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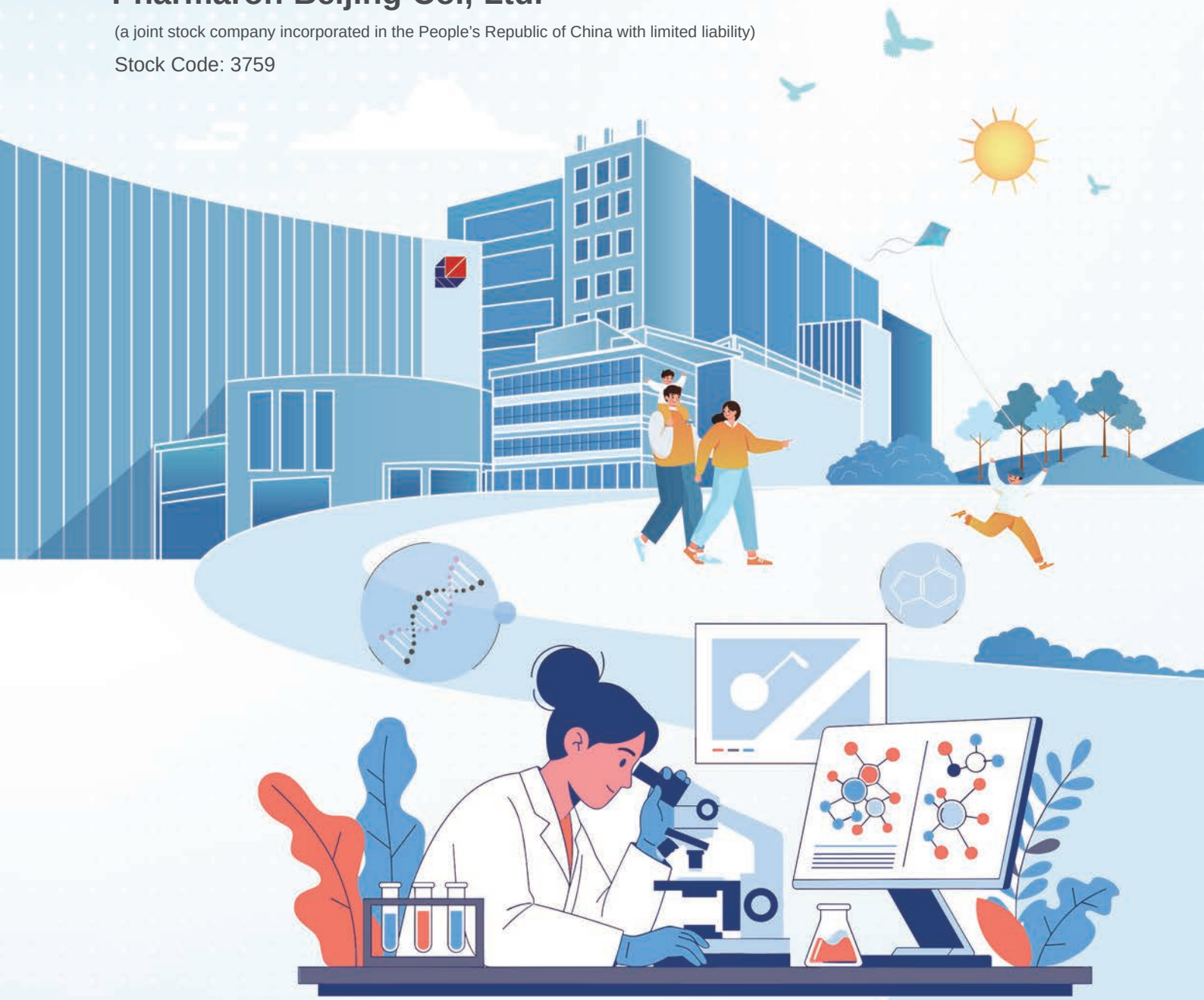
PHARMARON

Pharmaron Beijing Co., Ltd.

(a joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code: 3759



2025

Environmental, Social and Governance Report

Pharmaron Beijing Co., Ltd.

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About This Report

Reporting Period

This report is the seventh Environmental, Social and Governance ("ESG") report issued by Pharmaron Beijing Co., Ltd. and covers data from January 1 to December 31, 2025, aligning with the reporting period of the Annual Report of the Company, and some contents may exceed the aforementioned time range.

Scope

The contents of this report relate to Pharmaron Beijing Co., Ltd. and its key subsidiaries. Please refer to Appendix 7 for entities included in this report.

Disclosure Requirements and References

This report has been prepared in accordance with the Environmental, Social and Governance Reporting Code issued by the Stock Exchange of Hong Kong Limited ("HKEx"), and the Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange – Sustainability Report (For Trial Implementation) issued by the Shenzhen Stock Exchange ("SZSE"), with reference to the GRI Standards issued by the Global Sustainability Standards Board ("GSSB"), and it responds to topics of concern in ESG ratings and questionnaires in the capital markets.

ESG Reporting Principles

Materiality

This report follows the HKEx materiality principle to disclose the review of ESG issues by the Board of Directors (the "Board") and the ESG Working Group, the stakeholder engagement, the process of identifying material issues, and the materiality matrix. For detailed information, please refer to the corresponding sections below.

Quantitative

The statistical standards, methodologies, assumptions and/or calculation tools for the quantitative Key Performance Indicators ("KPIs") in this report, along with the sources of conversion factors used, are disclosed in the "notes" below the Key Performance Table.

Balance

This report presents the Group's performance during the reporting period in an impartial manner to avoid choices, omissions, or presentation formats that may unduly influence the decisions or judgments of readers of the report.

Consistency

The statistical methods used for the data disclosed in this report are consistent.

References

To facilitate the expression and reading, Pharmaron Beijing Co., Ltd. ("Pharmaron", or the "Company"), and together with its subsidiaries are expressed as the "Group" or "we" or "us" or "our"; "Pharmaron Beijing Co., Ltd." as "Pharmaron Beijing"; Pharmaron's subsidiaries as "Pharmaron Tianjin", "Pharmaron Qingdao", "AniKeeper Zhanjiang", "Pharmaron Shaoxing", "Pharmaron Clinical", "AniKeeper Zhaoqing", "Pharmaron Ningbo", "Pharmaron Xi'an", "Pharmaron TSP", "AniKeeper", "Beijing Technology Development", "Biortus", "Pharmaron UK", "Pharmaron US".

Reporting Currency

Unless otherwise specified, all monetary values are presented in RMB (yuan) in this report.

A Message from Our Chairman

2025 has been a truly remarkable year for the biopharmaceutical industry. Prolonged geopolitical tension has created uncertainty in the global economic environment, and investment and financing activity across the sector remained at historically low levels. In the face of intense global competition, we have persevered in a customer-centric approach, leveraging our integrated end-to-end service platform, strictly adhering to international quality standards, and fully utilizing the close collaboration and coordinated capabilities across China, the United Kingdom, and the United States to meet the diverse needs of global clients at different stages of research and development.

Over the past year, we have deeply engaged in ongoing industry transformation, confronting challenges with focus and resolve. We have further strengthened our "Customer Centric" culture, promoted collaboration across different therapeutic platforms, and made steady progress in the development of late-stage and commercial manufacturing capabilities for small-molecule CDMO services. At the same time, we expanded our new modality services, further breaking down geographical barriers and optimizing compliance management. By steadily advancing our core strategy of "end-to-end, fully-integrated, globalized, multiple-therapeutic modalities", we have continued to maintain a steady development momentum.

We have embedded sustainability deeply into our corporate development framework and regard it as a critical foundation for building long-term competitiveness. In 2025, we issued and updated several sustainability-related policies, providing clear guidance for actions across key areas such as

operational compliance, energy management, waste reduction and biodiversity protection, and sustainable supply chain management. In addition, Pharmaron officially joined the United Nations Global Compact ("UNGC"), committing to uphold its ten principles and systematically advance ESG development in alignment with the framework. Also, we have consistently enhanced our organizational structure and operational management, while expanding the scope of our international management system certifications, including ISO 14001, ISO 45001, and ISO 22301.

In advancing our sustainability agenda, we have placed strong emphasis on the management of systemic risks. In 2025, we completed a comprehensive, group-wide assessment of climate-related financial risks and opportunities, and further enhanced our related disclosures in accordance with the climate-related requirements set out in Part D of the HKEx ESG Reporting Code. Moreover, we took a leading step within the industry by conducting a risk assessment of our operational and supply chain dependencies and impacts on natural resources, referencing the recommendations of the Taskforce on Nature-related Financial Disclosures ("TNFD"). Together, these two systematic assessments provide a clear pathway for integrating climate and nature considerations into our long-term strategy and decision-making, and further strengthen our resilience to future risks.

We have stepped up efforts in the field of decarbonization by improving energy efficiency, upgrading equipment, and scaling up the green electricity procurement, thereby steadily implementing our Science Based Targets ("SBTs"). Multiple sites are progressively increasing their use of renewable energy, while actively exploring sustainable thermal energy solutions. We maintain rigorous quantitative tracking of greenhouse gas ("GHG") emissions, water resource utilization, and waste management to ensure effective implementation of our emissions reduction initiatives. Guided by the Animal Welfare Committee, we have elevated biodiversity protection and laboratory animal welfare to a higher level of governance oversight.

These sustained efforts have been widely recognized by the international community in the field of sustainable development. In 2025, our score in the Dow Jones Sustainability Index ("DJSI") improved, and we were named the "Industry Mover" by S&P Global, while being listed in the S&P Global Sustainability Yearbook for the second consecutive year. In addition, our EcoVadis rating has been advanced to Silver medal, and our MSCI ESG rating has remained at AA.

As we reflect on 2025 and look ahead to 2026, we recognize that new challenges and unforeseen difficulties lie ahead – yet we have no hesitation in moving forward. Guided by our long-term objectives and core strategy, we will stay focused, forge ahead together with resolve and courage, embedding the principle of "Healthy and Sustainable Development" into every step of our journey. In this brilliant era of drug innovation, we set our sights on the galaxy while keeping our feet firmly on the ground – only then can we achieve steady and lasting progress.

Dr. **LOU Boliang**
Chairman and CEO
Pharmaron Beijing Co., Ltd.

Statement from the Board

Pharmaron strictly adheres to the Code of Corporate Governance for Listed Companies issued by the China Securities Regulatory Commission as well as relevant requirements of the SZSE and HKEx. We integrate the concepts of sustainability and ESG into our daily operations. We also continuously improve our ESG compliance management structure, enhance our ESG management systems, strengthen the identification of ESG risks, and improve the quality of ESG disclosure.

The Company has established a three-tiered ESG governance structure consisting of "governance, management, and execution". At the governance level, the Board and its committees oversee, review, and make decisions on significant matters related to ESG work. At the management level, the Compliance and ESG Committee is tasked with formulating the Company's ESG targets, relevant work plans, and other aspects and reporting to the Strategy Committee. At the execution level, departments and tier-1 subsidiaries conduct daily work based on their respective responsibilities and jointly implement specific measures related to ESG.

Moreover, while ensuring commercial growth, the Company is committed to our SBTs and is making every effort to advance our carbon reduction target. Additionally, we have referenced the Self-Regulatory Guidelines No. 17 for Companies Listed on the SZSE – Sustainability Report (For Trial Implementation) issued by SZSE and seek to address key issues accordingly.

We highly prioritize identifying material ESG issues. This process involves tracking ESG matters in the capital market and industry, as well as engaging in continuous communication with stakeholders. We regularly identify and assess material ESG issues, the results of which are reported to the Strategy Committee under the Board for discussion and approval. The annual ESG materiality matrix is thus formed accordingly.

This report provides a detailed and authentic disclosure of Pharmaron's ESG-related progress and achievements in 2025. It was reviewed and approved by the Board on March 30, 2026. The Board and all directors at Pharmaron are responsible for the authenticity, accuracy, and completeness of this report.

Board of Directors of Pharmaron Beijing Co., Ltd.

About Us

Group Profile

Pharmaron is a leading fully-integrated pharmaceutical Research and Development ("R&D") services platform with global operations to accelerate drug innovation for our customers, providing fully-integrated drug research, development and manufacturing services throughout the research and development cycle. The Company has 28 R&D centers and manufacturing facilities across China, the U.K., and the U.S. and Singapore, and keeps strengthening the integration of its service offerings both vertically and horizontally, continuously investing in building new service capabilities and improving management efficiency to meet the needs of the market and customers. Vertically, the Company is strengthening the seamless integration of the same discipline across different pharmaceutical R&D stages. Horizontally, the Company is strengthening the integration of different disciplines at the same pharmaceutical R&D stages, improving the science and technology of each discipline, expanding the service offerings, and promoting the interdisciplinary collaborations. The Company has built a fully-integrated service platform for small molecule drugs, biologics, and CGT products, and is committed to becoming a global leader in pharmaceutical R&D services across multiple therapeutic modalities. In addition, the Company will further develop the global footprints of its service platform to provide customers with interdisciplinary and global service solutions, making full use of the Company's global scientific research talent network, and meeting customers' regional strategic needs.

Principal Business

Our principal business is categorized into four business segments, namely laboratory services, CMC[1] (small molecule CDMO[2]) services, clinical development services, and Biologics and CGT services, which mainly cover the following services:

Laboratory services

Laboratory services of the Company include laboratory chemistry and bioscience services, covering small molecule drugs, oligonucleotides[3], peptides[4], antibodies, antibody-drug conjugates ("ADC[5]"), CGT products, etc.

Laboratory chemistry is the root of our business, making it the core of the development of the Company. Laboratory chemistry services include medicinal chemistry, synthetic chemistry, chemistry for new modalities, analytical and purification chemistry, and computer-aided drug design ("CADD[6]"). Laboratory chemistry provides customers with chemistry services such as design and synthesis of compound library, discovery of hit and lead compounds, synthesis and optimization of lead compounds, synthesis of new modalities (nucleosides/nucleotides, lipids, saccharides, peptides, and conjugates), and chiral and non-chiral separation and purification.

Bioscience services include *in vitro* and *in vivo* DMPK/ADME, *in vitro* biology and *in vivo* pharmacology, safety assessment and other services. Bioscience services provide customers with drug discovery services such as target[7] validation, structural biology, structure activity relationship studies, candidate compound identification, and druggability[8] studies.

[1] Chemistry, Manufacture, and Control (CMC) refers to the development and production of chemical and formulation processes. The CMC section of a drug is a key focus in new drug approval, encompassing process development and scale-up studies, dosage form development, quality control system research, and a comprehensive range of activities related to drug manufacturing.

[2] CDMO (Contract Development and Manufacturing Organization) refers to the early-stage R&D and production activities including process development, formulation development, and manufacturing of drug products for clinical trials.

[3] A compound in which nucleotides are linked by phosphodiester bonds.

[4] A compound in which amino acids are linked by peptide bonds.

[5] ADC, Antibody-drug Conjugate.

[6] CADD, Computer-Aided Drug Design.

[7] It refers to biologically active macromolecules in the body that can be acted upon by drugs, such as certain proteins and nucleic acids. The genes encoding target proteins are also known as target genes. Identifying target molecules associated with specific diseases in advance is the foundation of modern drug development.

[8] It refers to the characteristic of a compound that has undergone preliminary pharmacodynamic studies, early pharmacokinetic assessments, and safety evaluations, indicating its potential for drug development.

CMC (small molecule CDMO) services

Our experienced CMC (small molecule CDMO) services team offers customers process development and manufacturing, material science/pre-formulation, formulation development and manufacturing, and analytical development services, covering a broad range of products including small molecule drugs, oligonucleotides, peptides, linkers and payloads. The process development and manufacturing team provides services such as discovery and development of efficient and green synthetic routes, optimization of existing synthetic routes, and process scale-up to support preclinical and other stages of clinical development and commercial manufacturing needs; the material science/pre-formulation team provides services for crystal screening, process development, and early formulation development; the formulation development team designs, modifies, and prepares oral formulations to satisfy preclinical, clinical, and commercial needs; and the analytical development team provides comprehensive analytical support for process development and manufacturing of APIs[9] and pharmaceutical products.

The CMC (small molecule CDMO) services of the Company mainly provide pharmaceutical companies with chemical and formulation process development and manufacturing services with capabilities and capacities to cover the needs in all clinical and commercial stages. The cGMP[10] API and drug product manufacturing facilities of the Company have had the qualification to manufacture products to support clinical trials in global markets, including the U.S., China, and the EU. Our quality assurance system follows the guidelines of the International Conference on Harmonization of Technical Requirements for Registration of Pharmaceuticals for Human Use ("ICH Guidelines") and supports the development and manufacture of APIs and pharmaceuticals meeting the regulatory requirements from FDA[11], NMPA[12] and EMA[13], and can also support the preparation of complete regulatory data packages and documentation for regulatory filings and cGMP audits in the U.S., the EU, and Asia.

Clinical development services

Our clinical development services include overseas and domestic clinical development services.

The overseas clinical development services include radio-labelled science services and early stage clinical trial services. The radio-labelled science services of the Company help customers synthesize ^{14}C and tritium ^{3}H radio-labelled compounds and use for DMPK/ADME studies of various compounds in human, so as to accelerate their clinical development process. Through the independent early clinical R&D center with 96 beds in Maryland, the U.S., the Company provides customers with clinical research services including comprehensive FIH studies, vaccine development/ infectious challenge studies, comprehensive ^{14}C drug absorption, distribution and excretion trial, TQT/ cardiac safety[14], and cross-ethnic bridging studies. The Company strengthened its clinical operations, biostatistics, pharmacovigilance, and FDA regulatory submission services in the U.S. These efforts will better assist Chinese customers in developing their products overseas and overseas customers in developing their products in China.

Domestic clinical development services include clinical research services and site management services, covering different service needs of clinical research. Among which, clinical research services mainly include: regulatory affairs and product registration, medical affairs, medical monitoring, clinical operations, data management and biostatistics, bioanalysis, pharmacovigilance, quantitative pharmacology, etc.; site management services include CRC[15] services, hospital research and selection, SSU[16] (Study Start Up) rapid start-up, healthy and patient volunteer recruitment and management, quality assurance and its training, post-marketing studies, etc. The Company comprehensively promoted the application of digital technologies and AI tools across multiple business units, including site management, clinical operations, regulatory affairs, medical affairs, data management, biostatistics, pharmacovigilance, medical device R&D, and patient management, to enhance the quality and efficiency of its clinical services, as well as its digital products development and delivery capabilities.

[9] API, Active Pharmaceutical Ingredient, the component of a drug product that is intended to furnish pharmacological activity or other direct effect in the diagnosis, cure, mitigation, treatment, or prevention of disease, or to affect the structure or any function of the body.

[10] cGMP, Current Good Manufacture Practices, are regulations enforced by the FDA or other regulators on pharmaceutical and biotechnology companies to ensure that the products manufactured meet specified requirements for identity, strength, quality, and purity.

[11] Food and Drug Administration of the U.S.

[12] National Medical Products Administration, formerly the China Food and Drug Administration (CFDA), the authority responsible for approving drug and biologic products in China.

[13] European Medicines Agency, a European Union agency responsible for the evaluation and supervision of medicines within the European Economic Area (EEA) to safeguard and promote human and animal health.

[14] This study means observing and describing all ECG changes of the subject in an all-round manner at the early stage of a clinical trial on the drug and measuring the extension of the QT/QTc interval to determine whether the drug will impact the heart repolarization and the extent of impact, judge the risk of malignant arrhythmia it will trigger, and provide the data support in deciding whether to enter the next drug research and development stage.

[15] CRC, Clinical Research Coordinator.

[16] Study Start up.

The Company's bioanalytical platforms in China and the U.S. are able to support the bioanalysis of clinical trials of small molecules and biologics around the world. In addition, with the collaboration among the domestic and overseas clinical development services and the preclinical service offerings, it allows the Company to simultaneously submit IND[17] application for customers' drug candidates to regulatory agencies in China, the U.S. and the EU, forming an integrated clinical development services platform.

Biologics and CGT services

Biologics and CGT services include biologics discovery, development and manufacturing services (CDMO), CGT lab services and Gene Therapy CDMO services.

Biologics discovery services include biologics plasmid design, cell screening, target biologics expression and purification, analytical method development, and analysis of products, primarily serving various needs for cells and proteins, including mAbs, at the early stage of research and development.

Biologics development and manufacturing services (CDMO) provide customers with development services include cell line development, upstream and downstream process development, formulation development and fill-and-finish process development, supported by analytics with method development, as well as drug substance and product manufacturing services armed with 200L to 2,000L production capacity to support projects from pilot to commercial stage production.

Biologics and CGT lab services include analytical method development and validation for various proteins, cells, and DNA and RNA products. The analytical platform also provides services in evaluation of activity, toxicity, tissue distribution and viral shedding, as well as quantitative analysis of gene and cell products, in compliance with GLP[18]/GCP[19]/GMP[20] regulations during the preclinical and clinical development and marketing stages. In addition, the Company's U.S. laboratory services provide customers with discovery and development services in biologics, CGT products and medical devices in the areas of ophthalmology.

Gene therapy CDMO services include plasmid synthesis containing therapeutic genes, cell line development, cell bank establishment, plasmid and cell production process development, formulation process development, manufacturing of products, analytical method development and validation, product-related impurities identification and analysis, stability evaluation, product analysis and GMP batch release, etc., covering the entire gene therapy CDMO process, to support the needs for preclinical safety evaluation, Phase I, II and III clinical trials, and post-marketing product life cycle management. The facility has been licensed by MHRA[21], the U.K. pharmaceutical administration authority, for the manufacture of biologics and CGT products.

[17] IND, Investigational new drug, is an experimental drug for which a pharmaceutical company obtains permission to conduct clinical trials before a marketing application for the drug has been approved.

[18] GLP, Good Laboratory Practice, is a quality management system for non-clinical laboratory studies. It includes a series of regulatory documents that cover all aspects of laboratory work that can affect the outcome and interpretation of experimental results, from planning and conducting experiments to monitoring, recording, and reporting findings.

[19] GCP, Good Clinical Practice, formulated by the National Medical Products Administration in conjunction with the National Health Commission.

[20] GMP, Good Manufacturing Practice, refers to a set of quality and safety management measures implemented during the drug manufacturing process. It covers the entire drug production process, including raw materials, personnel, facilities, equipment, production processes, and packaging and transportation.

[21] MHRA, Medicines and Healthcare Products Regulatory Agency, an executive government agency under the U.K. Department of Health that ensures the safety and effectiveness of medicines and medical devices. It also works with UK blood service organizations and health agencies to regulate blood and blood products to ensure blood quality and safety.

Awards and Recognition

Awards & Recognition of Pharmaron in 2025

Honor	Awarded by
Silver Medal	EcoVadis
B	CDP
AA	MSCI ESG Rating
Inclusion in the S&P Global Sustainability Yearbook for two consecutive years Awarded the title of "Industry Mover" by S&P Global	S&P DJSI (CSA)
Low-risk Enterprise in 2025 Industry ESG Leader in 2026 Regional ESG Leader in 2026 Global ESG Leader in 2026	Sustainalytics
Ranked 84th among the 2025 Top 100 Service Companies in the Beijing-Tianjin-Hebei Region	Beijing Enterprise Confederation, Beijing Entrepreneurs Association, Tianjin Enterprise Federation, Tianjin Entrepreneurs Association, Hebei Enterprise Federation, and Hebei Entrepreneurs Association
Ranked 76th among the 2025 Top 100 Companies in Beijing Ranked 28th among the 2025 Top 100 Service Companies in Beijing	Beijing Enterprise Confederation and Beijing Entrepreneurs Association
2025 Beijing Technology Advanced Service Company	Beijing Municipal Science & Technology Commission, Administrative Commission of Zhongguancun Science Park, Beijing Municipal Commerce Bureau, Beijing Municipal Finance Bureau, Beijing Municipal Tax Service, State Taxation Administration, Beijing Municipal Commission of Development and Reform
2025 Top 20 Pharmaceutical CRO Companies in China	Yaozh News, CNS International Communication Group, Zhongguo Yaoye
2025 China Human Resources "Sirius" Award: Best Employer Brand for High-tech Companies	Moka Recruitment Platform
2025 Top 31 Employers in Beijing	Zhaopin

Performance Highlights in 2025

Financial Performance

- During the reporting period, the Company realized revenue of RMB **14,095.08** million, with a year-on-year growth of **14.82%**

Innovation and R&D

- R&D expenditure exceeded RMB **576.02** million, representing a year-on-year increase of **22.75%**

Employment and Development

- **25,088** employees in total worldwide
- Continuously maintained equal employment, with a male-to-female ratio of **1:1.31**
- Total employee training hours increased by **17.95%**
- Promoted talent exchange by inviting **50** domestic universities to Pharmaron's PhD industry-academia collaboration conference

Supply Chain Management

- **81.75%** of key suppliers have completed the sustainability risk assessment
- **69.44%** of key suppliers signed ESG-related clauses in procurement contracts

[22] Major operational sites: Pharmaron Beijing Co., Ltd., Pharmaron (Beijing) Technology Development Co., Ltd., Pharmaron Shaoxing Co., Ltd., Pharmaron (Ningbo) Technology Development Co., Ltd., Pharmaron (Ningbo) TSP Services Co., Ltd., Pharmaron (Tianjin) Process Development and Manufacturing Co., Ltd., Pharmaron (Xi'an) Technology Development Co., Ltd., Pharmaron (UK) Limited; Pharmaron Biologics (UK) Ltd; Pharmaron Manufacturing Services (UK) Ltd.

ESG Governance

- Officially joined the UNGC
- Responded to international and domestic calls for decarbonization, optimized sustainable development strategies, and continuously explored carbon reduction measures
- Identified and responded to 20 ESG-related double material issues

Animal Welfare Management

- All sites involved in animal studies have either obtained or initiated AAALAC accreditation. The proportion of sites that have already obtained AAALAC accreditation has reached **67%**
- Pharmaron Beijing Site III, Pharmaron Ningbo Site III and Exton Site, Pharmaron US have initiated AAALAC accreditation process and are expected to obtain AAALAC accreditation in 2026 or 2027

Emission Reduction Targets

- Continuously tracked the implementation of the SBTs, with the targets progressing steadily as planned in 2025
- In 2025, the total Scope 1 and Scope 2 greenhouse gas emissions (calculated based on the market-based method) were 189,533.10 tonnes of CO_2e, a decrease of **4.61%** compared to 2024
- In 2025, the overall consumption of renewable energy accounted for 21.93% of total energy consumption, an increase of **85%** compared to 2024
- In 2025, our renewable electricity consumption was 153,386.56 MWh, accounting for **42.02%** of total electricity consumption, an increase of approximately **16%** compared to 2024

External Certifications

- **60%** of the major operational sites[22] obtained ISO 27001 Information Security Management System certification
- **50%** of the major operational sites obtained ISO 14001 Environmental Management System certification
- **40%** of the major operational sites obtained ISO 45001 Occupational Health and Safety Management System certification
- Pharmaron Ningbo Site I obtained ISO 22301 Business Continuity Management System certification
- Pharmaron Clinical, Cardiff Site, Pharmaron UK and Cramlington Site, Pharmaron UK obtained ISO 9001 Quality Management System certification
- Pharmaron Clinical obtained ISO 13485 Medical Device Quality Management System certification

01 Sustainability Governance

Pharmaron, as a leading company in the global life sciences R&D services sector, has always taken steady and compliant operations as the foundation for our development. We integrate the concepts of responsible development and risk control into our governance framework, consistently enhancing our management approaches and internal control system. By adhering to ethical business standards and promoting diversity across the organization, we continue to advance sustainable development through tangible and proactive measures.

- Corporate Governance
- ESG Governance
- Diversity Development
- Integrity and Compliance

Corporate Governance

Pharmaron adheres to the principle of compliant operations and continues to advance the construction of our governance mechanisms, enhancing the effectiveness of the Board in fulfilling their duties, and ensuring stable and efficient operations. We have strictly observed the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Rules Governing the Listing of Securities on HKEX, the Self-Regulatory Guidelines No. 17 for Companies Listed on SZSE – Sustainability Report (For Trial Implementation) and other relevant regulations, reaffirming our dedication to sustainable business development.

Corporate Governance Structure

To standardize the daily workflow of the Board, Pharmaron has established the *Rules of Procedure for the Board of Directors* and the *Work Rules of Independent Non-Executive Directors* and strictly recruits independent non-executive directors in accordance with the *Articles of Association*. During the reporting year, we refined the Board structure as part of our efforts to better align with the actual business development and operational needs, and to further enhance the decision-making efficiency and quality of the Board. With the introduction of the employee representative director role, the Board currently consists of nine members, including three executive directors, one employee representative director, two non-executive directors, and three independent non-executive directors, with independent non-executive directors accounting for 33.3% of the Board. Independent non-executive directors maintain sufficient independence in their work, perform their statutory functions of decision-making support, oversight and checks and balances, and professional advisory services, actively participate in Board meetings, and carefully consider various motions. They diligently fulfil their responsibilities in areas such as corporate governance, internal control, information disclosure, and financial supervision, effectively safeguarding the interests of the Company and all shareholders. They place emphasis on protecting the legitimate rights and interests of small and medium shareholders, with ongoing efforts to enhance the standardization and effectiveness of the Board's operations.

Four special committees, namely the Strategy Committee, the Remuneration and Appraisal Committee, the Nomination Committee, and the Audit Committee, have been set up under the Board to ensure the professionalism and accuracy of the Board's decision-making, facilitating the stable and standardized operation of the Company.

Duties of the Special Committees

Special Committee	Composition	Duties	Work progress in 2025
Strategy Committee	• The committee consists of four members, chaired by Dr. LOU Boliang, Chairman of the Company.	• Review the Company's long-term development strategy and major investment decisions and make recommendations on such matters; • Oversee, deliberate and make decisions on the Company's ESG strategy.	• During the reporting period, one meeting was held to review and approve three resolutions including the *Resolution on the Company's 2024 ESG Report*, the *Resolution on the Amendment of the ESG Management Measures*, and the *Resolution on the Amendment of the ESG Information Management Handbook*.
Remuneration and Appraisal Committee	• The Committee consists of five members, chaired by Ms. LI Lihua (independent non-executive director), including three independent non-executive directors, making up the majority.	• Present reasonable recommendations on remuneration to the Board, and develop remuneration policy; • Formulate director and senior management remuneration plans or schemes in alignment with the goals and policies of the Company, including integrating sustainable development objectives into the performance assessments of senior management; • Design or modify equity incentive plans and employee stock ownership plans, specifying the conditions under which incentives are granted and exercised, and make recommendations to the Board regarding these plans.	• During the reporting period, two meetings were held to discuss the remuneration of directors and senior management, performance assessment of senior management, and the vesting of the Company's equity incentives scheme. The Remuneration and Appraisal Committee reviewed and approved resolutions including the *Resolution on the Remuneration Program of Company's Directors*, the *Resolution on the Remuneration Program of the Senior Management*, the *Resolution on the Performance Assessment of the Senior Management*, and the *Resolution on Fulfilment of Conditions for Vesting within the Forth Vesting Period and Temporary Non-listing under the 2021 Restricted A Shares Incentive Scheme*, among a total of six resolutions.

Special Committee	Composition	Duties	Work progress in 2025
Nomination Committee	• The Committee consists of five members, chaired by Ms. LI Lihua (independent non-executive director), including three independent non-executive directors accounting for 60% of the total.	• Review the structure, members and composition of the Board; • Make recommendations on the selection procedure and criteria for directors and senior management; • Evaluate and verify the candidates for directors and senior management, including their qualifications for the positions; • Evaluate the independence of directors.	• During the reporting period, three meetings were held to discuss the rationality of the Board structure, the independence of independent non-executive directors, and the nomination for the by-election of non-executive directors. The Nomination Committee reviewed and approved resolutions, including the *Resolution on Evaluating the Independence of Independent Non-Executive Directors*, and the *Resolution on the By-Election of Non-Executive Directors of the Third Session of the Board*, among a total of four resolutions.
Audit Committee	• The Committee consists of three members, and all are independent non-executive directors. Mr. YU Jian serves as the Chairman and holds professional qualifications.	• Supervise the establishment, improvement, and implementation of the Company's audit system; • Conduct the annual internal audit work; • Assist in communications with external audits; • Evaluate the effectiveness of the Company's internal risk control system.	• During the reporting period, six meetings were held to discuss connected transactions, internal control reports, audit communication and annual audit plans, financial and profit distribution, routine fund transaction and hedging product arrangements, external auditor appointment, internal audit work reports and significant issue inspection reports. The Audit Committee reviewed and approved resolutions including the *Resolution on the 2024 Audit Report on Internal Control of the Company* among a total of 26 resolutions.

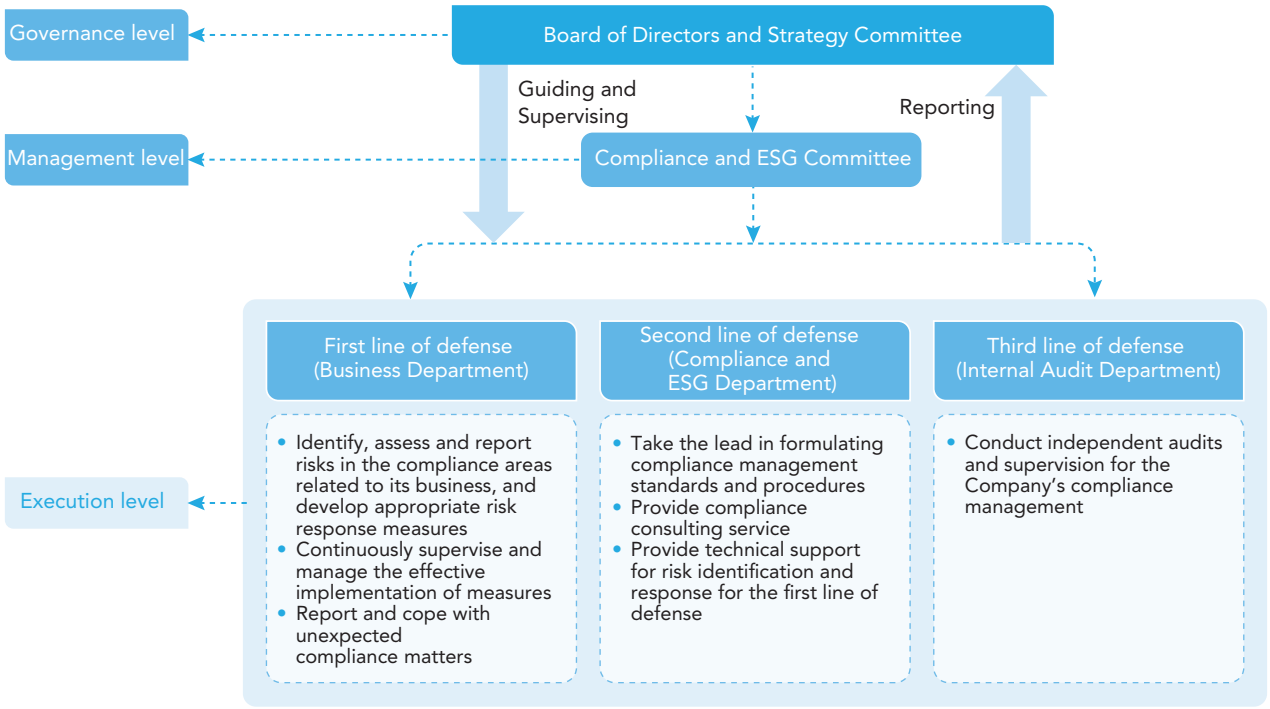
Corporate Governance Risk Management

To achieve stable and sustainable development, Pharmaron strictly complies with the legal and regulatory requirements of the Rules Governing the Listing of Shares on the ChiNext Market of SZSE, the Rules Governing the Listing of Securities on the HKEx and others, to continuously enhance the Company's internal risk control system.

The Board comprehensively oversees the Company's risk management efforts. In addition, the Company has established a Compliance and ESG Committee, which regularly reports to the Board on company-level risks. The Compliance and ESG Committee conducts systematic risk assessments and collaborates with management to discuss emerging risks, ensuring that the risk management framework remains proactive and comprehensive in identifying and addressing all types of potential risks.

The Company, with a focus on risk management and the goal of standardized operations, integrates risk control mechanisms and actual business practices to establish a "three-line of defense" risk management model, enhancing the Company's ability to prevent and mitigate significant risks. Moreover, the Company has developed a three-tiered management mechanism comprising governance level, management level, and execution level, consistently improving the risk management system, implementing compliance concepts, and preventing compliance risks.

Within the Company's three-tiered management mechanism, the Board serves as the core element of the governance level, with its diverse professional composition contributing to a more effective risk management system. The three executive directors of the Company, Dr. LOU Boliang, Mr. LOU Xiaoqiang, and Ms. ZHENG Bei, founders of the Company, have been deeply involved in the Company's operations, internal control, compliance management, risk management, and financial management, and possess extensive experience in these areas. The Company's two non-executive directors, Mr. LI Jiaqing and Ms. WAN Xuan, have cultivated long-standing expertise in the field of professional investment and are seasoned in green investment, risk, and financial management. In addition, the three independent non-executive directors of the Company come from diverse backgrounds, including finance and law. They have been deeply involved in their respective fields, offering extensive experience related to company operations, internal control, compliance management, risk management, and financial management. Additionally, the employee representative director possesses a strong financial background and has long been involved in the Company's operations, providing a comprehensive understanding of internal processes.



• Three-tiered Management Mechanism of Compliance Operation and "Three-line of Defense" Risk Management Model

Pharmaron clearly defines the responsibilities of the three-tiered management structure, creating an effective communication and management model to facilitate the efficient operation of the Company's comprehensive risk management system.

The Board and the Strategy Committee

Responsible for establishing and improving the risk and compliance management framework, formulating and reviewing risk management policies, and overseeing the implementation of the Company's risk management measures.

Compliance and ESG Committee

Responsible for managing according to the decisions and deployments of the Board and the Strategy Committee, working closely with various business departments at the execution level, regularly receiving reports from the execution level, and subject to the supervision and guidance of the governance level.

Headquarters' Functional Departments and Tier-1 Subsidiaries

A compliance group is formed from the Headquarters' functional departments, domestic and overseas tier-1 subsidiaries and other leading or relevant departments to design and implement plans for various topics such as anti-bribery, anti-corruption, export control and sanctions, privacy protection, etc. The compliance group regularly reports on the execution and implementation of the Company's risk management, ensuring risks are manageable.

In 2025, Pharmaron identified emerging long-term risks critical to its future business and implemented corresponding mitigation measures. For more information on the Company's risks, please refer to the *Pharmaron 2025 Annual Report*.

Risk	Risk Description	Mitigation Measures
Risk of International Policy Changes	In recent years, geopolitical factors have introduced significant uncertainties. The rise of international trade protectionism and unilateralism poses challenges, as Pharmaron has been deeply engaged in international markets for years, with a substantial portion of its clientele consisting of overseas pharmaceutical and biotechnology companies. Their demand for our services is subject to the policies and measures adopted by local governments toward Chinese service providers in the pharmaceutical outsourcing industry. If trade tensions between nations escalate or certain countries impose restrictions or new legislation on China's pharmaceutical outsourcing sector, including technology or research activities, our business and operations may be adversely affected.	Since 2015, the Company has been expanding its overseas service capabilities to mitigate the adverse impact of trade and international policy changes on its business operations.
Regulatory Compliance Risk	Many countries or regions where pharmaceuticals are ultimately intended for sale, such as China, the United States, the United Kingdom, and several EU countries, enforce stringent laws, regulations, and industry standards governing drug development and manufacturing. Regulatory authorities in these regions, including the FDA and NMPA, conduct both scheduled and unscheduled facility inspections to ensure compliance with regulatory requirements. The Company has, in all material respects, successfully passed inspections of its drug discovery, development, and manufacturing facilities conducted by relevant authorities in the past. However, failure to continuously meet regulatory requirements or pass future inspections could result in the loss of operational qualifications or other administrative penalties, potentially leading to client contract terminations. Additionally, the Company is subject to national and regional environmental, health, and safety regulations, including laws governing the use of flammable, explosive, and toxic hazardous chemicals, as well as the treatment of pollutants (e.g., exhaust gas, wastewater, waste residue and other pollutants). Stricter environmental policies in the future may increase the Company's compliance costs in this area.	The Company will closely monitor pharmaceutical policy trends and actively implement national policies to ensure ongoing compliance with regulatory requirements.
Risk of Technology Update	As the market continues to evolve, R&D technologies are rapidly advancing. Cutting-edge technologies are crucial for maintaining a competitive edge in the industry, and the Company must stay abreast of emerging technologies and processes to sustain its leadership position.	The Company will continue to invest substantial human and financial resources to foster and develop new technologies while upgrading its service platforms. If a target company with attractive new technologies emerges, the Company will also consider acquisitions to integrate new service capabilities into its platform.

During the reporting period, the Compliance and ESG Committee held one meeting, covering the ESG disclosures in the interim report and the enhancement and improvement of ESG-related objectives. To address energy-saving and emissions reduction-related risks, the China Energy Conservation and Emission Reduction Task Force, which was established under the Compliance and ESG Committee, has collaborated with the UK US Sustainability Committee, to define energy conservation and emission reduction targets at the group, regional, and site levels, formulating comprehensive strategies and plans, establishing a robust management framework, and ensuring the effective implementation of various measures.

In addition, we continue to advance our compliance risk assessment and improvement mechanisms, encompassing strategy planning for compliance, target setting, risk identification and evaluation. We also refine our existing policies and process framework. For the compliance risks identified, we have in place a systematic framework of policies, management procedures, and operational guidelines supported by targeted training and awareness initiatives to effectively enhance the Company's compliance capabilities and responsiveness to risks.

ESG Governance

ESG Strategy and Development

Pharmaron remains steadfast in implementing its core strategy of an "End-to-end, Fully-integrated, Globalized, and Multiple Modalities Capable", dedicated to accelerating innovative drug development for clients through a globally leading drug R&D services platform. This is deeply rooted in our commitment to ESG development, with ESG concepts fully incorporated into the Company's strategic planning, supported by a systematic framework comprising four key pillars, including responsible governance, people-first culture, climate action and customer-centered service. Based on the double-materiality assessment, we have identified and prioritized material issues closely linked to our stakeholders and sustainable development, ensuring our ESG practices remain highly aligned with the United Nations Sustainable Development Goals ("UN SDGs").

• **ESG Strategy of Pharmaron**

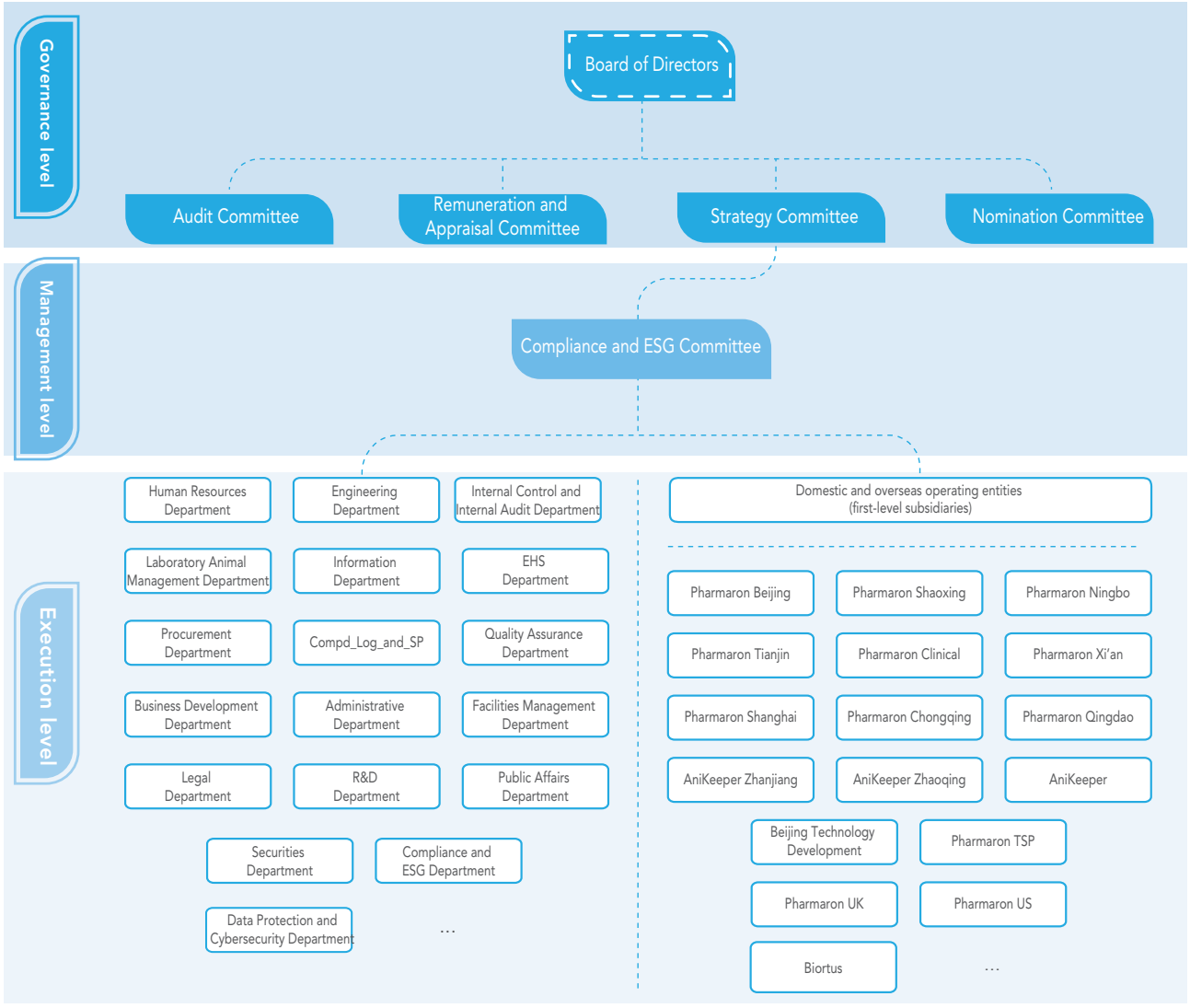
Strategic pillars	Targets	2025 Progress	Corresponding SDGs
Responsible Governance	• By 2030, internal business ethics audits to achieve 100% operational sites coverage every three years.	• In 2025, internal business ethics audits covered 64% of sites.	
	• Ensure 100% of reports received through official whistleblowing channels are handled.	• Achieved – Three reports were received and all of which were handled in 2025.	
	• 100% of *Employee Handbook* signing rate.	• In 2025, the *Employee Handbook* signing rate reached 99.6%.	
	• By 2030, 100% of major operational sites obtain ISO 27001 certification.	• In 2025, 60% of major operational sites obtained ISO 27001 certification.	
	• From 2025 onwards, 100% of employees to receive information security training annually.	• Achieved – Information security training coverage reached 100% in 2025.	
	• By 2030, 90% of key suppliers to sign standard ESG-related clause.	• In 2025, 69.44% of key suppliers signed standard ESG-related clause.	
	• By 2030, 100% of procurement staff to receive sustainable procurement training.	• In 2025, 92.27% of procurement staff received sustainable procurement training.	
	• By 2030, 100% of key suppliers to receive sustainable procurement training.	• In 2025, 53.57% of key suppliers received sustainable procurement training.	
	• By 2030, 85% of key suppliers to be included in annual sustainability audit.	• In 2025, 81.75% of key suppliers have completed the annual sustainability audit (risk assessment).	
	• By 2035, 100% of key suppliers to be included in diversity assessments.	• In 2025, 81.75% of key suppliers were included in the diversity assessment.	
	• 100% of suppliers to receive anti-corruption and business ethics-related due diligence.	• Achieved – 100% of suppliers were covered in anti-corruption and business ethics-related due diligence in 2025.	
	• Advance the effective execution of ESG management objectives through participation in authoritative international initiatives.	• We have established GHG emissions reduction targets approved by the SBTi, serving as the guidance for our climate and emissions reduction actions.	
		• In 2025, we officially joined the UNGC and completed a Group wide climate related financial risk and opportunity assessment.	

Strategic pillars	Targets	2025 Progress	Corresponding SDGs
People-First Culture	• By 2030, ISO 45001 certification to cover 100% of major operational sites.	• In 2025, 40% of the major operational sites obtained ISO 45001 certification.	
	• At major operational sites, 100% of contractor to sign *Work Safety and Environmental Protection Management Agreement*.	• Achieved – Signing rate reached 100% in 2025.	
	• By 2030, maintain Lost Time Injury Rate (LTIR) ≤ 0.6 annually.	• Achieved – Employee LTIR was 0.24 in 2025.	
	• 100% of contractors receive safety induction training before entry.	• Achieved – 100% coverage in 2025.	
	• By 2030, 100% coverage of workplace health and safety risk assessments at major operational sites.	• Achieved – 100% coverage in 2025.	
	• Increase average training hours per employee by 10% by 2030 with 2025 as baseline.	• In 2025, average training hours per employee were 44.13 hours (baseline).	
	• From 2025 onwards, 100% of employees to receive anti-discrimination and anti-harassment training annually.	• Achieved – 100% coverage for anti-discrimination, anti-harassment and diversity, equity, and inclusion (DEI) training in 2025.	
	• By 2030, percentage of female employees in the total workforce no less than 50%.	• Achieved – Female employees accounted for 56.72% in 2025.	
	• By 2030, percentage of female in management no less than 40%.	• Achieved – Female representation reached 46.42% in 2025.	
	• By 2030, percentage of female in junior management no less than 40%.	• Achieved – Female representation reached 46.79% in 2025.	
	• By 2030, percentage of female in senior management no less than 20%.	• Achieved – Female representation reached 26.60% in 2025.	
	• By 2030, percentage of female management positions in revenue-generating functions no less than 50%.	• Achieved – Female representation reached 56.16% in 2025.	
	• By 2030, percentage of female in STEM-related positions no less than 50%.	• Achieved – Female representation reached 57.72% in 2025.	
	• Actively fulfill corporate citizenship responsibilities by supporting vulnerable groups, community development and ecological protection, thereby fostering social sustainability and shared prosperity.	• In 2025, RMB500,000 was donated through the "Pharmaron Health Wisdom Special Fund" to support training for rural female teachers, and RMB500,000 was donated to support flood relief efforts in the Beijing suburban.	

Strategic pillars	Targets	2025 Progress	Corresponding SDGs
Climate Action	• Reduce absolute Scope 1 and 2 GHG emissions by 54.6% by 2033 with 2023 as baseline.	• In 2025, Scope 1 and 2 (market based) GHG emissions decreased by 24.6% compared to 2023.	
	• Reduce Scope 3 emission intensity (economic intensity) by 61.1% by 2033 with 2023 as baseline.	• In 2025, Scope 3 emission intensity (economic intensity) was 256.31 tonnes per RMB million revenue.	
	• By 2030, 100% of major operational sites to obtain ISO 14001 certification.	• In 2025, 50% of major operational sites obtained ISO 14001 certification.	
	• Gradually increase the use of renewable energy.	• In 2025, renewable energy accounted for 21.93% of total energy consumption (increased by 85%), and renewable electricity accounted for 42.02% (increased by 16%).	
	• Reduce hazardous waste emission intensity (tonnes/RMB10,000) by 10% by 2035 with 2023 as baseline.	• In 2025, hazardous waste emission intensity was 0.024, remaining unchanged from 2024.	
	• By 2035, achieve a 10% recovery of waste organic solvents annually.	• In 2025, the solvents recovery rate was 0.19%.	
	• Maintain 100% compliant disposal of waste.	• Achieved – 100% of waste was disposed of in compliance with relevant regulations in 2025.	
	• By 2030, ≥80% of external packaging material (by procurement expenditure) will be recyclable or bio-based materials.	• Achieved – 92.4% of external packaging materials were recyclable or bio-based in 2025.	
Customer-Centered Service	• Maintain a high standard quality management system.	• In 2025, Pharmaron Clinical obtained ISO 13485 and ISO 9001 certifications, and the Cramlington site, Pharmaron UK obtained ISO 9001 certification.	
	• Continuously optimize the process for handling client complaints.	• In 2025, 17 complaints were received, all of which were resolved with positive feedback from clients.	
		• In 2025, Pharmaron co-established the "AI Life Sciences Joint R&D Center" with Zhejiang University.	
	• From 2025 onwards, 100% of employees to receive intellectual property training annually.	• Achieved – intellectual property training coverage reached 100% in 2025.	
		• The Company formulated and publicly released the *Responsible Marketing Policy*, with no incidents related to marketing violations in 2025.	
	• By 2030, 100% of sites involved in animal studies to obtain AAALAC accreditation.	• In 2025, 67% of sites have obtained AAALAC accreditation.	
	• Ensure ethical compliance in clinical trials and protect subject rights.	• In 2025, all clinical trials strictly complied with ethical standards, with no violations reported.	

ESG Governance Structure

To comprehensively enhance the efficiency of ESG management, Pharmaron has effectively integrated its ESG management strategy into all departments and key business processes, and systematically incorporates the identification and management of climate-related risks and opportunities. The Company has adopted a complete ESG governance structure with clear hierarchy and well-defined lines of responsibility: The Board and its committees act as the governance level, while the Compliance and ESG Committee functions at the management level, led by Chief Financial Officer Mr. LI Shing Chung Gilbert, reports to the Strategy Committee; and the execution level comprises of all departments and tier-1 subsidiaries, responsible for daily operations and implementing specific ESG-related measures. The Board receives a sustainability-related report annually to regularly monitor Pharmaron's ESG efforts and obtain timely information on sustainability-related impacts, risks and opportunities.



• **Pharmaron's ESG Governance Structure**

Pharmaron's ESG Governance Structure and Responsibilities

Strategy Committee	• Monitors, reviews and defines the Group's ESG strategy, goals, etc. • Reviews material ESG issues and identified risks • Reviews updates to the Group's ESG governance structure and responsibilities • Reviews the Group's annual ESG work plan • Reviews the Group's annual ESG report • Reviews and approves other important ESG-related matters of the Group
Compliance and ESG Committee	• Identifies major ESG issues and risks, develops ESG goals, formulates and updates ESG-related management systems, and reports to the Strategy Committee • Cascades ESG goals into annual action items for relevant departments and coordinates and facilitates the implementation of the annual ESG work plans, and tracks and reviews the progress toward the ESG goals • Develops ESG-focused project plans and authorizes the leading departments • Coordinates and manages the annual ESG report and reports meaningful milestones to the Strategy Committee • Studies the latest ESG compliance requirements, summarizes ESG capital market performance, and reports to the Strategy Committee
ESG Working Group	• Implements the annual ESG work plan and carries out ESG-focused projects • Sets ESG goals and regularly monitors, discusses, and reports on the achievement of the ESG goals • Conducts daily ESG information management • Collects yearly ESG data and assists in the preparation of the ESG report
Functional Departments	• Implements specific ESG responsibilities of each department according to the division of responsibilities and the needs of ESG governance and management (specific responsibilities have been detailed in the ESG Management Measures)

ESG Performance Management

As the key decision-makers and stewards of Pharmaron's long-term strategy, the Board and senior management are expected to lead by example in advancing sustainable development. In this regard, we have integrated ESG-related assessments into the remuneration and appraisal framework for the Board and senior management, aiming to strengthen accountability and enhance governance effectiveness. All executive directors and senior managers are required to participate in at least one ESG training session annually. Topics covered include environmental, climate-related risks and opportunities, health and safety performance indicators, and anti-corruption. Furthermore, the Company requires all department heads to sign annual performance evaluation forms via the assessment system, with environmental, health and safety performance indicators, as well as their participation in ESG-related training such as anti-corruption, incorporated into their evaluation criteria. This approach ensures the responsibilities are cascaded throughout the Company and facilitates the implementation of sustainability objectives.

Stakeholder Communication

Pharmaron recognizes that stakeholder feedback is a critical reference for optimizing ESG management. Their insights support the Company in identifying and addressing key risks that may impact business development. We have established multiple communication channels, actively engage with both internal and external stakeholders, systematically gathering their expectations and recommendations on corporate governance, environmental responsibility, social responsibility, and sustainable development, and responding to and implementing these inputs in a timely manner.

Demands and Channels of Communication of Pharmaron's Stakeholders

Stakeholders	Expectations and demands	Channels of communication and response
Government and regulators	• Implementing national policies, laws, and regulations • Strengthening local economy • Promoting the pharmaceutical and life sciences industry • Operational transparency and compliance • Taking responsibility for corporate citizenship	Email, phone call, fax, WeChat, and timely response to requests and questionnaires
Institutional investors/ Shareholders	• Return on investment • Operational compliance • Production safety	Company announcements, online roadshows, subject reporting, visits and inspections
Individual investors/ Shareholders		
Clients and potential clients	• Legal compliance and duty fulfillment • Business integrity • Quality products and services	Business communication, client feedback, exchanges and seminars, information disclosure
Suppliers and subcontractors	• Legal compliance and duty fulfillment • Business integrity	Business communication, exchanges and seminars
Universities	• Industry-academia-research collaboration • Technology application capabilities	University-enterprise cooperation
Community and the public	• Environmental protection • Contribute to community development • Protect rights and interests	Company website, Company announcements, interviews and exchanges, community activities
Non-profit organizations and industry associations	• Participate in public welfare initiatives • Promote industry development	Volunteer services, public welfare activities, industry-related seminars
Media	• Ensure information transparency • Maintain open communication	News report, interviews with management
ESG experts	• Academic exchanges • Continuous investment in technological innovation	Questionnaire surveys
Members of the Board	• Contribute to the Company's sustainable development	Board and Strategy Committee meetings
Senior management	• Focus on economic performance	Compliance and ESG Committee meetings and regular company meetings
Employees	• Rights and interests protection • Occupational health and safety • Compensation and benefits • Career development	Labor union, information display, democratic communication, vocational training

Double Materiality Analysis and Assessment Matrix

During the reporting period, with due consideration given to the Company's industry characteristics and stage of business development, Pharmaron has established a process for identifying ESG related material issues with reference to the Environmental, Social and Governance Reporting Code issued by the HKEx, Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange – Sustainability Report (For Trial Implementation) issued by the SZSE, the GRI Standards issued by the GSSB, and the MSCI ESG Ratings, among other capital market ESG ratings or questionnaires.

In the preparation of the 2025 ESG report, the Company conducted stakeholder engagement through interviews. Led by the Compliance and ESG Committee, a double materiality assessment was carried out based on stakeholder interview outcomes to identify stakeholder feedback and evaluate material ESG issues. Using a double materiality framework, the Company analyzed the impacts of relevant issues across environmental, social, and business dimensions, as well as their connectivity to financial materiality. The finalized materiality ranking and assessment matrix were reviewed and approved by the Board, providing clear oversight and formal responses to the Company's key ESG priorities.

Issue Identification

Analyze and identify issues from stakeholder surveys in accordance with the requirements of HKEx, SZSE, and GRI Standards combined with local and international industry policy standards, benchmarking against reports from industry peers, and referring to the results of stakeholder communication

Issue Communication

Engaged in communication and interaction with various stakeholders, and conducted 31 interviews

Double Materiality Assessment

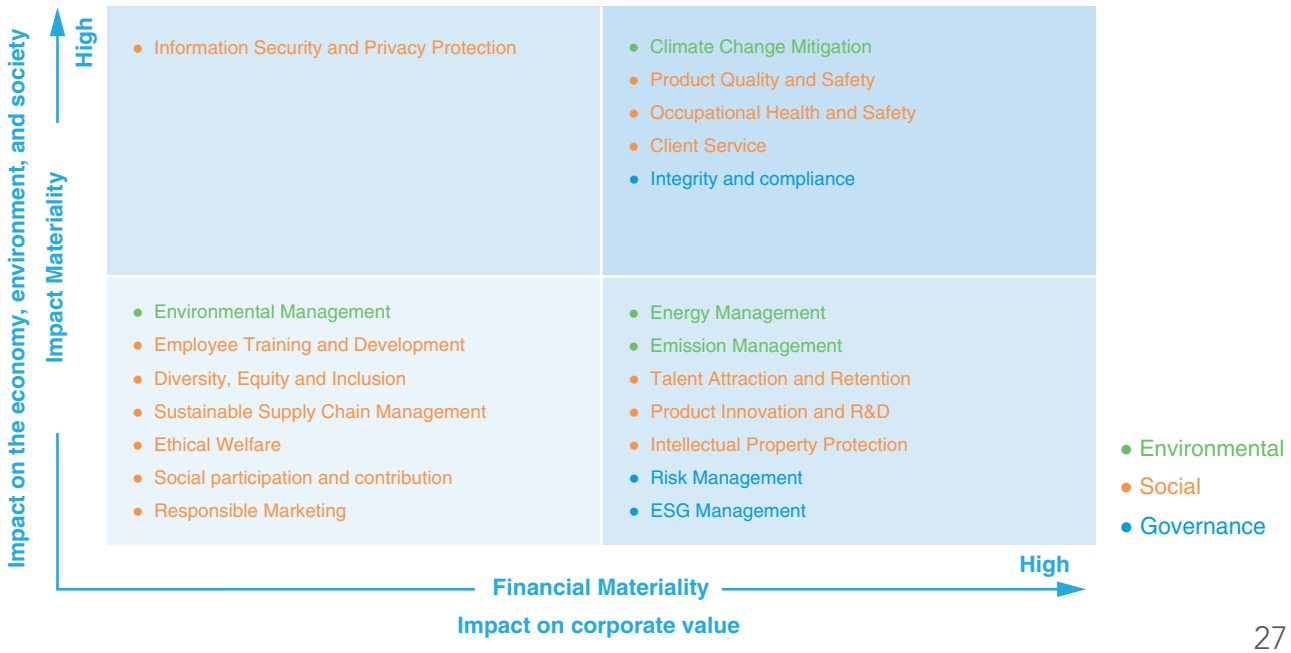
Based on stakeholder feedback, a double materiality assessment was conducted to analyze the impact of each issue on the economy, the environment, and society, as well as the issue's impact on the Company's financial performance

Materiality Confirmation

Based on interview results, material topics were sorted and weighted in terms of importance. Together with expert opinions, a materiality matrix was developed to confirm the Company's material

Based on the results of the double materiality assessment, "Climate Change Mitigation," "Product Quality and Safety," "Occupational Health and Safety," "Customer Service," and "Integrity and Compliance" were identified as the most material ESG issues.

Double Materiality Matrix at Pharmaron in 2025



Diversity Development

A diverse Board, workforce, partner network, and an inclusive workplace are essential to enhancing the core competitiveness of a company. We place great emphasis on diversity and inclusiveness across the entire value chain. We are actively driving our diversity strategy forward by continuously deepening our diversity across talent, partnership ecosystems, and governance structures, thereby enhancing our capacity for innovation, adaptability, and long-term competitiveness.

Board Diversity

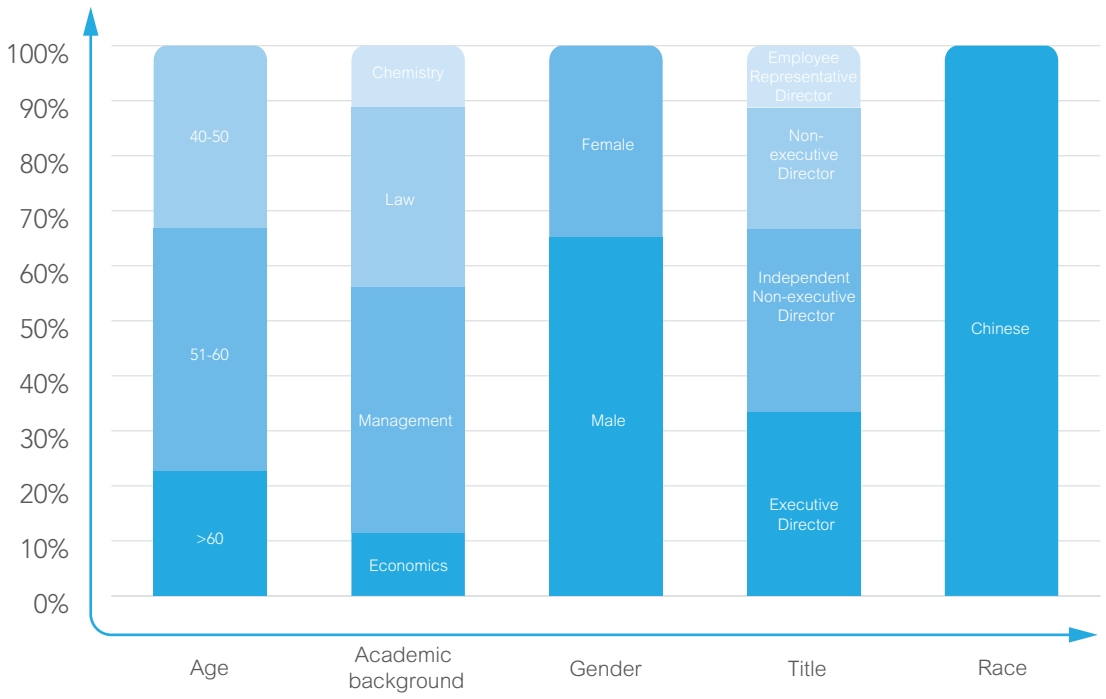
The Company considers a wide range of factors in seeking to achieve diversity among Board members, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and years of service. After giving thorough consideration to the benefits of Board diversity, all Board appointments are made on the basis of merit, with candidates assessed against objective criteria.

The Board has adopted the Board Diversity Policy in accordance with the Corporate Governance Code. The Company recognizes and firmly believes that Board diversity brings significant benefits to enhancing overall corporate performance. To achieve sustainable and balanced development, the Company regards increasing diversity at the Board level as a key element in supporting the achievement of its strategic objectives and maintaining sustainable growth. All Board appointments are made on a merit-based principle, and due consideration is given to the benefits of Board diversity when evaluating candidates under appropriate criteria. The Company is committed to selecting the best candidates as Board members. Candidates are assessed based on a range of diversity considerations, including but not limited to gender, age, cultural background and ethnicity, in addition to educational background, professional experience, skills, knowledge and years of service. Appointments are ultimately determined by the strengths of the individual and the contribution they are expected to bring to the Board. Information on Board composition (including gender, age and years of service) is disclosed annually in the Corporate Governance Report.

The Company's current Board consists of nine members, comprising six male and three female directors, with female directors accounting for 33% of the total Board membership. The Board members possess diverse academic backgrounds, skills, knowledge and experience. Their academic backgrounds include chemistry, law, economics, management and various other disciplines; while their collective skills, knowledge and experience span scientific research, corporate management, green investment, legal services, risk management, finance and auditing. The Board conducted a review of the Board members, structure and composition on 30 March, 2026, and concluded that the Board's structure is appropriate and Board members possess extensive experience and skills across multiple fields, enabling the Company to maintain high-quality operations.

The Nomination Committee is responsible for ensuring Board diversity. It monitors the implementation of the diversity policy from time to time, reviews the Board Diversity Policy to ensure its continued effectiveness, and makes recommendations to the Board. The Board reviewed the Board Diversity Policy on 30 March, 2026 and confirmed that the policy has been effectively implemented.

Position	Name	Sex	Independent of		Professional Competence						Academic Background			
			Management[23]	Other Interests[24]	Scientific Research	Corporate Management	Green Investment	Risk Management	Finance and Audit	Legal Services	Chemistry	Law	Economics	Management
Executive Director	LOU Boliang	Male	N	N	✓	✓					✓			
Executive Director	LOU Xiaoqiang	Male	N	N		✓								✓
Executive Director	ZHENG Bei	Female	N	N		✓						✓		
Non-executive Director	LI Jiaqing	Male	Y	Y		✓	✓	✓	✓					✓
Non-executive Director	WAN Xuan	Female	Y	N		✓	✓	✓					✓	
Independent Non-executive Director	YU Jian	Male	Y	Y					✓					✓
Independent Non-executive Director	LI Lihua	Female	Y	Y						✓		✓		
Independent Non-executive Director	TSANG King Fung	Male	Y	Y						✓		✓		
Employee Representative Director	LI Shing Chung Gilbert	Male	N	N					✓					✓



• **Board Diversity[25]**

[23] With reference to the MSCI methodology, Exhibit 2: Not Independent of Management, i.e., the definition of being not independent from company management.

[24] With reference to the MSCI methodology, Exhibit 3: Not Independent of Other Interests, i.e., the definition of being not independent from other interests.

[25] Note: The y-axis represents the percentage.

Employee Diversity

Pharmaron attaches great importance to and continues to advance its DEI initiatives, striving to foster a workplace where employees – regardless of race, ethnicity, gender, age, religion, or any other characteristics – feel valued, respected, and included. We have established and fully implemented the Group-wide *Employee Diversity, Equality, and Inclusion Policy*, which systematically outlines the DEI strategic principles, management structure, division of responsibilities, management objectives, and reporting and grievance mechanisms. Our DEI efforts are grounded in the following three core principles:

Promote Workforce Diversity:

We believe a diverse workforce brings unique perspectives and ideas, making our organization more innovative and adaptable. We are committed to recruiting, hiring, and promoting individuals from diverse backgrounds, ensuring our team reflects the diversity of our clients and the communities we serve. We strive to achieve inclusiveness during recruitment, actively seek talent from underrepresented groups, and provide them with equal career development opportunities.

Create an Inclusive Work Culture:

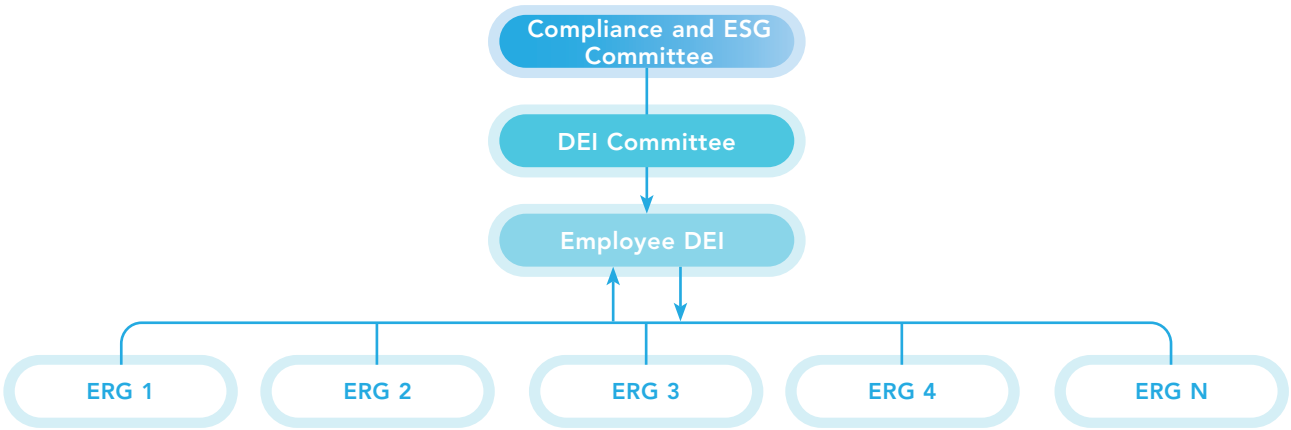
We foster a professional, welcoming and respectful work environment where every employee feels a sense of belonging and can express themselves. We encourage open communication and constructive feedback, creating a culture of trust and transparency where everyone's voice is heard and valued. We value our differences and view them as a source of strength and a culture of promoting learning and growth. We encourage employees to share their knowledge and experiences.

Become a Socially Responsible Corporation:

We recognize our responsibility as a company to make positive contributions to society and address issues of inequality and discrimination. We are dedicated to fair and ethical business practices, ensuring our operations align with our values and have a positive impact on the communities where we operate. We collaborate with organizations and initiatives that promote social justice and equality, and support causes that align with our DEI principles with our resources and platform.

Under the DEI principles set out in the *Pharmaron Code of Conduct*, we have developed the *Employee Diversity, Equality and Inclusion Policy*, the *Employee Handbook* and other related procedures, integrating DEI requirements and control measures into these systems. These documents explicitly prohibit child labor, forced labor, slavery and human trafficking, and promote inclusion, diversity, freedom of association, fair treatment, non-discrimination and anti-harassment, with open reporting channels available for supervision.

To implement DEI initiatives, the Company has established an Employee DEI Sub-committee, as well as multiple Employee Resource Groups ("ERGs") related to employees. The DEI Sub-committee is responsible for overall coordination and provides regular reports to the Compliance and ESG Committee and the governance bodies, while the ERGs promote the implementation of DEI goals at the operational level. Pharmaron UK has launched two ERGs – the LGBTQI+ ERG and the Neurodiversity ERG – continuing to advance DEI-related initiatives.



We actively support the career development of female employees and are committed to safeguarding their legal rights and interests, while proactively listening to and addressing their specific needs in the workplace. Through measures such as optimizing office facilities and improving the working environment, we provide more convenient and accommodating workplace support for female employees, continuously enhancing their sense of well-being and belonging. In 2026, Pharmaron UK plans to launch a Women's Leadership Initiative, aiming to further foster an inclusive and supportive environment for female employees through awareness campaigns, peer support, and the sharing of employee perspectives. In addition, we participate in STEM-related activities to attract more female candidates to join the Company.

At the same time, we integrate the concept of diversity throughout the entire recruitment process, actively building a diverse talent pool, fully protecting employee human rights and career development, and enhancing the organization's competitiveness and creativity. We provide DEI-related training to all employees, covering topics such as diversity and inclusion, workplace discrimination and prevention, and anti-harassment, with oversight and implementation by the management team. Our target is for 100% of employees to receive anti-discrimination and anti-harassment training each year.

We have established clear, quantitative diversity goals to continuously optimize the employee structure. The completion status of the 2025 indicators is set out below:

Quantitative diversity indicators	2025 performance	Goals achievement status
Percentage of female employees in the total workforce reaches 50% or more	56.72%	Achieved
Percentage of female in management reaches 40%	46.42%	Achieved
Percentage of female in junior management reaches 40%	46.79%	Achieved
Percentage of female in senior management[26] reaches 20%	26.60%	Achieved
Percentage of female management positions in revenue-generating functions[27] reaches 50%	56.16%	Achieved
Percentage of female in STEM-related[28] positions reaches 50%	57.72%	Achieved

Diversity Indicators			Unit	2025
Percentage of Employees by Region	China (including Hong Kong, Macao and Taiwan)		%	93.14
	UK		%	3.87
	US and other overseas regions		%	2.98
Percentage of employees from ethnic minorities and/or disadvantaged groups	The percentage of employees by ethnic groups	Han	%	86.46
		Manchu	%	1.64
		Mongol	%	0.66
		Tujia	%	0.65
		Hui	%	0.65
		Zhuang	%	0.49
		Miao	%	0.41
		Dong	%	0.16
		Korean	%	0.08
		Other ethnic minorities besides the above	%	8.82
		Percentage of ethnic minorities employees	%	13.54
	Percentage of employees from ethnic minorities and/or disadvantaged groups in senior management		%	4.26

[26] Senior management is defined as: positions reporting no more than two levels below the CEO.
[27] Revenue-generating functions refer to frontline management positions in departments such as sales, or positions directly contributing to the production of products or services; excluding support functions such as human resources, IT, legal, and others.
[28] STEM, Science, technology, engineering, and mathematics.

Supply Chain Diversity

Pharmaron recognizes deeply the importance of supply chain diversity in enhancing resilience and supporting sustainable development. The *Pharmaron Business Partner Code of Conduct* sets out clear requirements for business partners to uphold inclusive and diverse values, maintain an inclusive supply chain, and provide equal opportunities for disadvantaged groups.

Under the Compliance and ESG Committee, we have established a Supply Chain DEI Sub-committee, operating in parallel with the Employee DEI Sub-committee, and have implemented the *Sustainable Procurement Management Policy*. We have incorporated supplier diversity indicators into the supplier evaluation framework. For further details, please refer to "Supply Chain Full-process Management" section in chapter 2 of this Report.

Integrity and Compliance

Pharmaron believes that integrity and compliance are at the core of corporate development, and upholds the business philosophy of prudence, integrity, and compliance. The Company strictly complies with laws and regulations applicable in all operations worldwide, including the *Civil Code of the People's Republic of China*, the *Criminal Law of the People's Republic of China*, the *Company Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Foreign Corrupt Practices Act (FCPA)*, the *UK Bribery Act 2010*, and other relevant legal requirements. The Company has set up the Internal Audit Department which reports to the Audit Committee. The Audit Committee is responsible for overseeing the management of business ethics issues by the Company and its management. In addition, Pharmaron strictly complies with applicable anti-money laundering laws and is committed to preventing money laundering, terrorist financing, and other criminal activities. In 2025, the Company continued to improve its compliance policies and systems, including the *Pharmaron Code of Conduct*, updated its guidance on political involvement, and ensured strict compliance with applicable laws and regulations as well as the Company's *Global Anti-Corruption Compliance Policy*. Over the past three years, the Company has made zero political donations[29] and/or donations[30] to political parties and has not engaged in any form of political spending or lobbying activities.

[29] Political donations to political parties refer to financial support provided directly by the Company to political parties or candidates.
[30] Donations to political parties refer to financial support provided by the Company to industry associations, lobbying groups, or activities related to politics.

Pharmaron's major policies related to integrity and compliance are as follows:

Pharmaron Code of Conduct

- Publicly available on the Company's website.
- Provides the basic principles for the behavior and business activities of all employees around the world, guiding all employees to conduct activities in a manner aligned with the Company's values. Outlines the Company's vision, values, and commitments, as well as the expectations and requirements for employees.
- Explains the principles and commitments, policy index in the areas of ethics and compliance, supply chain, employees and human rights, environmental protection, management reporting, etc.
- Offers guidance on how to report concerns or seek advice, including reporting and enquiry channels such as hotline and email.
- Specifies the Company's approach to political donations: In China, the Company prohibits all political donations. Elsewhere, where legally permissible, the Company may make lawful and appropriate donations to electoral campaigns, but never to influence policymakers or government decisions. Employees shall consult our Compliance Department and General Counsel, and obtain necessary approvals, before any political donation.

Anti-corruption Compliance Policy

- Provides principles and requirements for Pharmaron's interactions and communications with all external parties, ensuring the Company's compliance with applicable Chinese anti-corruption and anti-bribery laws including but not limited to *the Criminal Law of the People's Republic of China* and *the Anti-Unfair Competition Law of the People's Republic of China*, *the Foreign Corrupt Practices Act (FCPA), the UK Bribery Act 2010*, and other relevant anti-corruption and anti-bribery laws applicable in the operating locations.
- Clearly defines the terms "public officials" and "healthcare professionals," and establishes the principle that prohibits any employee from accepting bribes.
- Develops principled regulations and specific requirements related to donations and sponsorships, receiving and offering gifts, hospitality, and entertainment.
- Regulates the scope and basic requirements for hiring public officials and healthcare professionals to provide professional services.

Trade Compliance Policy

- Provides principles and standards for the Company to follow applicable trade sanctions and export control laws and regulations in its business activities.
- Specifies the trade sanctions and export control legal standards applicable to the Company.
- Clarifies the business practices that the Company should prohibit in order to comply with applicable laws and regulations.

Anti-Money Laundering Policy

- Prevents the introduction of criminal proceeds or illegally obtained assets into the economic cycle (i.e., money laundering) through Pharmaron, thus concealing their true source.
- Aims to prevent terrorist financing by thoroughly protecting cash flows that may be exploited by terrorists. Terrorist financing refers to providing or raising cash or other funds for terrorist acts or the support of terrorist organizations.
- Prohibits cash transactions.
- Defines the Anti-Money Laundering contact responsibilities.
- Reports and handles suspicious transactions.
- Adheres to the principles of confidentiality and non-tipping off.

Internal Whistleblowing and Investigation Policy

- Specifies the policy for reporting misconduct and the Company's procedures for handling such reports.
- Establishes a compliance investigation office, clarifying the principle of open communication and an anti-retaliation policy.

Compliance Due Diligence for Business Partner

- Reduces or prevents compliance risks and reputational impacts to the Company due to the misconduct of business partners.
- Specifies the types of compliance due diligence required (economic sanctions, anti-fraud and anti-bribery, ESG, and other risks), corresponding situations, and the responsibilities of relevant departments.
- Clarifies the timing of compliance due diligence, the frequency of periodic updates to due diligence, and subsequent monitoring processes.

Pharmaron Privacy Policy

- Consolidates Pharmaron's current personal information processing activities.
- Clarifies the principles and legal bases that Pharmaron follows in processing personal information.
- Specifies the various measures and requirements Pharmaron has in place in protecting personal information.

Prevention of Conflicts of Interests

Pharmaron has set out management requirements of conflicts of interest in the *Pharmaron Code of Conduct* and the *Employee Handbook*, clearly defining what constitutes a conflict of interest and the relevant standards of conduct. These policies regulate employee conduct in situations where conflicts of interest may arise, including those involving financial interests, employment opportunities, loans, external activities, and family members. All employees are required to prioritize the Company's interest, and any form of conflict of interest is prohibited. The Company mandates directors, supervisors, and senior management to adhere to the principle of integrity and fulfil their fiduciary duties when performing their roles, and they must not use their positions for personal gain. When deliberating remuneration and related-party transactions involving directors, supervisors, and senior management, the Company requires interested parties to abstain from voting to ensure the fairness and transparency in decision-making. The *Pharmaron Code of Conduct* also sets out clear guidelines on unfair competition to ensure that the Company's business activities uphold the principles of fair and free competition, and that same principles apply in the Company's interactions with competitors, third parties, and business partners. In 2025, there were no violations of laws or regulations related to unfair competition. If an employee's conflict of interest results in damage to the Company's interests, the Company reserves the right to demand necessary compensation or pursue legal liability in accordance with the law.

Supervisors of the Company are required to perform their oversight responsibilities diligently in accordance with applicable laws, administrative regulations, the listing rules of the Company's place of listing, and the *Articles of Association*. They shall oversee the conduct of the Company's directors and senior management in the performance of their duties. Where any conduct is found to be detrimental to the interests of the Company, the supervisors shall require the relevant responsible directors and/or senior management to take corrective actions.

Internal Audit

Pharmaron continues to strengthen audit oversight and proactively mitigate operational risks by conducting regularly internal audits and risk control activities. In 2025, we carried out two audits focusing on significant matters, one annual internal control self-assessment audit, and multiple special audit and internal investigation projects. Our internal audits cover a wide range of key business areas, including compliant operations, human resources management, financial management, sales management, procurement and inventory management, asset management, engineering construction and facility maintenance and upgrading management, import and export business management, hazardous waste disposal management, contract and company seal management, information security, and corporate information confidentiality. Upon completion of each audit, findings and risk points identified are communicated and reported to the relevant department heads and colleagues, forming written reports to continuously track and drive the implementation of corrective actions. In 2025, the Company was not involved in any lawsuits related to corruption or fraud. Over the past three years, the Company has not had any confirmed incidents of corruption.

Pharmaron has zero tolerance of bribery and corruption, and fully complies with the requirements set out in the *Internal Audit Management System*. To ensure the effectiveness of its policies and the compliance of its operations, the Company conducts internal audits and risk assessments related to business ethics and anti-corruption, regularly evaluates potential risks arising from its business activities and operating locations, and develops annual self-inspection and audit plans. The Internal Control and Internal Audit Department is responsible for audit oversight and regularly reports supervision results to the Audit Committee of the Board.

In 2025, we conducted business ethics audits at its major operational sites to further enhance internal business ethics audit efforts across subsidiaries. The audit scope covered the identification of business areas associated with business ethics compliance, such as trade compliance, anti-corruption, and conflicts of interest. These business ethics audits were carried out by the Internal Control and Internal Audit Department with support from external consultants. Major operational sites covered included Pharmaron Beijing, Pharmaron Ningbo, and Pharmaron Xi'an. During the audit process, we conducted compliance management interviews with functional departments and responsible personnel to understand how the Company's compliance policies and systems were communicated and implemented in practice, ensuring that each functional department was able to identify, assess, and respond to business ethics compliance risks within its scope of work. In addition, transactions associated with business ethics compliance were assessed through sampling checks of transaction documents, vouchers, and internal review records, supplemented by statistical analysis of financial data. In 2025, internal business ethics audits covered 64% of the Company's operational sites and the Company plans to achieve 100% operational sites coverage every three years by 2030.

Enhancement of Compliance Awareness

To continuously strengthen compliance awareness among all employees, Pharmaron has carried out comprehensive compliance education and communication for various groups through diversified outreach and training approaches, covering directors, senior management, all employees, contractors, part-time employees, and external partners (e.g., suppliers). In addition, we continued to embed compliance requirements into the *Employee Handbook*, which was updated in 2024. As of 2025, the signing rate of the *Employee Handbook* reached 99.6%. Looking ahead, we strive to achieve the target of a 100% *Employee Handbook* signing rate.

To comprehensively promote the implementation of ethical standards across the Company, we provide annual training on the *Pharmaron Code of Conduct* to both new hires and existing employees, ensuring full employee coverage. The training not only strengthens employees' compliance awareness of the *Pharmaron Code of Conduct,* but also addresses customers' expectations regarding implementation effectiveness of the Company's compliance trainings. The training includes anti-corruption and anti-bribery content, covering the laws such as *Foreign Corrupt Practices Act (FCPA)*, the *UK Bribery Act 2010*, and the *Anti-Unfair Competition Law of the People's Republic of China*. It also covers topics including labor and human rights, occupational health and safety, environmental protection, information security, privacy protection, anti-money laundering, and trade compliance. The Company's goal is to achieve 100% coverage of *Pharmaron Code of Conduct* training starting from 2025. In 2025, the training coverage for the *Pharmaron Code of Conduct,* anti-corruption and anti-bribery training reached 100%.

Participants	Frequency of training	Content of training
All employees	• Employee on-boarding training • Annual compliance and employee legal awareness training	• Business ethics, the U.S. *Foreign Corrupt Practices Art*, compliance regulations and requirements, anti-corruption management, anti-fraud reporting channels, employee misconduct and discipline, etc.
Directors and senior management	• At least once a year	• Business integrity, awareness raising, etc.

Indicators	Unit	2025
Coverage of training on the *Pharmaron Code of Conduct* among employees	%	100
Coverage of anti-corruption training among Directors	%	100
Total duration of anti-corruption training for employees	hour	8,181
Coverage of anti-corruption training among employees	%	100
Total anti-corruption training participants[31]	persons	25,088

Whistleblower Protection

Pharmaron consistently advocates a speak-up and anti-retaliation culture. The Company has formulated and continuously improved the *Internal Whistleblowing and Investigation Policy*. An in-house reporting and investigation organizational structure has been established to standardize specific investigation allocation mechanisms, processes, and follow-up procedures. The Company has also established a multilingual, multi-channel reporting platform, including a whistleblowing hotline, email, written correspondence, and in-person reporting. Whistleblowers may submit reports in multiple languages, such as English and Chinese, regarding any reasonable suspicions of violations of company policies, the *Pharmaron Code of Conduct*, or applicable laws and regulations.

Whistleblowers can choose to report anonymously or non-anonymously. The Company is committed to maintaining strict confidentiality with respect to both the identity of the whistleblower and the content of the report. All reports are subject to independent review by a dedicated investigation team appointed by the Investigation Office. In accordance with the investigation plan, the team summarizes key findings and conclusions, prepares an investigation report, and ensures confidentiality throughout the investigation process.

We strictly opposes any form of retaliation against whistleblowers. Any individual found responsible for retaliatory conduct will be subject to disciplinary action in accordance with Company policies and relevant disciplinary rules, and the Company reserves the right to pursue relevant legal responsibilities. If any whistleblower has concerns about potential retaliation or has already suffered retaliation, relevant departments of the Company will take necessary protective measures to the greatest extent possible to effectively safeguard the whistleblower's safety. The Company is committed to ensuring that 100% of reports received through official whistleblowing channels are handled. In 2025, three reports were received, all of which were handled. Over the past three years, we have achieved a 100% of handling rate of reports received through official whistleblowing channels.

In 2025, Pharmaron recorded zero violations related to conflicts of interest, money laundering or insider trading. No irregularities were found in clinical trials.

@ Whistleblowing email: compliance@pharmaron.com

Whistleblowing hotline: +86 10 5733 0257

[31] Employees in service as of December 31, 2025.

02 Responsible Operations

Pharmaron upholds strong ethical convictions and is committed to responsible business operations, continuously creating long-term value for shareholders, employees, customers, and society. The Company focuses on key areas including ethics, responsible marketing, information security, and supply chain management, and continues to enhance its practices to respond proactively to stakeholder expectations and fulfill its corporate social responsibilities.

- Ethics
- Information Security
- Responsible Marketing
- Supply Chain Management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Ethics

Pharmaron fully understands the importance of ethics in clinical research and development to business conduct and compliance operations. We strictly adhere to applicable laws and regulations in the locations where we operate and fully integrate ethics throughout the R&D process. We also protect the rights and interests of subjects and ensure the welfare of laboratory animals.

Ethics of Clinical Trials

Pharmaron strictly abides by the medical ethics and laws and regulations in the locations where we operate, including the *World Medical Association Declaration of Helsinki*, the *Personal Information Protection Law of the People's Republic of China*, the *Good Clinical Practice (GCP) E6 (R3)*, the *Biosecurity Law of the People's Republic of China*, the *Good Clinical Practice for Medical Devices ("Device GCP")*, the *EudraLex* of the EU[32], and the *Federal Food, Drug, and Cosmetic Act* of the US[33]. Based on the three basic ethical principles stipulated in the *International Ethical Guidelines for Health-related Research Involving Humans* issued by the Council for International Organizations of Medical Sciences (CIOMS), namely justice, respect for persons, and beneficence and non-maleficence (beneficence refers to maximizing benefits and minimizing harm and errors, while non-maleficence refers to not causing harm to subjects), we have developed comprehensive standard operating procedures and work instructions. These measures are designed to ensure that subjects are afforded full legal protection in all countries where trials are conducted, while ensuring that all trial processes and activities comply with applicable regulatory and ethical requirements. Pharmaron implements integrated management of offshore clinical trials, with clinical quality management processes fully aligned with the ICH Guidelines and incorporating regulatory requirements from the United States, the European Union, and China. This approach enables the harmonization and sharing of processes across domestic and overseas operations. All overseas projects are incorporated into the global quality management system. Through standardized mechanisms for ethical review, subject protection, data management, and clinical monitoring, Pharmaron ensures that clinical trials meet internationally recognized high standards of compliance, scientific rigor, and ethical integrity. Leveraging its global collaboration framework, the Company strengthens end-to-end oversight and risk management of overseas trials, effectively safeguarding subject rights and data quality, and fully supporting the efficient advancement of global drug innovation and R&D.

Pharmaron implements comprehensive ethical management throughout the entire lifecycle of clinical trial projects, covering protocol design and review, trial preparation, trial execution, and post-trial evaluation, to ensure that ethical requirements are consistently embedded at every phase. Management is responsible for upholding ethical and compliance standards in clinical trial services and, within its scope of responsibilities, supports sponsors and research institutions in conducting research activities in accordance with applicable regulations and ethical requirements. To effectively fulfill these responsibilities, management continuously enhances ethical and quality governance mechanisms with well-defined management structures and supervision procedures in place. Significant matters are regularly reported to the Group's Chief Operating Officer ("COO") ensuring that key ethical and compliance issues are identified, escalated, and addressed in a timely manner. This governance approach promotes the protection of subjects' rights as well as compliance and transparency throughout the research process. In parallel, the Company provides customized, systematic training programs for employees involved in clinical trials, including impact-focused courses and professional conduct training, to support employee development and comprehensively enhance ethical awareness and professional capabilities across the team. During the design and implementation of clinical trials, potential ethical risks are proactively identified and appropriately managed. All clinical trial protocols are subject to rigorous review by the Clinical Trial Ethics Committee and may only be initiated upon formal approval. We strictly adhere to applicable standards to safeguard the rights and interests of subjects and to ensure the scientific rigor and data integrity of clinical trials. In addition, we are responsible for the ethical conduct of clinical trials, with ethical considerations required at both the project initiation and execution phases of all clinical trials.

[32] The EudraLex is a regulatory framework under the EU's pharmaceutical management system. Its purpose is to ensure the quality, safety, and efficacy of medicinal products and ensure a high level of public health.

[33] The Federal Food, Drug, and Cosmetic Act of the US is aimed at emphasizing the importance of ethical standards in trials, protecting the rights and interests of subjects, and ensuring that manufacturers adhere to ethical standards to guarantee the safety and authenticity of their products.

Clinical Trials Ethical Safeguards

Protocol Design

- Design trial protocols in strict accordance with applicable principles and industry guidelines of medical ethics, as well as legal and regulatory requirements in operating sites, as well as ensure that subjects are respected, protected, and kept safe throughout the whole process.

Protocol Review

- Comprehensively review trial protocol design and implementation according to the Company's internal standard operating procedures and guidelines, as well as ensure the rights, interests and safety of subjects are fully protected throughout the trial process.

Trial Preparation

- Strictly follow established procedures to submit trial protocols, informed consent forms, and other relevant documentation to the Clinical Trial Ethics Committee, and actively cooperate with its review of ethical appropriateness.
- Conduct qualification, experience, and compliance capability audits and screening of research sites and investigators in accordance with standard operating procedures.
- Develop annual training course plan and design training courses based on the latest clinical trial regulations, trial-related knowledge, and competency requirements.
- Establish a comprehensive project risk management plan to systematically identify, assess, control, communicate, and continuously review potential risks throughout the clinical trial process, ensuring risks are effectively identified and addressed in a timely manner.

Trial Execution

- Implement internal quality control and inspection measures to regularly assess the compliance of clinical trials, and take corrective and preventive actions in response to identified issues.
- Provide real-time, role-specific training to personnel involved in clinical trials to ensure they fully understand trial requirements, operating procedures, and ethical responsibilities.
- Conduct regular monitoring and evaluation of ongoing clinical trials.
- Take prompt action according to internal operating procedures and conduct in-depth analysis and summary of issues related to the rights and interests of subjects and prevent similar issues from recurring.

Risk Management of Clinical Trials

To systematically identify potential risks throughout the clinical research and development process, Pharmaron Clinical has established a comprehensive and standardized risk management framework, deeply integrating risk management into all clinical trial projects and functional areas, clearly covering five core modules: risk identification, risk assessment, risk control, risk communication, and ongoing review. By comprehensively analyzing projects from progress, quality, cost control, and subjects' safety, the Company effectively safeguards the rights and interests of the subjects, ensures the authenticity and reliability of data, and maintains the scientific rigor and credibility of research outcomes.

Module Name	Measures
 Risk Identification	When identifying key data and processes in clinical trials, we consider potential risks associated with similar projects in indications or clinical development plans based on existing knowledge and experience in clinical trial design. Then we conduct risk identification at both the systemic and project levels. • Systemic level: SOP[34], computerized systems, and personnel, etc. • Project level: trial design, data collection, informed consent, etc.
 Risk Assessment	We comprehensively identify, analyze, and assess risks that may affect critical data collection and key procedural activities during the trial. These risks are evaluated based on the likelihood of occurrence, detectability, and potential impact on subject protection and the reliability of trial outcomes, with the objective of safeguarding subject rights and maintaining the integrity and reliability of trial results.
 Risk Control	We formulate targeted mitigation measures and contingency plans, such as optimizing trial protocol design and execution processes, establishing detailed monitoring plans, clarifying the division of labor and responsibilities of stakeholders, and ensuring the compliance of SOP and training through the guarantee system. These measures are designed to minimize risks during the trial and ensure smooth conduct of the trial.
 Risk Communication	We meticulously record all quality management activities and maintain close communication with relevant personnel to ensure high-quality conduct of clinical trials.
 Risk Review	We regularly review and evaluate risk prevention and control measures, and record and analyze the risks and quality management throughout the trial process. We also make dynamic adjustments to the latest trial content to ensure that risk management strategies and measures remain up-to-date and effective.

[34] SOP, Standard Operating Procedure.

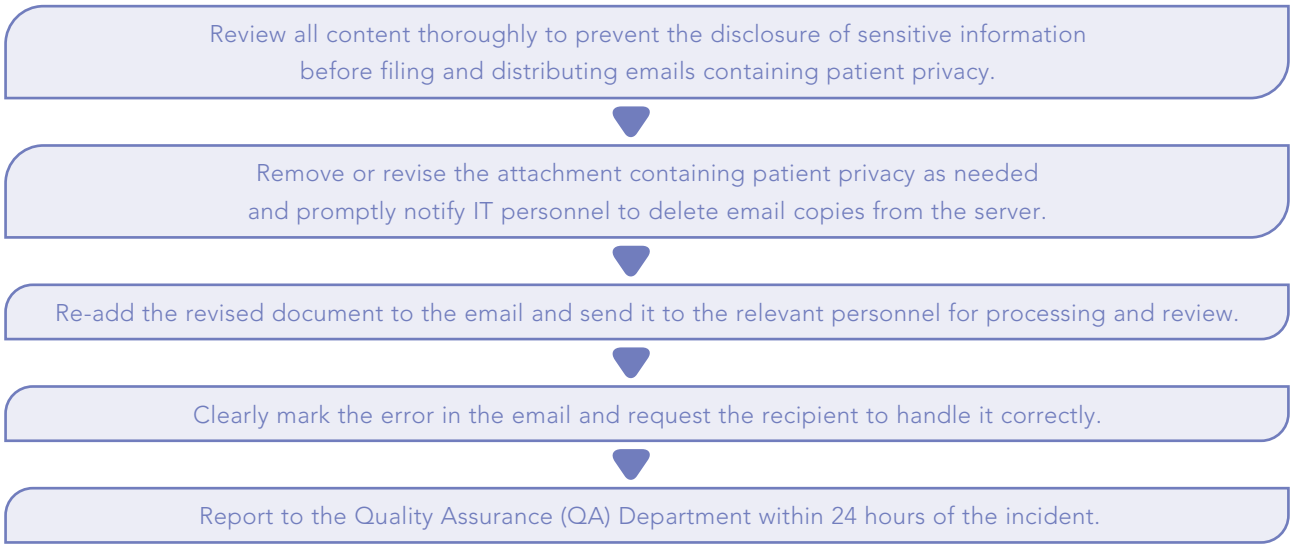
Protection of Subjects

During the clinical trials, Pharmaron Clinical remains firmly committed to lawful and compliant operations, strictly adhering to relevant laws and regulations such as the *Biosecurity Law of the People's Republic of China* and the *Personal Information Protection Law of the People's Republic of China.* We have established internal policies and procedures, including the *Protection of Data Privacy and Client Confidentiality* and the *IEC or IRB Submission*, to effectively safeguard the health and legitimate rights and interests of subjects. All subjects are required to sign an Informed Consent Form prior to participating in the project. The form provides detailed disclosure of the purpose, implementation procedures, potential risks and benefits, privacy protection measures, and the principle of voluntary participation, ensuring that subjects make informed and autonomous decisions based on full disclosure and that their rights to information and self-determination are fully upheld.

To ensure the data privacy, all data are subject to strict anonymization during collection, processing, storage, and sharing, with information that could identify subjects removed or omitted. All documents undergo rigorous review and processing procedures prior to archiving, transmission, or distribution to ensure that privacy information is not disclosed. In addition, all relevant staff are required to sign dedicated confidentiality agreements upon onboarding and receive systematic training on participant privacy protection and data security. This ensures that employees fully understand and comply with applicable laws and regulations, as well as the Company's internal policies and operational procedures.

Pharmaron strictly prohibits any employee or third party from storing, copying, or transmitting subjects' personal information in any form. In the event of any data breach involving confidential information of Pharmaron or its clients, Pharmaron will immediately activate the emergency response mechanism to quickly assess the scope and severity of the incident and implement necessary remedial measures. In addition, we will promptly report such incidents to the Legal Department and assist in conducting necessary investigations and actions.

In cases where email attachments contain confidential patient information, we have established detailed and rigorous procedures to guarantee the security and privacy of the information:



In addition, we have established a comprehensive complaint mechanism for clinical trial participants to ensure that their legitimate rights and interests are fully protected. The informed consent form signed by both the participants and the doctors clearly outlines the available channels for appeals and complaints, including contact details of the Ethics Committee and its designated contact person. Regarding the public reporting of clinical trial monitoring results, violations, and corrective actions, as a service provider, we conduct clinical trials under the sponsor's authorization and will not publicly disclose monitoring results or violations without the sponsor's approval.

Animal Welfare

Pharmaron fully recognizes the importance of ethics and moral responsibility in animal testing and drug R&D, and consistently conducts related research in accordance with principles of scientific rigor and humane care. In line with regulatory requirements, medicinal products must undergo systematic testing in animal models prior to market entry to identify potential safety risks, toxicological responses, and preliminary efficacy. We exercise strict control over the entire animal testing process and are committed to upholding ethical standards and responsible humane principles at every stage of animal studies, with the aim of safeguarding animal welfare and rights to the greatest extent possible. While advancing scientific research, Pharmaron strives to ensure that all animals receive appropriate care and respect. We firmly believe that safeguarding animal welfare goes beyond an ethical duty of researchers and is indispensable to ensuring the scientific integrity, reproducibility, and successful clinical translation of research data. Pharmaron continues to invest resources to optimize animal management processes and strengthen personnel training and oversight mechanisms, ensuring that animal testing is conducted in a compliant, transparent, and responsible manner, thereby promoting the harmonious advancement of medical innovation and bioethical principles.

Animal Welfare Management

Pharmaron consistently upholds the highest standards of ethical responsibility and humane care for laboratory animals, placing animal welfare at the core of its scientific research practices. The Company requires all employees, regardless of whether they are directly involved in animal-related work, to jointly commit to the highest level of animal welfare. We strictly comply with applicable laws, regulations, and internationally recognized animal welfare and ethical guidelines, including the *Regulations on the Administration of Laboratory Animals*, the *Laboratory Animal – Requirements of Environment and Housing Facilities*, the *Guide for the Care and Use of Laboratory Animals (Guide), NRC, 2011*, the *Guide for the Care and Use of Agricultural Animals in Research and Teaching (Ag Guide), FASS, 2010*, and the *European Convention for the Protection of Vertebrate Animals Used for Experimental and Other Scientific Purposes, Council of Europe (ETS 123).* In alignment with globally accepted animal ethics principles, Pharmaron has established internal policies such as the *Laboratory Animal Center Management Handbook and the Constitution of the Institutional Animal Care and Use Committee* (IACUC[35]) to continuously improve the standardized management mechanism for animal experiments and effectively safeguard the welfare and well-being of laboratory animals.

We have established a comprehensive laboratory animal management structure that clearly requires the institution head, the chief veterinarian, and the Institutional Animal Care and Use Committee (IACUC) to perform their respective duties. This governance framework ensures that animal experimentation processes comply with regulatory requirements and ethical standards, while strengthening end-to-end oversight of experimental design, operational implementation, and animal welfare management. In 2025, we optimized our organizational structure, with the Veterinary Department taking the lead in advancing comprehensive animal welfare reforms. A robust animal health and welfare assurance system was established to enhance welfare standards throughout the entire lifecycle of animal testing, from housing and monitoring to experimental operations, ensuring that all experimental activities align with internationally recognized ethical standards. In parallel, management and the Board are responsible for overseeing and conducting periodic reviews of the implementation of animal experiment policies and ethical compliance, thereby ensuring the effective operation and continuous improvement of the management system. The IACUC reports on its operations to the COO on an ad hoc basis, while the Veterinary Department provides regular updates to the Chief Scientific Officer. This reporting structure enables the timely identification and resolution of issues identified during daily operations and inspections. Through clear and well-defined reporting mechanisms, the Group comprehensively safeguards laboratory animal welfare while enhancing the scientific rigor, transparency, and accountability of its research activities.

[35] IACUC, Institutional Animal Care and Use Committee.

Structure and Responsibilities for Management of Laboratory Animals

Institution head

- Serve as the highest body for the welfare management of laboratory animals;
- Handle incidents of ethical violations or issues related to animal welfare and ensure compliance of laboratory animal facilities with international and national standards.

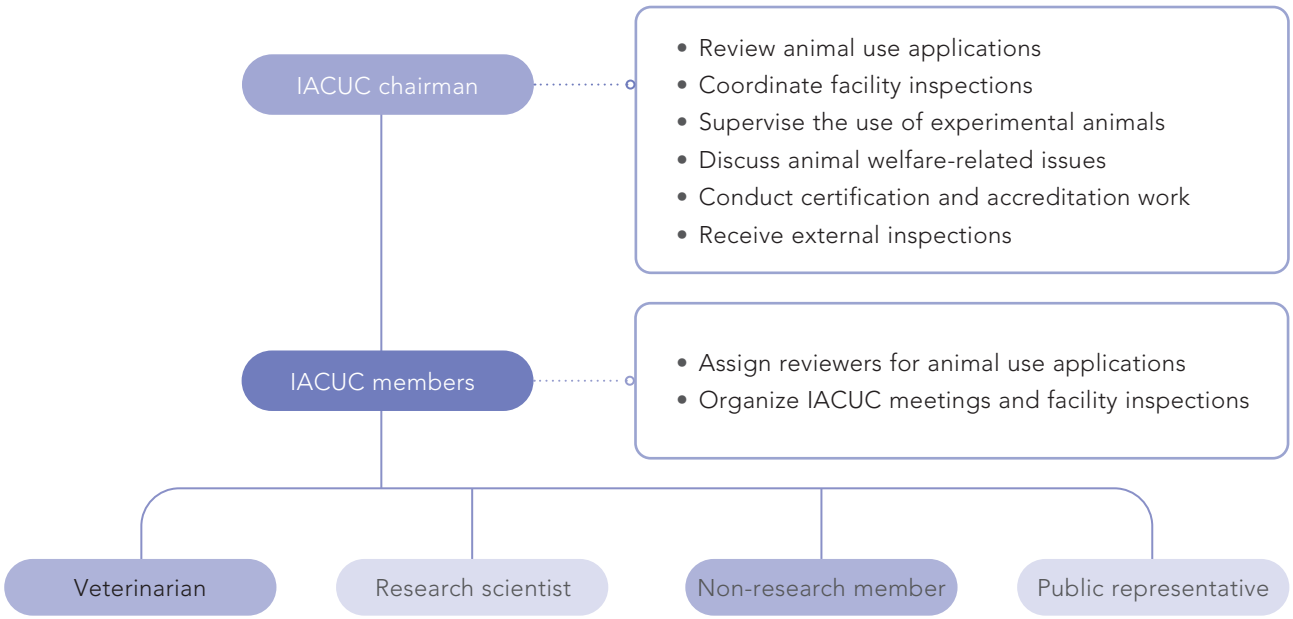
Animal breeders and veterinarians

- Ensure the health and well-being of laboratory animals by strengthening the identification and reporting of abnormal conditions and maintaining accurate and comprehensive care records;
- Provide professional care and attention to meet the highest standards of animal welfare in terms of physiology, environment, hygiene, psychology, and behavior, and oversee the implementation of animal welfare measures;
- Participate in the approval of laboratory animal protocol;
- Conduct professional training for animal testing personnel.

IACUC

- IACUC consists of one chairman, a licensed veterinarian with relevant laboratory animal experience, at least one animal testing scientist, at least one non-research member, and at least one public representative;
- Require the chairman to report regularly to CEO on the implementation of animal experiments, ensuring that management is promptly informed of progress and compliance status;
- Implement and enforce applicable laws and regulations by reviewing and overseeing laboratory animal research activities, housing, transportation, as well as the design and execution of animal experiments to ensure compliance with animal welfare and ethical requirements. Supervise, inspect, and provide guidance on experimental design and quality, conduct specialized training courses to enhance the techniques of animal testing and the welfare of laboratory animals, and minimize harm and negative impacts on laboratory animals to the greatest extent possible.

Organizational Chart of IACUC



We have enhanced our anonymous animal welfare reporting mechanism to ensure that anyone has the right to report or raise concerns regarding animal welfare issues or abnormalities in a timely manner. In 2025, there were zero incidents of animal welfare violations.

Pharmaron and its subsidiaries have obtained laboratory animal production license, laboratory animal use license, Domestication and Breeding Licenses of National Key Protected Wild Animals, international laboratory animal evaluation certifications and the PHS[36] Animal Welfare Assurance. Additionally, we participated in voluntary oversight programs that promote the responsible treatment of laboratory animals through voluntary certification processes. In 2025, the AAALAC accreditation coverage for all animal trial-related sites[37] reached 67%. During the reporting period, AAALAC accreditation processes were initiated at the Pharmaron Beijing Site III, Pharmaron Ningbo Site III and Exton Site, Pharmaron US, with accreditation expected to be obtained in 2026 or 2027. Upon completion, AAALAC accreditation coverage across all animal trial-related sites is expected to reach 100%. In addition, certain laboratory animal-related sites, such as Pharmaron Zhaoqing, have already obtained AAALAC accreditation. The Group aims to achieve 100% AAALAC accreditation coverage across all animal trial-related sites by 2030. Through comprehensive evaluation of our sites and practices, we ensure regulatory compliance and continue to enhance the Company's animal welfare standards.

Year	Percentage of animal trial-related sites with AAALAC accreditation (%)
2025	67[38]
2024	71
2023	71

[36] PHS, U.S. Public Health Service.

[37] Animal trial-related sites refer to designated sites where laboratory animals are used for experimental procedures, observation, and testing for purposes such as scientific research, education, drug research and development, biological product manufacturing, and quality testing.

[38] In line with business development, the data collection scope of animal trial-related sites was expanded in 2025 to include the Pharmaron Beijing Site III, Pharmaron Ningbo Site III, and the Exton Site of Pharmaron US.

Case | Specialized training series on laboratory animal

In 2025, Pharmaron systematically organized a total of 13 specialized training sessions on laboratory animal welfare, covering key topics such as animal behavior, pain assessment, positive reinforcement training, and non-human primate welfare. These programs recorded more than 1,000 attendances and effectively enhanced the overall level of the sites in laboratory animal management, ethical compliance, and scientifically rigorous operations.

Among these initiatives, the "Large Animal Behavioral Tournament Training" was a major highlight of the year. Conducted over 11 days, the training covered the Company's main sites and several branch sites, and systematically carried out positive reinforcement training for large animals, including dogs, pigs, and non-human primates. During the program, a professional instructor team combined real-world case studies with on-site demonstrations to ensure that veterinarians, laboratory technicians, and animal care personnel mastered standardized operating procedures. This significantly improved animal cooperation, reduced stress responses, and further strengthened the Company's practical foundation in animal welfare and ethical management.

In terms of external training, the Company actively expanded its professional capacity-building initiatives in 2025 by inviting experts appointed by the Association for Assessment and Accreditation of Laboratory Animal Care International ("AAALAC International") to deliver specialized external training sessions. The sessions covered laboratory animal management standards, ethical review practices, and facility accreditation requirements, effectively enhancing the team's understanding and implementation of the highest international standards. In addition, relevant personnel participated in an online professional training course titled "Welfare and Ethics of Non-human Primate Laboratory Animals", organized by the China Experimental Monkey and Primate Development Association. The course addressed core topics such as captive breeding colony management, zoonotic disease prevention and control, and animal welfare ethics, further strengthening the team's professional foundation in scientific animal management, biosafety, and humane care.

Animal Welfare Safeguards

Adhering to the "3R[39]" principles, we integrate animal welfare considerations throughout experimental design and operational processes. By implementing measures related to animal welfare guarantees, we continuously optimize animal testing procedures and improve living conditions and quality of life for laboratory animals, thereby effectively safeguarding their health and well-being. Guided by the 3R principles, we actively identify and apply technologies that reduce the use of animals, minimize the number of animals required to the greatest extent possible, and enhance animal welfare. At the same time, we support global regulatory authorities in advancing solutions to reduce animal use, effectively maintaining animal welfare while protecting patient safety, and practicing the concept of responsible animal use.

[39] Replacement, Reduction and Refinement.

Management and Safeguard

- Establish the IACUC to rigorously review and approve animal testing during the process, ensure the reasonableness of the test, and maximize animal welfare.
- Establish an Animal Welfare Committee and dedicated task forces, uphold a zero-tolerance approach to animal welfare violations, and strengthen procedures for the observation, reporting, handling, and documentation of animal conditions.
- Establish a Veterinary Department at animal trial-related sites to optimize animal welfare management and reduce the use of pharmaceuticals.
- Conduct specialized training to enhance employees' awareness of and respect for animal welfare.
- Ensure that all employees related to animal testing possess relevant expertise and certifications, such as the "Laboratory Animal Practitioner Certification".

Animal Breeding

- While strictly adhering to the Laboratory Animal – Requirements of Environment and Housing Facilities, we continuously optimize the management of laboratory animal care to ensure a safe and comfortable living environment. The Company continuously implemented monitoring of breeding parameters such as temperature, humidity, and pressure differentials within barrier environments to ensure compliance with the latest GB14925-2023 standards. During the review process of new animal use protocols, reviewers will focus on the rationality of the required number of animals and surgical arrangements to ensure that anesthesia and analgesia measures during procedures meet animal welfare requirements.
- In terms of experimental optimization, we have implemented a rigorous approval process for experimental protocol design to ensure that each protocol includes detailed animal care measures. We conduct assessments of research projects and control the number of animals used each quarter to ensure the rational allocation of resources and the maximization of animal welfare.
- Enhance environmental enrichment by providing toys, playing television programmes, and regularly supplying fresh vegetables and small treats, in order to enrich living environments, promote psychological and physical well-being, and improve overall animal welfare.
- In 2025, Pharmaron Beijing conducted bacterial testing of animal drinking water systems and disinfection flumes, and advanced facility upgrades at the main site, including replacement of xenon light transfer windows and chambers, as well as upgrading legacy animal drinking systems with new models offering enhanced sterilization effectiveness.
- In 2025, Pharmaron Zhaoqing procured pesticide residue testing equipment to mitigate the risk of animal poisoning from feed contamination. At the same time, animal housing facilities were comprehensively renovated, with light transmitting panels installed to extend daylight exposure, and ventilation and air exchange systems upgraded. In addition, temperature and humidity monitoring devices have now been installed across all animal housing facilities, enabling staff and animal care personnel to monitor environmental conditions in real time via mobile devices and ensure dynamic management and timely response to environmental changes.

Incorporation of "3R" Principles

- Improve experimental methods and data collection efficiency to obtain maximum data using minimal animals.
- Actively explore alternative testing methods such as in vitro experiments and computer simulations to avoid unnecessary use of laboratory animals.
- Attempt to replace higher-order animals with lower-order species when achieving equivalent research objectives.
- Enhance experimental conditions, optimize procedures, and refine techniques to minimize unnecessary pain and distress in laboratory animals.
- Conduct pilot studies to scientifically estimate the required number of animals and, where possible, and achieve the reuse of animals as much as possible, thereby avoiding unnecessary resource waste.
- Enhance early disease detection and diagnostic accuracy through the procurement of advanced medical testing equipment, such as ultrasound devices, to avoid unnecessary medication, reduce the misuse of biocides and antibiotics, and further safeguard animal welfare and the reliability of experimental data.

In 2025, the Company continued to strengthen its animal welfare management system and further advanced the implementation of the *Pharmaron Employee Animal Welfare Commitment Letter*. The commitment covered employees in key roles relevant to laboratory animals across sites including Pharmaron Beijing, Pharmaron Ningbo, and AniKeeper. All employees, including new hires, are required to sign the commitment annually, reinforcing organization-wide awareness of ethical responsibility for animal welfare.

Responsible Marketing

Our industry is subject to stringent regulation under various laws and regulations developed to protect patients and consumers, improve the quality of pharmaceuticals and healthcare services, and help eliminate fraud and improper influence on medical judgment. We strictly comply with all applicable laws and regulatory requirements to ensure our operations are lawful and compliant.

Integrity, fairness, and transparency are fundamental and essential to building business credibility and trust. Pharmaron consistently conducts business in accordance with the principles of integrity, fairness, and transparency, ensuring that we act with honesty in all business activities.

The *Pharmaron Code of Conduct* clearly requires all employees to engage in ethical interactions and communication with external parties to prevent non-compliant behaviors and effectively reduce employees' compliance risks. Pharmaron firmly prohibits any improper exchange of benefits that may affect the fairness and transparency of business decisions and ensures that all interactions comply with ethical standards as well as applicable laws and regulations. With reference to international industry standards, the Company maintains transparent records and disclosures of expenses related to healthcare professionals and government officials, ensuring that all relevant expenses are transparent and compliant. Additionally, the Company adheres to the principles of transparency, fairness, and independence in interactions with patient organizations and other stakeholders to actively fulfill its corporate social responsibilities, and safeguards industry integrity and public trust. We always place the highest priority on the protection of customer information, personal privacy, and confidential business information. We sign confidentiality agreements with clients and strictly protect trade secrets. In addition, all employees are required to sign confidentiality agreements upon onboarding and receive regular training on confidentiality awareness. Employees are strictly prohibited from sharing project information with unauthorized individuals or disclosing any information related to clients' research projects.

By establishing high-standard quality management systems and product marketing policies, we have comprehensively strengthened our quality control over products and services. During the year, the Company formulated and publicly disclosed a group-level *Responsible Marketing Policy*, clearly committing to strictly adhering to ethical standards in marketing, advertising, and sales activities, ensuring that information communicated about products and services is accurate and balanced, and avoiding misleading promotion. We are committed to maintaining fairness and equity in transactions and to ensuring that sales information is transparent, accurate, and easy to understand when presenting the Company, brand, and services. In accordance with the procedures set out in the *Responsible Marketing Policy*, all marketing, advertising and promotional materials must be reviewed and approved by relevant responsible personnel before publication to ensure the accuracy, completeness, and compliance of the content, prevent false or exaggerated claims, and fully safeguard the integrity and professionalism of marketing activities. The Company places great importance on customer privacy and data security. We strictly comply with all relevant laws and regulations where we operate, ensuring that the processes for the collection, storage, and use of customer information meet applicable legal and regulatory requirements. The Company provides regular marketing compliance trainings to strengthen employees' understanding of regulatory requirements, which reinforce adherence to the Company's ethical standards and practices in marketing, advertising, and sales.

We are committed to providing the global pharmaceutical and healthcare industry with comprehensive and fully-integrated new drug R&D and manufacturing services. We always uphold a client-centered philosophy and adhere to the principles of professionalism, an international outlook, and high quality in all our business undertakings. We actively engage in advancing technological innovation and continuously strengthen our R&D capabilities, remain client-centered, and strive to effectively meet customer needs through professional, high-quality, and efficient R&D services. In 2025, we had zero incidents related to marketing violations.

Information Security

Data protection and cybersecurity is a core prerequisite for maintaining the Company's stable operations. We are committed to comprehensively implementing information security management measures to address increasingly complex and evolving cyber threats and business needs, so as to effectively protect the information and data of the Company and other relevant stakeholders.

The Company has established a three-tier information security governance structure to comprehensively manage information security risks in a top-down manner. The Board bears overall responsibility and has authorized Mr. LI Shing Chung Gilbert, the CFO of Pharmaron, to oversee major information security matters such as cybersecurity and data privacy. To strengthen accountability within our information security governance, we have incorporated information security compliance indicators into the ESG performance evaluations of senior management.

In 2025, the Company further enhanced its information security structure by establishing a Data Protection Office (DPO) to centrally manage data and cybersecurity matters, as well as related risk management activities, across China, the US, and the UK. In addition, the Company established the Group Data Protection and Cybersecurity Department (DPCD). The department head of the DPCD has extensive industry experience, and the DPCD reports to the CFO of Pharmaron, Mr. LI Shing Chung Gilbert. Furthermore, the Company's independent internal audit team regularly reviews and validates the effectiveness of the entire system to ensure closed-loop management and drive continuous improvement.

Three Core Security Functions of DPCD

Security Compliance

- Develop internal audit plans and issue audit reports along with corrective action recommendations

Security Operations

- Through coordination between Managed Security Services (MSS) and internal teams, achieve 24/7 monitoring of security alerts and respond to security incidents such as malware intrusions and data leaks
- Conduct security vulnerability assessments and management

Security Technology Implementation

- Deploy information security tools and conduct security assessment and implementation to build the architecture of the security protection system

In addition, the Company has established network administrators, system administrators, and an IT operations and maintenance team, who are responsible for the day-to-day maintenance and ongoing management of IT network and system security. We have also formed an information crisis management team and emergency response teams to effectively prevent and respond to various types of information security emergencies, thereby enhancing the organization's overall operational efficiency. In the fourth quarter of 2025, the Company newly established the DPCD to be primarily responsible for the technical governance of data security and cybersecurity, as well as to ensure that cybersecurity operations comply with national laws, regulations, and industry standards. Its responsibilities include conducting internal audits and external compliance reviews in accordance with ISO 27001 and ISO 20000 standards. In 2026, the DPCD will carry out privacy protection initiatives and internal audits on privacy compliance, and will obtain ISO 27701 certification.

Pharmaron has implemented a third-party information security due diligence program to ensure that suppliers comply with information security standards. We require IT-related third-party suppliers to complete information security assessments, including reviews of information security qualifications, execution of confidentiality agreements, confirmation of willingness to comply with the Company's information security requirements, regular supplier evaluations, etc.

Pharmaron conducted a Business Impact Analysis (BIA) of its information systems in accordance with the ISO 20000 standard. Based on the assessment results and relevant requirements, we developed information security contingency plans and carried out emergency drills under those plans to safeguard business continuity. To further mitigate the negative impact of potential information security risks, the Company has purchased cyber insurance. The insurance coverage includes security liability coverage, privacy liability coverage, *General Data Protection Regulation (GDPR)* investigation and litigation coverage and accident response expense coverage. Additionally, the Company's information security practices include conducting an annual business continuity plan drill, performing third-party vulnerability analysis, carrying out simulated hacker attacks, and conducting annual penetration testing and code audits for core systems to ensure the continued reliability of its technical defenses and build a robust information security defense. In 2025, the Company completed more than 100 penetration tests covering domestic and overseas subsidiaries and promptly remediated the various security vulnerabilities identified. This effectively reinforced the security foundation of its business systems and significantly enhanced the Company's overall information security protection capabilities and risk management level.

At the same time, the Company regards intellectual property (IP) security as a core part of its day-to-day operations and management and is committed to comprehensively safeguarding customer information security. Our information systems provide technical support for IP management, and project management is deeply integrated with the Company's information systems to build a more rigorous IP management framework. The Company will also continue to optimize and improve its existing confidentiality protocols and software and hardware facilities to further strengthen intellectual property security.

Pharmaron strictly complies with applicable laws and regulations in the location where it operates, including the *Cybersecurity Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, the *General Data Protection Regulation (GDPR)* of the EU, the *General Data Protection Regulation* of the UK, and applicable laws of the US and the state of Maryland. The Company has adopted the *Pharmaron Information Security Management Policy* as the guiding framework for group-wide information security management, clearly setting out the Company's information security requirements. The Company has also developed a number of internal policies, including the *Pharmaron Employee Information Security Handbook*, the *Pharmaron Information System Development Security Management Policy* and the *Pharmaron Information Security Law and Regulation Compliance Management*. These policies cover information processing principles and precautions across different regions and levels and set out detailed information management requirements for key areas. Through strengthened data encryption and other measures, the Company protects the confidentiality, integrity, and availability of its internal and client information assets. In 2025, we conducted our annual update of information security policies and continuously improved related systems and policies based on actual business needs and industry best practices. In addition, we purchased information security insurance covering the entire Group to enhance risk response capabilities and help strengthen the Company's information security defense. In 2025, the Company had no non-compliance incidents related to information security, including those involving customer and employee data. Over the past three years, including 2025, there were no confirmed major information security breaches with significant impact[40].

[40] Information security incidents that cause business interruption.

Year	Number of confirmed major information security breaches with significant impact
2025	0
2024	0
2023	0

The Company actively takes measures to protect its assets, systems, and information from potential technological failures, human errors, and malicious attacks in order to maintain stable and secure operations. In 2025, to further strengthen information security management, the Company enhanced and added information security measures, including the adoption of a Multi-Factor Authentication (MFA) system to verify user identities and prevent unauthorized access. In addition, employees are required to report any identified information security incidents or vulnerabilities in accordance with the internal SOP. The report is first handled by frontline IT engineers for initial assessment and, upon evaluation, escalated to the security team as appropriate. The complete handling process includes incident identification and reporting, intake, handling and resolution, feedback and closure, notification, and review and analysis. To address the risks of cyberattacks, the Company implemented emergency response measures through its security operations services, managing information security risks comprehensively across three stages: pre-incident prevention and monitoring, in-incident assessment and response, and post-incident recovery and improvement.

Pre-incident prevention and monitoring

- Continuous risk monitoring: Conduct 24/7 monitoring of assets, vulnerabilities, and threats using an Extended Detection and Response (XDR) platform and expert services to intelligently classify alerts and assist the Company in handling incidents.
- Exposure management: Regularly scan internet-exposed assets, ports, and weak passwords to identify risks in advance.
- Threat intelligence alerts: Track emerging internet-based vulnerability intelligence and provide alerts and screening for affected assets.

In-incident assessment and response

When a security incident occurs, MSS services activate the emergency response mechanism:

- Rapid confirmation and analysis: Experts promptly analyze alerts to determine the authenticity, type, and scope of impact of the incident. In the event of a ransomware attack, MSS experts provide 24/7 support in coordination with emergency response.
- Emergency containment: Measures such as isolating infected systems, blocking malicious traffic, and closing points of vulnerability are taken to prevent further spread of the threat.
- Coordinated response: Remote experts work together with the client's on-site team to guide or directly perform vulnerability remediation, virus removal, and other actions.

Post-incident recovery and improvement

- Traceback analysis: Analyze the attack path, methods, and source to provide a detailed emergency response analysis report.
- Hardening and optimization: Based on the results of the traceback analysis, security hardening recommendations are provided, and security strategies are optimized to prevent similar incidents from recurring.

Personnel security management

Effectively manage personnel information security, which involves security control of employee onboarding, during employment and offboarding, as well as secure access control of third-party personnel.

Endpoint security management

Conduct vulnerability scanning and patch management in a timely manner and adopt endpoint firewall management and other measures to ensure security.

Upgrade Endpoint Detection and Response (EDR) related equipment to expand the coverage of detection technologies, improve the accuracy of threat detection, optimize data collection and correlation analysis, and enhance response efficiency.

Access control security management

Specify the access control management requirements to guide and promote the design and application of access control measures during the planning, development, operation and maintenance, and use of network and application systems.

Physical environment security management

Install surveillance camera systems at all laboratories and public areas for monitoring. Laboratory access requires authorization from project managers.

Account security management

Employ appropriate encryption and decryption techniques and cryptographic methods to protect organizational information assets. Regularly review accounts and authorizations to promptly identify inappropriate authorizations and active accounts of former employees.

Data backup security management

Conduct routine server data backups and simultaneously store data locally as well as off-site.

In 2025, the Company maintained the ISO 20000 Information Technology Service Management System certification and ISO 27001 Information Security Management System certification. Our target is to achieve 100% of our major operational sites obtaining ISO 27001 certification by 2030, and 100% of all operational sites obtaining ISO 27001 certification by 2050. With continued investment in information security, three additional major operational sites, Pharmaron Xi'an, Pharmaron Tianjin, and Pharmaron Shaoxing obtained ISO 27001/20000 information security management system certifications in 2025. As of 2025, Pharmaron had obtained ISO 27001/20000 certifications for seven operating sites, including six major operational sites, representing 60% coverage of its major operational sites. This has further enhanced the standardization and formalization of the Company's information security management and provided strong support for the secure and sustainable development of its business.

Year	Percentage of major operational sites with ISO 27001 certification (%)
2025	60
2024	30
2023	10


DNV

MANAGEMENT SYSTEM CERTIFICATE

This is to certify that the management system of

Pharmaron Beijing Co., Ltd.

6 Taihe Road BDA, Beijing, P.R. China
and the sites as mentioned in the appendix accompanying this certificate

has been found to conform to the Information Technology Service Management System standard:
ISO/IEC 20000-1:2018

This certificate is valid for the following scope:
The Service Management System of Pharmaron Beijing Co., Ltd. Supporting the Provision Information Technology Infrastructure and Application Operation and Maintain Services to Internal Contracted Customer from Corp Headquarters Data Center and Corp Office Site in Accordance with the Service Catalogue


DNV

MANAGEMENT SYSTEM CERTIFICATE

This is to certify that the management system of

Pharmaron Beijing Co., Ltd.

6 Taihe Road BDA, Beijing, P.R. China
and the sites as mentioned in the appendix accompanying this certificate

has been found to conform to the Information Security Management System standard:
ISO/IEC 27001:2022

This certificate is valid for the following scope:
Information Security Management System Covers: the Operation and Maintenance of the Enterprise Information System, Data Management and the Construction and Operation of IT Infrastructure. This is in Accordance with the Statement of Applicability, Version 2.0

- **Pharmaron's Information Security Certifications**

Pharmaron attaches great importance to the protection of personal information and data and continues to refine its practices while requiring employees to comply with the *Pharmaron Privacy Policy*. In 2026, the Company plans to establish a sound privacy management system and further improve group-wide risk and compliance management measures relating to the protection of personal information and data. We effectively protect the privacy of employees, website users, healthcare professionals, patients, medical research subjects, clinical researchers, clients, suppliers, service providers, business partners, and investors to showcase our commitment to safeguarding the privacy rights and interests of all stakeholders. When collecting customer data involving personal information, we provide customers with opt-out options to determine how their personal information is collected, used, retained, and processed. A standardized guideline for the retention of customer data and employees' personal information is established clearly. Unless otherwise agreed in a contract or agreement, customer data is generally retained for 10 years after the end of the relevant cooperation, while employees' personal information is retained for 10 years after resignation or termination of the employment relationship. In addition, we place particular emphasis on maintaining the confidentiality of sensitive information, trade secrets, and other data in our business activities. In 2025, the Company maintained a high standard of information protection and did not experience any non-compliance incidents, information protection incidents, or related cases of customer data breaches or personal information leaks.

The Company places great importance on strengthening employees' information security awareness. All new hires are required to complete information security training and pass an information security assessment. The Company also provides annual information security training and four phishing simulation exercises to all employees to ensure full employee coverage and enhance employees' information security awareness and prevention capabilities. The Company aims to ensure that 100% of employees receive IT (information security) training each year.

Year	Information security training coverage (%)
2025	100
2024	100
2023	100

We actively participated in information security-themed activities during China Cybersecurity Week and Beijing Cybersecurity Day. We also held regular technical sharing sessions at Pharmaron Clinical and provided employees with pre-recorded online courses on topics such as computer systems, mobile office devices, email usage, virus protection, and information security protection laws, continuously enhancing employees' day-to-day security awareness and prevention capabilities. With respect to IP protection, the Company continuously provides confidentiality training to employees to strengthen their awareness of intellectual property protection.

Pharmaron Clinical Information Security Training

Pharmaron Clinical has established an annual information security training system covering all departments across the site. Through its online platform, it provides specialized training on phishing email prevention, information security awareness enhancement, and endpoint anti-virus protection, continuously strengthening the information security capabilities of all employees. For IDT technical personnel at the site, we also organize professional courses such as data security technical sharing sessions to further enhance the technical team's practical information security capabilities and risk response capabilities, providing strong support for the safe and stable operation of clinical business activities.

Information Security Management in Disaster Recovery Drills at Pharmaron Clinical

To ensure business continuity and system stability, Pharmaron Clinical conducts annual disaster recovery drills in accordance with SOP requirements. Based on business criticality, we work with business teams and the QA team to select and identify the core systems that require priority coverage and jointly prepares for and carry out the drills. A formally approved report is prepared upon completion of each drill to document the process and results. During the drills, failures of application systems in the production environment are simulated to realistically recreate disaster scenarios and test the takeover capabilities and data consistency of alternative sites, while comprehensively evaluating the effectiveness and response efficiency of disaster recovery plans. These drills not only strengthen the team's familiarity with emergency response plans, but also continuously enhance the resilience and reliability of the overall IT infrastructure, thereby providing solid support for the continuity of business operations.

Supply Chain Management

Sustainable development requirements are fully integrated into the daily operations of Pharmaron and our requirements are well communicated to our business partners through the *Code of Conduct for Business Partners*. In addition, we strictly comply with the UK *Modern Slavery Act 2015* and have made corresponding compliance declarations. In 2025, we revised our *Sustainable Procurement Management Policy* to implement refined management throughout the entire procurement lifecycle. During the reporting period, we focused on suppliers' performance in areas including human rights and labor standards, business ethics and compliance, GHG emissions, and environmental performance, aiming to support the development of a transparent, responsible, resilient and green supply chain.

Guided by the *PSCI Principles for Responsible Supply Chain Management* and best practices of the industry, the Company implemented a human rights risk assessment system to conduct risk assessments across the supply chain. By assessing contractors and suppliers across key areas such as ethics, management system, human rights and labor practices, environmental performance, and occupational health and safety, we are able to identify and manage human rights and labor-related risks along our value chain activities and new business relationships[41].

Pharmaron's Core Supplier Sustainability Topics

Topics	Descriptions
Business integrity	Prohibit all forms of bribery and corruption as well as offering, granting and acceptance of bribes or other inappropriate benefits
Labor rights	Focus on areas such as employee occupational health, anti-discrimination, equal treatment, and compensation and benefits. Ensure compliance with labor laws and regulations, safeguard employee rights, prohibit child labor or forced labor and uphold the health and safety of employees
Environmental protection	Collaborate with suppliers to achieve shared objectives including resource conservation, carbon emissions reduction, and strengthen waste and wastewater management. Operate in an environmentally responsible manner, to reduce the environmental impact of operations, and provide green, eco-friendly, and energy-saving products and services
Information security	Respect intellectual property rights and fair trade, and protect clients' information security and commercially confidential information
Product quality	Deliver products and services that meet quality standards
Supplier diversity	Promote fair competition and innovation through diverse supplier selection, enhance supply chain resilience, and support suppliers of various sizes and backgrounds to achieve sustainable development goals

Supply Chain Full-process Management

Supplier Approval

Sustainability assessments are embedded into the new supplier onboarding process. All suppliers are required to complete a due diligence questionnaire (DDQ), covering topics such as environmental protection, human rights, labor and occupational safety, anti-money laundering, anti-corruption, ethics and compliance, export control, DEI, information security, and data protection. To ensure sustainability considerations carry significant weight in the supplier selection process, ESG-related questions account for 60% of the DDQ. In 2025, we conducted sustainability assessments for 435 suppliers at onboarding, comprising 17 key suppliers and 418 non-key suppliers.

[41] New business relationships include mergers, acquisitions, and joint ventures, etc.

Supplier Assessment and Monitoring

In managing suppliers throughout their lifecycle, we focus not only on their performance in quality, price, delivery, packaging and storage, usage effectiveness, and after-sales service, but also on their sustainability performance in environmental protection, human rights, labor and safety, anti-money laundering, anti-corruption, ethics and compliance, export control, diversity, DEI, information security, and data protection. Annual audits and ongoing monitoring form the foundation for continuous enhancement in supply chain sustainability performance. All suppliers, whether key or non-key, are included in the annual audit scope. Based on their respective risk profiles, we conduct annual audits year by year through a combination of remote audits and on-site audits. Concurrently, we engage third-party service providers to perform monitoring due diligence on all suppliers. We focus on business partners' anti-corruption, trade compliance (i.e., whether they are listed on international sanction lists), environment, ESG, and other related risks.

We aim to have 85% annual audit coverage and 100% diversity assessment coverage for key suppliers by 2030 and 2035 respectively. In 2025, annual audits were conducted for 416 suppliers, including 17 on-site audits and 399 remote audits. Of these, 4 key suppliers were subject to on-site audits, accounting for 23.5% of all on-site audits, 194 key suppliers were assessed via remote audits, representing 48.6% of all remote audits. In parallel, sustainability assessments were carried out at the new supplier onboarding stage for 435 suppliers in 2025, comprising 17 key suppliers and 418 non-key suppliers. Through the above assessment methods, the goals of annual audits and diversity assessments for key suppliers are achieved. As of 2025, suppliers demonstrating DEI attributes accounted for 15% of the Company’s supplier base.

Furthermore, third-party service providers are engaged to perform ongoing due diligence monitoring across all suppliers. This process assesses potential risks related to environmental protection, human rights, labor and safety, anti-money laundering, anti-corruption, ethics and compliance, export controls, DEI, as well as negative ESG-related news. We have set a target to achieve 100% supplier coverage for anti-corruption and other business ethics-related due diligence, and this target was achieved by conducting due diligence for 100% of suppliers in 2025.

Upon completion of the audit, we communicate audit findings and recommendations to suppliers in detail, and urge them to implement rectifications. Sustainability-related issues identified during audits received enhanced attention. Throughout the process, the procurement team will also consult with internal professional expert departments or external experts where necessary to manage legal and reputational risks associated with supplier engagement. For high risks suppliers, enhanced monitoring measures, including more frequent supervision or ad-hoc inspections, may be applied. If a supplier fails to implement required corrective actions to meet the Company’s standards, Pharmaron reserves the right to terminate the business relationship. Regarding risks identified through third-party due diligence, we work closely with suppliers to clarify issues and implement corrective actions to ensure effective remediation. We do not engage with supplies on sanction lists and maintain zero tolerance toward corruption. In 2025, no supplier was identified as having significant actual or potential negative impacts, and no supplier was terminated on such grounds.

In 2025, no supplier was identified as having significant actual or potential negative impacts, and no supplier was terminated on such grounds.

Supplier Classification

Upon completion of the supplier onboarding process, the Company classifies suppliers to enhance management efficiency based on factors including procurement expenditure, business impact, materiality, and the presence of long-term procurement arrangements. Key suppliers are classified as those with a material influence on Pharmaron, assessed based on procurement expenditure, business relevance, financial credibility, suppliers' operational capabilities and sustainability-related risks, while remaining are classified as non-key suppliers.

In addition, Pharmaron categorizes its suppliers into Tier 1 and non-Tier 1 suppliers based on whether they directly provide goods, materials or services (including intellectual property/patents) to the Company. Meanwhile, suppliers are managed through a structured supplier management system, under which suppliers are required to sign the *Pharmaron Code of Conduct for Business Partners* and participate in onboarding assessments, ongoing monitoring, annual audits, and training. The relevant data indicators are as follows:

Pharmaron's Key Supplier Data

Indicators	Unit	Data
Total number of suppliers	/	8,712
Total number of key suppliers	/	252
Total number of Tier 1 suppliers	/	8,712
Total number of key Tier 1 suppliers	/	252
Percentage of total spending on key Tier 1 suppliers	%	50.9
Total number of non-Tier 1 supplier	/	0
Number of suppliers by region: Chinese suppliers (including Hong Kong, Macau, and Taiwan)	/	5,651
Number of suppliers by region: Overseas suppliers	/	3,061

Our Expectation to Supplier

The *Code of Conduct for Business Partners* sets out Pharmaron's core expectations for all suppliers and serves as the foundation of the Company's responsible supply chain approach. We encourage business partners to treat the Code not merely as a contractual obligation, but also as a shared guide for mutual growth. Suppliers are required to uphold integrity and transparency in all business activities and strictly comply with applicable laws and regulations relating to anti-corruption, anti-money laundering and anti-bribery. Suppliers are also expected to establish sound compliance management systems and strictly prohibit any form of corruption, fraud or improper transfer of benefits, thereby jointly promoting a fair and trustworthy business environment. Suppliers are expected to respect human rights standards, prohibit child labor, forced labor and human trafficking, eliminate all forms of employment discrimination, respect employees' rights to freedom of association and collective bargaining, and provide a safe and healthy working environment to safeguard workers' dignity and lawful rights. To achieve green and low-carbon development, we further encourage suppliers to incorporate environmental sustainability into operations by complying with local environmental regulations, reducing GHG emissions, improving resource and energy efficiency, managing waste responsibly, and exploring circular economy practices. Meanwhile, suppliers are expected to promote the principles of the *Code of Conduct for Business Partners* throughout their upstream supply chains by applying equivalent standards to sub-suppliers and establishing appropriate governance and monitoring mechanisms. To reinforce these expectations and ensure effective enforcement of the *Code of Conduct for Business Partners* across the supply chain, Pharmaron has established clear targets. We aim to secure at least 90% adoption of ESG-related clauses among key suppliers by 2030, while all key suppliers are required to sign the *Code of Conduct for Business Partners*. In 2025, 175 key suppliers signed ESG-related clauses, and 245 key suppliers signed the *Code*.

To enhance suppliers' awareness and capabilities in sustainable development, we provide sustainable procurement training to our suppliers regularly. The training programs cover a broad range of topics, including environmental stewardship, human rights, labor and safety, anti-money laundering, anti-corruption, ethics and compliance, export control, DEI, information security, and data protection. Our target is to achieve 100% training coverage for key suppliers by 2030, and we offered sustainable procurement training to 135 key suppliers in 2025, representing 53.57% of all key suppliers.

Sustainable Procurement Training Coverage among Suppliers

Year	Percentage of key suppliers received sustainable procurement training (%)
2025	53.57[42]
2024	68
2023	71

Based on the above, in 2025, a total of 838 suppliers implemented the relevant practices, including signing the *Code of Conduct for Business Partners*, undergoing new supplier onboarding assessments, annual supplier audits, and training. Among them, 252 were key suppliers.

Supplier Business Continuity

The Company places emphasis on supply chain stability and has implemented a series of measures to reduce potential disruption risks. In 2025, supply chain disruption-related risks were incorporated into the scope of the annual audits. Through questionnaires, on-site audits, and routine communications, relevant risks were identified and documented in the *Supply Chain Disruption Risk Identification Form*. These measures enable ongoing monitoring of terminal supply chain risks, while regular meetings are held to review and oversee suppliers' sustainability-related risks and corresponding remediation measures.

To strengthen supply continuity, we adopt strategies such as safety stock and multi-sourcing, establishing buffer inventory in the process to prevent supply disruptions caused by uncertainties. For critical high-risk raw materials, we actively expand our supply network, and develop a database of alternative suppliers, and proactively conduct on-site audits of raw material suppliers to ensure long-term supply stability. When potential disruption risks are identified for raw materials, we proactively prepare necessary materials in advance and promptly inform the research team of relevant risks to support any mitigation plans.

We maintain proactive communication with suppliers to identify underlying issues and collaborate with them to implement corrective and remedial actions. By closely tracking suppliers' corrective progress and conducting follow-up verifications to confirm their compliance with performance requirements, we effectively reduce supply chain-related risks. For suppliers that continue to be classified as high risk, we may consider terminating the business relationship to reduce management and operational risks.

In terms of business continuity management, in 2025, Pharmaron Ningbo Site I has obtained ISO 22301 certification, with coverage extending across all operational functions and relevant supply chain activities. We aim to have ISO 22301 certification across 100% of our major operational sites by 2050.

[42] Due to an adjustment to the definition of "key suppliers" in 2025, the percentage of key suppliers receiving sustainable procurement training declined as a result of the change in statistical methodology.

Supplier Engagement and Mutual Growth

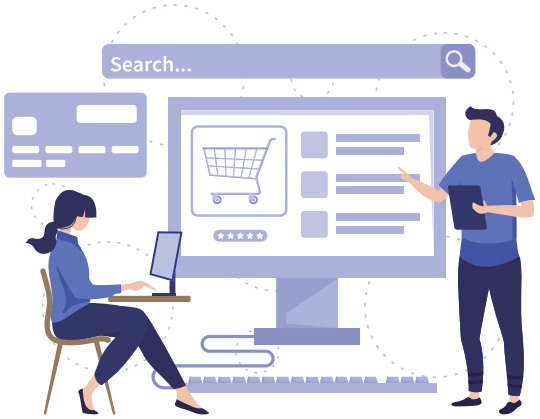
Pharmaron seeks to foster mutual growth with suppliers through continuous collaboration. In 2025, Pharmaron Ningbo Site I engaged an external professional training provider to provide targeted training on precious metal recovery pre-treatment for the R&D colleagues. The program facilitated technical exchanges on catalyst recycling and application optimization, resulting in meaningful improvements in the efficiency and overall feasibility of precious metal recovery.

In order to encourage suppliers to actively embrace sustainable development practices, the Company has established a supplier recognition mechanism to publicly commend business partners demonstrating outstanding ESG performance and significant contributions to collaborative innovation, thereby further strengthening long-term strategic partnerships.

At the same time, the Group also actively engages with industry partners to expand its impact on sustainable development. In 2025, Pharmaron UK participated in several events with sustainability as a key theme, such as the Engineering & Manufacturing Conference (EMCON 2025), and supported the University of Sunderland in enhancing its ESG capacity-building efforts. Through these interactions, we gained deeper insights into the latest industry trends and decarbonization practices, while also contributing to the cultivation of industry professionals with strong sustainability awareness.

Performance Goals and Capability Building of the Procurement Department

Pharmaron places strong emphasis on the capability building of procurement employees. Sustainability objectives have been integrated into the performance assessment framework of the procurement department, serving as a key mechanism for advancing sustainable supply chain management. To improve the professional capabilities of the procurement team, sustainable procurement training is provided to procurement personnel on an annual basis. The training program is designed to deepen understanding of emerging ESG trends and industry practice standards, and to comprehensively strengthen awareness and practical capabilities in risk identification, compliance implementation, and value creation. Our target is to ensure 100% of our procurement staff receive sustainable procurement training by 2030.



Coverage of Sustainable Procurement Training for Procurement Staff

Year	Percentage of procurement staff who have received training on sustainable procurement (%)
2025	92.27[43]
2024	100
2023	100

[43] The data for 2023 and 2024 represent the percentage of procurement staff at major operational sites who received sustainable procurement training, while in 2025 the statistical scope was expanded to cover all procurement staff across the Group.

Green Procurement

Pharmaron integrates green procurement into the Company's core approach to supply chain sustainability transformation, with a strong focus on embedding environmental performance requirements throughout sourcing decisions, supplier evaluations, and full life-cycle resource management processes. Using Scope 3 GHG emissions reduction as a key driver, the Company prioritizes the procurement of sustainable products and advances supplier collaboration on decarbonization, thereby establishing a low-carbon, circular, and responsible materials and equipment supply chain. This approach underpins the Company's SBTi commitment and overall carbon neutrality vision.

Green Procurement System and Execution

The Company adheres to the concept of promotes green procurement, integrating ESG requirements into the supplier selection process, and prioritizing suppliers that meet environmental standards. During the procurement process, a tiered green procurement mechanism based on procurement value is implemented. For raw material sourcing, the Company prioritizes suppliers with stronger environmental performance such as those that have obtained ISO 14001 certification, and gradually increases the percentage of procurement volume from certified suppliers. In 2025, more than 30% of the Company's direct purchases of chemical raw materials were sourced from ISO 14001-certified suppliers. For electrical appliances, we strictly adhere to China Compulsory Certification and energy efficiency access standards, requiring priority procurement of Grade-1 energy-efficient products to reduce the operational carbon footprint from the source.

The Company also places strong emphasis on improving resource efficiency for laboratory consumables and chemicals. In compliance with laboratory safety standards and process requirements, we actively promote the establishment of systems for the recovery and reuse of organic solvents.

Supply Chain Decarbonization Targets and Supplier Collaboration

Pharmaron recognizes that effective management of Scope 3 GHG emissions relies heavily on suppliers' proactive engagement and independent emission-reduction initiatives. In this context, we have set transparent and verifiable supply chain decarbonization targets. We are committed to reducing Scope 3 GHG emissions intensity by 61% (tCO_2e/Million RMB Value Added) by 2033, with 2023 as the baseline year. This target has been fully incorporated into the Company's overall SBTi commitment pathway, with regular progress tracking and disclosure. For details on performance against specific indicators, please refer to "Sustainability and Climate-Related Metrics and Targets" section of this Report.

To advance supply chain decarbonization, we have integrated suppliers' climate action performance into the annual audit for key suppliers and advocate voluntary participation in the SBTi. Currently, 4 key suppliers have committed to the SBTi, supporting a shift in supply chain decarbonization from isolated requirements to a more collaborative, ecosystem-based approach.

Sustainable Packaging

The Company attaches great importance to the environmental impact of external packaging materials throughout their life cycle. We are actively working to incorporate recyclability, bio-based attributes, and recycled material content into the procurement evaluation criteria for packaging materials. We aim to ensure that ≥80% of external packaging material (by procurement expenditure) will be recyclable or bio-based materials by 2030. The data for external packaging materials over the past three years is as follows:

Proportion of External Packaging Material Allocated to Recyclable/Bio-based Materials

Year	Percentage of external packaging material (by procurement expenditure) allocated to recyclable or bio-based materials[44] (%)
2025	92.4
2024	89
2023	87

[44] Recyclable and bio-based packaging materials within China are covered.

03 Superior Quality and Service

As a leading global life sciences R&D service provider, Pharmaron consistently upholds the principles of professionalism, internationalization and high-quality development. We regard drug quality as our fundamental cornerstone, innovation as the driving force of research and development, production safety as a baseline requirement, and customer needs as our guiding focus. The Company continues to strengthen its core competitiveness and actively engages in cutting-edge scientific research practices, remaining committed to advancing technological innovation and the sustainable development of the industry, while contributing to global health initiatives.

- Quality Assurance
- Innovation, Research and Development (R&D)
- Safe Operations
- Quality Service

Quality Assurance

Ensuring product quality and drug safety remains our fundamental responsibility and bottom line. The Company continues to uphold the core quality principle of "well-established laboratories, clear roles and responsibilities, and effective communication", and has established a quality management system that covers the entire product lifecycle and is fully aligned with international standards. Through the continuous enhancement of quality control processes, strengthened coordination of internal and external audits, and the cultivation of a company-wide quality culture, we systematically identify and manage potential risks across R&D and production. We are committed to providing customers with safe, reliable, compliant and high-quality services.

Quality Management System

Pharmaron consistently prioritizes drug quality. In line with its business development, the Company has established a quality management system covering the entire product lifecycle to ensure comprehensive product quality control. It continues to update and enhance the system in accordance with the latest regulatory standards and requirements. The Company has formulated and issued a unified *Pharmaron Quality Policy* applicable across the entire Group, reaffirming its commitment to providing high-quality products and services and ensuring that all products and services meet regulatory and customer requirements. Based on the regulatory frameworks of major global jurisdictions including China, the US, Europe and the UK, the Company has established and continuously optimized a comprehensive quality management system covering the full value chain of research and development, manufacturing, clinical activities and the supply chain. The system complies with, among others, the *Drug Administration Law of the People's Republic of China*, the *Good Manufacturing Practice for Drugs of China*; the Appendix: *Drugs for Clinical Trial (Trial)* (July 2022); the ICH Q7 *Good manufacturing practice for active pharmaceutical ingredients – Scientific guideline; the GCP (Trial); the Device GCP;* Volume 4 *Good Manufacturing Practice (GMP) Guidelines of the EudraLex* of the EU; the *CFR 210* of the *cGMP Regulations* of the US; the ICH Q8 *Pharmaceutical Development*, ICH Q9 *Quality Risk Management*, ICH Q10 *Pharmaceutical Quality System*, ICH Q11 *Development and Manufacture of APIs* and ICH Q13 *Continuous Manufacturing of Drug Substances and Drug Products*; the NMPA *Requirements for Drug Record and Data Management (Trial)* (December 2020) of China; the FDA *Data Integrity and Compliance with cGMP guidance* of the US; the MHRA *GxP Data Integrity Definitions and Guidance* of the UK; the CFR Part 11 *Electronic Records, Electronic Signatures* of the US; the *Veterinary Drug Production Quality Management Standards (2020 Edition) of China*; and the *EU EudraLex* and other regulations.

Meanwhile, in 2025, in accordance with the *GxP Regulatory Surveillance* procedures, we conducted monthly searches of official regulatory authority websites across jurisdictions to assess newly issued regulations and guidelines. Through this process, we identified gaps between Pharmaron's existing procedures and new regulatory requirements and implemented corresponding improvement measures, ensuring that the quality management system remains fully compliant with the requirements of the FDA, the EMA and the NMPA, and continues to meet advanced international and domestic standards. In 2025, following the promulgation of the latest *Pharmacopoeia of the People's Republic of China*, Pharmaron promptly conducted a gap analysis and developed action plans. A total of 57 pharmacopoeia-related standard operating procedures, analytical methods and quality standards were revised to ensure that our operations comply with the latest standards and regulatory requirements.

By strictly adhering to the highest international standards of quality regulation and continuously optimizing our quality management system, the Company has laid a solid foundation for further development of its CMC (small-molecule CDMO) services. In accordance with applicable laws, regulations and business development needs, the Company has established a systematic and executable quality management system, with quality assurance strengthened through a standardized documentation framework. Building on this foundation, we continue to enhance the effectiveness of the quality management system to ensure ongoing regulatory compliance, while further standardizing operational processes, improving record-keeping practices, and continuously enhancing customer satisfaction.

To achieve this goal, we fully implement the following core practices:

Observe Regulatory Requirements

Strictly adhere to the applicable laws and regulations issued by regulators such as the NMPA of China, the FDA, the EMA to ensure compliant operations in operating sites.

Standardize Procedures and Processes

- Regulate operating procedures: Develop over three hundred standard operating procedures to ensure standardized and regulated operations.
- Regulate operational activities: Regulate quality-related operational processes to ensure that products comply with the primary safety and production requirements enforced by the regulators.

Continuously Enhance Data Reliability

Continuously conduct risk assessments of data reliability for GMP production and analytical testing in accordance with the internal management procedures; formulate preventive and corrective measures based on assessment results and ensure that all GMP production and analytical testing data meet regulatory requirements throughout the process from generation to backup.

Establish Work Forms and Records

Collect, analyze, and report the data generated during work processes, and retain records such as tables, notes and reports.

At the organizational level, Pharmaron has implemented a three-tier quality management responsibility structure at the global, national/regional and site levels. This structure ensures consistency in Group-wide policies while taking into account regulatory differences and business characteristics across operating locations. The Group Chairman serves as the highest authority responsible for product safety and quality, while management is responsible for ensuring that employees understand and effectively implement the quality objectives. Each R&D and manufacturing site undergoes regular internal and external quality management system reviews to ensure the suitability, adequacy and effectiveness of the system. In 2025, Pharmaron Clinical successfully obtained ISO 13485 certification for medical device quality management systems and ISO 9001 certification. Both the Cardiff Site, Pharmaron UK, and the Cramlington Site, Pharmaron UK, hold ISO 9001 quality management system certifications. The Cardiff Site, Pharmaron UK, successfully passed third-party audits and obtained certification in 2024, while the Cramlington Site, Pharmaron UK successfully passed third-party audits and obtained certification in 2025, reflecting the continuous enhancement of global quality system integration.

The Company continues to upgrade its quality management through digitalization. Following the launch of the digital quality management platform in 2024, including the implementation of audit, deviation and Corrective and Preventive Actions (CAPA) modules and the optimization of the Training Management System, the Company successfully completed Phase II of the platform in 2025. Newly introduced modules include supplier management, change management, Out-of-Specification ("OOS") result management and complaint management. In addition, the change-control functionality of the electronic Document Management System was upgraded, enabling efficient integration of quality information flow and full-process traceability.

At the beginning of 2025, each site established annual product safety and quality objectives centering on key dimensions such as on-time delivery of core projects, effective implementation of audit corrective actions, system compliance enhancement and smooth cross-departmental collaboration. Responsibilities were distributed to quality assurance teams and individuals, with monthly tracking and dynamic adjustments implemented. By the end of the reporting period, all sites in China achieved their predefined targets, and no major quality compliance incidents occurred during the year.

Quality Control

In accordance with global GMP requirements and customized client specifications, the Company has established and strictly implemented an internal quality assurance system to ensure that all products are reviewed and released by site Quality Assurance ("QA") heads prior to delivery. Based on the specific characteristics of different products and services, corresponding release documentation is formulated, and preventive testing is conducted in accordance with approved quality standards and testing methods to identify potential quality and safety risks. In the event of OOS, Out-of-Trend ("OOT") results and any product quality non-compliance, the Company will carry out in-depth investigations strictly in accordance with the *OOS and OOT Results Investigation* procedures, ensuring that issues are traceable, controllable, and improvable, thereby achieving refined, end-to-end quality management and control. Our objectives are to maintain high internal quality assurance standards while externally ensuring that products and services meet the quality requirements agreed upon with clients.

The Company closely monitors upcoming and newly promulgated regulatory requirements, dynamically updates internal quality control standards, and proactively mitigates compliance risks.

Quality Audit and Certification

Pharmaron regards internal and external audits as core tools for assessing the effectiveness of its quality management system and leverages them to drive continuous improvement.

For internal audits, we established audit teams composed of SME[45] from various departments. As required by relevant quality standards, we conduct comprehensive internal audits of product quality at least once a year. Upon identifying problems during the internal audits, we develop corrective measures and implement them on schedule. During the reporting period, we carried out internal quality audits across all CMC production sites and Pharmaron Clinical in accordance with standards such as ICH Q7 for API GMP, ICH Q10 for Pharmaceutical Quality Systems, EU GMP standards, US GMP standards, as well as China GMP, GCP, and GLP standards. The audit scope covers various management systems[46] related to GMP, GCP, GLP quality and production activities.

For external audits, the QA team can support audit methods such as on-site audits and remote audits proposed by regulatory authorities and clients. During the Reporting Period, we underwent multiple client audits, inspections by regulatory authorities, and EU QP audits. The Company also places significant emphasis on the development of certifications and qualifications. Certification and audit outcomes provide robust validation of the maturity of the quality management system supporting its CMC (small-molecule CDMO) services, as well as its GMP-compliant commercial manufacturing capabilities for APIs and drug products.

Client Audit	The API workshops, formulation workshops, and analysis rooms at Pharmaron Beijing, Pharmaron Tianjin, Pharmaron Ningbo, and Pharmaron Shaoxing have received over 100 client audits in total, all of which passed with a 100% success rate and no major findings.
Official Regulatory Inspection	During the Reporting Period, a total of three official regulatory inspections were passed. • Pharmaron Shaoxing underwent and successfully passed an FDA New Drug Application ("NDA") pre-approval inspection for its EMD products. • Pharmaron Ningbo underwent a routine unannounced inspection by the Ningbo Municipal Administration for Market Regulation covering two marketed products. The inspection was conducted in accordance with GMP requirements, and the site passed the inspection. • Pharmaron Manufacturing Services (US) LLC underwent and successfully passed an unannounced FDA surveillance inspection.
EU Qualified Person (QP)	During the Reporting Period, a total of 11 EU QP audits were conducted, all of which were passed successfully.
Certifications	• Pharmaron Shaoxing obtained a license for manufacturing of veterinary medicinal products and a GMP certification for veterinary medicinal products. • Pharmaron Clinical's Site Management Organization obtained the ISO 9001 Quality Management System certification. • Pharmaron Clinical's Clinical Pharmacology Center ("CPC") obtained multiple certifications and licenses[47], including CLIA Certificate and COLA Accreditation.

The Company extends quality control to the upstream of the supply chain by rigorously selecting suppliers with sound qualifications and strong quality performance. We conduct regular supplier quality audits and require key suppliers to obtain relevant certifications, such as ISO 9001. Based on audit outcomes, we promote continuous improvement among suppliers to ensure that externally procured materials and services meet the Company's quality expectations.

[45] SME, Subject Matter Expert.

[46] The management systems include quality system, facilities and equipment system, material system, production system, packaging and labeling system, and laboratory control system.

[47] The certifications and licenses obtained include CLIA Certificate, COLA Accreditation, Maryland State Non-Expiring Laboratory Permit, State of Maryland Radioactive Material License, State of Maryland Pharmacy License, Pharmacy CDS License, Pharmacy DEA License, and others.

Quality Culture and Training

Pharmaron believes that quality excellence is driven by strong company-wide quality awareness and continuous learning. In alignment with regulatory requirements and operational needs, the Company has established a tiered and role-based quality training system to ensure that employees at all levels possess the necessary quality knowledge for their respective positions.

Quality-related employees	• In accordance with regulatory requirements, we conduct five types of training every year (GMP basic knowledge, personnel hygiene, microbiology, data integrity, and record writing standards) for all quality-related employees (GMP-related departments, including Quality Department, Production Department, Analysis Department, Microbiology Laboratory, IT Department, Technical Operations Department, Department of Operation and Maintenance, and Procurement Department). • The goal of a 100% training completion rate was achieved in 2025.
All Pharmaron Clinical employees	• We conduct relevant training based on the responsibilities of the employee's job position. • When detecting a change in an employee's job title, the training system will assign different training content accordingly to make quality training more flexible and efficient.

To strengthen the infiltration of quality culture, sites organized various quality-themed activities throughout the year, including Quality Month activities, internal communications, and dedicated training programs. In 2025, we conducted a series of quality management-focused initiatives, including:

- From October to November 2025, Pharmaron Tianjin organized a Quality Month campaign covering all departments, including weekly quality knowledge communications and a quality knowledge competition.
- As part of its Quality Month initiatives conducted from June to July 2025, Pharmaron Ningbo organized five key activities, including a quality knowledge competition, selection of GMP best-practice role models, collection of quality feedback, development of quality promotional slogans, and dedicated DeepSeek-focused training sessions. These initiatives effectively enhanced quality management awareness among all GMP employees.
- Pharmaron Shaoxing held a company-wide Quality Month campaign in December 2025. The activities included hands-on skills competitions, quality knowledge contests, and the signing of management quality commitment statements, with active participation from employees.

Innovation, Research and Development (R&D)

As a fully integrated pharmaceutical R&D service platform with an international outlook, Pharmaron continues to provide innovative and effective R&D solutions to customers and business partners worldwide. The Company has established a comprehensive R&D service system to help customers accelerate drug innovation and deliver efficient, high-quality, and diversified R&D services across the value chain.

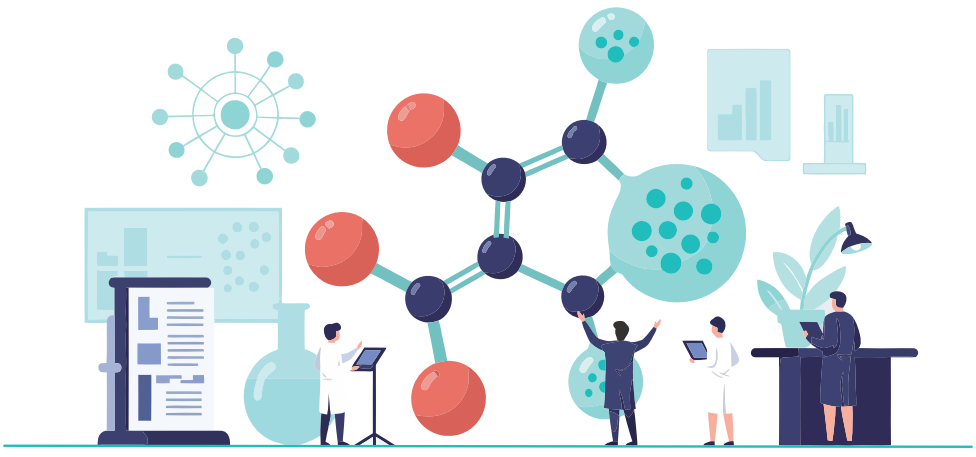
R&D Management

The Company provides customers with fully-integrated services covering drug research, development and manufacturing services for innovative pharmaceutical products throughout the research and development cycle. With this end-to-end and fully-integrated business model, we gain significant competitive advantages in deepening customer collaboration, establishing core technical expertise and professional team building which enable us to better support our customers' innovative R&D programs.

1. Industry-leading fully-integrated pharmaceutical R&D services platform with strong capabilities and provides comprehensive service offerings for customers across the globe

The Company is committed to building an R&D and manufacturing service platform across multiple therapeutic modalities (including small molecule, biologics, and CGT products) throughout drug discovery, preclinical and clinical development process. The Company has a well-established and fully integrated R&D and manufacturing service platform for small molecule drugs, and is rapidly expanding into emerging drug modalities such as peptides, oligonucleotides, and ADCs. In addition, the Company has built an integrated service platform for biologics and CGT products. The Company is in an industry-leading position in drug discovery, preclinical and early clinical-stage research, and has expanded its capabilities downstream to late clinical-stage development and commercial manufacturing. In the process of expanding its R&D service offerings, the Company has successfully transformed from a single laboratory chemistry service provider to an end-to-end, multiple modalities capable pharmaceutical R&D service platform with business operations in China, U.S. and U.K.

The Company has established comprehensive expertise in different R&D stages, so as to assist customers in accelerating their R&D programs and cater to a full spectrum of customers' needs. With our professional project management capabilities, we are able to effectively utilize our full integrated services platform resources for new drug R&D to cater for the customers' needs. Vertically, the Company is strengthening the synergistic effects of the same discipline across different new drug R&D stages to achieve seamless integration. Horizontally, the Company is strengthening collaborative efforts among different disciplines at the same new drug R&D stage, improving the professional standards across disciplines, expanding the service offerings, and promoting the interdisciplinary transformation. Through comprehensive drug R&D services, the Company has gained a deeper understanding of the unique scientific challenges faced by clients in their new drug R&D projects, enabling faster project progress and helping clients maximize their benefits. With extensive industry knowledge, strong execution capabilities, and end-to-end solutions, the Company's integrated service platform offers unique advantages in shortening the drug discovery and development cycle and reducing the risks associated with new drug R&D.



As a provider of integrated services covering the entire process of drug discovery and development, the Company's core technology lies in offering customers a comprehensive drug R&D platform. Specifically, the Company has established the following six R&D service platforms to provide customer with one-stop solutions:

(1) Comprehensive chemical technology platform throughout the entire drug R&D and commerc

As a fully-integrated service provider for the research, development and manufacturing of small molecule pharmaceutical products, the Company's expertise and advantage in chemical technology is crucial throughout the whole drug R&D process.

With the comprehensive chemical technology platform covering compound design (including CADD), design and synthesis of a compound library, medicinal chemistry, synthetic chemistry, analytical chemistry, early process chemistry, process chemistry, GMP API manufacturing, and formulation development and manufacturing, the Company can satisfy customers' demand for pharmaceutical R&D and manufacturing in each stage of the pharmaceutical R&D process, including laboratory synthesis process at the drug discovery stage, scale up process development from preclinical to clinical stage as well as GMP manufacturing up to commercial stage, which fully cater to the diversified needs of different types of customers. By providing R&D services for the compound synthesis process, and formulation development services, the Company is able to provide customers with fully-integrated pharmaceutical R&D and manufacturing solutions from initial compounds to finished dosages.

(2) DMPK/ADME service platform throughout the entire new drug R&D process

The Company provides DMPK/ADME services covering the whole R&D process from drug discovery to development. The early DMPK/ADME studies are of great importance as they can provide a key basis for our customers to determine their late-stage drug development strategy. Radioisotope analysis technology is critical as an important drug metabolism analysis technology during the clinical stage. The Company is able to provide customers with integrated radioisotope synthesis and DMPK services, which cover radioisotope compound synthesis and human ADME studies using regular isotope analysis technology or high sensitivity AMS technology. In addition, the Company has established a comprehensive global service network for DMPK[48]/ADME studies, and further strengthen its leading position in the integrated DMPK service platform.

(3) Comprehensive integrated platform from drug discovery to POC ("proof of concept")

From inception, the Company has committed to the establishment of integrated services platform from drug discovery to proof of concept stage, which covers compound design, compound library synthesis, synthetic and medicinal chemistry, biology, DMPK, pharmacology, toxicology, drug safety assessment, radio-labelled chemistry and DMPK, clinical pharmacology, clinical bioanalysis, clinical data statistics, chemical process development and API manufacturing and formulation and drug product manufacturing. In October 2025, the Company entered into an agreement to acquire a controlling interest in Biortus, further strengthening its capabilities in structural biology, complex target protein production and analysis services.

With this comprehensive integrated services platform, the Company has undertaken many integrated research projects, and achieved a considerable number of milestones. In addition, the Company can also provide a customized service package at a particular stage of drug R&D process, such as an integrated service package for IND enabling which includes preclinical safety assessment, early process development and manufacturing, pharmacology, DMPK and clinical proposal. With this comprehensive IND enabling solutions and the ability to support IND filing for different jurisdictions, it provides flexibility to the customers, accelerates their drug development process and reduces their overall R&D costs.

[48] Drug Metabolism and Pharmacokinetics: experimental studies that investigate the dynamic behavior of drugs in vivo and in vitro, elucidating the processes and characteristics of drug absorption, distribution, metabolism, and excretion.

(4) Fully-integrated clinical development services in China

The domestic clinical R&D platform encompasses various functions and business areas, including clinical site management, patient volunteer recruitment, regulatory registration, medical affairs, clinical operations, pharmacovigilance, bioanalysis and clinical laboratory testing, quantitative pharmacology, data management and biostatistics, project management, and quality assurance. It provides customers with comprehensive, efficient, end-to-end clinical development services for Phases I, II, III, and IV, serving as a crucial component of Pharmaron's integrated platform for new drug R&D. Through internal capability building, organic growth and external acquisitions over the years and our effort in integrating different functions and processes and optimizing the team and organization structure, the Company has built a sizeable and highly competitive clinical development services platform in China, offering high-quality clinical development services of new small molecule drugs, biologics and medical devices for domestic and oversea customers. In 2025, Pharmaron Clinical completed the acquisition of Aistarfish Technology, a leading company in AI and digital case management for cancer patients in China. This acquisition represents a crucial step in the Company's development towards a "data and AI-enabled service provider". Leveraging Aistarfish Technology's technological and data accumulation in oncology, its proprietary digital and AI platforms with independent intellectual property rights, its case management system that strictly complies with international data privacy regulations (such as the Personal Information Protection Law, GDPR, and HIPAA), its strategic cooperation with the Chinese Society of Clinical Oncology (CSCO), and its real-world data (RWD) network covering more than 30 provinces across China, Pharmaron Clinical has established unified multi-modal data standards. It integrates disease characteristics such as genomics and imaging to achieve cross-disease data integration. By optimizing patient screening and stratification through algorithms, it enhances the efficiency of innovative drug research and development throughout the entire process. In addition, combined with Pharmaron's global network, it provides real-world research (RWS) services that meet the standards of the FDA and EMA for global pharmaceutical companies.

Leveraging on the technical capabilities and established reputation of our preclinical R&D platform, the clinical R&D services platform collaborates with the preclinical and business development teams to get involved in clinical study planning discussion with customers as early as possible, so as to provide more comprehensive customer services and at the same time, and generate business opportunity for the clinical development services. Also, the medical affair, regulatory affairs, bioanalytical, quantitative pharmacology and biostatistics departments of the clinical development services work closely with the preclinical R&D team for planning of IND-enabling. These high-quality interactions between preclinical and clinical teams accelerate projects progressing in high-quality from preclinical to clinical stage, allowing our customers to fully enjoy the benefits of the Company's fully integrated services platform.

Together with the Company's U.S. clinical pharmacology center, data management and biostatistical, bioanalytical and clinical CRO operation and project management teams who are well versed with clinical development process and culture in both China and U.S., we are able to provide a faster and convenient gateway for domestic customers to present their R&D program globally.

(5) An integrated platform for "laboratory testing-IND enabling-process development and manufacturing" of biologics and gene therapy products

The Company has built a comprehensive R&D and manufacturing service platform for biologics from discovery to process development and manufacturing (CDMO). Together with the bioscience services under its laboratory services segment, the Company provides customers with end-to-end biologics services from "laboratory services-IND enabling process development and manufacturing", including cell screening, biologics generation and purification, analytical assay development and product characterization, primarily serving the diverse needs for cells and proteins, including monoclonal antibodies, in early-stage research projects.

In recent years, through acquisition and integration of related resources and platforms, the Company has initially built an integrated services platform of "laboratory testing-IND enabling-process development and manufacturing" for gene therapy products, including a comprehensive and industry leading analytical platform for biologics and CGT products that are in compliance with ICH guidelines of GLP/GCP/GMP in the U.S., and an integrated platform for the development and GMP manufacturing of gene therapy products in the U.K. By combining both the analytics and CMC platforms in gene therapy products with our safety assessment center which has been inspected and/or certified for GLP compliance by NMPA, FDA and OECD regulatory authorities, the Company offers customers a complete preclinical IND enabling solution for CGT products, as well as clinical testing material manufacturing and clinical sample analysis services for CGT products.

(6) Building an end-to-end service platform for new drug modalities

With a strategic focus on new drug modalities including ADC, peptide, and oligonucleotide, the Company continuously strengthens and expands its laboratory and manufacturing service capabilities to build an end-to-end platform. Leveraging its deep expertise in small molecule R&D services and strategic expansion into biologics, the Company has established a fully integrated ADC discovery service line, including antibody preparation, payload synthesis, linker synthesis, bioconjugation and biological testing. In 2025, the Company's newly built bioconjugation suite passed GMP qualification, and can provide integrated ADC production services for phase I/II clinical trials. Building on this milestone, the Company is further strengthening its bioconjugation and ADC formulation capabilities, aiming to offer customers fully integrated ADC CDMO services from development to commercial production. For peptide, the Company is expanding its manufacturing capabilities beyond laboratory synthesis and early-stage production to offer more comprehensive CDMO services. Its new solid-phase manufacturing suite for peptide APIs is on track for completion in 2026.

2. Global operations, profound experience in pharmaceutical R&D and state-of-the art technologies to provide customized services and solutions for customers

The Company operates globally through our 28 operating facilities, clinical and manufacturing facilities in China, U.K., U.S. and Singapore, of which 12 operating facilities are located overseas. The Company's profound experience in global pharmaceutical R&D, together with its global operations and world-class technical capabilities offers our customers a unique value proposition and customized solutions that combines our technical expertise in different geographic locations and efficient services with seamless integration.

Through our global operation, the Company has established a services network and strategic presence in global life science hubs which enhances the customer communication and our understanding of customer needs. Further, by carrying out our R&D services under different jurisdictions, it provides flexibility to customize our services solutions that best suit our customers' geographic and strategic needs. For example, the clinical pharmacology team in U.S. has worked seamlessly with our Chinese team to help customers in China for the preparation and filing of IND application and conducted the first-in-human (FIH) studies in U.S.. In addition, the Company's experience in regulatory filings in various jurisdictions and its service model of providing customers with total solution enable our customers to file IND applications for their drug candidates in China, U.S., or EU in parallel, which makes the IND applications of our customers more flexible and efficient.

On the other hand, it is the Company's core strategy for each international acquisition to effectively integrate with our global services platform and brought in the world class talent and facilities into our integrated services platform to further strengthen our overall services capabilities and increase the efficiency of our services. These strategies complement each other to effectively improve the Company's international operation capability and bring high value-added services to customers.

Currently, the Company has established an integrated CMC (small molecule CDMO) services platform across China, the U.K. and the U.S.. Leveraging its global capacities, the Company is able to offer its global customers more flexible, scalable, and environmentally sustainable end-to-end API production services. In addition, through its associated company PharmaGend located in Singapore, the Company has further enhanced its global deployment in late-stage and commercial drug product CDMO services. PharmaGend has passed inspections from the Food and Drug Administration of the U.S. (FDA) and the Health Sciences Authority (HSA) of Singapore, as well as the Qualified Person (QP) audit by Swissmedic (the Swiss drug regulatory authority). This represented further strengthened the Company's global services network.

Adhering to the long-standing growth strategy of building an "End-to-End, Fully-integrated, Globalized and Multiple Modalities Capable" platform with global footprints facilitates cross-regional and multiple regulatory jurisdictional collaboration for cross-disciplinary and cross-R&D stages projects. Meanwhile, with efficient project management and cross-cultural communication, the Company achieves the collaborations among teams, regions and disciplines to maximize the interests of our customers.

3. Committed to utilizing innovative technologies to meet evolving R&D needs and increase efficiency

Since inception, the Company has continually put great emphasis on technology and innovation to fuel sustained business growth and meet evolving R&D needs of customers. The Company develops new technologies through multiple measures such as internal research and development, collaboration with academic and professional institutions, customer collaboration and acquisitions. In 2025, the Company made significant investments in automation and artificial intelligence (AI) technologies to further strengthen its service capabilities. The Company actively explored automated synthesis technologies to conduct multi-step chemical reactions, aiming to deliver compounds with greater efficiency and reduced manual intervention, and has achieved initial progress. In addition, the Company continued to promote the application of AI technologies, deeply integrating AI into synthesis route design, drug discovery, mechanism of action studies, toxicity prediction and data processing. By synergizing AI with automation, the Company increased experimental throughput, enhanced service efficiency, and minimized operational errors, thereby providing customers with faster, more accurate, and more reliable R&D data.

In terms of deepening its end-to-end healthcare service platform and AI/data empowerment capabilities, in February 2025, the Company completed the acquisition of a controlling stake in Aistarfish Technology Co., Ltd. Leveraging on its self-developed AI technology platform, Aistarfish has accumulated extensive patient management service experience and oncology medical knowledge and established a leading AI patient management platform that connects "Cancer patients – Physicians & Hospitals – Out-of-Hospital Support". Following the acquisition, Aistarfish has made progress in expanding hospital collaborations, broadening coverage of cancer types, and exploring commercialization pathways, paving a way to enhance the scope and quality of patient services in the future. Additionally, through collaborations with the Company's clinical and preclinical business units, Aistarfish is actively building high-quality real-world data and multi-omics cohorts for precise patient populations, aiming to enhance the efficiency of innovative drug R&D processes for the Company's customers and post-market research efforts.

In terms of industry-academia-research collaborative innovation, in July 2025, the Company signed a comprehensive strategic collaboration agreement with Zhejiang University. The two parties will jointly establish a "Joint Research Center for Artificial Intelligence and Life Sciences" to accelerate innovative application and breakthrough of AI technologies in life sciences, promote translational research, and collaboratively cultivate interdisciplinary talent. This partnership aims to jointly advance the high-quality development of the life sciences industry. In October 2025, the Company and City University of Hong Kong signed a Collaborative Framework Agreement to foster talent incubation, digital medicine innovation and knowledge sharing. This collaboration seeks to accelerate the translation of more promising solutions in smart healthcare, biomedicine, and life and health sciences technologies, while assisting in the practical application of City University of Hong Kong's research achievements, thereby generating long-term social and economic benefits for both Hong Kong and Mainland China.

4. Dedicated, stable and visionary management teams, experienced talent pools with progressive corporate culture

The Company's management team is led by Dr. LOU Boliang, our chairman and chief executive officer. With over 30 years of experience in the pharmaceutical industry, he is highly respected in the industry for his excellent leadership that contributes to the Company's rapid development. The Company's senior management team has been with us for more than 15 years. The Company has more than 100 senior scientific and technical leaders, 4 of whom were named as National Talents and 17 of who were named as Provincial-level Talents (including municipalities directly under the Central Government). Members of our highly skilled, experienced and international management team possess diverse expertise and extensive knowledge, and have significantly contributed to the growth of the Company's institutional knowledge base. The Company focuses on its homegrown scientific team consisting of selected, young and promising scientists, which enables us to form a cohesive and vibrant mid-level management team composed of over 4,600 technical managers and high-calibre scientific research talents across various business lines and R&D departments of the Company. In addition, the Company's visionary management team has established a highly experienced and skilled talent pool with strong execution efficiency. As of December 31, 2025, the Company had 22,874 R&D, production technology and clinical services staff members in China, U.K. and U.S. The highly professional technical team ensures the Company's continuous provision of high-quality R&D services for customers. The open platform for talent development ensures that the Company will continuously attract talents from around the globe.

The Company is committed to its corporate philosophy of "Employee First and Customer Centric" which puts strong emphasis on employee training and improves all mechanisms so as to integrate their career development into the Company's overall development strategy. In order to develop and train our talents, the Company provides training to our employees through our in-house training system including the "Pharmaron College", visiting scholar programs at renowned laboratories and institutions and holds various seminars, forums and academic symposiums regularly, through which our team members acquire updates on the most advanced technology and techniques of the industry. In addition, the Company has developed training programs with the world renowned universities and research institutes for high-calibre scientific research talents. The above measures have greatly improved the scientific research capabilities and cohesion of the Company and its employees. Furthermore, the Company respects and values every single customer so as to ensure R&D quality by tackling all technical challenges and complete every single task with integrity and scientific rigor.

Our dedicated, stable and visionary management team, experienced talent pool and outstanding corporate culture lay a solid foundation for the Company's long-term success.

5. Reputable, loyal and expanding customer base that contributes to our sustainable growth and business collaboration

The Company has a large, diverse and loyal customer base including the global top 20 pharmaceutical companies and numerous reputable biotech companies. In 2025, the Company introduced over 950 new customers, with over 95% of revenue contributed by the Company's large, diverse and loyal repeat customers. The Company's fully-integrated solution and deep understanding of customers' needs allow it to provide customized pharmaceutical R&D services for customers according to their needs. With further progress made in the existing customers' projects, the loyal and growing customer base will enable the Company to develop new services in drug development and at the early clinical stage.

The Company benefits from its strategic partnership with specific customers. Through know-how sharing and training provided during its deep collaboration with these customers, the Company is able to further improve technical capabilities and enhance service excellence, thereby creating a virtuous cycle. With our strong technical expertise, advanced infrastructure, profound industry knowledge, strong execution capability and quality customer services, the Company is able to become our customers' strategic partner and help them form their drug development or R&D outsourcing strategies, which in turn reinforces our close relationships with such customers. In addition to our strong scientific capabilities, the Company puts emphasis on areas like environmental protection, health, safety and intellectual property protection. The Company takes such measures as establishing the intellectual property protection system and building the information system to ensure that our customers' intellectual properties are well protected, and is widely recognized and trusted by customers in this respect. The Company's high-quality services enable it to accumulate a good reputation among our existing customers, and to further expand our customer base by acquiring new customers through word-of mouth referrals.

In 2025, Pharmaron continued to advance the digitalization and intelligent transformation of the clinical business and steadily expanded the scope of application. The Company comprehensively promoted the application of digital technologies and AI tools across multiple business units, including site management, clinical operations, regulatory affairs, medical affairs, data management, biostatistics, pharmacovigilance, medical devices, and patient management. It also advanced the operational management of finance and human resources, as well as the development and implementation of digital products. These efforts not only improved the quality and efficiency of our business but also enhanced the Company's operational management efficiency and its capabilities in the development and delivery of digital products. At the same time, the Company continued to deepen the integration of clinical data and AI. By leveraging partners' patient data, AI platforms, and algorithm engineering capabilities, together with Pharmaron Clinical's professional expertise and scale advantages, the Company systematically improved the efficiency and quality of project operation and management, medical and regulatory writing, data management and statistical analysis, pharmacovigilance signal detection and handling, and patient enrollment matching and follow-up, thereby helping partners advance drug clinical development more efficiently. The Company also continued to promote the development of multi-modal data integration and cross-disease analysis capabilities in non-oncology fields, further strengthening its competitiveness in intelligent digital clinical services.

In 2025, the Company has invested approximately RMB576.0196 million in R&D expenses, representing a year-on-year increase of RMB106.7599 million, with a growth rate of 22.75%.

In 2025, the manufacturing facility of Pharmaron Shaoxing successfully passed an on-site quality inspection conducted by the U.S. FDA, covering all relevant GMP systems, including the quality system, materials management system, production management system, facilities and equipment system, packaging and labeling system, and laboratory control system. As of now, all four of Pharmaron's commercial API manufacturing sites located in China, the United Kingdom, and the United States have passed FDA inspections, enabling the Company to provide global customers with commercial manufacturing solutions for innovative drug APIs tailored to different markets. This achievement demonstrates that, while advancing innovation and R&D, the Company remains committed to the rigorous implementation of the highest international quality standards. It also represents strong recognition of the effective operation of the Company's quality management system and will have a positive and far-reaching impact on the Company's continued efforts to deepen and expand its presence in the global innovative drug CDMO sector.

Leadership Program

Since its inception, Pharmaron has consistently adhered to the philosophy of "technology-oriented and innovation-driven". As a high-tech enterprise, the Company firmly believes that innovation is the core driver of sustainable development. To this end, the Company has launched the "Empowering Innovation • Academic and Innovation" Leadership Program, aiming to cultivate a dynamic and creative learning ecosystem and continuously empower the enhancement of the Company's innovation capabilities. In 2025, the Leadership Program reached a new high, with meticulously designed content and broader coverage.

01 *"Convergence" First: Cultivating a community culture centered on knowledge and experience sharing*

The knowledge and experience-sharing community, consisting of symposiums and forums, literature recommendations, Pharmaron Academy and other activities, promotes internal knowledge-sharing and experience exchange, providing the necessary ecosystem to grow Pharmaron's continuous learning culture.

Internal Academic Seminars to Achieve Knowledge and Practice Sharing:

The internal academic seminars have established a high-quality knowledge-sharing system that integrates online and offline formats, spans multiple disciplines, and empowers learning across the entire workforce. The program has developed five major professional series of academic seminars, covering core fields including organic chemistry, process chemistry, *in vitro* biology, *in vivo* pharmacology, drug discovery, and pharmacokinetics, thereby enabling the efficient transfer and deep integration of scientific knowledge and practical experience. In 2025, a total of 104 seminars were delivered, with cumulative participation exceeding 15,000 attendees. These efforts comprehensively supported the growth of research teams, continuously deepened the Company's academic foundation, enhanced professional capabilities, and provided strong intellectual support for innovation-driven development.

Daily Literature Sharing – Reaction of the Day ("RoD"):

Aiming to open a window to the academic frontier, the Company established a RoD Academic Committee to recommend one cutting-edge, innovative, and practical chemistry reaction paper each day, continuously expanding researchers' knowledge and broadening their scientific horizons. In 2025, a total of 217 high-quality papers were shared through multiple channels, including TV broadcasts across sites, the official WeChat account, and internal databases, achieving broad coverage and being accessible to all employees for learning. Since the launch of the RoD, the initiative has been widely praised and has had a huge impact, effectively fostering a strong culture of academic learning and research innovation. It has now become one of the most popular and well-received learning initiatives within the Company and has also built a strong brand image and influence within the industry.

Customized Business English Courses:

The Company continues to offer customized and specialized business English courses to address language skill gaps and comprehensively enhance employees' cross-cultural communication and international business communication capabilities. In 2025, the Company invested more than RMB2.5 million in this initiative. Through long-term refinement and continuous optimization, a scientific, well-structured, and multi-dimensional curriculum system has been developed. During the reporting year, a total of 79 classes were conducted, serving approximately 650 participants. These efforts provided strong and comprehensive support for improving the English proficiency of middle management and significantly enhanced the management team's professionalism, accuracy, and timeliness in communicating with overseas customers, thereby providing solid language support and strengthening the Company's core competitiveness in expanding international business and deepening external cooperation.

Pharmaron Academy:

Adhering to the educational philosophy of "High Aspirations, Deep Accumulation", Pharmaron Academy provides employees with on-the-job training opportunities. The Academy sets high admission and graduation requirements. Employees committed to self-improvement and long-term development can be admitted through internal recommendations and entrance examinations. After completing the corresponding courses and assessments within 1.5 to 3 years, qualified employees will receive an internal graduation certificate, and corresponding salary and welfare benefits. The Academy offers Master's and Doctoral programs, covering courses such as chemical theory and practice, project and personnel management, communication with customers in Chinese and English, teamwork, and career development. Most courses are instructed by Pharmaron's senior researchers, with a few taught by university professors. Under the dual assurance of theory and practice, the Academy continuously ensures and enhances its teaching quality. In 2025, there were 20 doctoral students and 20 master's students.

02 *"Speed" is Key: Vigorously incentivizing innovative practices*

The Company encourages bold innovation and adheres to the principle of learning for practical application, actively promoting the use of new reactions and technologies in day-to-day work. By establishing the "Chemistry Star Award" and the "RoD Application Award", the Company supports and rewards teams and individuals who are willing to explore new technologies and methods, thereby enhancing its technological competitiveness in the industry and injecting new momentum for sustainable development. In 2025, a total of 1,525 projects and project segments solved critical technical challenges through the application of RoD-recommended methods, and more than 3,800 participants were recognized with the "RoD Application Award" during the year. In addition, 316 projects characterized by a high degree of innovation and technical complexity were honored with the "Chemistry Star Award" in 2025, recognizing the contributions of more than 960 researchers.

03 *Pursuit of "Innovation": Closely following cutting-edge international technologies*

The Company focuses on international academic trends and is committed to building a forward-looking, internationally oriented, and dynamic management team to support strategic decision-making and help the Company gain a competitive edge in the global market.

Annual Academic Symposiums:

The Company successfully held the 12th Pharmaron Symposium on Synthetic and Medicinal Chemistry, bringing together numerous industry experts and renowned scholars to engage in in-depth sharing and open discussions on innovative research findings. A total of 1,700 participants attended the symposium across multiple sites in China. Both the scale of participation and the event's industry influence reached a record high. These events enabled the Company's researchers to engage in face-to-face exchanges and learning with industry experts, further broadening their academic horizons, enhancing their professional capabilities, and injecting new momentum into the Company's continued innovation-driven development.

Monthly Virtual Lectures by Distinguished Professors:

In 2025, the Company held more than 10 high-level online academic lectures delivered by internationally renowned professors. These events featured a high-level and innovative content receiving an enthusiastic response. Among them, Professor Corey Stephenson of the University of British Columbia delivered a lecture titled "Radical Ideas: The Origins and Evolution of Visible-Light Photocatalysis", engaging in in-depth exchanges with a wide range of researchers.

Irregular Specialized Course Seminars:

In March 2025, the Company invited Professor Edward Anderson of the University of Oxford to visit Pharmaron and deliver a high-level specialized seminars focusing on "The Synthesis of Small Rings and Heterocycles and the Study of underlying chemical driving mechanisms". Built around three core themes, the workshop was presented in rotation across Pharmaron Beijing, Pharmaron Ningbo, and Pharmaron Xi'an, enabling face-to-face, in-depth exchanges and interactions with researchers at each site. The seminars further strengthened the Company's connection with the forefront of international academic research and provided strong support for enhancing the professional capabilities of its teams and aligning with world-class scientific standards.

Participation in Academic Summits and insight into Industry Trends:

The Company values external academic exchanges and actively encourages its core researchers to stay abreast of global technological changes and industry development trends. In 2025, more than 20 key researchers from different disciplines were selected and dispatched in multiple batches to participate in numerous high-level domestic and international academic conferences, including the Society of Toxicology 64th Annual Meeting and ToxExpo (SOT 2025), ACS Spring 2025 and ACS Fall 2025, CPHI & PMEC China 2025, and the 1st Western Synthetic Chemistry Forum of the Chinese Chemical Society 2025. Researchers from different professional fields participated in conferences relevant to their respective areas as needed, effectively broadening their R&D perspectives and helping them stay closely aligned with the latest industry developments, thereby providing important support for the Company's continued innovation-driven development.

04 *Empowering talent development in higher education and fulfilling corporate social responsibility as a citizen*

The Pharmaron Class at Ningbo University, initiated and supported by Pharmaron, is a long-term key project to cultivate outstanding talent in biochemistry, analysis, and pharmaceuticals with professional skills, international vision, and comprehensive abilities. Through setting up the Pharmaron Class and a series of scholarships, the Company selects, encourages, and trains outstanding students to attend world-class universities and enter the pharmaceutical industry. It is gratifying that the Pharmaron Class has achieved significant results. The students not only excel academically but also choose to pursue Master's and Doctoral degrees, aiming to become outstanding prospects in new drug development, contributing to the sustainable development of the industry. In 2025, 11 graduates from the "Pharmaron Class" at Ningbo University were admitted to graduate schools, enrolling in renowned universities and research institutions such as Peking University, Zhejiang University, Xiamen University, and the Chinese Academy of Sciences.

As part of the "Empowering Innovation • Academic and Innovation" Leadership Program, participants are taught to pursue academic excellence and commit to a sustainable future. We firmly believe that through continuous academic innovation and practice, we can inject continuous momentum into the Company's long-term development and contribute to building a greener, fairer, and more prosperous society.

Case | Academic Symposium – The 12th Pharmaron Symposium on Synthetic and Medicinal Chemistry

On September 13, 2025, the 12th Pharmaron Symposium on Synthetic and Medicinal Chemistry was held at Pharmaron Beijing. The symposium featured seven world-renowned industry leaders and leading academics in synthetic and medicinal chemistry to explore cutting-edge scientific topics. They engaged in in-depth discussions and exchanges with 300 participants attending on-site, as well as more than 900 participants joining from overflow room and online, showcasing the latest advances in synthetic and medicinal chemistry.

Case | Specialized Course Seminar

In March 2025, Professor Edward Anderson of the University of Oxford visited Pharmaron and delivered a series of specialized course seminars on "The Synthesis of Small Rings and Heterocycles and the Study of underlying chemical driving mechanisms", engaging in in-depth exchanges with a wide range of researchers.

Protection of Intellectual Property Rights

Pharmaron highly prioritizes the management and protection of intellectual property rights. We strictly adhere to relevant laws and regulations such as the *Patent Law of the People's Republic of China* and the *Trademark Law of the People's Republic of China*. We have established and continuously improved our confidentiality management system. We also formulated and revised a series of internal regulations including the *Pharmaron IP Handbook*, the *Pharmaron Information Confidentiality System*, the *Management Measures for Trade Secrets of Pharmaron*, and the *Information Resource Control Procedures of Pharmaron*. Additionally, we have formulated the *Confidentiality System Construction Plan of Pharmaron* and established IP-related regulations in various processes such as procurement, research and development, and sales. We are dedicated to systematically managing IP rights from patents to trademarks, protecting trade secrets, reducing the risk of trade secret leakage, and enhancing our competitive advantage. We aim to comprehensively prevent the leakage of confidential information from all perspectives.

In 2025, Pharmaron was granted **13** utility model patents and **11** invention patents, and **2** new design patents. Additionally, we obtained **1** copyright during the year. No patent was filed in countries outside of China. To accommodate the Company's business development, a biotechnology module has been added to the foundational patent search database procured in 2023. This addition is intended for the Legal Department to conduct IP analyses, thereby enhancing Pharmaron's IP protection capabilities. As of 2025, Pharmaron[49] has been granted a total of **10** design patents, **70** utility model patents, and **97** invention patents.

We continue to optimize our IP management mechanism and have established a top-down IP protection system with clear division of rights and responsibilities. The Company has established an IP Protection Committee to oversee all aspects of IP management and further enhance the acquisition, maintenance, utilization, and protection of IP rights. The IP Protection Committee is responsible for the top-level planning of the Company's IP strategy and the development of supporting systems. Under the IP Protection Committee, two specialized subcommittees have been established, namely the Documentation, Discipline, Auditing, and Monitoring Subcommittee, and the Executive Committee. The Legal Department is responsible for managing all IP protection matters across the Group and regularly submits IP protection-related matters and policies to the committee for approval, thereby driving the continuous improvement of the Company's IP management standards.

- **Constitution of the IP Protection Committee**

[49] Pharmaron acquired Biortus as its subsidiaries in 2025, and the IP rights of Biortus will be incorporated into the scope of the Company.

To improve the efficiency of managing patent applications and grants, the Company has referred to peer practices in patent filing and portfolio development and comprehensively collected and analyzed patent-related intelligence on competitors to support the R&D process and provided valuable input for patent filing strategies. We have established and procured professional IP management and patent retrieval databases to meet the Company's needs in areas such as innovation, pharmaceutical R&D, and scientific evaluation. These databases provide services including patent retrieval, analysis, and management throughout the entire product lifecycle including product technology creativity, establishment of R&D projects, IP layout, innovative R&D, the launch and withdrawal of products, as well as solutions for intelligence collection and analysis and process management. We are also committed to fully respecting and avoiding infringement of the IP rights of others while protecting our own IP interests.

The Company has established a regular IP training mechanism, including annual on-site visits and online IP training. For new employees, a dedicated course is included in the onboarding training program to ensure that every employee is familiar with the internal confidentiality policies and legal boundaries of the Company before onboarding. In addition, the Legal Department conducts annual visits to subsidiaries, such as Pharmaron Ningbo and Pharmaron Shaoxing, to provide routine IP training, including trademark usage, training on confidential knowledge for all employees, IP protection training for R&D and business departments, and training on review and approval of information release. In 2025, the Company conducted more than 20 on-site confidentiality training sessions in Beijing, Ningbo, Shaoxing, Qingdao, Xi'an, and other operational sites, covering all employees in key departments. We target to enable 100% of employees to receive IP training once every year.

For IP-related risks identified through training and routine audits, the Legal Department promptly reports to the relevant responsible departments and works with them to develop corrective action plans, thereby implementing closed-loop risk management. During the Reporting Period, there were no significant incidents involving IP infringement or infringement of the Company's IP rights.

Meanwhile, the Company developed systematic management processes for patents and trademarks. For patent management, applications are initiated by inventors, and the Legal Department has appointed dedicated IP personnel who are responsible for subsequent evaluation and analysis. These personnel will work closely with collaborating agencies to assess the feasibility of patents. They will select suitable agents for patent application and ensure close collaboration among all parties to get the patents approved. For trademark management, the Company is responsible for registering trademarks independently. The subsidiaries shall obtain approval from their superiors before using or applying for trademarks, in a bid to ensure that trademarks are used in compliance with relevant requirements. These processes are aimed at strengthening the protection of IP rights, safeguarding the legitimate rights and interests of the Company, and ensuring compliant operations.

• **Training Sessions on Business Secret Protection**

Safe Operations

Pharmaron consistently prioritizes the safety of production and operations as a top consideration in corporate development, strictly adhering to the safety production policy of "safety first, prevention-oriented, and comprehensive management". The Company continues to optimize its safety management system, fully implement the work safety responsibility system, systematically reduce safety risks, strengthen the effectiveness of safety hazard identification and rectification, continuously promote the building of a safety culture, and remain steadfast in reinforcing the safety defense line.

Safe Management

Pharmaron strictly adheres to the applicable laws and regulations in the locations where it operates, including the *Law of the People's Republic of China on Work Safety*, the *Law of the People's Republic of China on Prevention and Treatment of Occupational Diseases*, the *Health and Safety at Work Act 1974* of the UK, the *Management of Health and Safety at Work Regulations 1995* of the UK, and the *Occupational Safety and Health Act* of the US. We have established an internal health and safety management system based on the ISO 45001 framework, and in consultation with employee representatives, jointly developed a series of policies and guidance practices such as the *Safety Manual*, the *Standard Operating Procedure*, the *Work Instructions*, and the *Emergency Plan*. By doing so, we control and identify health and safety risks and protect the health and safety of employees. In 2025, the Company reviewed and added 168 safe operation manuals. Pharmaron Beijing passed the annual surveillance audits for ISO 45001 and ISO 14001, during which relevant documents were reorganized, and files related to occupational disease declaration, promotion, training, and monitoring were retained. During the reporting period, the Company updated its *Production Safety Accident Emergency Response Plan* in accordance with national laws and regulations, and added the *Special Emergency Response Plan for Chemical Spill* and the *On-site Disposal Plan for Gas Leakage Incidents*. In addition, Pharmaron Shaoxing updated the *Management Procedures of Work Safety Responsibility System*, and Pharmaron Beijing's Site III adopted the *Emergency Rescue and Management Procedures for Hazardous Accidents* to further advance the construction of its safety management system. The Company comprehensively implements the safety production responsibility system and continuously enhances its safety management capabilities.

To strengthen the management of radioactive materials and ensure radiation safety, the Company has continuously improved its management system and implemented relevant monitoring measures. A series of management procedures and work instructions have been developed, including the *Radiation Safety Management Procedure*, *Work Instruction for Registration and Management of Radioactive Materials Inbound and Outbound Records*, *Work Instruction for Security Management of Radioactive Material Use Areas*, *Work Instruction for Safety Inspection of Radioactive Material Use Areas*, *Work Instruction for Radiation Safety Training in Radioactive Material Use Areas*, *Work Instruction for Equipment Maintenance in Radioactive Material Use Areas*, *Radiation Safety Operation Work Instruction*, and *Work Instruction for Monitoring in Radioactive Material Use Areas*. The Company also conducts regular inspections to ensure effective implementation and performs annual occupational hazard factor monitoring in radiation-related workplaces.

Besides, Pharmaron ensures timely updates and revisions to its internal policies by subscribing to third-party regulatory update services and engaging external consultants to identify applicable laws and regulations relevant to the Company's operations and to track regulatory changes.

To promptly identify and address potential risks, the Company has established incident reporting channels for employees to report occupational health and safety events. In 2025, Pharmaron did not register any violations related to health and safety that have a significant impact.

From an organizational perspective, the Company has established a Safety Production Management Committee, chaired by the COO, with Vice Presidents and EHS SME serving as deputy chairs, and relevant department directors serving as committee members. The Committee is responsible for overall coordination of the Company's safety production management. In addition, the Company has appointed dedicated safety management personnel with professional knowledge and experience in safety management to promote the implementation of safety risk identification and assessment, safety-related corrective actions, and other safety initiatives under the leadership of the Committee.

Furthermore, Pharmaron Beijing has established a systematic risk identification and assessment mechanism covering all operational sites and developed a comprehensive health and safety management system that applies to all employees and contractors across the sites. In 2025, the coverage of workplace health and safety risk assessments at major operational sites reached 100%, and all identified risks were followed up and rectified. Our target is to achieve 100% coverage of workplace health and safety risk assessments at major operational sites by 2030. With respect to internal and external audits, the Company conducts regular internal audits of the occupational health and safety management system and invites third parties to conduct external surveillance audits. For each audit finding, the responsible departments formulate corrective and preventive measures within the specified time frame and ensure strict implementation.

Pharmaron considers ISO 45001 Occupational Health and Safety Management System certification a key benchmark for assessing the maturity of its safety management system. Our target is to achieve 100% coverage of ISO 45001 certification across all major operational sites by 2030. The ISO 45001 certification coverage at our major operational sites has steadily increased over the past three years. Currently certified sites include Pharmaron Beijing, Pharmaron Ningbo Site I, Pharmaron Xi'an, and Liverpool Site, Pharmaron UK. In 2025, newly certified sites included Pharmaron Ningbo Site I and Pharmaron Xi'an. Meanwhile, Pharmaron Beijing and Pharmaron Shaoxing have obtained the level 3 enterprise certificate in work safety standardization and have been maintaining its validity through regular review. All sites are progressing in an orderly manner toward ISO 45001 certification.

At the same time, the Company continues to advance the development of a deeply rooted safety culture. Each site carries out diverse safety promotion activities aligned with the annual safety theme, including emergency drills, safety knowledge competitions, and reward programs for hazard identification, thereby continuously enhancing employees' safety awareness and emergency response capabilities.

- **Safety Theme Activities**

Indicator	Unit	2025	2024	2023
Percentage of major operational sites with ISO 45001 certification	%	40	20	10


萬泰認證
职业健康安全管理体系
认证证书
康龙化成（宁波）科技发展有限公司
统一社会信用代码：91330201308902 57XK
GB/T 45001-2020 / ISO45001:2018 职业健康安全管理体系 要求及使用指南
认证范围


此为证书 CN24/00007487 译本
SGS
康龙化成(北京)新药技术股份有限公司
ISO 45001:2018
L. Moran

- **ISO 45001 Certification**

By signing the *Safety Objective in 2025*, we split the tasks among all departments and employees. The COO took overall charge of work safety affairs. In this way, we ensure the implementation of the safety mechanism covering all employees and continuously monitor the achievement of safety targets. Our target is to achieve a 100% signing rate of the *Safety Objective* across all sites in China.

In addition, although contractors are not direct employees of the Company, the construction and routine maintenance activities they undertake onsite are critical to our operations. Since their work is conducted within facilities managed by the Company, any failure to comply with safety procedures may pose risks not only to the contractors themselves but also to our employees. To address this, we have established contractor safety management procedures requiring all contractors to sign the *Work Safety and Environmental Protection Management Agreement* before entering our sites and to prepare safety plans related to construction activities. For high risk or special operations, work permits must be issued strictly in accordance with regulatory requirements, and regular inspections shall be conducted before, during, and after the operations. The Company conducts an annual performance evaluation of contractors to reinforce their performance in safety management and to achieve comprehensive safety control over contractor operations. We have also established management targets for contractors: at major operational sites, the contractor safety induction training coverage must reach 100%, and the signing rate of the *Work Safety and Environmental Protection Management Agreement* must reach 100% before entry. All of the targets mentioned above were fully achieved in 2025.

The Company continues to advance the deep integration of a safety culture. Across all sites, a wide range of safety promoting activities – aligned with the annual safety theme – have been organized, including emergency drills, safety knowledge competitions, and reward programs for hazard identification. These initiatives continuously enhance employees' safety awareness and strengthen their emergency response capabilities.

Safety Safeguards

Pharmaron regards safety assurance as a fundamental prerequisite for corporate operations. By establishing mechanisms for risk identification and hazard investigation, implementing regular internal and external safety inspections, and conducting specialized safety training and emergency drills, the Company has developed a comprehensive safety prevention and control system that provides solid support for the achievement of safety objectives.

Managing Safety Risks

In accordance with the requirements of the *Law of the People's Republic of China on Work Safety*, We have established and enhanced a dual prevention mechanism comprising safety risk classification and control, as well as hazard identification and rectification. We have formed a three-level leadership team for safety management with the COO serving as the person in charge, the EHS Department driving the work, and the research department and all business departments and laboratories assuming the responsibility for implementation. This team is tasked with formulating systematic work plans and progressively advancing the system development. To effectively identify safety risks, all departments work closely with the EHS Department to carry out workplace risk identification, based on which a hazard identification checklist for each department is produced and thus a checklist of the Company's major hazards produced as well. At the same time, we invite a third party to conduct professional evaluations so as to provide detailed risk maps. For safety management, we require regular inspections for hazards at each position and actively identify safety risks and potential hazards. We have compiled the *Checklist for Position Risk Control*. Safety risk notification cards are posted at various risk points to prevent safety incidents at the source. In addition, the Company also entrusts third parties to conduct annual monitoring of occupational hazard factors to ensure the effective implementation of all safety management measures.

With respect to hazardous chemicals management

The Company strictly complies with regulatory requirements governing the procurement, storage, use, and transportation of highly toxic chemicals and fully implements the "Five Pairs"[50] management system. We actively advance special rectification initiatives, develop the *Corrective Action Plan for the Risk in Concentrative Safety Program*, assign remediation responsibilities, and carry out Job Hazard Analysis (JHA) to ensure that safety measures are practical and effective. Subsidiaries are encouraged to conduct multi-category, full-coverage safety operation assessments and develop risk control and response measures to enhance overall safety management capabilities and create a safe production environment. For example, Pharmaron Ningbo developed an on-site disposal plan for chemical accidents and organized chemical environmental emergency drills; Pharmaron Shaoxing established an EHS Training Matrix and conducted training on topics such as leak prevention, exhaust system operation, and on-site management. Training effectiveness was verified through lectures and examinations, strengthening employees' safety awareness and safe operation capabilities.

[50] "Five Pairs" management system refers to the controls requiring dual-person receiving and dispatching, dual-person recordkeeping, dual-person double-lock management, dual-person transportation, and dual-person use of the hazardous chemicals.

Regarding laboratory safety management

The Company established a team of Scientific Research Safety Directors responsible for supporting EHS Department in laboratory safety management, coordinating quarterly safety training, and carrying out routine laboratory safety inspections. We conduct monthly inspections of laboratory emergency equipment, including fire extinguishers, fire blankets, and eyewash stations, to ensure equipment reliability. Weekly fire safety training is provided to new employees to strengthen awareness and ensure familiarity with emergency tools and procedures. Nightly inspections are conducted of flammable solvents and explosion-proof cabinets in the laboratory to prevent fire risks during non-working hours, and any violations identified are promptly addressed with implementation of corrective actions. The Company has set up a centralized fire control room and formulated a fire drill plan to strengthen preparedness for fire emergencies. Regarding safety in biological laboratories, the Company has established operational guidelines for risk assessment and control of experimental activities, clearly outlining specific requirements for laboratories in terms of risk identification, assessment, and control to ensure compliance with biosafety management standards. We organized annual laboratory safety drill and training. Specifically, Pharmaron Ningbo Site I provided monthly safety training to all part-time safety officers, and Pharmaron Ningbo Site II and Site III conducted quarterly training and assessments for parttime safety officers, thereby achieving effective control over laboratory safety. Once laboratory incidents occur, the Company will immediately initiate incident investigations and incorporate relevant cases into future training to reinforce risk awareness and prevent recurrence.

Pharmaron Tianjin strictly follows local regulatory requirements and has established microbial laboratory cleaning and disinfection procedures, clean-zone management procedures, and strain management procedures. A Microbial Laboratory Biosafety Committee was formed, and the laboratory was successfully registered with the Health Commission of Binhai New Area. In 2025, Pharmaron Tianjin organized an emergency drill for microbial strain leakage and updated related emergency response plans accordingly. Pharmaron Shaoxing conducts weekly self-inspections by laboratories and weekly internal inspections by the EHS Department, covering facility and equipment condition, adherence to laboratory operation procedures, personal protective equipment (PPE) use, and waste disposal processes, thereby reducing laboratory safety risks.

During the reporting period, Pharmaron actively conducted a comprehensive risk identification process, assessed the applicability of hazard identification lists, commissioned a third party evaluation of site safety conditions, and implemented corrective measures for identified safety hazards, effectively mitigating potential risks in business operations.

To further enhance its occupational health and safety management level, the Company continues to advance the systematic management of safety performance indicators and sets specific targets for key metrics. Progress is monitored annually to ensure steady advancement toward goals. Pharmaron continuously monitors the Lost Time Incident Rate[51] ("LTIR") and aims to maintain an annual LTIR of less than or equal to 0.6 by 2030. In addition, we implement comprehensive health and safety management, foster a secure and stable working environment, monitor recordable incidents, and extend health and safety management coverage to contractors.

On June 3, 2025, a general production safety incident caused by employee noncompliant operations resulted in two fatalities. The Company immediately expressed condolences and provided support to the families of the deceased, ensuring proper handling of post incident matters. At the same time, the Company initiated comprehensive hazard investigations and rectification measures, reviewed and optimized relevant work processes, improved safety management procedures, upgraded the safety training system, and strengthened routine site inspections. Special safety training was provided to all employees to enhance safe operation skills and safety awareness to prevent similar incidents from recurring.

[51] Lost Time Incident Rate = (Number of lost time incident * 200,000)/Total Working Hours

Indicator	Unit	2025	2024	2023
Number of fatalities due to work-related injuries	Person	2	1	0
Percentage of work-related fatalities	%	0.008	0.005	0
Number of working days lost due to work-related injuries	Day	1,940	1,401	972
Employee lost workday rate (LWR)	/	7.79	6.53	4.79
Contractor lost workday rate (LWR)	/	0	0	–
Employee lost time incident rate (LTIR)	/	0.24	0.34	0.43
Contractor lost time incident rate (LTIR)	/	0.07	–	–

Fostering Safety Culture

Pharmaron regards the cultivation of a safety culture as an essential approach to enhancing employees' safety awareness. The Company actively carries out safety publicity, education, and training activities, and organizes various emergency response drills to effectively strengthen employees' abilities in safety prevention and self rescue, thereby fostering a solid safety environment that supports stable operations and sustainable development.

At the beginning of each year, the Company formulates an annual safety training plan and holds quarterly training communication meetings. Targeted safety training sessions are regularly organized based on job characteristics, and an *EHS Training Matrix* is maintained to comprehensively record the implementation of training activities. Training content is based on accident case analyses and focuses on key points and precautions related to occupational health and personal protective measures, thereby improving employees' capabilities to respond to risk events. To verify the effectiveness of safety-related training, the Company implements a safety assessment mechanism, which helps enhance employees' safety awareness in an all-round way.

The Company conducts Star-Rated Laboratory Evaluations on a quarterly basis. The EHS Department has established relevant evaluation criteria covering 16 dimensions, including chemical management, waste disposal, and safe operation, and conducts comprehensive inspections of laboratories. Based on assessment results, laboratories are awarded corresponding star ratings and rewarded accordingly to encourage continuous strengthening of laboratory safety management and development.

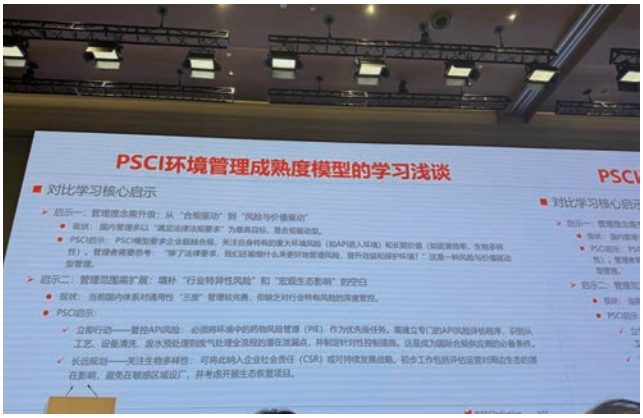
The Company formulates an annual emergency drill plan and organizes drills accordingly, covering comprehensive emergency response drills, fire drills, special emergency plan drills, and onsite disposal plan drills, with the goal of improving employees' ability to handle emergencies effectively. During the Reporting Period, hazardous chemical spill drills were conducted across all laboratories to ensure that employees can respond safely and effectively to emergency incidents. In addition, Pharmaron Changping actively organized fire emergency drills and hands-on fire extinguisher training in office areas to verify the feasibility of emergency response plans and enhance employees' fire response capabilities and safety awareness.

In addition, we actively participate in external seminars to maintain close communication and exchange with peers in the industry. During the year, we took an active part in the 2025 Conference on Advanced Pharmaceutical Manufacturing and Sustainable Development and the 9th EHS Management Annual Conference, the Pharmaceutical Supply Chain Initiative ("PSCI") China Supplier Conference, the Yunhan 321 Safety Forum, and the hazardous chemicals safety management training organized by the Precursor Chemicals Association. In addition, Pharmaron Shaoxing upgraded its membership to a council member in the Chemical Safety Association of Zhejiang Province and actively participated in safety lectures and related activities organized by the Association.

From June to August 2025, all sites organized "Safety Month" activities, including safety sports events, safety knowledge competitions, and interactive safety-themed games, along with the selection of benchmark laboratories. These initiatives were designed to enhance employees' safety awareness, strengthen team cohesion, and foster a safer and more harmonious working environment.

• **Activities During "Safety Month"**

At the 2025 PSCI China Supplier Conference, Pharmaron delivered a keynote speech titled "Environmental Management Practices Based on the PSCI Maturity Model". The presentation showcased practical cases from Pharmaron's experience in building an environmental management system, improving energy efficiency, and optimizing resource utilization. It systematically demonstrated how to apply the PSCI Maturity Model to benchmark against industry best practices, identify improvement opportunities, and drive continuous enhancement of environmental performance. This sharing demonstrated the Company's deep expertise and experience in environmental management and, through in-depth engagement with industry peers, reinforced our sustainability impact within the global pharmaceutical supply chain.



• **PSCI China Supplier Conference**

Quality Service

Quality service is the cornerstone of Pharmaron's sustainable and efficient development. Upholding a customer-centered approach, we are committed to providing responsive and dedicated services to meet customer needs. Through the establishment of standardized and efficient complaint handling procedures, we comprehensively protect customer rights and interests and continue to improve customer experience and satisfaction.

Customer Communication and Feedback

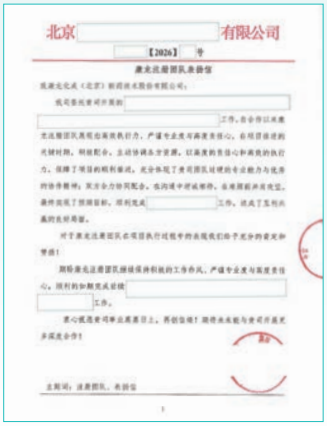
Customer feedback is recognized by the Company as a critical input for the continuous optimization of service quality. We actively gather customer insights through a structured, feedback-oriented engagement mechanism, and are committed to meeting customer expectations and requirements through efficient and high-quality service delivery. We have continuously revised the *Standard Operating Procedures for Customer Complaints* to comprehensively standardize the process for handling customer complaints and clearly define the classification and grading standards for complaints. We make every effort to provide customers with professional, personalized, and systematic services to the fullest extent.

To ensure timely and effective responses to customer feedback and suggestions, Pharmaron has implemented an efficient, seamless, and diverse feedback and follow-up mechanism. We provide contact details of the production site on the Certificate of Analysis (COA) and outer packaging box of every product to facilitate customers' feedback and tracking.

Upon receiving complaints from domestic and overseas customers, Pharmaron strictly follows the *Standard Operating Procedures for Customer Complaints* to conduct in-depth investigations into the cause of the complaints and take corresponding measures. We maintain continuous communication with customers and actively organize follow-up visits to ensure a seamless customer experience throughout the process. In addition, we have developed systematic and efficient corrective and preventive measures to minimize the occurrence of complaints. During the Reporting Period, Pharmaron received a total of 17 complaints at home and overseas. In response to the complaints received, the QA Department organized investigation and provided timely responses to the customers. All identified issues were effectively addressed with positive feedback from the customers.

• Complaint Handling Process

Moreover, customer recognition serves as a pivotal driver for ensuring the smooth operation of our business. At Pharmaron, we maintain timely communication and feedback with customers, and ensure that all customers are satisfied with the services we provide before they make the final contract payment. During the Reporting Period, we received significant recognitions, appreciations, and awards from numerous customers and business partners, and were acknowledged by our customers as an outstanding supplier.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• Commendation Letter from Pharmaron's Customer

Product Recall

Pharmaron has established a sound product recall management mechanism. We have continuously revised and enhanced internal procedures such as the *Standard Operating Procedures for Product Recall* and the *Management Procedures for Non-conforming Products*. Additionally, we have set up a recall team to systematically manage the entire lifecycle of recall procedures, including investigation and assessment, application and approval, recall implementation, collection of recalled products, follow-up on recall progress, corrective and preventive measures, disposal of recalled products, as well as inspection and summary of recall effectiveness. We also keep communication channels with customers open throughout the recall process to ensure timely responses to customer concerns.

To strengthen product safety resilience, we conduct product recall emergency drills at least once every three years to ensure effective operation of the mock recall plans and the product recall system. In 2025, we organized one mock recall at Pharmaron Ningbo and Cramlington Site, Pharmaron UK respectively, with the recall processes fully meeting internal requirements. During the Reporting Period, Pharmaron recorded zero product recall incidents, and registered zero non-compliance events related to product quality, health, and safety.

04 Growing Together with Talent

Upholding the philosophy of "Employees First", Pharmaron regards employees as a core driver of the Company's sustainable development. With the aim of building a diverse and sustainable workplace, we continue to optimize our recruitment and employment systems, strengthen human resources management strategies, and provide a wide range of training programs to grow together with our employees. At the same time, we place great emphasis on employee care by enhancing communication mechanisms and benefit systems, paying close attention to employees' physical and mental well-being, actively improving occupational health and safety management, and striving to create a caring and supportive workplace for all employees.

- Employment and Development
- Communication and Care

Employment and Development

Pharmaron consistently pays close attention to and effectively safeguards the legitimate rights and interests of its employees, while valuing and respecting the contributions of every employee. In alignment with the Company's talent strategy, we have established a scientific and efficient human resources management system, continuously improving career development and promotion pathways and strengthening employee training and development mechanisms. Through these efforts, we are committed to creating a sustainable workplace environment that offers abundant opportunities and fosters mutual respect and support for our employees.

Compliant Employment

Pharmaron strictly adheres to the relevant laws and regulations of the jurisdictions where we operate, including the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Employment Rights Act 1996* of the UK, and the *Pay Transparency Non-discrimination Provision* of the US. We have formulated the *Pharmaron Code of Conduct*, which clearly outlines behavioral standards related to employment such as voluntary employment, the prohibition of child labor and forced labor, respect for human rights, and labor protection. Additionally, in compliance with the laws and regulations of our operating locations, we have established a series of policies and systems, such as the Employee Handbook, recruitment policies, and operational procedures. These policies and labor rights apply to all employees, including full-time, part-time, and flexible employment positions, ensuring that our employment practices remain open, fair, and equitable. Moreover, we have developed the *Code of Conduct for Business Partners*, holding our supply chain partners to the same high standards to ensure respect for and protection of labor rights.

Equal and Voluntary Employment

To ensure that all candidates have equal access to career development opportunities, we provide clear, comprehensive, and accurate disclosures of job responsibilities and qualification criteria. Our job postings provide detailed and accurate descriptions of job responsibilities and qualifications, ensuring transparency and information parity. Each posting includes key details such as job duties, required skills, experience, and educational background, allowing candidates to understand the position, assess their own suitability and determine whether it meets their expectations.

During the recruitment process, we strictly adhere to the principles of fairness and voluntary participation and are committed to providing a fair and transparent recruitment environment for all candidates. During interviews, we provide candidates with detailed information about the position, relevant policies, and management regulations, with particular emphasis on working hours, wages, and benefits. We consistently uphold the principles of fairness and voluntariness, fully respect candidates' intentions and choices, and firmly oppose any form of coercion or deception in employee recruitment.

In terms of talent selection, we adopt a scientific and objective approach. During the resume screening stage, we rely on intelligent and digital systems to conduct objective and comprehensive evaluations of candidates' overall qualifications, including educational background, professional skills, and innovation capabilities, without using age or gender as screening criteria. AI technologies are deeply integrated into the recruitment screening process to enable efficient and accurate identification of high-quality candidates, reduce human bias, and ensure the integrity of the recruitment process through scientific talent selection and fair, compliant management. Supported by a robust evaluation framework, we ensure that every candidate receives a fair assessment based on genuine capabilities and development potential, thereby preventing discrimination based on age, gender, or other factors from the outset. Through these measures, we continuously enhance the efficiency and accuracy of recruitment while actively promoting the principle of equal employment. We respect and encourage diverse perspectives and experiences and clearly stipulate that discrimination based on nationality or age is prohibited during the recruitment process. For candidates over the statutory retirement age, we offer flexible engagement arrangements, such as consultancy agreements, to fully leverage their experience and expertise.

Prohibition of Child Labor and Forced Labor

We firmly prohibit child labor and oppose forced labor, and do not engage in, support, or condone any form of slavery or human trafficking. We fully comply with relevant regulations to ensure the protection of employees' rights.

Pharmaron complies with relevant laws and regulations in operating sites, including the *Labor Contract Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Minors*, the *Children (Protection at Work) Regulations 1998 of the UK, the Children Act 2004* of the UK, and the *National Labor Relations Act* of the US. We have formulated the *Pharmaron Code of Conduct* to prevent child labor, forced labor, and similar practices within the Company. Through rigorous recruitment screening and document verification, we ensure that applicants meet the legal employment age and company employment standards and prohibit individuals below the legal working age from applying through the online application system. If any case of child labor or forced labor is discovered, we will immediately terminate the employment contract and report it to the relevant authorities. If a minor under 16 years old is erroneously employed, we will immediately disburse all owed wages, arrange for the child to be sent back to their place of residence, and ensure they are handed over to their parents, guardians, or government-designated rescue stations. The cost of escorting the child back to their original residence will be borne by the Company.

Pharmaron enhanced its attendance management system and developed corresponding overtime management guidelines to monitor working hours. Overtime work must be approved by department heads prior to assignment. The Company has set reasonable limits on employees' daily and monthly overtime hours to reduce excessive overtime and prolonged working hours, and provides appropriate compensation for overtime, thereby fully safeguarding employees' right to rest. During the reporting period, Pharmaron recorded zero incidents related to the employment of child labor or forced labor. There were also no incidents related to employee recruitment and termination, remuneration, working hours and holidays, promotion and equal opportunity, harassment, anti-discrimination and diversity, or other violations of labor standards and related laws.

Respect for Human Rights and Labor Protection

Pharmaron places great importance on the standards and requirement outlined in the *United Nations Universal Declaration of Human Rights* and related covenants, ensuring the human rights of all employees are respected and safeguarded. The Company maintains a "zero tolerance" policy toward harassment on any occasion and in any form, actively working to prevent human right violations. The Company has formulated comprehensive policies including the *Employee Handbook*, the *Pharmaron Code of Conduct* and so forth, which cover human rights and labor standards. We also safeguard the freedom of association, collective bargaining, workplace safety, and other labor rights. We strictly prohibit any use of violence to restrict employees' personal freedom and oppose any form of discrimination on the grounds of gender, ethnicity, region, religion, sexual orientation, and other aspects.

Pharmaron's Employee Handbook clearly stipulates, under the "*Labor and Human Rights Management*" policy, its respect for employees' rights to freedom of association and collective bargaining, and its active support for employees in exercising these rights. As of 2025, the Company has signed collective agreements with labor unions at all major operating sites where unions have been established, achieving a 100% collective agreement coverage rate. A total of 17,890[52] employees are union members, representing 71% of the total workforce. The Company implements a system of equal pay for equal work regardless of gender and regularly monitors and analyzes gender pay disparity indicators (for details on gender pay equality, please refer to "Communication and Care" section in Chapter 4 of the report). Male and female employees enjoy equal benefits and equal rights in employment and promotion. During the year, the labor union convened three employees' representative meetings, at which matters including the selection of model collectives, the signing of collective labor contracts, and the election of the employee representative Director to the third Board were successfully reviewed and approved.

In addition, we have established comprehensive employment and management policies for non-traditional employment, such as interns, part-time employees, and contract employees. We have also formulated various policies such as the *Intern Management Policy* to regulate the entire process including contract signing, rights protection, skills training, and development, ensuring compliant employment management.

Over the past three years, including the reporting period, Pharmaron has not experienced any major layoffs. Pharmaron UK and Pharmaron US strictly comply with all relevant local laws and regulations and observe a consultation period prior to any large-scale redundancy exercise.

[52] The number of employees who have joined labor unions is disclosed based on available data.

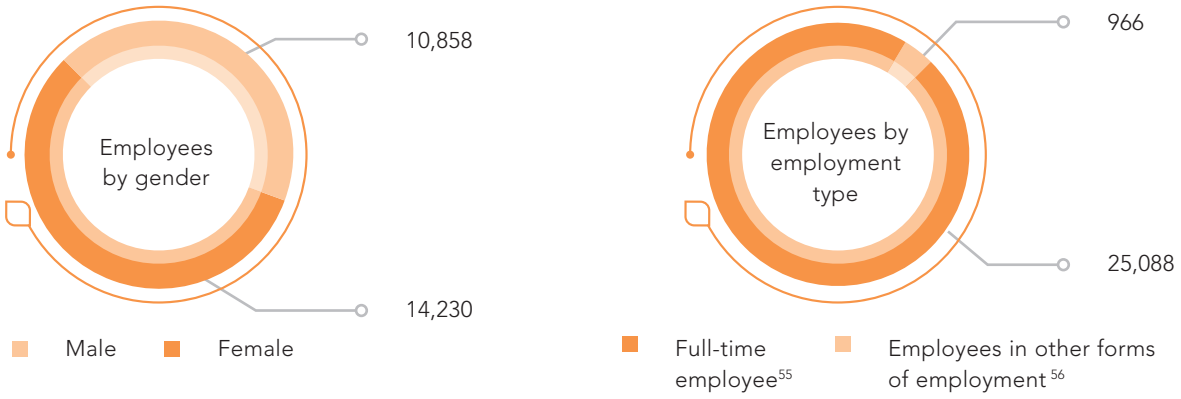
Pharmaron continues to monitor and assess human rights issues. To ensure that human rights are fully respected and protected across all business operations, the Company has engaged professional third-party institutions to conduct group-wide human rights due diligence and targeted human rights assessment enhancement initiatives. These assessments cover areas including forced labor and child labor, recruitment and workforce mobility, health and safety, freedom of association and collective bargaining rights, grievance mechanisms, diversity, discrimination, gender equality, forced labor, wages, and employee compensation and benefits. Based on the assessment outcomes, the Company has established an internal human rights risk assessment mechanism and implemented effective oversight and corrective actions. Human rights assessments are conducted biennially, covering employees of Pharmaron and its controlled subsidiaries, as well as third-party workers. With the support of third-party institutions, the assessment scope also extends to local communities, indigenous peoples, and migrant workers. For identified and assessed human rights-related risks, the Company actively carries out targeted improvement initiatives to comprehensively advance the implementation of human rights risk response measures. In 2025, Pharmaron conducted a Group-wide human rights assessment with 100% coverage. The assessment concluded that the overall human rights risk level was low and controllable, with 100% coverage of risk mitigation and remediation measures. In addition, the Company conducts annual assessments of potential human rights issues faced by female employees through tools such as labor risk factor identification assessment forms and labor system compliance evaluation forms.

Human Resources Strategy

Pharmaron continues to uphold the "Employees First" talent philosophy and places strong emphasis on the comprehensive development of its workforce, supported by a robust management framework and a comprehensive human resources strategy. In 2025, Pharmaron employed 25,088 employees globally, with a human capital return on investment ("HCROI") of 141.70%[53]. (For details on employee diversity, please refer to "Diversity Development" in Chapter 1 of this report.)

Pharmaron Employee Composition in 2025

Total number of employees[54] 25,088 Person



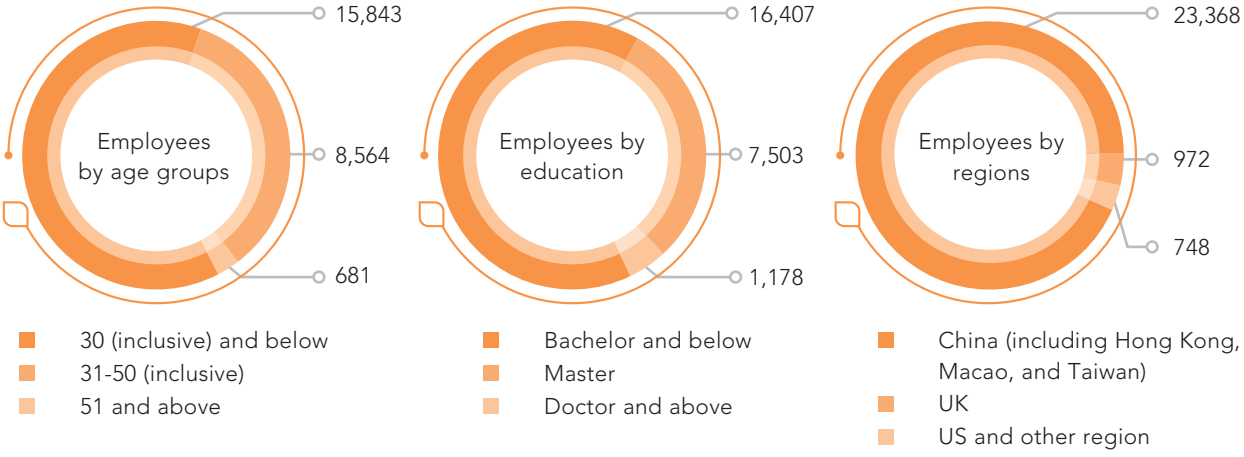
[53] The return on human capital investment = (Total revenue – (Operating expenses – Employee related expenses))/Employee related expenses in the financial year; Employee related expenses include wages and benefits; Unit: RMB.

[54] Pharmaron's total number of employees refer to all full-time staff, with no part-time, temporary, or flexible workers.

[55] The number of full-time employees is in line with the 2025 Annual Report.

[56] Employees in other forms of employment include interns, part-time employees, and dispatched employees, not counted in the total number of employees.

Total number of employees[54] 25,088 Person



Pharmaron continuously optimizes the human resources management structure, thereby improving the efficiency of human resources management. We established a "Three-Pillar" model consisting of the Center of Expertise ("COE"), the Human Resources Business Partners ("HRBP"), and the Shared Services Center ("SSC"), integrating human resources management across all organizational levels, departments, and regions within the Company. This model enables resource sharing and creates an efficient, flexible and competitive human resources management system.

Pharmaron has formulated a talent strategy and implemented it across the entire Group. This strategy encompasses seven key areas to promote the development of individual career development in line with the Company's strategies. Additionally, we prepared the *People Strategy Implementation Roadmap* to ensure more efficient management of our workforce, optimize human resource allocation and enhance employees' job satisfaction and performance.

Seven Pillars of Pharmaron's Talent Strategies

Communication	Ensure consistent internal communication experience for all employees, keep them informed of business and personnel updates in a timely manner, and maintain information flow and engagement.
Vision and Values	Provide experience for employees to understand and align with Pharmaron's vision, values, and employee value propositions.
Health and Well-being	Offer a variety of health and well-being activities for employees, along with support from Mental Health First Aiders, and care for employees' physical and mental health.
Diversity and Inclusivity	Educate employees on the significance of diversity at Pharmaron and foster an inclusive workplace and corporate culture.
Reward and Recognition	Establish clear, transparent, and fair reward and recognition criteria and methods to reinforce a high-performance culture.
Learning and Development	Create a progressive and equitable learning and development structure, cultivate a high-performance culture, and enable employees to realize their potential.
Leadership Development	Offer learning opportunities to managers and enhance their leadership and management skills for effectively leading teams to achieve goals.

Under the unified guidance of the Group's human resources management system and talent strategy, Pharmaron continues to update its human resources management policies across all operating sites in accordance with local conditions and specific operational needs. In 2026, Pharmaron UK updated its family leave policy to further enhance employee well-being. These policy updates not only represent a proactive response to the latest local labor law requirements, but also further support employees' work-life balance.

We continuously develop a sound promotion pathway and standards for employees and conduct annual performance evaluations for all employees. We have implemented policies such as the *Performance Evaluation Regulations*, which are performance-oriented and guided by values of integrity, honesty, reliability and diligence across all sites. We place a special emphasis on assessing leadership abilities, understanding employees' performance and potential, and fairly evaluating employee performance. Moreover, we have piloted a refined "Succession Plan" at Pharmaron UK and Pharmaron US, identifying high-potential employees and nurturing future leaders of the Company. Through these measures, we ensure the stable development and long-term progress of the Company.

Identification of key positions

Business leaders identify key positions within their respective businesses that significantly contribute to the Company's success.

Talent assessment

Business leaders assess their respective businesses to identify high-potential employees capable of assuming these key positions in the future.

Development program

Upon identifying high-potential employees, business leaders collaborate with HR to design tailored development programs, including mentoring, coaching, training, job rotations, and leadership development activities, enabling individuals to enhance their skills and readiness for key positions.

Performance evaluations and support

Department heads will conduct regular performance evaluations and discussions with identified high-potential employees to ensure that their work is aligned with the Company's goals, values, and strategic direction, and provide feedback, training, and assistance to support their continued development.

Monitoring and adjustments

Department heads regularly monitor the effectiveness of the "Succession Plan" and make adjustments based on business needs and market changes to support Pharmaron's rapid business growth.

- **"Succession Plan" Procedures**

Talent Attraction and Development

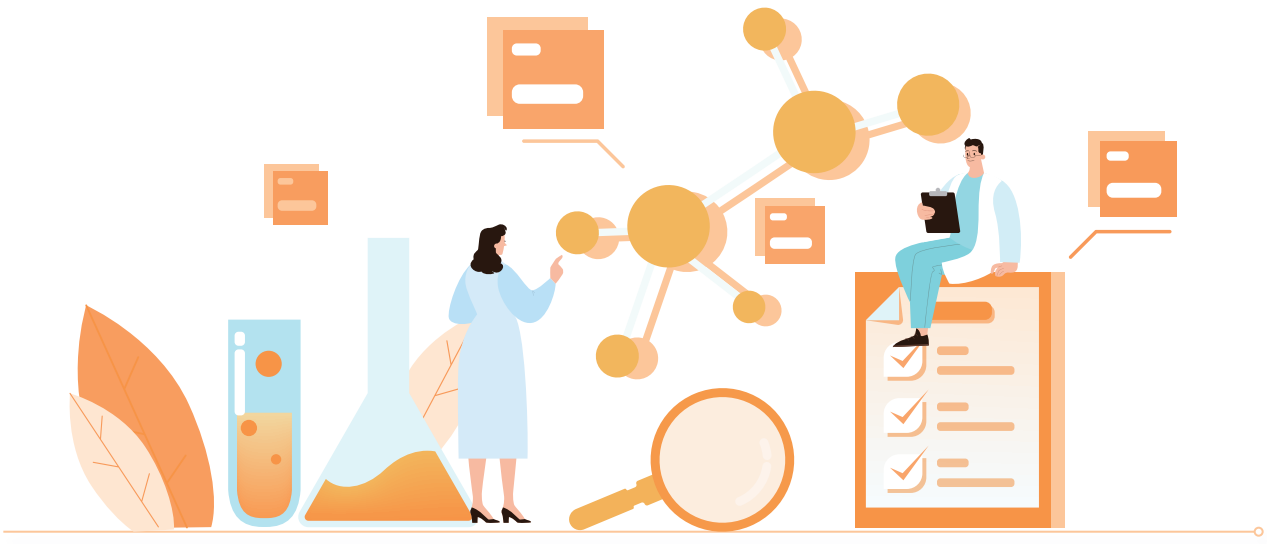
Pharmaron's comprehensive talent strategy provides a solid foundation for our innovation and development. We place great emphasis on talent attraction and development, actively building a talent resource pool, continuously refining our recruitment processes, and deepening collaborations between academia and industry to expand diverse recruitment channels. At every stage of employees' career development, we offer specialized training programs, supplemented by succession planning and performance evaluation systems, fostering a positive environment for mutual growth between the Company and its employees.

Talent Attraction

We continuously expand our talent pool through diverse recruitment channels, including intern-to-full-time conversions, campus recruitment, social recruitment, internal transfers, and post-retirement re-employment. To enhance recruitment effectiveness, we have implemented a full e-recruiting process. Through digital HR dashboards, we have enlarged the talent pool. Automated resume screening ensures a fair and impartial selection of the most suitable candidates. We flexibly adopt telephone, video and AI interviews to overcome regional and time-zone barriers and enhance the candidate experience. In 2025, Pharmaron's digital talent pool exceeded 1.14 million resumes, with over 150,000 new additions. We recruited 7,371 outstanding talents globally through various channels, with an average recruitment cost of RMB2,799 per hire. During the year, 384 employees achieved role adjustments through internal recruitment. As of the end of 2025, the Company employed 40 rehired retirees.

We actively cooperate with enterprises and universities to promote academic exchanges and technological innovation while provide broader development and practical opportunities for students. In 2025, Pharmaron participated in 147 large-scale job fairs and 32 promotional events, and conducted one-on-one visits with career advisors from 35 universities to explore diverse future models of university-enterprise collaboration. On campus, we offer personalized career guidance to help students better understand the biopharmaceutical industry and enhance their competitiveness. Additionally, we invite students from universities across the country to visit Pharmaron's key sites for on-site exchanges and to experience our workplace culture. In late September 2025, we invited 14 chemical-focused vocational institutions to visit Pharmaron Shaoxing to promote our CDMO business segment and attract outstanding talent to join the Company.

To attract overseas talent, Pharmaron participated in 20 overseas campus job fairs dual-selection recruitment events and hosted one dedicated overseas recruitment session in 2025. The Company also conducted in-person one-on-one visits to six universities in Hong Kong and one overseas university. In addition, Pharmaron invited representatives from five overseas universities to attend the Company's Doctoral Talent University-Enterprise Collaboration Conferences.



Case | Pharmaron Doctoral Talent University-Industry Collaboration Conferences

From May to September 2025, Pharmaron hosted a series of Doctoral Talent University-Industry Collaboration Conferences in Beijing, Ningbo, and Xi'an, aiming to establish a high-level talent exchange platform integrating government, industry, academia, and research, and to attract leading doctoral talent from around the world. A total of 50 universities were invited to the conferences. Positioned around the theme of "Bringing Together Leading Universities and Focusing on Doctoral Talent Recruitment", the conferences attracted nearly 200 doctoral candidates from top domestic institutions, including Tsinghua University, Peking University, Zhejiang University, Fudan University, Nanjing University, Shanghai Institute of Organic Chemistry of the Chinese Academy of Sciences, Wuhan University, Shanghai Jiao Tong University, Tongji University, University of the Chinese Academy of Sciences, and The Chinese University of Hong Kong, as well as internationally recognized universities such as the University of Sydney and King's College London. The participants' academic backgrounds covered a range of cutting-edge fields, including biopharmaceuticals, gene therapy, and artificial intelligence. In addition, 30 faculty leaders and career services representatives attended the conferences. Building on these exchanges, Pharmaron subsequently established graduate employment base cooperation agreements with 20 participating universities.

Leveraging this high-level talent engagement platform, Pharmaron advances innovative mechanisms such as customized talent development and university-enterprise partnership programs, supporting both the quality and effectiveness of its talent pipeline and fostering a virtuous cycle of talent attraction, development, and utilization. Looking ahead, Pharmaron will continue to deepen strategic collaboration with universities and explore new models of coordinated development between industry and academia to support sustained innovation in the biopharmaceutical sector.

- **Pharmaron Doctoral Talent University–Industry Collaboration Conference (Ningbo Session)**

Case | Zhejiang University Collaboration Program

In July 2025, Pharmaron formally entered into a comprehensive strategic cooperation agreement with Zhejiang University, leveraging the respective strengths and resources of both parties to jointly establish an AI and Life Sciences Joint Research and Development Center. In October, a campus public engagement roadshow was held at Zhejiang University campus. Through interactive formats such as quiz-based activities, the event showcased Pharmaron's development history, talent scale, and innovative applications of AI and big data in drug discovery and development. The event attracted over 300 students for on-site consultation and engagement.

This campus roadshow not only continued constructive interactions and facilitated targeted talent engagement, but also translated the strategic vision into in-depth dialogue between industry, academia, and research. Through face-to-face communication, students gained a more comprehensive and intuitive understanding of Pharmaron's R&D system, career development pathways, and global platform resources, laying a solid foundation for future joint talent development. Looking ahead, Pharmaron will continue to deepen strategic collaboration with universities, actively advancing an integrated "Industry-Academia-Rese arch-Application" innovation ecosystem and exploring new models of collaborative development between enterprises and academic institutions.

• Zhejiang University Campus Roadshow

Talent Training and Development

In 2025, we revised *Pharmaron Training and Development Policy*, establishing a group-wide training strategy. The policy provides systematic and clear requirements on key aspects such as training principles and process management. The Company continues to focus on employees' career development throughout the entire lifecycle, delivering tailored development programs and integrating talent development into talent pipeline building. Annual training management objectives and implementation plans are formulated to ensure that all employees have access to fair, transparent, and diversified development opportunities and growth platforms, thereby continuously empowering both organizational and individual development. In 2025, Pharmaron invested a total of RMB8.36 million in employee training, with an average investment of RMB339.78 per trained employee. The Company has set a long-term target, using 2025 as the base year, to increase average training hours per employee by 10% by 2030, with the aim of comprehensively enhancing employee capabilities and organizational development momentum. In 2025, the average training hours per employee were 44.13 hours.

At the same time, the Company continues to optimize its training management platform to enable unified planning and centralized management of various training programs across the Group. In mid-2025, Pharmaron launched the Sixing Learning Academy online learning platform, providing employees with diversified learning resources and channels to support their professional development. Employees may access the platform during fragmented time to explore topics of personal interest. Leveraging this platform, the Company delivers compliance-related and business-focused training courses on a company-wide basis, enabling employees to enhance their knowledge through flexible, self-directed learning. Currently, the online learning platform offers more than 200 courses. In addition, the platform introduces selected external courses to further enrich training resources. The Company regularly uploads internal learning content suitable for employees, including AI-related courses and Microsoft Office productivity training, helping employees gain a clearer understanding of future learning and development pathways.

Pharmaron Employee Composition in 2025 (by Job Position)

Indicator	Unit	2025
Total employees	Person	25,088
Senior managers (including executive directors)	Person	94
Middle management	Person	5,016
General employees	Person	19,978

We provide dedicated training for employees at each stage of their career development to ensure continuous employee growth and development.

Interns

- *Intern Management Policy*: We implement a unified intern management policy across the Group, designed to help students acquire professional skills and workplace competencies, providing a high-quality internship experience that attracts young talent to join Pharmaron. Through close monitoring of business units, we ensure that interns' responsibilities align with job descriptions. At the same time, taking into account regional differences and academic backgrounds of interns, we have established reasonable and competitive remuneration arrangements, reflecting our commitment to fairness and a people-oriented approach.
- Mentorship Program: In 2025, 555 interns participated in the mentorship program, representing 47.15% of all interns. Mentor allowances a total of RMB111,000 were invested during the year. Each participating intern was assigned a mentor responsible for teaching workflow processes, enhancing professional skills, explaining laboratory safety guidelines, and ensuring proper equipment operation. Mentors also conducted regular evaluations, provided guidance on thesis writing, and helped interns integrate into the work environment and develop professional and comprehensive capabilities.

New employees

- Buddy Program: We have established a personal growth mentorship initiative, known as the Buddy Program, which provides employees with abundant learning resources to enhance their work skills and ensure they can better integrate into the Company culture.
- Onboarding Training: To help new employees quickly adapt to the working environment and their roles, understand corporate management policies and their responsibilities, and get familiar with established workflows, Pharmaron has implemented a Group-wide standardized onboarding training program for all new hires. The training covers human resources, IT systems, company policies, environmental health and safety, and other essential topics. This ensures that new hires receive the necessary support and help.

Junior management

- Talent Training Program: Employees promoted from general staff to junior management participate in the Talent Training Program, which fosters a task-oriented mindset, focuses on performance improvement, and helps them transition from individual contributors to managerial roles. A total of 50 sessions of the Talent Training Program were conducted in 2025, covering 800 participants.
- Elite Talent Program: Following the Talent Training Program, managers receive Elite Talent Program training designed to translate objectives into execution, cultivate a high-performance culture, and develop talent management skills. This intensive program includes 8-hour training sessions. In 2025, a total of 15 training cohorts were delivered, comprising approximately 98 training sessions and reaching 339 participants. The training curriculum included three core courses: Management Role Awareness and the Four-Step Model for Effective Communication, Situational Leadership, and Coaching Leadership.

Middle management

- Leadership Program: This program is tailored for middle management to support team development, nurture organizational talent, and drive transformation. In 2025, Pharmaron delivered three cohorts of Leadership Program training, comprising approximately 33 training sessions. The program covered courses including Effective Team Communication, Situational Leadership, Coaching and Empowerment, Change Management, and Effective Presentation and Persuasion, aiming to comprehensively develop the leadership capabilities of team leaders. The total training duration reached 240 hours, with participation exceeding 100 employees.

Senior management

- MBA/EMBA: Pharmaron supports China-Europe International Business School (CEIBS) MBA and EMBA programs for senior management, equipping them with strategic thinking skills to drive business growth.

- **Pharmaron Employee Learning Journey**

In 2025, the Company delivered a total of 220 in-person leadership training programs, representing a significant increase in training duration, number of sessions, and participant coverage. Total training hours reached 40,678 hours, with 220 training sessions conducted and approximately 2,200 employees covered. In terms of program coverage, the Leadership Program reached 73% of middle management, the Elite Talent Program covered 68% of junior and middle management, and the Talent Training Program covered 33% of junior management.

Pharmaron Training Statistics in 2025

Indicators	Units	2025
Total number of employee training sessions	Session	21,542
Total number of employees trained	Person	25,088
Total number of employee training hours	Hour	1,107,191.50
Percentage of employees trained	%	100
Average training hours per employee	Hour/person	44.13
Percentage of female employees trained	%	100
Average training hours per female employee	Hour/person	42.85
Percentage of male employees trained	%	100
Average training hours per male employee	Hour/person	45.81
Percentage of senior management trained	%	100
Average training hours per senior management	Hour/person	40.16
Percentage of middle management trained	%	100
Average training hours per middle management	Hour/person	40.32
Percentage of general employees trained	%	100
Average training hours per general employee	Hour/person	45.11

Case | AI-Enabled Training and Digital Capability Development

In alignment with the Group's business development and operational needs, Pharmaron launched a dedicated "AI + Presentation Skills Enhancement" training program for manager-level employees and above. The program was conducted across Pharmaron Ningbo and Pharmaron Beijing, comprising a total of 15 sessions and engaging approximately 400 participants. It received widespread positive feedback from participants and effectively contributed to greater workplace efficiency and the advancement of digital capabilities. The training was delivered by external professional instructors and focused on the practical application of AI tools in PPT creation, equipping employees with more efficient and intelligent approaches to presentation design. By introducing advanced digital tools, the program enhanced employees' capabilities in content structuring and visual presentation, helping them convey messages more clearly and persuasively in client communication and internal reporting, ultimately improving their communication efficiency and impact with clients and senior management.

To further enhance employees' capabilities and adaptability in a rapidly evolving work environment, Pharmaron actively supports employees in pursuing official degree certifications from external educational institutions. Additionally, the Company fully funds employees' participation in national intermediate and senior professional title evaluations, cultivating well-rounded management and technical talent.

Communication and Care

Pharmaron continues to optimize its compensation and benefits system. In addition to fully safeguarding employees' fundamental rights and interests, the Company actively facilitates diversified communication channels to broadly solicit employees' opinions and suggestions, and continuously promotes the improvement and upgrading of its benefits policies. By steadily improving compensation competitiveness and employee benefits, the Company aims to strengthen employees' well-being and sense of belonging.

Compensation System

Pharmaron strictly abides by applicable laws and regulations in the locations where employees are based, including the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Social Insurance Law of the People's Republic of China*, the *Interim Provisions on Wage Payment*, the *Regulation on Paid Annual Leave for Employees*, and the *Fair Labor Standards Act* of the US.

The fixed compensation and grade of employees are determined based on multiple factors, including position, ability, value and other indicators. The compensation plan for the Company's directors is reviewed and approved annually through a vote at the shareholders' meeting. Pharmaron upholds the principle of equal pay for equal work and regularly conducts gender pay gap analyses, with ongoing monitoring of relevant data. Based on the analysis results, necessary actions, special reviews, and investigations are undertaken to ensure timely correction and adjustment of remuneration. The Company continues to disclose relevant indicators, further enhancing the transparency of promotion and compensation decisions, and promoting workplace diversity and equality.

Gender Pay Equity at Pharmaron in 2025

Indicators	Average Salary Gap [57]	Median Salary Gap [58]
Total employees	-4.60%	-6.47%
Senior management and above	10.85%	14.12%
Middle management	-6.29%	-6.96%
General employees	-0.74%	0.19%

Gender Bonus Equity at Pharmaron in 2025

Indicators	Average Bonus Gap [59]	Median Bonus Gap [60]
Total employees	-10.65%	-11.59%
Senior management and above	22.48%	14.28%
Middle management	-11.10%	-6.27%
General employees	-9.24%	-4.58%

[57] (Female Employees' Average Salary – Male Employees' Average Salary)/Male Employees' Average Salary.
[58] (Female Employees' Median Salary – Male Employee' Median Salary)/Male Employees' Median Salary.
[59] (Female Employee' Average Bonus – Male Employees' Average Bonus)/Male Employees' Average Bonus.
[60] (Female Employee' Median Bonus – Male Employee' Median Bonus)/Male Employees' Median Bonus.

The Company has established the Performance Management and Evaluation System, which assesses employees' job performance through an annual Balanced Scorecard BSC[61] to provide a multidimensional performance evaluation, and utilizes the evaluation system for performance management. Meanwhile, the employee performance evaluation system incorporates assessments related to compliance and the *Pharmaron Code of Conduct*, and business managers are encouraged to establish integrity-related indicators in performance evaluations. The Company has established an appeal mechanism for performance feedback, through which employees are encouraged to raise concerns or provide feedback related to performance evaluations, with such feedback addressed in a timely manner. In addition, incentive mechanisms and performance assessments covering ESG-related areas, including health and safety and business compliance, are implemented for all employees, providing guidance for promotion and remuneration decisions. Group-wide performance management standards have been established, incorporating both behavioral indicators and safety indicators. At the same time, different business segments set specific team objectives based on their respective operational circumstances. The Company has also established a management grade system. Employees who have served at their current grade for the prescribed period may be recommended for promotion to a higher administrative level in accordance with relevant requirements.

We adjust employee remuneration based on changes in the consumer price index, market and industry compensation survey and benchmarks, as well as individual performance, to ensure an adequate compensation in alignment with relevant market benchmarks and cost-of-living considerations.

Additionally, the Company has designed an equity incentive plan for all employees, including an Employee Stock Award Plan and a Stock Bonus Plan, with tailored incentive measures based on different employee levels, which are adjusted and optimized annually. Our incentive measures include monthly, quarterly, and annual bonuses based on both team and individual performance, employee stock options, and other benefits. Pharmaron continues to advance the formulation, communication, and implementation of its employee equity incentive programs, further strengthening the development of a long-term incentive mechanism. In 2025, taking into account the Company's financial position and operating performance, and from an overall strategic management perspective, the Management Committee granted 2025 H Shares Employee Share Awards of the First H Share Award and Trust Scheme. A total of 771 employees, including core senior management, middle management and key technical personnel, as well as junior management and technical staff, were incentivized, with an aggregate of 10,694,418 shares awarded. These awarded interests shall be vested over a four-year period. This represents a solid step forward in further establishing and enhancing the Company's long-term incentive mechanism.

Employee Welfare

Fully considering employees' needs and value orientation, Pharmaron has established a diversified benefits system, including welfare allowances, accommodation support, and housing loan support. In addition, the Company provides employees with medical, accident, travel, and other insurance coverage to comprehensively address their diverse needs. In 2025, the social insurance coverage rate for employees[62] reached 100%.

Pharmaron also emphasizes the welfare of departing or retiring employees. To facilitate a smooth transition into retirement, Pharmaron offers a range of consultation services such as retirement procedures and pension applications. The Company provides statutory economic compensation to employees whose employment ends through mutual agreement or non-renewal upon contract expiration, and supports all departing employees with re-employment background verification and related assistance.

[61] BSC, Balanced scorecard is a performance evaluation tool used to assess and improve performance across multiple dimensions.

[62] Data for 2023 and 2024 cover domestic employees only, and the scope was expanded to the Group level in 2025.

Pharmaron Employees Welfare Measures

Employee Welfare Types	Measures
Livelihood Support	• Provide clean dining environments and meal subsidies for employees; • Offer accommodation to employees and free transitional housing; • Provide social insurance and housing provident fund; • Make shuttle services available for employees who need to commute; • Launch parking subsidies to employees and install facilities such as electric vehicle charging piles; • Assist employees with their children's education enrollment and provide educational support; • Organize charity donation activities for employees in need; • Offer interest-free housing loans of up to RMB600,000 for a maximum term of five years to employees with doctoral degrees (including Pharmaron Academy graduates). As of the end of 2025, 147 employees had benefited from the program, with total funding of RMB 58.85 million.
Personal Development	• Assist employees in applying for various talent programs, such as the recognition of outstanding doctoral talents and top-notch experts; • Offer subsidies for master's and doctoral degree programs, rewards for international industry certifications, skills subsidies for high-demand occupations, and living allowances for postgraduate students; • Establish awards such as the "Chemistry Star Award" and "New Practice Award" to encourage employee innovation; • Implement safety allowances, rewards for star-level laboratories, and other initiatives to raise employees' awareness of safety; • Offer talent referral bonuses to incentivize employees to contribute to talent acquisition.
Physical and Mental Health	• Organize free annual health check-ups for employees; • Launch a psychological assistance program that offers professional counseling, training, and consultation services to employees and their immediate family members, helping them address psychological and behavioral issues while enhancing personal and organizational performance; • Provide high standard healthcare services and appointment-based medical consultations; • Set aside baby care rooms to create a more private space for female employees during the breastfeeding period.
Work-life Balance	• Provide gifts for newly married employees and those with expecting babies; • Establish a reasonable leave system that strictly follows national legal standards, offer paid paternity leave, maternity leave, parental leave, breastfeeding leave, bereavement leave, sick leave, etc. and pay social insurance and housing provident fund for employees during personal leave requested for individual reasons to fully safeguard employees' rights to rest; • Pharmaron US offers 6 to 8 weeks of paid maternity leave, which may be extended to 12 weeks under certain conditions if needed, while paternity leave consists of one week at full pay. Employees may request a total of up to 12 weeks of leave; • At Pharmaron UK, non-primary carers are entitled to up to two weeks of paid paternity leave. In addition, employees can apply for shared parental leave of up to 52 weeks, of which up to 39 weeks are paid. Pay during shared parental leave is provided in accordance with the Company's payment schedule, which includes full weekly pay, followed by reduced pay (75% and 50% of weekly pay) and then Statutory Shared Parental Pay, in line with statutory requirements; • In accordance with local regulatory requirements, employees at the Company's sites in China who are raising children under the age of three are entitled to 5 or 10 days of fully paid childcare leave per child each year; • In 2025, a total of 1,341 employees took parental leave, with a return-to-work rate of 92.3%; • Pharmaron UK offers employees up to five days of paid dependent care leave; • Comply with national legal standards and provide maternity allowances for employees; • Offer home leave and home leave allowances for foreign executives; • Provide work meals and convenient dining services for employees; • Establish a flexible schedule for working at home if the work permits; • Provide housing and allowances for seconded employees; • Offer flexible part-time work arrangements for employees at Pharmaron UK and Pharmaron US; • Company gym with exercise facilities; • Organize diverse employee engagement activities to enhance workplace experience, foster a sense of belonging, and promote well-being, ensuring that every Pharmaron employee feels valued and cared for.

Case | "Pharmaron • Her Power" International Women's Day Themed Event

In 2025, Pharmaron jointly organized the "Pharmaron • Her Power" International Women's Day themed event across six sites – Pharmaron Beijing, Pharmaron Ningbo, Pharmaron Xi'an, Pharmaron Shaoxing, Pharmaron Tianjin, and Beijing Technology Development – under the theme "Igniting Brilliance, Empowering Beauty." The multi-site event was designed to convey sincere appreciation to all female employees while with activities of celebration. The event featured innovative and employee-centric interactive activities and attracted over 2,000 female employees across the six sites. Through coordinated online and offline promotion, the event vividly showcased the confidence, vitality, and team spirit of Pharmaron's female workforce.


• 2025 International Women's Day Event

Case | Employee Clubs

In order to further enrich employees' leisure activities, we have established a diverse range of employee clubs, including chess club, basketball club, football club, badminton club, and English club. In 2025, the Company organized a range of Go, football, and basketball tournaments, offered professional training across various sports, and actively participated in inter-company sports leagues to promote employee well-being. These measures aim to comprehensively improve employees' overall quality, enhance relationships among employees, and foster teamwork skills. This initiative provides human resources support for the Company's long-term development and competitiveness.

Case | "Midsummer Garden Gathering • Love at Pharmaron" Qixi Festival Garden Event

In August 2025, Pharmaron hosted a Qixi Festival garden event themed "Midsummer Garden Gathering • Love at Pharmaron," which was held simultaneously at the Pharmaron Beijing, Ningbo, Xi'an, Tianjin, Shaoxing, Qingdao, and Changping sites. This multi-site celebration of traditional culture offered a wide range of interactive experiences, allowing employees to immerse themselves in the charm of China's rich cultural heritage. The event attracted more than 2,300 employees, with related online topics generating over 10,000 views. The initiative served as a vivid embodiment of Pharmaron's "Employees First" corporate culture, fostering a diverse, inclusive, warm, and caring workplace atmosphere, while further strengthening employees' sense of belonging, well-being, and organizational cohesion.


• 2025 Qixi Festival Garden Event

Employee Communication

Pharmaron adheres to an open and transparent communication philosophy, actively listens to employees' feedback, and maintains diversified and accessible communication channels to encourage employees to express their opinions and suggestions. Across all global operating sites, the Company has established employee communication and interaction channels, including telephone, online platforms, and service centers, to support employees' physical and mental well-being and overall work experience. The Company regularly conducts one-on-one meetings with employees to gain an in-depth understanding of the specific needs, challenges, and objectives of different departments. Based on these engagements, tailored support is provided to help identify and address potential issues in a timely manner and to enhance employee satisfaction. In addition, employees may raise concerns or provide feedback through the compliance department's whistleblowing email channel.

Pharmaron's employee communication channels

Employee Assistance Program:
400-820-0393/Online reservation platform

Employee Service Center:
24/7 self-service HR Q&A, with live online and telephone support available during business hours (010-52690680/6880)

The Company promotes an open feedback culture by conducting regular Group-wide employee satisfaction surveys covering key areas including talent development, management practices, workplace atmosphere, and career development. Based on the survey results, the Company conducts in-depth analysis, develops targeted improvement measures, and drives their implementation to enhance employees' sense of fulfillment and belonging.

Case | Pharmaron Clinical Internal Communication Program

Pharmaron Clinical enhances corporate communication effectiveness and employee engagement through a series of innovative initiatives. In 2025, CEO roundtable dialogue sessions were incorporated into two employee training programs, facilitating face-to-face exchanges and promoting direct communication between the senior management and general employees. In addition, Pharmaron Clinical established a centralized public email mailbox to regularly disseminate policy updates, important announcements, and information on employee benefits and health examinations to all employees, while also serving as a channel for inquiries related to physical and mental well-being as well as training and development. The mailbox also functions as a feedback mechanism – once employee feedback is received, the Company promptly follows up and responds via the same channel. To ensure employees are well aware of and able to effectively use this communication channel, detailed guidance of the public mailbox is provided during new employee onboarding training.

Care for Employee Health

Pharmaron consistently prioritizes employees' physical and mental health by implementing diverse health and well-being initiatives and occupational health and safety training, supporting employees in maintaining positive well-being and improving work efficiency and quality of life.

Daily Communication Mechanism	The Company encourages an open communication environment in which management actively listens to employees' ideas, questions, and potential concerns, and promptly addresses feedback and needs arising in the workplace.
Occupational Health and Safety Representative System	The Company has appointed occupational health and safety representatives responsible for collecting, consolidating, and reporting employees' opinions, suggestions, and complaints related to occupational health and safety. Employees may raise relevant matters directly with the representatives or the EHS Department through face-to-face meetings, telephone calls, or email.
Quarterly Safety Committee Meetings	Through quarterly safety committee meetings, occupational health and safety representatives engage in multi-directional communication with management from R&D and operations departments on topics such as the implementation of EHS policies, challenges in management practices, improvement proposals, and implementation barriers, and receive timely feedback.
Safety Suggestion Proposal Mechanism	The Company has developed the *Safety Suggestion Proposal Guidelines* to encourage employees to submit reasonable safety improvement proposals. Following evaluation, appropriate incentives are provided for adopted proposals to promote continuous improvement in safety performance.

Supporting the Physical and Mental Well-being of Employees	• We care for the physical health of employees during orientation, in-service, and dismissal periods and provide physical checkups before, during, and after service. The Company offers physical checkups to all employees. In 2025, a total of 22,937 employees received health check-ups. The health check-up rate for employees was 91.43%. • Biortus conducted specialized occupational health examinations for personnel in radiation-exposed positions to enhance risk prevention measures. • Each employee at the Pharmaron UK Hoddesdon site has a special magnetic badge attached to their ID card, which contains key information required by first responders or medical personnel to improve the efficiency of emergency response. • Pharmaron UK has dedicated Mental Health First Aiders on site to support employees experiencing mental health challenges. • In 2025, Pharmaron Ningbo set up a nurse station and installed multiple automated external defibrillators ("AEDs").
Training Program	• We offer employee health call center services through which employees can seek advice and guidance on health-related issues at any time. • Mental Health First Aid teams have been established across all Pharmaron UK sites to provide employees with initial early support, signposting employees to appropriate professional resources and organize activities to promote mental health and well-being. • Through regular communications and promotes, we raise awareness of preventive measures for repetitive strain injuries.
Purchasing Workplace Safety Liability Insurance	• We purchased workplace safety liability insurance for hydrogenation operators, scale-up laboratory employees, hazardous chemicals warehouse managers, and emergency response personnel. In 2025, total investment in workplace safety liability insurance amounted to RMB399,885.24, covering 1,650[63] employees across the Company's major operational sites.
Signing Workplace Safety Responsibility Agreements	• In 2025, our employees signed workplace safety responsibility agreements to reinforce company-wide safety awareness.
Various Benefits	• We provide dental insurance, health screening, gym membership, and health assessment services for employees. • To accommodate the diverse medical needs of employees, Pharmaron US provides three health insurance options for employees, and issues monthly health and well-being newsletters. • During the emergency period, we provide living allowances in addition to the salary to make their life easier.

Case | Pharmaron Employee Mental Health Assessment Program

In 2025, Pharmaron officially launched the Employee Mental Health Assessment Program, aiming to enhance employees' awareness and understanding of their psychological well-being and to foster a positive mental health culture across the organization. Open to all employees, the program utilized professional mental health assessment tools to help participants gain a comprehensive understanding of their stress levels, emotional status, and psychological resilience. Each participant received a personalized report that included an analysis of their mental health status, identification of potential risks, and evidence-based recommendations for improvement. These recommendations covered areas such as emotional regulation techniques, work-life balance strategies, and access to mental health resources, effectively demonstrating the Company's care and support for employees' physical and mental well-being.

The program was widely welcomed by employees, with a total of 5,268 employees voluntarily participating across multiple business lines and functional roles, marking a record-high participation rate. This strong engagement reflects employees' growing recognition of the importance of mental health and underscores the Company's sustained commitment and effectiveness in employee well-being initiatives.

[63] The 1,650 covered employees are from Pharmaron Beijing Co., Ltd., Pharmaron (Beijing) Technology Development Co., Ltd., Pharmaron Shaoxing Co., Ltd and Pharmaron (Tianjin) Process Development and Manufacturing Co., Ltd.

Protection Against Occupational Hazards

Pharmaron complies with relevant laws and regulations, including the *Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases* and the *Occupational Health and Safety Management Systems – Requirements with Guidance for Use*. We have established internal regulations such as the *Management Procedure for Publicity, Education and Training of Occupational Disease Prevention and Control* to enhance the management system and supervision mechanism for employee health and safety. Routine inspections are conducted to raise employees' awareness of safety and health. In 2025, the overall goal for occupational disease prevention was zero occupational disease incidents.

We prevent and control occupational diseases through four dimensions: informing, warning, identification and monitoring, and health tracking, thereby protecting employees' health.

Informing

- We inform the occupational disease hazards that may occur in the process of work and their consequences, as well as the occupational disease hazard prevention and response measures, which shall be clearly stated in the labor contract. Special notifications are provided when labor contracts are signed and when there are changes in job positions and job duties.
- We inform the employees through the OA system and onsite EHS announcements and publicize the rules and regulations, operating procedures, and emergency rescue measures for occupational hazards prevention and control, as well as the test and evaluation results of occupational hazards in the workplace.

Warning

- In workplaces with occupational hazards such as dust, radioactive substances and other toxic and harmful substances, appropriate warning labels, warning lines and warning signals shall be set up, and automatic alarm and communication alarm devices shall be installed.

Identification and Monitoring

- The Company has established a daily monitoring plan for occupational hazard factors, identifying and self-monitoring risks while promptly implementing corrective measures. Every year, we entrust third parties to test and evaluate occupational disease hazards in the workplace.
- Through the periodic collection and compliance evaluation of occupational health-related laws, regulations, and technical standards, the Company regularly reviews its occupational health examination programs and intervals. In 2025, we completed a workplace safety status assessment and, based on the evaluation results, further optimized occupational disease health examination items to cover a broader range of relevant occupational hazard factors. All monitoring results for occupational hazards in the workplace complied with regulatory requirements.
- The Company has established and improved emergency response plans for occupational disease hazards and accidents, and has conducted professional reviews of the relevant plans to ensure their operability.
- To enhance employees' awareness of occupational health and self-protection capabilities, we regularly provide occupational health training for employees.

Health Tracking

- Health archives have been established for all employees, documenting occupational health status, medical examination results, occupational history, and other relevant information. This enables ongoing tracking and effective management of employee well-being.
- Personal protective equipment such as masks, protective clothing, and goggles is provided for employees in positions where occupational health risks may exist, in order to minimize exposure to harmful substances.

05 Low-carbon Development

Pharmaron adheres to a green development philosophy, is committed to systematically establishing and continuously optimizing its environmental governance system, and continuously promotes energy conservation, emission reduction and low-carbon transition. The Company integrates ecological protection and respect for nature into its core strategy, treating sustainability as the bedrock of high-quality growth. It is committed to achieving a win-win alignment between economic performance and environmental stewardship.

- Addressing Climate Change
- Biodiversity Protection
- Green Operations
- Pollution Prevention and Mitigation

Addressing Climate Change

In November 2025, the 30th session of the Conference of the Parties ("COP30") to the United Nations Framework Convention on Climate Change was held in Belém, the capital of Pará State in northern Brazil. The conference reached multiple agreements under the theme of "global solidarity in addressing climate change", focusing on topics such as the Global Goal on Adaptation ("GGA"), updates to a new round of Nationally Determined Contributions ("NDCs"), and climate-biodiversity synergies, with the aim of accelerating climate change mitigation efforts. As a pharmaceutical R&D enterprise with a global perspective, Pharmaron consistently regards climate change as a core topic of its sustainable development strategy and actively practices the vision and commitments of the *Paris Agreement*. The Company continuously strengthens its climate risk management capabilities and enhances its resilience and response capability in addressing climate challenges, supporting global climate governance through concrete actions and contributing professional strength to building an environmentally friendly and sustainable future.

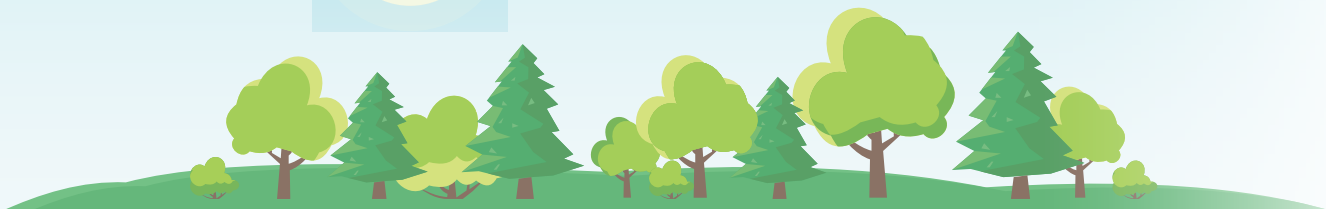
To transparently disclose its progress in addressing climate change and to fulfill its commitments in a science-based manner, Pharmaron has fully adopted the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"). The Company discloses its climate change risk management framework and response measures across four dimensions: governance, strategy, risk management, and metrics and targets. The Company continues to deepen its sustainable development strategy, actively develops carbon emission pathways, promotes the application of energy conservation and emission reduction technologies in R&D facilities and operational processes, and steadily increases the percentage of renewable energy use, striving to build a low-carbon, efficient and more resilient operating model and contribute responsible industry strength to green transformation.

Sustainable Climate Change Governance

The Company continues to focus on sustainable climate governance. The Board, as the highest governance body for the Company's climate-related issues, bears ultimate oversight responsibility for climate-related risks and opportunities. The Board and its specialized committees obtain climate-related information through regular training, external briefings, and annual/special reporting mechanisms, and acquire relevant information through participation in training organized by stock exchanges and regulatory authorities, to ensure that they possess the professional capabilities required to oversee climate-related matters.

In 2025, operating under the three-tier governance structure of "governance level – management level – execution level", the Company continued to prioritize sustainable climate governance as a core ESG topic. (For details of the governance structure, please refer to "Section 1 ESG Governance Structure" of this Report). Within Pharmaron's governance structure, the Board bears ultimate oversight responsibility for climate-related matters and oversees the consideration of climate-related risks and opportunities in the Company's strategy, major operational and investment decisions, and risk management processes. The Board and the Strategy Committee review ESG and climate-related matters at least once a year, and oversee the progress of climate-related targets and KPIs. The management has established a Compliance and ESG Committee, which, under the supervision of the Board, coordinates and advances climate-related work. For identified key climate-related risks and opportunities, the Compliance and ESG Committee regularly assesses their risk levels, integrates climate factors into strategic planning and day-to-day operational management, and reports regularly to the Strategy Committee. The execution level is responsible for advancing the specific implementation of various climate management measures at the operational level.

To strengthen management's emphasis on sustainable development and climate-related issues, ESG and climate change-related indicators have been incorporated into senior management's performance assessment indicators and linked to remuneration, to promote the effective implementation of ESG and related climate targets at the Company's management and operational levels.



Governance Level
The Board and Strategy Committee

- Review and approve the Company's climate change strategy and policies;
- Review the Company's climate change targets and supervise the accomplishment of relevant targets;
- Organize regular meetings to discuss climate change issues, and oversee progress in climate change risk assessment and other related matters;
- Actively conduct Board-level specialized training on climate-related topics, and regularly participate in thematic training and industry forums organized by internationally authoritative rating agencies, covering climate governance and sustainable development. Meanwhile, continuously enhance management's expertise and comprehensive ability in climate change risk identification, response planning, and sustainable strategy formulation.

Management Level
Compliance and ESG Committee

- Conduct routine management of climate change issues;
- Formulate climate change-related strategies, policies, and targets, track their implementation and accomplishment, and report on the progress regularly;
- Conduct annual meetings to report on and discuss environmental topics such as climate-related risks and opportunities, and regularly report major climate change risks and the implementation of principal response measures to the Board;
- Coordinate personnel from various departments and subsidiaries to jointly achieve the climate strategy and targets.

Execution Level
All departments and first-level subsidiaries

- Adhere to the Company's climate strategy, policies, and targets, execute relevant action plans, and regularly report on the progress;
- Identify and assess the Company's climate change risks and opportunities, and develop and implement response plans and actions.

Sustainable Development Strategy

Pharmaron closely monitors domestic and international climate-related policy directions, industry practices and trends in extreme weather changes, and systematically considers climate-related risks and opportunities as important factors affecting the Company's medium and long-term strategy and business development. Based on its business footprint and operational characteristics, the Company continuously identifies and assesses the potential impacts of climate change on its business model and value chain.

Pharmaron has joined the SBTi and set its sustainability targets in alignment with the SBTi framework and standards. We conduct comprehensive quarterly inventories of greenhouse gas emissions across all sites and continuously monitor the Company's decarbonization performance. We have identified a series of decarbonization pathways and incorporated them into our decarbonization strategy. Our strategy includes renewable energy substitution, equipment retrofitting and upgrading, and the application of low-carbon technologies, providing a quantitative basis for achieving our SBTs. At present, certain sites have successfully implemented emission reduction measures such as the application of high-efficiency electricity-saving refrigeration units, incinerator energy recovery systems, heat and steam substitution, and automated temperature setting, with significant emission reduction results. Through these continued efforts, our performance in 2025 remained aligned with our SBTs. For details, please refer to "Section 5 Sustainability and Climate Change Metrics and Targets" in the Report.

The Company has joined multiple sustainability and industry platforms, including the Sustainable Markets Initiative ("SMI"), the EcoVadis assessment, and the Carbon Disclosure Project ("CDP") Climate Change Questionnaire, and is actively engaged in responsible supply chain management initiatives under the Pharmaceutical Supply Chain Initiative ("PSCI"). Leveraging the resources provided by these organizations, we have integrated relevant sustainability concepts and measures into our corporate policies and implemented them in practice to achieve our decarbonization targets and public commitments. We have continuously disclosed the Company's performance in climate governance through internationally authoritative platforms such as EcoVadis and CDP. At the same time, we encourage core suppliers to proactively adopt internationally recognized ESG management frameworks, and also encourage suppliers to join the same sustainability and industry platforms as we do, to jointly advance the industry's sustainable development agenda.

In addition to focusing on reducing the Company's overall energy consumption, we also consider carbon reduction in our products and services. During the year, the Company launched a product carbon footprint life cycle assessment ("LCA") project and is currently in technical discussions with third-party experts. A preliminary system boundary and accounting methodology covering "cradle-to-gate" have been established, and the Company plans to select pilot products based on actual business scenarios and steadily advance data sorting and modelling. Through this systematic LCA review, we will accurately identify carbon emission hotspots in each production stage, providing a scientific basis for formulating more targeted decarbonization strategies in the future. Going forward, we will gradually expand the scope of LCA assessments and continue to deepen carbon management from a full life-cycle perspective.

We continuously disclose our progress and achievements in climate governance through internationally authoritative platforms such as CDP, comprehensively demonstrating the Company's sense of responsibility and action in the low-carbon transition, and making tangible contributions to mitigating global warming and promoting green and sustainable development.

Improving Energy Management System

Pharmaron strictly complies with national energy conservation regulatory requirements, has established a systematic energy management system in accordance with *the Energy Management Systems — Requirements with Guidance for Use*, and has formulated a series of management rules and systems, including the *Energy Conservation Management System*, the *Environmental Protection Management System*, the *Environmental Protection and Energy Conservation Reward and Punishment System*, and the *Energy Conservation and Environmental Protection Responsibility System*.

To effectively advance energy conservation and emission reduction, the Company established a dedicated Energy Conservation and Emission Reduction Task Force composed of the heads of operations of each site, to coordinate energy conservation and carbon reduction actions across all site. The task force has established a quarterly meeting mechanism to share and discuss successful cases and practical experience in energy conservation and emission reduction at each site, while also monitoring the progress of the Company's energy conservation and emission reduction targets. The work results are reported to the Compliance and ESG Committee, which in turn reports regularly to the Strategy Committee and the Board. During the Reporting Period, the task force focused on refined energy management and the quantifiable tracking of decarbonization targets, systematically carrying out the collection, forecasting and review of quarterly energy consumption data, and conducting year-on-year and quarter-on-quarter analyses to gain a comprehensive understanding of energy use dynamics. Based on data insights, the team also conducted SBTi decarbonization pathway simulations and dynamically tracked progress toward SBTi targets to ensure that decarbonization measures remain aligned with international standards. In addition, the task force carried out comprehensive and in-depth discussions on key topics such as the Company's energy use profile, key emissions areas, challenges faced in energy conservation and emission reduction, renewable energy procurement strategies, energy management system upgrades, and industry best practices. Through comprehensive analysis, the task force identified key future areas for energy conservation and emission reduction, implemented future energy-saving and carbon-reduction work, and rapidly rolled out relevant measures across operational regions, thereby promoting the Company's scientific and efficient achievement of its carbon reduction targets and consolidating the long-term foundation for green development.

Case | Monthly Energy Analysis at the Cardiff Site, Pharmaron UK

In 2025, building on its existing energy management and optimization framework, the Cardiff Site, Pharmaron UK continued to drive energy savings and consumption reduction, using monthly energy usage analysis reports as a basis for data-driven decision-making, with a focus on operational optimization and refined control. On natural gas consumption, the site reduced usage by optimizing heating temperatures through the building automation system and consolidating waste incineration batches. On electricity consumption, the site optimized Heating, Ventilation, and Air Conditioning ("HVAC") setback strategies during non-working hours, replaced large standalone refrigerators with smaller units with higher efficiency, promoted equipment shutdown during idle periods, and adjusted summer cooling strategies. Through these continuous operational improvements, the site achieved further reductions in both electricity and natural gas consumption in 2025 compared to 2024.

Implementing Low-carbon Production

Pharmaron comprehensively reviewed energy use points throughout the production process. Under the Company's overall framework for unified promotion of low-carbon production, each site, considering its own operational characteristics, comprehensively advanced low-carbon production measures covering the optimization of production processes, equipment upgrading and retrofitting, and the promotion of refined energy management, thereby effectively reducing carbon emissions across each stage of operations.

Case | Pharmaron Ningbo Putting Low-Carbon Production into Practice

Pharmaron Ningbo is committed to promoting green and low-carbon transition and, based on the operational characteristics of each site, has advanced targeted optimization of energy management and application of energy-saving technologies. Through a series of measures such as power system group control, enhanced energy efficiency of air-conditioning and ventilation systems, and refined steam boiler operation, it has achieved comprehensive upgrading from equipment retrofitting to intelligent control, and from single-point optimization to system integration, significantly improving energy utilization efficiency and reducing operating energy consumption and carbon emissions.

- **Advancing Power System Group Control and Equipment Optimization:** Group control system upgrades for the power center were implemented simultaneously at Pharmaron Ningbo Site I, II and III. Centralized monitoring and intelligent linkage control were carried out for key equipment such as chillers, chilled water pumps, cooling water pumps and cooling towers, comprehensively improving system operating efficiency. Pharmaron Ningbo Site I completed system construction in 2025, achieving annual electricity savings of approximately RMB500,000. Pharmaron Ningbo Site II and III also advanced the construction of power system group control and equipment optimization in parallel, with Pharmaron Ningbo Site II scheduled to complete construction in 2026. Upon completion of the system upgrade, the energy utilization efficiency of the Pharmaron Ningbo will be significantly improved.

- **Implementing Energy Efficiency Optimization of Air-Conditioning and Ventilation Systems:** In 2025, Pharmaron Ningbo Site I launched a retrofit of the lighting system for standard laboratory fume hoods, replacing all of them with timer switches to achieve automatic power-off at night. During the same period, operational optimization was carried out for laboratory subsystems by reducing fan operating frequency, adjusting duty period settings, and optimizing the outlet water temperature of high-pressure chillers, thereby further improving the energy efficiency of the refrigeration system. With these measures implemented in coordination, the total annual energy-saving benefit is expected to exceed RMB1.3 million, significantly reducing laboratory operating energy consumption. In addition, Pharmaron Ningbo Site III plans to advance a fresh-air energy-saving heat recovery project for air-conditioning units in 2026, using heat recovered from exhaust air for fresh-air preheating, thereby improving energy utilization efficiency and further reducing the operating energy consumption of the air-conditioning system.

- **Optimizing Steam Boiler Operation:** Pharmaron Ningbo Site II and III implemented refined operational management for the steam system by dynamically adjusting boiler operating pressure based on actual downstream steam demand, particularly reducing output pressure during off-peak periods to avoid excessive energy supply. Among these measures, Pharmaron Ningbo Site II implemented a strategy in 2025 to lower steam pressure during non-production periods, achieving quarterly electricity savings of approximately RMB100,000. Pharmaron Ningbo Site III plans to add a 3-ton-per-hour steam boiler in 2026 for steam supply during non-humidification seasons, thereby improving energy matching efficiency, significantly reducing energy waste, and optimizing operating costs.

Going forward, Pharmaron Ningbo will continue to deepen intelligent control and energy storage applications, build an efficient, flexible and low-carbon energy management system, and fully support the achievement of its sustainable development goals.

Case | Pharmaron Shaoxing's Active Response to the Company's Decarbonization Initiative

Pharmaron Shaoxing has continued to deepen its practices in energy conservation and consumption reduction. In 2025, multiple energy-saving retrofit projects had been implemented, with a cumulative investment of RMB219,000, achieving annual electricity savings of over 1.018 million kWh and saving approximately RMB739,000 in electricity costs. This fully demonstrates the site's proactive actions and significant results in green and low-carbon transition, and has provided strong support for the Company's sustainable development goals.

Pharmaron Shaoxing's key initiatives included variable-frequency retrofits for air compressors and cooling water pumps, intelligent temperature control optimization for cooling towers, improvement of equipment utilization efficiency, and upgrading aeration blowers at the wastewater treatment station to magnetic levitation blowers, all of which achieved effective savings in multiple forms of energy. At the same time, Pharmaron Shaoxing further tapped the potential for system energy efficiency through innovative measures such as exhaust heat recovery from air-conditioning systems, pilot application of phase-change energy savers, and management to prevent mistaken start-up of fans. On this basis, the site has completed the identification of major energy-use links, systematically formulated medium and long-term energy-saving plans, and focused on key directions such as optimization of the circulating cooling water system, upgrading of the two-stage cooling process, centralized control of the air-conditioning system, flexible operation configuration of chillers, expanded variable-frequency application for cooling water pumps, and pilot energy-saving projects for high-voltage motors, thereby driving the upgrading of energy-saving work from single-equipment retrofits to the deep integration of system integration, intelligent control and refined management, and comprehensively building an efficient, intelligent and sustainable green operating system.

Case | Energy Management at Pharmaron Tianjin

Pharmaron Tianjin has continued to advance refined energy management, comprehensively establishing an energy consumption monitoring system covering key energy-using links, to achieve real-time monitoring and dynamic analysis of electricity consumption, and implement energy-saving operation management for core equipment such as chillers, air-conditioning systems and cooling tower fans. In addition, by optimizing the operating strategy of glycol storage tanks and the variable-frequency control of cooling tower fans, the site has effectively reduced system energy consumption. At the same time, Pharmaron Tianjin is actively advancing an energy-saving retrofit project for its air compressor system, which is planned to be implemented in the first half of 2026, to further tap the energy-saving potential of high-energy-consuming equipment and comprehensively reduce resource waste.

Promoting Clean Energy Adoption

While continuously promoting innovation in energy conservation and emission reduction technologies, the Company also actively responds to national policy guidance on promoting the application of renewable energy and applies renewable energy in phases at domestic and overseas sites. The Company has joined SMI. As a member of the SMI working group, the Company actively supports the "Green Energy Transition in the Pharmaceutical and Healthcare Supply Chain" initiative and proactively promotes the green and low-carbon development of the industry chain by reducing dependence on fossil fuels and increasing the deployment and application of distributed energy.

The Company continues to increase the percentage of green electricity used and actively explores innovative pathways for the use of green thermal energy, comprehensively supporting the sustainable upgrading of the supply chain. Upholding the philosophy of collaborative development and mutual benefit, we work closely with value chain partners to support the green development of the pharmaceutical and healthcare value chain. Through in-depth research into the dynamics of the global renewable energy (certificate) market, we have planned and established renewable energy procurement channels. At present, certain domestic and overseas sites have already applied green electricity, among which the percentage of green electricity used at Pharmaron Tianjin, Pharmaron Beijing and Liverpool Site, Pharmaron UK have exceeded 80%. Overseas sites have further adopted various clean energy sources such as biomass energy and photovoltaic power generation, effectively reducing carbon emissions. In 2025, our renewable energy[64] amounted to 153,386.56 MWh, accounting for 42% of total electricity consumption, representing an increase of 70,147.36 MWh over 2024 and an increase of 16 percentage points.

[64] Renewable electricity consumption includes renewable electricity and Renewable Energy Certificate used in China, the UK and the US.

- **Promoting Green Energy Transition**: We have actively carried out green energy transition projects at multiple domestic sites, and have gradually used renewable energy at Pharmaron Beijing, Pharmaron Shaoxing, Pharmaron Tianjin, Pharmaron Xi'an, Pharmaron US and Pharmaron UK. Meanwhile, through practice and exploration, each site plans to gradually increase the percentage of green electricity used in the future, which will help the Company reduce carbon emissions.
- **Use of Renewable Energy**: Pharmaron actively explores renewable energy substitution options, where site conditions permit, such as biomass energy. Among these, Cramlington Site, Pharmaron UK maintains cooperation with a biomass energy supplier and continues to use biomass energy to replace fossil fuels for steam and electricity supply.

Supporting Supply Chain Emission Reduction

Value chain emission reduction is key to the Company's green and low-carbon transition, and is also a core measure to promote joint decarbonization by upstream and downstream stakeholders and move towards the carbon neutrality goal. Pharmaron has implemented a supply chain emission reduction plan and actively deepened collaboration with key value chain partners such as raw material suppliers to jointly explore emission reduction potential and innovative solutions, thereby working together to promote emission reduction across the entire supply chain.

Supply Chain Emission Reduction Plan

Supplier selection	• Select suppliers covered by the emission reduction plan based on factors such as supplier importance, category of goods and services, and emission reduction potential
Supplier classification	• Manage suppliers by classification based on factors such as procurement amount and importance
Emission reduction plan	• Set specific emission reduction targets considering the Company's supply chain emission reduction needs and each supplier's contribution to emissions
Capacity building	• Communicate emission reduction targets, strategies and supervision plans to suppliers, drive suppliers to reduce emissions, and monitor relevant data

Case | Conducting Supplier Sustainability Surveys and Training

In 2025, the Company continued to advance sustainable supply chain management and provided sustainability training to 471 suppliers, including 116 key suppliers. In addition, the Company conducted one sustainable procurement training session for all purchasers. The training covered core topics such as climate change response, labor rights and human rights protection, business ethics and anti-corruption, diversity and inclusion, and occupational health and safety. By sharing real ESG practice cases and combining them with assessment tests, the training significantly enhanced the sustainability awareness and execution capabilities of suppliers and employees.

To ensure the green and low-carbon attributes of the supply chain, the Company formally implemented the *Sustainable Procurement Management Policy* in 2025, incorporating environmental performance into key indicators for supplier admission, evaluation and on-site audits, and comprehensively embedding such requirements into the full lifecycle management system of procurement. This policy enables us to continuously supervise suppliers' sustainability performance and effectively identify and manage environmental risks in the supply chain. In addition, the Company also conducts comprehensive evaluations of suppliers from multiple dimensions, including quality, social responsibility and environmental performance. Every year, suppliers are assessed by questionnaire to classify their sustainability risks, and differentiated management and ongoing monitoring are implemented according to different risk levels. This year, Pharmaron conducted questionnaire-based risk assessments on a total of 642 suppliers. At the same time, we have established a regular review and dynamic assessment mechanism so that management strategies can be adjusted in a timely manner and risk response measures continuously optimized, thereby comprehensively enhancing the resilience and sustainability of the supply chain.

Green Chemistry

While actively promoting green substitution at the source, Pharmaron is also fully aware of the core significance of "full life-cycle management" for achieving truly sustainable development. In production, we actively promote the use of renewable raw materials in products and services, as well as the reduction in raw material usage, especially renewable substitution and sourcing utilization of solvents, as key measures to reduce dependence on fossil energy and reduce carbon footprint from the input side. In addition to renewable solvent substitution, the scientific treatment of solvent waste liquids that are inevitably generated during production, to achieve resource reuse and environmental harmlessness, constitutes the output-side closed loop of our environmental management. On this basis, we have established a strict graded management system for waste liquids, and are committed to enabling every drop of solvent, whether before or after use, to maximize its resource value and reduce environmental burden.

Case | Use of Renewable Solvents at Pharmaron Shaoxing

Pharmaron Shaoxing actively promotes green chemistry and sustainable development and is committed to reducing dependence on the environment and non-renewable resources during the production process. In 2025, the site vigorously promoted the application of renewable solvents in API production, mainly using two renewable solvents, namely bio-based ethanol ("EtOH") and ethyl acetate ("EA"). The combined usage of these two renewable solvents accounted for approximately 15% of the site's total annual solvent consumption. By adopting solvents made from renewable resources such as biomass, the site effectively reduced its dependence on traditional fossil-based solvents and significantly reduced the carbon footprint of the production process, demonstrating the Company's active efforts in source control and green substitution and providing practical reference for the industry's green transition.

Case | Professional Treatment and Resource Recovery of Waste Solvent at Pharmaron Shaoxing

During the production of pharmaceuticals and intermediates, Pharmaron Shaoxing generates waste liquids containing organic solvents, mainly from distillates generated in concentration processes and mother liquors generated in separation processes. To achieve waste reduction, resource utilization and harmless treatment, the site has established a strict waste liquid management system and entrusts all such waste to professionally qualified recycling and utilization enterprises for compliant treatment. During the treatment process, the principles of the circular economy are followed to realize the resource utilization of waste liquids: approximately 60% of the waste solvents are purified through processes such as distillation and are used as industrial raw materials or energy for other industries, thereby achieving circular reuse of resources; the remaining approximately 40% is incinerated by professional third-party companies to recover thermal energy or ensure complete harmless decomposition. This model not only effectively prevents environmental pollution caused by hazardous waste but also maximizes the residual value of "waste", representing a concrete practice of the Company in environmental management and circular economy.

Climate-related Risks and Opportunities

In 2025, Pharmaron introduced scenario analysis into the management of climate-related risks and opportunities for the first time, further enhancing the systematic nature and forward-looking perspective of its identification and assessment of climate-related risks and opportunities. On this basis, the Company continued to promote the integration of climate factors into strategic planning, investment decision-making and day-to-day operations management, and continuously strengthened its strategic adaptability and climate resilience under different climate scenarios.

List of Climate-related Risks and Opportunities

Pharmaron systematically reviews and identifies climate-related risks and opportunities by comprehensively considering the Company's business model and value chain characteristics, industry development practices, and feedback obtained through communication with stakeholders, clarifies their principal distribution across the Company's own operations and value chain, develops the corresponding list of risks and opportunities, and continues to carry out subsequent monitoring and management. The Company identified a total of 16 categories of climate-related risks and opportunities relevant to Pharmaron's business, including 7 categories of acute and chronic physical risks, 4 categories of transition risks, and 5 categories of climate-related opportunities.

Risk and Opportunity Type	Risk and Opportunity Category	Risk and Opportunity Code[65]
Acute physical risks	Extreme precipitation	P1
	Typhoon	P2
	Flood	P3
	Extreme heat	P4
	Extreme cold	P5
Chronic physical risks	Rising average temperature	P6
	Water scarcity	P7
Transition risks	Policy and legal risk	T1
	Technological risk	T2
	Market risk	T3
	Reputational risk	T4
Opportunities	Resource efficiency	O1
	Energy source	O2
	Products and services	O3
	Market	O4
	Resilience	O5

[65] Acute and chronic physical risks are denoted by "P", transitional risks by "T", and opportunities by "O".

Impacts on Business Model and Value Chain

Based on its business footprint and operational characteristics, Pharmaron analyzed the identified climate-related risks and opportunities from three dimensions, namely its own operations, the upstream value chain and the downstream value chain, with a focus on the impacts of various risks and opportunities on the Company's business model and value chain.

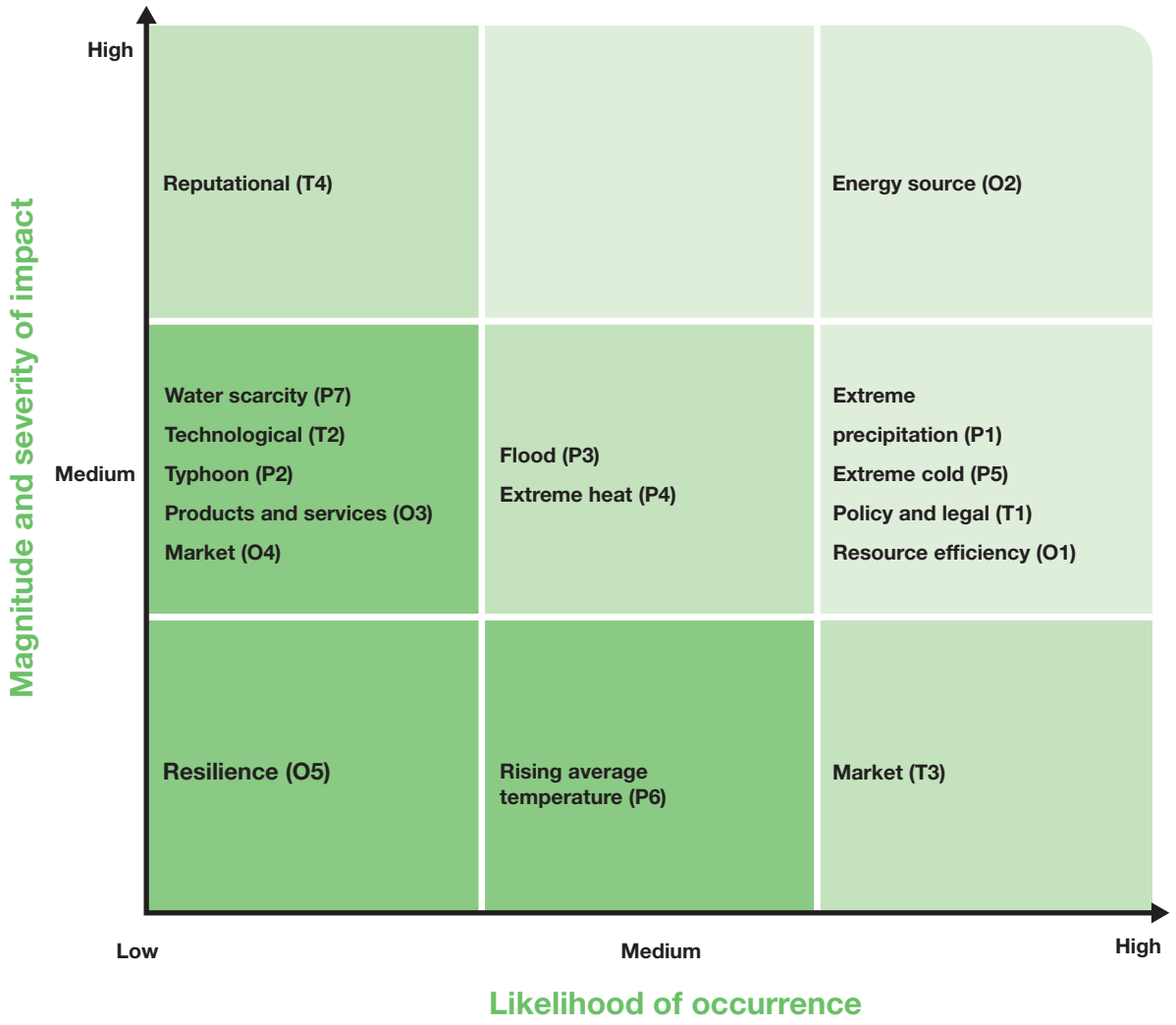
Type	Code	Upstream impacts	Impacts on own operations	Downstream impacts	Response measures
Acute physical risks	P1	• Supplier plants or raw material transit warehouses may be flooded, and road closures may cause delays in inbound materials or damp-related deterioration, with insurance premiums increasing; • Cancellation of port/freight schedules may affect the arrival of international raw materials; • Logistics disruptions (road closures), and supplier factory shutdowns due to interruptions in electricity/gas supply; • Blizzards may lead to frequent road traffic accidents, increasing cargo transportation and freight insurance premiums.	• Flooding of production/ laboratory buildings, loss of samples and intermediates, damage to equipment (instruments and electrical controls), and shutdown of clean rooms may cause asset losses and require emergency consumables and temporary repairs, in addition, there may be risks of non-compliance with quality systems; • Short-term energy supply interruptions may lead to shutdowns of key equipment and sharp increases in the load of critical systems such as cold chain and temperature control systems.	• Delivery delays may affect customer project timelines (such as delays in clinical materials and postponement of commercial batches), which may trigger contractual compensation or reputational impacts; • Increased production costs may place pressure on quotations/gross margins, and inability to ensure quality/stability may affect customer trust.	• Formulate and continuously improve emergency rescue plans for extreme weather events, clearly defining emergency response procedures and division of responsibilities, to safeguard personnel safety and the continuity of critical business operation; • Continue to monitor meteorological warning information, conduct advance analysis of possible extreme weather events, and take corresponding preventive and risk-avoidance measures to reduce the likelihood of personnel, facilities and important assets being exposed to high-risk situations; • Continue to promote the maintenance and optimization of site infrastructure, and enhance the ability of drainage, protection and related facilities to respond to extreme weather events.
	P2	• Coastal suppliers may suspend work, ports may close, cross-regional sea freight may be delayed, and insurance premiums may rise; • Raw material prices and availability may fluctuate.	• Outdoor storage tanks/ pipelines/plants may be damaged; • Outdoor or unsecured facilities face higher risks; • Power outages or extreme wind damage may cause production interruptions and increase the risk of hazardous chemical leakage.		
	P3	• Raw material warehouses and supplier plants may be flooded or roads may be disrupted, with insurance premiums increasing; • Storm surges/waterlogging may interrupt transportation at ports/wharves.	• Clean rooms and key instruments may be flooded or short-circuited due to water ingress; • Samples and clinical materials may be lost.		
	P4	• Risks to the safe storage and transportation of chemicals (some reactants/solvents may react spontaneously or become more volatile under high temperatures), and logistics timeliness may be affected.	• Cooling loads in laboratories and production areas may rise significantly, the stability of bioprocesses (cells/enzymes) may be affected, employees may suffer heatstroke and face working-hour restrictions, and energy consumption and costs may increase.		

Type	Code	Upstream impacts	Impacts on own operations	Downstream impacts	Response measures
	P5	• Frozen roads/ports may delay the arrival of raw materials; • Low temperatures may cause freezing and rupture of site pipelines, equipment failures or warehouse damage.	• Exposed pipelines/tanks may freeze, equipment start-up and shutdown risks may increase, and employee commuting may be disrupted.		
Chronic physical risks	P6	• Changes in production capacity/cost space and adjustments in the supply landscape may occur in the sourcing regions of raw materials (such as certain chemical intermediates or bio-related raw materials).	• Long-term cooling/air-conditioning energy consumption may rise, facility service lives may shorten (thermal expansion and contraction, cumulative equipment stress), and structural investment changes (greater cooling capacity, low-carbon energy supply) may be required.	• Long-term cost increases may affect contract pricing.	• Strengthen the management of the operating conditions of facilities and equipment under high-temperature conditions, optimize ventilation, cooling and equipment operating arrangements, and reduce the potential impacts of sustained high temperatures on personnel safety, equipment stability and laboratory environments; • Strengthen water management and water efficiency improvement measures, optimize process water and auxiliary water arrangements, and promote water recycling where conditions permit, so as to reduce the impacts of fluctuations in water supply on day-to-day operations.
	P7	• Restrictions on washing/dilution processes at upstream chemical plants/water treatment plants may intensify competition and increase water costs.	• Constraints on the supply of process water/purified water may affect the assurance of water supply for experiments and production, thereby causing delays and increased operating costs; • More investment may be required for wastewater reuse/reclaimed water treatment equipment.	• Production batch constraints may reduce delivery capacity and affect customer choices.	
Transition risks	T1	• Carbon cost pass-through from upstream energy and raw materials (for example, rising electricity/gas prices), and increased supplier compliance costs may push up raw material prices.	• Procurement of energy/fuels/carbon allowances may directly increase costs; • Compliance disclosure costs may increase; • Investment in equipment/process retrofits may be required to achieve emissions reduction or wastewater discharge compliance; • The Company needs to continuously monitor and meet requirements in different jurisdictions regarding energy efficiency, emissions management and environmental permits, and stricter compliance requirements may lead to additional monitoring costs.	• Restricted raw materials or processes may be prohibited or subject to mandatory retrofits, and downstream pharmaceuticals/intermediates may require reformulation or re-approval, resulting in reduced related demand; • Regulations may require downstream enterprises to disclose supply chain emissions/compliance, and customers may add conditions such as carbon/water footprint in procurement, thereby raising supplier access thresholds.	• Continue to track developments in domestic and international policies, regulations and frontier technologies related to climate change and energy use, promptly assess their potential impacts on business operations, and ensure that operating activities comply with applicable compliance and technical requirements by optimizing management processes and equipment configurations; • Dynamically adjust business layout in line with changes in customer demand and industry development trends; • Improve climate-related management standards and transparency to reduce reputational risks arising from failure to meet the expectations of customers, investors and other stakeholders.
	T2	• After new processes are adopted on the raw material supply side, demand for traditional intermediates/processes may decline or be replaced.	• If Pharmaron is unable to provide green processes/continuous manufacturing/low-carbon processes, it may lose bidding qualifications or need to incur high retrofit investments.	• Customers may prefer R&D and manufacturing service partners with low-carbon process capabilities.	
	T3	• Fluctuations in raw material and energy prices and supply directly affect costs.	• Changes in order structure (from high-carbon to low-carbon products/services) impose requirements on capacity and equipment adaptation.	• Customers' procurement standards may place greater emphasis on supply chain transparency and low-carbon indicators, which may affect the Company's market share.	
	T4	• Environmental/safety incidents involving suppliers may adversely affect Pharmaron's reputation.	• Accidents/excess emissions or inadequate responses may result in scoring deductions by investors/rating agencies, and customers' requirements for continuous ESG disclosure continue to increase, affecting financing costs and market value.	• The occurrence of relevant controversies/negative incidents may have a continued adverse impact on obtaining orders.	

Type	Code	Upstream impacts	Impacts on own operations	Downstream impacts	Response measures
Opportunities	O1	• The Company may work with core suppliers to reduce the overall resource intensity of the supply chain (such as solvent recycling and centralized procurement of recyclable packaging materials).	• Reduce operating costs and enhance cost competitiveness in quotations to customers; • Through optimization of the energy-use structure, the Company may reduce carbon emissions and pressure from energy-consumption compliance.	• As a supplier with a lower carbon/water/waste footprint, the Company may be more attractive to major pharmaceutical companies.	• Continue to promote energy-saving retrofits and optimization of energy management, and gradually increase the percentage of renewable energy use; • Gradually enhance low-carbon processes, green chemistry and related technical capabilities in line with industry development trends and customer needs, thereby creating conditions for business expansion and service upgrading; • Enhance adaptability to climate change and changes in market conditions and strengthen overall operational resilience and long-term competitiveness by optimizing business layout and operating management methods.
	O2	• Upstream energy enterprises may provide more green electricity, low-carbon steam and natural gas, thereby reducing the carbon intensity of energy procured by Pharmaron sites.	• Deploy photovoltaic and energy storage systems at sites and laboratory facilities, and combine them with energy-saving processes (such as low-energy cold chain and ventilation systems) to reduce energy costs and carbon emissions.	• Pharmaceutical customers tend to prefer low-carbon operators in supplier selection, and the Company can enhance its attractiveness to customers using green energy.	
	O3	• Suppliers may provide more environmentally friendly reagents, low-carbon consumables and green chemistry raw materials, supporting Pharmaron in developing green synthesis routes.	• Green chemistry R&D, low-carbon process development and green transition in CDMO may form distinctive revenue growth drivers.	• Pharmaceutical customers face higher ESG assessment requirements and tend to outsource R&D and manufacturing to service providers with low-carbon and green solutions.	
	O4	• Capital markets and policies drive the green transformation of supply chains, encouraging raw material and equipment suppliers to enhance compliance, thereby indirectly improving the Company's low-carbon credentials.	• By taking the lead in disclosing carbon information and participating in green certifications, the Company can further expand into international markets.	• Multinational pharmaceutical companies and leading domestic customers are increasing ESG investment and are more inclined to cooperate with CRO/CDMO companies with green qualifications and compliance systems.	
	O5	• Raw material suppliers enhance resilience (such as improving flood-control storage and transportation and heat-resistance measures), ensuring stable supply of raw materials for experimentation and production.	• The Company has established R&D and production bases in multiple cities, and by dispersing risks and improving disaster prevention capabilities of facilities, it can reduce the impacts of extreme weather on operations.	• Customers will have greater confidence in the Company's supply reliability, reducing the risks of project delays or supply disruptions caused by climate disasters.	

Prioritization of Risks and Opportunities

Based on the results of the identification of climate-related risks and opportunities, we assessed the priority of the impacts of various climate-related risks and opportunities from two dimensions, namely the likelihood of the occurrence of the risk or opportunity and the magnitude of its impacts on the Company's business and value chain. Specifically, we conducted internal surveys to understand the frequency and magnitude of climate-related events, and assessed the financial impacts caused by climate-related events based on official meteorological data. These analyses help us focus on material climate-related risks and opportunities and formulate targeted response measures.



Financial Impacts

Current Financial Impacts of Physical Risks

In terms of acute physical risks, considering the increasing frequency of extreme weather events in recent years, Pharmaron has continuously assessed the potential impacts of acute physical risks on its production and operations. In 2025, the acute physical risks faced by the Company were mainly related to extreme precipitation and extreme cold, with the associated impacts primarily concentrated on the prevention, operation and maintenance of site infrastructure and equipment. During the reporting period, such impacts were mainly managed through preventive operation and maintenance measures and facility upkeep expenditures, and did not result in any material disruption to the Company's production and operations, nor did they have any material impact on the carrying amounts of assets and liabilities in the financial statements for the reporting period or the subsequent reporting year. With respect to chronic physical risks, no significant current financial impacts on the Company were identified.

Physical Risk Code	The Company's Response Measures and Financial Impacts	Amount of Financial Impact[66]
P1	As the frequency of extreme rainfall events has increased, Pharmaron further strengthened flood prevention and drainage protection work at its sites in 2025 to reduce the potential impacts of heavy rainfall on normal operations and facility safety. The Company implemented a series of targeted maintenance and emergency management measures, including repairing roof waterproofing, fixing local leakage issues on office building roofs and canopies, repairing detached exterior window ledges, and adding waterproof sun panels and rainwater-sewage diversion modifications to certain facilities (such as monkey houses). At the same time, the Company inspected, dredged and maintained rainwater drainage pipelines, roads, drain covers and drainage ditches at its sites. During periods of heavy rainfall and rainstorms, the Company arranged 24-hour personnel on duty to respond to emergencies. These measures mainly resulted in additional operating and maintenance expenditures relating to waterproofing repairs, facility maintenance and emergency management, which were indirectly reflected in the relevant line items of the Company's financial statements, such as operating costs and administrative expenses, and did not have any material adverse impact on the Company's current production and operations or financial position.	RMB5-10 million
P5	Affected by extreme cold weather, Pharmaron carried out concentrated maintenance and repair work in 2025 on various facilities related to insulation and heating in order to safeguard the normal operation of its sites and equipment safety. The Company inspected heating pipelines, fire protection pipelines, heating equipment and related insulation materials, and repaired damaged insulation on heating and steam equipment pipelines. At the same time, the Company installed electric heat tracing devices on terminal fire protection pipelines, re-laid certain underground fire protection pipelines, and carried out maintenance on local insulation damage affecting equipment such as fan coil supply and return water pipelines. These measures mainly resulted in additional maintenance expenditure relating to facility maintenance and operational protection, which were indirectly reflected in the relevant line items of the Company's financial statements, such as operating costs and administrative expenses. Such expenditures were incurred to prevent equipment damage and operational interruptions under low temperature conditions, and did not have any material adverse impact on the Company's current production and operations or financial position.	Approximately RMB1-5 million

[66] The exchange rates used for the conversion of Pound Sterling ("GBP") and United States dollar ("USD") amounts herein are the central parity rates of RMB published by the China Foreign Exchange Trade System as authorized by the People's Bank of China on 31 December 2025, where USD1 = RMB7.0288 and GBP 1 = RMB9.4346.

Potential financial impacts of physical risks

In 2025, Pharmaron incorporated climate scenario analysis into its climate risk identification and assessment process. Referring to the Shared Socioeconomic Pathways (SSP) developed by the Intergovernmental Panel on Climate Change (IPCC), the Company selected two scenarios, SSP1-2.6 and SSP5-8.5, to assess potential physical risks. Leveraging a catastrophe risk assessment model developed by an external professional third-party natural disaster risk assessment platform, and based on high-precision data and resolution, the Company conducted comparative assessments of the risk exposure levels of seven types of climate risks across all geographic locations with actual operational activities, using latitude and longitude information, under the RCP 2.6/SSP1 and RCP 8.5/SSP5 scenarios. The analysis further evaluated the potential financial impacts of these risks on the Company's operating model and value chain across three-time horizons: short term (0-5 years, up to 2030), medium term (5-10 years, up to 2035), and long term (10-25 years, up to 2050). The delineation of these time horizons is aligned with the Company's phased carbon emission targets and linked to the corresponding operational optimization measures, technological pathway selections, and capital investment planning required at each stage, thereby supporting risk management and resource allocation decisions across different phases. The assumptions underlying the climate scenario analysis include trends in fuel prices, carbon prices, clean energy generation, and changes in fossil fuel demand, all of which introduce inherent uncertainties.

Based on the results of the physical risk scenario analysis across 68[67] geographic locations with actual operational activities worldwide, combined with the corresponding revenue data, the Company identified assets or business activities assessed as "significant" or "severe" as being highly exposed to climate-related physical risks. Under the RCP 2.6/SSP1 scenario, the percentage of revenue exposed to climate-related physical risks in the short, medium, and long term is approximately 12%, mainly distributed in Tianjin, China, as well as Rushden and Liverpool in the UK. Under the RCP 8.5/SSP5 scenario, the percentage is approximately 63%, mainly distributed in Beijing, China; Hoddesdon, Cardiff and Rushden in the UK; and Exton and Baltimore in the US. At the overall company level, the weighted results of the physical risk scenario analysis based on revenue contributions from different geographic locations are presented in the table below. Overall, extreme precipitation and extreme heat may have certain impacts on the Company in the long term.

Physical Risk Code	Climate Scenario					
	RCP 2.6/SSP 1			RCP 8.5/SSP 5		
	Short term	Medium term	Long term	Short term	Medium term	Long term
P1	Negligible	Negligible	Minor	Minor	Minor	Moderate
P2	Negligible	Negligible	Negligible	Negligible	Negligible	Negligible
P3	Negligible	Negligible	Negligible	Negligible	Minor	Minor
P4	Minor	Minor	Moderate	Minor	Minor	Moderate
P5	Negligible	Negligible	Negligible	Negligible	Negligible	Negligible
P6	Negligible	Negligible	Negligible	Negligible	Negligible	Minor
P7	Negligible	Negligible	Negligible	Negligible	Negligible	Negligible

Based on the results of the physical risk scenario analysis, most physical risks are generally manageable in the short and medium term, but certain areas require focused attention over the long term. Under the RCP 2.6/SSP1 scenario, the overall impact of physical risks remains relatively moderate; however, the physical risks associated with extreme heat increase to a medium level in the long term, and the Company expects to correspondingly increase investments in protective and maintenance measures for relevant facilities and operational processes. Under the RCP 8.5/SSP5 scenario, as climate change intensifies, the physical risks associated with extreme precipitation and extreme heat both reach a medium level in the long term. The related potential financial impacts are mainly reflected in the need for the Company to allocate additional funding in the medium to long term for strengthening site infrastructure, implementing waterproofing and cold-resistance upgrades, protecting critical equipment, and enhancing emergency management capabilities. Such expenditures are expected to be primarily in the form of operating and maintenance costs, aimed at mitigating potential impacts of extreme weather events on asset safety and business continuity, thereby avoiding higher repair costs and operational losses.

[67] Including all geographic locations with actual operational activities. Among them, Pharmaron (UK) Limited is disaggregated into three geographic locations based on its operational sites: Hoddesdon, Cardiff, and Rushden.

Current financial impacts of transition risks and opportunities

Affected by increasingly stringent policy and regulatory requirements, Pharmaron further incorporated energy efficiency into key considerations for equipment selection and operational management in 2025, prioritizing the configuration of low-energy-consumption, high-efficiency equipment in new construction, expansion and renovation projects, while strengthening the monitoring and assessment of existing high-energy-consuming equipment. The related impacts were mainly reflected in additional capital expenditures and operating and maintenance expenditures arising from equipment assessment, upgrading and replacement. Such expenditures constituted necessary investments to support the Company's energy conservation, emissions reduction and green transition, and did not have any material adverse impact on the current operating results or financial position.

Transition Risk Code	The Company's Response Measures and Financial Impacts	Amount of Financial Impact
T1	Affected by increasingly stringent energy efficiency requirements and related policy and regulatory requirements, Pharmaron further embedded energy efficiency requirements into its equipment selection and operational management practices in 2025. In new construction, expansion and renovation projects, the Company prioritized the procurement of low-energy-consumption, high-efficiency production and laboratory equipment, and adopted the national Level 1 energy efficiency standard as the basic access requirement uniformly implemented across all sites. At the same time, the Company conducted regular monitoring and proactive supervision of existing high-energy-consuming equipment. Once any abnormal energy efficiency performance was identified or the equipment was found difficult to meet energy-saving requirements, an assessment and replacement process would be initiated, with optimization and upgrading focused on high-energy-consuming processes and key energy-consuming points. In addition, in certain laboratory procedures, the Company replaced circulating water multi-purpose vacuum pumps with diaphragm vacuum pumps, thereby improving utilization efficiency while reducing power demand. These measures were mainly reflected in the capital expenditures and operating and maintenance expenditures arising from equipment assessment, upgrading and replacement, and were indirectly reflected in relevant line items in the Company's financial statements, such as fixed assets, operating costs and administrative expenses, in support of compliant operations and energy conservation and consumption reduction, without having any material adverse impact on the Company's current operating results or financial position.	Approximately RMB300 million

Centered on the opportunities to improve resource efficiency and optimize the energy mix, Pharmaron continued in 2025 to advance optimization of energy-use systems and the deployment of green electricity, including carrying out maintenance and efficiency enhancement work on air-conditioning chilled water systems and related equipment, gradually implementing energy-saving technical retrofits and equipment upgrade plans, and accelerating the procurement and application of green electricity. The related impacts were mainly reflected in phased investments in equipment maintenance, technical retrofitting and energy mix optimization. Such investments helped improve equipment operating efficiency, reduce unit energy consumption, and lay the foundation for the Company's medium to long-term optimization of energy costs and low-carbon development.

Opportunity Code	The Company's Response Measures and Financial Impacts	Amount of Financial Impact
O1	Centered on the opportunity to improve resource efficiency, Pharmaron implemented in 2025 a series of energy-saving optimization and retrofitting measures targeting energy-use systems and key equipment at certain sites. The Company improved equipment heat exchange efficiency and operational stability by conducting condenser cleaning and lubricant replacement maintenance on chillers. At the laboratory level, timer-based retrofits were carried out for fume hood lighting systems to reduce unnecessary energy use. At the same time, the Company advanced the construction of energy storage station facilities at certain sites and implemented projects such as condensate recovery, steam condensate retrofitting, cooling system temperature control optimization, aeration blower retrofitting, LED lighting replacement and high-efficiency fan replacement. These measures were mainly reflected in the operating and maintenance expenditures arising from equipment maintenance, technical retrofitting and project implementation, and were indirectly reflected in relevant line items in the Company's financial statements, such as fixed assets, operating costs and administrative expenses. At the same time, by reducing unit energy consumption and improving the operating efficiency and stability of equipment, these measures positively improved energy costs, supported improvements in current operating efficiency and cost control, and were indirectly reflected in relevant line items in the Company's financial statements, such as operating costs and administrative expenses.	Cost incurred to capture the opportunity: RMB1-5 million Savings generated by the opportunity: RMB5-10 million

Opportunity Code	The Company's Response Measures and Financial Impacts	Amount of Financial Impact
O2	To optimize the energy mix and increase the percentage of renewable energy use, Pharmaron continued in 2025 to advance the procurement of green electricity and arranged corresponding energy management measures. These actions helped reduce the Company's sensitivity to fluctuations in traditional energy prices, improve the predictability and stability of energy costs, and in certain regions obtain subsidies or pricing support related to green electricity procurement, while also supporting emissions reduction targets in operations. These impacts were indirectly reflected in relevant line items in the Company's financial statements, such as operating costs and administrative expenses, laying the foundation for the Company's energy cost management and medium – to long-term low-carbon transition.	Cost incurred to capture the opportunity: > RMB50 million[68]

Anticipated financial impacts of transition risks and opportunities

To assess the anticipated financial impacts of transition risks and opportunities arising from climate change on the Company's business and value chain, Pharmaron adopted the climate scenarios publicly released by the International Energy Agency ("IEA"), namely the Net Zero Emissions by 2050 Scenario ("NZE") and the Stated Policies Scenario ("STEPS"). Across three time horizons, namely short term (0-5 years), medium term (5-10 years) and long term (10-25 years), and based on the parameters and trend analyses publicly released by the IEA, the Company conducted a comprehensive assessment of the transition risks and opportunities it faces around eight key parameters, namely population compound annual growth rate, GDP, fossil fuel demand, crude oil prices, thermal coal prices, natural gas prices, carbon prices and clean energy generation, and analyzed the potential financial impacts of such risks on its operating model and value chain, so as to provide a basis for risk management and resource allocation.

Transition risk and opportunity code	Climate Scenario					
	IEA NZE 2050			IEA STEPS		
	Short term	Medium term	Long term	Short term	Medium term	Long term
T1	Moderate	Moderate	Moderate	Minor	Moderate	Moderate
T2	Moderate	Moderate	Moderate	Minor	Minor	Moderate
T3	Minor	Moderate	Moderate	Minor	Moderate	Moderate
T4	Moderate	Moderate	Significant	Minor	Moderate	Moderate
O1	Moderate	Moderate	Moderate	Minor	Minor	Moderate
O2	Moderate	Moderate	Moderate	Minor	Moderate	Moderate
O3	Minor	Moderate	Significant	Minor	Moderate	Moderate
O4	Minor	Moderate	Significant	Minor	Moderate	Moderate
O5	Moderate	Moderate	Moderate	Minor	Minor	Moderate

[68] Due to limitations in the data update schedule of the green electricity sales platform, the green electricity procurement amount for Pharmaron Xi'an only includes updated data from January to August 2025, while the green electricity procurement amount for the Cramlington site, Pharmaron UK includes forecast data for November and December 2025 Anticipated financial impacts of transition risks and opportunities

Under the IEA STEPS scenario, the overall impacts of various transition risks and opportunities are mainly moderate in the medium to long term, and the related anticipated financial impacts are mainly reflected in the continued operating and maintenance expenditures required for policy compliance, energy efficiency improvement, process optimization and energy mix adjustment, which are expected to result in a gradually increasing but manageable impact on annual costs. By contrast, under the IEA NZE 2050 scenario, the impacts of reputation risks, product and service opportunities, and market opportunities increase significantly in the long term. The Company expects that, in the medium to long term, it will correspondingly increase the intensity of capital and developmental investments related to the application of low-carbon processes, upgrades of key equipment, development of low-carbon products and services, and related business adjustments. Such investments will have more significant impacts on the scale of capital expenditure, asset allocation structure and unit operating costs, while at the same time improving revenue structure and profitability in the long term through increasing the proportion of low-carbon business revenue and reducing costs associated with high-emission businesses.

Sustainability and Climate Change Risk Management

Pharmaron systematically incorporates climate-related risks and opportunities into its overall risk management framework. The Company takes climate-related factors into account in parallel, regularly assesses and reviews the level of climate-related risks, and incorporates the relevant results into its risk management reporting mechanism. Considering national climate strategy directions, industry development trends and global climate change challenges, the Company, based on its business footprint and operational characteristics, systematically identifies physical climate risks, transition risks and related opportunities relevant to its business. Such identification work covers all geographic locations where the Company has actual operational activities, to ensure the comprehensiveness and consistency of risk and opportunity identification.

1 Develop a list of risks and opportunities

In the process of climate-related risk management, the Company first systematically identifies risks and opportunities related to climate change around its own business, operational activities and value chain structure. The identification process takes into account national climate strategy directions, industry development trends and the global climate change context, and, with reference to the Company's historical operating conditions and feedback from internal and external stakeholders, comprehensively reviews climate-related risks and opportunities to develop a climate risk and opportunity list, which provides a basis for subsequent assessment, analysis and management.

2 Prioritize risks and opportunities

To allocate resources effectively and focus management attention on those climate-related risks and opportunities that have relatively significant impacts on the Company, the Company has established corresponding analysis and assessment methods. During the assessment process, the Company comprehensively considers the likelihood of occurrence of climate-related risks and opportunities and their potential impacts on the Company's operations and financial performance and evaluates the significance of the impacts of risks and opportunities through questionnaires, in combination with industry characteristic analysis and external expert opinions.

3 Assess climate resilience using scenario analysis

After comprehensively considering the identified climate-related risks and opportunities, the Company assesses the climate resilience of its strategy and business model. In the climate resilience assessment process, the major uncertainties on which the Company focuses mainly arise from differences in the future macro environment, policy orientations, energy mix and technological development pathways reflected under different climate scenarios. Such uncertainties have been covered and reflected through scenario analysis. The Company dynamically adjusts its short-, medium – and long-term strategies and business model in accordance with climate change trends. For example, in the process of equipment selection and upgrading, it gives priority to high energy-efficiency and low energy-consumption equipment and gradually optimizes its energy use structure, to enhance the Company's overall climate resilience in a sustained and progressive manner.

4 Identify the financial impacts of material risks and opportunities

Based on the results of the prioritization of risks and opportunities, as well as the degree of impacts of climate-related risks and opportunities under different scenarios, the Company carries out financial impact analysis on material risks and opportunities. It focuses on the impacts that climate change may have, across different time horizons, on capital expenditures, operating and maintenance costs, asset safety and business continuity, thereby providing support for the Company's decision-making in resource allocation, investment planning and risk management.

5 Formulate and implement response strategies and measures

The Company ensures that relevant risks remain within a controllable range through regular assessment and review of climate-related risk levels and promotes the integration of relevant management measures into day-to-day operations. Relevant measures include setting targets, adjusting strategic planning, continuously monitoring carbon emission levels, tracking and studying changes in policies and regulations, optimizing and investing in energy-saving equipment, conducting regular employee training, and implementing strategies such as risk transfer or risk acceptance, so as to reduce the potential impacts of climate-related risks on the Company's operations and strategic objectives and to capture development opportunities brought by climate change.

Sustainability and Climate-related Metrics and Targets

As a key measure in response to the results of scenario analysis, the Company carried out a compliance risk audit project in 2025 to comprehensively assess its management practices in the field of climate change, ensuring that all decisions and actions strictly comply with relevant laws, regulations and industry best standards. On this basis, the Company has clearly set emissions reduction targets and dynamically adjusted its overall strategy to continuously monitor and manage progress in carbon emissions; closely tracked the latest domestic and international policy and regulatory developments, conducted in-depth analysis of policy evolution trends, and made early arrangements to enhance its response capabilities; accelerated the upgrading and retrofitting of high-energy-consuming equipment and invested in more efficient, lower-emission energy-saving technologies and equipment, thereby significantly reducing carbon emission intensity and ensuring compliance; regularly organized regulatory and sustainability training for all employees to enhance the team's awareness and implementation capabilities with respect to regulatory requirements; and, at the same time, reasonably applied management strategies such as risk transfer and risk acceptance based on actual risk conditions. In addition, all production sites of Pharmaron UK have joined the Chemical Industries Association (CIA) agreement in the United Kingdom and actively participate in the Chemical Sector Climate Change Agreement ("CCA"[69]) led by the Environment Agency ("EA"). Through these commitments, Pharmaron UK is committed to reducing the impact of carbon dioxide emissions by achieving agreed energy efficiency targets.

In 2025, in accordance with the *GHG Protocol Corporate Accounting and Reporting Standard* and the *Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard*, Pharmaron conducted a systematic inventory of greenhouse gas emissions relating to its own operations and value chain. The inventory results show that the Company's Scope 1 greenhouse gas emissions mainly arise from the use of fuels such as natural gas, gasoline and diesel, as well as fugitive emissions. Scope 2 greenhouse gas emissions mainly arise from purchased electricity, purchased heat and steam, which are primarily used for the operation of production equipment, refrigeration systems and heating. Among these, Scope 2 emissions calculated using the market-based method accounted for 81.10% of the Company's total Scope 1 and Scope 2 greenhouse gas emissions, and purchased electricity (after taking renewable energy factors into account) accounted for 55.04% of total Scope 2 emissions calculated using the market-based method. Total Scope 1 and Scope 2 greenhouse gas emissions (calculated using the market-based method) decreased by 9,167.68 tonnes of CO_2e compared with 2024, representing a decrease of 4.61%.

[69] The CCA, as a voluntary agreement between the chemical industry and the Environment Agency, aims to reduce energy use and carbon dioxide emissions within the chemical sector. Companies participating in the CCA can qualify for exemptions from climate change taxes (energy tax).

Performance Indicator	Unit	2025	2024	2023	2022
Energy consumption[70]					
Natural gas	10,000 standard cubic meters	1,573.29	1,493.05	1,264.53	873.23
Diesel	tonnes	14.50	21.00	40.78	11.98
Gasoline	tonnes	49.38	46.47	82.01	37.86
Purchased electricity	10,000 kWh	36,500.59	32,331.49	29,425.57	23,418.79
Purchased heat	GJ	42,252.53	42,227.92	207,050.43	111,312.57
Purchased steam	tonnes	146,697.52	151,148.30	149,808.51	132,771.74
Renewable electricity	1,000 kWh	153,386.56	83,239.2	–	–
Percentage of renewable electricity in total electricity consumption	%	42.02	25.75	–	–
Total energy consumption	tce	86,184.68	80,570.46	79,459.31	61,341.60
Total energy consumption per RMB10,000 of revenue	tce/RMB10,000	0.061	0.066	0.069	0.060
GHG emissions[71] [72]					
Total GHG emissions (Scope 1 + Scope 2) Market-based method[73]	tCO_2e	189,533.10	198,700.78	251,495.98	183,166.48
Total GHG emissions (Scope 1 + Scope 2) Location-based method	tCO_2e	274,130.05	240,447.47	–	–
GHG emissions per RMB10,000 of revenue (Scope 1 + Scope 2) Market-based method	tCO_2e/RMB10,000	0.13	0.16	0.22	0.18
GHG emissions per RMB10,000 of revenue (Scope 1 + Scope 2) Location-based method	tCO_2e/RMB10,000	0.19	0.20	–	–
Scope 1: Direct GHG emissions	tCO_2e	35,857.59	34,268.00	34,755.68	19,261.36
Scope 2: Indirect GHG emissions – Market-based	tCO_2e	153,707.51	164,432.78	216,740.30	163,905.13
Scope 2: Indirect GHG emissions – Location-based	tCO_2e	238,304.46	206,179.47	216,740.30	163,905.13
Scope 3: GHG emissions	tCO_2e	490,252.44	414,817.33	395,142.93	–

Pharmaron systematically discloses Scope 3 greenhouse gas emissions data to stakeholders and continuously improves the identification, accounting and management of value chain emissions. Based on the relevant standards of the *Greenhouse Gas Protocol*, the Company comprehensively reviewed its Scope 3 greenhouse gas emissions and, in light of its business model and operational characteristics, identified that Category 10, Category 11, Category 13 and Category 14 are not involved in the Company's business activities, while all other Scope 3 categories have been included in the inventory, covering the main emission sources at each stage of the value chain. The inventory results show that the Company's Scope 3 greenhouse gas emissions are mainly concentrated in Category 1 (Purchased Goods and Services) and Category 2 (Capital Goods). On this basis, the Company continuously strengthens the management of value chain emissions by clarifying the specific emission sources covered under each category, gradually strengthening collaboration with internal departments and external stakeholders (including suppliers), promoting the continuous improvement of Scope 3 emissions data, and identifying and implementing value chain decarbonization opportunities. Pharmaron has incorporated Scope 3 emissions into its long-term decarbonization planning and clearly proposed the target of "reducing Scope 3 emissions intensity (economic intensity) by 97% by 2050 from a 2023 base year" in support of the Company's overall climate strategy and the low-carbon transition of its value chain.

[70] The energy consumption coefficient is calculated based on the *General Rules for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020)* (Draft for Comment, July 2018).

[71] During the reporting year, the Company did not undergo any significant structural changes.

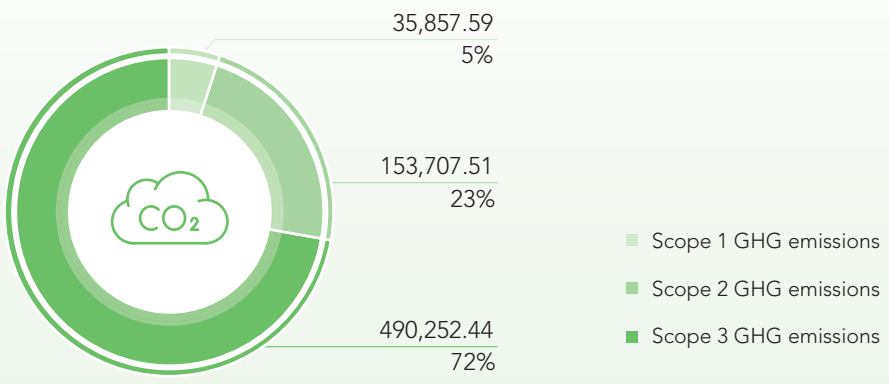
[72] The greenhouse gas inventory includes carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), and hydrofluorocarbons (HFCs). The calculation methodology, inputs, and assumptions used in the current year remain consistent with those applied in the previous year.

[73] The indirect carbon emissions – market-based method – defined in the *GHG Protocol Scope 2 Guidance* refer to a method for quantifying Scope 2 emissions based on the greenhouse gas emissions of power generation units. The reporting entity signs contracts to procure renewable electricity bundled with environmental attributes or purchases unbundled renewable electricity. Source: https://ghgprotocol.org/sites/default/files/202303/Scope%202%20Guidance.pdf

Scope 3 Category	2025 (tCO_2e)	2024 (tCO_2e)
Category 1 Purchased Goods and Services	269,912.82	227,403.06
Category 2 Capital Goods	85,162.95	79,244.67
Category 3 Fuel and Energy – Related Activities	62,455.23	57,102.51
Category 4 Upstream Transportation and Distribution	11,341.64	9,203.55
Category 5 Waste Generated in Operations	23,124.83	20,632.90
Category 6 Business Travel	1,940.14	1,114.26
Category 7 Employee Commuting	17,105.19	11,979.35
Category 8 Upstream Leased Assets	17,483.03	6,812.41
Category 9 Downstream Transportation and Distribution	1,045.62	855.48
Category 12 End-of-Life Treatment of Sold Products	11.52	7.63
Category 15 Investments	669.48	461.50
Total Emissions	490,252.44	414,817.33

Pharmaron has established greenhouse gas emissions reduction targets validated by the SBTi[74], and uses them as a key reference for the Company's climate strategy and decarbonization actions. In the process of setting these targets, the Company conducted a systematic analysis of its business structure, energy use characteristics, and major emission sources based on SBTi framework, comprehensively assessed the decarbonization potential and implementation difficulty across different energy-using links, and developed decarbonization pathway planning that matches the Company's development stage. The carbon targets set by the Company are absolute carbon emissions targets, and the Company does not rely on the purchase of carbon credits or offsetting measures to achieve these targets, so as to ensure the authenticity and long-term sustainability of decarbonization results. Although we have not yet incorporated internal carbon pricing into our decision-making processes, we are actively conducting feasibility analysis of pilot studies to explore the application potential of internal carbon pricing and help us better understand the economic cost of carbon emissions. To ensure the achievement of these targets, the Board is responsible for supervising and reviewing the implementation of various environmental targets by management and monitoring and evaluating the environmental performance of each department. Through a systematic preventive management mechanism, we strive to minimize environmental pollution to the greatest extent and ensure the sustainability of the Company's operations.

Proportion of GHG Emissions (tCO_2e, %)



[74] In June 2024, the Group formally received validation of its science-based targets from SBTi.

Pharmaron Sustainable Development Targets[75]

Indicator Category	Target	Progress in 2025
Short-term greenhouse gas emission	• Pharmaron commits to reduce absolute Scope 1 and Scope 2 GHG emissions by 54.60% by 2033 from 2023 base year. • Pharmaron commits to reduce Scope 3 GHG emission intensity (economic intensity[76]) by 61.1% by 2033, from 2023 base year.	• The absolute GHG (Scope 1 + Scope 2), calculated using the market-based method, were 189,533.10 tonnes, representing a decrease of 24.6% from 2023 (the base year). • The absolute GHG emissions (align with the SBTs boundary[77] for Scope 1 + Scope 2) amounted to 181,970.50 tonnes, representing a 25.35% reduction compared to 2023. • The Scope 3 GHG emissions intensity (economic intensity) was 256.31 tCO_2e per RMB million.
Long-term greenhouse gas emission	• Pharmaron commits to reduce absolute Scope 1 and 2 GHG emissions by 90% by 2050 from a 2023 base year. • Pharmaron commits to reduce Scope 3 GHG emissions intensity (economic intensity) by 97% from 2023 base year.	
Renewable energy consumption	• With 2023 as the base year, gradually increase the use of renewable energy.	• Pharmaron Beijing, Pharmaron Shaoxing, Pharmaron Tianjin, Pharmaron Xi'an, Pharmaron US, and Pharmaron UK used renewable energy. In 2025, the consumption of renewable electricity amounted to 153,386.56 MWh, while the use of biomass steam reached 394.40 MWh. • Cramlington Site, Pharmaron UK continued to cooperate with biomass energy suppliers, sourcing electricity and steam generated from biomass. • 100% of the energy used at Liverpool Site, Pharmaron UK is from renewable sources.
Water resource consumption	• With 2023 as the base year, gradually reduce the intensity of water consumption from 1.55 tonnes/RMB10,000.	• The total water consumption was 2,068,482.37 tonnes, with water use intensity of 1.47 tonnes/RMB10,000, representing a 1% reduction compared to 2024.
Compliance rate of waste disposal	• Maintain a 100% compliance rate of waste disposal.	100% of waste is disposed of in compliance with regulations.

Biodiversity Protection

Governance

As global attention to the nature and biodiversity crisis continues to grow, Pharmaron recognizes that its operations, supply chains, and the communities where it operates are intrinsically linked to the health of ecosystems. Following the recommendations of the Taskforce on Nature-related Financial Disclosures ("TNFD") framework, Pharmaron systematically discloses the risks and opportunities arising from its dependence on and impacts to natural ecosystems across the four dimensions of Governance, Strategy, Risk and Impact Management, and Metrics and Targets.

Pharmaron has established a clear governance structure with well-defined roles and responsibilities, continually strengthening a three-tier management framework, with the Board serving as the highest decision-making body. The Company has integrated nature and biodiversity risk management into its overarching management framework to guide and oversee the formulation, implementation and evaluation of relevant strategies. We continue to refine our oversight mechanisms for nature-related risks and opportunities, clarify responsibilities at each level of management, and safeguard the Company's high-quality and sustainable development. For details on the governance structure, please refer to the ESG Governance section.

In decisions involving biodiversity and natural resources, the Company pays particular attention to the rights and interests of indigenous peoples, local communities and other potentially affected stakeholders. The Company has developed and implemented a comprehensive human rights policy covering impact across the supply chain, operational environment, and communities. Through structured engagement mechanisms — including pre-project communication, community consultation, ongoing information disclosure and grievance channels — we collect feedback and opinions to ensure that the planning and implementation of nature-related projects are inclusive and responsive to stakeholder concerns.

[75] The sustainable development targets cover assets over which Pharmaron holds financial control, including its operations in China, the UK, and the US, aligning with the organizational boundaries used in the Company's financial accounting and reporting procedures. Under financial control, the Company also holds operational control over all its subsidiaries and will implement emission reduction strategies.

[76] The Coventry Site, Pharmaron US is not included in the SBTi boundary.

[77] The economic intensity refers to the carbon emissions generated per RMB million of operating profit.

Strategy

Pharmaron's business operations, the full lifecycle of its products, and all stages of its value chain are closely connected to natural ecosystems. We apply the Locate, Evaluate, Assess, Prepare ("LEAP") approach recommended by TNFD to identify and assess our nature-related impacts and dependencies, risks and opportunities, incorporating nature-related considerations into our strategy to address potential risks and enhance strategic resilience.

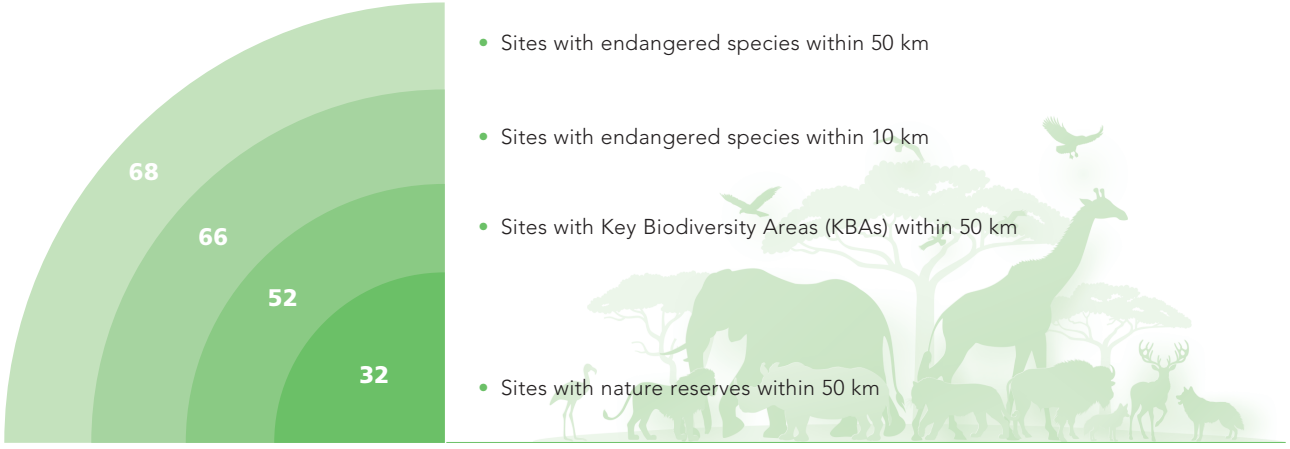
Locate (L)

Drawing on the Locate analysis of the LEAP approach, Pharmaron used the Integrated Biodiversity Assessment Tool ("IBAT")[78] and the Biodiversity Impact Assessment tool ("BIA")[79] to conduct a systematic assessment of 68 operational locations worldwide, focusing on the direct and indirect linkages between its operational activities and surrounding ecosystems at both spatial and functional levels.

Based on the assessment, the Company identified potential habitats or distribution areas of endangered species — including Saker Falcon (*Falco cherrug*) and Green Peafowl (*Pavo muticus*) — within 50 km of all Pharmaron's operational locations. Of these, 66 locations also have habitats or distribution areas of such endangered species within 10 km. However, given that our business model is centered on laboratory-based preclinical research and development services, with primary activities conducted in controlled indoor environments — and not involving field resource collection, large-scale land development or direct disturbance to natural habitats — day-to-day operations have limited ecological interaction with the physically adjacent endangered species, resulting in extremely low levels of direct disturbance and impact.

A total of 30 operational locations are situated within 50 km of various nature reserves, including Beigong National Forest Park in Beijing and Xianghe Chaobai River Grand Canal National Wetland Park in Hebei. To fulfil our environmental responsibilities and mitigate potential impacts, we strictly comply with environmental regulations and ecological conservation red line requirements during the site selection and construction. Through environmental impact assessments, we prioritize the avoidance of ecologically sensitive areas such as the core zones and buffer zones of nature reserves. During operations, we fully implement our environmental management system to ensure compliant and up-to-standard treatment and discharge of all emissions, and effectively manage indirect impact factors such as noise, vibration and light pollution, to minimize disturbances to surrounding protected areas.

Overall, based on our laboratory R&D business nature, prudent site selection strategy and comprehensive environmental management across all operational phases, the risk of our operations impacting endangered species and their habitats in the surrounding areas remains manageable. The Company will continue to monitor and comply with the ecological and environmental policies of the jurisdictions in which it operates and actively fulfils its corporate environmental responsibilities.



[78] Developed by the IBAT Alliance (which includes BirdLife International, Conservation International, the International Union for Conservation of Nature, and the UN Environment Programme World Conservation Monitoring Centre), the tool provides access to data from three major global biodiversity databases for assessing the proximity of project sites to critical protected areas for endangered species.

[79] A tool developed by Shan Shui Conservation Center and the Center for Nature and Society at Peking University for assessing biodiversity impacts.

Evaluate Impacts and Dependencies (E)

In accordance with the TNFD LEAP methodology and sector-specific guidance, Pharmaron applied the Exploring Natural Capital Opportunities, Risks and Exposure ("ENCORE"[80]) database – jointly developed by the UN Environment Programme World Conservation Monitoring Centre ("UNEP-WCMC") and UN Environment Finance Initiative ("UNEP FI") – to assess the extent of our business activities' dependence on and impacts to nature. We also established a biodiversity working group and hosted a TNFD Nature Dependencies and Impacts Workshop to identify the extent to which different industries depend on and impact natural capital, thereby helping the Company develop targeted nature-related risk management measures.

	Impact/Dependency Factor	Upstream		Direct Operations		Downstream
		Manufacture of basic chemicals	Wholesale procurement of raw materials	Research and experimental development on social sciences and humanities	Manufacture of pharmaceuticals and medicinal chemical products	Manufacture of pharmaceuticals and chemical products medicinal
Dependencies	Education, scientific and research services					
	Genetic material services					
	Water supply					
	Global climate regulation services					
	Local (micro and meso) climate regulation services					
	Soil and sediment retention services					
	Solid waste remediation					
	Water purification services					
	Water flow regulation services					
	Flood mitigation services					
	Storm mitigation services					
Impacts	Disturbances (e.g. noise, light)					
	Emissions of GHG					
	Emissions of non-GHG air pollutants					
	Generation and release of solid waste					
	Area of land use					
	Emissions of toxic pollutants to water and soil					
	Volume of water use					
	Introduction of invasive species					
	Emissions of nutrient pollutants to water and soil					
	Other biotic resource extraction (e.g. fish, Timber)					

Legend:

High materiality rating | Medium materiality rating | Low materiality rating | Very low materiality rating

Education, scientific and research services: Natural species and their genetic resources provide an important foundation for drug lead compound discovery and biotechnology research, while ecosystem research provides the scientific basis for understanding the links between environmental health and drug development. Degradation of natural habitats or decline in biodiversity could reduce the availability of biological specimens and ecological data required for research, thereby undermining the diversity of the Company's R&D pipeline and its long-term innovation capacity. Maintaining these nature-driven scientific services is therefore an important foundation for ensuring the continuity of the Company's R&D and sustaining its scientific competitiveness.

Water purification services: The Company's operations and R&D processes require high-quality water and indirectly rely on water purification services provided by natural ecosystems, including natural processes such as water self-purification and pollutant degradation. The sustainable supply of water purification services directly affects the quality and cost of process water. If natural purification capacity declines due to ecosystem degradation, the Company may be compelled to increase investment in water treatment and face heightened water quality compliance risks. Maintaining the integrity of surrounding aquatic ecosystems is therefore an important foundation for securing the Company's water resource safety and operational stability.

Disturbances: The operation of facilities may generate continuous noise and artificial light, causing disturbance to the behavior of surrounding wildlife, such as affecting breeding, migration and foraging. These non-invasive impacts can nonetheless alter local ecological dynamics. Mitigating such disturbances through technical and management measures helps maintain ecologically responsible operations.

Emissions of toxic pollutants to water and soil: Chemicals used in laboratory processes, if accidentally spilled or improperly managed, may discharge toxic pollutants into soil or water bodies. Such releases could directly harm biological health, contaminate habitats and lead to long-term ecological degradation and compliance risks. Strengthening the full life-cycle management of chemicals is of critical importance.

[80] ENCORE is jointly developed by the Natural Capital Finance Alliance ("NCFA") and the UNEP-WCMC. It is one of the key tools that helps financial institutions assess their dependencies on and impacts to nature at the portfolio level.

Assess Risks and Opportunities (A)

Based on the risk and opportunity classification framework recommended by TNFD, Pharmaron has systematically analyzed the types of short-, medium – and long-term risks and opportunities related to biodiversity, assessed their potential impacts on the business, and developed and implemented targeted management measures that incorporate avoidance, mitigation, restoration, and regeneration strategies — ensuring effective management of biodiversity-related risks and supporting the long-term stability and development of the Company's business.

Type	Risk	Time Horizon	Impacts on own operations and value chain			Response Measures
			Upstream	Direct Operations	Downstream	
Acute Physical Risk	Natural Disasters	Short-term	Suppliers of key raw materials (e.g., plant extracts, fermentation products) suspend production due to floods, typhoons, etc.	Disruption of R&D laboratory or production base operations; damage to experimental samples; water shortages; disruption to cleaning and cooling systems	Unstable product supply; damage to customer partnerships; decline in market confidence	• Establish a diversified supplier network and raw material stockpiling mechanism • Develop business continuity plans and build emergency facility systems • Establish transparent communication mechanisms with customers and provide alternative supply solutions
Chronic Physical Risk	Reduced Resources Due to Ecosystem Degradation	Medium – to Long-term	Reduction in natural medicinal botanical and zoological resources; unstable supply of extract.	Rising raw material costs, affecting the feasibility and cost of long-term R&D	Impeded development of innovative drugs dependent on biological resources	• Promote sustainable sourcing programs; invest in artificial cultivation and synthetic alternatives research • Optimize R&D processes and improve resource utilization efficiency
	Changes in Climate Patterns Affecting Pathogen Transmission		Shifts in the distribution of pathogens or vector organisms, bringing new biosafety risks	Increased risk of biological contamination in R&D environments; higher laboratory biosafety costs	Pharmaceutical safety challenged; more stringent regulatory scrutiny	• Strengthen laboratory biosafety levels and dynamic monitoring systems • Establish pathogen early warning and rapid response processes
	Water Scarcity		Changes in regional precipitation patterns; continuous reduction in surface and groundwater resources	Significant increase in process water costs; constraints on critical processes such as cooling and cleaning	Reduced product capacity; compromised supply chain stability; community tensions	• Implement water recycling and water-saving process upgrades • Assess site selection and water risk; develop regional water source reserves
Transition Risk	Policy Risk	Short-term	Suppliers required to comply with more stringent biodiversity conservation and resource access regulations (e.g., ABS principles)	Require adjustments to procurement strategies; strengthen compliance management; increased costs	Customer preferences shifting towards products that meet ethical and biodiversity standards	• Continuously track regulatory changes • Proactively engage in industry standard-setting and policy dialogue • Conduct regular training sessions
	Market Risk	Medium-term	Growing market demand for nature-friendly raw materials from upstream	Need to develop more sustainable alternative raw materials or processes to maintain market competitiveness	Downstream customers preferentially selecting suppliers with biodiversity commitments	• Conduct product life-cycle biodiversity impact assessments • Establish dedicated R&D funds for sustainable raw materials
	Technological Risk	Medium-term	Emergence of alternative technologies such as synthetic biology, disrupting established technologies	Requires investment in developing alternative technologies, or face the risk of being displaced by traditional resource-dependent processes	Downstream customers switching to more sustainable and reliable technology solutions	• Promote a technology transformation roadmap and talent development plan • Establish a technology monitoring and iterative innovation system
	Reputational Risk	Short-term	If upstream suppliers engage in biodiversity-damaging activities (e.g., over-collection), this will have a knock-on impact on the Company's reputation	Generation of noise and light pollution, or discharge of toxic pollutants into soil and water bodies during production and R&D activities, posing health threats to local communities and damaging brand image	Customers and the public reducing acceptance of Company products due to negative publicity; investors and clients avoiding companies with poor reputations	• Conduct environmental impact monitoring and community communication for operations • Establish crisis communications and information disclosure mechanisms
	Liability Risk	Long-term	Legal disputes arising from upstream resource access that violates regulations such as the Nagoya Protocol	Companies facing fines or litigation due to inadequate supply chain management	Drug market approval may be delayed or denied due to compliance issues	• Conduct regular supply chain audits and third-party certification

Opportunity	Time Horizon	Impacts on own operations and value chain			Response Measures
		Upstream	Direct Operations	Downstream	
Market	Medium-term	As market demand for sustainably certified raw materials grows, upstream suppliers will proactively enhance their biodiversity conservation and compliance capabilities to maintain partnerships with core companies	Enhance product market competitiveness and premium positioning through obtaining certifications (e.g., ISO 14001) or strengthening sustainable development brand image	Products meeting biodiversity standards are more favored by consumers, helping the Company expand into green market segments and increase customer loyalty	• Conduct sustainable brand communication and consumer education
Resource Efficiency	Medium-term	Improved resource utilization efficiency across the supply chain, driving upstream partners to undertake technology innovation and process improvements	Improved resource efficiency directly reduces the Company's operating costs and enhances the environmental resilience of the production system	Products with high resource efficiency better meet downstream customers' sustainable procurement requirements, helping to consolidate customer partnerships	• Invest in R&D in efficient resource utilization and recycling technologies. • Conduct full value-chain material flow analysis and optimization programs
Products and Services	Medium – to Long-term	Steady demand for sustainable raw materials promotes the conservation and sustainable use of upstream biological resources, driving regional eco-economic development	Product innovation based on sustainable raw materials brings new revenue streams to the Company and reinforces its technological R&D advantage	Green pharmaceutical products align with the growing consumer trends for health and environmental sustainability, driving increased market acceptance and policy support	• Establish a sustainable raw materials R&D and transformation platform • Advance product certification and labelling systems

Our Actions (P)

To systematically address nature-related risks and capture opportunities, Pharmaron has deeply integrated ecological conservation into its operational management. By developing and implementing a series of targeted initiatives, the Company not only systematically manages the potential impacts of our operations on surrounding ecological environments, biological populations and laboratory animals, but also translates biodiversity conservation into concrete practices within day-to-day production activities.

Biodiversity Protection

Pharmaron consistently upholds the principle of biodiversity conservation, continuously monitoring the potential impacts of our operations on surrounding environments and ecosystems, and systematically conducts ecological impact assessments. In our operations, we fully incorporate biodiversity considerations, identify associated risks, evaluate activity impacts, and proactively avoid establishing and operating facilities in ecologically sensitive areas, to protect local ecological environments and biodiversity and avoid significant adverse impacts on ecosystem stability. Currently, none of the Company's operational activities are located within ecologically protected red line areas.

We have integrated biodiversity conservation into the sustainable development strategies of each operational sites, setting the explicit goal of "mitigation and compensation of the ecological impacts of operational activities", and systematically advancing the collaborative management of each site and its surrounding ecological environment. In site planning and construction, the Company emphasizes ecological connectivity, adopting open-style perimeter fencing designs that preserve natural migration corridors for wildlife. At the same time, in areas of operational risk, the Company has scientifically deployed physical barriers such as steps, cofferdams and protective nets to create multi-layered safety buffers, effectively preventing wildlife from entering inadvertently and ensuring both animal welfare and operational safety.

Case | **Implementing Active Protection of Native Species and Practicing Collaborative Ecological Safety Management**

As an important component of Pharmaron's global operations system, Pharmaron Xi'an has integrated environmental protection and biodiversity conservation into its daily operations and corporate culture. The site continuously promotes employee participation in ecological protection practices through internal communications and organized activities, steadily reinforcing consensus on green development.

In 2025, through routine ecological monitoring, Pharmaron Xi'an identified signs of native wildlife activity on its site, including the Green Rough Grass Snake (*Opheodrys major*) and the Siberian Weasel (*Mustela sibirica*). Following the principle of "in-situ protection and appropriate relocation" the site, based on a scientific assessment of ecological impact and operational safety, properly relocated and released the relevant individuals into suitable surrounding habitats. This approach both safeguarded the species' survival needs and maintained safe site operations, effectively achieving synergy between ecological protection and operational management.

Case | Revitalizing Site Ecology, Building Industry in Harmony with Nature

The Liverpool Site, Pharmaron UK has systematically enhanced biodiversity through a series of targeted ecological initiatives. The site has installed beehives and bird boxes, adopted a "No Mow May" approach to allow grassland to grow freely, renovated the main courtyard by planting native species and wildflowers to create ecological focal points, and implemented soil rehabilitation and greening around new buildings, while converting temporary parking areas back into permanent grassland and retaining lawn areas to support wildflower growth. These practices not only provide food and habitat for insects and birds, but also transform industrial spaces into self-sustaining micro-ecosystems, achieving a harmonious coexistence between business development and nature conservation.

Case | Pharmaron Ningbo Organizing "Animal Care Month"

In November 2025, Pharmaron Ningbo organized an "Animal Care Month" campaign covering a range of activities. We invited experts to deliver keynote lectures on optimizing the care and use of laboratory animals. At the same time, we held photography and painting exhibitions on the theme of animal welfare, encouraging employees to express their respect for life through artistic forms. In addition, a "Rainbow Mileage: A Celebration of Life" fun running competition was planned to promote a healthy lifestyle and convey the message of caring for animals, further enhancing employee awareness of and participation in animal welfare.

When conducting collaborative research involving plant, animal or microbial specimens or resources, Pharmaron complies with the *Convention on Biological Diversity* (CBD) and the Access and Benefit-Sharing (ABS) international framework, ensuring that the sourcing of genetic resources is compliant and traceable. We establish digital traceability records for biological samples used in experimental and screening processes and conduct regular assessments of the potential impacts of R&D activities on the sustainability of genetic resources.

To reduce the dependence on and impact of the full product lifecycle on ecosystems, biological species and their habitats, and biological genetic resources, the Company has established a full value-chain management and control system spanning from R&D source, production operations and supply chain management to end-of-life disposal. We systematically deploy alternative technologies, traceability mechanisms and eco-friendly practices, and continuously extend the boundaries of our actions to cover more business scenarios that are deeply connected to nature.

Risk and Impact Management

Pharmaron follows its overarching risk management framework, integrating nature-related issues into unified risk governance. For specific risk points, functional departments collaborate with value chain partners to systematically advance actions across the "mitigation hierarchy" — encompassing avoidance, reduction, restoration and regeneration, and transformation — to collectively build a more resilient green value chain. We categorize and assess nature-related risks and opportunities across short-term, medium-term, and long-term horizons, and make systematic adjustments to our business portfolio, strategic planning and financial resource allocation accordingly. This approach ensures that nature-related risks are effectively managed and supports the long-term sustainable development of the Company's business.

Metrics and Targets

As a member of the natural ecosystem, Pharmaron regards the mitigation and restoration of the natural environment as a social responsibility. In addition to recognizing the nature-related risks the Company may face, it proactively creates opportunities for positive impacts on nature and has plans to carry out financial impact assessments of nature-related risks and opportunities.

We have identified financial impacts associated with nature-related risks and opportunities, encompassing expenditure on dedicated biodiversity assessments, ecological maintenance costs in areas surrounding operational locations, expenditure to ensure the welfare of laboratory animals, and costs relating to sustainability disclosure and advisory services. This is intended to help stakeholders, industries and society at large gain a more comprehensive understanding of Pharmaron's actions and associated financial performance in natural value creation.

Key Indicators	Unit	Value
Total number of operational locations globally in 2025	Sites	68
Of which: number of locations subject to biodiversity risk assessment	Sites	68
Of which: number of locations with endangered species within 50 km	Sites	68
Of which: number of locations with endangered species within 10 km	Sites	66
Of which: number of locations with Key Biodiversity Areas within 50 km	Sites	52
Of which: number of locations with nature reserves within 50 km	Sites	32
Of which: number of locations identified as having high biodiversity risk	Sites	0
Number of operational locations globally with nature reserves within 50 km in 2024	Sites	24
Number of operational locations globally with nature reserves within 50 km in 2023	Sites	22

Looking ahead, Pharmaron will continue to advance the systematization and refinement of its biodiversity management. The Company will conduct 100% systematic biodiversity assessments across all operational locations to scientifically identify ecological dependencies and impacts and provide a comprehensive basis for operational decision-making. Building on this foundation, the Company is committed to exploring and implementing nature-based solutions, pursuing systematic conservation and restoration measures to promote the coordinated development of corporate activities and ecological conservation, and ultimately striving to achieve a "net positive impact" on biodiversity, making a positive contribution to sustainable development and ecological conservation.

Green Operations

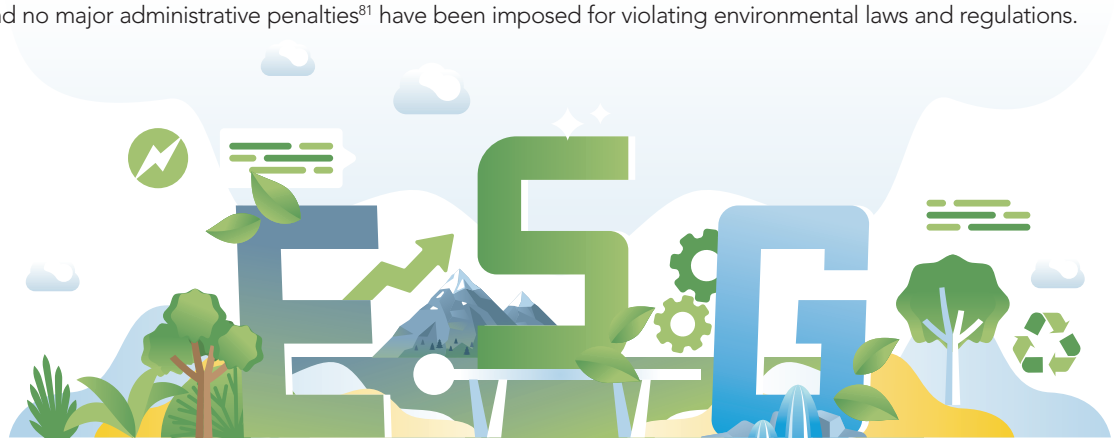
Environmental Management System

To uphold the environmental strategy and achieve sustainable targets, Pharmaron continuously enhances its environmental governance structure. The Board and the Strategy Committee oversee the Company's environmental management efforts. The Compliance and ESG Committee supervises and evaluates the effectiveness of the environmental management system, while the EHS Department is responsible for environment management. The EHS Department is tasked with facilitating the orderly implementation of environmental management efforts and ensuring that corporate operations comply with environmental regulations and internal environmental policies. Guided by the United Nations Sustainable Development Goals (SDGs), the Company implements various environmental initiatives to steer its green development.

Pharmaron conducts regular annual reviews and evaluations of its environmental management system to ensure its effectiveness, compliance with relevant regulations, and alignment with the Company's sustainability goals. During these reviews, we assess the framework of the environmental management system, including policies, procedures, and performance indicators, to identify areas for improvement. The evaluation results serve as the basis for necessary updates and adjustments, ensuring continuous improvement. By systematically reviewing our practices, we not only enhance environmental performance but also further strengthen our commitment to sustainability and regulatory compliance. The Pharmaron UK Sustainability Committee regularly organizes cross-site meetings to discuss sustainability plans, updates to environmental regulations, cross-site best practices, and employee training, providing coordinated guidance on environmental management.

Prior to any investment or merger and acquisition activities, the Company conducts due diligence and assessments of potential business partners in accordance with its internal systems. Particular attention is paid to the partners' ESG performance across multiple dimensions, including environmental management, climate change, pollution prevention, resource utilization, and biodiversity. These assessments serve as part of the key considerations in our investment decision-making process. Since the revision of the relevant policies, we have not carried out any new investment or merger and acquisition activities.

Pharmaron strictly abides by the applicable laws and regulations in the locations where we operate, including the *Environmental Protection Law of the People's Republic of China*, the *Energy Conservation Law of the People's Republic of China*, the *Environmental Protection Act 1990* of the UK, the *Environment Act 2021* of the UK, the *Energy Policy Act of 2020* of the US, as well as environmental protection regulations promulgated by the United States Environmental Protection Agency and the Maryland State. In accordance with regulatory requirements and standards applicable in each operating location, the Company has established a set of internal environmental management policies and procedures, including the *Pharmaron Environmental and Sustainability Policy*, *Environmental Protection Management Procedures*, *Environmental Monitoring and Measurement Management Procedures*, and *Environmental Pollution Incident Management Procedures*. These documents form a comprehensive environmental management system covering key areas such as environmental governance, monitoring, and emergency response. The system clearly defines environmental management responsibilities and implementation processes, effectively supports the identification and control of environmental risks, and facilitates the Company's green transition and sustainable development. In 2025, no major accidents impacting the environment and natural resources have occurred, and no major administrative penalties[81] have been imposed for violating environmental laws and regulations.



[81] Major administrative penalties refer to administrative sanctions that have a material and substantial impact on a company's production and business operations. Such penalties include, but are not limited to, restrictions on or deprivation of core operating qualifications (such as orders to suspend production or business operations, shutdowns, revocation of licenses, or restrictions on production and operations), administrative detention of personnel directly responsible, inclusion on supervisory watch lists or being subject to key regulatory oversight due to severe consequences or significant adverse social impact, as well as penalties involving a relatively large amount of fines.

Pharmaron Environmental Management System

Identification of environmental risks	• Identify all aspects related to activities and processes comprehensively such as drug development requirements, procurement, R&D testing, chemical storage, dispensing, and transportation; conduct in-depth assessments of potential environmental risks in these areas, including wastewater discharge, air pollution, solid waste, material and resource use efficiency, and energy consumption. Through identification and assessment, a better understanding of the environmental impact of each aspect can be achieved.
Assessment of environmental impacts	• Carry out risk analysis and assessment for all activities involved in drug R&D, procurement, R&D testing, chemical storage, packaging, and transportation in terms of environmental factors such as wastewater, air emissions, solid waste, material and resource usage, and energy consumption; strive to minimize the adverse environmental impacts of corporate production and operations. • Formulate the *Environmental Factor Identification and Evaluation Summary Table* and the *List of Significant Environmental Factors* based on the assessment results, integrate the environmental factors of the list into the Company's EHS targets and plans to effectively control and manage environmental risks; establish management and control mechanisms to reduce the risks of environmental accidents involving these factors. • Conducted environmental risk assessments for energy and greenhouse gas emissions across all sites in 2025.
Environmental management and monitoring	• Strictly implement the system which specifies that "environmental protection facilities of construction projects shall be designed, constructed, put into operation and use simultaneously with the main project" to regulate the environmental management and environmental impact assessments for new projects; eco-friendly materials are prioritized to minimize adverse impacts on the surrounding environment during construction. • Establish a sound environmental management system for daily operations, regularly identify environmental risks in corporate operation and production, frequently track and evaluate the Company's environmental management and performance, and ensure full compliance with environmental regulations.
Response to emergency environmental incidents	• Formulate and improve the *Environmental Pollution Accident Emergency Rescue Plan*, conduct comprehensive risk assessments, and regularly carry out emergency drills to enhance the ability and response efficiency of all employees in dealing with sudden environmental incidents, strengthen employees' emergency awareness and minimizes potential harm to the environment and the public. • Develop the *Disaster Response Plan and Emergency Response Procedures*, establish an emergency management mechanism with unified command, hierarchical responsibility, and rapid response to address potential natural disasters such as typhoons, earthquakes, lightning, fires, and floods; standardize forecasting and warning procedures and emergency response protocols to effectively reduce the impact of natural disasters and minimize injuries, fatalities, and property losses.

Pharmaron continues to strengthen the development of its environmental management systems across all sites and actively advances third party certification efforts. The Company aims to achieve 100% ISO 14001 certification coverage at all major operational sites by 2030. Currently, Pharmaron Beijing, Pharmaron Ningbo Site I, Pharmaron Xi'an, the Cramlington Site, Pharmaron UK, and the Liverpool Site, Pharmaron UK have obtained ISO 14001 certification. In 2025, Pharmaron Ningbo Site I and Pharmaron Xi'an newly achieved ISO 14001 certification. Over the past three years, the ISO 14001 Environmental Management System certification coverage rate across the Company's major operational sites has increased year by year.

Percentage of major operational sites with ISO 14001 certification

Indicator	Unit	2025	2024	2023
Percentage of major operational sites with ISO 14001 certification	%	50	30	30

• ISO 14001 Environmental Management System Certificate

Pharmaron continues to enhance its environmental management oversight mechanisms and improve management effectiveness through the implementation of multitiered environmental audits. In addition to conducting regular internal audits of the environmental management system, the Company actively accepts and successfully passes external environmental audits conducted by government regulatory authorities, customers, and internationally recognized third-party organizations. These efforts have effectively driven the continuous optimization of environmental management practices across all sites and ensured that operations consistently meet the highest environmental protection standards.

Frequency of internal and external audit in major operational sites

Indicator	Unit	2025	2024
Frequency of internal audit in major operational sites	times	10	2
Frequency of external audit in major operational sites	times	26	83

Environmental Management Practices

Adhering to the principle of green operations, the Company has adopted low carbon operational strategies in daily office work, employee commuting, resource and energy use, and incorporated low-carbon concepts into all aspects of corporate operations. This comprehensive low-carbon operational strategy not only showcases the Company's commitments to sustainable development, but also helps reduce environmental impacts and improve resource efficiency.

Green Office

Paperless office system	• Office system: We establish a mobile office automation ("OA") platform to manage applications such as online attendance, approvals, contact lists, and email. • Conference system: We extensively use teleconferencing and video conferencing equipment and coordinate with suppliers through online systems, significantly reducing the need for offline meetings. • We implement a paperless travel and visitor registration system to comprehensively promote paperless office operations, reinforce environmental awareness, enhance resource conservation, and improve overall operational efficiency.
Work from home	• Most of the scientific work involves dedicated lab space which requires the employees to carry out their work on site. If the nature of the job permits, the Company promotes work from home on an as-needed basis, thus reducing carbon emissions caused by employee commuting.
Shared office	• To promote green office practices and reduce office resource waste, the Company regularly conducts inventory assessments of vacant spaces. It implements a shared seating policy to improve space efficiency, reduce unnecessary energy consumption, and minimize resource waste.
Transition from gasoline and diesel vehicles to electric vehicles	• Gasoline-powered vehicles in company fleets and shuttle services are gradually being replaced with electric vehicles, while diesel vehicles have been phased out to reduce greenhouse gas emissions. Electric vehicles are more efficient and consume less energy than gasoline-powered cars, effectively decreasing overall energy consumption. • The principle of "electric vehicles as the priority for official travel" is strictly implemented at Pharmaron Beijing, achieving 100% electric vehicle usage for intra-city official travel. Significant progress has also been made in greening employee commuting. In 2025, 11 additional electric vehicles were introduced in collaboration with outsourced shuttle bus providers, increasing the electrification rate of the fleet to over 90%, with only a small number of fuel powered vehicles retained for special needs. Meanwhile, routes and departure frequencies are continuously optimized based on occupancy data analytics, improving green commuting rates while reducing operating costs. • The Coventry Site, Pharmaron US has introduced three electric vehicles for on-site business use, actively pursuing energy-saving practices.
Resource recycling	• Office and protective equipment are distributed based on demand, with a policy encouraging the exchange of old items for new ones. • Pharmaron Beijing actively promotes the circular use of office furniture by prioritizing the use of returned or consolidated idle furniture when expanding office areas, thereby maximizing resource utilization. In addition, used laboratory coats and discarded packaging cartons are sorted and recycled to promote resource regeneration.
Energy-saving lighting retrofit	• Continue to advance the LED lighting upgrade project, completely replacing traditional lighting equipment. • The Exton Site, Pharmaron US uses LED energy-saving lighting and motion sensors to enable on-demand lighting, avoiding unnecessary energy consumption.
Building energy management	• Pharmaron Clinical adjusts air conditioning based on temperature conditions and encourages employees to reduce air conditioning use by one hour per day. • Corridor light switches have been converted to timer-controlled switches to reduce nighttime electricity consumption at Beijing Technology Development. • Pharmaron UK sites use building management systems to centrally monitor and optimize their heating systems.

Water Management

Pharmaron attaches great importance to water use and conservation. To effectively manage clean production, the Company developed and implemented the *Cleaner Production Work Instruction*, and established a Clean Production Leadership Group responsible for relevant management tasks. The Group is led by the COO, with members including the heads of various management departments, responsible for relevant management tasks. The leadership group oversees a Clean Production Task Force and a Clean Production Office to coordinate in advancing clean production efforts. In addition, other departments actively participate in target setting, management, and supervision, working together to achieve clean production goals and ensure the effective implementation of clean production measures. To continuously optimize water resource utilization, the Company has set a target to reduce water intensity by 30% by 2035, using 2023 as the base year. In 2025, water intensity decreased by 1% compared with 2024. During the year, the water intensity at major operational sites was 1.16 tons per RMB10,000 of revenue.

Facility Management Department	• Be responsible for reviewing technical issues and solutions related to clean production • Be responsible for managing daily water usage, developing and implementing water conservation plans to effectively reduce water resource consumption, and promoting the implementation of water-saving measures • Review water conservation plans proposed during clean production audits and organize corresponding implementation efforts to promote the efficient use of resources and environmental protection
Administration Department	• Be responsible for supervising and inspecting water-saving measures during the cleaning process of laboratory utensils to ensure the efficient use and management of water resources

Water resource risk is among our top priorities. To address water-related environmental risks, the Company has formulated and implemented strict water resource management strategies. We strive to reduce water waste in the production process through methods such as water recycling. In regions facing water scarcity, such as Shaanxi in the northwest, Hebei and Shanxi in the north, Anhui and Shandong in the east, and Henan in the central region, the Company plans to conduct in-depth studies, with a focus on exploring the application of reclaimed water reuse and wastewater recovery technologies, in order to further reduce water intensity and enhance water efficiency. Currently, all sites primarily rely on municipal water supply, and no difficulties in water sourcing or usage have been identified. Stable water supply supports normal operations across all sites and ensures the smooth progress of business activities.

In daily office management, the Company reduces unnecessary water consumption and wastage through measures such as routine inspections of public facilities and the installation of water saving signage. In addition, water conservation awareness activities are organized, and water saving content is incorporated into the quarterly training framework, with the aim of continuously enhancing employees' water conservation awareness and fulfilling corporate social responsibility.

Beyond energy conservation, pollution control, and resource circularity measures in daily operations, the Company also pays close attention to the environmental impact of product packaging. To quantify resource efficiency in the packaging stage, the Company discloses the total volume of packaging materials used during the reporting period as well as packaging material usage per RMB10,000 of revenue. This disclosure enables a more intuitive assessment of resource use intensity and provides a data driven basis for future optimization of packaging design and the promotion of source reduction initiatives.

Use of Resources Indicator	Unit	2025	2024	2023	2022
Total amount of packaging materials used	kg	38,874	20,380	16,210	13,870
Packaging materials used per RMB10,000 of revenue	kg/RMB10,000	0.028	0.017	0.014	0.014

Environmental Awareness Training and Communication

To ensure that employees are fully informed of the latest environmental management systems, policies, and procedures, the Company has integrated environmental training into its employee training programs, with course content reviewed at least once each year. The Company aims to achieve 100% annual participation of employees in environmental training. In 2025, the coverage of environmental training for employees reached 100%. In addition, the Company actively organized a series of environmental awareness and education activities, focusing on standardized waste handling, emergency response to environmental incidents, and the sharing of environmental protection knowledge. These initiatives continuously enhanced employees' environmental awareness, effectively communicated the Company's concept of low-carbon development, and fostered a green, environmentally friendly, and sustainable workplace culture.

Percentage of employees received environmental training

Performance Indicator	Unit	2025	2024	2023
Percentage of employees received environmental training	%	100%	78%	77%

All employees	• Actively conduct quarterly EHS training, covering topics such as "Environmental Knowledge" and "Contingency Plan of Environmental Emergencies" to raise environmental awareness and enhance the capabilities among all employees, enabling them to respond effectively to environmental emergencies and ensure the implementation of proper environmental protection measures in daily work. Online courses related to environment and sustainability, and environmental management registration of new chemical substances are provided to employees through the OA platform and UMU platform. • Regularly promote safety, environmental protection, and occupational health knowledge through the quarterly "Pharmaron EHS Newsletter"  **Quarterly "Pharmaron EHS Newsletter"**
Employees in special positions	• Provide professional training to system management personnel in various departments, including ISO 14001 and ISO 45001 management system training. • Provide professional training for research department employees, including topics such as "Environmental Protection and Energy Saving" and "Chemical Reagent Disposal Procedures and On-Site Reception Standards".
New employees	• Include environmental protection-related training sessions such as "Environmental Knowledge Training", "Classification of Hazardous Waste", and "Case Studies of Laboratory Violations" in the onboarding training program for new employees to raise their awareness of environmental protection.

Case | Pharmaron Beijing "Safety and Environmental Protection Month" Event

In 2025, Pharmaron Beijing held the Safety and Environmental Protection Month, aiming to encourage all employees to actively participate in various activities to enhance their safety awareness and environmental awareness. The event featured a rich variety of contents, including collecting innovative low-carbon and environmental protection suggestions from employees, improving environmental knowledge through fun competitions, practicing low-carbon lifestyles with concrete actions, and showcasing employees' creative ideas and achievements in environmental protection. The event attracted extensive active participation from employees and significantly raised their attention to and engagement in environmental practices. Going forward, the Company will continue to organize similar activities to further enhance employee participation, while promoting continuous improvement in the enterprise's safety and environmental performance.

Pollution Prevention and Mitigation

Pharmaron strives to develop in harmony with nature. We make persistent efforts to reduce pollutant generation, protect the environment, and ensure compliant disposal of waste. The Company strictly complies with applicable laws and regulations, including the *Integrated Emission Standard of Air Pollutants* of China, the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, the *Control of Pollution Act 1974* of the UK and the *Waste (England and Wales) Regulations 2011* of the UK, the *Clean Water Act* of the US and the *Clean Air Act* of the US. Pharmaron has established and followed standard operating procedures such as the Wastewater Treatment Station Management Procedures, the Waste Management Procedure, and the Exhaust Gas Control Management Procedure to comprehensively strengthen the management of pollutant emissions. The Company regulates the management of emissions, wastewater, and solid waste generated during production and operations. In 2025, the Company did not experience any major environmental pollution incidents, had no cases of exceeding emission standards and did not incur any major administrative penalties.

The Company has established a sound pollution prevention and mitigation system. We focus on preventing emergency environmental pollution events, enhancing the management of facilities on site, and regulating the collection and classification of waste. The aim is to construct an efficient and scientific pollution prevention and mitigation system and prevent environmental pollution and ecological damage events starting from the source.

Air Pollutant Management

Pharmaron is committed to continuously minimizing pollutant emissions by adopting a "classification – disposal – monitoring" approach for full-process management, with the help of advanced technologies, equipment, and refined production processes.

Routine management	Classification	• Collect and classify the exhaust gas from boilers, laboratories, and animal laboratories as required by applicable rules and regulations.
	Disposal	• Utilize activated carbon adsorption technology to treat all exhaust emissions except those from boilers. Regularly replace activated carbon filters and inspect fume hoods and ventilation management systems to ensure emissions meet standards and maintain the air quality of sites. • Properly collect and process exhaust gas generated in the process of R&D and production before emitting.
	Monitoring	• Entrust qualified third-party testing companies every quarter to conduct regular testing of exhaust gas from laboratories and boilers according to the requirements of each operating site and issue testing reports. In 2025, all of the Company's exhaust gas tests were qualified. • Conduct routine Leak Detection and Repair ("LDAR") inspections in accordance with the *Technical Guidelines for Leak Detection and Repair of Volatile Organic Compounds in Industrial Enterprises* issued by the Ministry of Ecology and Environment of China and utilize a volatile organic compounds ("VOCs") management database platform for efficient data management and report generation.
Emission reduction measures	R&D	• Promptly seal all containers storing chemicals to minimize the volatilization of VOCs and put chemicals in explosion-proof cabinets or medicine cabinets with exhaust ventilation.
	Production	• Adopt low-nitrogen combustion heads for heating boilers, significantly reducing nitrogen oxide emissions.

Wastewater Management

The Company's wastewater primarily comes from production wastewater and domestic wastewater. The Company has developed and continuously improved wastewater management systems and procedures to reduce the environmental impact of wastewater discharge. The Company's wastewater management strictly adheres to national and local discharge standards for wastewater treatment and discharge. The Company centrally handles wastewater in the production, and after meeting the water quality standards, it is discharged into the municipal sewage treatment plant.

To ensure the continued compliance and effectiveness of wastewater management, the Company has developed and implemented wastewater emergency response plans and established dedicated treatment and control measures for wastewater containing pharmaceutical residues, thereby further mitigating environmental risks. In addition, the Company engages qualified third-party testing agencies on a monthly basis to conduct wastewater monitoring and issue testing reports, ensuring that all monitoring results meet applicable statutory requirements and standards. To enhance employees' environmental awareness, the Company regularly organizes environmental protection training programs, including wastewater management training covering all research personnel, to strengthen employees' environmental knowledge and sense of responsibility.

Case | Pharmaron Shaoxing Water Reuse Project

In 2025, Pharmaron Shaoxing implemented a stormwater reuse retrofit project, whereby wastewater that was previously discharged into the biochemical treatment system was separately collected and conveyed to the utility center's cooling towers for evaporative cooling makeup water. This solution enabled cascading utilization of water resources. On the one hand, substituting municipal water for cooling tower makeup effectively reduced freshwater consumption; on the other hand, it alleviated the treatment load on the site's wastewater system. As the makeup demand is primarily concentrated during the summer months, the project is expected to achieve an annual reuse volume of over 12,000 tonnes.

Waste Management

Pharmaron continues to optimize its solid waste management system by strengthening source classification management and implementing standardized disposal procedures for hazardous waste, animal carcasses, and domestic waste, ensuring full process compliance and controllability of waste management. In 2025, while maintaining 100% compliant waste disposal, the Company continued its efforts to reduce the generation of production related hazardous waste. The Company aims to achieve a 10% reduction in hazardous waste emission intensity by 2035, using 2023 as the base year. In 2025, hazardous waste emission intensity was 0.024 tonnes/RMB10,000 of revenue, with no increase compared with 2024.

At the same time, the Company is actively exploring various technological approaches for solvent recovery and recycling. For example, during the process development stage, efforts are made to reduce process mass intensity ("PMI") to minimize solvent use at the source. In addition, reaction vessel cleaning procedures have been optimized to significantly reduce solvent consumption between batches. Feasibility assessments and pilot scale trials of relevant technologies are being steadily advanced at selected sites. In 2025, Pharmaron Shaoxing utilized onsite distillation towers to recover and reuse waste solvents for preliminary cleaning of production equipment used in early-stage intermediate projects, achieving a total solvent recovery volume of 270 tonnes. In the same year, environmental impact assessment approvals were obtained. Following full implementation of these measures, the Company expects to reduce waste solvent generation by approximately 3,000 tonnes, thereby lowering environmental impact and improving resource use efficiency. Building on this foundation, the Company will continue to enhance solvent recovery rates to further reduce Scope 3 greenhouse gas emissions, while ensuring compliance and efficiency across R&D and production activities.

For solvents recycling, we have also set a recycling target, aiming to achieve a 10% recovery of solvents annually by 2035. In 2025, the recovery rate of solvents was 0.19%.

Classification	• Classified into categories such as household waste, general industrial waste, sharp-edged waste, and hazardous waste based on the nature of the waste and local regulatory requirements. • Each department and laboratory are equipped with waste bins and posted with classification labels to prevent mixed disposal. • Different categories of waste are stored and transferred by the corresponding functional departments, strictly adhering to the "three prevention" requirements of "rainproof, leakproof, and dustproof" during storage to prevent secondary pollution.	
Disposal	Hazardous Waste	• In accordance with the requirements of each operational site, hazardous waste is processed in cooperation with qualified third-party companies. • Strengthen source control and fully record the type, quantity, and disposal information of hazardous wastes such as organic solvents, flammable waste, and Drug Enforcement Administration ("DEA") waste to achieve real-time traceability management. • Some harmful waste will be recycled to reduce production costs while decreasing the generation of harmful waste and preventing environmental pollution.
	Animal carcasses	• Entrust a qualified third party for the harmless treatment of carcasses and sign an agreement: designated personnel will collect animal carcasses, tissues, and other waste daily at scheduled times and place them in a dedicated storage area, strictly following legal and regulatory requirements for collection and disposal.
	Household waste	• General household waste is regularly collected and processed by a qualified third-party company. The collected household waste is treated by incineration, which can be used for thermal power generation. • Kitchen waste is uniformly processed by a qualified third party, achieving recycling in accordance with legal and regulatory requirements.
	Recyclable waste	• Classify and recycle cardboard, wood, plastic, foam, glass, among others
Monitoring	• The functional departments comprehensively supervise the generation, storage, and disposal of waste to ensure proper management and compliant processes.	

Case | Enhancing Chemical Spill Emergency Response Capability

To verify the effectiveness of emergency response plans, including the *Chemical Spill Site Disposal Plan*, Pharmaron Shaoxing organized multiple chemical spill emergency drills in 2025. The drills simulated scenarios involving minor waste liquid leakage caused by the tipping of waste liquid containers. EHS coordinators and safety coordinators jointly conducted the response, strictly following established procedures to complete the full emergency response process. Through these drills, employees' environmental safety awareness and emergency response skills were effectively enhanced, and the Company's capability for the prevention and response to chemical spills was further strengthened. At the same time, the readiness of emergency supplies, equipment, and response teams was inspected, departmental responsibilities were clarified and refined, and the coordination and operability of emergency plans were improved. In addition, emergency response knowledge was disseminated to enhance risk prevention awareness and self-rescue capabilities, providing strong support for the Company's environmental safety management.

Case | Establishment of an internal hazardous waste management plan

Biortus formulated and implemented the *Hazardous Waste Management Plan* to comprehensively strengthen internal control over hazardous waste. Through optimized design, the adoption of advanced process technologies and equipment, the enhancement of management processes, and the promotion of comprehensive utilization of hazardous waste, the plan aims to improve pollution prevention and control performance. With respect to energy and raw materials, the Company actively promotes the use of clean energy. In material selection, high quality standards are applied, prioritizing the use of non-toxic or low toxicity, biodegradable, and recyclable materials wherever possible, so as to minimize the environmental risks associated with hazardous waste generation.

Case | Strengthening hazardous waste management and training

Pharmaron Qingdao continued to implement the *Hazardous Waste Environmental Management Training Plan*, organized specialized training for relevant departments, and held emergency response training for hazardous waste management for all employees. The training content covered laws and regulations, waste classification management, and emergency disposal procedures, further enhancing employees' environmental awareness and management skills. Meanwhile, the Company introduced an intelligent hazardous waste management system to optimize management processes and regularly conduct specialized inspections and data assessments, enabling standardized management and compliance with discharge standards throughout the entire waste process, thereby effectively ensuring ecological environmental safety.

Noise Management

Pharmaron places great emphasis on the potential impacts of noise pollution and actively implements a range of mitigation measures to control noise levels, thereby minimizing adverse effects on employee health and the surrounding environment. The Company strictly abides by applicable laws and regulations of the operating sites, including the *Law of the People's Republic of China on the Prevention and Control of Noise Pollution*, the *Emission Standard for Industrial Enterprises Noise at Boundaries*, the *Control of Noise at Work Regulations 2005* of the UK, and the *Noise Control Act* of the US. We also engage third-party agencies to conduct noise inspections to ensure the noise level complies with legal requirements.

For the noise control, the Company continuously employs low-noise equipment and implements vibration damping, noise reduction, and sound insulation measures for high-noise equipment such as circulating water pumps, air compressors, and fans. By optimizing equipment layout and site soundproofing design, and leveraging the noise-reducing effects of greenbelts, we comprehensively minimize noise impact on the surrounding environment, ensuring that all noise levels during production comply with relevant regulatory requirements. Pharmaron Shaoxing has established the *Environmental Noise Management Procedure* and set noise emission standards according to national and local requirements. Newly constructed factories are equipped with noise barriers, and construction times are strictly controlled in accordance with applicable standards. AniKeeper Zhanjiang has implemented system upgrades and regional optimization by improving processes and production workflows, effectively reducing noise at the source and significantly lowering noise levels in various areas. Specialized surveys on site boundary and indoor noise levels have been conducted in Pharmaron UK, with all results meeting the required standards.

06 Public Welfare and Charity

Adhering to a people-oriented philosophy, Pharmaron delves deep into the actual needs of the public. We actively fulfill our social responsibilities through concrete actions, including support for vulnerable groups, engagement in community development, and emphasis on ecological and environmental conservation, contributing to sustainable community development and long-term social value creation.

- Advancing Industrial Development
- Social Contribution

Advancing Industrial Development

Pharmaron places a high priority on industry exchange and cooperation. We participate in various industry activities, proactively sharing our practical experience, knowledge, and technologies, and contributing to industry advancement and value co-creation. Through collaboration with external partners, we continuously absorb emerging industrial trends and best practices, further strengthening our competitiveness. We look forward to working with industry peers to explore sustainable development opportunities and foster a resilient and vibrant industry ecosystem.

Case | Collaboration with City University of Hong Kong ("CityUHK") to Promote Life and Health Technology

As a premier service provider in the life sciences industry, Pharmaron has been committed to working with stakeholders to advance industry development. In October 2025, Pharmaron signed a Collaborative Framework Agreement with CityUHK to foster development and knowledge sharing in the fields of digital medicine, biopharmaceuticals, and life and health technologies. Through the sharing of resources, expertise, and research outcomes, the partnership leverages complementary strengths to jointly cultivate talent, promote innovation, and facilitate knowledge sharing. These efforts aim to accelerate the industrialization of high-potential research, benefit a broader population, and generate long-term economic value.

• Signage of Collaborative Framework Agreement

Case | Participation in the Development of Safety Management Specification of Hazardous Chemicals to Enhance Growth of the Pharmaceutical R&D Industry

Pharmaron collaborated with multiple industry peers to develop the *Safety Management Specification of Hazardous Chemicals in Pharmaceutical R&D Laboratory* in 2025. Drawing on extensive professional expertise and international best practices, our EHS team played a key role in drafting the core content of the standard. Following its official release in March 2026, it became the first association standard in China to specifically address hazardous chemicals safety management in the pharmaceutical R&D industry. By providing systematic and practical technical guidance, the standard supports the improvement of industry safety standards and highlights Pharmaron's active role in promoting responsible, sustainable, and high-quality industry growth.


团 体 标 准

医药研发实验室危险化学品安全管理规范
Safety management specification of hazardous chemicals in pharmaceutical R&D laboratory

• The *Safety Management Specification of Hazardous Chemicals in Pharmaceutical R&D Laboratory*

Social Contribution

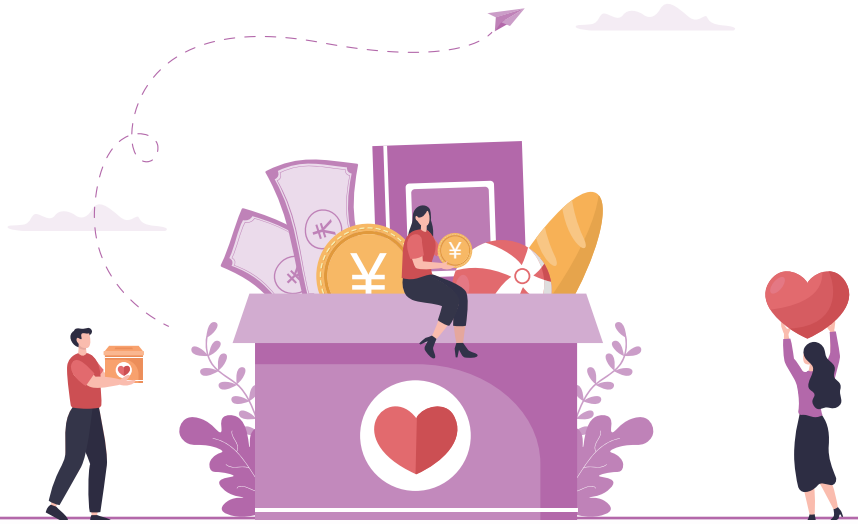
Promoting the progress of community and socioeconomic development is crucial to Pharmaron's sustainable development. We strictly adhere to internal policies, including the *Pharmaron Code of Conduct*, the *Anti-corruption Compliance Policy*, and the *Standard Procedures for Managing Donation and Sponsorship* while engaging in activities, serving communities and enhancing social well-being. We systematically plan and implement a wide range of corporate social responsibility initiatives, with a focus on key areas including natural disaster response, support for science and technology education, care for rural teachers, and the provision of material assistance, thereby delivering warmth and compassion to society. Through the continuous monitoring and evaluation of our community engagement performance, we further optimize resource allocation and systematic management mechanisms. By refining our community development objectives and plans, we enhance the precision and effectiveness of our fulfillment of social responsibility.

In 2021, Pharmaron signed the "Pharmaron Health Wisdom Special Fund Cooperation Agreement" with the Beijing E-Town Cooperation & Development Foundation, and officially established the "Pharmaron Health Wisdom" Special Fund to fully leverage industry advantages and better integrate resources of all sides. Through a systematic management process, Pharmaron ensures that every sponsorship and donation is carried out under standardized procedures with compliance and efficiency, to maximize benefits for community residents. Within this framework, Pharmaron has organized a variety of public welfare activities, including educational support and community assistance programs.

Pharmaron is also committed to biodiversity conservation across its operating locations. Building on compliance with relevant laws and regulations, we proactively conduct biodiversity surveys within our sites to strengthen data support for ecological protection and management. Meanwhile, the Company proactively undertakes its responsibilities in biodiversity and environmental stewardship by participating in different initiatives. Since 2019, we have been a member of the Alxa SEE Ecological Association, marking the seventh consecutive years in supporting the restoration of the ecological environment and sustainable development. In addition to making annual donations of RMB100,000, we actively engage in ecological restoration and environmental improvement activities, including desertification prevention, coastal wetland conservation, and the protection of species and habitats.

• **Certificate of Alxa SEE Ecological Association**

In 2025, Pharmaron donated a total of RMB1.1 million, excluding contributions to the Pharmaron Health Wisdom Special Fund, as part of our endeavor to give back to society.



Case | "Spark Plan" for Rural Excellent Female Teachers

In active response to the government's strategy for rural revitalization, Pharmaron fully supports the development of rural education. In August 2025, we invested RMB500,000 through the "Pharmaron Health Wisdom" special fund to support the "Spark Plan", a public-welfare training program for rural excellent female teachers. We launched the "Pharmaron Wisdom Class", bringing together 50 excellent rural female teachers from different provinces and regions including Guizhou, Inner Mongolia, and Xinjiang, and providing them with training. The program offered systematic training, featuring blended learning models that combined in-person and online lectures delivered by professors from prestigious universities, complemented by field visits to leading enterprises and key academic institutions. Through these learning and exchange opportunities, teachers gained deeper insights into industry trends and educational innovations, strengthening their capabilities to support the sustainable development of rural education.

• Opening Ceremony of "Spark Plan" 2025

Case | Flood Relief and Disaster Assistance in Miyun District and Huairou District, Beijing

In July 2025, Miyun District and Huairou District in the suburban areas of Beijing experienced torrential rainfall and severe flooding. To support the local relief and recovery efforts, we donated RMB500,000 through the "Pharmaron Health Wisdom Special Fund" for the procurement of emergency living supplies and rescue equipment, demonstrating our corporate social responsibility and sincere concern for affected communities by vigorously supporting local efforts in disaster relief and post-disaster recovery.

• Amount of Donation Reaching RMB500,000

Appendix 1 Responses to UN 2030 SDGs

Pharmaron supports the UN 2030 SDGs and contributes its efforts in the frontiers such as social welfare, education, gender, energy, resources, and climate, among others.

SDGs	Pharmaron's Actions in 2025
	Pharmaron regards the promotion of community and socio-economic development as an integral component of its sustainable development strategy. The Company strictly adheres to its *Standard Procedures for Managing Donation and Sponsorship* and continues to carry out public welfare and charitable initiatives, actively engaging in community services and enhancing social well-being. We systematically plan and implement a range of corporate social responsibility programs, covering key areas such as natural disaster response. In 2025, Pharmaron made total donations of RMB1.1 million, delivering care and support to the broader community.
	Guided by a people-centered philosophy, Pharmaron actively addresses societal needs and fulfills its social responsibility by supporting vulnerable communities, providing material assistance, and promoting sustainable community development and shared social prosperity.
	Pharmaron is committed to supporting global customers in accelerating the development of innovative medicines through its integrated, end-to-end, and international drug research, development, and manufacturing services, thereby contributing to the improvement of patients' quality of life and the advancement of human health. At the same time, the Company places strong emphasis on occupational health and safety, continuously expanding the coverage of its ISO 45001 Occupational Health and Safety Management System and embedding safe operations as a fundamental pillar of daily management. In addition, Pharmaron actively fulfills its corporate social responsibility by carrying out ongoing public welfare initiatives focused on science and innovation education, disaster relief, and care for vulnerable groups, continuously giving back to society and contributing to enhanced community well-being.
	Pharmaron actively responds to the rural revitalization strategy and continues to support the development of rural education. In 2025, under the "Pharmaron Health Wisdom" special fund, the Company invested RMB500,000 to support the "Spark Plan"– a public-welfare training program for outstanding rural female teachers, and organized the "Pharmaron Wisdom Class," providing public-welfare training to 50 outstanding rural female teachers from provinces and regions including Guizhou, Inner Mongolia, and Xinjiang. At the same time, the Company continues to deepen collaboration with enterprises and universities to promote academic exchange and scientific innovation, offering broader development and practical platforms for teachers and students. Pharmaron initiated and sponsored the Pharmaron Class at Ningbo University, aiming to cultivate high-caliber talents in biochemistry, analytical sciences, and pharmaceutical fields with strong professional competence, global vision, and comprehensive capabilities. Through the establishment of the Pharmaron Class and a series of scholarships, the Company identifies, encourages, and nurtures outstanding students to pursue further studies at leading international universities and enter the pharmaceutical industry.
	Pharmaron regards DEI as an integral component of its sustainable development strategy and continues to advance related initiatives across corporate governance and talent development. These efforts include the establishment of a DEI Sub-committee encompassing employees and supply chain partners, as well as the formulation of a Group-wide *Employee Diversity, Equality and Inclusion Policy*, strengthening fair employment practices, career development opportunities, and diversity mechanisms from both management and institutional perspectives. In 2025, women accounted for 56.72% of the workforce, 46.42% of management positions, and 57.72% of STEM-related positions, with multiple gender equality targets successfully achieved.

SDGs	Pharmaron's Actions in 2025
	Pharmaron continues to enhance its water resource management through improved governance structures, the advancement of water-saving technologies, and strict control of wastewater discharges. The Company has established a clean production management system led by the Chief Operating Officer, coordinating departments such as facilities management and administration to implement water conservation initiatives, optimize water use across laboratory and production processes, and strengthen water-saving inspections and employee training to improve water efficiency throughout operations. Using 2023 as the baseline, Pharmaron has set a target to reduce water intensity by 30% by 2035, and has achieved a year-on-year reduction of 1% in 2025, demonstrating steady progress in water conservation. In parallel, the Company is actively planning and advancing research into reclaimed water reuse and wastewater recovery technologies to further enhance overall water utilization efficiency. In terms of wastewater management, Pharmaron strictly complies with national and local regulatory standards, implementing centralized treatment, third-party monthly monitoring, and emergency response plans. The Company also strengthens controls over pharmaceutical-residue wastewater to mitigate environmental risks. Through institutional development, process management, and technological exploration, Pharmaron continues to support the achievement of clean water access, safe sanitation, and sustainable water resource management objectives.
	Pharmaron actively advances green and low-carbon development and has formally joined SBTi. Using 2023 as the base year, the Company conducts comprehensive quarterly GHG emissions inventories, achieving an emissions data coverage of over 95%. Based on SBTi standards, Pharmaron has developed science-based decarbonization pathways and is systematically advancing renewable energy substitution, equipment upgrades, and the application of low-carbon technologies. In addition, Pharmaron has joined the SMI to support the energy transition of the value chain of pharmaceutical and healthcare industry. The Company continues to accelerate its green energy transition and has deployed renewable energy solutions across multiple sites, including Pharmaron Beijing, Pharmaron Shaoxing, Pharmaron Tianjin, Pharmaron Xi'an, Pharmaron US, and Pharmaron UK, steadily increasing the percentage of green electricity usage to support its carbon reduction objectives. Where site conditions permit, Pharmaron actively explores diversified clean energy alternatives. Notably, the Cramlington site, Pharmaron UK has established a long-term partnership with a biomass energy supplier, continuously replacing fossil fuels with biomass energy for steam and electricity generation, significantly reducing carbon emissions and setting a benchmark for green operations across the Company's global sites. The Company continues to increase its procurement of green electricity and advance the deployment of distributed energy systems. Green electricity usage at the Pharmaron Tianjin, Pharmaron Beijing, and the Liverpool Site, Pharmaron UK has exceeded 80%, while overseas sites have widely adopted clean energy solutions such as biomass and photovoltaic power. In 2025, Pharmaron's renewable electricity consumption reached 153,386.56 MWh, supporting the sustainable upgrading of its supply chain.
	Pharmaron places strong emphasis on the principles of respect for and protection of human rights as advocated by the *Universal Declaration of Human Rights* and relevant international human rights conventions, ensuring that the fundamental rights of all employees are duly protected. The Company adopts a zero-tolerance approach toward any form of harassment and is committed to preventing all types of human rights infringements. Guided by its "Employees First" talent philosophy, Pharmaron attaches great importance to the comprehensive development of its workforce and has established a sound management framework and human resources strategy. The Group's talent strategy encompasses seven core areas, promoting alignment between employees' career development and the Company's strategic objectives. In addition, the Company has formulated a *People Strategy Implementation Roadmap* to enhance strategic alignment and execution effectiveness, continuously optimize human capital allocation, and meaningfully improve employee satisfaction and organizational performance.
	Focusing on responsible operations, quality management, innovation-driven R&D, and talent development, Pharmaron continues to enhance the capabilities of its pharmaceutical R&D services platform. The Company actively responds to the goals related to industry, innovation, and infrastructure, laying a solid foundation for business innovation and long-term development. In terms of innovation and industrial capability building, Pharmaron continues to advance the development of its end-to-end, integrated, international, and multi-modality service platforms, providing customers with comprehensive drug discovery and development technologies. The six R&D service platforms established by the Company have continuously strengthened technological innovation and R&D investment, offering clients one-stop solutions across the drug development value chain. In 2025, the Company's R&D investment amounted to approximately RMB576.02 million, representing a year-on-year increase of 22.75%. Pharmaron also actively expanded the application of automation, artificial intelligence, and emerging technologies to further enhance R&D efficiency and service capabilities.

SDGs	Pharmaron's Actions in 2025
	Pharmaron is committed to fostering an equal and inclusive workplace and has fully implemented a Group-wide *Employee Diversity, Equality and Inclusion Policy*, which clearly defines the governance structure, roles and responsibilities, and grievance mechanisms. In 2025, the ratio of male to female employees was 1:1.31. The Company upholds the principle of equal pay for equal work, with remuneration determined based on role, capabilities, and value. Directors' remuneration plans are reviewed and approved through the annual general meeting. Pharmaron also conducts regular analyses of gender pay gaps, supported by data monitoring and targeted reviews, to promptly identify and address any disparities. In addition, the Company has carried out Group-wide human rights assessments covering issues such as gender equality, established internal risk assessment and corrective action mechanisms, and continuously enhanced the transparency of remuneration and promotion decisions. These efforts effectively safeguard employee rights and promote workplace equality and sustainable development.
	Pharmaron continues to strengthen its efforts in industry collaboration, community development, and ecological protection, while integrating low-carbon development principles to support the creation of more inclusive, safe, resilient, and green urban environments. Guided by a people-centered approach, the Company collaborates with universities and research institutions to accelerate innovation in life and health sciences, promote coordinated progress across the industry ecosystem, and inject momentum into urban innovation capacity and sustainable development. At the community level, Pharmaron implements education support, disaster relief, and community care initiatives through dedicated funds and standardized donation mechanisms, enhancing community well-being and contributing to greater social equality and resilience.
	The Company fully implements responsible and low-carbon production practices. Through process optimization, equipment upgrades, adoption of low-carbon technologies and renewable energy, and the advancement of refined energy management, the Company continuously reduces carbon emissions and enhances the overall environmental performance of its sites. Across the aspects of R&D, procurement, testing, chemical storage, packaging, and transportation, the Company conducts risk assessments covering wastewater, air emissions, waste, resource use, and energy consumption to mitigate adverse environmental impacts arising from operations. Subject to safety and process requirements, the Company also promotes the recycling and reuse of laboratory consumables and chemicals to reduce carbon emissions and energy intensity. At the same time, the Company pays close attention to the impacts of its production activities on biodiversity and is committed to reducing reliance on ecosystems and biological resources across the product life cycle. In terms of supply chain management, the Company requires all business partners to comply with its *Code of Conduct for Business Partners* and has progressively incorporated sustainable procurement clauses into cooperation agreements. Through supplier onboarding due diligence, annual audits, and sustainability assessments, the Company strengthens ESG risk management, prioritizes suppliers that meet environmental standards, and promotes the use of bio-based or recyclable packaging materials, thereby guiding the supply chain toward greener and more responsible development.
	Pharmaron actively addresses climate change and places climate action at the core of its sustainable development strategy. Fully aligned with the vision of the *Paris Agreement*, the Company formally joined SBTi in 2025 and established near-term, long-term, and net-zero targets covering Scope 1, Scope 2, and Scope 3 emissions. Using 2023 as the base year, Pharmaron has achieved greenhouse gas emissions data coverage of over 95% and conducts quarterly carbon inventories to systematically identify and advance decarbonization pathways, including renewable energy substitution, equipment upgrades, and energy recovery initiatives. Energy-efficiency measures such as high-efficiency cooling systems and waste-heat recovery from incinerators have already been implemented across multiple sites. During the year, the Company introduced scenario analysis for the first time to enhance forward-looking assessment of climate-related risks and opportunities, and further embedded climate considerations into strategic planning and operational decision-making to strengthen climate resilience. Pharmaron fully adopts the TCFD framework and transparently discloses progress in climate management across the four pillars of governance, strategy, risk management, and metrics and targets. In 2025, the Company's renewable electricity consumption reached 153,386.56 MWh. Green electricity usage at the Pharmaron Tianjin, Pharmaron Beijing, and Liverpool Site, Pharmaron UK, exceeded 80%, while overseas sites have widely adopted clean energy solutions such as biomass energy and photovoltaic power. At the same time, Pharmaron initiated a product carbon footprint LCA program, preliminarily establishing a "cradle-to-gate" scope to advance full life-cycle carbon management. Through continued disclosures via international platforms such as CDP, PSCI, and SMI, the Company integrates sustainable procurement principles into supply chain management and works collaboratively with suppliers to implement ESG standards, comprehensively promoting the green and low-carbon transformation of the pharmaceutical and healthcare industry value chain.

SDGs	Pharmaron's Actions in 2025
	Pharmaron has incorporated nature- and biodiversity-related risk management into its overall governance framework. In 2025, the Company conducted systematic biodiversity assessments across 68 geographic locations with active operations in accordance with the TNFD LEAP approach, covering both terrestrial and freshwater ecosystems. During the project siting and construction phases, Pharmaron strictly complies with ecological conservation redlines and regulatory requirements, avoiding environmentally sensitive areas. For sites located within a 50-kilometer radius of designated protected areas (such as Beigong National Forest Park in Beijing and the Xianghe Chaobai River Grand Canal National Wetland Nature Park in Hebei), the Company implements more stringent environmental management and operational monitoring measures. In operations, Pharmaron strengthens lifecycle management of chemicals and pharmaceutical residues, ensures compliant discharge and emergency response procedures, and reinforces controls around key nature dependencies such as water purification services, thereby actively safeguarding the integrity of surrounding aquatic ecosystems. In addition, when conducting collaborative research involving animal and plant samples or microbial resources, the Company adheres to the *Convention on Biological Diversity* and the international ABS framework, ensuring that genetic resources are sourced in a compliant and traceable manner.
	While strictly complying with ecological conservation redlines and statutory planning requirements, Pharmaron independently conducts biodiversity surveys across its sites to provide data support for ecological protection and to optimize site selection, construction, and operational management. At the site level, the Company adopts ecological connectivity-based design to minimize disturbance to the migration and habitat behavior of terrestrial species. In operational risk areas, physical isolation measures such as steps, containment berms, and protective fencing are installed to prevent wildlife intrusion and enhance habitat intactness. In addition, Pharmaron has undertaken long-term social responsibility for terrestrial ecosystem protection. Since 2019, the Company has been a member of the Alxa SEE Ecological Association for seven consecutive years, contributing RMB100,000 annually and actively participating in projects related to desertification control, species conservation, and habitat protection, thereby supporting regional ecosystem restoration and quality enhancement. Through scientific assessment, standardized governance, and sustained ecological investment, Pharmaron continues to strengthen the protection of terrestrial biodiversity and natural capital, contributing to the mitigation of habitat degradation, the preservation of ecological resilience, and the promotion of harmonious coexistence between humans and nature.
	Pharmaron firmly believes that integrity and compliance are the cornerstones of sustainable corporate development and maintains a zero-tolerance stance toward bribery and corruption, consistently upholding robust, ethical, and compliant business practices. Guided by these principles, the Company continues to enhance its governance framework and strictly complies with internal policies such as the *Pharmaron Code of Conduct* and the *Global Anti-Corruption Compliance Policy*, ensuring that all business activities are conducted in accordance with applicable laws and regulations. To strengthen oversight, the Company has established clear internal whistleblowing and investigation mechanisms, strictly safeguarding the confidentiality of whistleblowers' identities and ensuring that reporting processes are fair, impartial, and transparent. To maintain the effectiveness of its governance system, the Company conducts regular internal audits and risk control activities and has recorded no confirmed corruption incidents over the past three years. Building on this foundation, Pharmaron continues to reinforce employees' ethical and compliance awareness, achieving 100% completion of *Code of Conduct* training across the workforce. The Company's ethical standards also extend to its supply chain, where rigorous due diligence is conducted on business partners to proactively identify potential compliance risks. In addition, Pharmaron integrates international human rights standards, ethical principles, and compliance requirements throughout its R&D processes, safeguarding the rights and well-being of research participants and ensuring animal welfare in scientific research, thereby continuously strengthening a transparent, responsible, and resilient governance framework.
	In 2025, Pharmaron joined the UNGC, committing to uphold its Ten Principles in the areas of human rights, labor, environment, and anti-corruption. This commitment further strengthens global collaboration and reinforces the foundation of the Company's sustainable development. In terms of sustainable management, the Company adopts the responsible supply chain management principles of SMI and PSCI as key benchmarks for self-governance and partner management, continuously enhancing the overall responsibility and sustainability performance of its supply chain. Within this governance framework, Pharmaron actively expands industry collaboration by participating in professional exchange activities, sharing its technical expertise, innovative practices, and core achievements in the R&D services sector, thereby promoting industry advancement and value co-creation. At the same time, the Company continues to deepen social engagement and fulfill its corporate citizenship responsibilities. Through public welfare initiatives such as disaster relief, science and technology education support, and care for rural teachers, Pharmaron amplifies its positive social impact. The Company also strengthens its community partnership network by empowering talent development in higher education institutions, contributing to broader and more inclusive sustainable well-being.

Appendix 2 United Nations Global Compact ("UNGC") Progress

Areas	Principles	SDGs-aligned	Sections
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights		Sustainability Governance; Growing Together with Talent
	Principle 2: make sure that they are not complicit in human rights abuses		
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining		Sustainability Governance; Growing Together with Talent
	Principle 4: the elimination of all forms of forced and compulsory labour		
	Principle 5: the effective abolition of child labour		
	Principle 6: the elimination of discrimination in respect of employment and occupation		
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges		Low-carbon Development
	Principle 8: undertake initiatives to promote greater environmental responsibility		
	Principle 9: encourage the development and diffusion of environmentally friendly technologies		
Anti-corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery		Sustainability Governance; Responsible Operations

Appendix 3 Key Performance Table

Environmental Performance Table

Indicator	Units	2025	2024	2023	2022
Energy consumption[82]					
Total energy consumption[83]	tce	86,184.68	80,570.46	79,459.31	61,341.60
Total Energy Consumption per RMB10,000 of revenue	tce/RMB10,000	0.061	0.066	0.069	0.060
Natural gas	10,000 standard cubic meters	1,573.29	1,493.05	1,264.53	873.23
Diesel	tonnes	14.50	21.00	40.78	11.98
Gasoline	tonnes	49.38	46.47	82.01	37.86
Purchased electricity	10,000kWh	36,500.59	32,331.49	29,425.57	23,418.79
Purchased heat	GJ	42,252.53	42,227.92	207,050.43	111,312.57
Purchased steam	tonnes	146,697.52	151,148.30	149,808.51	132,771.74
Renewable electricity	MWh	153,386.56	83,239.2	–	–
Percentage of renewable electricity in total electricity consumption	%	42.02	25.75	–	–
Total non-renewable energy consumption	MWh	547,477.61	572,338.12	620,928.85	484,941.47
Total renewable energy consumption	MWh	153,780.96	83,239.26	25,607.44	14,176.51
Percentage of renewable energy in total energy consumption	%	21.93	12.70	–	–
GHG emissions[84]					
Total GHG emissions (Scope 1 + Scope 2) – market based	tCO_2e	189,533.10	198,700.78	251,495.98	183,166.48
Total GHG emissions (Scope 1 + Scope 2) – location based	tCO_2e	274,130.05	240,447.47	–	–
GHG emissions per RMB10,000 of revenue (Scope 1 + Scope 2) – market based	tCO_2e/RMB10,000	0.13	0.16	0.22	0.18
GHG emissions per RMB10,000 of revenue (Scope 1 + Scope 2) – location based	tCO_2e/RMB10,000	0.19	0.20	–	–
Total GHG emissions (Scope 3)[85]	tCO_2e	490,252.44	414,817.33	395,142.93	–
Scope 3 GHG emissions intensity (economic intensity)[86]	tCO_2e/RMB1,000,000	256.31	198.40	214.20	–
Scope 1: Direct GHG emissions[87]	tCO_2e	35,825.59	34,268.00	34,755.68	19,261.36

[82] Unless otherwise stated, the data disclosed in this Report are prepared and presented based on the reporting organizational boundary and include companies newly acquired during the financial year.

[83] The calculation of total energy consumption is conducted with reference to *General Rules for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020)*.

[84] For greenhouse gas accounting, this Report prioritises the use of official electricity carbon footprint factors published in the *2024 Electricity Carbon Dioxide Emission Factor* released by the Ministry of Ecology and Environment, the National Bureau of Statistics of China and the National Energy Administration, the *General Rules for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020)*, the *Greenhouse Gas Reporting: Conversion Factors 2025* issued by the UK Department for Energy Security and Net Zero, and the emission factors from the U.S. Environmental Protection Agency's *Greenhouse Gas Emission Factors Hub*. The accounting methodologies and scopes are in accordance with the *Greenhouse Gas Protocol Corporate Accounting and Reporting Standard* and the HKEX's *Environmental, Social and Governance Reporting Code*.

[85] Scope 3 GHG emissions are calculated and disclosed in accordance with the categories and requirements set out in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The Group continues to improve the management of Scope 3 greenhouse gas emissions, expand disclosure coverage, and include newly acquired companies within the reporting boundary.

[86] The economic intensity of Scope 3 GHG emissions is calculated based on the Group's profit before tax.

[87] Scope 1 GHG emissions cover emissions from natural gas, diesel, gasoline and fugitive refrigerant emissions.

Indicator	Units	2025	2024	2023	2022
Scope 2: Indirect GHG emissions – market based[88]	tCO_2e	153,707.51	164,432.78	216,740.30	163,905.13
Scope 2: Indirect GHG emissions – location based	tCO_2e	238,304.46	206,179.47	216,740.30	163,905.13
Scope 3: Category 1 Purchased Goods and Services[89]	tCO_2e	269,912.82	227,403.06	–	–
Scope 3: Category 2 Capital Goods	tCO_2e	85,162.95	79,244.67	–	–
Scope 3: Category 3 Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	tCO_2e	62,455.23	57,102.51	–	–
Scope 3: Category 4 Upstream Transportation and Distribution	tCO_2e	11,341.64	9,203.55	–	–
Scope 3: Category 5 Waste Generated in Operations	tCO_2e	23,124.83	20,632.90	–	–
Scope 3: Category 6 Business Travel	tCO_2e	1,940.14[90]	1,114.26	–	–
Scope 3: Category 7 Employee Commuting	tCO_2e	17,105.19[91]	11,979.35	–	–
Scope 3: Category 8 Upstream Leased Assets	tCO_2e	17,483.03[92]	6,812.41	–	–
Scope 3: Category 9 Downstream Transportation and Distribution	tCO_2e	1,045.62	855.48	–	–
Scope 3: Category 12 End-of-Life Treatment of Sold Products	tCO_2e	11.52	7.63	–	–
Scope 3: Category 15 Investments	tCO_2e	669.48	461.50	–	–
Resource use					
Total Water Consumption	tonnes	2,068,482.37	1,818,289.19	1,787,904.25	1,710,203.52
Water consumption per RMB10,000 of revenue	tonnes/RMB10,000	1.47	1.48	1.55	1.67
Major operational sites' water consumption per RMB10,000 of revenue	tonnes/RMB10,000	1.16	–	–	–
Total consumption of packaging materials	kg	38,874[93]	20,380	16,210	13,870
Consumption of packaging materials per RMB10,000 of revenue	kg/RMB10,000	0.028	0.017	0.014	0.014
Exhaust gas					
Total emissions of exhaust gas	standard cubic meter	37,208,013,281.97	34,518,547,920.94	38,929,953,297.28	31,225,570,734.59
Total emissions of exhaust pollutants	tonnes	113.19	162.11	118.10	84.38
Sulfur dioxide	tonnes	0.82	0.91	0.58	0.26
Nitrogen oxide	tonnes	15.67	13.73	12.71	1.90
Particulate matter	tonnes	1.18	3.26	1.71	0.18
Volatile organic compound	tonnes	95.53	144.21	103.10	82.04

[88] Scope 2 GHG emissions mainly arise from indirect GHG emissions associated with the consumption of non-renewable electricity in the Group's operations. For the 2025/26 financial year, the electricity emission factors applied are as follows: for all sites in China, the grid emission factor of 0.5777 kg CO_2/kWh published in the *Announcement of the Ministry of Ecology and Environment,* the *National Bureau of Statistics of China* and the *National Energy Administration on the Release of the 2024 Electricity Carbon Dioxide Emission Factor* on 28 September 2025; for sites in the UK, the emission factor of 0.177 kg CO_2/kWh from the *UK Government GHG Conversion Factors for Company Reporting* issued by the Department for Energy Security and Net Zero; and for sites in the US, the emission factor of 0.35004 kg CO_2/kWh from the U.S. Environmental Protection Agency's *Emission Factors for Greenhouse Gas Inventories*. In addition, Scope 2 GHG emissions include energy consumption data from purchased steam and purchased heat.

[89] Scope 3 greenhouse gas emissions are calculated using emission factors from *UK and England's Carbon Footprint to 2022* published by the UK Department for Environment, Food and Rural Affairs, *Greenhouse Gas Reporting: Conversion Factors 2024* issued by the UK Department for Energy Security and Net Zero, the China Products Carbon Footprint Factors Database, and the Quantis SUITE Scope 3 Evaluator Tool 2024.

[90] Category 6 Business Travel GHG emissions increased compared with the previous year, mainly due to the expansion of the Company's operational sites and business footprint during the financial year, which led to increased business travel frequency and distance.

[91] Category 7 Employee Commuting GHG emissions increased compared with the previous year. The main reason was an increase in the total number of employees at the Company's sites during the financial year, which led to more commuting activities and, consequently, an increase in total GHG emissions under this category.

[92] Category 8 Upstream Leased Assets GHG emissions increased compared with the previous year, mainly because the number of the Company's operational sites increased during the reporting year. As a result, the scale and frequency of use of leased assets increased, leading to a rise in total emissions for this category.

[93] In 2025, the statistical scope of packaging materials usage was adjusted from covering only sites in China to covering sites in China, the UK and the US. Due to the expansion of the reporting scope, the reported total packaging materials usage increased compared with previous years.

Indicator	Units	2025	2024	2023	2022
Wastewater					
Discharge of wastewater	standard cubic meters	1,403,594.35	1,290,008.76	1,179,158.65	1,054,522.70
Discharge of wastewater per RMB10,000 of revenue	tonnes/RMB10,000	1.00	1.02	1.03	1.03
Total amount of wastewater discharged	tonnes	150.25	156.74	160.81	170.44
Chemical oxygen demand	tonnes	127.89	145.96	149.37	162.40
Ammonia nitrogen emissions	tonnes	6.73	2.55	3.14	2.18
Total nitrogen	tonnes	13.96	6.81	7.80	4.94
Total phosphorus	tonnes	1.67	1.42	0.50	0.92
Non-hazardous waste					
Total amount of non-hazardous waste	tonnes	8,772.12[94]	8,195.79	6,107.73	4,778.25
Total amount of non-hazardous waste per RMB10,000 of revenue	tonnes/RMB10,000	0.006	0.007	0.005	0.005
Total recovered amount of non-hazardous waste	tonnes	1,355.29	956.49	876.69	540.12
Total non-hazardous waste – by treatment methods					
Incineration (with energy recovery)	tonnes	3,6190.04	3,271.63	2,437.68	578.58
Landfill	tonnes	2,072.80	2,306.80	1,838.22	65.32
Composting	tonnes	957.86	900.75	936.29	0.22
Recycling	tonnes	1,355.29	956.49	876.69	540.12
Reuse	tonnes	22.34	15.36	18.57	6.66
Other treatment methods	tonnes	744.79	744.76	–	3,587.35
Hazardous waste					
Total amount of hazardous waste	tonnes	34,317.04	29,246.89	23,018.80	20,210.57
Total amount of hazardous waste per RMB10,000 of revenue	tonnes/RMB10,000	0.024	0.024	0.020	0.020
Total recovered amount of hazardous waste	tonnes	7,787.95	4,756.94	2,304.33	1,196.99
Recovery of solvents	%	0.19	–	–	–
Total hazardous waste-by treatment methods					
Incineration (with energy recovery)	tonnes	15,746.93	11,573.73	12,916.45	8,888.32
Landfill	tonnes	67.84	192.34	11.63	308.59
Composting	tonnes	–	–	–	33.33
Recycling	tonnes	7,787.95	4,756.94	2,304.33	1,196.99
Reuse	tonnes	10,400.10	8,967.61	3,503.26	1,046.51
Materialization	tonnes	6.56	14.00	6.45	127.25
Supercritical water oxidation technologies	tonnes	–	2,855.41	3,218.60	2,889.15
Other treatment methods	tonnes	307.67	886.86	1,058.09	5,720.43
Biodiversity					
Number of operational locations globally with nature reserves within 50 km	site	68	24	22	–

[94] The significant increase in non-hazardous waste generation and recycling in 2025 was mainly due to the large-scale clearance and disposal of rubble and construction materials carried out at the Cramlington Site, Pharmaron UK during the reporting year, which resulted in a temporary increase in non-hazardous waste.

Social Performance Table

Indicators	Units	2025	2024	2023	2022
Employment					
Total number of employees	person	25,088	21,370	20,295	19,481
Number of male employees	person	10,858	9,587	9,200	9,057
Number of female employees	person	14,230	11,783	11,095	10,424
Number of full-time employees	person	25,088	21,370	20,295	19,459
Number of informal employees in other forms of employment[95]	person	966	687	400	22
Number of employees aged 30 and below	person	15,843	14,294	14,424	13,928
Number of employees aged 31-50 (inclusive)	person	8,564	6,525	5,651	5,342
Number of employees aged 51 and above	person	681	551	220	211
Number of employees with a bachelor's degree and below	person	16,407	14,376	13,888	13,789
Number of employees with a master's degree	person	7,503	5,961	5,436	4,810
Number of employees with a doctor's degree and above	person	1,178	1,033	971	882
Number of Chinese employees (including Hong Kong, Macao and Taiwan)	person	23,368	19,686	18,653	17,896
Number of employees in the UK	person	972	981	961	–
Number of employees in the US and other overseas regions	person	748	703	681	–
Number of senior managers (including executive directors)	person	94	88	90	92
Number of middle management	person	5,016	4,547	4,194	3,615
Number of general employees	person	19,978	16,735	16,011	15,774
Number of employees with disabilities	person	116	232	161	131
Number of employees covered by labor union	person	17,890[96]	–	–	–
Unions or collective bargaining coverage	%	100[97]	74	–	–
Number of internal hires	person	384	309	–	–
Percentage of internal hires	%	5.21	7.50	–	–
Number of new hires	person	7,371[98]	4,122	3,683	–
Total new hire employment rate	%	29.38	19.29	18.15	–
Average recruitment cost	RMB/person	2,799	3,233	–	–
Human capital return on investment	%	141.70	137.60	140.71	–
Average tenure of male employees	year	3.89	3.96	3.41	–
Average tenure of female employees	year	3.04	3.04	2.50	–
Percentage of employees receiving regular performance and career development reviews	%	100	100	–	–
Total number of employees in management positions within revenue-generating functions	person	203	95	–	–
Total number of R&D personnel in STEM-related positions	person	22,881	19,166	–	–
Employee Handbook signing rate	%	99.60	95	–	–

[95] Employees in other forms of employment include interns, part-time employees, and dispatched employees, not counted in the total number of employees.
[96] The number of employees covered by labor union is subject to data availability.
[97] The statistical scope for 2025 covers the major operational sites.
[98] To meet business needs, the number of newly hired employees increased in 2025.

Indicators		Units	2025	2024	2023	2022
Percentage of Female Employees						
Percentage of female employees in the total workforce		%	56.72	55.14	54.67	53.51
Percentage of female employees in the management		%	46.42	45.59	45.47	44.59
Percentage of female in the junior management		%	46.79	46.01	45.95	–
Percentage of female (including executive directors) in the senior management		%	26.60	23.86	23.33	–
Percentage of female directors on the Board		%	33.33	25.00	22.22	18.18
Percentage of female management within revenue-generating functions		%	56.16	55.79	53.47	–
Percentage of female employees in STEM-related positions		%	57.72	56.28	55.57	–
Percentage of employees by region						
China (including Hong Kong, Macao, and Taiwan)		%	93.14	92.12	91.91	–
UK		%	3.87	4.59	4.74	–
US and other overseas regions		%	2.98	3.29	3.36	–
Percentage of employees from ethnic minorities and/or disadvantaged groups						
The percentage of employees by ethnic groups	Han	%	86.46	85.68	86.36	–
	Manchu	%	1.64	1.72	1.68	–
	Mongol	%	0.66	0.67	0.68	–
	Tujia	%	0.65	0.66	0.66	–
	Hui	%	0.65	0.68	0.60	–
	Zhuang	%	0.49	0.48	0.44	–
	Miao	%	0.41	0.37	0.42	–
	Dong	%	0.16	0.13	0.11	–
	Korean	%	0.08	0.09	0.09	–
	Other ethnic minorities besides the above	%	8.82	9.52	8.96	–
	Percentage of ethnic minorities employees	%	13.54	14.32	13.64	–
The percentage of ethnic minority managers in the total management team	Han	%	84.52	84.38	–	–
	Manchu	%	1.88	1.83	–	–
	Mongol	%	0.53	0.54	–	–
	Tujia	%	0.31	0.30	–	–
	Hui	%	0.53	0.52	–	–
	Zhuang	%	0.23	0.22	–	–
	Miao	%	0.08	0.09	–	–
	Dong	%	0.02	0.02	–	–
	Korean	%	0.10	0.13	–	–
	Other ethnic minorities besides the above	%	11.80	11.97	–	–
Percentage of employees from ethnic minorities and/or disadvantaged groups in senior management		%	4.26	3.41	2.22	–

Employee turnover		2025	2024	2023	2022
Employee turnover	person	3,650[99]	3,047	2,869	–
Employee turnover rate [100]	%	14.55	14.26	14.14	14.61
Male employee turnover	person	1,757	1,519	1,291	–
Male employee turnover rate	%	16.18	15.84	14.03	12.81
Female employee turnover	person	1,893	1,528	1,578	–
Female employee turnover rate	%	13.30	12.97	14.22	16.15
Turnover of employees aged 30 and below	person	2,846	2,320	2,381	–
Turnover rate of employees aged 30 and below	%	17.96	16.23	16.51	15.67
Turnover of employees aged 31-50 (inclusive)	person	723	656	462	–
Turnover rate of employees aged 31-50 (inclusive)	%	8.45	10.05	8.18	11.66
Turnover of employees 51 and above	person	81	71	26	–
Turnover rate of employees 51 and above	%	11.89	12.89	11.82	17.54
Turnover of Chinese employees (including Hong Kong, Macao and Taiwan)	person	3,359	2,791	2,638	–
Turnover rate of Chinese employees (including Hong Kong, Macao and Taiwan)	%	14.37	14.18	14.14	14.45
Employee turnover in the UK	person	132	115	118	–
Employee turnover in the US and other overseas regions	person	159	141	113	–
Overall turnover rate in overseas regions	%	16.92	15.20	14.07	16.21
Employee turnover with doctor's degrees and above	person	117	120	114	–
Employee turnover with master's degrees	person	842	714	629	–
Employee turnover with bachelor's degrees	person	2,139	1,645	1,703	–
Employee turnover with associate degrees or below	person	552	568	423	–
Senior management turnover	person	4	–	–	–
Middle management turnover	person	309	–	–	–
General employees turnover	person	3,337	–	–	–
Senior management turnover rate	%	4.26	–	–	–
Middle management turnover rate	%	6.16	–	–	–
General employees turnover rate	%	16.70	–	–	–
Voluntary employee turnover	person	3,298	2,844	2,638	–
Voluntary employee turnover rate[101]	%	13.15	13.31	13.00	14.43
Turnover of employees who have worked in the Company for more than 3 years	person	1,234	582	468	–
Turnover rate of employees who have worked in the Company for more than 3 years	%	4.92	2.72	2.31	–
Voluntary turnover of employees who have worked in the Company for more than 3 years	person	1,043	525	423	–
Voluntary turnover rate of employees who have worked in the Company for more than 3 years	%	4.16	2.46	2.08	–

[99] Employee turnover in 2025 increased compared with previous years, mainly due to market volatility.
[100] Employee turnover rate=Employee turnover/Total number of employees.
[101] Voluntary employee turnover rate=Voluntary employee turnover/Total number of employees.

Training data		2025	2024	2023	2022
Total number of employee training sessions	session	21,542	20,014	22,647	11,735
Total number of employees trained	person	25,088	20,351	19,723	–
Percentage of employees trained	%	100	95.23	97.18	96.48
Total number of employee training hours	hour	1,107,191.50	938,723.97	633,785.89	635,479.56
Average training hours per employee	hour/person	44.13	43.93	31.23	32.62
Percentage of female employees trained	%	100	95.76	98.22	96.96
Average training hours per female employees	hour/person	42.85	46.04	33.16	28.80
Percentage of male employees trained	%	100	94.59	95.92	94.67
Average training hours per male employees	hour/person	45.81	41.33	28.90	37.02
Percentage of senior management trained (including directors)	%	100	100	100	75.00
Average training hours per senior management (including directors)	hour/person	40.16	37.26	26.90	5.07
Percentage of middle management trained	%	100	92.83	93.40	93.86
Average training hours per middle management	hour/person	40.32	46.58	25.37	11.67
Percentage of general employees trained	%	100	95.86	98.07	96.48
Average training hours per general employee	hour/person	45.11	43.24	32.80	37.58
Percentage of employees aged 30 and below trained	%	100	96.95	–	–
Average training hours for employees aged 30 and below	hour/person	45.73	44.15	–	–
Percentage of employees aged 31-50 trained	%	100	94.42	–	–
Average training hours for employees aged 31-50	hour/person	43.08	44.97	–	–
Percentage of employees aged 51 and above trained	%	100	60.25	–	–
Average training hours for employees aged 51 and above	hour/person	20.09	25.76	–	–
Percentage of Chinese employees (including Hong Kong, Macao, and Taiwan) trained	%	100	100	–	–
Average training hours for Chinese employees (including Hong Kong, Macao, and Taiwan)	hour/person	46.95	47.33	–	–
Percentage of UK employees trained	%	100	53.01	–	–
Average training hours for UK employees	hour/person	9.56	7.12	–	–
Percentage of US and other overseas employees trained	%	100[102]	20.63	–	–
Average training hours for US and other overseas employees	hour/person	1.00	0.09	–	–
Percentage of Han ethnicity employees trained	%	100	100	–	–
Average training hours for Han ethnicity employees	hour/person	46.95	47.32	–	–
Percentage of Manchu ethnicity employees trained	%	100	100	–	–
Average training hours for Manchu ethnicity employees	hour/person	46.70	46.43	–	–
Percentage of Mongolian ethnicity employees trained	%	100	100	–	–

[102] The significant increase in training coverage and hours in 2025 was mainly due to the optimization and upgrade of the employee training system and platform at Pharmaron US.

Training data		2025	2024	2023	2022
Average training hours for Mongolian ethnicity employees	hour/person	46.77	45.65	–	–
Percentage of Tujia ethnicity employees trained	%	100	100	–	–
Average training hours for Tujia ethnicity employees	hour/person	47.00	47.99	–	–
Percentage of Hui ethnicity employees trained	%	100	100	–	–
Average training hours for Hui ethnicity employees	hour/person	47.07	48.14	–	–
Percentage of Zhuang ethnicity employees trained	%	100	100	–	–
Average training hours for Zhuang ethnicity employees	hour/person	47.99	49.73	–	–
Percentage of Miao ethnicity employees trained	%	100	100	–	–
Average training hours for Miao ethnicity employees	hour/person	46.75	45.64	–	–
Percentage of Dong ethnicity employees trained	%	100	100	–	–
Average training hours for Dong ethnicity employees	hour/person	46.67	45.72	–	–
Percentage of Korean ethnicity employees trained	%	100	100	–	–
Average training hours for Korean ethnicity employees	hour/person	47.32	49.84	–	–
Percentage of employees from other minority ethnicities trained	%	100	49.93	–	–
Average training hours for employees from other minority ethnicities	hour/person	14.96	11.84	–	–
Thematic Training					
Total anti-corruption training hours for board members	hour	2	2	–	–
Coverage rate of anti-corruption training among board members	%	100	100	100	100
Total anti-corruption training hours for employees	hour	8,181	9,989	4,669	3,012
Coverage rate of anti-corruption training among employees[103]	%	100	100	100	100
Total number of anti-corruption training participants[104]	participants	25,088	19,832	–	–
Coverage rate of anti-discrimination, anti-harassment and DEI training	%	100	100	–	–
Coverage rate of *Code of Conduct* training	%	100	100	100	–
Coverage rate of information security training	%	100	100	100	–
Coverage rate of intellectual property training	%	100	–	–	–
Coverage rate of environmental training	%	100	78[105]	77	85
Percentage of procurement staff who have received training on sustainable procurement	%	92.27[106]	100	100	100

[103] The statistical scope of employee coverage for anti-corruption training in 2025 was expanded to include Pharmaron UK and Pharmaron US; data for 2024 and prior years did not include Pharmaron UK and Pharmaron US.

[104] Employees in service as of December 31, 2025

[105] The data for 2022, 2023, and 2024 represent the percentage of employees who received environmental training at major operational sites. In 2025, we expanded the scope of training to include all employees.

[106] The data for 2023 and 2024 represent the percentage of procurement staff who received sustainable sourcing training at major operational sites. In 2025, the scope was expanded to include all procurement staff across the Group.

Occupational Health and Safety		2025	2024	2023	2022
Number of fatalities due to work-related injuries – employees	people	2[107]	1	0	0
Number of fatalities due to work-related injuries – contractors	people	0	0	0	–
Percentage of work-related fatalities	%	0.008	0.005	0	0
Number of workdays lost due to work-related injuries	day	1,939.5	1,401	972	1,377
Employee lost workday rate (LWR) [108]	/	7.79	6.53	4.79	7.07
Contractor lost workday rate (LWR)	/	0	0	–	–
Employee lost time injury rate (LTIR) [109]	/	0.24	0.34	0.43	–
Contractor lost time injury rate (LTIR) [110]	/	0.07	–	–	–
Percentage of sites undergoing environmental risk assessments	%	100	100	–	–
Coverage of workplace health and safety risk assessments at major operational sites	%	100	82.6	–	–
Number of employees that completed health checkups	person	22,937[111]	18,062[112]	16,149[113]	–
Employee coverage of health checkup	%	91.43	84.52[114]	86.58[115]	–
Social insurance coverage[116]	%	100	100	100	100
Percentage of China sites with annual *Safety Objective* signed	%	100	100	100	100
Percentage of contractors that received safety induction training before entry at major operational sites	%	100	–	–	–
Percentage of major operational sites with the *Contractor Work Safety and Environmental Protection Management Agreement* signed prior to contractor entry	%	100	–	–	–
Major environmental pollution incident	cases	0	0	0	0
Waste disposed of in compliance with regulations	%	100	100	100	100

[107] During the reporting period, a safety incident resulting in a fatality occurred due to operational personnel not following the Company's safety procedures. The Company expresses its deep condolences for the deceased employee and extends sincere sympathy to the employee's family. The Company has implemented economic compensation and follow-up arrangements, and has comprehensively strengthened safety management, including upgrading safety training systems and enhancing on-site supervision, to prevent similar incidents from recurring.

[108] Employee lost workday rate=Number of lost workdays*200,000/Total working hours

[109] Employee lost time injury rate=Number of workdays lost day*200,000/Total working hours

[110] Contractor lost time injury rate=Number of workdays lost day*200,000/Total working hours

[111] Scope covers employees across the entire Group.

[112] Scope covers employees across the entire Group.

[113] Scope covers employees in China.

[114] Scope covers employees across the entire Group.

[115] Scope covers employees in China.

[116] For 2023 and 2024, the data represent the social insurance coverage rate of employees in China. In 2025, the statistical scope was expanded to cover the entire Group.

Supplier Data			2025	2024	2023	2022
Total number of suppliers		No.	8,712	7,582	7,032	4,731
Total number of key suppliers[117]		No.	252[118]	20	20	–
Total number of key Tier 1 suppliers		No.	252	100	100	–
Percentage of total spending on key Tier 1 suppliers		%	50.9	49	86	–
Total number of non-Tier 1 suppliers		No.	0	0	0	–
Number of suppliers implementing relevant practices		No.	838[119]	7,582	3,026	4,731
Number of suppliers by region	Chinese suppliers (including Hong Kong, Macao, and Taiwan)	No.	5,651	5,097	4,784	2,848
	Overseas suppliers	No.	3,061	2,485	2,248	1,883
Number of supplier audits		No.	822	574	454	705
Number of key suppliers that have signed ESG-related clauses		No.	175	–	–	–
Percentage of key suppliers that have signed ESG-related clauses		%	69.44	–	–	–
Percentage of key suppliers that have signed the *Code of Conduct for Business Partners*		%	97.22	–	–	–
Total number of key suppliers assessed through on-site audits		No.	4	–	–	–
Percentage of key suppliers assessed through on-site audits		%	23.53	–	–	–
Total number of key suppliers assessed through remote audits and/or on-site audits		No.	99	–	–	–
Percentage of key suppliers assessed through remote audits and/or on-site audits[120]		%	39.3	–	–	–
Number of suppliers identified as having significant actual or potential negative impacts following assessment		No.	0	0	–	–
Percentage of suppliers that were required to undergo remediation and/or training following the assessment[121]		%	0	0	0	0
Number of suppliers with significant actual or potential negative impacts for which cooperation was terminated		No.	0	0	0	0
Percentage of suppliers that have undergone anti-corruption and other business ethics-related due diligence		%	100	100	100	100
Percentage of key suppliers subject to sustainability audits[122]		%	81.75	–	–	–
Percentage of key suppliers included in diversity assessments[123]		%	81.75	–	–	–
Total number of key suppliers that have received sustainable procurement training		No.	135	–	–	–
Percentage of key suppliers that have received sustainable procurement training		%	53.57	68	71	60
Percentage of external packaging material allocated to recyclable or bio-based materials[124]		%	92.4	89	87	97

Social welfare		2025	2024	2023	2022
Total donations	RMB10,000	110.04	322.73	490.44	–

[117] Key suppliers refer to suppliers that have a material impact on Pharmaron. They are identified based on factors including procurement spending, degree of business impact, financial credit, as well as suppliers' business capabilities and sustainability risks.

[118] Due to the adjustment to the definition of "key suppliers" in 2025, the number of key suppliers increased as a result of the change in the statistical methodology.

[119] Due to the adjustment to the definition of "implementation of relevant practices" in 2025, the number of relevant suppliers decreased as a result of the change in the statistical methodology.

[120] Number of key suppliers assessed through remote audits and/or on-site audits/Total number of key suppliers

[121] Percentage of key suppliers received sustainable procurement training=Number of suppliers that were included in improvement actions or capacity-building following assessment/total number of suppliers assessed. In 2025, no suppliers were identified as high risk; therefore, no suppliers were included in improvement or capacity-building programs.

[122] Number of key suppliers subject to sustainability audits/Total number of key suppliers

[123] Number of key suppliers included in diversity assessments/Total number of key suppliers

[124] The scope covers recyclable and bio-based packaging materials in China.

Governance Performance Table

Indicator	Unit	2025	2024	2023	2022
Assessment and Certification					
Coverage rate of internal business ethics audits	%	64	–	–	–
Percentage of animal trial sites with AAALAC accreditation	%	67[125]	71	71	–
Percentage of major operational sites with ISO 14001 certification	%	50	30	30	10
Percentage of major operational sites with ISO 45001 certification	%	40	20	10	0
Percentage of major operational sites with ISO 27001 certification	%	60	30	10	10
Percentage of major operational sites with ISO 20000 certification	%	60	30	10	10
Percentage of major operational sites with ISO 22301 certification	%	10	0	0	0
Frequency of internal audit in major operational sites	times	10	2	–	–
Frequency of external audit in major operational sites	times	26	83	–	–
Overall average gender pay gap[126]	%	-4.60	-4.32	–	–
Overall median gender pay gap[127]	%	-6.47	-6.89	–	–
Overall average gender bonus gap[128]	%	-10.65	-7.79	–	–
Overall median gender bonus gap[129]	%	-11.59	-10.47	–	–
Business Ethics					
Reports received through official whistleblowing channels	No.	3	–	–	–
Confirmed customer data privacy incidents	No.	0	–	–	–
Confirmed conflicts of interest	No.	0	–	–	–
Confirmed incidents of money laundering or insider trading	No.	0	–	–	–
Confirmed corruption incidents	No.	0	0	0	0
Confirmed major information security incidents	No.	0	0	0	0
Confirmed discrimination or harassment incidents	No.	0	–	–	–
Number of discrimination or harassment incidents and/or corrective actions taken	No.	0	0	0	–
Product recall	No.	0	0	0	0
Non-compliance incidents related to product and service information and labelling	No.	0	0	0	0
Marketing and communications non-compliance incidents	No.	0	0	0	0
Monetary losses resulting from legal proceedings related to false marketing claims	RMB	0	0	0	0
Political donations/or contributions to political parties	RMB	0	0	0	0

[125] During the reporting period, AAALAC accreditation initiatives were carried out at Pharmaron Beijing Site III, Pharmaron Ningbo Site III and the Exton Site, Pharmaron US, with AAALAC accreditation expected to be obtained in 2026 or 2027.
[126] (Average remuneration of female employees – average remuneration of male employees)/average remuneration of male employees
[127] (Median remuneration of female employees – median remuneration of male employees)/median remuneration of male employees
[128] (Average bonus of female employees – average bonus of male employees)/average bonus of male employees
[129] (Median bonus of female employees – median bonus of male employees)/median bonus of male employees

Appendix 4 ESG Index

Disclosure Indicators		Sections
Environmental		
A1: Emissions		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride. Hazardous wastes are those defined by national regulations.		Addressing Climate Change Green Operations Pollution Prevention and Mitigation
A1.1	The types of emissions and respective emissions data.	Pollution Prevention and Mitigation
A1.2	Repealed on January 1, 2025	
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Pollution Prevention and Mitigation
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Pollution Prevention and Mitigation
A1.5	Description of emission target(s) set and steps taken to achieve them.	Addressing Climate Change Green Operations
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Green Operations
A2: Use of Resources		
General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.		Addressing Climate Change Green Operations
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Addressing Climate Change
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Green Operations
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Addressing Climate Change
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Green Operations
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Green Operations

Disclosure Indicators		Sections
A3: The Environment and Natural Resources		
General Disclosure Policies on minimizing the issuer's significant impacts on the environment and natural resources.		Biodiversity Protection Green Operations
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Biodiversity Protection Green Operations
A4: Climate Change		
General Disclosure Repealed on January 1, 2025		
A4.1	Repealed on January 1, 2025	
Social		
Employment and Labor Standards		
B1: Employment		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.		Employment and Development
B1.1	Total workforce by gender, employment type (for example, full – or part time), age group and geographical region.	Employment and Development
B1.2	Employee turnover rate by gender, age group and geographical region.	Key Performance Table
B2: Health and Safety		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.		Safe Operations Communication and Care
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Safe Operations
B2.2	Lost days due to work injury.	Safe Operations
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Safe Operations Communication and Care
B3: Development and Training		
General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.		Employment and Development
B3.1	The percentage of employees trained by gender and employee category (e.g., senior management, middle management).	Employment and Development
B3.2	The average training hours completed per employee by gender and employee category.	Employment and Development

Disclosure Indicators		Sections
B4: Labor Standards		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.		Employment and Development
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employment and Development
B4.2	Description of steps taken to eliminate such practices when discovered.	Employment and Development
B5: Supply Chain Management		
General Disclosure Policies on managing environmental and social risks of the supply chain.		Supply Chain Management
B5.1	Number of suppliers by geographical region.	Supply Chain Diversity
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management
B6: Product Responsibility		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.		Quality Service Innovation, Research and Development (R&D) Information Security
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Quality Service
B6.2	Number of products and service-related complaints received and how they are dealt with.	Quality Service
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Innovation, Research and Development (R&D)
B6.4	Description of quality assurance process and recall procedures.	Quality Service
B6.5	Description of consumer data protection and privacy policies and how they are implemented and monitored.	Information Security
B7: Anti-corruption		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.		Integrity and Compliance
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Integrity and Compliance
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Integrity and Compliance
B7.3	Description of anti-corruption training provided to directors and employees.	Integrity and Compliance
Community		
B8: Community Investment		
General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.		Public Welfare and Charity
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Public Welfare and Charity
B8.2	Resources contributed (e.g. money or time) to the focus area.	Public Welfare and Charity

Paragraph	Disclosure Indicators	Sections	Remarks
Part D: Climate-related Disclosures			
(I) Governance			
19	An issuer shall disclose information about:		
	(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate – related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about: (i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities; (ii) how and how often the body(s) or individual(s) is informed about climate – related risks and opportunities; (iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; (iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and	ESG Governance Structure ESG Governance ESG Performance Management Sustainable Climate Change Governance	
	(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about: (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	ESG Governance Structure ESG Governance Sustainable Climate Change Governance	
(II) Strategy			
20	An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:		
	(a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	Sustainable Development Strategy	
	(b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	Sustainable Development Strategy	
	(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	Sustainable Development Strategy	
	(d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	Sustainable Development Strategy	
21	An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:		
	(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	Sustainable Development Strategy	
	(b) a description of where in the issuer's business model and value chain climate – related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Sustainable Development Strategy	

Paragraph	Disclosure Indicators	Sections	Remarks
22	An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:		
	(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about: a. current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities; b. current and anticipated adaptation and mitigation efforts (whether direct or indirect); c. any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and d. how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and	Sustainable Development Strategy	
	(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	Sustainable Development Strategy	
23	An issuer shall disclose information about the progress of plans disclosed in previous Reporting Periods in accordance with paragraph 22(a).	Sustainable Development Strategy	
24	An issuer shall disclose qualitative and quantitative information about:		
	(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the Reporting Period; and	Sustainable Development Strategy	
	(b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual Reporting Period to the carrying amounts of assets and liabilities reported in the related financial statements.	Sustainable Development Strategy	There are currently no material risks that could significantly impact the carrying values of Pharmaron's assets or liabilities in the next reporting period.
25	The issuer shall provide qualitative and quantitative disclosures about:		
	(a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and	Sustainable Development Strategy	
	(b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	Sustainable Development Strategy	

Paragraph	Disclosure Indicators	Sections	Remarks
26	An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose:		
	(a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of: (i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and (iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	Sustainable Development Strategy	
	(b) how and when the climate-related scenario analysis was carried out, including: (i) information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); (ii) the key assumptions the issuer made in the analysis; and (iii) the Reporting Period in which the climate-related scenario analysis was carried out.	Sustainable Development Strategy	
Risk Management			
27	An issuer shall disclose information about:		
	(a) the processes and related policies it uses to identify, assess, prioritize and monitor climate-related risks, including information about: (i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes); (ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks; (iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria); how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria); (iv) whether and how the issuer prioritises climate-related risks relative to other types of risks; (v) how the issuer monitors climate-related risks; and (vi) whether and how the issuer has changed the processes it uses compared with the previous Reporting Period;	Sustainability and Climate Change Risk Management	
	(b) the processes the issuer uses to identify, assess, prioritize and monitor climate – related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	Sustainability and Climate Change Risk Management	
	(c) the extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	Sustainability and Climate Change Risk Management	

Paragraph	Disclosure Indicators	Sections	Remarks
Metrics and Targets			
28	An issuer shall disclose its absolute gross greenhouse gas emissions generated during the Reporting Period, expressed as metric tonnes of CO_2 equivalent, classified as:		
	(a) Scope 1 greenhouse gas emissions;	Sustainability and Climate-related Metrics and Targets Key Performance Table	
	(b) Scope 2 greenhouse gas emissions; and	Sustainability and Climate-related Metrics and Targets Key Performance Table	
	(c) Scope 3 greenhouse gas emissions.	Sustainability and Climate-related Metrics and Targets Key Performance Table	
29	An issuer shall:		
	(a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	Sustainability and Climate-related Metrics and Targets Key Performance Table	
	(b) disclose the approach it uses to measure its greenhouse gas emissions including: (i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii) any changes the issuer made to the measurement approach, inputs and assumptions during the Reporting Period and the reasons for those changes;	Sustainability and Climate-related Metrics and Targets Key Performance Table	
	(c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and	Sustainability and Climate-related Metrics and Targets Key Performance Table	
	(d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	Sustainability and Climate-related Metrics and Targets Key Performance Table	
30	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Sustainable Development Strategy	
31	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.		
32	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.		
33	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	Sustainable Development Strategy	
34	An issuer shall disclose:		
	(a) an explanation of whether and how the issuer is applying a carbon price in decision – making (for example, investment decisions, transfer pricing, and scenario analysis); and	Sustainability and Climate-related Metrics and Targets	
	(b) the price of each metric ton of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.		
35	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	Sustainable Climate Change Governance	

Paragraph	Disclosure Indicators	Sections	Remarks
36	An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterize participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry – based metrics associated with disclosure topics described in the IFRS S2 Industry – based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	Sustainable Development Strategy Key Performance Table	
37	An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:		
	(a) the metric used to set the target;	Sustainability and Climate-related Metrics and Targets	
	(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	Sustainability and Climate-related Metrics and Targets	
	(c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region);	Sustainability and Climate-related Metrics and Targets	
	(d) the period over which the target applies;	Sustainability and Climate-related Metrics and Targets	
	(e) the base period from which progress is measured;	Sustainability and Climate-related Metrics and Targets	
	(f) milestones or interim targets (if any);	Sustainability and Climate-related Metrics and Targets	
	(g) if the target is quantitative, whether the target is an absolute target or an intensity target; and	Sustainability and Climate-related Metrics and Targets	
	(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Sustainability and Climate-related Metrics and Targets	
38	An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:		
	(a) whether the target and the methodology for setting the target has been validated by a third party;	Sustainability and Climate-related Metrics and Targets External Assurance	
	(b) the issuer's processes for reviewing the target;	Sustainability and Climate-related Metrics and Targets	
	(c) the metrics used to monitor progress towards reaching the target; and	Sustainability and Climate-related Metrics and Targets	
	(d) any revisions to the target and an explanation for those revisions.	Sustainability and Climate-related Metrics and Targets	
39	An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	Sustainability and Climate-related Metrics and Targets	

Paragraph	Disclosure Indicators	Sections	Remarks
40	For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:		
	(a) which greenhouse gases are covered by the target;	Sustainability and Climate-related Metrics and Targets	
	(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	Sustainability and Climate-related Metrics and Targets	
	(c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;	Sustainability and Climate-related Metrics and Targets	
	(d) whether the target was derived using a sectoral decarbonization approach; and	Sustainability and Climate-related Metrics and Targets	
	(e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose: (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	Sustainability and Climate-related Metrics and Targets	
41	In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	Sustainable Development Strategy Sustainability and Climate-related Metrics and Targets Key Performance Table	

Appendix 5 GRI Content Index

Statement of use	Pharmaron has reported in accordance with the GRI Standards for the period January 1, 2025 to December 31, 2025.
GRI 1 used	GRI 1: Foundation 2021

Disclosure issues/items	Disclosure	Sections
GRI 2: General Disclosures		
The Organization and its Reporting Practices		
2-1	Organizational details	About Us
2-2	Entities included in the organization's sustainability reporting	About This Report
2-3	Reporting period, frequency and contact point	About This Report
2-4	Restatements of information	About This Report
2-5	External assurance	External Assurance
Activities and Workers		
2-6	Activities, value chain and other business relationships	Supply Chain Management
2-7	Employees	Employment and Development
2-8	Workers who are not employees[130]	Employment and Development
Governance		
2-9	Governance structure and composition	Corporate Governance
2-10	Nomination and selection of the highest governance body	Corporate Governance
2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance
2-13	Delegation of responsibility for managing impacts	ESG Governance
2-14	Role of the highest governance body in sustainability reporting	Corporate Governance
2-15	Conflicts of interest	Integrity and Compliance
2-16	Communication of critical concerns	ESG Governance
2-17	Collective knowledge of the highest governance body	ESG Governance
2-18	Evaluation of the performance of the highest governance body	ESG Governance
Strategy, Policies and Practices		
2-22	Statement on sustainable development strategy	ESG Governance
2-23	Policy commitments	ESG Governance List of Laws, Regulations and Internal Policies
2-24	Embedding policy commitments	ESG Governance
2-25	Processes to remediate negative impacts	Addressing Climate Change Ethics
2-27	Compliance with laws and regulations	List of Laws, Regulations and Internal Policies

[130] Refer to informal employees in other forms of employment as disclosed previously in this report, mainly including interns, part-time employees and dispatched workers, who are not included in the total number of employees.

Disclosure issues/items	Disclosure	Sections
Stakeholder Engagement		
2-29	Approach to stakeholder engagement	ESG Governance
GRI 3: Material Topics		
3-1	Process to determine material topics	ESG Governance
3-2	List of material topics	ESG Governance
3-3	Management of material topics	ESG Governance
Economics		
GRI 201: Economic Performance		
201-1	Directly generated and distributed economic value	Annual Report
201-2	Financial implications and other risks and opportunities due to climate change	Innovation, Research and Development (R&D)
201-3	Defined benefit plan obligations and other retirement plans	Employment and Development
GRI 205: Anti-corruption		
205-1	Operations assessed for risks related to corruption	Integrity and Compliance
205-2	Communication and training about anti-corruption policies and procedures	Integrity and Compliance
205-3	Confirmed incidents of corruption and actions taken	Integrity and Compliance
GRI 206: Anti-competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Not applicable.
Environmental		
GRI 302: Energy		
302-1	Energy consumption within the organization	Addressing Climate Change
302-3	Energy intensity	Addressing Climate Change
302-4	Reduction of energy consumption	Addressing Climate Change
302-5	Reductions in energy requirements of products and services	Addressing Climate Change
GRI 304: Biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity Protection
304-2	Significant impacts of activities, products and services on biodiversity	Biodiversity Protection
304-3	Habitats protected or restored	Biodiversity Protection
GRI 305: Emission		
305-1	Direct (Scope 1) GHG emissions	Addressing Climate Change
305-2	Energy indirect (Scope 2) GHG emissions	Addressing Climate Change
305-4	GHG emissions intensity	Addressing Climate Change
305-5	Reduction of GHG emissions	Addressing Climate Change

Disclosure issues/items	Disclosure	Sections
Social		
GRI 401: Employment		
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Communication and Care
GRI 403: Occupational Health and Safety		
403-1	Occupational health and safety management system	Safe Operations Health and Safety
403-2	Hazard identification, risk assessment, and incident investigation	Safe Operations
403-3	Occupational health services	Health and Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety
403-5	Worker training on occupational health and safety	Health and Safety
403-6	Promotion of worker health	Health and Safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety
403-8	Workers covered by an occupational health and safety management system	Safe Operations Health and Safety
403-9	Work-related injuries	Safe Operations
403-10	Work-related ill health	Health and Safety
GRI 404: Training and Education		
404-1	Average hours of training per year per employee	Employment and Development
404-2	Programs for upgrading employee skills and transition assistance programs	Employment and Development
GRI 405: Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	Employment and Development
GRI 406: Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	Employment and Development
GRI 413: Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	Public Welfare and Charity
GRI 414: Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	Supply Chain Management
414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management

Appendix 6 List of Laws, Regulations and Internal Policies

Category	Title
International principles and guidelines	*World Medical Association Declaration of Helsinki*
	International Ethical Guidelines for Biomedical Research Involving Human Subjects
	ICH Q7 *Good manufacturing practice for active pharmaceutical ingredients – Scientific guideline*
	ICH Q8 *Pharmaceutical Development*
	ICH Q9 *Quality Risk Management*
	ICH Q10 *Pharmaceutical Quality System*
	ICH Q13 *Continuous Manufacturing of Drug Substances and Drug Products*
	Universal Declaration of Human Rights
	Global Anti-Corruption Compliance Policy
Chinese laws and regulations	*Civil Code of the People's Republic of China*
	Pharmacopoeia of the People's Republic of China
	Criminal Law of the People's Republic of China
	Company Law of the People's Republic of China
	Securities Law of the People's Republic of China
	Anti-unfair Competition Law of the People's Republic of China
	Drug Administration Law of the People's Republic of China
	Cybersecurity Law of the People's Republic of China
	Personal Information Protection Law of the People's Republic of China
	Good Clinical Practice (GCP) E6(R3)
	Biosecurity Law of the People's Republic of China
	Regulation on the Administration of Laboratory Animals
	Laboratory Animal – Requirements of Environment and Housing Facilities
	Good Clinical Practice for Medical Devices ("Device GCP")
	Good Manufacturing Practice for Drugs (2010 Revision) of China
	The Appendix: Drugs for Clinical Trial (Trial) (July 2022) of China
	The Good Clinical Practice (GCP) (Trial)
	NMPA Requirements for Drug Record and Data Management (Trial) (December 2020) of China
	Veterinary Drug Production Quality Management Standards (2020 Edition) of China
	Patent Law of the People's Republic of China
	Trademark Law of the People's Republic of China

Category	Title
	Law of the People's Republic of China on Work Safety
	Labor Law of the People's Republic of China
	Labor Contract Law of the People's Republic of China
	Law of the People's Republic of China on the Protection of Minors
	Employment Promotion Law of the People's Republic of China
	Social Insurance Law of the People's Republic of China
	Interim Provisions on Wage Payment
	Regulation on Paid Annual Leave for Employees
	Law of the People's Republic of China on Prevention and Treatment of Occupational Diseases
	Occupational Health and Safety Management System Certification
	Occupational Health and Safety Management Systems –Requirements with Guidance for Use
	Energy Management Systems — Requirements with Guidance for Use
	Environmental Protection Law of the People's Republic of China
	Energy Conservation Law of the People's Republic of China
	Integrated Emission Standard of Air Pollutants
	Water Pollution Prevention and Control Law of the People's Republic of China
	Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste
	Law of the People's Republic of China on the Prevention and Control of Noise Pollution
	Emission Standard for Industrial Enterprises Noise at Boundary
	Technical Guidelines for Leak Detection and Repair of Volatile Organic Compounds in Industrial Enterprises
European and American laws and regulations	*EudraLex* of the EU
	General Data Protection Regulation of the EU
	The European Convention for the Protection of Vertebrate Animals Used for Experimental and Other Scientific Purposes, Council of Europe (ETS 123)
	Food, Drug, and Cosmetic Act of the US
	PSCI Principles for Responsible Supply Chain Management
	Current Good Manufacturing Practice (cGMP) Regulations of the US
	The Guide for the Care and Use of Laboratory Animals (Guide), NRC, 2011
	The Guide for the Care and Use of Agricultural Animals in Research and Teaching (Ag Guide), FASS, 2010
	FDA Data Integrity and Compliance with cGMP Guidance of the US
	Electronic Records: Electronic Signatures of the US
	Foreign Corrupt Practices Act (FCPA)
	Pay Transparency Non-discrimination Provision of the US
	National Labor Relations Act of the US
	Fair Labor Standards Act of the US
	Occupational Safety and Health Act of the US

Category	Title
	Energy Policy Act of 2020 of the US
	Clean Water Act of the US
	Clean Air Act of the US
	Noise Control Act of the US
	UK Bribery Act 2010
	General Data Protection Regulation of the UK
	MHRA GxP Data Integrity Definitions and Guidance of the UK
	Employment Rights Act 1996 of the UK
	Children (Protection at Work) Regulations 1998 of the UK
	Children Act 2004 of the UK
	Health and Safety at Work Act 1974 of the UK
	Management of Health and Safety at Work Regulations 1995 of the UK
	Modern Slavery Act 2015
	Environmental Protection Act 1990 of the UK
	Environment Act 2021 of the UK
	Control of Pollution Act 1974 of the UK
	Waste (England and Wales) Regulations 2011 of the UK
	Control of Noise at Work Regulations 2005 of the UK
Internal policies and systems	*Rules of Procedure for the Board of Directors*
	Work Rules of Independent Non-executive Directors
	Articles of Association
	Pharmaron Code of Conduct
	Anti-Money Laundering Policy
	ESG Management Measures
	ESG Information Management Handbook
	Standard Procedures for Managing Donation and Sponsorship
	Board Diversity Policy
	Employee Diversity, Equality, and Inclusion Policy
	Employee Handbook
	Global Anti-Corruption Compliance Policy
	Trade Compliance Policy
	Internal Whistleblowing and Investigation Policy
	Compliance Due Diligence for Business Partner
	Internal Audit Management System
	Protection of Data Privacy and Client Confidentiality
	Laboratory Animal Center Management Handbook
	Pharmaron Employee Animal Welfare Commitment Letter
	Constitution of the Institutional Animal Care and Use Committee (IACUC)

Category	Title
	Responsible Marketing Policy
	Pharmaron Information Security Management Policy
	Pharmaron Employee Information Security Handbook
	Pharmaron Application Security Policy Throughout Application Life Cycle
	Pharmaron Information Security Law and Regulation Compliance Management
	Pharmaron Privacy Policy
	Sustainable Procurement Management Policy
	Code of Conduct for Business Partners
	Supplier Diversity and Inclusion Policy
	Work Safety and Environmental Protection Management Agreement
	Pharmaron Quality Guidelines
	GxP Regulatory Surveillance
	IEC or IRB Submission
	OOS and OOT Results Investigation
	Pharmaron IP Handbook
	Pharmaron Information Confidentiality System
	Management Measures for Trade Secrets of Pharmaron
	Information Resource Control Procedures of Pharmaron
	Confidentiality System Construction Plan of Pharmaron
	Production Safety Accident Emergency Response Plan
	Special Emergency Response Plan for Chemical Spill
	On-site Disposal Plan for Gas Leakage Incidents
	Management Procedures of Work Safety Responsibility System
	Safety Production Responsibility System
	Emergency Rescue and Management Procedures for Hazardous Accidents
	Safety Objective in 2025
	Corrective Action Plan for the Risk in Concentrative Safety Program
	Standard Operating Procedures for Customer Complaints
	Standard Operating Procedures for Product Recall
	Management Procedures for Non-conforming Products
	Intern Management Policy
	Performance Management and Evaluation System
	People Strategy Implementation Roadmap
	Pharmaron Training and Development Policy
	Safety Manual
	Standard Operating Procedure
	Work Instructions
	Emergency Plan
	Radiation Safety Management Procedure
	Work Instruction for Registration and Management of Radioactive Materials Inbound and Outbound Records
	Work Instruction for Security Management of Radioactive Material Use Areas

Category	Title
	Work Instruction for Safety Inspection of Radioactive Material Use Areas
	Work Instruction for Radiation Safety Training in Radioactive Material Use Areas
	Work Instruction for Equipment Maintenance in Radioactive Material Use Areas Radiation Safety Operation Work Instruction
	Work Instruction for Monitoring in Radioactive Material Use Areas
	Management Procedure for Publicity, Education and Training of Occupational Disease
	Daily Communication Mechanism
	Occupational Health and Safety Representative System
	Safety Suggestion Proposal Mechanism
	Safety Suggestion Proposal Guidelines
	Energy Conservation Management System
	Environmental Protection Management System
	Environmental Protection and Energy Conservation Reward and Punishment System
	Energy Conservation and Environmental Protection Responsibility System
	Pharmaron Environmental and Sustainability Policy
	Environmental Protection Management Procedures
	Environmental Monitoring and Measurement Management Procedures
	Environmental Pollution Incident Management Procedures
	Environmental Pollution Accident Emergency Rescue Plan
	Disaster Response Plan and Emergency Response Procedures
	Cleaner Production Work Instruction
	Wastewater Treatment Station Management Procedures
	Waste Management Procedure
	Exhaust Gas Control Management Procedure
	Environmental Noise Management Procedure
	Chemical Spill Site Disposal Plan
	Hazardous Waste Management Plan
	Hazardous Waste Environmental Management Training Plan

Appendix 7 Reporting Scope

Company name
Beijing Headquarters:
Pharmaron Beijing Co., Ltd.
Pharmaron Shaoxing Co., Ltd.
Pharmaron (Beijing) Technology Development Co., Ltd.
Beijing AniKeeper Biotech Co., Ltd.
Pharmaron (Ningbo) Technology Development Co., Ltd.
Pharmaron (Ningbo) Bioscience Services Co., Ltd.
Pharmaron (Ningbo) Biologics Co., Ltd.
Pharmaron Ningbo Co., Ltd.
Pharmaron CRI (Ningbo) Co., Ltd.
AniKeeper (Ningbo) Biotech Co., Ltd.
Pharmaron (Tianjin) Process Development and Manufacturing Co., Ltd.
Hangzhou Ruituo Intelligent Technology Co., Ltd.
Shanghai Jiying Intelligent Technology Co., Ltd.
Pharmaron (Chengdu) Clinical Services Co., Ltd.
Nanjing Sirui Biotechnology Co., Ltd.
Pharmaron (Beijing) Clinical Services Co., Ltd.
Pharmaron (Shanghai) Clinical Services Co., Ltd.
Enyuan Pharmaceutical Technology (Beijing) Co., Ltd.
Beijing LinkStart Biotechnology Co., Ltd.
Beijing Kangsida Health Management Co., Ltd.
Aistarfish Technology Co., Ltd.
Hangzhou Aistarfish Care Health Technology Co., Ltd.
Shanghai Aistarfish Technology Co., Ltd.
Hangzhou Aistarfish Research Technology Co., Ltd.
Shanghai Youchi Technology Co., Ltd.
Haikou Aistarfish Information Technology Co., Ltd.
Chengdu Aistarfish Internet Hospital Co., Ltd.
Beijing Aistarfish Technology Co., Ltd.
MedData Kangming (Beijing) Technology Co., Ltd.
MedData Kangxin (Beijing) Technology Co., Ltd.
MedData Kangyuan (Beijing) Technology Co., Ltd.
MedData Kangcheng (Shenzhen) Technology Co., Ltd.
RAMED (Beijing) Medical Technology Co., Ltd.
Shanghai RAMED Medical Technology Co., Ltd.
Hainan Shenzhou Deshu Medical Technology Co., Ltd.
Pharmaron (Hangzhou) Clinical Services Co., Ltd.
Pharmaron (Wuhan) Clinical Services Co., Ltd.
DeltaMed (Beijing) Co., Ltd.

Company name
Pharmaron (Nanjing) Clinical Services Co., Ltd.
Pharmaron (Ningbo) Medical Device Testing Co., Ltd.
Pharmaron (Zhuhai) Clinical Services Co., Ltd.
Pharmaron (Xi'an) Technology Development Co., Ltd.
Pharmaron Xi'an Co., Ltd.
Pharmaron Chongqing Co., Ltd.
Pharmaron Qingdao Co., Ltd.
AniKeeper (Zhanjiang) Biotech Co., Ltd.
AniKeeper (Zhaoqing) Biotech Co., Ltd.
Biortus Biosciences Co., Ltd.
Biortus Discovery Co., Ltd.
Kryo Biosciences Co. Ltd.
Biortus USA Inc.
Pharmaron (Beijing) TSP Services Co., Ltd.
Pharmaron (Beijing) Pharmaceutical Technology Co., Ltd.
Pharmaron Shanghai Co., Ltd.
Pharmaron (Beijing) Biologics Co., Ltd.
Pharmaron, Inc.
Pharmaron (Germantown) Lab Services Inc.
Pharmaron Manufacturing Services (US) LLC
Pharmaron (Exton) Lab Services LLC
Pharmaron (Boston) Lab Services LLC
Pharmaron (San Diego) Lab Services LLC
Pharmaron (US) Clinical Services, Inc.
Pharmaron CPC, Inc.
Pharmaron UK Limited
Pharmaron Biologics (UK) Ltd
Pharmaron Manufacturing Services (UK) Ltd
Pharmaron (Hong Kong) International Limited
Pharmaron (Hong Kong) Investments Limited
Pharmaron Biologics (HK) Holdings Limited
Pharmaron (US) Clinical Holdings, Inc.
Pharmaron Japan LLC
Pharmaron US, Inc.
Pharmaron (US) Holdings, Inc.
Pharmaron Biologics (US) Holdings, Inc.
Pharmaron (UK) Investments Limited
Quotient Bioresearch (Radiochemicals) Limited
Pharmaron Biologics (UK) Holdings Limited

Appendix 8 Suggestions and Comments

Thank you for reading Pharmaron 2025 Environmental, Social and Governance Report. We would love to receive your feedback so that we can provide you and all the other stakeholders with more valuable information while moving forward in our overall ESG performance. You could send us your feedback in the following ways:

Address: 6 Tai-He Road, Beijing Economic-Technological Development Area, Beijing, China

Postal code: 100176

Email: pharmaron@pharmaron.com

1. Which of the following stakeholder categories do you belong to? _____
A. Governments and regulators B. Institutional investors/shareholders
C. Individual investors/shareholders D. Board members
E. Company executives F. Employees G. Customers and potential customers
H. Suppliers and subcontractors I. Colleges and universities
J. Communities and the public K. Charity organizations and industry associations
L. Media M. ESG experts

2. Do you think this report addresses your concerns about the Group? _____
A. Yes B. No. (What do you think should also have been disclosed in this report?)

3. Do you think the Group has responded to your expectations? _____
A. Yes B. No. (Which of your expectations do you think are not well responded to?)

4. Do you think the content and design of this report make it friendly to read? _____
A. Very friendly B. Friendly C. Average D. Unfriendly

5. Do you have any other comments or suggestions on the Group's ESG performance or this report?

_____

Thank you again for your time!

Appendix 9 External Assurance

NewTurn CONSULTING 念桐咨询

Independent Verification Statement

To the Management and Stakeholders of PHARMARON BEIJING Co., Ltd.:

Shanghai New Turn Consulting Co., Ltd. (hereinafter "NewTurn") is engaged by PHARMARON BEIJING Co., Ltd. (hereinafter "Pharmaron" or the "Company") to conduct independent third-party verification on the Company's *2025 Environmental, Social and Governance Report* (hereinafter "ESG Report"), which discloses Pharmaron's sustainability performance for the year 2025 (1 January 2025 to 31 December 2025).

Pharmaron, as the main body of the report, is fully responsible for the preparation of the ESG Report and the collection and submission of sustainable data. Pharmaron has established a corresponding internal control system to ensure the quality of information. NewTurn, as an independent third-party verification agency, has strictly complied with the professional ethics and conflicts of interest stipulated in the verification standard. While maintaining institutional independence, NewTurn has performed a professional verification on the content of the report within the scope agreed upon in the engagement agreement, and has issued an objective and impartial verification opinion.

Verification Standards and Guarantee Levels

NewTurn has performed verification in accordance with the Accountability AA1000 Assurance Standard v3 (AA1000AS v3), on the environmental, social and governance information and data disclosed in Pharmaron's ESG Report, including selected specific sustainability information, at a moderate level of verification.

Purpose of Verification

The purpose of the verification is to provide Pharmaron management and stakeholders who are concerned with the Company's sustainability performance with an independent verification opinion, including: assessing whether the content of the ESG Report adheres to the AA1000AP (2018) Validation Principles (Inclusivity, Materiality, Responsiveness, and Impact), and verifying the fair presentation of selected specific sustainability information at a moderate level of verification.

Verification Scope and Procedures

- Verify the accuracy and reliability of the environmental, social and governance-related data and performance disclosed in Pharmaron's ESG Report for the year 2025 (January 1, 2025 to December 31, 2025), as well as its management support systems, double materiality assessments, and the identification and assessment of climate and biodiversity-related risks and opportunities.
- Evaluate the management process of data collection, aggregation, analysis, and verification in the ESG Report.
- NewTurn's verification activities and procedures include:
  1) Interview with management and ESG Team to evaluate the effectiveness of key management processes and internal control systems;
  2) Sample and test data collection, integration and reporting processes, combined

Independent Verification Statement

with interviews to verify operational data;

3) Validate the consistency and reliability of the information in the ESG Report to ensure compliance with the verification scope requirements;

4) Submit preliminary validation recommendations and verify supporting evidence to ensure adherence to the AA1000 principles.

Limitations

NewTurn has strictly conducted a moderate level of verification engagement within the verification scope defined by the AA1000AS v3 standard, forming its verification conclusions by systematic collection of information, evidence and necessary explanations. The verification content covers only the specific performance disclosed in the report, and does not include financial data or information that has been subject to third-party financial audit. This verification engagement may not identify all issues and circumstances, nor does it constitute a guarantee of the credit or condition of the verification subject.

Verification Conclusion

Based on the moderate verification procedures performed in accordance with the AA1000AS v3 standard and the supporting evidence reviewed, it is confirmed that the quantitative data and qualitative content in Pharmaron's 2025 ESG Report were accurate and reliable. NewTurn has not identified any systemic or substantive errors that would materially affect the ESG Report.

The Degree of Compliance with the AA1000AP

Inclusivity	The ESG Report covers multiple operating entities of Pharmaron's global entities. It identifies stakeholders including users, shareholders, investors, employees, and suppliers, references various international reporting frameworks, and conducts double materiality assessments as well as the identification and assessment of climate-related and biodiversity-related risks and opportunities through internal and external stakeholder research. It also demonstrates the implementation of diversity and inclusion, and promotes diversified development among supply chain partners, reflecting the Company's comprehensive consideration and practice in terms of inclusiveness.
Materiality	The ESG Report elaborates on the Company's practices and achievements in the three core areas of environment, social responsibility and governance. It publicly discloses the conclusions of the double materiality assessment, analyses the Company's impacts and dependencies on ecosystems, and proposes corresponding risk management measures, demonstrating the Company's in-depth governance and active actions on material topics.

NewTurn CONSULTING 纽桐咨询

Independent Verification Statement

Responsiveness	Through stakeholder communication mechanisms, the Company actively collects and responds to the expectations and suggestions of stakeholders including government and regulatory authorities, institutional investors/shareholders, customers and potential customers, and suppliers and subcontractors, reflecting the Company's initiative and transparency in responsiveness.
Impact	Through specific data and cases, Pharmaron demonstrates its positive impact on environment, social responsibility and governance. These include significant reductions in energy consumption and greenhouse gas emissions through energy conservation and emission reduction measures, as well as actively giving back to society by supporting public welfare initiatives in education, science and technology, and environmental protection. These efforts not only enhance the Company's sustainability capabilities but also create positive demonstration effects on the industry and society at large.

Recommendations for Continuous Improvement

Continuous improvement recommendations have been separately communicated with the Company and have been reflected accordingly in the report. Therefore, it is no longer listed in detail in this statement.

Statement on Independence and Verification Capabilities

Shanghai New Turn Consulting Co., Ltd. is a consulting service organization specializing in capital market compliance and enterprise management improvement. The verification team is composed of experienced ESG professionals in the industry, with full understanding and practical experience in relevant international standards, evaluation systems, and verification standards, and has the ability to conduct verification.

NewTurn and Pharmaron are completely independent organizations. NewTurn has no conflict of interest with Pharmaron or its stakeholders, and all verification team members have no business dealings with the Company. The verification engagement has been conducted with complete neutrality.

AA1000
Licensed Report
001-041/V3-BOBFJ

Director of Sustainability

March 11, 2026 Shanghai, China

Note: This verification statement is subject to the Chinese Simplified version, and the Traditional Chinese and English translations are for reference only

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Pharmaron Beijing Co., Ltd.

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