



2019

Corporate Social Responsibility Report

Contents



01 02 03 04 05 06

<p>Message from the Chairman</p> <p>WuXi AppTec at a Glance</p> <p>Company Profile 06</p> <p>Leading Business 09</p> <p>Organizational Structure 10</p> <p>In Focus</p> <p>Our Steadfast Commitment to Enabling the Industry and Improving the Lives of Patients 11</p>	<p>CSR Philosophy and Management Creating Sustainable Value</p> <p>CSR Philosophy and Management 19</p> <p>Robust Corporate Governance 27</p>	<p>Responsibility to the Industry Building an Integrated Capabilities and Technology Platform to Expedite the Development of New Drugs</p> <p>Platform Strength: An Integrated Enabling Platform 33</p> <p>Business Foundation: Responsible Operations 34</p>	<p>Responsibility to Employees Providing an Inclusive and Vibrant Workplace that Fosters Professional Development for All Employees</p> <p>People-oriented: An Inclusive and Open Career Platform 39</p> <p>Safety First: Healthy and Safe Working Environment 44</p> <p>Developing Talents: A Workplace for Employee Growth and Development 48</p>	<p>Responsibility to the Environment and Society Promoting the Well-being of the Environment and Our Global Community</p> <p>Green Development: Sustainable Manufacturing and Operations 57</p> <p>Cohesion: Sustainable Supply Chain Management 65</p> <p>Sharing Prosperity: Promoting the Shared Development of the Industry and Society 67</p>	<p>Key Performance Index Table 71</p> <p>Definitions of Terms 75</p> <p>About This Report 77</p> <p>78</p>
--	---	---	---	--	--

Message from the Chairman



Ge Li, Ph.D.
Chairman and CEO of WuXi AppTec

Since its founding in 2000, WuXi AppTec has been a committed enabler and contributed to the advancement of the healthcare industry. As we forge ahead and see our business continue to grow, we also strive to serve as responsible corporate citizens globally.

In 2019, we continued to do the right thing for patients, pursuing the vision that "every drug can be made and every disease can be treated." To address priority healthcare needs, we expanded the capacity and capabilities of our enabling platform, and expedited the development of new medicines for patients worldwide. Through our open-access platform, we are helping a growing number of innovators and entrepreneurs advance discoveries and deliver treatments to those in need.

Throughout the year, we further rooted corporate social responsibility in every aspect of our strategy and operations. We

established the Environmental, Social and Governance (ESG) Committee to further enhance our robust corporate governance structure. In addition to these efforts, we continued to adhere to the highest global quality and regulatory standards, to strengthen our IP and data security system, and to earn or sustain the trust of more than 3,900 partners around the globe.

Further, we applied corporate social responsibility best practices to every facet of our business. We increased our investments in building sustainable supply chains, implemented green chemistry practices, and advanced our environmental protection efforts. We made strides to enhance employee welfare by continuing to build an inclusive and vibrant workplace that fosters professional development for all employees. We also conducted extensive outreach, inspiring young professionals to pursue careers in healthcare research and development, while

also convening seasoned industry veterans to share their collective wisdom and propel the healthcare industry into the future.

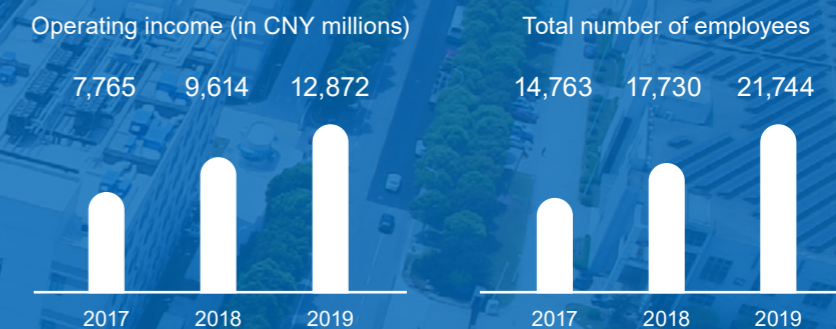
As I write this, the world is experiencing an unexpected pandemic at the beginning of 2020. We have also witnessed the compassion and dedication of our employees in the battle against this virus. Yet the outbreak is an important reminder that there are still preventions, diagnoses and treatments to be discovered and new drugs and vaccines to be developed.

As an open-access enabling platform, WuXi AppTec will remain committed to the long journey ahead. "Doing the right thing and doing it right" is at our core. We will keep being a committed enabler of the healthcare industry, putting customers first and striving for excellence. We made great strides in 2019, and will continue to contribute to groundbreaking advancements that benefit patients globally.



Company Profile

Company name: WuXi AppTec Co., Ltd.
 Stock code: 02359 (H-shares); 603259 (A-shares)
 Established: Y2000
 Headquarters: Shanghai, China
 Operations: WuXi AppTec operates 29 sites across 8 countries and regions, including China, the United States, Germany, Israel, Japan, South Korea and the United Kingdom.



With industry-leading capabilities such as R&D and manufacturing for small molecule drugs, cell and gene therapies, and testing for medical devices, WuXi AppTec's open-access platform is enabling more than 3,900 collaborators from over 30 countries.

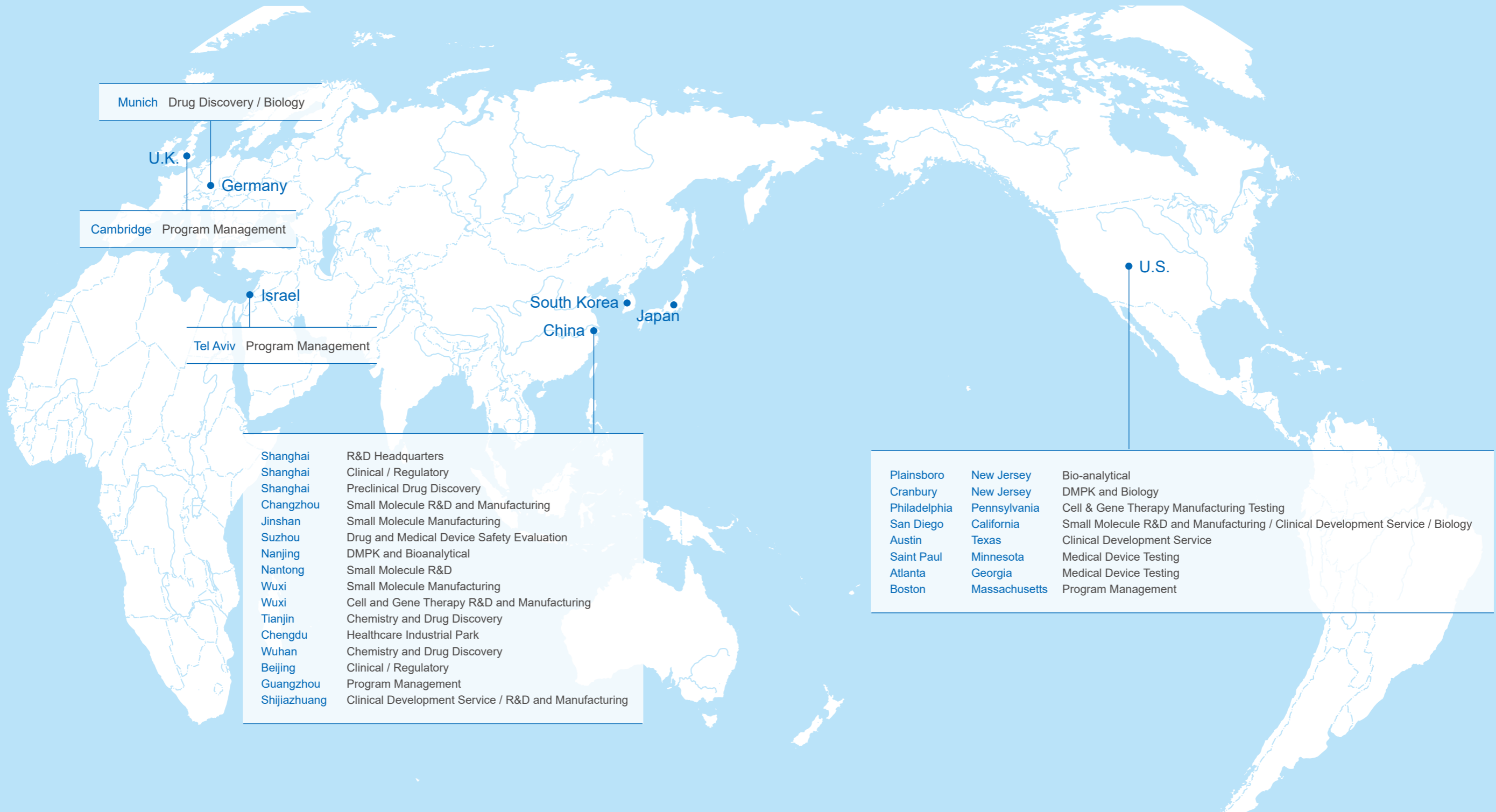
"WuXi AppTec pioneered an open-access and integrated R&D platform, enabling thousands of customers to accelerate drug development. They have made a positive impact on innovation in the drug R&D industry globally."

- TR50 List Committee of *MIT Technology Review*

Company Profile
 Leading Business
 Organizational Structure

1 WuXi AppTec at a Glance





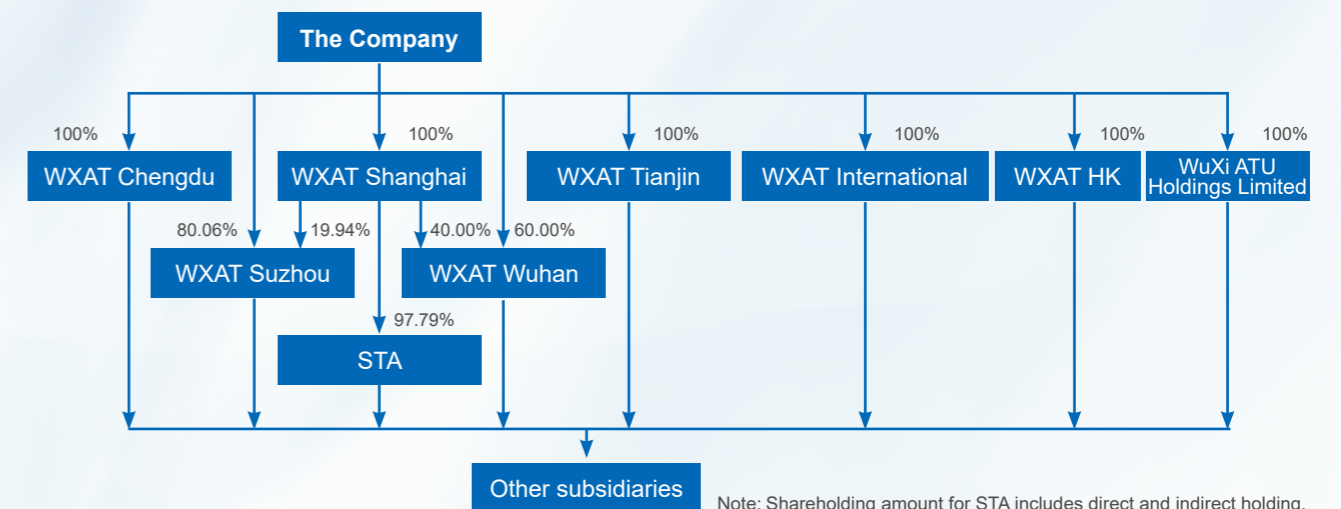
Leading Business

WuXi AppTec provides a broad portfolio of R&D and manufacturing services that enable companies in the pharmaceutical, biotech and medical device industries worldwide to advance discoveries and deliver groundbreaking treatments to patients.

As an innovation-driven and customer-focused company, WuXi AppTec provides a broad and integrated portfolio of services to help our worldwide customers and partners shorten the discovery and development time and lower the cost of drug and medical device R&D through cost-effective and efficient solutions. With its industry-leading capabilities such as small molecule R&D and manufacturing, cell and gene therapies, and medical device testing, our platform is enabling innovative collaborators to bring innovative healthcare products to patients, and to realize our vision that "every drug can be made and every disease can be treated."

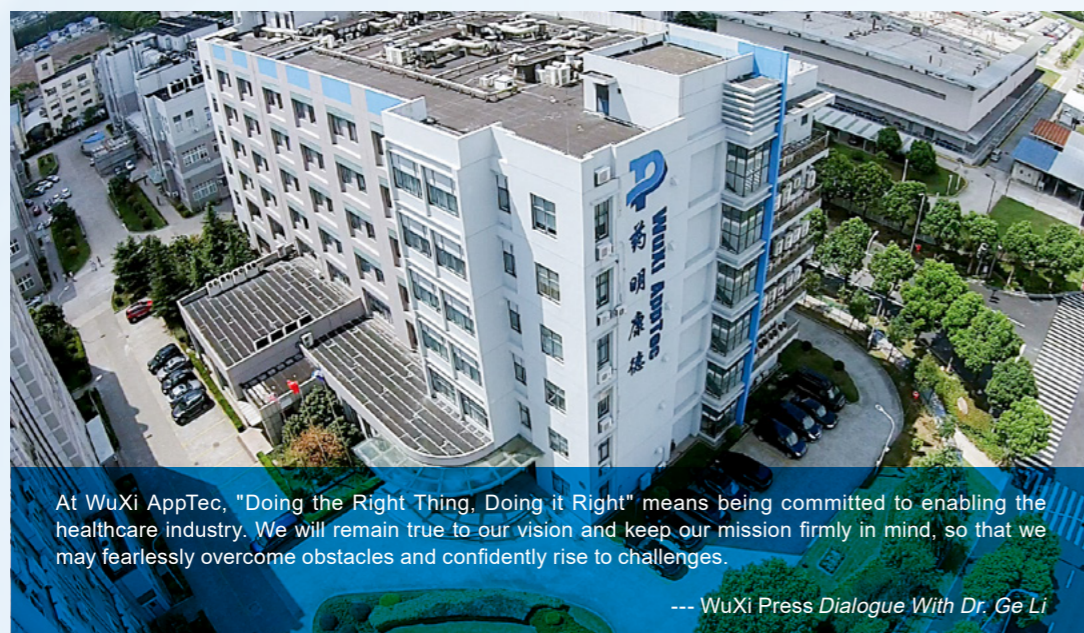


Organizational Structure



In Focus | Our Steadfast Commitment to Enabling the Industry and Improving the Lives of Patients

Being an Enabler of Innovation



At WuXi AppTec, "Doing the Right Thing, Doing it Right" means being committed to enabling the healthcare industry. We will remain true to our vision and keep our mission firmly in mind, so that we may fearlessly overcome obstacles and confidently rise to challenges.

--- WuXi Press Dialogue With Dr. Ge Li

WuXi AppTec was established 20 years ago, starting in a 650-sqm laboratory, with a simple but ambitious vision of creating a future where "every drug can be made and every disease can be treated". It has since embarked on a journey to develop an integrated enabling platform to lower the barriers of R&D and expedite the discovery and development of new medicines.

Over these 20 years, WuXi AppTec has remained true to its vision and continues to advance its mission forward. Upholding our core value of "Doing the Right Thing, Doing it Right," we strive to build a comprehensive capabilities and technology enabling platform. We are delighted to see that the CDMO model and long tail strategy are having a significant influence on the transformation of the drug R&D industry worldwide. We trust our sustained efforts will continue to help improve the productivity and efficiency of drug R&D. Meanwhile, our work is also facilitating the formation and development of a comprehensive healthcare innovation ecosystem that is driven by data and technology, allowing increasing numbers of scientists, engineers, entrepreneurs, doctors and patients to take part in the research and innovation process.

Looking forward, we will stay true to our vision and maintain our core values as we strive to bring life-saving new medical care to patients all around the world. With this goal firmly in mind, WuXi AppTec will continue leveraging cutting-edge technology and improving the capabilities and capacities of its open-access platform to enable drug R&D and help our partners realize their innovation dreams.



In 2019, a partner of WuXi AppTec, Shanghai Braegen Pharmaceutical Co. Ltd. (Braegen) acquired implied license of clinical trial from the U.S. FDA for its small molecule drug (BrAD-R13) used for the treatment of Alzheimer's Disease. This brings hope to Alzheimer's patients.

WuXi AppTec started working with Braegen in August 2017. WuXi AppTec assisted Braegen in successfully acquiring permission from the U.S. FDA to conduct clinical trials via support in diversified aspects including API synthesis path design, preparation development and production, quality and stability studying, pharmacokinetics, safety assessment, bioanalysis, application under eCTD format.



In September 2019, WuXi AppTec announced its launch of DELight, a novel DNA Encoded Library (DEL) service package, providing cost-effective and efficient hit finding services to expedite early drug discovery and bring new medicines to patients faster. Compared to traditional DEL services, DELight is a more convenient, efficient and economical service package, allowing researchers to perform their own affinity selection with minimum assay development and without disclosing target information. The launch of DELight will further enhance the application and development of DEL technology in the new drug discovery industry and provide strong technological support for customers to accelerate early drug discovery.



Nearly 40 years ago, the RAS gene (also known as Rat Sarcoma) was confirmed as the first human proto-oncogene. For decades, scientists have developed generations of targeted inhibitor drugs to treat commonly-seen proto-oncogenes such as those for EGFR and BCL. However, until recently there had not been any RAS inhibitor drugs successfully developed. In 2019, a new company in the biotech industry, Mirati Therapeutics, invented a drug (MRTX849) that has currently entered phase I/II clinical trials. This new drug targets the KRAS G12C protein, which is a specific mutation in the RAS family. WuXi AppTec's International Discovery Service Unit (IDSU) and Chemical Service Unit (CSU) provided strong support for the academic research and clinical translation of this drug. Meanwhile, the drug benefited from WuXi AppTec's Laboratory Testing Division establishing its WIND (WuXi IND) platform for new drug preclinical research projects, with integrated capabilities of preclinical testing and analysis, helping shorten the time required to nominate the preclinical drug candidate to clinical trials to approximately only one year.

In Focus | Our Steadfast Commitment to Enabling the Industry and Improving the Lives of Patients



Being a Trusted Partner



The current speed of global drug R&D is unprecedented. In this environment, WuXi AppTec's platform looks to enable entrepreneurs to "make a product with an idea, a piece of paper, a pen, and a credit card." To fulfil this commitment, we continue to adhere to the highest global quality and regulatory standards, to strengthen our IP and data protection systems, and to expand our capacity and capabilities.

WuXi AppTec relies on two basic elements to win the trust from partners: an open-access capabilities and technology platform and high-quality service. With industry-leading capabilities including R&D and manufacturing for small molecule drugs, cell and gene therapies, and testing for medical devices, WuXi AppTec's open-access platform is enabling more than 3,900 collaborators from over 30 countries to bring better medicines to patients, and together realize our vision that "every drug can be made and every disease can be treated."



In 2019, STA, a subsidiary of WuXi AppTec, and BioLingus signed an exclusive technological cooperation and marketing agreement to deepen the exploration of sublingual delivery. The collaboration is helping further integrate the advantages of STA drug product services and expedite the development of BioLingus' pipeline and usage of sublingual delivery technology.



WuXi AppTec's subsidiary, WuXi ATU Co., Ltd. established a strategic cooperation with GeneSail Biotech (Shanghai) Co., Ltd., to co-develop a manufacturing platform for oncolytic viral vectors. Relying on WuXi AppTec's integrated platform, WuXi ATU was able to provide integrated gene therapy product R&D and production service including product development, preclinical research, clinical production, clinical trial, regulatory application and commercialized production. The cooperation brought together the leading R&D and manufacturing capabilities in the cell and gene therapy, promoting the development in this field in China.



2001

2019

From one single chemistry lab
From one customer
From 4 co-founders



to a global platform with 29 sites worldwide
to 3,900 collaborative partners
to over 21,000 employees globally, including over 17,000 scientists

In Focus | Our Steadfast Commitment to Enabling the Industry and Improving the Lives of Patients



Contributing to the Global Healthcare Community



In the long run, with the help of technological innovation, the industry should continue to both reduce the cost of new drug discovery and development, as well as the cost of medical care. Only in this way can we deliver more breakthroughs to patients around the world and truly bring them benefit.

- Dr. Ge Li at the WuXi Global Forum 2020

WuXi AppTec strongly believes that the development of innovative drugs depends on an enduring cooperation with its partners and the broader industry. As such, WuXi AppTec is dedicated to promoting global pharmaceutical innovation and contributing to the development of a global healthcare ecosystem. We believe that by operating globally and promoting the development of a strong and collaborative ecosystem, we can advance more rapidly towards realizing our shared vision that "every drug can be made and every disease can be treated."

One way WuXi AppTec promotes collaborations across the global healthcare ecosystem is by supporting healthcare industry forums. We actively work with industry partners and local stakeholders to create a dynamic ecosystem focused on the health sciences. This fosters innovation while simultaneously attracts talent to the region and contributes to local economic growth.



Future innovations require all members of the healthcare ecosystem working together and fully embracing collaboration. The WuXi Global Forum 2019 was held in San Francisco and broadcasted live globally. With the theme of "A Celebration of Global Partnerships", more than 3,000 professionals from over 1,500 companies and institutions participated in the event. During the panel discussions, many presenters spoke on topics of how to improve interconnectivity, productivity and research efficiency of the new drug R&D field. Since its establishment in 2013, the WuXi Global Forum has gradually become an increasingly prominent part of the JP Morgan Healthcare Conference.



In March 2019, WuXi AppTec held its first WuXi Healthcare Forum with over 5,000 industry leaders from 2,000 companies and organizations, spanning 20 countries coming together to bring their collective insights to bare on the global challenges facing healthcare – exploring what breakthroughs have been achieved, the present realities and future possibilities. The forum also featured a special CEO roundtable, which showcased 200 companies who are seen as being on the verge of future healthcare innovations.



WuXi AppTec has also launched "Drug Discovery Roadshow Seminars" to share cutting-edge scientific research and technology. In 2019 our seven roadshow events were attended by nearly 700 experts and scholars from more than 400 biotech pharmaceutical companies. At the events, WuXi AppTec's scientists specializing in chemistry, biology and tumor immunology hosted in-depth discussions with the participants on drug discovery and innovation, and shared how innovative technologies could enable future breakthroughs in a new era of industry collaboration.

In addition, WuXi AppTec has built a platform named Mingxinghui in China, bringing entrepreneurs together to share insights via both online and offline.



CSR Philosophy and Management
Robust Corporate Governance

2

CSR Philosophy and Management: Creating Sustainable Value



CSR Philosophy and Management

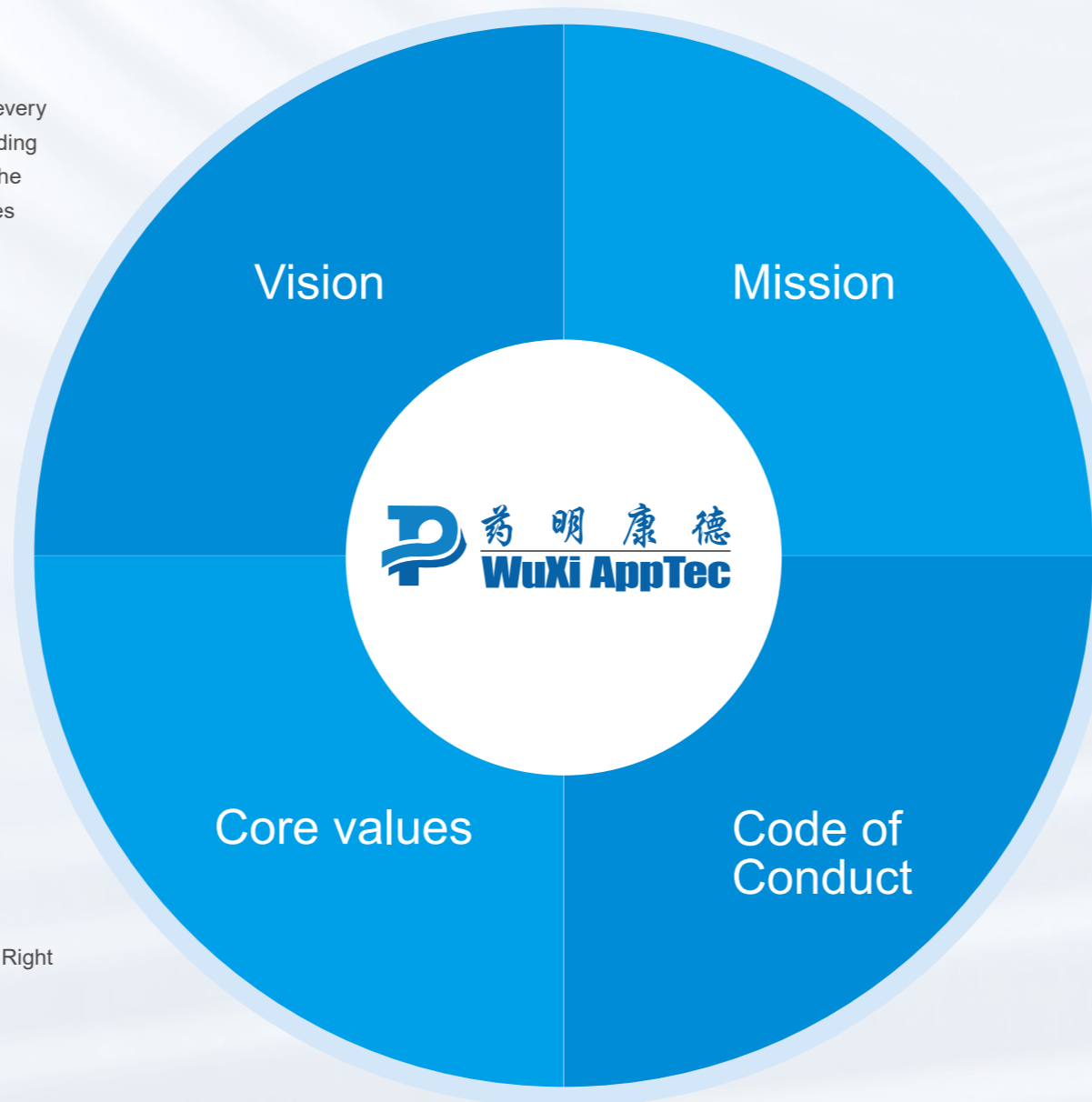
WuXi AppTec remains true to its vision that "every drug can be made and every disease can be treated." The Company adheres to the core values and strives to shoulder the responsibilities to do the right thing for patients. It continues to lower the barriers of R&D and expedite the discovery and development of new medicines for patients globally.



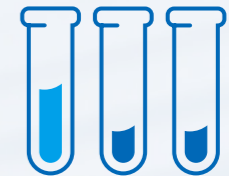
"Every drug can be made and every disease can be treated" by building an open-access platform with the most comprehensive capabilities and technologies in the global healthcare industry.



Integrity & Dedication, Working Together & Sharing Success;
Doing the Right Thing, Doing It Right



Continue building an open-access capability and technology platform to enable anyone and any company to discover and develop pharmaceuticals and healthcare products to benefit patients.



Put Customer First
Demonstrate Integrity
Strive for Excellence
Execute for Results
Pursue Collaboration and Teamwork
Embrace Change and Drive Innovation



CSR Model

At the core of WuXi AppTec's sustainable development is its vision that "every drug can be made and every disease can be treated" by building an open-access platform with the most comprehensive capabilities and technologies in the global healthcare industry. Being responsible for employees and environment and community, we keep enhancing its integrated enabling platform to contribute to the society and the healthcare industry.



Pharmaceutical and Healthcare Industry

As an open-access capability and technology platform, WuXi AppTec continuously expands capacity and capabilities to enable more innovators and entrepreneurs to be engaged in various steps of drug R&D and enable more research institutions, scientists, hospitals and doctors to realize their R&D dreams, thus benefiting more patients. This is an important way how WuXi AppTec contributes to the pharmaceutical and healthcare industry and the society.

Environment and Community

WuXi AppTec recognizes that environment and community are the crucial cornerstones of our sustainable development, and our manufacturing and operating activities have certain impact on the environment. Therefore, green operation and harmonious development with environment and community are the important aspects of our fulfillment of social responsibilities.

Employees

WuXi AppTec continues to create an inclusive and dynamic workplace environment for our employees, who are also the driving force that enables WuXi AppTec to build an open-access platform, providing comprehensive capabilities and technologies to the healthcare industry and the eco-system.

To Contribute to UN Sustainable Development Goals








As we conduct our business, WuXi AppTec attaches great importance to global sustainable development. We fulfill our social responsibility and contribute to global sustainable development goals (SDGs).

Area	WuXi AppTec's Action	Contribution to SDGs
 <p>Pharmaceutical and Healthcare Industry To build an open-access platform with the most comprehensive capabilities and technologies to enable drug R&D</p>	<ul style="list-style-type: none"> Intellectual Property Protection Product and Service Quality Corporate Governance Compliance and Business Ethics Industry Development and Supply 	 
 <p>Environment and Community Harmonious development with environment and community</p>	<ul style="list-style-type: none"> Pollution Sources Water Resources Utilization Energy Use Mitigation and Adaptation of Climate Change Green Chemistry Community and Public Welfare Responsible Procurement 	  
 <p>Employees To create an inclusive and dynamic workplace</p>	<ul style="list-style-type: none"> Cultivation and Retention of Talents Rights and Benefits of Employees Occupational Health and Safety 	 

Stakeholder Communication and Material Issues Analysis

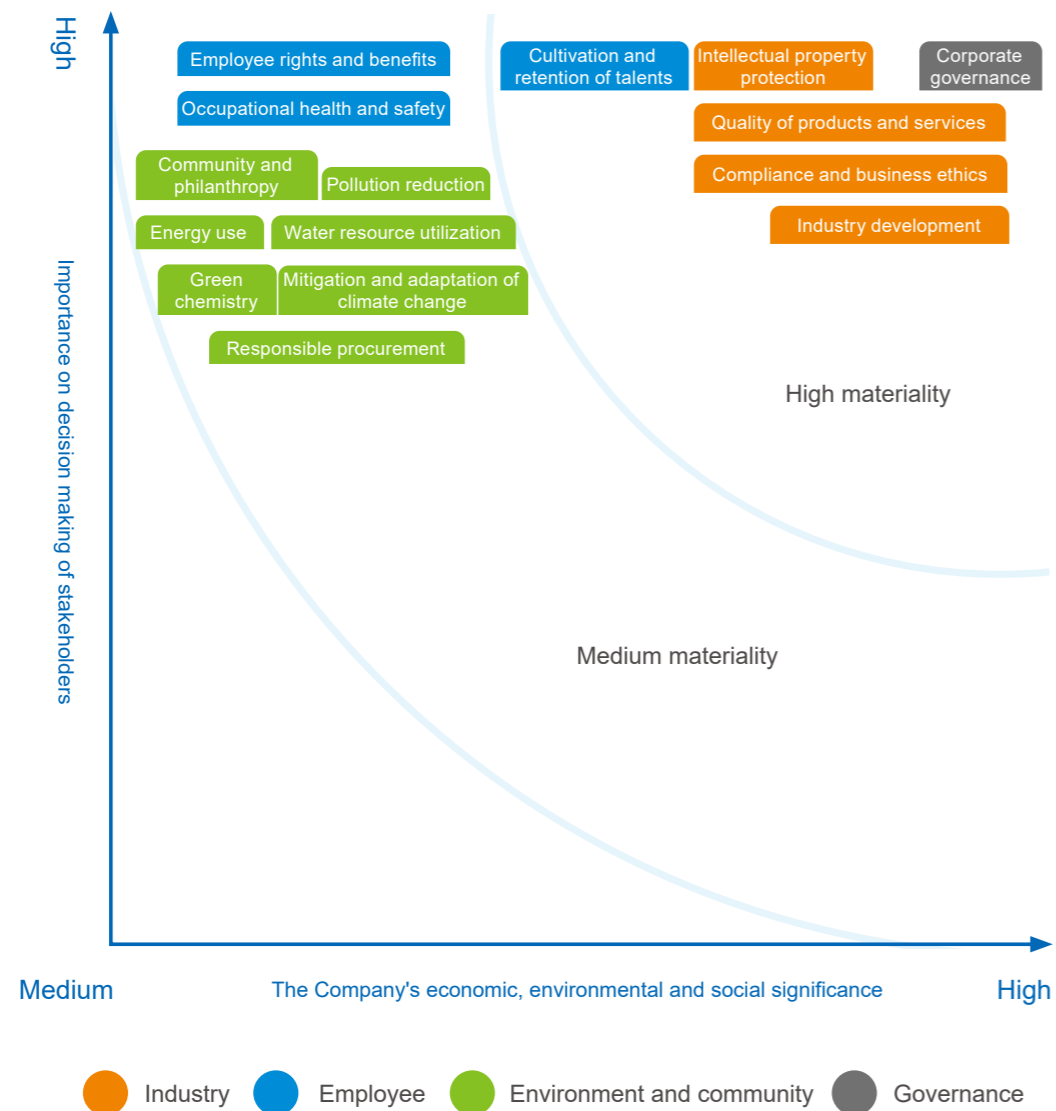
Based on our own business and operations, and with reference to the industry experience and practice worldwide, we identified key stakeholders, including the government and regulators, shareholders and investors, customers, partners, employees, suppliers, communities and the public, and actively addressed their concerns through various channels and means.

Issues of Key Stakeholders and Our Response

Category	Stakeholders	Issues of concern	Communication channels
 <p>Government and Regulators</p>	China Securities Regulatory Commission (CSRC), Hong Kong Securities and Futures Commission (SFC), local government, taxation, environmental protection department, market supervision, etc.	compliance, risk management, pollution reduction, energy use, water use, mitigation and adaptation of climate change, green chemistry	organization visits, official document exchange, policy implementation and information disclosure
 <p>Shareholders and Investors</p>	investors who invest in the Company's equity and creditor's rights	corporate governance	shareholder meeting, information disclosure, roadshow
 <p>Customers</p>	start-ups, research institutions, scientists, entrepreneurs, hospitals and doctors	intellectual property protection, quality of products and services, business ethics	customer investigation, technical seminar, customer service hotline, customer satisfaction survey
 <p>Partners</p>	industrial associations	industry development	staff management committee, staff activities, staff training, internal publications
 <p>Employees</p>	the Company's employee	cultivation and retention of talents, rights and benefits of employees, occupational health and safety	staff management committee, staff activities, staff training, internal publications
 <p>Supplier</p>	suppliers of raw materials (such as experimental reagents) and equipment	responsible procurement	supplier evaluation, supplier communication and training
 <p>Community and the Public</p>	community where the operation is located, the public, media, etc.	community and philanthropy, pollution reduction, green chemistry	voluntary service and community activities

In accordance with the ESG Reporting Guide published by The Stock Exchange of Hong Kong Limited and GRI Standards, and considering WuXi AppTec's business characteristics, we identified and summarized 15 material issues related to corporate social responsibility.

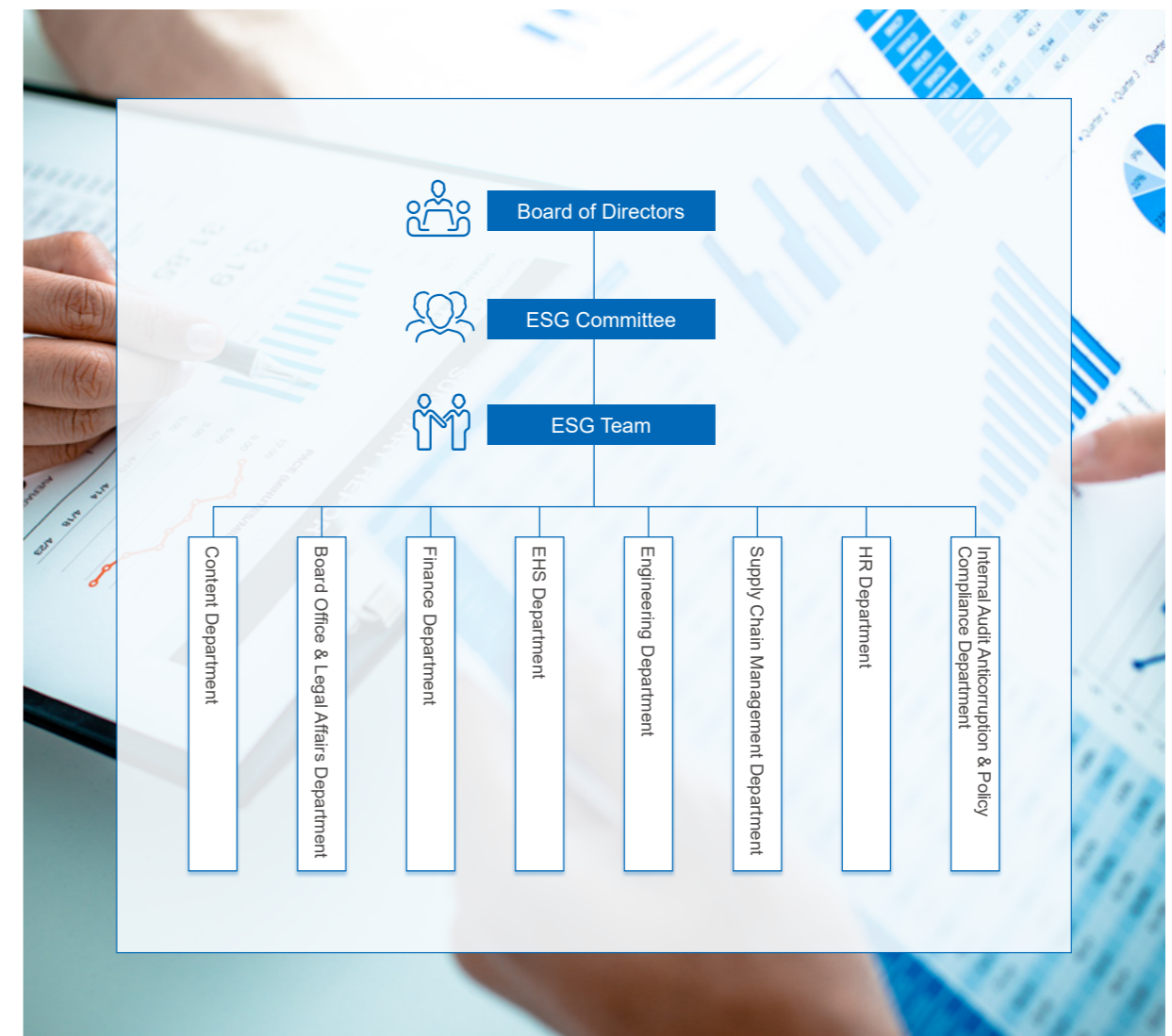
Through benchmarking and expert consultation, based on the concerns and expectations of various stakeholders, we sorted materiality of 15 issues to form a matrix of material issues. This Report aims to disclose all these material issues, in particular those of high materiality.



ESG Governance Structure

We root corporate social responsibility in our development strategy, upon which we conduct our business across all functional units. The Board of Directors of the Company is responsible for environment, social and governance (ESG) decisions. Each year, the Board reviews CSR report and is responsible for compliance and authenticity of the report.

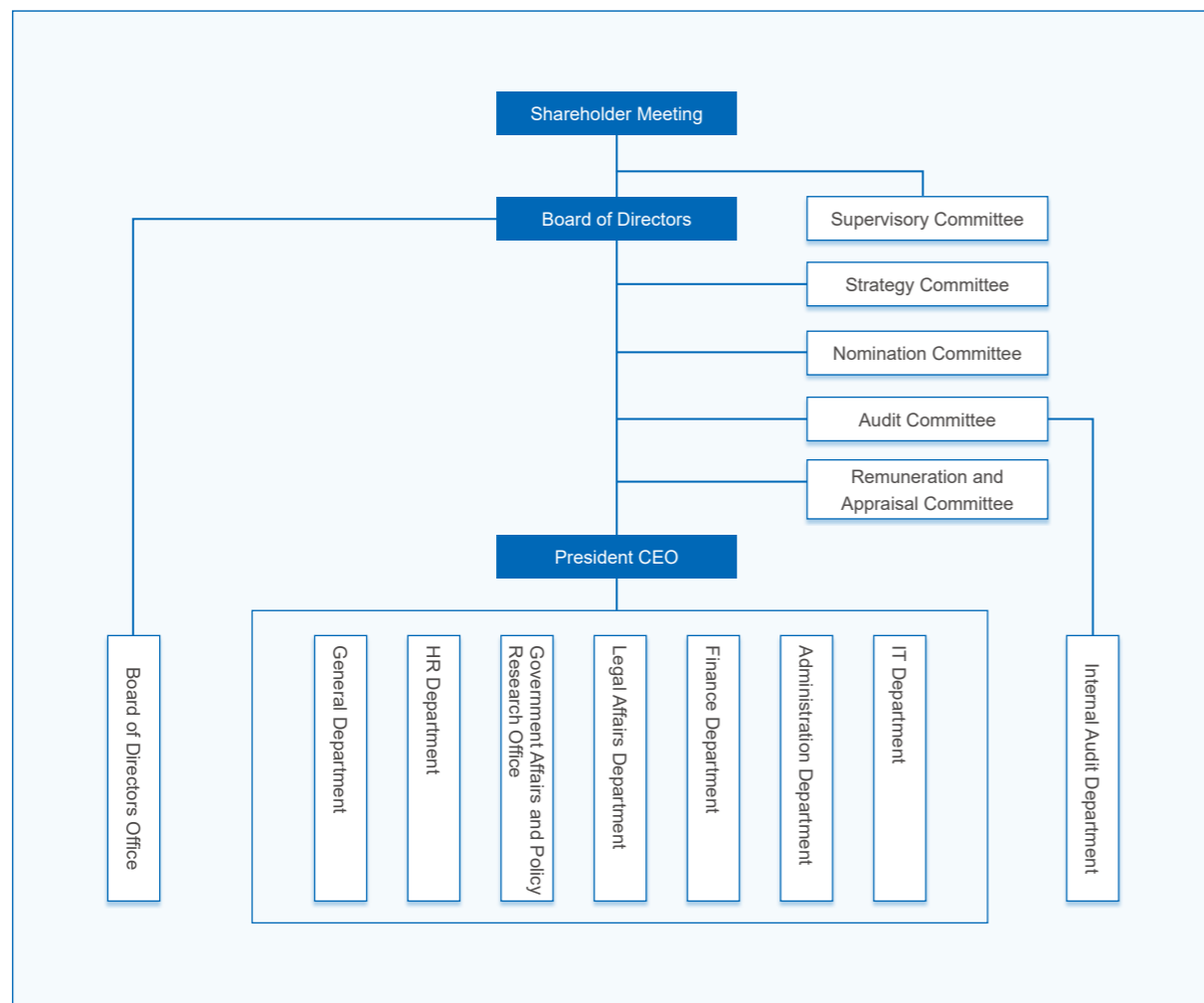
The ESG Committee reports the work of the Company's environmental, social and governance to the Board of Directors. As a sub-division of the ESG Committee, an ESG team consisting of different functional departments was established to implement relevant policies and objectives.



Robust Corporate Governance

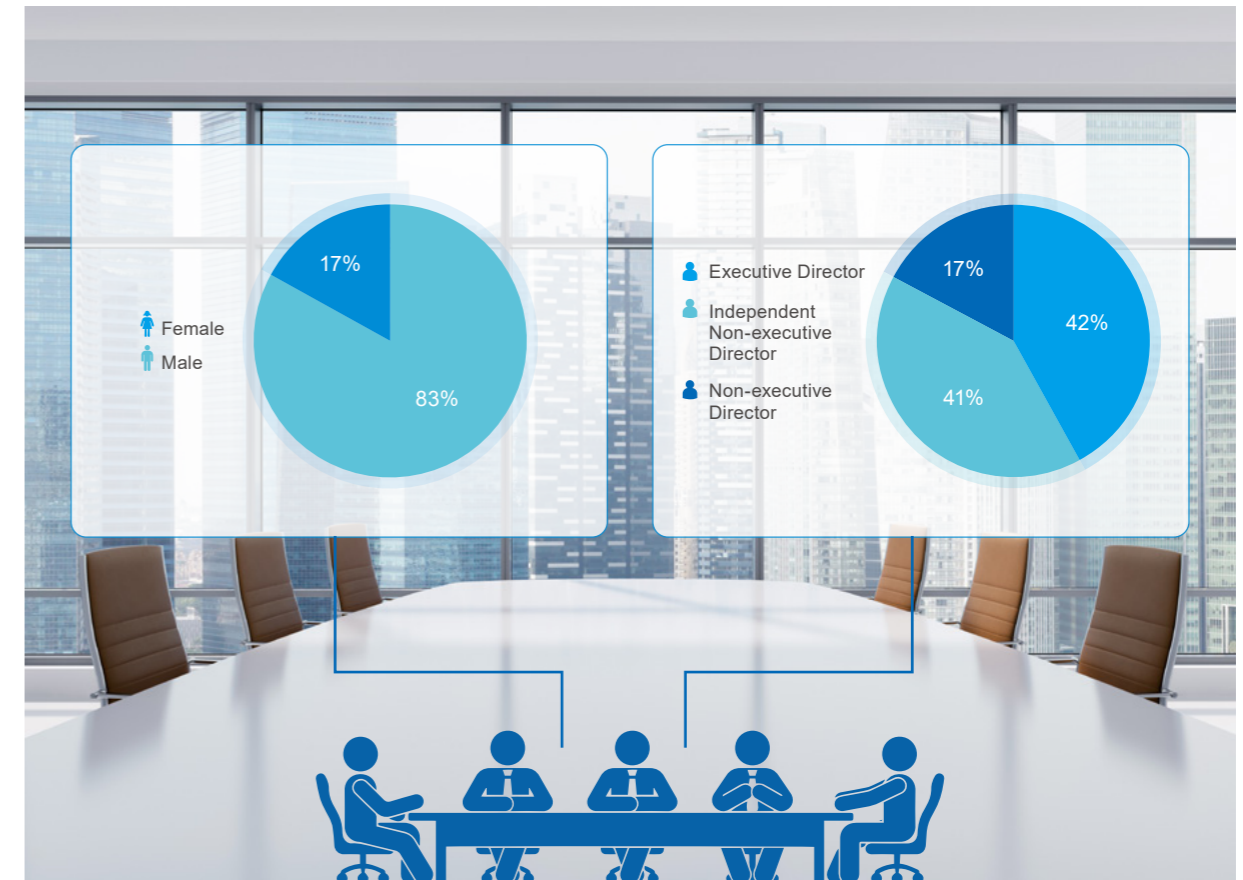
The Company strictly adheres to the requirements of corporate laws, and regulations including the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China* and the *Governance Guidelines for Listed Companies*. The Company continues to improve its corporate governance structure while fully implementing the governance roles of its shareholders meetings, the Board of Directors and the Board of Supervisors towards major decision-making, management and supervision issues. With this work, the Company is better able to protect the rights and interests of its shareholders.

Corporate Governance Structure



Board of Directors

The Company strictly follows "Articles of Association" and other relevant regulations to select, appoint and remove Directors and Supervisors. Our Board of Directors consists of 12 Directors, including two female Directors; five independent non-executive Directors.



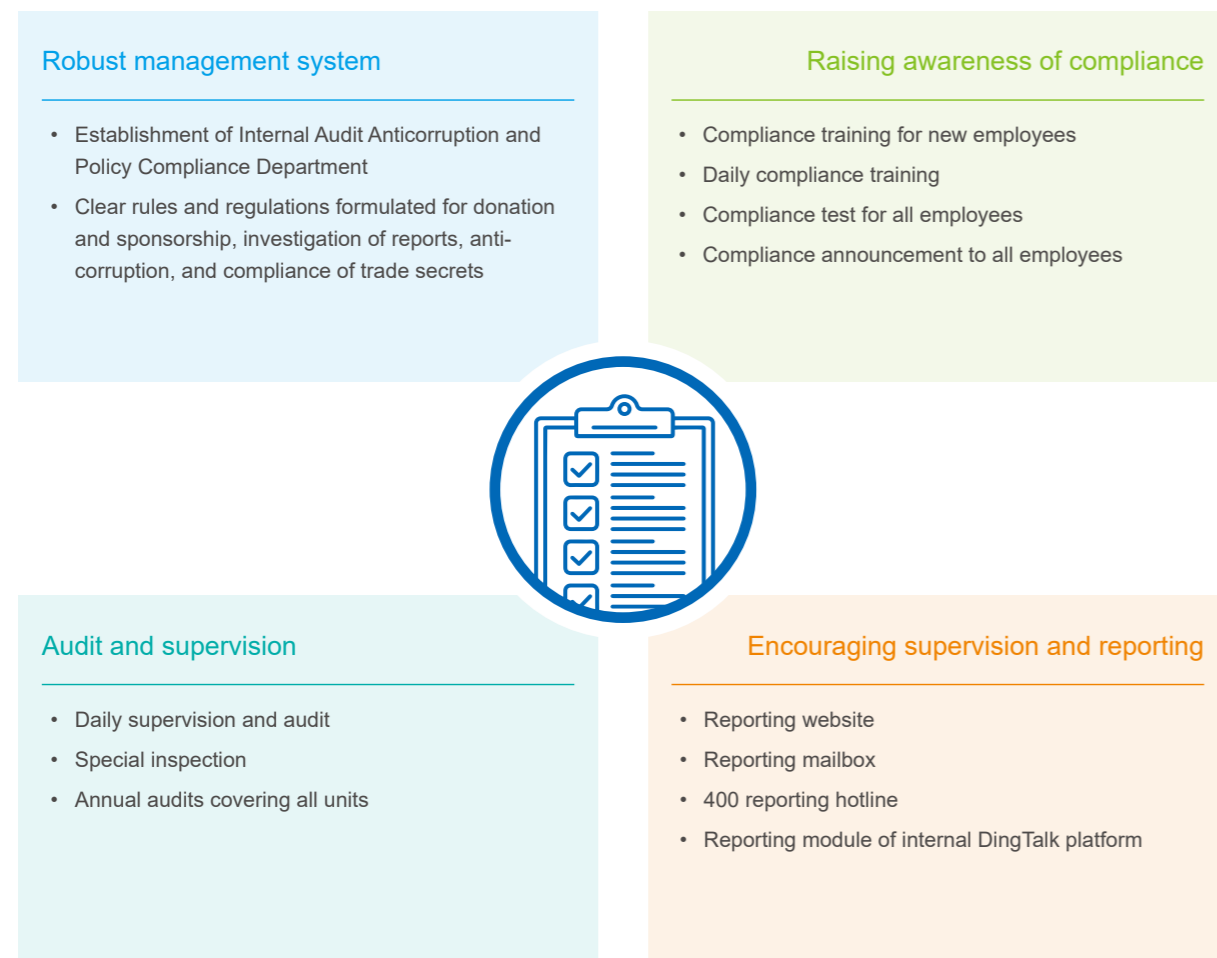
The Company's shareholders meetings, Board of Directors, Board of Supervisors and management all have been delegated respective responsibilities. Members of the Board of Directors, Board of Supervisors and senior management actively participate in the shareholders meeting and earnestly perform their duties to ensure the sustainable development of the Company.

According to "Measures for the Administration of Subsidiaries", and "Articles of Association" and "Partnership Agreement" of each subsidiary, the Company may exercise the rights of its shareholders and partners to nominate and appoint the key management personnel of subsidiaries and divisions; establish functional departments and work objectives. This is done in order to guarantee decisions by the Board of Directors and Company management are properly implemented at the subsidiary. Similarly, each functional department has a clear division of responsibilities and performs their respective duties to guarantee the internal organization of the enterprise is standardized.

Building a Compliancy Culture

The Company regards compliance in its operations as the cornerstone of sustainable development. Subsequently, it has established a comprehensive compliance management system, and continuously seeks to identify compliance issues in real-time and rapidly rectify them through daily supervision and audits, special inspections and annual audits. To help strengthen employees' awareness of the Company's compliance rules and practices, the Company has included business ethics and compliance as a key criteria in the employee performance review.

In 2019, in order to promote awareness of compliance rules among employees, the Company's Internal Audit Anti-corruption and Policy Compliance Department set up a framework for compliance promotion work and established a compliance promotion material library for all employees. Varying compliance materials are then targeted for different employees depending on their role in the company, and include contents such as compliance requirements for trade secret protection and anti-corruption.



Compliance training plays an important role in the employee training system. It is embedded into all stages of employee training, including new employee orientation, daily training, and other areas. To improve the training results on this subject, the Company also requires all employees take compliance tests and regularly issues staff-wide compliance announcements.

Anti-corruption

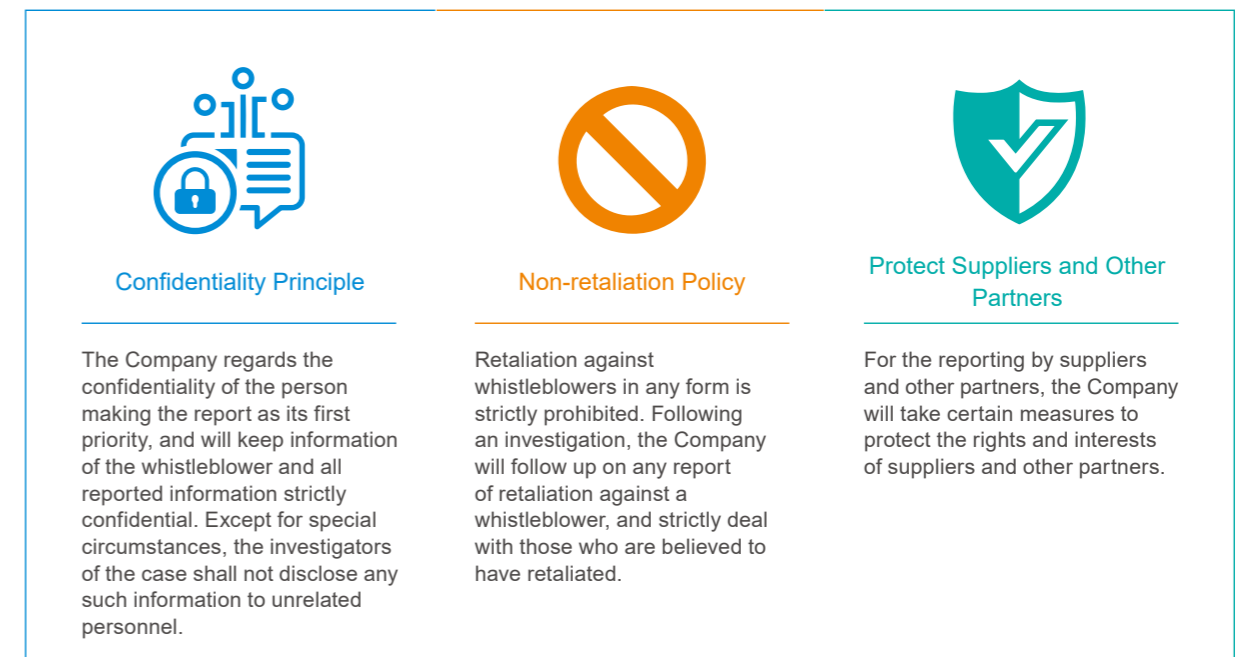
In accordance with the *Criminal Law of the People's Republic of China*, the *Company Law of the People's Republic of China*, the *Law Against Unfair Competition of the People's Republic of China*, the *Public Welfare Donation Law of the People's Republic of China*, and related laws and regulations, the Company formulated its own set of related policies, including the "WuXi AppTec Anti-Corruption Policy", the "WuXi AppTec Reporting and Investigation Policy" and the "WuXi AppTec Donation and Sponsorship Policy". In addition, as an effort to improve its management system and eliminate any form of corruption and fraud in 2019, the Company also formulated a new policy entitled "WuXi AppTec Compliance and Anti-Corruption Incentive Fund Management System".

As for suppliers, the Company requires all suppliers to sign an "Integrity Agreement" and strictly follow its anti-corruption regulations including those relating to gifts, bribery, kickbacks, entertainment and reception, as well as conflicts of interest and related matters. The "Integrity Agreement" includes the Company's designated email and hotline channels for reporting suspected cases of corruption so that suppliers can more easily report any form of bribery or corruption incidents to the Company directly.

Supporting these efforts, the Company has also developed an open supervision and reporting system for its employees which includes a website, mailbox, 400-number hotline and a DingTalk messaging channel. According to the "WuXi AppTec Compliance and Anti-Corruption Incentive Fund Management System", the Company will award employees who report or provide information about any conduct which violates internal compliance principles or policy, including act such as committing bribery, soliciting bribes, accepting kickbacks and improper gifts. At the same time, the "WuXi AppTec Reporting and Investigation Policy" includes articles and measures that regulate the protection of whistleblowers.

After receiving a report of compliance violation, the Company's Internal Audit, Anti-Corruption and Policy Compliance Department will investigate, analyze and handle the reported case in accordance with the "WuXi AppTec Reporting and Investigation Policy".

Main Articles Regarding WuXi AppTec's Whistleblower Protection Policy



For more information on corporate governance, please refer to the 2019 Annual Report of WuXi AppTec.



Enhancing Capabilities to Enable Better Drug R&D

We believe that by continuously building the capacity and expanding the capabilities of our platform, we can better enable the global R&D of new drugs, contribute to the global healthcare industry, and ultimately benefit patients around the world.

In 2019, three of WuXi AppTec Laboratory Testing Division's facilities, including the Drug Safety Testing, Bioanalytical Services and Medical Device Testing facilities, completed regulatory inspections from the U.S. Food and Drug Administration (FDA), Organization for Economic Co-operation and Development (OECD), and China National Accreditation Service for Conformity Assessment (CNAS), all with excellent results.

During this same period, the Laboratory Testing Division expanded the Suzhou safety assessment facility by increasing its toxicology capacity by 80% to meet global customers' preclinical testing needs, enabling them to accelerate development timelines and bring innovative medicines to patients faster.

Improving Quality Management Ability through Digitalization

- Using TrackWise software to manage deviations, changes and audits. Ensuring that all non-standardized operations and problems in operations can be rectified and tracked by categories, preventing similar problems from happening again.
- Using LIMS software in laboratories to automatically manage data and reduce human error.
- Using software to manage temperature and humidity of warehouses, laboratory refrigerators, and drug stability test chambers, including an alarm for when conditions exceed standards, and thus reducing error or lag caused by human judgment.
- Use TCU to control process temperatures instead of manual control in order to increase accuracy.



In 2019, WuXi AppTec, won the **Frost & Sullivan 2019 Global Integrated Drug Development Competitive Strategy Innovation & Leadership Award**, receiving the recognition for the third time.



In 2019, WuXi AppTec was named one of *MIT Technology Review's 50 Smartest Companies*

Building Capabilities to Create a One-stop Service Station for the Entire Industry Chain

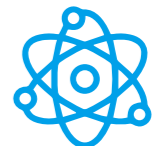
In 2019, WuXi STA's new drug product manufacturing facility in Shanghai Pilot Free Trade Zone successfully passed its first GMP inspection by the European Medical Products Agency (MPA). In addition, its Analytical Service Unit in Shanghai and Changzhou site passed two inspections from the U.S. FDA, and Jinshan site passed an inspection by the European Medicines Agency (EMA).

WuXi STA always adheres to the highest-level global quality standards and has passed inspections by regulatory agencies in Australia, Canada, China, the European Union, New Zealand, Switzerland, and the United States, as a trusted supplier for APIs of innovative drugs and for GMP advanced intermediates. STA has realized a seamless integration of Chemistry and Manufacturing Controls (CMC), being able to provide integrated services for new drug R&D from preclinical stages to commercial production.

In 2019, STA accelerated the process of commercialization and obtained 21 projects for commercial production. Among all new drugs approved by FDA and EMA in 2019, STA contributed to seven of them.

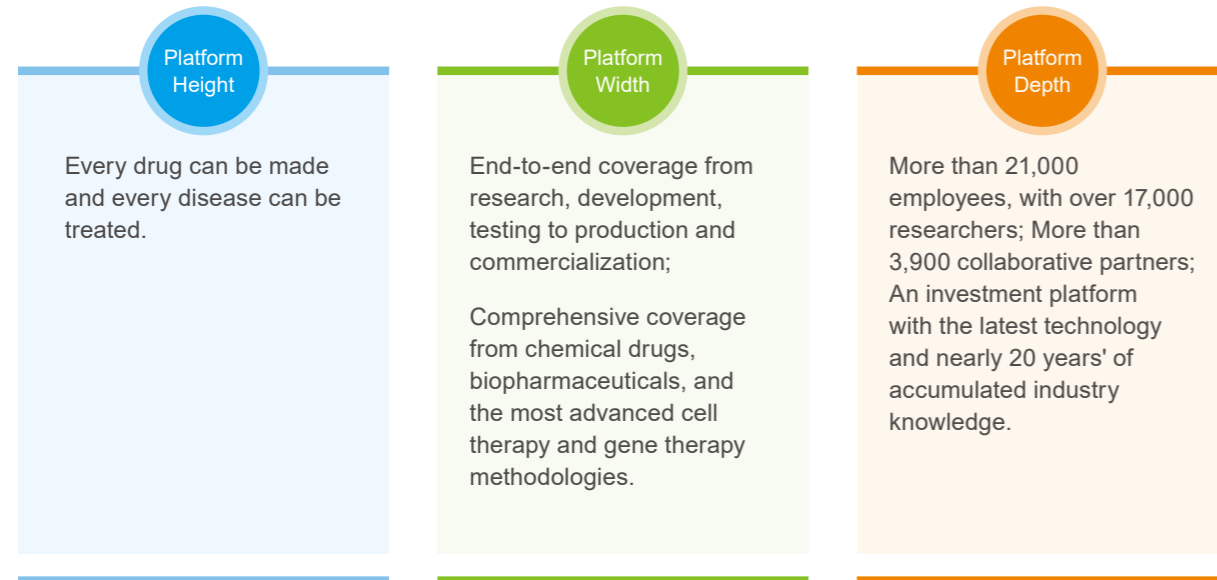
Platform Strength: An Integrated Enabling Platform
Business Foundation: Responsible Operations

3 Responsibility to the Industry: Building an Integrated Capabilities and Technology Platform to Expedite the Development of New Drugs



Platform Strength: An Integrated Enabling Platform

Since its founding in 2000, WuXi AppTec has been committed to building an integrated enabling platform to help customers and partners achieve their goals more quickly by lowering the barriers of R&D and expediting the discovery and development of new medicines for patients globally. With just "a credit card, an idea, a piece of paper, a pen," anyone or any company can complete the whole process from initial discovery to commercialization using the WuXi AppTec platform.



In 2019, we continued to expand our capacity and capabilities, bringing cutting-edge technologies and high-quality service to every innovator in the healthcare industry.



- In January 2019, WuXi AppTec's service platform of cell and gene therapies was completed in Wuxi.
- In 2019, WXAT Nantong R&D Center was officially put into operation.
- In May 2019, WuXi AppTec acquired Pharmapace to enhance biometrics services for clinical development.
- In November 2019, WuXi AppTec set up AppTec Tumor Clinical Research Service Unit to provide integrated services for customers to carry out tumor clinical trial projects.
- In December 2019, STA opened oligonucleotide large-scale manufacturing facility.
- In 2019, we continued to expand our facilities in Philadelphia and San Diego, U.S., further enhancing our capabilities on small molecule drugs R&D and cell and gene therapy for the global healthcare community.

Business Foundation: Intellectual Property Protection Responsible Operations

We are committed to providing a broad portfolio of R&D and manufacturing services for the global healthcare industry. Our deliverables to customers are mainly various intangible intellectual properties and do not involve in advertising and labeling of products. IP is a shared lifeline for customers and WuXi AppTec, and IP protection is the fundamental of maintaining customer trust and growing business.

The Company has established a comprehensive IP protection system with specific procedures and management subsystems, such as its "WuXi AppTec Compliance Management System for Trade Secrets". This system fully clarifies and regulates the circulation, distribution, storage and use of IP and related information in order to robustly protect the IP of WuXi AppTec and its customers from any infringement or data leak. Organizationally, the Company's Internal Audit Anti-corruption and Policy Compliance Department is responsible for risk identification, while an information security group is set up by the IT department to be responsible for providing the technical support for information security.

Built upon "WuXi AppTec Compliance Management System for Trade Secrets", the Company's Internal Audit Anticorruption and Policy Compliance Department has implemented the business secret protection system among all divisions. The subsidiary, WXAT Shanghai, has obtained an "Intellectual Property Management System Certification" and was recertified in 2019, with its system being found to fully conform to the standards of the *Intellectual Property Management System (GB/T 29490)*.

The Company has established specific procedures for computer information security management, trade secret, document management and wastepaper management, etc. In 2019, the Company formulated its "Confidential Disclosure Agreement" (CDA), and requires relevant employees to sign the agreement prior to communicating with existing customers or potential customers, thereby helping protect trade secrets prior to starting any cooperation. Meanwhile, the Company has also adopted firewall policies, computer access controls, storage permission systems, and other technical methods to further help prevent business secrets from being disclosed or leaked.

In 2019, the Company further optimized the information security management through diversified technologies including professional third-party penetration, border security protection, internal network risk blocking and isolation and online security evaluation to enhance the security system in over 10 fields such as terminals, networks, applications and data. These technologies have effectively blocked multiple directional security attacks from the outside, and strongly support the investigation on internal security incidents. The Company has also upgraded the encryption strength of specific computers. By adding a "password fingerprint" on computer screen, the Company is able to trace the source of any photos and screenshots taken illegally to further reduce the risk of data leakage and intellectual property infringement.

With the technical support, the Company has trained employees through talent activities, E-Learning platform and other channels, raising their awareness of data security.

In 2019, the Company scored 95 in an evaluation on information security by Security Scorecard, an information security company, demonstrating our prominent information security protection system.



In 2019, the Company scored

95

in an evaluation on information security by Security Scorecard, an information security company

High Standards of Quality Control

We are committed to providing our customers a high standard of quality and we execute this via our well-established quality management system, which covers the entire lifecycle of our products, from R&D to commercialization. In addition to the Quality Assurance Department, the Company has also established a R&D Compliance Supervision Team, a R&D Quality Assurance (QA) Team, and a Drug Production Quality Assurance (QA) Team. Together, these teams are responsible for the overall implementation of the Company's quality management system, ensuring that all data are accurate, reliable and traceable in the R&D and production process. Relatedly, these teams are also responsible for the quality and safety of new drugs before and after they are launched.

The quality teams formulate and maintain WuXi AppTec's internal quality management system in order to meet the large variety of local and international regulatory requirements, as well as to ensure the system is compliant, efficient and easy-to-operate. In 2019, about one-third of the quality management policies were updated.

We attach great importance to building a culture of high quality, and actively pursue this through organizing various quality-related trainings and competitions. The Company also encourages employee participation in the construction of the quality management system. By collecting feedback from employees via in-person interviews, the Company continues to work to enhance its quality management systems, and improve visibility and accessibility of quality requirements. All new employees must undergo a two-month education and practice-based training. Current employees must also participate in all-day quality training sessions each year. For supervisors and technicians, there are also themed quality-related activities which aim to develop experts in the field of SMEs.



In 2019, the Company successfully completed more than

200

customer audits and several more inspections by regulatory agencies, including the U.S. FDA, EMA, NMPA, PMDA, enabling several new drugs from our partners to get approved.

R&D and Process Control

- Following relevant good laboratory practices (GLP).
- R&D is responsible for reliability of R&D data, using electronic notebook and keeping records.
- R&D QA is responsible for monitoring R&D quality process, detecting and rectifying problems.
- Only processes that can be scaled up will be used for production transfer.



Raw Material Procurement Control

- Establishing evaluation, approval and tracking mechanism for raw material suppliers and determining the list of approved suppliers for procurement.
- Establishing inspection and release standards for raw materials. Only raw materials that meet inspection standards can be used.



Quality Compliant System

- Complaints are classified by stages of production process (i.e. product quality compliance, transportation and packaging).
- The head of the relevant department will be notified soon after receiving the complaints, carries out investigation, and take timely corrective and precaution measures.



Production Control

- R&D department and engineers draft batch records.
- Analysis Unit verifies methods and drafts analysis method.
- Quality Assurance department approves batch records.
- Production Unit produces according to batch records, and Analysis Unit conducts quality inspection and control.
- Quality assurance team gives clearance to products.
- Warehouse is responsible for material storage.
- Project Unit provides production support.



Put Customers First

"Put Customers First" is embedded into WuXi AppTec's Code of Conduct. As such, the company is committed to providing customers with high-quality service that exceeds their expectations and creates maximum value for them. "Put Customers First" is upheld by our employees in their daily work, and is a key criteria in employee performance reviews.

Towards this aim, the Company has established a Commercial Operation Unit which focuses on sales services and customer inquiries. In order to closely track customer needs and make timely improvements in our services, we conduct regular customer satisfaction surveys and use measurable key performance indicators. We pay close attention to any negative customer feedback and look into its root causes so that we may continuously improve our operations and services.

For negative feedback caused by defective products or service quality, the Company follows its "Customer Complaint Management Guidelines" to respond to and handle customer complaints in a timely and efficient manner, so as to improve the overall service quality.

Research and Development Ethics

During clinical studies and animal research, WuXi AppTec promotes responsible clinical practices and scientific progress through both complying with and continuously reviewing bio-ethical standards, as well as actively working to improve such standards. We strictly adhere to all applicable national and regional guidelines for the management and use of laboratory animals, including the U.S. Animal Welfare Act (AWA), and principles of medical ethics such as the Declaration of Helsinki. We are committed to conducting medical research in accordance with global ethical norms while supporting innovative advances in healthcare.



Code of conduct and guidelines

- U.S. Animal Welfare Act
- Principles of medical ethics such as Helsinki Declaration



Mechanism construction

- Set up Animal Ethics Committee to formulate relevant guidelines
- Set up an experienced veterinarian team to guarantee animal health and welfare



○ **WuXi AppTec Equity Incentive Plan**

The Company has continuously launched differentiated equity incentive plans to reward and motivate management teams at all levels of the company, as well as outstanding individual employees. In 2019, the WuXi AppTec Equity Incentive Plan covered more than 2,600 managers and employees recognized for their high performance and contributions.

○ **Assistant Vice President Program**

WuXi AppTec Assistant Vice President Program (aVP) aimed to select candidates among mid-level managers and above for training and development. The program incorporates senior management coaching, job training and skill assessments. Dr. Ge Li develops a study plan for each training session, and offers in-person guidance and suggestions for participants.

○ **Care for Employees and Their Families**

WuXi AppTec Employee Family Day is a long-running employee care activity of the Company, and was especially well received by employees in 2019. 70 families participated in the event, which consisted of 12 parent-child games, among which "WuXi AppTec's Small Laboratory" and "I Am a Small Part of WuXi AppTec" were the favorites of the families. With the support and efforts from Employee Management Committee and volunteers, this year's several employee activities showcased WuXi AppTec's corporate culture and were highly praised by participants.

○ **Lean Six Sigma Green Belt Training**

In 2019, WuXi AppTec held its 12th "Lean Six Sigma Green Belt Training". 42 students from Shanghai, Wuhan, Tianjin, Suzhou, Nanjing, Changzhou and Chengdu participated in this activity. The six-day course combined practical case studies with lean limit analysis, and provided trainees with an abundance of professional knowledge, including value flow charts, measurement system analysis, hypothesis testing, and more.



Universum, the world's leading employer brand survey and consultancy, released their "Most Attractive Employers in 2019" list, and recognized WuXi AppTec as among China's **Top 3 Most Attractive Employers** for medical students and among China's **Top 100 Most Attractive Employers** for science students.



With its advanced talent strategy, comprehensive employee development and training programs, forward-looking performance and compensation systems, and inspiring corporate culture, the Company won the title of **China Model Employer for the fifth consecutive year**, and was also awarded as having **2019 Model Employee Development**.

People-oriented: An Inclusive and Open Career Platform
 Safety First: Healthy and Safe Working Environment
 Developing Talents: A Workplace for Employee Growth and Development

4 Responsibility to Employees:
 Providing an Inclusive and Vibrant Workplace
 that Fosters Professional Development for All
 Employees

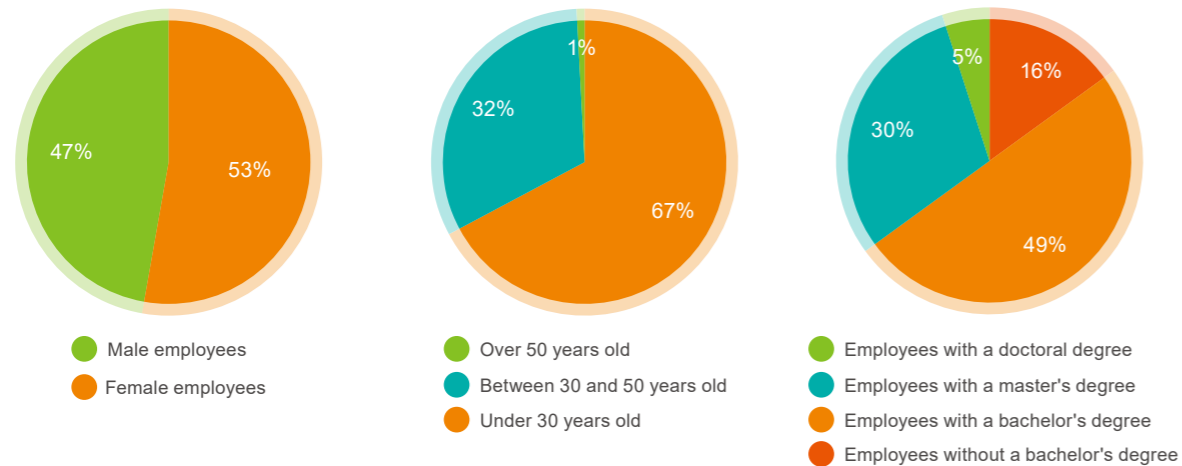


People-oriented: An Inclusive and Open Career Platform

Employment

WuXi AppTec respects and cares for every employee by safeguarding their legal rights and benefits. The Company has a well-established and standardized human resource management system which comprehensively covers recruitment, job change, working hours, vacation, compensation and benefits, etc. The Company is an advocate for equal and non-discriminatory employment policies to ensure no employee is treated discriminately based on their race, religion, gender, age, marital status, disability, nationality, or any related factor. In addition, the Company adheres to legal employment, and resolutely prohibits the use of child labor and all forms of forced labor.

A Diverse and High-Quality Workforce



Overview of Employee Rights and Interests System

- Working Hours: Implemented in accordance with the local law and regulations of the working location.
- Vacation: Paid annual leave, marriage leave, bereavement leave, maternity leave, sick leave, and personal leave shall be implemented in accordance with the laws and regulations of the working location.



- Recruitment: Adhere to the principles of legality, compliance, equality and justice.
- Job Changes: The Company and employees shall carry out and job change in accordance with the company's internal "Administrative Measures for Employee Job Changes and Terminations" as well as the local laws and regulations of the working location.

- Salary: Adhere to the value distribution concept of "Working Together & Sharing Success". Employee salaries are closely linked to performance. Establish a plan for employee salary increase and incentives annually.
- Social Security: Follow national and provincial laws, regulations and policies related to social insurance and housing provident funds, and provide various legally required social security contributions.

Generous Compensation and Benefits System



WuXi AppTec Equity Incentive Plan

Adhering to our core values of "Integrity & Dedication; Working Together & Sharing Success; Doing the Right Thing, Doing it Right", WuXi AppTec continues to launch a differentiated set of equity incentive plans to reward and motivate management teams and outstanding individual employees at all levels of the company.

Wide coverage: In 2018, WuXi AppTec launched its A-share incentive plan that covered more than 1,500 employees. In 2019, WuXi AppTec expanded the Equity Incentive Plan to cover more than 2,600 managers and employees. In addition, the plan also included over 200 overseas managers and employees.

Diversified incentive forms: WuXi AppTec adopts a variety of incentive instruments to motivate and meet the different needs of its diversified workforce, including restricted stock, stock options and stock appreciation rights.

The Equity Incentive Plan will help align the interests of the Company and its core employees and provide strong support for the long-term development of both.



In 2019, WuXi AppTec expanded the Equity Incentive Plan to cover more than

2,600

managers and employees.

Employee Communications



By December 2019, the AI-based chatbot and employees had a total of

11,053

conversations.

To better safeguard the rights and interests of employees, and strengthen open communications with employees, the Company has established an Employee Management Committee and built a set of related systematic communication channels. With these channels, employees can directly communicate with managers, the Human Resources Department and staff committees through email, telephone, Internet, DingTalk and more.

In 2018, the Company launched its Online HR Service Platform, which allows all employees to get rapid responses on their HR-related questions, including those regarding salary, attendance, vacation, and point-based household registration. Using the platform, employees can normally get a response within one working day for typical inquiries and for certain special inquiries, the HR department will provide feedback within three working days. In October 2019, an AI-based chatbot was officially launched on the platform, which greatly improved the efficiency of employee communications and made it easier for employees to resolve their questions quickly. By December 2019, the chatbot and employees had a total of 11,053 conversations.



Brainstorming Golden-Idea Platform



In 2019, the platform received a total of

2,411 ideas,

1,161

of which have already been implemented.

In recognition of the important role employees can play in helping improve the company's management systems and policies, the Company established a "Golden-Idea Platform", which serves as an integrated platform for collecting, evaluating, and implementing employee-sourced ideas for improvements and innovations within the Company and its businesses. The platform aims to bring together all constructive suggestions from employees, including those on managing equipment and spare parts, improving customer satisfaction and employee's technical skills, processing consumables and other materials, improving quality management, on-site 5S improvements, and process optimizations, as well as the application of AI and related tools towards these goals.

Meanwhile, corporate social responsibility is becoming an increasingly important part of the Golden-Idea Platform which has launched themed activities to collect ideas on energy conservation, emission reductions, green chemistry, improving animal welfare, and more. In order to ensure the effective implementation of high-quality suggestions from employees, the Lean Sigma Operations Department is responsible for the selection, implementation and promotion of excellent ideas.

In 2019, the platform received a total of 2,411 ideas, 1,161 of which have already been implemented.



In 2019, WuXi AppTec Help Fund donated a total of

1,548,800 yuan

Caring for Employees

The "WuXi AppTec Help Fund" was founded in 2006, aiming to help employees in need to overcome difficulties in a timely and standardized manner. In 2019, the fund donated a total of 1,548,800 yuan to employees and their families who suffered from accidents or serious diseases.

The Company has also made special efforts to care for its female employees, including organizing a series of activities during International Women's Day and setting up a nursing room to provide a private nursing space for female employees during their nursing period.

WuXi AppTec 2019 "Goddess Festival" Activities

On International Women's Day, WuXi AppTec's sites in Shanghai, Tianjin and Wuhan jointly organized a series of "Goddess Festival" activities, creating a sweet festive atmosphere for their female employees.

In the morning on the shuttle bus, each "goddess" received an exclusive gift and at noon that day, every female employee who came to the canteen received a free health-preserving sweet soup. In addition, the Company invited experts to give lectures on "the chronic fatigue and sleep disorders of women" and "pink-ribbon breast health", increasing awareness of women's health. In addition, the Company provided female employees with free breast testing activities and other sweet gifts. The Company's Tianjin and Wuhan sites also respectively organized "Flowers to Goddess" and "Love Balloon" activities to celebrate Women's Day.





16

staff clubs

Work-life Balance

WuXi AppTec advocates for a healthy work-life balance for its employees, which includes plenty of recreation. With this in mind, the Company has established 16 staff clubs, and regularly organizes various sports activities and other themed activities to provide employees with opportunities to pursue a variety of enriching hobbies and interests, and thereby create a culture of a healthy work-life balance.

Colorful Club Activities

From April to June 2019, WuXi AppTec's staff clubs launched a series of summer-themed activities, including staff photography competitions, cycling races, various sports matches, parent-child activities, calligraphy training, and more. This variety of activities ran through the whole summer and encouraged employees to really follow the Company motto of "Have passion, Have Fun, Have a Career at WuXi."

In November 2019, the annual recruitment campaign for WuXi AppTec's staff clubs kicked off. In 2019, "green hand" recruitment achieved a significant improvement. Specifically, an "alliance mode" replaced the past mode of many independent organization for each different club. This encouraged employees who had a variety of interests to participate in multiple clubs and learn and experience a wide variety of activities.



Safety First: Healthy and Safe Working Environment

Occupational Health and Safety Management System

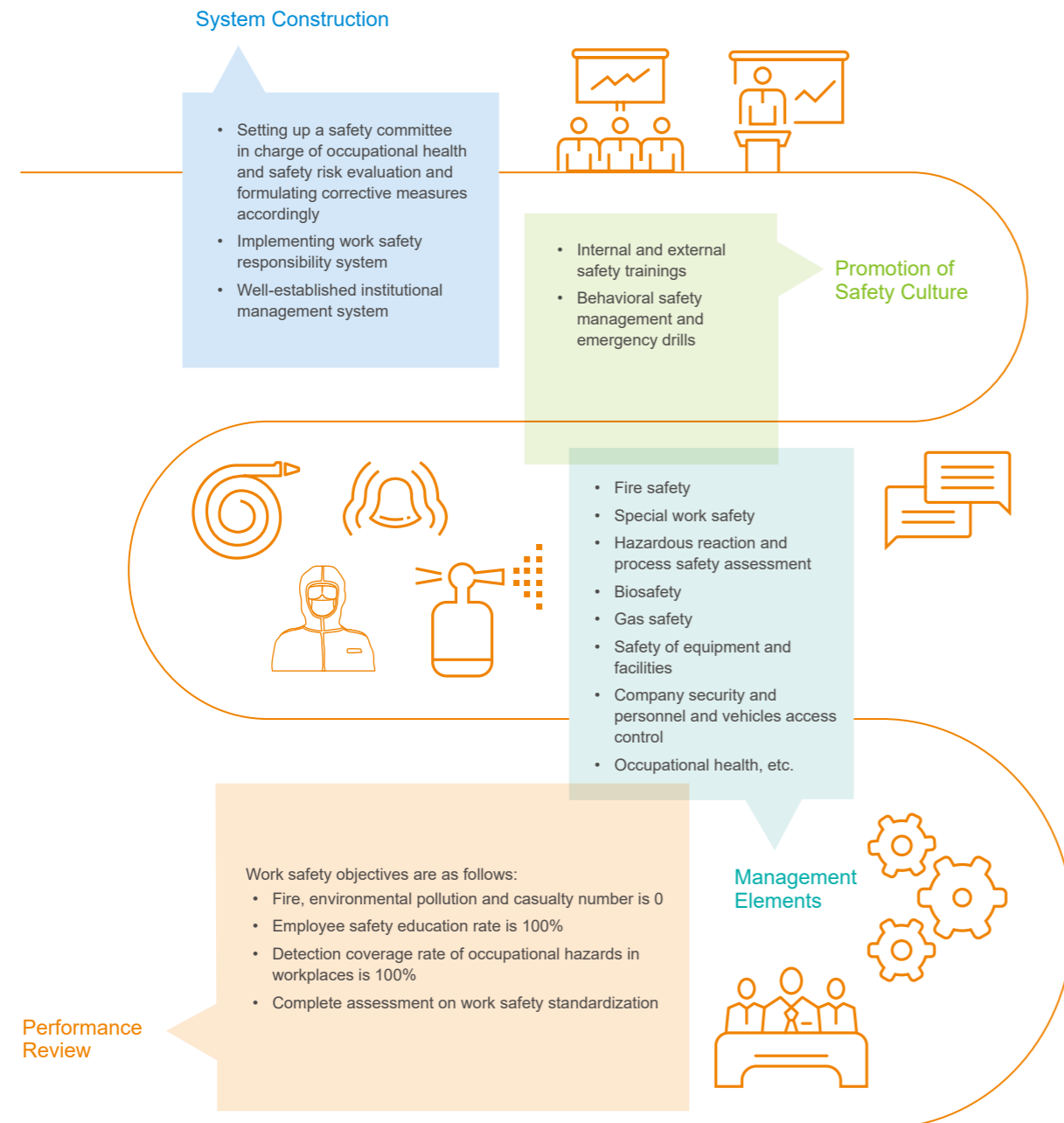
At WuXi AppTec, people are our greatest assets. Subsequently, ensuring employee safety and health is imperative in our operations, and implementing good Environment Health Safety (EHS) management is the foundation of the Company's sustainable development. The Company strictly abides by the laws and regulations related to occupational health and safety in the different regions it operates in, and remains dedicated to building a healthy and safe working environment for all of its employees by establishing a comprehensive occupational health and safety management system.

The Company's subsidiaries, WXAT Shanghai, WXAT Tianjin, WXAT Suzhou, WXAT Wuhan and STA have all acquired certifications for their worksite safety standardizations. Each subsidiary sets work safety objectives at the beginning of each year, and ensures these objectives are achieved through regular risk assessments and risk control, regular safety inspections, and the formulation of sound emergency plans, among other measures.

To build a culture of safety, the Company has continuously improved the safety training of its employees and regularly carried out emergency drills. In addition, the Company has further strengthened safety awareness among its employees through themed activities such as the "Work Safety Month" and the safety knowledge contest.



Occupational Health and Safety Management System



WuXi STA "Work Safety Month"

In 2019, STA (in Waigaoqiao), a subsidiary of WuXi AppTec held a "Work Safety Month" activity with the theme of "preventing risks, eliminating potential dangers and preventing accidents." This activity was divided into four major sections: "safety-themed weekly activities", "safety knowledge contest", "safety activities turntable", and "safety team recognition." The "safety knowledge contest" attracted 336 participants. Through six auditions, seven semi-finals, and four finals, the winner was selected out of 84 teams. The annual "Work Safety Month" activity is widely welcomed by employees, and is of great significance to raise the safety awareness among employees, to further build a culture of safety, and to improve safety management.



▶ praise for safety team



Occupational Health Protection

The Company has established a comprehensive occupational health management system, and as part of this work has formulated policies such as "Industrial Health (Occupational Health) Management Procedures", "Occupational Hazard Factor Control Procedures", and "Employee Emergency Management Procedures" to manage and protect employees' occupational health in a standardized manner. The Company also follows its "Technical Specifications for Occupational Health Surveillance" to regularly arrange pre-employment, on-job, and post-employment health checkups for regular employees and those exposed to occupational hazards. In addition, the Company regularly conducts inspections of occupational hazards. By identifying and controlling occupational hazards in the existing worksites and renovation and expansion projects, and strengthening the management of occupational-health-related protection facilities, the Company aims to provide comprehensive safety protection measures for employees, and realize the creation of a healthy working environment at all of its sites.

Occupational Health Protection Measures for Employees

Identification and detection of occupational hazards

- The Company engages qualified third-party agencies to carry out identification and detection of occupational hazards in the company's various labs and workshops on annual basis.
- The Company engages qualified third-party agencies to conduct an occupational health status assessment every three years.

Personal protective equipment and health examinations

- The Company prioritizes equipment and processes with zero or low occupational hazard risks, and provides personal protective equipment (PPE) for any employees exposed to hazard risks.
- The Company organizes regular health examinations for regular employees and those exposed to hazard risks, including those for pre-employment, employment and post-employment.

Occupational health training, inspection and rectification

- The Company organizes occupational health training sessions for all those (including staff of suppliers) who may be likely exposed to hazard risks (physical, chemical or biological) while working for the Company.
- The Company organizes regular occupational health compliance inspections, and require anyone in violation of the relevant rules to take prompt corrective actions.

Processing of occupational health incidents

- The Company formulates contingency plans and carries out timely diagnosis and treatment for employees with health problems during work, and organizes inspections and reporting of occupational health incidents.
- Following the incident, the Company will provide any employees affected by health incidents with psychological counseling.

Developing Talents: A Workplace for Employee Growth and Development

Employee Training

WuXi AppTec recognizes the importance of developing high-quality talents and teams. Built upon the HR Department's training platform, the WuXi Talent Academy, the Company has established an efficient and diversified training system consisting of the "Leadership Development Program," the "Customized Training for Professional Development," the "New Employee Orientation" and the "E-Learning Platform."

As part of efforts to promote the Leadership Development Program in 2019, the WuXi Talent Academy set up a benchmark leader model and related standards. At the same time, the WuXi Talent Academy strengthened its leadership training programs by establishing guidelines on leadership training length and improving the associated employee training policies.

The Company's online learning platform, "E-Learning," has continuously introduced training courses to help employees engage in online learning and evaluations in their spare time. In 2019, a total of 20,223 employees had studied online via the E-Learning platform.

In addition, in order to promote excellent working experiences and insights, the WuXi Talent Academy regularly invites all employees, especially experienced colleagues who built their career from the frontline of the business, to share their experiences through live broadcasts, as well as answering questions from their colleagues in real-time. Such live broadcasts can effectively solve the problems of organizing and coordinating cross-regional trainings, and in addition can also help track quantifiable data for learning evaluations.

To ensure that employees have the opportunities to access cutting-edge knowledge, the Company also is in close contact with global pharmaceutical academic communities and regularly invites well-known professors and experts to hold lectures at WuXi AppTec. Such events are open to all employees.



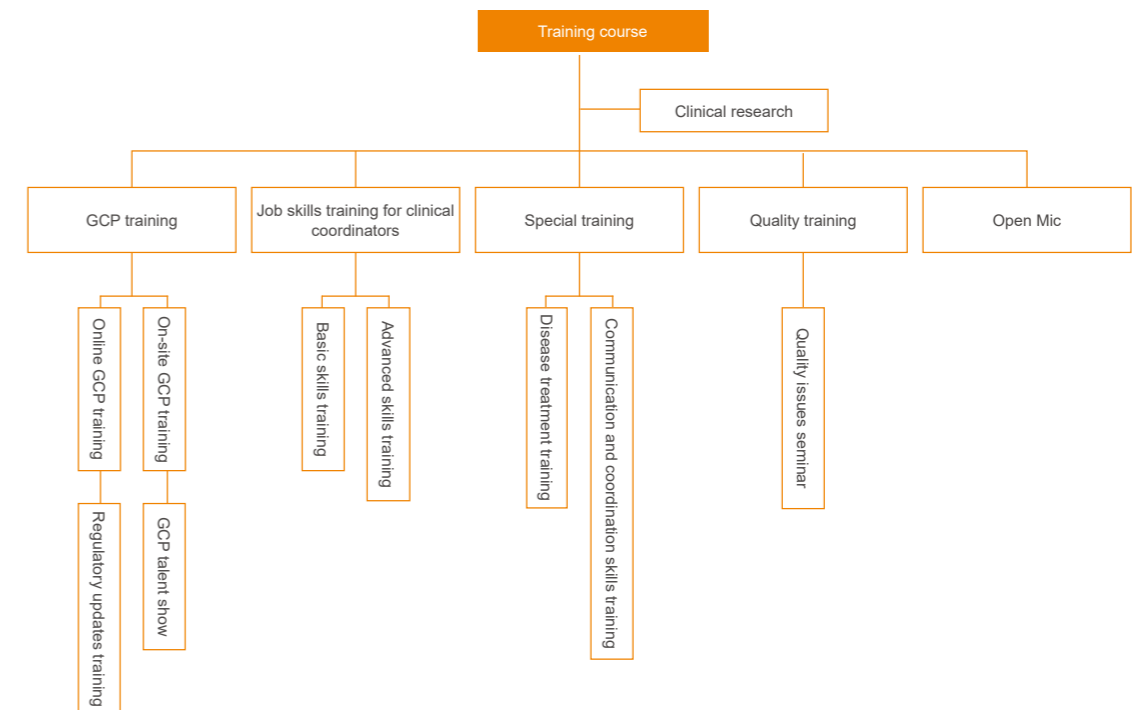
Training programs and implementation

Program	Participants	Objective	Progress in 2019
FLDP First-Line Leaders Development Program	First-line leaders	Define the role of first-line leaders, enhance their management skills and improve team performance.	A total of 6 training sessions; A total of 527 people participated
SLDP Senior Leaders Development Program	Senior leaders	Enable and develop a number of managers integrating Chinese market knowledge, international perspective, the sense of mission and entrepreneurship.	A total of 5 training sessions; A total of 183 people participated
NEO New Employee Orientation	New employees	Assist the new employees in familiarizing with the corporate culture, gaining work skills and rapidly adapting to the work through online and offline learning.	A total of 81 training sessions; A total of 4,752 people participated
SSO (Senior Staff Orientation)	New senior managers	Help new senior managers get familiar with the Company, understand the Company's business culture and core values, management and policies, rapidly integrate to the environment, lead the business growth, and create value for the Company.	A total of 2 training sessions; A total of 32 people participated

WuXi SMO Builds a Professional Training System for Clinical Trials

Built upon the rich clinical trial experience of WuXi SMO, after 7 years of accumulated knowledge, exploration and cultivation since 2013, SMO has established a mature training system which is committed to training high-quality clinical trial talents. The internal courses cover basic training courses on soft skills such as communication, coordination regulations of drugs and medical devices, and GCP, as well as advanced training courses on the job skills for clinical coordinators, clinical trial quality management, and specific disease knowledge. Training courses on clinical research operations and quality management are also provided for external clinical testing institutions. There are currently more than 100 original training courses, with more than 15,000 individual training courses being completed each year.

Brief Introduction of WuXi SMO Training System



Building the STA College to Empower Employee Development

STA established the "STA College" in 2017, with several academic tracks including process development, process analysis, quality control, quality assurance, API production, formulation development, and formulation production. This customized set of courses for STA employees provides a strong resource for training talents and the broader development of the Company. Taking the PRD track as an example, by 2019, it had developed 20 hours of primary course content and 60 hours of middle-level course content, and all of this content was able to be delivered to corresponding employees through WuXi AppTec's E-Learning platform.

New employee training	Advanced employee training	Management training
<ul style="list-style-type: none"> Trainees: new hires in their first three months Contents: basic training for different positions Training objective: to ensure that new employees can master operational skills required by the positions through classroom teaching, online learning, mentor guidance, and regular assessment 	<ul style="list-style-type: none"> Trainees: employees having joined for six to twelve months Contents: middle-level training for the position Training objective: to improve employees' knowledge on the whole process of R&D and production 	<ul style="list-style-type: none"> Trainees: managers Contents: project management, personnel management, customer management, cross-departmental cooperation and other capacities Training methods: through online learning, salon sharing, and other methods to help managers at all levels have deeper understanding of the Company's core values and Code of Conduct



Employee Development and Motivation

Adhering to the core values of "Integrity & Dedication; Working Together & Sharing Success; Doing the Right Thing, Doing it Right," the Company has formed a series of unique performance-oriented promotion and incentive systems, which also serve to offer employees a platform for professional development and growth.

The Company has established a dual-track professional development system, with one track for technical positions and the other for management positions. This system encourages employees to consider their own strengths along with the company's current development needs in order to choose the best career direction for themselves. In order to expand the breadth and depth of employee career development, the Company provides a variety of channels for employees to improve their qualifications and ability, including working in cross-functional teams, expanding the scope of their work, undertaking important new projects, or entering into a job rotation. Meanwhile, the Company has also established a system for identifying, cultivating and rapidly promoting high-potential managerial talents. Finally, the Company also conducts regular reviews and inspections of management positions, giving priority to move talents into more important and suitable positions in order to best unleash their full potential.

WuXi AppTec has formulated its "Employee Promotion Management System" and "Promotion Operation Process" which requires that employees have two performance reviews every year, and those who have outstanding contributions will be granted a chance to be promoted. The Company also encourages employees by setting up awards such as the CEO Award and Outstanding Employee Award. In order to effectively attract and retain outstanding R&D talents, the Company has also formulated its "Incentive Plan for R&D Personnel" which regulates the selection, appointment and reward of R&D talents.

Assistant Vice President Training Program

In order to build a robust management team that continuously selects, trains and delivers high-quality reserve senior management talents for the Company, WuXi AppTec initiated the Assistant Vice President Talent Program (aVP) in September 2018. The program aims to select candidates among middle-level managers and above for training and development. The program incorporates senior management coaching, job training and skill assessments. Dr. Ge Li develops a study plan for each training session, and offers in-person guidance and suggestions for participants. Up till now, seven vice presidents have been promoted from aVP programs and they are now all serving at important leadership positions in the Company.



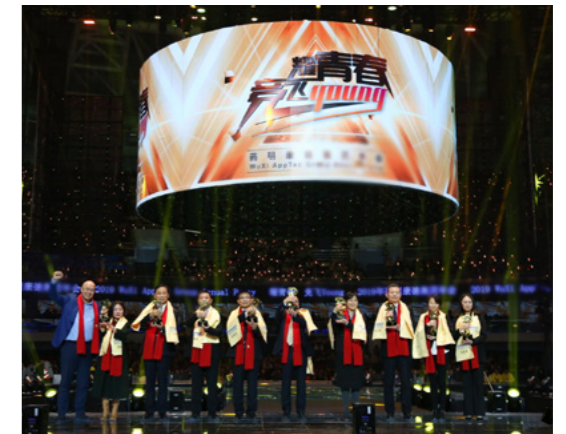
Outstanding talents are the Company's most precious assets. Therefore, WuXi AppTec has set up an incentive mechanism to recognize and motivate individuals and teams who have made outstanding contributions in different positions and commend them for their achievements.



Annual Ceremony

On January 4, 2019, WuXi AppTec held its grand annual ceremony, attracting about 12,000 employees from 11 facilities across China. The annual ceremony expressed the dreams and unwavering efforts of all employees at WuXi AppTec.

In order to recognize all WuXi AppTec employees for the dedication and efforts they have contributed to their work, there is a special session for outstanding employees and teams in every annual ceremony. In 2019, a total of 156 individuals and 53 teams were nominated and won the annual awards, with the award ceremony being witnessed by thousands of their colleagues.



The WuXi AppTec "A+ Employee Award" Ceremony

At WuXi AppTec, "A+" represents excellence and it is used to recognize employees who have far exceeded the annual targets and expectations for their positions, and who have otherwise made outstanding contributions to their teams or the company throughout the year.

In July 2019, "2018 A+ Employee Award Ceremony" was held in the Shanghai World Expo Center. At the ceremony, the Company's management awarded customized trophies and medals to the representatives of these employees, and expressed their congratulations to all the A+ employees and their families. Employees with an A+ award are able to enjoy more promising professional development opportunities and more incentives at WuXi AppTec.





○ Implementing Green Chemistry

The Company has implemented environmentally-friendly chemistry practices, or "green chemistry" and is exploring ways to further reduce the use of raw materials. For example, STA's Jinshan site carried out a Process Mass Intensity (PMI) evaluation project, where the amount of raw materials consumed per unit output is taken as a key index to evaluate the sustainable manufacturing process. With this work, the site established a PMI data tracking and feedback system, set standards and phase-improvement objectives, which were incorporated into the employee performance review as an incentive system.

Under the three-pronged effect of "data feedback", "process control" and "racing for excellence", the Company's PMI performance is well controlled.

○ Achieving CDP Management Level

In 2019, STA's Jinshan site disclosed carbon emissions and its management of environmental risks as part of the Carbon Information Disclosure Project (CDP), which promotes responses to global climate change. The Company was rated a B-, indicating that the operation had achieved "management level" for its climate change actions.

○ Increasing Environmental Investment to Reduce Emissions

In 2019, STA invested more than 2.7 million CNY in protective equipment such as hard isolators, flexible isolators, and three-in-one glove boxes. These materials may help protect employees during their work, but they also help collect exhaust gas that might otherwise leak into the atmosphere during operations, thereby reducing the site's carbon emissions.

○ Enhancing Online and Offline EHS Training

In 2019, the Company held 25 onsite EHS training sessions on biology, covering 3,169 person-times in total. This same year, the Company also organized EHS training sessions on chemistry which was composed of 40 onsite courses and several online training sessions. Together these courses covered EHS-related laws and regulation, management objectives, and the emergency disposal of chemicals. The training covered 6,475 person-times in total, with a 100% participation rate.

○ Caring for Patients through Charity

In 2019, WuXi AppTec Help Fund donated 3,000 *Xiang Ri Kui Family Handbooks*, a popular science book, to the CureKids Project and distributed them to more than 30 hospitals. This handbook, written by professionals specializing in biology and medicine, aims to provide as comprehensive and practical information as possible for families whose children have cancer in China. In 2019, the Company also raised 95,400 CNY on "Rare Disease Day".

Green Development: Sustainable Manufacturing and Operations
 Cohesion: Sustainable Supply Chain Management
 Sharing Prosperity: Promoting the Shared Development of the Industry and Society

5 Responsibility to the Environment and Society: Promoting the Well-being of the Environment and Our Global Community



Green Development: Sustainable Manufacturing and Operations

Environmental Management System

WuXi AppTec has established an environmental management system based on the local environmental protection laws and regulations in all locations in which we operate. The Company has set up company-level and department-level environmental, health and safety (EHS) management committees that are responsible for guiding, inspecting and supervising the implementation of this among all departments. In order to standardize the related areas of environmental monitoring, internal audits, training, and emergency management, the Company has formulated its "Environmental Protection Management Policy" and "EHS Inspection and Audit Management Guidelines" which are designed to help minimize the impact of our R&D, manufacturing and operational activities on the environment, and to reduce our usage of natural resources through process optimization.

Environmental Management Decision Making	<p>Objectives</p> <p>Zero accident, no harm, no pollution, sustainable development</p>	<p>Policies</p> <p>Environmental Protection Management Policy</p> <p>EHS Accident or Incident Reporting and Investigation Policy</p> <p>EHS Training and Evaluation Management Policy</p> <p>EHS Inspection and Audit Management Guidelines, etc.</p>
	<p>Vision</p> <p>To maximize the environmental protection, protect the health and safety of the community and employees, protect the property of customers and the Company, and ensure sustainable growth of the Company</p>	

Environmental Management Implementations	<p>Management Elements</p> <ul style="list-style-type: none"> Pollution control Waste management Energy management and response to climate change Water use Green Chemistry 	<p>Evaluation and Review</p> <ul style="list-style-type: none"> When constructing a project, the clean production process with lower energy consumption and less pollution is preferred, to ensure the environmental protection equipment can be designed, built, and put into operation at the same time. Conduct regular analysis and assessment of environmental risks, and take specific measures to protect the environment. 	<p>Alert and Risk Management</p> <ul style="list-style-type: none"> Quarterly environmental monitoring covering sampling, testing and records of air emissions, effluents and noise. Develop Contingency Plan for Environmental Pollution Accidents, and sign Mutual Assistance Agreement for Emergency Rescue with enterprises in the surrounding areas. Handle environment pollution accidents timely, investigate the cause of accidents, and improve corresponding measures. 	<p>Training and Evaluation</p> <ul style="list-style-type: none"> Organize employee training at corporate, department and project level, covering EHS rules, and environmental protection, etc. Carry out emergency drills on environmental events for all employees. New employees need to pass EHS exams prior to becoming a regular employee.
--	---	--	--	--

Environmental Impact Analysis

	Main Environmental Impacts	Measures to Reduce Environmental Impacts
Input	<ul style="list-style-type: none"> Electricity, natural gas, steam, vehicle fuels, etc. Municipal water 	Carry out energy saving technological transformation and air conditioning condensate recycling to improve utilization efficiency of energy and water
R&D and Production	<ul style="list-style-type: none"> Chemicals Packaging materials of finished products 	Promote green chemistry projects to reduce the use of harmful chemicals
Output	<ul style="list-style-type: none"> Non-methane hydrocarbons, volatile organic compounds (VOCs), etc. COD, ammonia nitrogen, BOD₅, suspended solids (SS), etc. in waste water General industrial solid wastes such as construction waste, scrap metal, waste cartons, etc. Organic waste liquid produced in the process of new drug R&D, waste activated carbon produced in waste gas treatment, sludge and other hazardous wastes from sewage treatment station Office waste paper, cleaning waste, food waste and other domestic garbage Greenhouse gas (GHG) 	Deploy treatment for air emissions and effluents, as well as monitoring devices to guarantee compliant discharge; Engage qualified agencies for the treatment of general industry wastes and hazardous wastes; Engage environmental sanitation agency for the regular removal of daily wastes; Improve energy use efficiency to reduce GHG emission

Pollution Control

The air emissions generated during R&D and manufacturing processes include those for non-methane hydrocarbons, volatile organic compounds (VOCs), and related processes. In response, we have installed corresponding ventilation facilities at the R&D and manufacturing sites to ensure VOCs are carried out in fume or exhaust hood via ventilation, and that various containers storing chemicals are sealed properly to further minimize emission of VOCs.

Effluents include urban sewage and wastewater generated from R&D and manufacturing processes. The Company utilizes its onsite effluents treatment facilities, and discharges R&D and manufacturing effluents into municipal pipelines only after fully compliant treatment.

To ensure the Company is compliant with discharge standards, the Company monitors and records its air emissions and effluents on a regular basis. Meanwhile, the Company strictly adheres to the requirements of local governments and conducts online monitoring of its discharges, while continuously working to improve the related monitoring and information disclosure system.

Main Types and Treatment Methods of Air Emissions and Effluents

Type	Main pollutants	Treatment method
Air Emissions	<ul style="list-style-type: none"> Non-methane hydrocarbons, VOCs, etc. 	RTO (Regenerative Thermal Oxidizers), condensation, activated carbon adsorption, incineration, acid and alkali washing, ozone oxidation, etc.
Effluents	<ul style="list-style-type: none"> COD, ammonia nitrogen, BOD₅, SS, pH, etc. 	Discharged to municipal pipeline after fully compliant treatment

STA's Jinshan site and WXAT Tianjin were announced as major polluters by the local environmental protection agencies. In response, the Company has adopted stringent monitoring and control mechanisms of their pollutants to help ensure their emissions levels are compliant. In addition, WXAT Suzhou was listed as a major soil polluter and WXAT Shanghai as a major monitored enterprise for hazardous wastes by the local governments. To ensure compliance, we have similarly adopted strict control measures on the handling of the sites' respective hazardous wastes, while also engaging qualified third-party agencies for the treatment of all hazardous wastes.

Site	Monitored items	Monitored indicators	Frequency of monitoring	Main applicable standards
STA (Jinshan site)	Effluents	pH, SS, ammonia nitrogen, COD, etc.	Quarterly	<ul style="list-style-type: none"> GB/T31962-2015 Effluents Quality Standards for Discharge to Municipal Sewers. GB21904-2008 Discharge Standard of Water Pollutants for Chemical Synthesis Products in Pharmaceutical Industry. GB12348-2008 Emission Standard for Industrial Noise. DB31/933-2015 Integrated Emission Standard of Air Pollutants. DB31/1025-2016 Emission Standards for Odor Pollutants. DB12/356-2018 Comprehensive Discharge Standard of Water Pollutants.
	Air emissions	Methanol, hydrogen chloride, non-methane total hydrocarbons, VOCs, etc.	Quarterly	
	Noise	Noise from facilities	Semiannually	
WXAT Tianjin	Effluents	COD, ammonia nitrogen, BOD ₅ , SS, pH, etc.	Monthly	

To further reduce potential environmental risks in 2019, each worksite and their subsidiaries continued to work on reducing emissions and effluents through the optimization of their production processes and the upgrading of their equipment. For example, STA's Jinshan site established a rain and sewage diversion and discharge system to mitigate the possible leakage of underground sewage pipes into local the water table and soil.

Waste Management



The forms of waste generated by the Company mainly include general industrial solid waste, hazardous waste, and daily office garbage. The Company has formulated its "Waste Pretreatment, Classification, Collection, and Transfer Management Policy" to standardize the procedures of processing its various forms of waste. In order to help mitigate environmental pollution, STA has also formulated its own "Waste Management Procedures" in order to standardize the supervision and management of production-related factory waste, including its collection, classification, labeling, recording, storage, transportation, and disposal.

Towards hazardous wastes, the Company implements the principles of classified management and centralized disposal. When possible the Company seeks to use non-toxic and non-hazardous materials, or low-toxicity and low-hazard materials that are both highly degradable and easily recyclable. With these efforts the Company hopes to reduce the generation of hazardous wastes and realize the efficient reduction and recycling of non-hazardous wastes.

In 2019, utilizing the integrated sewage treatment equipment at the Waigaoqiao Shanghai site, the Company was able to greatly reduce the amount of sludge generated by sewage treatment, while continuing to ensure the discharge of wastewater pollutants are compliant with local regulatory standards. In addition, STA's Jinshan site's by-products were recognized as meeting the General Principles of Solid Waste Identification Standards (GB34330-2017) such that they would no longer be classified as solid waste, thereby further reducing the site's discharge of solid wastes.

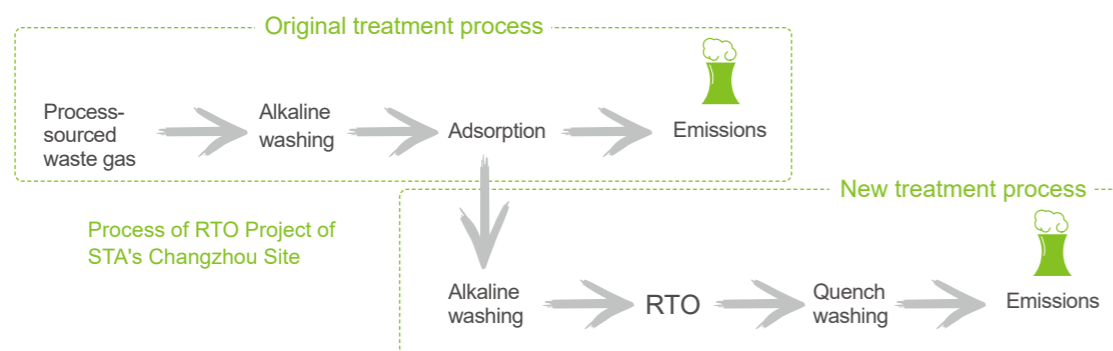
Waste Types and Treatment Methods

Type	Company-related Waste	Treatment Methods
Daily Office Garbage	Office paper, cleaning supplies, food waste, etc.	Regularly cleaned and transported by sanitation department
Non-hazardous Waste	Construction materials, scrap metal, cardboard, etc.	Treated by qualified solid waste disposal agency
Hazardous Waste	Organic liquid waste produced in the process of new drug R&D, waste activated carbon produced in waste gas treatment, sludge and related hazardous wastes from sewage treatment, etc.	Centrally disposed by qualified hazardous waste disposal agency

Continuous Improvement of the Waste Gas Treatment Process by STA

In order to optimize the treatment of VOCs generated during operations and reduce emissions, STA's Changzhou site built a new waste gas incineration RTO (Regenerative Thermal Oxidizers) project. RTO technology has the advantages of high purification efficiency and a complete decomposition of the source pollutants. Following the project's completion, pretreated waste gas in the workshop will be re-scrubbed via alkaline cleaning and then incinerated. The output gas is then converted into water vapor and carbon dioxide, which greatly reduces the gas emissions of VOCs.

Based on RTO project's success, STA's Jinshan site also added an additional RTO failsafe emergency treatment device in 2019. This device would be activated in case there was an abnormal emission caused by the malfunction of the original RTO waste gas treatment equipment, and worked using an activated carbon box to adsorb emissions via an in-situ regeneration process.





Energy Management and Responding to Climate Change

The forms of the Company's energy consumption mainly include electricity, natural gas, and fuel consumption of vehicles. Throughout its production and R&D processes, the Company is committed to improving its energy usage efficiency in several ways, including process optimization and adopting energy-saving technological transformations. Through the Company's "Golden-Idea Platform" employees are continually encouraged to contribute ideas towards how to improve operations in areas such as energy conservation, emission reductions and green chemistry, and in 2019, nearly 110 such ideas were submitted. The Company also advocates for "green office" concepts throughout its offices and laboratories, and seeks to apply the best environmental practices to all aspects of their daily operations, including reducing paper use, turning off lights, closing doors and controlling the air conditioning temperature.

Direct energy usage is one of the main sources of the Company's greenhouse gas emissions (GHGs) and thus the Company works to reduce GHGs by improving its energy efficiency. In addition, it also implements the identification or accounting of greenhouse gases generated from operation. In 2019, STA's Jinshan site and Changzhou site implemented greenhouse gas identification and emission accounting. Jinshan site disclosed the information to Carbon Information Disclosure Project (CDP) and achieved the management level (rank B-) for its climate action.

Major Energy Conservation Projects and Results of 2019

Projects	Results
STA's Wuxi site upgraded an existing motor control system by replacing its soft-starter with a frequency converter, and transforming the system from a power frequency basis to frequency conversion control.	During the 6-month run since the system was upgraded, 86,000 kwh of electricity were saved.
The Company implemented more energy-efficient LED lights at its Waigaoqiao, Tianjin, Wuhan, Suzhou sites, as well as at STA's Jinshan site.	A total of 1,568,000 kWh of electricity were saved jointly by the Waigaoqiao, Tianjin, Wuhan, and Suzhou sites, while STA's Jinshan site saved approximately 4,700 kWh.
The sewage station of STA's Jinshan site began using Atlas oil-free screw energy-saving fans to replace its previous outdated fans, which saved energy while also reducing noise.	During the 3-month run since the technology was upgraded, 196,092 kWh of electricity were saved.

Energy Saving Project of the Suzhou Animal Lab

The Suzhou Animal Lab previously installed six new air conditioning units with high energy consumption and advanced fresh air treatment. In 2019, the Company introduced a three dimensional heat pipe heat recovery device that could recycle energy from the exhaust air based on the laboratory's temperature needs. In the summer, the device could absorb cooling exhaust air to precool fresh air, and in the winter, absorb heated exhaust air to preheat fresh air. This effectively reduced energy consumption of the fresh air units and allowed the business unit to save nearly 1,058,943 kWh of electricity in 2019.

Green Office Measures



Water Resource Management

The Company's water mainly comes from municipal water supply, so there is no issue in regulatory obtaining water resources. However, in order to improve its water usage efficiency, the Company continuously works to strengthen its water management systems through process optimization and water recycling measures. For instance, in 2019, STA's Wuxi site took a novel wastewater recycling measures by authorizing a third-party water company to treat and clean waste water so that it can be recycled and reused for non-production water-heavy processes. This includes toilet flushing, outdoor gardening, and supplying water for the cooling tower, firefighting tanks, and cooling water for the site's hazardous chemical warehouse.

Improving Water Usage Efficiency through Laboratory Throttle Valves

Learning from the successful cases of installing throttle valves at WXAT Tianjin and WXAT Wuhan, 2,263 throttle valves were installed across the Company's sites in 2019. Following these installations, the Tianjin, Shanghai and Wuhan sites jointly saved a total of approximately 243,400 m³ in water during 2019. In addition, the Wuhan site was awarded as a "2019 Industrial Water-saving Enterprise of Hubei Province" for this project.



Following the installation of throttle valves, the Tianjin, Shanghai and Wuhan sites jointly saved a total of approximately

243,400 m³

in water during 2019.

Green Chemistry

Through its R&D and production processes, the Company uses a large variety of chemicals including some which are hazardous. For this reason, the Company has formulated its "Chemical Safety Management Guidelines" to clearly stipulate the management and use specifications of various chemicals and thereby ensure their safe and reasonable use. In order to reduce its impact on ozone destruction, the STA also explicitly prohibits the use of refrigerants and ozone depleting substances (ODS).

In order to mitigate the likelihood of a chemical-related incident, such as a chemical leak, and the potential of physical injury or environmental pollution to air, soil and water, the Company has formulated its "Chemical Safety Supervision Management Procedures" and "Contingency Plan for Chemical Leaks" to standardize the basic principles and measures for the prevention, early warning, response procedures and emergency disposal during a chemical leak incident.

Chemical Management



Procurement and Transportation

- The selected chemical supplier shall hold the corresponding sales qualification certificate;
- The transportation of nationally regulated highly toxic products is entrusted to qualified transportation companies.



Storage

- Store the highly toxic substances listed in the supervision catalogue of the local government in the dedicated warehouse or safety cabinets, with clear signs;
- The warehouse management staff for nationally regulated highly toxic products shall be trained by relevant departments and hold a certificate to work.



Use and Disposal

- Before using nationally regulated highly toxic products/company-regulated toxic chemicals, it is necessary to apply for approval in the Company's hazard response application system;
- It is strictly forbidden to throw waste liquids containing regulated chemicals or to pour waste liquids containing regulated chemicals directly into sewers;
- Waste liquid containing nationally regulated highly toxic products, empty reagent bottles of nationally regulated highly toxic products, etc. are returned to the warehouse for centralized collection and delivered to qualified units for disposal.

In order to help reduce its overall use of chemicals, the Company has limited the use of solvents through optimizing processes and recycling solvent. In 2019, STA's Wuxi site optimized the treatment of its organic mobile phase processes, which follows laboratory analysis and testing, effectively reducing the use of hazardous chemicals by approximately 70 kg.

Chemical Leak Emergency Drills

In order to prevent and control the likelihood of physical injury and environmental pollution during a potential chemical leak event, all sites conduct chemical leak emergency drills. The results of these drills demonstrated that the participants would respond promptly and properly in case of such an event, thereby verifying the quality of the Company's emergency response system and its employees' self-rescue capabilities.

Cohesion: Sustainable Supply Chain Management

Supply Chain Management

Creating a sustainable supply chain is an important strategy for the long-term development of the Company. According to WuXi AppTec's "Supplier Management Guidelines", suppliers are expected to comply with applicable laws and regulations, and observe social and business ethics, as well as bear any liability for the impacts of their decisions and activities on the community and environment. The Company has taken multiple measures to help suppliers improve their management capabilities and production capacity, including strengthening supplier communication and training. In 2019, STA offered trainings on environment, safety and health to 33 suppliers, which covered subtopics such as labor protection requirements, chemical safety, approval procedure for hazardous operations, and more. In addition, the Company has developed an "Integrity Agreement", which requires the Company's procurement staff and suppliers to jointly abide by business ethics during the procurement process and resolutely combat corruption.



Supplier Categories

Manufacturers: creators of products or branded products

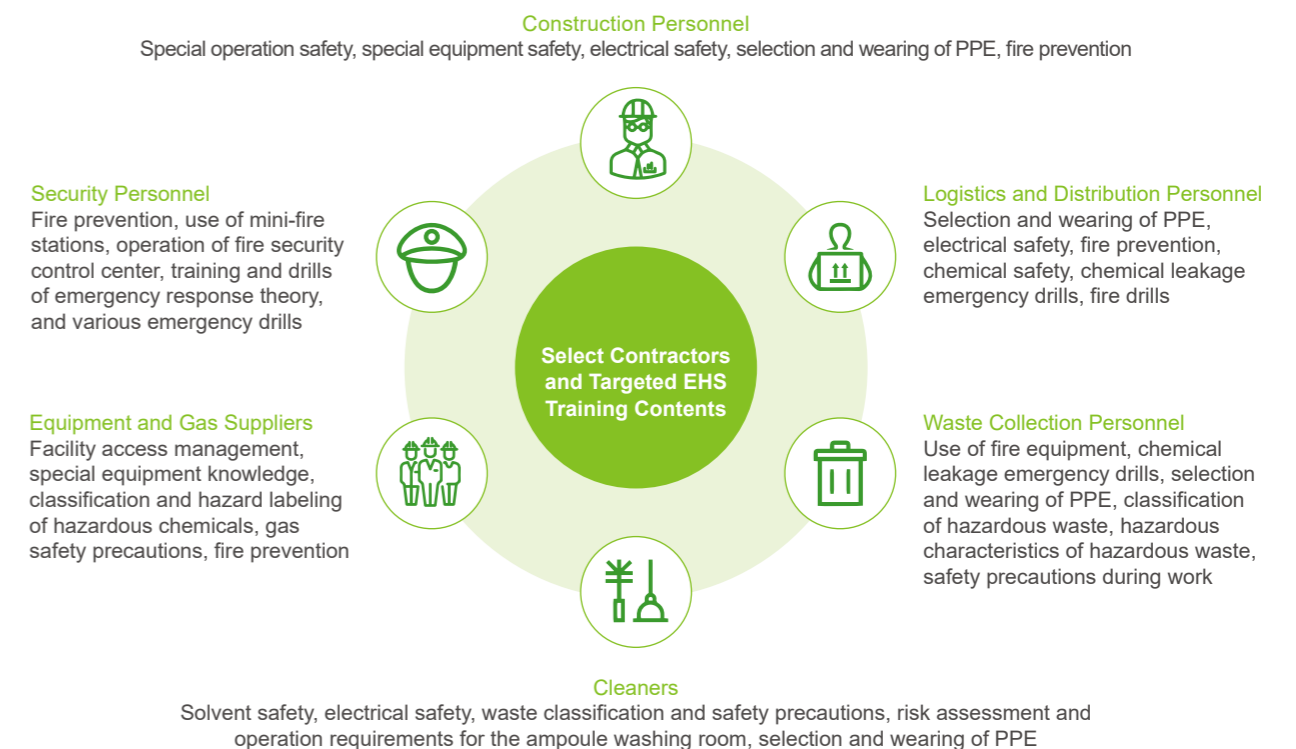
Distributors: entities authorized by manufacturers to distribute products in a designated territory

Purchasers: agents engaged by WuXi AppTec to purchase materials

Traders: suppliers who purchase products from manufacturers through their own channels and resell them to customers for profit

Indirect purchase suppliers: suppliers providing market services such as events, HR, professional services and administrative services

The Company also regularly organizes EHS training for contractors to improve their safety and environmental awareness, which also helps ensure the safety of the Company's production processes.



Supply Chain Evaluations



The Company applies CSR principles to the processes of new supplier selection and existing supplier evaluations, and prioritizes those suppliers who are responsible corporate citizens. Towards this goal, WuXi AppTec has formulated its "Supplier Basic Information Survey Form" and "Supplier Evaluation Form" and built a comprehensive evaluation system involving an examination and verification of the supplier qualifications and on-site evaluations and auditing. These tools allow the Company to better evaluate the suppliers' economic, social and environmental performance and encourage suppliers to fulfill their social responsibilities.

On-site audits of suppliers covers areas such as R&D and production, quality, customer service, safety, information technology, intellectual property, environmental management, and labor and human rights practices. The Company proposes requirements for improvements to suppliers who have failed any element of the evaluation, and thereby helps the supplier and the Company shared a mutual dedication to their development.

Sharing Prosperity: Promoting the Shared Development of the Industry and Society

Fostering Talent Development within the Industry

The Company understands that professional talents are the driving force for the long-term development of the healthcare industry. WuXi AppTec strives to use its platform to enable such industry talents to strengthen their capabilities and thereby foster their growth and development. By conducting various activities aimed at supporting these talents, the Company aims to discover and motivate outstanding talents in the industry, and in turn contribute further to the sustainable development of the healthcare industry as a whole.



The WuXi AppTec "Future Star" Chemistry Youth Camp

WuXi AppTec's "Future Star" program is open to university and graduate school students across China, and is committed to building a development platform for young people passionate about life sciences and pharmaceutical R&D. This activity has been successfully held for two consecutive years since 2018. In 2019, the program's theme was "Chemical Youth Camp," and the program attracted 185 students majoring in life sciences to visit WuXi AppTec's sites in Tianjin, Changzhou and Shanghai. During the four-day program, more than ten senior executives of the Company joined the "Chemical Youth Camp," acting as mentors of these students and sharing cutting-edge knowledge of their professional research fields, and engaging in open discussions with students. The sharing of such a variety of advanced topics, including process chemistry, new drug R&D, healthcare industry outlook, AI-assisted synthetic routes, quantum chemistry calculation, gave the young talents a deep senses of the broad horizons of the industry. Through this program, students not only learned about the frontiers of chemistry, but also gained first-hand experience in interdisciplinary exchange.



Supporting Social Development through Public Welfare

WuXi AppTec believes that supporting community development is an important aspect of corporate social responsibility, and has worked with different stakeholders to address the needs of its related communities. WuXi AppTec also recruits disabled workers in various locations around the world, providing them with employment opportunities and helping them better integrate into society.

In 2019, the Company's Help Fund donated 3,000 popular science books and related science materials to more than 30 hospitals nationwide. Among these materials was a handbook written by professionals specializing in biology and medicine, which provides comprehensive and practical guidance on healthcare information for families with children with cancer in China. The Company also donated 95,400 CNY during the "Rare Disease Day 2019" event. In addition, employees in Atlanta, U.S. collected materials to donate school supplies to six local primary schools, and employees in St. Paul, U.S. collected more than 500 pounds of food and donated it to more than 600 local residents.

The Company encourages employees to participate in social welfare and volunteering activities. In 2019, in response to the call of the Shanghai Pudong New Area Blood Management Office, the Company organized a two-day blood drive at its Waigaoqiao Shanghai site. Nearly 300 employees participated in the activity, and the Company assisted their efforts by offering participants paid leave and a welfare allowance. Similarly, the St. Paul site organizes a staff blood donation activity every quarter, involving 51 employees in total.

In early 2020, in light of the COVID-19 epidemic in China, WuXi AppTec's Help Fund immediately initiated fundraising activities to assist frontline epidemic control efforts among its employees and partners, while also collecting essential medical suppliers, such as medical masks, protective clothing, goggles, disposable gloves, caps, and shoe covers to support community doctors.



Dream for Love, Love beyond Borders – The WuXi AppTec Charity Event

On May 8, 2019, WuXi AppTec's Help Fund sponsored a Charity Day event with the theme of "Dream for Love" and more than 3,000 colleagues from facilities and subsidiaries across the country participated.

Following this success, on May 19, WuXi AppTec Help Fund held the "Dream for Love" Charity Night event, where Dr. Ge Li, Chairman and CEO of WuXi AppTec, as well as more than 90 company senior executives, employees and their families gathered together for auction-based charity event. Most of the auction items were donated by employees and their families, among which two special paintings came from students of Liangluxiang primary school in Sichuan, which the Help Fund had previously helped after the Ya'an earthquake in 2013. Attendees actively participated in the fundraising activities, supporting the Help Fund to deliver the love of WuXi AppTec to people in need.

In 2019, the "Dream for Love" series of charity activities raised a total of 870,042.74 CNY under the WuXi AppTec Help Fund. All the funds will be used to help employees in need and support disaster-affected areas and other public welfare causes.



Key Performance

Economy

Index	Unit	2018	2019
Operating income	RMB million	9,613.68	12,872.21
Total profit	RMB million	2,580.82	2,336.97
Total tax	RMB million	240.77	441.70
Earnings per share	RMB yuan	1.59	1.14
Social contribution per share ¹	RMB yuan	4.14	4.31

Note:

1. Social contribution per share = (net profit attributable to common shareholders after deducting non-recurring gains and losses + payments to the government + employee salary and benefits + loan interest paid to creditors such as banks + value created for other stakeholders such as external donation - other social costs due to environmental pollution, dismissal of employees, etc.) / total shares of the company.

Environment

Index	Unit	2018	2019
Waste gas¹			
Non-methane hydrocarbon emissions	Kg	1,824.50	2,190.00
Volatile organic compounds (VOCs) emissions	Kg	21,900.00	27,560.00
Waste water¹			
Discharge of chemical oxygen demand (COD)	ton	13.75	10.48
Discharge of biochemical oxygen demand (BOD ₅)	ton	1.84	1.04
Ammonia nitrogen (NH ₃ -N) discharge	ton	0.84	0.44
SS emission	ton	1.54	2.25
Waste material¹			
Non-hazardous waste discharge	ton	-	5,616.39
Hazardous waste discharge ²	ton	808.63	3,718.98
Waste silica gel ³	ton	48.8	85.7
Greenhouse gas⁴			
Total GHG emission	t CO ₂ e	151,582.09	196,633.45
Scope I greenhouse gas emissions	t CO ₂ e	6,643.77	9,415.06
Scope II GHG emission	t CO ₂ e	144,938.32	187,218.39
GHG emission per unit operating income	t CO ₂ e/kg	0.016	0.015
Energy⁴			
Power consumption	kWh	212,904,545.24	275,011,099.80
Natural gas consumption	m ³	2,876,062.76	4,067,174.66
Gasoline consumption of vehicle	l	147,558.53	188,937.08
Diesel consumption of vehicle	l	6,520.96	35,557.00
Electricity consumption per unit operating income	kWh / thousand yuan	22.15	21.36
Natural gas consumption per unit operating income	m ³ / thousand yuan	0.30	0.32
Water resource⁴			
Water consumption	m ³	1,602,517.89	1,900,698.00
Divided by water source: municipal water supply	m ³	1,593,973.33	1,892,509.00
Divided by water source: wastewater from other companies or organizations	m ³	8,544.56	8,189.00

Index	Unit	2018	2019
Water consumption per unit operating income	m ³ /thousand yuan	0.17	0.15
Packaging⁵			
Total packaging materials for finished products	ton	-	983

Note:

1. The data scope of waste gas, waste water, hazardous waste and waste silica gel is STA and WXAT Tianjin (all are the key pollutant discharge units announced by Chinese Environmental Protection Department). The data scope of non-hazardous waste data includes WuXi AppTec and its subsidiaries in China.

2. Hazardous waste includes waste organic solvents, waste mercury-containing reagents, activated carbon, scrap reagents and hazardous waste pollutants. In 2018, the data scope is WXAT Tianjin, and in 2019, the data scope is WXAT Tianjin, WXAT Suzhou and WXAT Shanghai. Therefore, the data changes greatly compared with 2018.

3. The data scope of waste silica gel is WXAT Tianjin.

4. The data scope of greenhouse gas, energy and water resources is WuXi AppTec and its subsidiaries operating in China and the U.S. As WuXi AppTec shares office space with other affiliated enterprises of WuXi AppTec in Waigaoqiao, Shanghai, the data of energy and water resources will cover the data of other affiliated enterprises of WuXi AppTec, and it is estimated that WuXi AppTec accounts for the majority of total energy and waste consumption. Greenhouse gas emissions in 2018 have been retroactively corrected by data.

5. The data scope of package data is STA. The packaging types of the other places of WuXi AppTec in China and the U.S. are different, and statistics have not been carried out.

Employment and Labor Practices

Index	Unit	2018	2019
Number of employees ¹	person	17,730	21,744
Number of male employees	person	8,747	9,497
Number of female employees	person	8,983	10,575
Number of employees aged > 50	person	478	165
Number of employees aged 30-50	person	7,194	6,559
Number of employees aged <30	person	10,058	13,348
Number of employees with a PhD	person	949	1,022
Number of employees with a master's degree	person	5,636	6,450
Number of employees with a bachelor's degree	person	8,278	10,778
Number of employees without a bachelor's degree	person	2,867	3,494
Number of employees working in Mainland China	person	-	20,070
Number of employees working in Hong Kong, Macao and Taiwan	person	-	2
Number of employees working in the U.S.	person	-	1,610
Number of employees working in other countries or regions	person	-	62
Labor contract signing rate	%	100	100
Average training hours completed per employee ²	hour	8.41	25.14
Workday loss due to workplace injury ³	day	-	611.7
Number of deaths due to work-related injuries ³	person	-	0
Number of employees with occupational diseases ²	person	-	0

Note

1. The data scope of the numbers of employees by gender and age includes WuXi AppTec and its subsidiaries in Mainland China, Hong Kong, Macau and Taiwan.

2. The data scope of the training hours in 2018 includes offline training projects carried out by WuXi Talent Academy. Other types of training projects are not included; the data scope of the training hours in 2019 includes offline training projects carried out by WuXi Talent Academy, E-Learning platform, and internal training conducted by STA and WuXi SMO.

3. The data scope of employee injuries and occupational diseases includes WuXi AppTec and its subsidiaries in China and the U.S.

Supply Chain Management

Index	Unit	2018	2019
Total suppliers ¹	-	6,514	4,631
By geographical region: Mainland China	-	4,235	3,622
By geographical region: Hong Kong, Macao and Taiwan and other countries or regions	-	2,279	1,009
Number of suppliers receiving environmental, labor, and ethical performance assessment according to the Company's supplier evaluation system	-	72	115
Number of suppliers failing to meet environmental, labor and ethics assessment criteria, etc	-	0	0

Note:

1. The data scope includes WuXi AppTec and its subsidiaries in China and the U.S.

Anti-Corruption

Index	Unit	2018	2019
Number of concluded corruption cases brought against the Company or its employees ¹	piece	0	0
Compliance training ¹	person-times	20,564	26,006

Note:

1. The data scope is WuXi AppTec and its subsidiaries in China and the U.S.

Community

Index	Unit	2018	2019
Total community philanthropic investment	RMB thousand	43	381
Including charity donations	RMB thousand	30	381

Compliance

As an entity with global presence, WuXi AppTec adheres to the local laws and regulations applicable to its operations and CSR, and considers legal compliance as the minimum requirements for its operations. In 2019, there were no recognized legal non-compliance incidents or lawsuits regarding air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste; employment and labor practice; health and safety, advertising, labelling and privacy matters relating to products and services; and bribery, extortion, fraud and money laundering.

Field	Applicable laws and regulations abided by WuXi AppTec
Environmental protection	<p>China: Environmental Protection Law of the People's Republic of China, Law of the People's Republic of China on Environmental Impact Assessment, Atmospheric 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 Environment Pollution Caused by Solid Wastes, and Water Pollution Prevention and Control Law of the People's Republic of China, etc.</p> <p>The U.S.: Clean Air Act within 40CFR50-59 and within 40CFR100-149, and Resource Conservation and Recovery Act within 40CFR239-299, etc.</p>

Field	Applicable laws and regulations abided by WuXi AppTec
Employment and labor	<p>China: Labor Contract Law of the People's Republic of China, Social Insurance Law of the People's Republic of China, Regulation on Work-Related Injury Insurance, and Regulation on the Administration of Housing Funds, etc.</p> <p>Germany: Unfair Dismissal Act (KSchG), and Social Security Statute Books (SGB I-XI), etc.</p>
Occupational health and safety	<p>China: Law on the Prevention and Control of Occupational Diseases of People's Republic of China, Measure of Supervision and Administration of "Three Simultaneities" Facilities for the Prevention and Control of Occupational Diseases at Construction Projects (2017 Amendment), and Measures for the Supervision and Administration of Employers' Occupational Health Surveillance, etc.</p> <p>The U.S.: Protection Against Radiation (10CFR20)</p>
Product and service quality	<p>China: Pharmaceutical Administration Law of the People's Republic of China, Measures for the Supervision over and Administration of Pharmaceutical Production, Measures for the Certification Administration of Good Manufacturing Practices for Pharmaceutical Products, Measures for the Administration of Drug Registration, and Measures for the Administration of Medical Device Registration, etc.</p> <p>The U.S.: Good Laboratory Practice (GLP), Good Clinical Practice (GCP), current Good Manufacturing Practices (cGMP), Animal Welfare Act (AWA), Health Insurance Portability and Accountability Act (HIPAA 1996), etc.</p>
Intellectual property protection	<p>China: Patent Law of the People's Republic of China, and Trademark Law of the People's Republic of China, etc.</p> <p>Germany: German Trademark Law (MarkenG), German Telecommunications Act (TKG), German Telemedia Act (TMG), and General Data Protection Regulation (GDPR), etc.</p>
Anti-corruption	<p>China: Criminal Law of the People's Republic of China, and Company Law of the People's Republic of China, etc.</p> <p>The U.S.: Foreign Corrupt Practices Act (FCPA), etc.</p>

Index Table

Index Table of HKEx ESG Reporting Guide

Aspect, general disclosure and KPI (key performance indicator)	Report section	Aspect, general disclosure and KPI (key performance indicator)	Report section
Aspect A1. Emissions			
General disclosure A1	Green Development: Sustainable Manufacturing and Operations	General disclosure A2	Green Development: Sustainable Manufacturing and Operations
KPI A1.1	Green Development: Sustainable Manufacturing and Operations	KPI A2.1	Key Performance: Environment
KPI A1.2	Key Performance: Environment	KPI A2.2	Key Performance: Environment
KPI A1.3	Key Performance: Environment	KPI A2.3	Green Development: Sustainable Manufacturing and Operations
KPI A1.4	Key Performance: Environment	KPI A2.4	Green Development: Sustainable Manufacturing and Operations
KPI A1.5	Green Development: Sustainable Manufacturing and Operations	KPI A2.5	Key Performance: Environment
KPI A1.6	Green Development: Sustainable Manufacturing and Operations	Aspect A3. Environment and Natural Resources	
Aspect A2. Resource Utilization			
		General disclosure A3	Green Development: Sustainable Manufacturing and Operations
		KPI A3.1	Green Development: Sustainable Manufacturing and Operations

Aspect, general disclosure and KPI (key performance indicator)	Report section
Main scope B. Society Employment and Labor Practices	
Aspect B1. Employment	
General disclosure B1	People-oriented: An Inclusive and Open Career Platform Employment
KPI B1.1	Key Performance: Employment and Labor Practice
KPI B1.2	---
Aspect B2. Health and Safety	
General disclosure B2	Safety First: Healthy and Safe Working Environment
KPI B2.1	Key Performance: Employment and Labor Practice
KPI B2.2	Key Performance: Employment and Labor Practice
KPI B2.3	Safety First: Healthy and Safe Working Environment
Aspect B3. Development and Training	
General disclosure B3	Developing Talents: A Workplace for Employee Growth and Development
KPI B3.1	Developing Talents: A Workplace for Employee Growth and Development
KPI B3.2	---
Aspect B4. Labor Standards	
General disclosure B4	People-oriented: An Inclusive and Open Career Platform Employment
KPI B4.1	People-oriented: An Inclusive and Open Career Platform Employment
KPI B4.2	No violations found
Main scope B. Society Business Practice	
Aspect B5. Supply chain management	

Aspect, general disclosure and KPI (key performance indicator)	Report section
General disclosure B5	Cohesion: Sustainable Supply Chain Management
KPI B5.1	Key Performance: Supply chain management
KPI B5.2	Cohesion: Sustainable supply Chain Management
Aspect B6. Product responsibility	
General disclosure B6	Business Foundation: Responsible Operations
KPI B6.1	Not happen
KPI B6.2	Business Foundation: Responsible Operations
KPI B6.3	Business Foundation: Responsible Operations
KPI B6.4	Business Foundation: Responsible Operations
KPI B6.5	Business Foundation: Responsible Operations
Aspect B7. Anti Corruption	
General disclosure B7	Robust Corporate Governance
KPI B7.1	Key Performance: Anti-corruption
KPI B7.2	Robust Corporate Governance
Aspect B8. Community Investment	
General disclosure B8	Sharing Prosperity: Promoting the Shared Development of the Industry and Society
KPI B8.1	Sharing Prosperity: Promoting the Shared Development of the Industry and Society
KPI B8.2	Key Performance: Community

Disclosure suggestions	Content index
Article 5: point (1)	Business Foundation: Responsible Operations Sharing Prosperity: Promoting the Shared Development of the Industry and Society Safety First: Healthy and Safe Working Environment
Article 5: point (2)	Green Development: Sustainable Manufacturing and Operations
Article 5: point (3)	Developing Talents: A Workplace for Employee Growth and Development
Article 6	Compliance
Article 7	Compliance

Index Table of GRI Standards

Disclosure	Report section	Disclosure	Report section	Disclosure	Report section
101-1	About This Report	102-47	CSR Philosophy and Management	305-7	Key Performance: Environment
102-1	WuXi AppTec at a Glance	102-50	About This Report	306-1	Key Performance: Environment
102-2	WuXi AppTec at a Glance	102-51	About This Report	306-2	Key Performance: Environment
102-3	WuXi AppTec at a Glance	102-52	About This Report	306-3	Key Performance: Environment
102-4	WuXi AppTec at a Glance	201-1	WuXi AppTec at a Glance	307-1	Not happen
102-5	WuXi AppTec at a Glance	205-2	Robust Corporate Governance	308-1	Cohesion: Sustainable Supply Chain Management
102-6	WuXi AppTec at a Glance	302-1	Key Performance: Environment	308-2	Cohesion: Sustainable Supply Chain Management
102-7	WuXi AppTec at a Glance	302-3	Key Performance: Environment	401-1	Key Performance: Employment and Labor Practice
102-8	WuXi AppTec at a Glance	302-4	Green Development: Sustainable Manufacturing and Operations	403-2	Key Performance: Employment and Labor Practice
102-14	Message from the Chairman	303-1	Key Performance: Environment	404-1	Key Performance: Employment and Labor Practice
102-15	Message from the Chairman	303-2	Water supply is municipal water	405-1	Robust Corporate Governance
102-16	CSR Philosophy and Management	303-3	Green Development: Sustainable Manufacturing and Operations	408-1	People-oriented: An Inclusive and open Career Platform
102-18	Robust Corporate Governance	305-1	Key Performance: Environment	409-1	Not found
102-21	CSR Philosophy and Management	305-2	Key Performance: Environment	416-1	Business Foundation: Responsible Operations
102-22	Robust Corporate Governance	305-4	Key Performance: Environment	416-2	Not happen
102-29	CSR Philosophy and Management	305-5	Green Development: Sustainable Manufacturing and Operations	417-2	Not happen
102-40	CSR Philosophy and Management			417-3	Not happen
102-42	CSR Philosophy and Management				
102-43	CSR Philosophy and Management				
102-44	CSR Philosophy and Management				
102-45	About This Report				

Index Table of Shanghai Stock Exchange's Notice on Strengthening Social Responsibility of Listed Companies and Issuing the <Notice on Environmental Information Disclosure of Listed Companies>

Disclosure suggestions	Content index
Article 1	WuXi AppTec at a Glance
Article 2	Message from the Chairman WuXi AppTec at a Glance
Article 3	Compliance
Article 4	Key Performance

Definitions of Terms

When introducing economic, social and environmental performance, we use some terms in the field of WuXi AppTec or social responsibility. To help readers better read and understand our report, we hereby introduce the most commonly used terms, organization names and abbreviations.

Terms	Definitions
CMC Chemical Manufacturing and Control	CMC refers to pharmaceutical research data in drug R&D, including formulation development, process research and quality research.
Declaration of Helsinki	As the abbreviation of WMA Declaration of Helsinki, the Declaration defines the ethical principles and restrictions for human-based biomedical research, and it is the second international document for human subject research.
U.S. Animal Welfare Act	Issued in 1996, AWA consists of guidelines for general animal treatment and special rules for animal exhibition and transportation. More importantly, it is the first and the only act regulating the animal experiment in the history of the animal experiment in the US.
GMP	As a mandatory standard applicable to the pharmaceutical and food industries, Good Manufacturing Practices (GMP) requires the entities to meet legal hygienic quality requirements in terms of materials, personnel, equipment and facilities, manufacturing process, packaging and transport as well as quality control, and form a set of operable manufacturing practices to assist the entities in improving hygienic conditions and timely identifying problems during manufacturing for improvement.
National Medical Products Administration (NMPA)	As a medical products administration set up by the Chinese government, NMPA is responsible for the administration of drugs, medical devices and cosmetics.
Food and Drug Administration (FDA)	Authorized by United States Congress and Federal Government, FDA is the supreme law enforcement agency engaged in administration of food and drugs. Comprising physicians, lawyers, microbiologists, chemists, statistician and other professionals, it is also a health monitoring agency devoted to protecting, promoting and improving national health.
Materiality and material issues	Material issues refer to issues with major economic, environmental and social impacts that should be considered in the sustainable development strategy and report of an organization, or those with major impact on the assessment and decision-making of stakeholders, such as energy and wastes.
Stakeholders	Individuals, groups and organizations that may impact business activities or be impacted by business activities.
UN Sustainable Development Goals (SDGs)	The Sustainable Development Goals (SDGs), otherwise known as the Global Goals, are a collection of 17 global goals set by the United Nations in 2015. Building on the success of the Millennium Development Goals, they are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. Website: http://www.undp.org/content/undp/en/home/sustainabledevelopment-goals.html
Global Reporting Initiative (GRI)	An independent international organization that developed the world's first and most widely accepted global standards for sustainability reporting, the GRI Standards. Website: https://www.globalreporting.org
Organization for Economic Co-operation and Development (OECD)	As an inter-governmental international economic organization comprising 36 countries with market-oriented economy, OECD aims to jointly address the challenges in terms of economic, social and government governance brought by globalization, and seize the opportunities thereof. Website: http://www.oecdchina.org/

About This Report

Preparation Basis

This report complies with the requirements of *Environmental, Social and Governance Reporting Guidelines (2015)* in Appendix 27 of the "Listing Rules" issued by Hong Kong Stock Exchange, and refers to Consultation Report on Environmental, Social and Governance issued by Hong Kong Stock Exchange (published on December 18, 2019), citing some indicators of the Global Reporting Initiative's *Sustainability Reporting Standards (GRI Standards)* (see the GRI Standards Index Table for details).

Report Scope

Scope: The disclosure scope of this report covers all the entities in consolidated financial statements of WuXi AppTec Co., Ltd. ("WuXi AppTec", "the Company" or "We"), which is consistent with the scope of disclosure of WuXi AppTec's 2019 annual report.

Reporting Period: From January 1, 2019 to December 31, 2019. Some of the statements contain issues for 2020, which have been explained in corresponding places.

Reporting Cycle: This report is an annual report, and the last report was released on March 23, 2019.

Data Description

The data in the report are derived from original records of the actual operation or financial report of the Company. The financial data in the report are in RMB yuan. In case of any discrepancy, the financial report shall prevail.

Company Name and Abbreviation

Company's Full Name	Abbreviation in the Report
WuXi AppTec (Wuhan) Co., Ltd.	WXAT Wuhan
WuXi AppTec (Suzhou) Co., Ltd.	WXAT Suzhou
WuXi AppTec (Tianjin) Co., Ltd.	WXAT Tianjin
WuXi AppTec (Shanghai) Co., Ltd.	WXAT Shanghai
Shanghai SynTheAll Pharmaceutical Co., Ltd.	STA
Shanghai MedKey Med-Tech Development Co., Ltd.	WuXi SMO

WuXi AppTec Co., Ltd.

Address: 288 Fute Zhong Road, Waigaoqiao Free Trade Zone, Shanghai, China

Postcode: 200131 (Shanghai, China)

Tel: +86 (21) 5046-1111

