry exchanges, and takes the initiative to engage with industry regulators, service institutions, industry associations and academic societies. The Company conducts in-depth discussions on topics including new synthetic processes, analytical techniques and pharmaceutical standard optimization, and shares experience in preparing for international quality standard certification, striving to promote standardized products, compliant production and internationalized quality across the industry.

By the end of the reporting period, the Company had participated in the formulation of **1** European Pharmacopoeia standard and **2** roup standards in total

List of Industry Associations/Societies and Other Organizations Joined by Aurisco

Association / Society Name	Position	Joined by
Zhejiang Private Enterprise Development Federation	Director	Aurisco
Zhejiang Pharmaceutical Industry Association	Member	Aurisco
Pharmaceutical Chemistry and Antibiotics Committee, Zhejiang Pharmaceutical Association	Committee Member (Chu Dingjun)	Aurisco
Taizhou International Chamber of Commerce	Vice President	Aurisco
Taizhou Technician Education Group	Director	Aurisco
Taizhou Pharmaceutical and Chemical Industry Association	Director	Aurisco
Taizhou Environmental Science Society	Director	Aurisco
Taizhou Drug Administration and Industrial Development Research Association	Member	Aurisco
Taizhou Human Resources Association	Member	Aurisco
Yangzhou Biomedical Industry Association	The Deputy General Manager Serves as the Supervisor of the Association	Yangzhou Aurisco
Tiantai Biomedical Association	President	Aurisco
Tiantai Human Resources Association	Vice President	Aurisco
Tiantai Mountain Harmony Culture Foundation	Initiator	Aurisco
Tiantai Industry-Education Cooperation Alliance	Executive Director	Aurisco
Tiantai Chamber of Commerce for Small and Medium-sized Enterprises	Advisor (Chu Dingjun)	Aurisco
Tianyi Foundation of Tiantai People's Hospital	Director	Aurisco
Hanjiang District Corporate Culture Research Association of Yangzhou	Member	Yangzhou Aurisco

Report

Investing in the "Belt and Road" Initiative, Promoting Win-Win Cooperation

Aurisco actively responds to national initiatives, seizes opportunities to participate in the development of the "Belt and Road" Initiative, and strengthens win-win cooperation. On May 12, 2025, President of the Federative Republic of Brazil Luiz · Inácio · Lula · da Silva received Chairman of the Company Peng Zhien in Beijing.



05

Green Intelligent Manufacturing, Eco-Protection Safeguarding

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SDGs



Enhancement of Environmental Management

Environmental Management System

Aurisco regards environmental compliance management as a cornerstone of its survival and development. The Company strictly abides by the *Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on Environmental Impact Assessment* and other relevant laws and regulations, and continuously optimizes its environmental management system and improves its environmental management organizational structure. The Company implements a hierarchical management and control system for environmental responsibilities, implements environmental objectives and responsibilities level by level, and integrates its environmental policy and philosophy into the entire business process including strategic planning, production operation and supply chain management. It promotes the in-depth integration and coordinated advancement of environmental protection requirements and business operations, achieving a win-win situation between business development and ecological environment protection through systematic responsibility management.**In 2025, Aurisco had no environmental violations or penalties issued by environmental protection authorities, and the Company was included in the Taizhou Positive List of Enterprises for Ecological Environment Supervision and Law Enforcement in June 2025 (Second Batch of 2025). The Company's environmental protection investment in 2025 amounted to 41.8468 million yuan.**

By the end of 2025, Aurisco, Yangzhou Lianao and Yangzhou Aurisco had maintained valid ISO 14001 Environmental Management System certification.



ISO 14001 Environmental Management System Certification Certificate

Environmental Management Commitments

- Prevent and control pollution throughout the entire production and operation process, and minimize pollutant emissions;
- Comply with relevant national and local environmental laws, regulations and other requirements, and operate in accordance with the law;
- Continuously improve the Company's environmental performance and constantly enhance environmental quality.

Environmental Risk Management and Control

The Company regularly conducts identification and assessment of environmental factors in accordance with national laws and regulations and its own operational reality, ensuring that environmental impact factors in the whole process of production and operation are effectively identified, assessed and controlled.

Environmental Impact Assessment

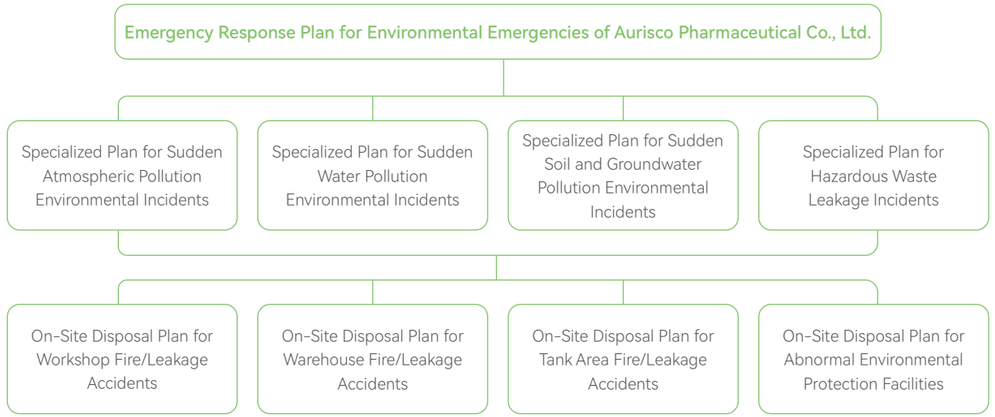
The Company carries out environmental impact assessments for new projects to fully identify potential environmental impacts such as wastewater, waste gas, solid waste, noise, soil pollution and ecological damage during project construction and operation, accurately analyzes hidden risks, and puts forward targeted pollution control and ecological protection measures. Meanwhile, through environmental impact assessment, the Company verifies whether project construction complies with the requirements of the ecological protection red line, environmental quality bottom line, resource utilization upper limit and ecological environment access list, and whether pollutant emissions meet the national and provincial pollutant discharge standards and total emission control requirements for key pollutants.

Environmental Emergency Response Management

In strict compliance with national environmental protection regulations, the Company has formulated the *Emergency Response Plan for Environmental Emergencies* and established an emergency response mechanism covering emergency command, professional disposal and logistical support. Specialized emergency response supplies are stocked, and regular emergency response drills are conducted to fully improve emergency response capacity. Meanwhile, the Company conducts regular environmental hazard inspections, promptly eliminates potential hazards, and effectively prevents and mitigates environmental risks.



Emergency Cabinet



Emergency Response Plan (Level III) Structure Chart



Emergency Response Drill for Environmental Incidents

Case | Yangzhou Aurisco Conducted An Emergency Reponse Drill for Wastewater Leakage Accident

In June 2025, Yangzhou Aurisco conducted an emergency response drill for wastewater leakage accident, covering the repair of flange valves, pipeline plugging, personnel evacuation, material support, security cordon of the polluted area, water spraying dilution and other operations. The drill simulated a real accident scenario and fully considered the disposal procedures and emergency response rescue measures required for environmental accident. It helped employees master practical emergency response skills and enhanced the coordination and cooperation capabilities of all emergency teams.





Case | Yangzhou Lianao Conducted An Emergency Response Drill for Hazardous Waste (Tetrahydrofuran) Leakage Incident

On January 15, 2025, Yangzhou Lianao conducted an emergency response drill for hazardous waste (tetrahydrofuran) leakage incident. The drill verified the scientificity, practicality and operability of the emergency response organization system and emergency response plan, and helped identify and improve deficiencies in the plan in a timely manner. Meanwhile, the drill enhanced all participants' understanding of the hazardous characteristics of tetrahydrofuran, strengthened their proficiency in emergency response procedures, and clarified the responsibilities and division of labor of each emergency team and personnel. This ensured that in the event of an actual leakage, emergency operations can be carried out quickly, efficiently and in an orderly manner.









Standardization of Pollution and Waste Treatment

Environmental quality is directly linked to the economic development level and human well-being. Aurisco strictly abides by relevant laws and regulations in all regions where it operates, and implements full-process management over the discharge of various pollutants and disposal of waste. The Company strengthens management and control in all dimensions, including source reduction, process management and control and end-of-pipe treatment, continuously optimizes pollution prevention and control and waste resource utilization measures, minimizes the impact of pollutants and waste on the ecological environment, and effectively safeguards ecological and environmental security.

Wastewater Treatment

Aurisco strictly complies with the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Integrated Wastewater Discharge Standard* and other laws, regulations and discharge standards. It has formulated standardized wastewater treatment operating procedures, established a sound wastewater treatment mechanism, and equipped supporting wastewater treatment facilities and monitoring equipment to effectively ensure that wastewater is discharged up to standard. The Company gradually adjusts and technically upgrades processes and equipment that generate wastewater, and adopts comprehensive prevention and control measures to reduce wastewater discharge volume.

Waste liquid produced in the Company's laboratories and R&D activities is collected and treated in a unified manner, and direct discharge into sewers is strictly prohibited. Waste acid, waste alkali, residual liquid or organic solvents generated during production and equipment maintenance are all entrusted to qualified entities for utilization and treatment, and random discharge is forbidden. High-concentration process wastewater is pretreated by the Fe-C micro-electrolysis method and Fenton oxidation method to reduce its biological toxicity. The treated high-concentration wastewater is then mixed with low-concentration wastewater and further treated by the anaerobic - anoxic - aerobic activated sludge process to reduce concentrations of COD, ammonia nitrogen, phosphorus, suspended solids and other pollutants.

Case | Yangzhou Aurisco Optimizes Wastewater Treatment Measures for Refined Management

Optimized classification of wastewater pipelines in production workshops: Based on existing pipelines for domestic wastewater and high-concentration wastewater, an additional pipeline for high-salinity wastewater has been installed. After independent treatment, the salinity of high-salinity wastewater has been reduced from 1,500 mg/L to 1,100 mg/L.

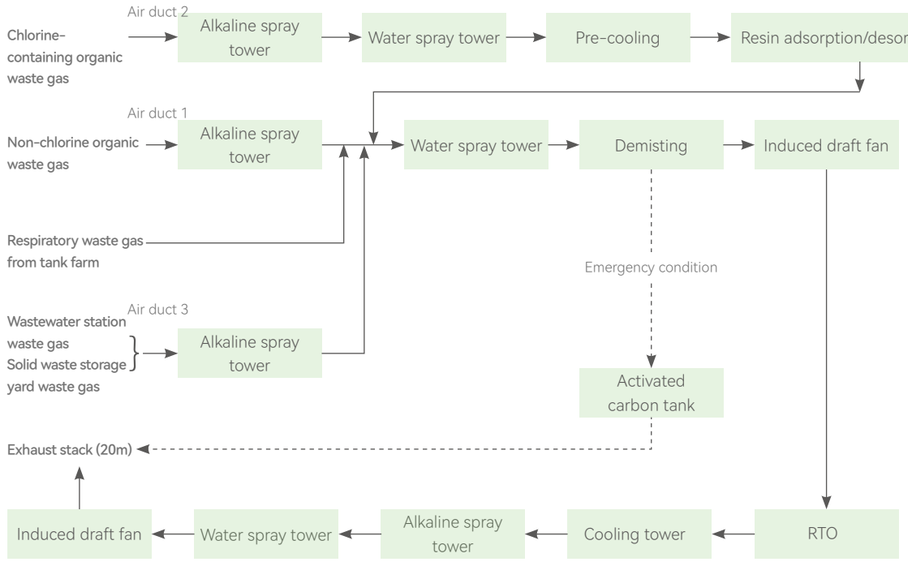
Fermentation wastewater from SEM products is carefully classified at the source: Previously, all captured wastewater in the workshop was discharged to the sewage treatment station through the high-salinity pipeline. Following the renovation, the captured wastewater is now diverted to the sewage treatment station via two separate lines: high-salinity wastewater is sent for distillation treatment, while high-protein wastewater is fed into the sewage treatment system as a nutrient medium for sludge, thereby achieving resource utilization.



Waste Gas Treatment

Aurisco has formulated and implemented systems related to waste gas treatment, comprehensively equipped pollution prevention and control facilities for all waste gas emission links, adopted methods such as physical adsorption and chemical treatment, and conducted regular monitoring to ensure stable and compliant discharge of waste gas, making positive contributions to environmental protection and air quality improvement.

The Company has established a waste gas pretreatment process, adopting a treatment method combining alkaline spray and acid spray absorption, supported by key facilities and equipment such as induced draft fans, packed spray towers, and alkaline liquid absorption circulation systems, to achieve efficient interception and purification of pollutants in waste gas, laying a solid foundation for subsequent advanced treatment and compliant discharge. Halogen-containing waste gas is first treated by a resin adsorption/desorption unit and then discharged after treatment through an RTO system. Non-halogen-containing waste gas, as well as waste gas generated from the wastewater station and solid waste yard, is directly treated and discharged through the RTO system. In addition, the Company regularly inspects and tests pretreatment facilities, spray towers, and waste gas pipelines to ensure stable operation of equipment and intact pipeline connections, guaranteeing the compliant and effective operation of the waste gas treatment system.



Flow Chart of Waste Gas Treatment Process



Adsorption Facility



RTO Facility



Waste Gas Collection Pipeline of Yangzhou Lianao

Waste Treatment

The Company strictly abides by the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and other laws and regulations. It has established a management system and management and control procedures covering the whole life cycle of solid waste, including generation, collection, storage, transportation, utilization and disposal, with clear management responsibilities and operation specifications for each link, so as to realize the whole-process traceability and standardized management of solid waste. The Company actively explores the reduction, resource utilization and harmless disposal of solid waste, promotes the efficient use of resources and the development of circular economy, and earnestly fulfills its main responsibility for ecological and environmental protection.

Domestic waste is entrusted to the sanitation department for disposal. General waste is collected centrally and then handed over to third parties for recycling. Hazardous waste is classified in strict accordance with the *National Catalogue of Hazardous Waste* and uniformly transported to hazardous waste storage facilities for standardized storeage. Before the transfer of hazardous waste, the online electronic manifest declaration is filled in the "Solid Waste Management Information System". Meanwhile, the information filled in the electronic manifest is fed back to the hazardous waste disposal entity. The Company entrusted qualified third-party entities for the outward transportation and disposal of hazardous waste to ensure compliance with environmental protection requirements. In addition, the Company has formulated prevention measures and emergency plans for hazardous waste accidents in accordance with the law, and filed them with the local competent ecological and environmental department and other departments responsible for the supervision and administration of the prevention and control of environmental pollution by solid waste.



Hazardous Waste Warehouse



General Solid Waste Warehouse



Public Notice of Hazardous Waste Management System

Case | **Yangzhou Aurisco Strengthens Hazardous Waste Management and Control to Achieve Hazardous Waste Reduction and Resource Utilization**

In the specialized optimization for hazardous waste reduction at the source, Yangzhou Aurisco introduced targeted new dehydration equipment to conduct deep dehydration of recycled solvents. This significantly reduced the moisture content of recycled solvents, realized stable recycling of solvents, and effectively decreased the generation of hazardous waste.

In addition, Yangzhou Aurisco uses waste methanol and waste ethanol generated from workshops as nutrient media for aerobic bacteria, which not only reduces the volume of hazardous waste for disposal but also turns waste into valuable resources and cuts costs.



New Dehydration Equipment

In 2025, Yangzhou Aurisco comprehensively utilized **60** tons of waste methanol and waste ethanol, saving RMB **78,000** in hazardous waste disposal fees.

Noise Treatment

The Company is committed to protecting the health of employees and surrounding residents. It strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Noise Pollution*, the *Environmental Noise Emission Standard for Industrial Enterprises at Factory Boundaries,* and other national laws, regulations and current emission standards. The Company has specially formulated the *Noise Pollution Prevention and Control System*, clarified the noise emission standards in the plant area, and systematically developed full-dimensional prevention and control measures including source control, personal protection, and monitoring management, so as to implement noise pollution prevention and control through institutionalized and standardized management.

In 2025, Yangzhou Aurisco replaced the Roots blowers in the sewage station with air suspension blowers, which feature energy saving, high efficiency, low noise and low vibration. While reducing energy consumption, the on-site noise has been significantly lowered.





Air Suspension Blower

Noise Prevention and Control Measures

Prevention and control at source

- Gradually update and replace noisy equipment and select low-noise equipment;
- Comply with the three simultaneities requirements for new construction, expansion and reconstruction projects;
- Increase the vertical greening area around production workshops;
- Require construction contractors to use equipment in good condition;
- Strengthen lubrication and maintenance of equipment;
- Strengthen inspection and troubleshooting of operating equipment to ensure it runs in good condition.

Prevention of individuals

- Strengthen occupational health and safety training for employees, and enhance personal noise protection measures and occupational health and safety awareness;
- Employees should wear noise-proof earplugs or ear caps when entering the places where noise is still loud after noise source treatment.

Monitoring Management and Control

- Entrust a qualified third party to regularly detect noise;
- The responsible persons of each production workshop get to know the operation status of noise sources through listening, observing, and questioning during production; equipment maintenance and repair personnel need to strengthen the maintenance of noisy equipment, discover abnormalities and troubleshoot them in time, and make appropriate emergency response preparations and responses;
- Learn about daily feedback from surrounding residents and internal staff on noise issues, and inspect, repair or replace relevant facilities and equipment promptly to prevent noise pollution.



Physical Noise Isolation in the Fermentation Workshop of Yangzhou Lianao

Optimization of Resource Utilization

Water Resource Management

Aurisco has always prioritized planned water use and water conservation in its operations, committing to improving water resource management efficiency and promoting the intensive use of water resources. The Company has established a rigorous and comprehensive water use and conservation management system, set up a water conservation team, and assigned corresponding management and technical personnel to conduct water metering, maintenance and supervision, and carry out timely repairs to water leakage, so as to ensure safe, continuous and stable water supply.

Intelligent Rainwater Collection

The Company completed the construction of rainwater collection tanks by the end of 2020. Intelligent water quality monitoring equipment has been installed at the intake of the rainwater tanks to realize real-time dynamic monitoring of rainwater quality. When abnormal water quality indicators are detected, the valves will be closed promptly, and the production inspection process will be activated rapidly.

Steam Condensate Reuse

The Company recycles steam condensate for cooling circulation. The original and direct discharge of condensate is collected and transferred to the cooling circulating water system to replace part of the fresh water supply for cooling circulation. This not only avoids resource loss caused by direct discharge of condensate, but also reduces the demand for fresh water in the cooling circulating water system. It is estimated that approximately 50 tons of water is recycled per day[2].



Steam Condensate Recovery Facility

[2] Calculated based on the daily operation of Badu Industrial Park, Tiantai County.

Resource Utilization of Purified Hard Water

The Company has built a purified water production system adopting the process of "mechanical filtration + activated carbon filtration + two-stage reverse osmosis + ultraviolet sterilization" to produce purified water, with a water production rate of up to 70%, and the remaining 30% as hard water is fully used as make-up water for circulating cooling water, reducing the consumption of fresh tap water from the source and realizing efficient utilization of water resources.



Purified Water System

Pressure-Retained Distillation Technology

The Company adopts the pressure-retained distillation method in experiments: In systems where the steam tension curve exhibits a maximum value, an increase in pressure raises the concentration of components with high evaporation energy consumption in the azeotropic mixture. Conversely, a decrease in pressure increases the concentration of components with low evaporation energy consumption in the azeotropic mixture. The Company uses a vacuum pump to draw a constant negative pressure inside the reactor, then closes the vacuum pump valve and carries out distillation. This enables a more complete reaction and better separation of components, while also reducing excessive vaporization and volatilization of water.





Pressure-Retained Distillation Technology

Renovation of Bath Hot Water System

Yangzhou Lianao has completed the renovation of the bath hot water system, replacing the original inefficient decentralized direct steam supply mode with a centralized heating system using unified hot water tanks, resulting in a significant improvement in water management and control.

After the renovation, the daily water consumption for bathing dropped from **29** tons to about **14** tons, representing a water-saving rate of over **50**%.

Energy Management

Governance

To systematically advance energy management, Aurisco has formulated procedural documents including the *Energy Management System* and *Energy Measurement Management System*. An energy management working group has been established, with the responsible leader as group leader and heads of production and functional departments as members, forming an organizational system that is "top-down, horizontally comprehensive and vertically thorough". The Company clarifies the energy management responsibilities of each department and position, refines work standards for energy measurement, statistics and other links, and forms an energy management mechanism featuring "full participation, hierarchical accountability and closed-loop management and control".

Strategies

The Company practices the concept of green pharmaceuticals and regards energy management as an important strategic component of sustainable development. Based on institutional development and guaranteed by supervision and control, it fully implements various energy management measures and effectively improves energy utilization efficiency. The Company strictly abides by the *Energy Conservation Law of the People's Republic of China, Measures for the Energy Conservation Management of Key Energy-Using Units* and other laws and regulations, and cooperates with higher competent authorities in specialized tasks such as energy audits and energy conservation supervision, laying a solid foundation for energy conservation and efficient utilization through compliant management. In 2025, we actively cooperated with relevant departments to conduct a comprehensive assessment of the Company's energy consumption, allocation and calibration of energy measurement equipment, and successfully passed the energy measurement audit for key energy-using units.

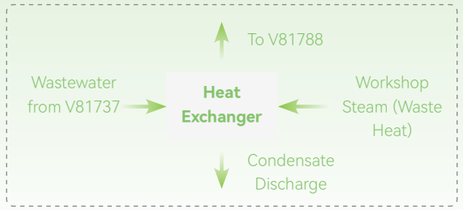
Meanwhile, to comprehensively evaluate the scientificity, rationality and economic efficiency of energy utilization in new projects, and promote energy conservation, consumption reduction, quality improvement and efficiency enhancement throughout the project life cycle, the Company carries out full-dimensional assessments covering energy consumption accounting, energy-using equipment analysis, energy efficiency and economic indicator calculation, and evaluation of energy conservation measures, providing a scientific basis for project decision-making, construction and operation.

Impacts, Risks and Opportunities Management

The Company fully recognizes the impacts, risks and opportunities brought by energy transition, and closely monitors changes in national and local policies and regulations related to energy conservation, environmental protection, carbon peaking and carbon neutrality. It timely adjusts its energy management strategies, focuses on core directions such as energy saving, consumption reduction and energy structure optimization, and actively carries out diversified practices to promote green and low-carbon transformation with practical measures.

Energy Saving and Consumption Reduction

The Company conducts energy consumption analysis, fully taps energy-saving potential, and actively promotes technical transformation to achieve energy saving and consumption reduction. The Company recycles waste heat from steam condensate in the plant area for jacket heating of low-temperature reaction materials. This not only reduces heat energy waste and pipeline network heat loss caused by direct discharge of steam condensate and lowers steam consumption, but also stabilizes the heating process parameters of low-temperature reaction materials and improves the stability of the production process.



Waste Heat Reuse

The Company introduced multifunctional filtering dryers to replace dissolution, centrifugation and drying equipment. Adopting the design concept of "one machine with multiple functions", it integrates multiple processes into a closed container for continuous completion, optimizes the process structure at the source, and reduces energy consumption and loss.



Multifunctional Filter Project

The Company introduced water-cooled low-temperature screw chiller units. Relying on screw compressors, the equipment achieves efficient compression and circulation of refrigerant, featuring stable, reliable and excellent energy-efficient operation. Compared with equipment before renovation, it can reduce annual power consumption by 896,215 kWh. The Company installed liquid nitrogen vaporizers in the cooling tower water tanks. Using the principle of heat exchange, liquid nitrogen is converted into gaseous nitrogen, and the cooling energy released during vaporization is simultaneously recovered to cool the water temperature of the cooling tower circulation pool. The annual recoverable cooling capacity amounts to 2,825,626 kWh.

The sewage treatment blowers at Yangzhou Aurisco use air suspension blowers, which achieve energy savings of 30%–50% compared with traditional blowers. In addition, temperature-controlled heat dissipation fans are used in the power distribution cabinets of Yangzhou Aurisco to replace traditional heat dissipation fans. The fans start automatically when the temperature reaches the preset value and stop when the temperature drops to a certain level, thereby achieving energy conservation.

Energy Structure Optimization

Aurisco regards the promotion of renewable energy as an important strategy for optimizing the energy structure. In 2024, the Company launched a photovoltaic self-consumption project, making full use of idle roofs and open spaces in the plant area, adopting the model of "self-consumption first, surplus power to the grid". It aims to replace conventional electricity with renewable energy and promote the transformation of the production energy system toward low-carbon and clean development. Meanwhile, the Company takes green power procurement as one of the core measures for energy structure optimization, actively connects with the green electricity trading market, and steadily increases the proportion of green electricity.



Green Electricity Certificate Transaction Voucher





PV Power Generation Project

Metrics and Targets

Aurisco compiles energy consumption data on a monthly basis and conducts annual energy consumption analysis to identify opportunities for improving energy performance, providing reliable data support for energy management and control. In 2025, we completed a comprehensive inventory, calibration and renewal of energy measuring instruments, achieving full coverage of metering for all energy consumption links including water, electricity, natural gas and steam. The rate of equipment allocation and calibration reached 100%. Meanwhile, we set the target of "taking 2023 as the base year, reduce energy consumption by 3% by 2027".

Energy Indicators

Indicator	Unit	2025	2024	2023
Natural Gas	m^3	300306	206387	218948
Diesel	Liter	7381	7912	6100
Gasoline	Liter	12467.02	13606.33	16551
Purchased Electricity	kWh	62007814[3]	53162792	44965610
Purchased Steam	Ton	84146	66936	56352
PV Power Generation	kWh	292074	/	/

[3] Including 19.6509 million kWh of green electricity from the Badu Plant.

Climate Change Response

Governance

Against the background of global efforts to advance climate governance, Aurisco actively responds to the strategic goals of "carbon peaking" and "carbon neutrality". The Company integrates climate change governance into its ESG governance system and establishes a top-down three-level climate governance structure. It promotes low-carbon transformation through standardized and systematic governance, supporting the achievement of global climate targets and the overall cause of sustainable development.

Aurisco Climate Governance Structure

Top governance and decision-making level Board of Directors

- Review and confirm climate change response systems and mechanisms;
- Review the strategic planning, objectives and implementation progress of climate action, and the identification, assessment and management of climate risks and opportunities.

Management Level Carbon Neutrality Team

- Guide the design and implementation of goals and initiatives related to climate change topics;
- Identify, assess and manage risks and opportunities related to climate change;
- Develop climate action strategic plans, development goals, institutional policies, etc.

Execution Level Collaborative departments and subsidiaries

- Promote the implementation of climate action at all business terminals;
- Cooperate with the implementation of climate strategies.

Strategies

The Company refers to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the *Second Part on Climate Change Response Topic in No. 4 Guidelines for Self Governance of Listed Companies of the Shanghai Stock Exchange - Preparation of Sustainable Development Reports*. It systematically analyses climate-related impacts, risks and opportunities, and develops implementable strategies/measures based on the analysis results to achieve the dual objectives of risk mitigation and opportunity capture.

Risk/ Opportunity	Type	Description	Level	Potential Financial Impact	Response Strategies/Measures
Physical Risk	Acute physical risk	Frequent extreme weather events such as typhoons may trigger natural disasters including storms and floods, causing water-logging in factories, damage to production base equipment, suspension of R&D and production, and safety production accidents.	High	Increase in operating expenses	Establish a sound response plan for extreme weather, provide sufficient emergency response reserve supplies, and conduct drills on a regular basis.
	Chronic physical risk	Continuous temperature rise may lead to water shortage and higher water prices, increasing operating costs.	Medium	Increase in operating expenses	Actively build a water-saving enterprise, advocate water conservation, and improve water resource utilization efficiency.
Transition Risk	Policy and Legal Risk	Climate change-related policies and laws are becoming increasingly stringent across regions globally, raising the Company's compliance costs.	High	Increase in operating expenses	Closely track changes in international and domestic environmental and low-carbon-related laws, regulations and policies, and identify relevant legal risks.
	Technical Risk	To meet low-carbon requirements, it is necessary to increase investment in low-carbon technology R&D and phase out outdated equipment.	Medium	Increase in operating expenses Increase in R&D expenses Increase in production costs	Strengthen feasibility studies on the R&D and application of low-carbon technologies, and steadily advance innovation in low-carbon production processes.
	Market Risk	Market demand is shifting toward green and low-carbon development. Customers have stricter environmental requirements for products, such as green product certification and product carbon footprint assessment.	High	Decrease in operating income	Pay attention to demand for green and low-carbon products and provide more products that meet market expectations; Gradually carry out product carbon footprint certification.
	Reputational Risk	Stakeholders are imposing increasingly stringent requirements on the Company's climate change information disclosure. If disclosure falls below stakeholders' expectations, the Company's corporate image and reputation may be affected, thereby weakening its market competitiveness.	Medium	Increase in operating expenses Decrease in operating income	Strengthen the disclosure of environment, social and governance-related information to shape a green corporate image; Actively participate in industry exchanges and share carbon reduction practices.
Opportunities	Improve Resource Efficiency	Significantly improve resource efficiency in the process of taking climate action.	Medium	Reduction in operating expenses	Introduce advanced production technologies in a timely manner to improve resource efficiency.
	Adopt low-emission energy	Addressing climate change has improved the accessibility of renewable energy and reduced the cost of adopting renewable energy.	High	Reduction in operating expenses	Gradually promote renewable energy and optimize the energy structure.
	Develop New Products and Services and Enter New Markets	While developing green and low-carbon products, win greater customer preference and thereby enter new markets.	Medium	Increase in operating income	Closely monitor emerging markets and expand the supply of green and low-carbon products.
	Enhance Resilience	Climate change response will enhance the Company's resilience and create long-term value for the Company.	Medium	Reduction in operating expenses	Build a full-chain capability system featuring "mitigable, adaptable, recoverable and evolvable" to transform climate risks into competitive advantages and growth opportunities, and continuously enhance resilience.
	Industrial Chain Synergy Opportunities	Build a low-carbon supply chain and jointly establish a climate governance system with upstream and downstream partners.	High	Reduction in operating expenses	Promote carbon emission reduction among key suppliers and build a low-carbon supply chain; Cooperate with upstream and downstream partners to develop green solutions.

Impacts, Risks and Opportunities Management

In assessing climate-related impacts, risks and opportunities, Aurisco adheres to the principles of "scientificity, systematicity and practicability". Based on the industry, business layout and industrial chain characteristics of the Company, and aligned with its development strategy, risk management and operation systems, the assessment results are guaranteed to guide actual business decisions. For the identified climate-related impacts, risks and opportunities, the Company adopts a combination of quantitative and qualitative assessment methods to accurately evaluate the impact magnitude, risk level and opportunity value.

The Company integrates climate-related risk management into its overall risk management process, making climate risk a regular consideration in strategic decision-making and operational control. It conducts linkage assessments on the interconnections between climate risks and traditional risks (e.g., the correlation between climate risks and financial risks), conducts joint assessment, measures the comprehensive risk impact, and avoids underestimation of risk severity caused by independent assessment. For major cross-departmental and cross-industrial-chain climate risks, the Company coordinates relevant resources, formulates and implements specialized response plans, and manages them in an integrated manner with traditional risk response plans.

Metrics and Targets

The Company earnestly implements its climate change response strategy, committing to the goals of "carbon peaking" and "carbon neutrality". We plan to increase the proportion of renewable energy, continuously optimize the energy mix, and adopt various measures[4] to promote energy conservation and emission reduction. In the future, we will take a full value chain life cycle perspective, focus on renewable energy opportunities, energy-saving technical transformation, green supply chain development and other areas, actively respond to the challenges of climate change, and reduce the impact of greenhouse gas emissions on the human environment.

The Company has established a comprehensive, standardized and traceable carbon accounting system to conduct greenhouse gas management in a systematic and standardized manner. It strictly complies with internationally authoritative standards such as the ISO 14064 series and ISO 14067 throughout the process to ensure the scientificity, accuracy and credibility of organizational greenhouse gas inventories and product carbon footprint verification. Meanwhile, taking carbon accounting as a starting point, the Company conducts in-depth analysis of key links and emission reduction potentials in organizational greenhouse gas emissions and product carbon footprints, integrates emission reduction targets into production and operation, product R&D, supply chain management and other aspects, and promotes the application of energy-saving and carbon-reduction technologies and the optimization of production processes.

[4] Please refer to the "Energy Management" Chapter for details.

GHG Indicators

Indicator	Unit	2025	2024	2023
Direct GHG Emissions (Scope 1)	tCO_2e	1953.617	2731.19	2014.95
Indirect GHG Emissions (Scope 2)	tCO_2e	50947.4758	57520.25	48964.95
Indirect GHG Emissions (Scope 3)[5]	tCO_2e	21983.1994	25694.61	20637.52

[5]Indirect GHG emissions (Scope 3) originate from the greenhouse gas inventory of the Tiantai Base.

Practices in Green Operations

Green manufacturing is an important approach to addressing resource and environmental issues, an effective way for the industry to achieve green development, and an inevitable choice for enterprises to proactively assume social responsibility. Seizing the opportunity of building a "Green Factory", Aurisco vigorously promotes green operations and actively explores new models, mechanisms and ideas for the green and low-carbon transformation of industry. In 2025, the Company was awarded the title of "Taizhou Municipal Green and Low-Carbon Factory".

Green Design

Aurisco introduces the green design concept, and deeply integrates ecological design, low-carbon design, design for reduction of toxic and hazardous substances, and design for waste recycling into the entire product R&D process. Through green layout at the design stage, the Company reduces the environmental impact of products throughout their life cycle from the source.

Ecological Design

Starting from the product design stage, ecological design sets goals such as reducing raw material consumption, lowering energy use, enabling recycling, and protecting the ecological environment as equally important as product performance, quality, service life and cost. Potential adverse environmental impacts of the product over its entire life cycle are prevented through proactive design before entering the manufacturing stage.

Low-Carbon Design

- Roof photovoltaic systems are installed on factory canopies and dormitory building rooftops.
- Green electricity is procured to reduce the use of non-renewable energy.

Toxic and Hazardous Substance Reduction Design

- Harmless catalysts are used to replace the original Cr heavy metal catalysts in the dehalogenation process;
- The high-gravity efficient rectification method for wastewater treatment is adopted, upgrading wastewater treatment and recycling to a new level.

Waste Resource Utilization Design

Through years of technical accumulation, process design and experimental simulation, the industrial application has been successfully realized the filter residue (originally hazardous waste) generated in the production of Abiraterone Acetate (iodination process) is reused as raw material for the preparation of sodium iodide.

Green Culture

Aurisco is committed to rooting and growing a green culture across the Company. By means of posting publicity posters and other forms, the Company continuously strengthens employees' awareness of green and low-carbon development. The Company incorporates environmental management training into its regular work system. Through a hierarchical, classified and diversified training mechanism, it continuously improves the professional capabilities of all employees in environmental management, and promotes the implementation of environmental management concepts and requirements.



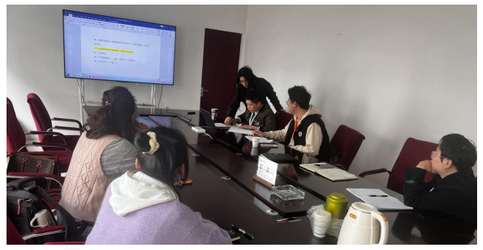
Green and Low-carbon Publicity Posters



Cleaner Production Training

In 2025, the Company organized and carried out "Green and Lowcarbon Factory" Training, focusing on core contents including green production, energy conservation and consumption reduction, and environmental management. Systematic and professional training was delivered to employees in relevant positions to help them accurately grasp the construction standards, practical skills and management requirements of green factories. This promotes the green production concept throughout the entire production process and lays a solid talent foundation for building an efficient, lowcarbon and environmentally friendly green factory.

In addition, the Company actively participated in environmental protection knowledge competitions to thoroughly practice the green development concept and create an atmosphere of environmental law popularization. On November 26, 2025, with solid professional knowledge and stable onsite performance, the Company's employees helped the Taizhou team win the Third Prize in the "Second Zhejiang Provincial Enterprise Ecological Environment Legal Knowledge Competition". Taking this as an opportunity, the Company will continue to strengthen the study and practice of ecological environment laws and regulations, and safeguard green development under the rule of law.





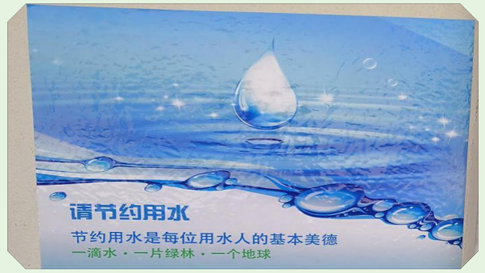
Green and Lowcarbon Factory Training

Green Office

The Company advocates and encourages all employees to start from details and integrate the green concept into every aspect of office work: Save every kilowatthour of electricity, turn off lights when leaving, switch off computers and office equipment before getting off work, and adjust air conditioner temperatures appropriately. Cherish every drop of water, turn off taps timely and eliminate running, dripping, leaking and spilling. Make good use of every sheet of paper, promote paperless office, prioritize electronic document circulation, and use doublesided printing and copying only when necessary. Standardize the use of office supplies, carry out recycling and reuse of consumables, and reduce the consumption of disposable products. Practice green commuting, prioritize lowcarbon methods such as public transportation and shared bicycles to reduce carbon emissions.



Energy-saving Lamps



Water-saving Slogans

Outstanding Green Office Cases of Yangzhou Lianao

Energy Management System (EMS) Upgrade and Standardized Air Conditioning Temperature Control	■ Installed intelligent light-sensitive lighting systems, realizing "turn off lights when leaving" in public areas; ■ Strictly implemented air conditioning temperature standards: heating not exceeding 23° C in winter and cooling not lower than 26° C in summer, with dynamic monitoring and adjustment via the central control system; ■ Deployed real-time energy consumption inspection, collected electricity usage data of each department, and carried out energy-saving competitions.	Reduced office electricity consumption by about 80,000 kWh per year.
"Digital Lianao · Green Operations" Initiative	■ Implemented full-process electronic approval via the OA system, reducing paper document usage, and paper document printing decreased by 70%; ■ Equipped conference rooms with electronic projection equipment and digitalized meeting materials. ■ Set up sorted recycling stations (paper, plastic, batteries, etc.), with waste paper uniformly recycled and reused.	Saved about 120,000 sheets of paper per year, equivalent to protecting about 100 mature trees.
Green Procurement and Supplier Collaboration	■ Prioritized purchasing products with energy-saving certification (e.g., LED lamps, energy-efficient computers) and recycled materials; ■ Required degradable materials for product packaging to reduce plastic use; ■ Launched an intelligent food ordering system in the canteen for precise ordering, promoted the "Clean Plate Campaign", and arranged professional recycling of kitchen waste.	Green procurement accounted for 85%, and packaging waste was reduced by 30%.

Green Buildings

In its factory construction, Aurisco fully embraces the concept of green buildings. High-performance concrete and high-strength steel are appropriately used as structural materials. In the selection of building materials, the Company takes into account their recyclability, and prioritizes building materials with low embodied energy, high performance, high durability, and local materials. Environmentally friendly water-based paints and green man-made boards are used for interior decoration of office buildings. Hazardous substances and radioactive elements in factory decoration materials comply with national and local laws and standards.



06

People-Oriented, Goodness for All

Table of Contents

- Protection of Employees' Rights and Interests
- Promoting Employee Growth
- Safeguarding Health and Safety
- Improving People's Well-being

SDGs

Protection of Employees' Rights and Interests

Aurisco has always adhered to the philosophy of "People-Oriented" and strictly complied with national laws, regulations and international conventions. The Company integrates the protection of employees' rights and interests into its development strategy, and achieves synergistic progress between employee rights and interests protection and sustainable corporate development through a sound policy system, robust implementation mechanisms and comprehensive protection measures.

Improving the Protection System

The Company has formulated and issued the *Labor and Human Rights Management Policy*, which clarifies core requirements and management objectives covering working conditions, prohibition of child labor and forced labor, protection of female employees, equality and diversity, occupational health and safety, etc. It has also established a rapid response and accountability mechanism for violations of labor and human rights, as well as policy requirements and corresponding measures for remediation or relief.

Labor and Human Rights Management Objectives

Human Rights Training	Based on 2023, training on anti-discrimination and anti-harassment, prohibition of child labor and forced labor, freedom of association, occupational health and safety, equality and diversity shall be conducted once a year by 2027, with **100**% employee coverage.
Risk Assessment	Based on 2023, labor and human rights risk assessments shall be conducted once a year by 2027, covering **100**% of workplaces.
Violation Incidents	Based on 2023, "zero" incidents of discrimination and harassment, child labor and forced labor will achieve by 2027.
Internal Audit	Based on 2023, internal audits on labor and human rights shall be conducted at least once a year by 2027, covering **100**% of workplaces.
Internal Audit	Based on 2023, occupational disease hazard factor testing at workplaces shall be conducted once a year by 2027, with **100**% coverage of employee occupational health examinations.
Internal Audit	Based on 2023, **100**% coverage of collective agreements will achieve by 2027.
Internal Audit	Based on 2023, employee satisfaction shall be increased to ≥ **93**% by 2027.

Guided by the *Labor and Human Rights Management Policy*, the Company has formulated the *Employee Handbook* and relevant labor and human rights management systems, and established a four-level labor and human rights management system featuring "leadership by the General Manager, implementation by the Human Resources Department, detailed execution by all departments, and active participation by employees". It clarifies the responsibilities of various parties in policy formulation, risk assessment, training implementation and other aspects. Combined with regular labor and human rights risk assessments and compliance reviews, the Company integrates human rights protection into the whole-process management of recruitment, training, performance and separation, ensuring a fair, inclusive and safe working environment for employees from entry to departure. During the reporting period, no incidents violating the labor and human rights policy occurred.

The Company takes thematic training on labor and human rights as a regular measure for risk prevention and control, and provides all employees with specialized training on prohibition of child labor, anti-forced labor, anti-discrimination and anti-harassment, health and safety, diversity and inclusion, etc., so as to strengthen employees' awareness of human rights and behavioral consciousness, and improve their ability to identify risks, handle conflicts and proactively report problems.

During the reporting period, the coverage rate of employees participating in human rights training reached **100**%.

The Company has established a multi-channel, full-time and highly confidential employee appeal response and reporting mechanism by setting up suggestion boxes (reporting boxes), opening hotlines and reporting e-mails, to timely receive feedback and reports from employees on labor rights, discrimination and harassment, forced labor and other matters. A professional human rights response team has been assigned to follow the principle of "zero tolerance, no retaliation and traceability", ensuring that all complaints or reports are responded to in a timely manner, investigated impartially and handled in a closed-loop manner.

Labor and Human Rights Complaints and Reporting Channels

0576-83177286

auriscohr@aurisco.com



Deepening Democratic Management

Aurisco practices democratic management in depth, taking it as an important way to implement the "People-Oriented" philosophy and integrating it into the whole chain of corporate governance. The Company has built a democratic management ecosystem featuring "institutional guarantee, diversified participation and closed-loop supervision", achieving deep integration between employee rights and interests protection and sustainable corporate development.

Based on systems, the Company consolidates the foundation of democratic management. It strictly abides by the *Trade Union Law of the People's Republic of China* and other laws and regulations, and has established and improved the trade union organization and the employee representative congress system. By formulating and implementing management systems such as democratic consultation and collective bargaining, the Company optimizes the election procedures, deliberation rules and resolution implementation mechanisms for employees' representatives, so as to ensure the extensiveness and representativeness of democratic participation.

In 2025, the percentage of employees covered by the collective agreement reached **100**%.

Report

Establishment and Election of Employee Representative Director

In accordance with the *Company Law of the People's Republic of China*, the Articles of Association and other relevant provisions, Aurisco has established one employee representative director position on the Company's board of directors.

On September 25, 2025, Aurisco held a Employee Representative Congress in the conference room of the Company's administrative building, combining on-site attendance with video communication. A total of 100 employee representatives were entitled to attend the meeting, among whom 98 were present. The convening of the congress complied with the relevant provisions of the *Company Law of the People's Republic of China and the Articles of Association*.

Following democratic discussion by all attending employee representatives, the congress deliberated and adopted the *Proposal on the Election of Employee Representative Director of the Company*. Upon voting by the attending representatives, Mr. Li Jinliang was unanimously elected as the employee representative director of the Third Session of the Board of Directors.

Taking channels as a bridge, the Company broadens the channels for democratic expression. It has established a "three-dimensional" communication network: by setting up "factory affairs publicity boards", the Company promptly releases information that employees care about, including major corporate decisions, business performance, and compensation and welfare benefits, so as to improve information transparency. Through the "Executives to the Frontline" activity and employee symposiums, it listens to frontline voices and collects rational suggestions. By conducting employee satisfaction surveys at both the corporate and departmental levels, the Company gains a full understanding of employees' genuine demands and work experience, and accurately identifies management deficiencies and key concerns. Relying on smooth communication channels, the Company continuously refines and implements democratic management in every link of daily operations, fostering a sound interactive mechanism featuring "full consultation on matters, extensive negotiation over issues, and prior discussion before actions".





Employee Symposiums

Taking supervision as the shield to ensure effective democratic implementation. The Company incorporates the implementation of democratic management into the full scope of internal labor and human rights audits, and conducts regular specialized audits to ensure the full coverage of democratic rights. We have set up employee supervision boxes and feedback channels to smooth democratic supervision channels, ensuring that the results of collective consultation and democratic resolutions are effectively implemented, promptly reported and closed-loop improved.

Promoting Equality and Inclusion

Aurisco respects every employee's gender, age, ethnicity, religious belief, health condition, cultural background, etc. The Company is committed to eliminating prejudice and barriers in recruitment, promotion, compensation and career development, so as to enable employees of diverse backgrounds to participate fairly, express themselves fully and grow together.

We regard the protection of employment rights and interests for persons with disabilities as an important part of fulfilling corporate social responsibility. In strict compliance with the *Law of the People's Republic of China on the Protection of Persons with Disabilities* and local policies, we continue to optimize the recruitment process and post adaptation mechanism for persons with disabilities, provide specialized job skills training and career planning guidance, and ensure that employees with disabilities enjoy equal rights in employment, promotion, training, compensation and other aspects without discrimination.

By the end of 2025, the Company had employed a total of **7** disabled employees.

Respecting and protecting the rights and interests of ethnic minority employees is an important part of Aurisco's diversity and inclusion practices. We firmly uphold and implement the national policy of "ethnic equality, ethnic unity and common prosperity for all ethnic groups", and strive to build a fair development platform for ethnic minority employees:

In recruitment and employment, we treat workers of all ethnic groups equally and ensure that ethnic minority employees enjoy equal compensation and benefits, training and development, and promotion opportunities; We attach great importance to the customs, traditions and living habits of ethnic minority employees, and provide convenience and care in daily life and important ethnic festivals; We have set up specialized channels to maintain full communication with ethnic minority employees and vigorously promote mutual understanding and integration among employees of different ethnic groups, so that ethnic minority employees can feel a sense of belonging and dignity and work and live without barriers. By the end of the reporting period, the Aurisco family had gathered members from various ethnic minorities including the Miao, Yi, Tujia, Buyi, Zhuang, Dong and Manchu ethnic groups. They work side by side with colleagues from all over the country and shine uniquely in R&D, production, management and other fields.



Aurisco highly values the important role of female employees as "half the sky". In strict compliance with the Law of the *People's Republic of China on the Protection of Female Rights and Interests*, the *Special Provisions on Labor Protection for Female Employees* and other laws and regulations, the Company integrates the protection of female employees' rights and interests into the whole process of institutional development and daily operations. We firmly eliminate gender discrimination and ensure that female employees enjoy fully equal rights and opportunities as male employees in recruitment, compensation and benefits, promotion, professional and technical title evaluation and appointment. We pay special attention to the practical challenges in female career development, offer training courses on female leadership and professional title promotion, provide targeted career planning guidance, and customize skill improvement paths for female in different positions to help them break through career bottlenecks. We provide additional specialized health checks and professional consultation for female employees, strictly implement protection requirements during the "three periods" (pregnancy, childbirth and lactation), provided suitable positions and working conditions for female employees during "the periods", and offered convenience by building dedicated facilities such as nursing rooms and rest rooms for pregnant employees. Through specialized anti-harassment training and dedicated green channels for appeals, we effectively build a safe workplace against gender harassment and discrimination, and create a fully safe, equal and diverse development platform for female employees.



Female Health Seminar



International Women's Day Activity

Case | Forging Growth through Cross-post Training, Leading the New Journey with Female Strength

Ms. Hu Weijiao is currently Deputy Manager of the Pharmacovigilance Department at Aurisco. She joined the Analytical R&D Department of Aurisco in 2017. Guided by the Company's development philosophy of "Strengthening the Enterprise with Talents", we provided her with career planning and growth support through one-on-one in-depth communication and evaluation: with the "mentor-apprentice" training system, she accumulated solid professional expertise and practical experience in analytical R&D. Supported by the internal job rotation mechanism, she gained cross-post experience in the Human Resources Department, the General Manager's Office Comprehensive Management Team, and the Internal Control Team, expanding her capabilities and fostering a holistic vision. Supported by an open and transparent promotion channel and a fair performance evaluation mechanism, she stood out in 2023 and was appointed to lead the establishment of the Pharmacovigilance Department. She took the lead in sorting out business processes, building a basic documentation system, and establishing an adverse reaction monitoring mechanism, becoming a key figure in the standardized launch of the department. With outstanding performance in system establishment, risk management and control and cross-departmental collaboration, she formally assumed a leadership role, fully overseeing the optimization of Aurisco's pharmacovigilance system, full-life-cycle safety monitoring, regulatory compliance management and team building, and has become a core backbone driving the Company's pharmaceutical safety management.



Improving Compensation and Benefits

Compensation Equality

Aurisco regards compensation security and equality as the cornerstones of employee rights and interests protection. Guided by the principle of "Fairness Empowerment, Value Co-creation", the Company abides by all relevant laws and regulations. Through a standardized compensation system and non-discriminatory equality mechanism, compensation serves as an important link to safeguard employee rights and interests, stimulate vitality, and drive sustainable corporate development.

The Company has established a diversified and differentiated compensation system, including basic salary, performance bonus, specialized allowances (academic allowance, professional title allowance, high-temperature allowance, post allowance, three-shift allowance, etc.) and long-term incentives. It ensures that basic income is not lower than the local minimum wage and the industry average, and that compensation gaps among different job categories are scientific and reasonable. Meanwhile, based on personal competence, post value and performance contribution, the Company provides fair, transparent and quantifiable criteria for compensation and bonus assessment, directly linking compensation with individual performance, team contribution and innovation achievements, so as to realize "more pay for more work, better pay for better performance".

The Company strictly implements the principle of equal pay for equal work. Unified assessment standards and transparent mechanisms are applied in salary determination, performance adjustment and promotion increase, ensuring that female employees, ethnic minority employees, disabled employees and other groups enjoy fully equal pay rights. In addition, the Company regularly conducts internal and external compensation benchmarking and continuously optimizes the compensation structure to maintain a dynamic balance between internal fairness and external competitiveness.

Welfare Security

Adhering to the philosophy of "People-Oriented, Warmth and Cohesion", Aurisco continuously optimizes its welfare management system and builds a full-coverage, full-cycle and multi-level welfare system that features compliance, competitiveness and humanistic care, striving to enhance employees' sense of gain, happiness and belonging.

- In accordance with laws and regulations, the Company provides all employees with five social insurances including pension, medical, unemployment, work-related injury and maternity, and the housing fund, safeguarding employees' basic rights and interests through statutory benefits.
- It offers PPE, regular physical examinations, free clinics and special health checkups for female employees to prevent health risks.
- It provides meal subsidies, rental subsidies and transportation allowances to ease living burdens.
- It distributes carefully prepared welfare gifts during major traditional festivals such as Spring Festival, Mid-Autumn Festival to convey corporate warmth and cultural identity.
- It also organizes team-building trips and customized training to empower career development and value realization.

Through standardized and humanized welfare management, Aurisco effectively strengthens its ability to attract, retain and motivate talents, providing strong support for creating a harmonious and warm organizational atmosphere.

Case | Together as One, Enjoy the Journey

From August to September 2025, Aurisco organized its annual group tour. The tour covered six popular destinations including Xiamen, Pingtan in Fuzhou, Quanzhou, Wuyuan in Jiangxi, Lushan in Jiangxi, and Shanghai Disneyland. Employees could choose their preferred destination based on personal interests. The Company engaged a professional travel agency to provide a full range of services including safety assurance, itinerary planning and supporting arrangements, ensuring a safe, orderly and smooth trip. The company encouraged employees to bring their families, so as to nurture both team cohesion and family warmth.



Working Conditions

Guided by the principles of "compliance, inclusiveness and co-creation", Aurisco is committed to providing employees with a healthy and safe working environment and an equal and inclusive culture. Upholding the bottom line of labor rights and interests, the Company strictly abides by national laws and regulations on rest and leave, and effectively protects employees' right to rest and health. The Company fully implements the statutory working hour system and prohibits excessive overtime. For positions that do require overtime, an approval procedure is implemented and overtime pay is provided in accordance with the law. The Company actively explores the implementation methods and paths (such as the "core hours + flexible slots" flexible working model), granting employees greater autonomy over their working time while ensuring orderly production and operation. The Company strives to optimize the working environment and facilities, and endeavors to create a bright, clean, comfortable and barrier-free workplace for all employees. Through standardized, people-oriented and diversified environmental improvement and institutional guarantees, the Company has achieved a deep integration of decent work for employees and high-quality development of the enterprise, demonstrating Aurisco's sense of responsibility and sincere care for its employees.

Fostering Warmth and Companionship

Aurisco has always taken employee well-being as the core of corporate culture development and high-quality growth. With a comprehensive and multi-level care system, the Company supports the development and health of every employee. From the harmony between work and life, to timely support in times of difficulty, and to spiritual comfort, the Company builds a workplace home featuring a strong sense of belonging, happiness and security with responsibility and warmth, making humanistic care the solid foundation for uniting people and achieving steady and long-term development.

Based on a compliant and people-oriented working hour and leave system, the Company scientifically arranges work plans and tasks, integrating respect for individual value into management details. It not only guarantees a professional environment for efficient performance, but also protects employees' time to accompany their families and enrich themselves, enabling compatible career development and a better life, and building a warm workplace ecology.

The Company regularly carries out the activities of "Keeping Warm in Winter and Cool in Summer" to precisely meet employees' seasonal needs, integrating humanistic care into daily life, so that every employee feels thoughtful warmth in changing weather and enjoys a comfortable working environment.

Relying on a sound employee support mechanism, the Company promptly launches specialized care and assistance for employees suffering from serious illnesses or unexpected difficulties, relieving their burdens with practical and warm measures. The Company's sense of responsibility becomes a strong force to protect every member, rooting a caring family culture in the team and uniting all employees in solidarity.

Focusing on employees' mental well-being, the Company provides professional psychological care and counseling channels, promotes mental health literacy, and helps employees relieve stress and enhance inner strength. With in-depth spiritual care, the Company consolidates a healthy workplace foundation, supporting employees to devote themselves to their work with a calm and positive attitude, and achieving synchronized growth between individual development and the Company's high-quality development.



Sports Meet



Aurisco 4th Billiards Tournament



Aurisco 5th Table Tennis Tournament



Parent-Child Kite Painting for Spring

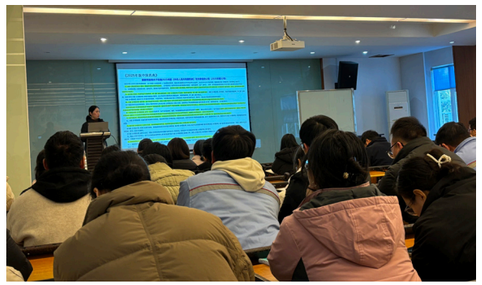
Promoting Employee Growth

Aurisco regards employee growth as the core driving force for the sustainable development of the enterprise. Upholding the corporate spirit of "holding integrity and responsibility, forging ahead with concerted effort, and keeping harmonious and win-win development", the Company has built a full-cycle employee development system covering training empowerment, career path development, internal mobility and performance incentives, laying a solid talent foundation for the strategic goal of "becoming a world-class pharmaceutical enterprise".

Building a Full-Coverage Training System

Guided by the Company's development strategy, based on the post competency model and focused on the actual needs of employees, Aurisco provides customized training for all employees at different levels and in different categories. The Company has established a curriculum system with core modules including compliance operation, system construction, skill improvement, health and safety, and developed a three-in-one training platform of "online platform + offline practice + mentor coaching". This has formed a learning ecosystem that covers all employees, all fields and the entire career development cycle, enabling every employee to receive targeted empowerment during onboarding, growth and promotion.





Skills Training

Case | Yangzhou Aurisco Conducted Training Effectiveness Evaluation

Yangzhou Aurisco takes effectiveness evaluation as a key measure in employee training, continuously tracking and assessing training quality and application results to implement a dual closed-loop management of training outcome implementation and capability improvement.

In 2025, Yangzhou Aurisco implemented a total of **141** thematic training programs with **5,895** sessions, achieving **100**% employee training coverage.

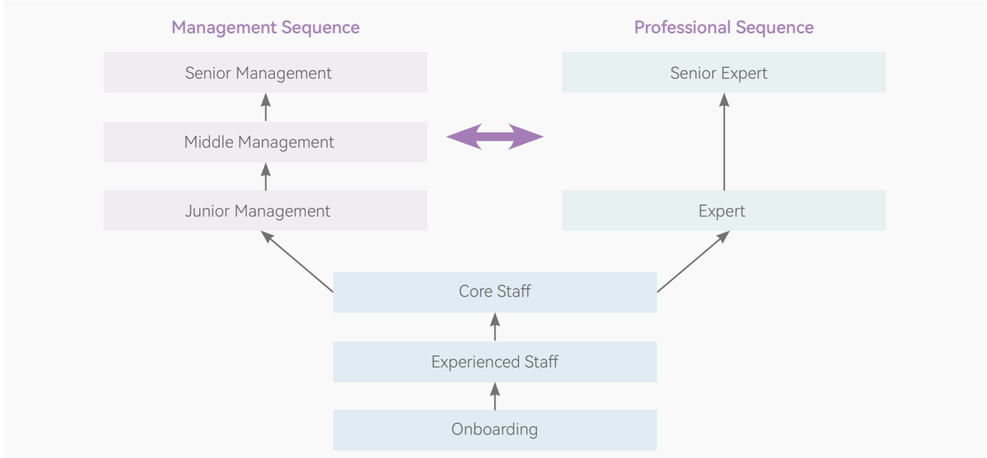
During the year, the Human Resources Department organized 4 rounds of training effectiveness evaluations (once per quarter) using sampled written assessments. The evaluations continuously verified training effectiveness covering basic EHS knowledge, general production knowledge, basic warehousing knowledge, quality control/management, engineering equipment, and production processes for various products. A total of 641 person-times were sampled throughout the year, with an average sampling rate of 32.34%. The average passing rate of employees reached 100% based on the sampled assessments. This result demonstrates that the training provided by Yangzhou Aurisco is solid in content and efficient in transformation, effectively supporting the improvement of employees' post competency and meeting the requirements of corporate development.

Building a Dual-Channel Growth Ladder

Based on the full career development life cycle of employees, combined with the Company's actual production and operation and job characteristics, Aurisco focuses on four core areas of leadership advancement, technological innovation and achievement transformation, professional capability improvement, and technical operation enhancement. The Company has established four major job families of management, R&D, professional, and technical, with clear promotion standards, competency models, and development paths for each sequence. This forms a talent development system that ensures "platform for management, echleon for R&D, depth for professionals, and height for technicians".

Meanwhile, the Company has implemented a supporting "dual-channel" parallel mechanism to enable every employee to achieve continuous advancement along a path that matches their personal strengths: vertically, employees are encouraged to pursue step-by-step or even cross-level promotion within their own sequence based on corresponding skill assessments and evaluations; horizontally, the Company has opened up conversion channels between different sequences, supporting employees in realizing cross-sequence development in line with their career interests and professional advantages.

The Company has established a fair, scientific, and objective career development evaluation system. Based on performance appraisal, it integrates career aptitude tests, career development intention surveys, personal capability assessment, and job competency models to form a multi-dimensional and dynamic talent profile. On this basis, the Company accurately matches job requirements with development paths to ensure employees receive personalized development advice and resource support at key growth stages. At the same time, the Company eliminates any discrimination or bias in the promotion process, effectively guaranteeing employees equal development opportunities based on capability and performance.



Career Development "Dual-Channel" Diagram

Unblocking the Dynamic Rotation Mechanism for Talent Vitality

Aurisco regards internal job rotation as a key accelerator for talent development. The Company has systematically designed a "three-dimensional job rotation mechanism", which includes: vertical rotation for capability building to support promotion within the same sequence, horizontal rotation to enhance cross-departmental collaboration and broaden interdisciplinary vision, and project-based rotation to sharpen practical problem-solving abilities through major tasks. This mechanism comprehensively improves employees' strategic thinking, cross-domain capabilities and holistic vision.

Based on personalized career planning guidance for employees, and taking into account their capabilities and the Company's development needs, we provide direction for employees' cross-departmental and cross-post development. Relying on open and transparent recruitment procedures, we have established an internal job competitive selection system to ensure that every employee has access to development opportunities matching their capabilities through fair competition. By fully implementing the internal rotation program, Aurisco has achieved synchronized growth between employee capability improvement and organizational vitality enhancement.



Job Rotation Training

Building a Performance-Driven Incentive Ecosystem

Centered on the themes of "strategic focus, value creation and efficiency improvement", Aurisco strictly implements its performance management system and annual appraisal plan under the guidance of "effective goal alignment, strengthened communication in process and differentiated application of results", so as to promote full-cycle employee performance management in an orderly manner.

We require managers at all levels to set clear, specific and challenging goals together with their subordinates based on the Company's annual business objectives, and provide effective guidance and support during work execution. We conduct regular performance appraisals and provide objective feedback through one-on-one interviews, helping employees formulate performance improvement plans. We take performance results as the key basis for measuring work achievements, professional competence, compensation adjustments, job assignments, promotions, commendations and professional title evaluations. Timely and targeted incentives are given to employees based on their value contribution, truly forming a management ecosystem where "the capable advance, the competent adjust and the incompetent exit".

Employees who disagree with their performance appraisal results may communicate with their direct supervisor or department head. If no consensus is reached, they may file an appeal to higher-level management.

Case | Yangzhou Aurisco Continuously Improves Performance Evaluation Effectiveness

Yangzhou Aurisco has continuously enhanced performance evaluation effectiveness focusing on strategic deployment, talent assessment, incentive allocation and development improvement.

In 2025, based on strategic priorities including production cost control and market share expansion, Yangzhou Aurisco scientifically decomposed annual organizational performance objectives and set departmental/team KPIs, effectively translating corporate strategy into measurable and actionable key performance indicators at all levels. In optimizing the performance evaluation scheme, the Company introduced the “OKR” management mindset on a pilot basis, combining it with traditional KPI appraisal to strengthen guidance for innovative and challenging work. It promoted and implemented the “performance review and feedback” mechanism, requiring managers and employees to conduct formal performance communication at least once per quarter to review progress, identify obstacles and provide guidance, which fundamentally changed the previous practice of “emphasizing annual evaluation while neglecting process management”.

The year-end centralized performance evaluation was successfully completed, with **100**% employee participation.

Going forward, Yangzhou Aurisco will focus on “improving goal-setting quality, empowering managers, expanding result application scenarios and exploring collaborative contribution evaluation”, to continuously upgrade performance evaluation effectiveness.



Safeguarding Health and Safety

Improving the Management System

Aurisco strictly complies with the *Workplace Safety Law of the People's Republic of China*, the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases* and other relevant laws and regulations. Adhering to the policy of "reducing environmental pollution, continuously improving workplace safety technologies, upgrading employees' working environment, eliminating major environmental and safety incidents, and protecting employees' occupational health and safety", the Company has formulated the *Environmental, Health and Safety (EHS) Management Manual and supporting systems*, and established a professional EHS management department, clarifying the responsibilities and objectives of all departments to ensure the effective implementation and maintenance of the occupational health and safety management system. The Company strives to build a healthy, hygienic and safe working environment to effectively protect employees' occupational health and life safety. In 2025, Aurisco, Yangzhou Lianao and Yangzhou Aurisco maintained the validity of the ISO 45001 Occupational Health and Safety Management System certification.



ISO 45001 Occupational Health and Safety Management System Certification Certificate

Occupational Health and Safety Commitments

- Abide by laws and regulations, and enhance safety awareness
- Put prevention first, and improve safety facilities
- Exercise strict control, and ensure safety performance

Occupational Health and Safety Objectives

- Zero accidents involving personnel poisoning, serious injury or death (including contractors working on site)
- Zero major fire and explosion accidents (requiring presence of the county emergency bureau, fire brigade and environmental protection bureau)
- Zero occupational disease accidents
- Zero food poisoning incidents
- **100**% signing rate of workplace safety responsibility documents
- **100**%completion of risk identification and control

Strengthening Workplace Safety

Aurisco has always regarded workplace safety as the lifeline of enterprise development, with the rigid goals of "zero accidents, zero injuries and zero pollution". We continuously consolidate the safety foundation through regular employee training, EHS risk assessments, safety inspections and hazard identification.

Focusing on Education and Training

We carry out Company-wide occupational health and safety training (including but not limited to three-level safety education for new employees, daily pre-shift meetings, general safety education, safety operation skill training, specialized safety knowledge training, and special operation training, etc.). This continuously enhances employees' awareness of workplace safety risks and operational capabilities, preventing and eliminating safety risks during production operations.





Workplace Safety Training

Strengthening Risk Prevention and Control

Aurisco regularly identifies hazard sources in operational activities, production sites, products and services, conducts risk assessment on the identified hazards, establishes a hazard list and identifies major hazard sources. Based on these, the Company formulates risk control measures to ensure effective control of occupational health and safety risks and prevent health and safety accidents.

For new construction, reconstruction and expansion projects, the Company carries out project safety assessment and occupational hazard assessment in accordance with the "three simultaneous" requirement, conducts the design and construction of safety facilities, and fully invests resources in configuring occupational health and safety protection facilities to enhance intrinsic safety. During the reporting period, Aurisco carried out safety assessment for the "New Production Line Project of 110 Tons of Characteristic APIs and Intermediates per Year". Yangzhou Lianao and Yangzhou Aurisco conducted safety status assessment in accordance with regulatory requirements.

The Company continues to increase investment in workplace safety, installing sequence control, safety interlock, inerting protection, visualization systems at high-risk points in the process. Through technological upgrading and standardized management, the Company relies on an intelligent monitoring platform to collect key process parameters in real time, automatically issue early warnings for abnormal fluctuations and activate the emergency response mechanism, so as to improve the safety protection level of the process.

Promoting Hazard Investigation

Aurisco has formulated a dual prevention mechanism management system for workplace safety and relevant hazard investigation procedures, and effectively promotes the hierarchical control of safety risks and the investigation and management of hazards. In accordance with internal regulations, safety officers or department heads organize monthly comprehensive inspections, quarterly specialized inspections, as well as specialized inspections during major festivals and special weather conditions. Problems and hazards identified in the inspections are immediately addressed with rectification measures.

Regulating Special Operations

Aurisco implements access control for special operations in accordance with regulatory requirements. Operators and managers must pass examinations by the national special equipment safety supervision authority and hold certificates to take posts. Users of special equipment conduct regular inspections on equipment operation status and keep records. The equipment management department organizes comprehensive inspections and maintenance quarterly, handles abnormalities in a timely manner, and coordinates suppliers or testing institutions for issues that cannot be resolved internally. Meanwhile, the Company entrusts qualified institutions to conduct regular inspection and verification on special equipment, safety protection devices, measuring instruments and other key components to ensure technical parameters meet specifications, and prohibits the use of overdue or unqualified equipment.

Special Topic: Chemical Safety Management

Aurisco has formulated internal systems and operating procedures including the *Safety Management System for Hazardous Chemicals* and the *Management System for Precursor Chemicals* in accordance with national laws, regulations and standards. Through classified management of chemicals, establishment of dynamic ledgers, and full-life-cycle tracking, the Company fully standardizes safety management in all links of chemical procurement, transportation, storage, loading and unloading, use and waste disposal, so as to prevent safety and environmental risks caused by chemical accidents.

The Company attaches great importance to chemical safety training and has established a Company-wide and regular training system focusing on the characteristics of raw materials and products, operating specifications, storage and transportation safety. Through case teaching, on-site operation and emergency drills, the Company improves employees' ability in risk identification and emergency response, ensuring that all employees master key skills such as leakage disposal and alarm interlock operation, so as to build a strong safety barrier for production.

The Company has established and improved a raw material incoming verification mechanism. In accordance with the national List of Hazardous Chemicals and environmental standards, the Company verifies the production legitimacy, qualification and quality sampling of suppliers. For all chemicals purchased and delivered to the factory, suppliers are required to provide Material Safety Data Sheets (MSDS), so as to fully identify the risks of relevant chemicals and formulate targeted management plans.

The Company strictly follows the principle of "classified storage, seepage prevention and leakage prevention". Anti-seepage, anti-loss and anti-diffusion devices and facilities are installed in key places and facilities involving chemicals. The Company conducts regular inspections on barrier facilities and systems to detect and rectify potential hazards in a timely manner.

The Company adopts an intelligent control system in the production process to prevent chemical leakage risks through "digital and intelligent" management and control of the process. Regular inspections of equipment and facilities are carried out to detect and eliminate potential chemical leakage hazards in a timely manner. Automatic monitoring and alarm systems are installed in high-risk links to realize real-time monitoring and interlock control of key parameters such as temperature, pressure and liquid level, ensuring a safe and controllable production process.

The Company sets up "notification boards", "warning signs" and "risk identification boards" at prominent positions in all places involving chemicals, and provides relevant operating manuals to guide operators to identify hazard sources and risk factors, prevent operational risks, enhance safety awareness and comply with operating specifications.

Enhancing Safety Emergency Response

Aurisco has formulated the *Production Safety Accident Emergency Plan* and supporting emergency response procedures, established a safety emergency command organization and an on-duty emergency center, set up an emergency response team, and equipped safety emergency resources including protective equipment, transportation tools and medical treatment facilities. This ensures timely response and efficient disposal in the event of a safety emergency, minimizing potential harm from accidents. The Company provides all employees with training on emergency rescue plans and organizes emergency drills to maintain and enhance employees' emergency awareness and response capabilities.

Case | National Fire Prevention Day Themed Training

On November 7, 2025, the Company held a dedicated firefighting practical training for new employees. Focusing on "theoretical foundation + practical capability enhancement", the training helped new employees transform from "understanding knowledge" to "mastering operation", enabling them to build a strong safety awareness from the beginning of employment.









Promoting Safety Culture

Aurisco adheres to the core philosophy of “Everyone talks about safety, everything is for safety, safety is always on mind, and safety is required everywhere”, integrating safety awareness into daily code of conduct and values. Through safety culture walls, team safety micro-lessons, safe production month activities and other channels, the Company continuously promotes safety culture, turning safety concepts from “on the wall” into “in the heart” and from “slogans” into “actions”.

Case | Safe Production Month

In June 2025, Aurisco launched a series of Company-wide safe production month activities under the theme “Everyone Talks About Safety, Everyone Can Respond——Find Hidden Safety Hazards Around Us”, laying a solid foundation for continuous safety management.

This safe production month included four major activities: comprehensive emergency drill, safety debate competition, “Enterprise and Home”, and “Double Zero” goals. The comprehensive emergency drill consolidated practical capabilities, the safety debate stimulated critical thinking among all employees, the “Enterprise and Home” activity gathered family strength, and the “Double Zero” goals demonstrated achievements in on-site risk identification and hazard management.

Comprehensive Emergency Drill

The drill adopted an innovative model for the first time "only the core scenario and accident background were defined, while specific response details and unexpected situations were handled flexibly by each emergency team according to on-site conditions, rather than following a fixed procedure throughout". This fully verified the scientificity of the emergency plan and the team's practical capabilities, accumulating valuable experience for responding to actual emergencies.





Safety Debate Competition

Focusing on three topics of "Priority of Safety Assessment", "Safety Assurance Model" and "Production Process Control", debaters drew from real work experience and raised long-standing difficulties and pain points, making it a genuine "safety discussion" with full employee participation.





Enterprise and Home, Safety Together

Building on the successful experience of previous activities such as "A Letter Home" and "Family Safety Messages", the Company held the theme activity "Enterprise and Home, Safety Together". By inviting family members of frontline managers to experience daily work on site, the Company built a dual safety reminder mechanism between the enterprise and families, extended safety culture to families, and strengthened the consensus of "safety for all".





"Double Zero" Goals

The Company officially launched the "Double Zero" goals on June 3, 2025, encouraging employees to voluntarily identify risks and proactively manage hazards. Among them, Workshop 802 took the lead in achieving the "Double Zero" goals, injecting strong momentum into the continuous improvement of safety management.



Protecting Occupational Health

Aurisco strictly complies with the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases*, the *Regulations on the Administration of Occupational Health at Workplaces* and other relevant laws, regulations and regulatory requirements. The Company has established a dedicated department with professional personnel responsible for occupational health management. It has formulated internal systems and operating specifications including the *Occupational Health Management System and Occupational Hazard Monitoring System*, clarifying management standards, objectives and responsibilities, implementing accountability at all levels, and refining implementation plans and measures. This ensures full-coverage, full-process and full-cycle closed-loop management of occupational disease prevention and protection, effectively safeguarding employees' occupational health rights and interests.

The Company continuously provides occupational health training and education, covering new employee onboarding, in-service rotation training and specialized intensive training for high-risk positions. Occupational health management systems and operating procedures are posted at prominent workplace locations and key posts to strengthen employees' daily conduct and risk prevention awareness. The Company has built supporting occupational health protection facilities and equipment, and provides employees with national-standard PPE suitable for their positions, effectively building the first line of defense for occupational health protection.

In accordance with laws and regulations, the Company identifies occupational disease hazards and conducts occupational hazard status assessments. It entrusts qualified third-party institutions to carry out annual regular monitoring of occupational disease hazards in the workplace, providing a scientific basis for occupational disease prevention and health management, and dynamically optimizing prevention and control strategies, protection facilities and operating procedures accordingly.

The Company has established an occupational health surveillance and archive management system. Employees exposed to occupational disease hazards receive pre-job, in-service and post-employment occupational health examinations, with individual health archives established and dynamically updated, ensuring a 100% examination coverage rate and archive integrity rate. The Company provides onboarding, annual, special and departure physical examinations for all employees, effectively protecting the life safety and physical health of every employee.

Case | Yangzhou Aurisco Promoted Solid Occupational Health Management

Yangzhou Aurisco takes "zero occupational disease incidence" as its core goal and has set up a leading group for occupational health, with the General Manager as the group leader and department heads as members, to coordinate and promote occupational health management.

In 2025, based on actual production and operation, Yangzhou Aurisco systematically sorted out occupational disease hazard risk points in each process and conducted a comprehensive, full-coverage occupational health status assessment of existing projects. Meanwhile, pre-assessment of occupational disease hazards and assessment of control effects were carried out for new projects constructed in the year. On this basis, Yangzhou Aurisco comprehensively upgraded protection facilities and risk control measures, added 2 new management systems and revised 3 existing ones, establishing a system of 15 occupational health management systems covering occupational disease prevention, hazard warning and notification, achieving dual improvement in system development and risk prevention and control.



Occupational Hazard Notification Card

The Company publicizes the monitoring and assessment results of occupational health hazards to all employees and clearly informs them of the occupational health risks at their posts. Through posting occupational hazard notification cards, organizing specialized training and conducting emergency drills, the Company continuously improves employees' self-protection capabilities and risk response levels.

Yangzhou Aurisco insists on providing regular health examinations and specialized occupational disease screenings for employees.

In 2025, Yangzhou Aurisco provided occupational health examinations for **346** on-the-job employees exposed to occupational hazards, with an occupational disease incidence rate of **0**.

Improving People's Well-being

Guided by the public welfare philosophy of "Caring for Life, Caring for Health, Serving the Society, and Pursuing Sustainable Innovation", Aurisco leverages its product strengths to improve medical accessibility and empowers public welfare through industrial development. The Company strives to foster a sound atmosphere where "charity is accessible to all and public welfare is within everyone's reach", integrating goodwill into daily life and extending warmth to every corner. It actively promotes the sharing of development achievements with society and continuously improves people's well-being in growth.

Special Topic: Fulfilling Social Responsibility and Advancing Medical Accessibility

Medical accessibility is a core pillar of the social medical security system, bearing on people's health and social equity. Upholding the corporate mission of "creating a better world through providing our clients the highest quality pharmaceutical products", Aurisco regards advancing medical accessibility and supporting the development of the social medical security system as key social responsibilities. Through diversified measures including R&D innovation for clinically urgent medicines, quality improvement and affordable pricing, active participation in the medical insurance system, and public welfare assistance, the Company brings high-quality pharmaceutical resources to more people and contributes to a stronger social medical security system.

◆ Focusing on Clinical Urgency to Break Access Barriers through Generic and Innovative Drugs

Based on the characteristics of the biopharmaceutical industry, the Company precisely targets unmet clinical needs, focusing on R&D in various areas. Through generic drug breakthroughs and innovative technologies, it has broken the monopoly of imported medicines and greatly improved the accessibility of critical drugs.

● Tackling Medicine Shortages in Female Health

In response to the monopoly and high prices of imported drugs for menopausal syndrome, the Company increased investment and developed Packaging Estradiol Tablets/Estradiol and Dydrogesterone Tablets, which was approved for production in November 2025 as the first generic + first consistency-approved product in China. The product price is significantly lower than that of imported originator drugs, this product has made high-quality hormone replacement therapy affordable and accessible to millions of Chinese women, effectively improving medical accessibility in female health.

● Building a Pharmaceutical Pipeline for Major Diseases

Focusing on major diseases such as female health and oncology, the Company continues to advance the integrated layout of APIs and formulations. Faced with the high cost of original drugs and heavy patient burden, it is committed to developing clinically urgent generic drugs to break monopolies and reduce patients' medication expenses.

◆ Deepening Medical Insurance Collaboration, and Facilitate the Implementation of Medical Security through Policy Coordination

The Company actively aligns with national medical insurance policies. Leveraging large-scale production advantages and process optimization for cost control, it proactively lowers product prices while ensuring quality, supporting the efficient use of medical insurance funds.

We take the initiative to participate in medical insurance catalog access and volume-based procurement. Through policy coordination and market collaboration, the Company promotes the inclusion of high-quality drugs in the medical security system, supports the hierarchical diagnosis and treatment system, addresses shortages in primary medical resources, and extends medical security services to the grassroots, ensuring that the benefits of medical insurance directly reach patients.

The Company's core product Dydrogesterone Tablets was successfully included in the Beijing-Tianjin-Hebei "3+N" Alliance Volume-Linked Procurement Catalog. The economies of scale of alliance procurement further reduced drug prices, and medical insurance payment policies significantly eased patients' out-of-pocket expenses. By the end of 2025, Dydrogesterone Tablets had been adopted by 9120 hospitals (including community hospitals), effectively improving drug accessibility and security.

◆ Strengthening Quality Management and Control to Consolidate the Foundation of Healthcare Security Through Standardization Enhancement

The Company has always regarded drug quality as its lifeline. By improving its quality management system and advancing international standard certifications, it ensures stable and reliable quality for every batch of drugs. Through technological innovation and optimized production processes, the Company enhances production efficiency, further stabilizes drug quality and reduces production costs, providing high-quality support for the medical security system with "high-quality and accessible" products.

Meanwhile, the Company continues to expand production capacity. To date, the annual capacity of Dydrogesterone Tablets has reached 200 million tablets, and capacities for Packaging Estradiol Tablets/Estradiol and Dydrogesterone Tablets, Semaglutide API and other products are gradually being released. Adequate capacity ensures stable supply of drugs included in medical insurance and volume-based procurement, safeguarding the stable operation of the medical security system.

◆ Fulfilling Social Responsibility to Expand the Boundaries of Medical Security Through Public Welfare Initiatives

While promoting affordable medicines, the Company actively carries out public welfare assistance, extends the coverage of medical security services, supports the medical needs of vulnerable groups, and demonstrates its corporate social responsibility.

Case | "Compassion for Bright Journey"——Guarding Clear Sight, Illuminating Harmonious Tiantai County

In 2025, Aurisco joined hands with the Tiantai County Red Cross and relevant townships to support Tiantai Luoweirong Eye Hospital in launching the "Compassion Bright Journey" public welfare project. During the year, the project assisted a total of 610 people, including subsidies for 78 low-income, destitute and disabled individuals, with a total assistance amount of 341,400 yuan. The Company supported the in-depth implementation of the "Volunteer Services to Every Village, Compassionate Care for All Villagers" free medical clinic series, holding 215 events and serving 7,289 people. Through the service model of "going to villages and entering enterprises", the Company provided free eye examinations and health consultations. A total of 53 eye health lectures were held throughout the year, benefiting 2,140 people. In addition, free surgeries were provided to 33 people in extreme poverty, low-income marginal families and elderly cataract patients, guarding eyesight with professionalism and warming hearts with care.







Social Welfare Initiatives

Donating for Education, Cultivating Outstanding Talents

Aurisco strongly supports educational innovation and talent development. Through student assistance, competency development, and specialized support programs, the Company helps improve infrastructure and education quality at local schools, injecting new vitality into the high-quality development of regional education and empowering the construction of a "modern, harmonious and prosperous city".



In 2025, the Company donated **300,000** yuan to Chicheng Middle School for targeted support, and provided a specialized fund of **1** million yuan for the construction of a science and innovation laboratory at the Foreign Language School.

Assisting Persons with Disabilities for Common Prosperity

On May 15, 2025, in celebration of the 35th "National Disability Day", Aurisco actively responded to the call of the Tiantai County Committee of the Chinese People's Political Consultative Conference and participated in the first donation of the Committee Members' Fund for Assisting Persons with Disabilities and Promoting Common Prosperity, supporting the development of services for persons with disabilities through concrete actions. Over the years, Aurisco has not only provided financial support but also created job opportunities to help persons with disabilities secure employment, increase income and integrate into society, contributing to common prosperity and spreading social warmth.



Orange Love Safeguards Peace and Stability

On June 6, 2025, Aurisco donated another 100,000 yuan to the County Red Cross, earmarked for the purchase of anti-drowning equipment under the "One Circle, One Pole, One Rope" program. Since 2023, the Company has donated 100,000 yuan annually to support the local "Tiantai Orange Life Circle" anti-drowning public welfare campaign.

To date, life-saving equipment has been installed at more than **850** high-risk locations across the county.



New Year Warmth Spreads Care and Kindness

On January 17, 2025, ahead of the Spring Festival, Aurisco presented 1,550 "Spring Festival gifts" to front-line sanitation workers in Tiantai County, expressing sincere care and best wishes.

For a long time, Aurisco has actively promoted the social ethos of "Honor Labor, Together with Care". With concrete actions, it calls on all sectors of society to understand and value the hard work of workers, joins hands with all forces to build a warmer and more inclusive social environment, and injects sustained momentum into improving public well-being and promoting urban civilization.





Pure Loyalty Gathers Warmth and Kindness

On November 21, 2025, Aurisco organized another voluntary blood donation campaign. Employees responded enthusiastically, with 64 employees donating a total of 24,000 milliliters of blood. This practical action embodies the volunteer spirit of "Dedication, Friendship, Mutual Assistance and Progress" advocated by Aurisco, and vividly demonstrates the Company's profound humanistic care and firm social responsibility.







2025 Charitable Donation Projects

Entity	S/N	Project Description	Category	Signing Party	Date	Amount (10,000 yuan)
Aurisco	1	Caring Enterprise Matching Donation for "Tiantai Orange Life Circle" Project	Public Safety	Tiantai County Red Cross	2025.4	10
	2	Assisting Persons with Disabilities and Promoting Common Prosperity	Humanitarian Relief	Zhejiang Tiantai Charity Federation	2025.8	5
	3	Tiantai Compassion Bright Journey Public Welfare Project	Medical & Health	Tiantai County Red Cross	2025.9	10
	4	Commendation for Outstanding Students and Teachers & Improvement of School Conditions at Tiantai Chicheng Middle School	Education Development	Tiantai County Education Foundation	2025.9	30
	5	Elderly Condolence on Double Ninth Festival in Badu Village	Elderly Care	Tiantai Charity Federation	2025.10	3
	6	Science and Innovation Laboratory at Tiantai Foreign Language School	Education Development	Tiantai County Education Foundation	2025.10	100
	7	Road Construction in Daluxia Village	Rural Development	Tiantai Charity Federation	2025.11	10
	8	Infrastructure Construction in Daluxia Village	Rural Development	Tiantai Charity Federation	2025.11	20
	9	Gynecological Endocrinology and Reproductive Medicine Development Fund	Medical and Health	Peking Union Medical Foundation	2025.12	15
Yangzhou Aurisco	10	Yangzhou "99 Charity Donation" Activity	Public Welfare	Charity Association of Chahe Subdistrict, Hanjiang District, Yangzhou	2025.10	1
Yangzhou Lianao	11	Yangzhou "99 Charity Donation" Activity	Public Welfare	Charity Association of Chahe Subdistrict, Hanjiang District, Yangzhou	2025.10	0.5
Total						204.5

Future Outlook

"Where ambition leads, no distance is too far; where purpose guides, we march with sincere heart." At the forefront of sustainable development, Aurisco deeply understands that the journey of pharmaceutical development never ends, and the practice of responsibility knows no bounds. Going forward, we will always uphold our original aspiration of "serving the people and safeguarding health", elevate ESG principles into core corporate competitiveness, and forge steadily ahead on the path of high-quality development.

In environmental protection, we will further promote the integration of green production and ecological conservation, empower low-carbon transformation through technological innovation, and make green the most distinctive hallmark of the Company's development.

In social responsibility, we will remain committed to affordable healthcare, use technological innovation to break through barriers to health accessibility, enable high-quality medical resources to benefit more people across regions, and convey the responsibility and warmth of the pharmaceutical industry with humanistic care.

In governance improvement, we will continue to refine a compliant and transparent governance system and consolidate the foundation of development with higher standards. Upholding the philosophy of "symbiosis and shared prosperity", we will join hands with partners and all sectors of society to build a stable, green and win-win industrial and social ecosystem.

The road ahead is long and arduous, but progress will lead to arrival. Aurisco will take firmer conviction and more practical actions to integrate ESG practices into every detail of R&D, production and services. We will forge courageously toward the goal of "becoming a world-class pharmaceutical enterprise", write a new chapter of responsibility in the new era on the journey of protecting life and health and advancing sustainable development, and embrace a better future together with society!

Appendixes

Key Performance

Governance Performance

Business Ethics Performance				
Indicator	Unit	2025	2024	2023
Coverage rate of business ethics training	%	100	100	100
Average hours of business ethics training per employee	Hour	2.5	2	2
Number of whistleblowing cases (in terms of business ethics)	Case	0	0	0
Number of confirmed corruption incidents	Case	0	0	0

Product and Industry Performance

Customer Health and Safety Performance				
Indicator	Unit	2025	2024	2023
Number of non-compliance incidents related to health and safety impacts of products and services	Case	0	0	0
Number of product recall incidents	Time	0	0	0

Marketing and Labeling Performance				
Indicator	Unit	2025	2024	2023
Number of non-compliance incidents related to product and service information and labeling	Case	0	0	0
Number of non-compliance incidents related to marketing communications	Case	0	0	0

Information Security Performance				
Indicator	Unit	2025	2024	2023
Coverage rate of information security training	%	100	100	100
Number of confirmed information security incidents	Case	0	0	0
Verified complaints involving infringement of customer privacy and loss of customer data	Case	0	0	0

Labor and Human Rights Performance

Labor Protection Performance				
Indicator	Unit	2025	2024	2023
Total number of employees	Person	2026	1784	1521
Number of new employees	Person	367	380	292
Number of employees with disabilities	Person	7	7	7
Number of female employees	Person	674	599	407
Percentage of female employees	%	33.27	33.58	26.76
Number of executives	Person	8	8	8
Number of female executives	Person	4	4	4
Percentage of female executives	%	50	50	50
Number of Board of Directors	Person	9	9	9
Number of female directors	Person	1	1	1
Percentage of female directors	%	11.11	11.11	11.11
Number of employees with doctorate degree and above	Person	16	14	11
Number of employees with master degree	Person	162	138	109
Number of employees with bachelor's degree	Person	758	669	529
Number of employees with junior college degree	Person	494	387	318

Employee Training and Development Performance				
Indicator	Unit	2025	2024	2023
Total investment in training	RMB 10,000	37.555	17.806	4.776
Number of employees receiving training	Person-time	68198	55072	44038
Number of training sessions	Time	8068	6520	5084
Training coverage rate	%	100	100	100
Percentage of employees undergoing skills-related training	%	100	100	100
Percentage of employees undergoing career development planning and evaluation	%	100	100	100

Occupational Health and Safety Performance

Occupational Health Performance				
Indicator	Unit	2025	2024	2023
Number of employees undergone occupational health examination (onboarding)	Person	484	520	384
Number of employees undergone occupational health examination (on-post)	Person	1054	903	769
Number of employees diagnosed with occupational diseases (on-post)	Person	0	0	0
Number of employees diagnosed with occupational contraindications (on-post)	Person	2	2	6
Number of employees undergone occupational health examination (off-post)	Person	100	65	75
Number of employees diagnosed with occupational diseases (off-post)	Person	0	0	0
Number of employees diagnosed with occupational contraindications (off-post)	Person	0	0	0
Coverage Rate of Employee Physical Exam (for positions with occupational hazards)	%	100	100	100

Occupational Safety Performance				
Indicator	Unit	2025	2024	2023
Number of employee fatalities	Person	0	0	0
Lost workdays due to work-related injuries	Case	10	5	6
Number of transport accidents	Time	0	0	0
Number of lost workdays due to work-related injuries	Day	262	354	196
Coverage rate of safety training for on-the-job personnel	%	100	100	100

Environmental Performance

Environmental Management Performance				
Indicator	Unit	2025	2024	2023
Percentage of employees trained on environmental management	%	100	100	100
Percentage of operational sites undergoing environmental risk assessment	%	100	100	100

Wastewater Performance				
Indicator	Unit	2025	2024	2023
COD (sewer-connected amount)	Ton	18.827	22.0443	20.068
Ammonia nitrogen (sewer-connected amount)	Ton	0.4014	0.9681	0.447
Total nitrogen (sewer-connected amount)	Ton	3.2632	3.2507	1.905
Total phosphorus (sewer-connected amount)	Ton	0.2487	0.187	0.158

Waste Gas Performance				
Indicator	Unit	2025	2024	2023
Nitrogen oxide	Ton	2.0544	1.6692	2.45
Total non-methane hydrocarbons	Ton	4.0789	6.38	4.7534
Sulfur dioxide	Ton	0.3651	0.1656	0.1896

Waste Performance				
Indicator	Unit	2025	2024	2023
Total general waste generated	Ton	516.37	179.46	137.67
General waste treated	Ton	516.37	179.46	138.54
Total hazardous waste generated	Ton	5286.65	4571.91	3921.64
Hazardous waste transferred	Ton	5234.17	4571.91	3921.64

Water Resource Performance				
Indicator	Unit	2025	2024	2023
Total water consumption	Ton	402603	320968	261670
Total wastewater discharge	Ton	273113.15	233441.50	203725.49
Number of water quality noncompliance incidents	Time	0	0	0

Energy Performance				
Indicator	Unit	2025	2024	2023
Natural gas	m^3	300306	206387	218948
Diesel	Liter	7381	7912	6100
Gasoline	Liter	12467.02	13606.33	16551
Purchased electricity	kWh	62007814	53162792	44965610
Purchased steam	Ton	84146	66936	56352
PV power generation	kWh	292074	/	/

GHG Performance				
Indicator	Unit	2025	2024	2023
Direct GHGs emissions (Scope 1)	tCO_2e	1953.617	2731.19	2014.95
Indirect GHGs emissions (Scope 2)	tCO_2e	50947.4758	57520.25	48964.95
Indirect GHGs emissions (Scope 3)	tCO_2e	22144.0379	25694.61	20637.52

The environmental performance primarily sourced from the Company's three production bases.

Indicator Index

GRI Content Index

Statement of Use	The Company has reported the information cited in this GRI content index for the period from January 1, 2025, to December 31, 2025 with reference to the GRI Standards	
GRI 1 used	GRI 1: Foundation 2021	
Disclosure Topics/ Disclosures	Disclosure Title	Section Index
GRI 2: General Disclosures 2021		
2-1	Organizational details	About Aurisco
2-2	Entities included in the organization's sustainability reporting	About the Report
2-3	Reporting period, frequency and contact point	About the Report
2-4	Restatements of information	N/A
2-5	External assurance	None
2-6	Activities, value chain and other business relationships	About Aurisco
2-7	Employees	People-Oriented, Goodness for All
2-8	Workers who are not employees	N/A
2-9	Governance structure and composition	Corporate Governance Strengthening
2-10	Nomination and selection of the highest governance body	Corporate Governance Strengthening
2-11	Chair of the highest governance body	Corporate Governance Strengthening
2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance Strengthening
2-13	Delegation of responsibility for managing impacts	Corporate Governance Strengthening
2-14	Role of the highest governance body in sustainability reporting	ESG Management
2-15	Conflicts of interest	Compliance with Business Ethics
2-16	Communication of critical concerns	Communication with Stakeholders
2-17	Collective knowledge of the highest governance body	ESG Management
2-18	Evaluation of the performance of the highest governance body	ESG Management
2-22	Statement on sustainable development strategy	ESG Management
2-23	Policy commitments	ESG Management
2-24	Embedding policy commitments	ESG Management
2-25	Processes to remediate negative impacts	Compliance with Business Ethics
2-26	Mechanisms for seeking advice and raising concerns	Communication with Stakeholders
2-27	Compliance with laws and regulations	See Corresponding Chapters
2-28	Membership associations	Driving Industry Development
2-29	Approach to stakeholder engagement	Communication with Stakeholders
2-30	Collective bargaining agreements	Protection of Employees' Rights and Interests
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Material Topics Management
3-2	List of material topics	Material Topics Management
3-3	Management of material topics	Material Topics Management
GRI 102: Climate Change 2025		
102-1	Transition plan for climate change mitigation	Climate Change Response
102-2	Climate change adaptation plan	Climate Change Response
102-3	Just transition	Climate Change Response
102-4	GHG emissions reduction targets and progress	Climate Change Response
102-5	Scope 1 GHG emissions	Climate Change Response
102-6	Scope 2 GHG emissions	Climate Change Response
102-7	Scope 3 GHG emissions	Climate Change Response
102-8	GHG emissions intensity	Climate Change Response
102-9	GHG removals in the value chain	Climate Change Response
102-10	Carbon credits	N/A
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	About Aurisco
201-2	Financial implications and other risks and opportunities due to climate change	Climate Change Response
201-3	Defined benefit plan obligations and other retirement plan	Protection of Employees' Rights and Interests
201-4	Financial assistance received from government	N/A
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	Improving People's Well-being
203-2	Significant indirect economic impacts	Improving People's Well-being
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	Compliance with Business Ethics
205-2	Communication and training about anti-corruption policies and procedures	Compliance with Business Ethics
205-3	Confirmed incidents of corruption and actions taken	Compliance with Business Ethics
GRI 206: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Compliance with Business Ethics
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	Optimization of Resource Utilization
302-4	Reduction of energy consumption	Optimization of Resource Utilization
302-5	Reductions in energy requirements of products and services	Optimization of Resource Utilization

GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	Optimization of Resource Utilization
303-2	Management of water discharge-related impacts	Optimization of Resource Utilization
303-3	Water withdrawal	Optimized Resource Utilization
303-4	Water discharge	Standardization of Pollution and Waste Treatment
303-5	Water consumption	Optimization of Resource Utilization
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Climate Change Response
305-2	Energy indirect (Scope 2) GHG emissions	Climate Change Response
305-3	Other indirect (Scope 3) GHG emissions	Climate Change Response
305-4	GHG emissions intensity	Climate Change Response
305-5	Reduction of GHG emissions	Climate Change Response
305-6	Emissions of ozone-depleting substances (ODS)	Climate Change Response
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Key Performance
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	Standardization of Pollution and Waste Treatment
306-2	Waste by type and disposal method	Standardization of Pollution and Waste Treatment
306-3	Waste generated	Key Performance
306-4	Waste diverted from disposal	Key Performance
306-5	Waste directed to disposal	Key Performance
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using	Sustainable Supply Chain
308-2	Negative environmental impacts of the supply chain and actions taken	Sustainable Supply Chain
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	Key Performance
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Protection of Employees' Rights and Interests
401-3	Parental leave	Protection of Employees' Rights and Interests
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Safeguarding Health and Safety
403-2	Hazard identification, risk assessment, and incident investigation	Safeguarding Health and Safety
403-3	Occupational health services	Safeguarding Health and Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Safeguarding Health and Safety
403-5	Worker training on occupational health and safety	Safeguarding Health and Safety
403-6	Promotion of worker health	Safeguarding Health and Safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safeguarding Health and Safety
GRI 403: Occupational Health and Safety 2018		
403-8	Workers covered by an occupational health and safety management system	Safeguarding Health and Safety
403-9	Work-related injuries	Safeguarding Health and Safety
403-10	Work-related ill health	Safeguarding Health and Safety
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	Key Performance
404-2	Programs for upgrading employee skills and transition assistance programs	Promoting Employee Growth
404-3	Percentage of employees receiving regular performance and career development reviews	Key Performance
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Corporate Governance Strengthening Protection of Employees' Rights and Interests
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	Protection of Employees' Rights and Interests
GRI 407: Freedom of Association and Collective Bargaining 2016		
407-1	Operation and supply chain points with significant risk related to freedom of association and collective bargaining	Protection of Employees' Rights and Interests
GRI 408: Child Labor 2016		
408-1	Operation and supply chain points with significant risk related to child labor	Protection of Employees' Rights and Interests
GRI 409: Forced or Compulsory Labor 2016		
409-1	Operation and supply chain points with significant risk related to forced or compulsory labor	Protection of Employees' Rights and Interests
GRI 411: Rights of Indigenous Peoples 2016		
411-1	Incidents of violations involving rights of indigenous peoples	N/A
GRI 413: Local Communities 2016		
413-1	Operation points with local community engagement, impact assessments, and development programs	Improving People's Well-being
413-2	Operation points with actual or potential significant negative impacts on local communities	Improving People's Well-being
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Sustainable Supply Chain
414-2	Negative social impacts in the supply chain and actions taken	Sustainable Supply Chain
GRI 415: Public Policy 2016		
415-1	Political contributions	N/A
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Striving for the Premium Quality
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Key Performance
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	Sincere Customer Service
417-2	Incidents of non-compliance concerning product and service information and labeling	Key Performance
417-3	Incidents of non-compliance concerning marketing communications	Key Performance
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Key Performance

TCFD Content Index

Dimensions		Disclosure	Corresponding Chapter
Governance	Disclose the organization's governance around climate-related risks and opportunities	a) Describe the board's oversight of climate-related risks and opportunities.	Climate Change Response - Governance
		b) Describe management's role in assessing and managing climate-related risks and opportunities.	
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Climate Change Response - Strategy
		b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	
		c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2° C or lower scenario.	
Risk Management	Disclose how the organization identifies, assesses, and manages climate-related risks	a) Describe the organization's processes for identifying and assessing climate-related risks.	Climate Change Response - Impact, Risk and Opportunity Management
		b) Describe the organization's processes for managing climate-related risks.	
		c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	a) Disclose the metrics used by the organization to access climate-related risks and opportunities based on its strategy and risk management processes	Climate Change Response - Metrics and Targets
		b) Disclose Scope 1 (direct discharge), Scope 2 (indirect discharge), and, if appropriate, Scope 3 (other indirect discharge) greenhouse gas (GHG) emissions, and the related risks	
		c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	

SASB Content Index

Topic	Metric	Code	Corresponding Chapters
Greenhouse Gas Emissions	Gross global Scope 1 emissions (percentage covered under emissions(limiting regulations)	RT-CH-110a.1	Key Performance
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	RT-CH-110a.2	Key Performance
Air Quality	Air pollutant emissions (NOx, SOx, VOCs, and HAPs)	RT-CH-120a.1	Key Performance
Energy Management	Total energy consumed, percentage grid electricity, percentage renewable and total self-generated energy	RT-CH-130a.1	Key Performance
Water Management	Total water withdrawn, total water consumed (percentage of each in regions with High or Extremely High Baseline Water Stress)	RT-CH-140a.1	Key Performance
	Number of water quality violations	RT-CH-140a.2	Key Performance
	Water management risks and mitigate strategies	RT-CH-140a.3	Optimization of Resource Utilization
Hazardous Waste Management	Amount of hazardous waste generated and percentage recycled	RT-CH-150a.1	Key Performance
Community Relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	RT-CH-210a.1	/
Workforce Health & Safety	Total recordable incident rate (TRIR) and fatality rate (direct employees and contract employees)	RT-CH-320a.1	Key Performance
	Long-term health risks assessment and mitigation measures	RT-CH-320a.2	Safeguarding Health and Safety
Product Design for Use-phase Efficiency	Revenue from efficiency resource efficient design products	RT-CH-410a.1	Practices in Green Operations
Safety & Environmental Stewardship of Chemicals	Percentage of products that contain GHS1-2 hazardous substances and risk assessment rates	RT-CH-410b.1	/
	Chemicals management strategies and alternatives development	RT-CH-410b.2	Practices in Green Operations
Genetically Modified Organisms	Percentage of products by revenue that contain genetically modifed organisms (GMOs)	RT-CH-410c.1	/
Management of the Legal & Regulatory Environment	Corporate positions on environmental and social regulations affecting the industry	RT-CH-530a.1	Driving Industry Development
Operational Safety, Emergency Preparedness & Response	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	RT-CH-540a.1	Safeguarding Health and Safety Key Performance
	Number of transport incidents	RT-CH-540a.2	Key Performance
Activity Metric	Production by reportable segment	RT-CH-000.A	/

Guidelines Content Index of Shanghai Stock Exchange

Dimension	No.	Topics	Corresponding Chapters
Environmental	1	Climate Change Response	Climate Change Response
	2	Pollutant Release	Standardization of Pollution and Waste Treatment
	3	Waste Treatment	Standardization of Pollution and Waste Treatment
	4	Ecosystem and Biodiversity Conservation	/
	5	Environmental Compliance Management	Enhancement of Environmental Management
	6	Energy Utilization	Optimization of Resource Utilization
	7	Water Resource Utilization	Standardization of Pollution and Waste Treatment Optimization of Resource Utilization Practices in Green Operations
	8	Circular Economy	Standardization of Pollution and Waste Treatment Optimization of Resource Utilization
Social	9	Rural Revitalization	Improving People's Well-being
	10	Social Contribution	Improving People's Well-being
	11	Innovation-driven Development	Deepening Innovation-Driven Development
	12	Science and Technology Ethics	Upholding Scientific and Technological Ethics
	13	Supply Chain Security	Sustainable Supply Chain
	14	Equal Treatment to Small and Medium-sized Enterprises	/
	15	Safety and Quality of Product and Service	Striving for the Premium Quality Sincere Customer Service
	16	Data Security and Customer Privacy Protection	Safeguarding Information Security
	17	Employees	People-Oriented, Goodness for All
Governance Related to Sustainable Development	18	Due Diligence	Integrating Responsibility into Business, Driving Sustainable Development
	19	Communication with Stakeholders	Integrating Responsibility into Business, Driving Sustainable Development
	20	Anti-Commercial Bribery and Anti-Corruption	Compliance with Business Ethics
	21	Anti-Unfair Competition	Compliance with Business Ethics

Feedback Table

Thank you very much for reading the 2025 Environmental, Social and Governance (ESG) Report of Aurisco Pharmaceutical Co., Ltd. In order to continuously improve the Company's ESG work and provide valuable information to our stakeholders, we sincerely invite you to give us your valuable comments and suggestions on the Report and Aurisco's ESG work, and feed back to us through the following ways. Thanks for your substantial support to our ESG!

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1. For Aurisco, your identity is

☐ Shareholder & Investor ☐ Government & Regulatory Agency ☐ Customer ☐ Employee ☐ Supplier & Partner
☐ Community & the Public ☐ Other (please specify)

2. Your overall assessment on the ESG Report is

☐ Very Good ☐ Good ☐ Average ☐ Poor ☐ Very Poor

3. Response to and disclosure of stakeholder concerns in the Report are

☐ Very Good ☐ Good ☐ Average ☐ Poor ☐ Very Poor

4. Clarity, accuracy and completeness of the information, indicators and data disclosed in the Report are

☐ Very Good ☐ Good ☐ Average ☐ Poor ☐ Very Poor

5. The text, structural arrangement, and layout design of the Report are

☐ Very Good ☐ Good ☐ Average ☐ Poor ☐ Very Poor

6. What do you like most about the Report?

7. What other information would you like to see in the Report besides the disclosed content?

8. Do you have any comments or suggestions on our ESG?