



Incorporated in the Cayman Islands
with limited liability

Stock Code: 1521



2025

Environmental, Social and Governance (ESG) Report

Frontage Holdings Corporation

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Statement of the Board

The Board of Directors (the “Board”) of Frontage Holdings Corporation (together with its subsidiaries, hereinafter referred to as “Frontage”, the “Company”, or “we”) places significant emphasis on the ESG management, considering ESG a pivotal assurance for the Company’s sustained long-term development. It integrates ESG with the company’s development strategies, closely monitors the Company’s overall ESG governance performance, and continually refines its ESG management mechanisms. Concurrently with achieving its operational objectives, the Company actively addresses the expectations of its shareholders and stakeholders, fulfils its corporate social responsibility, consistently creates long-term value for society, and thereby supporting the Company’s long-term and high-quality development.

The Board represents that the 2025 Environmental, Social and Governance (“ESG”) Report (hereinafter referred to as the “Report”) contains no false statements, misleading representations, or material omissions, and accept responsibility for the veracity, accuracy, and completeness of the Report. The Report provides a detailed disclosure of the progress and efficacy of the Company’s ESG initiatives in 2025 and was approved by the Board at its meeting on 30 March 2026.

2025 ESG Highlights and Progress

Efficiency Improvements:



- **0** environmental violation
- **38%** Renewable electricity consumption increment (compared to 2024)
- **5%** Non-hazardous waste density reduction (compared to 2024)
- **100%** Compliant disposal of hazardous waste
- **1%** Water consumption intensity reduction (compared to 2024)

Social:



- Complaints handling rate for products and services: **100%**
- Laboratory biosafety incident rate: **0%**
- Subject informed consent compliance signing rate: **100%**
- Number of major medicinal product quality deviation incidents: **0**

Governance:



- Gender ratio among senior management: **75%** male and **25%** female.
- **100%** Board anti-corruption training.

Materiality Assessment

The Company identified 17 key ESG issues by referencing global sustainable development goals, stock exchange disclosure requirements, investor concerns, domestic and international policies, and by integrating feedback from stakeholders and the Company's overall strategy. Through systematic research and analysis, we assess the level of concern among internal and external stakeholders regarding various ESG issues and prioritise key ESG matters accordingly.

Our materiality assessment steps are as follows:

Identify Issues and Establish a Materiality Issues Library.

By integrating the Company's ESG background, which includes operating locations, business activities, business relationships, and development plans, and by referencing domestic and international ESG disclosure standards and capital market concerns, ESG issues are updated. This process confirms the ESG issues most relevant to the Company's business activities and of greatest concern to Stakeholders.

Materiality Assessment and Prioritisation

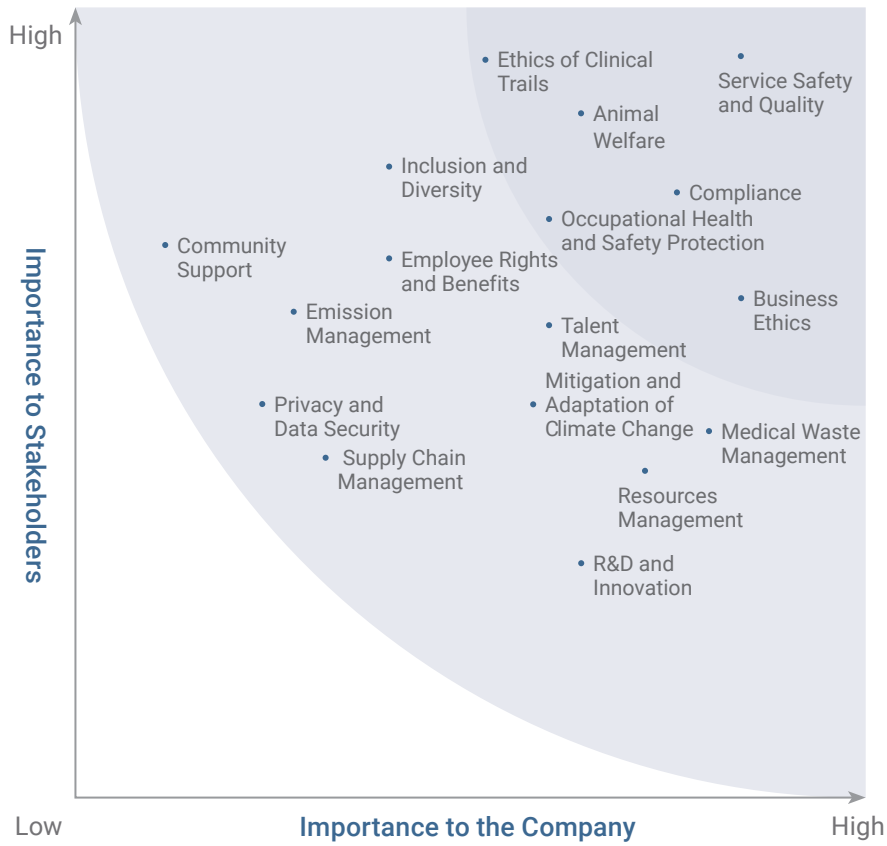
Through internal and external stakeholders' questionnaires and other forms, we conduct a materiality assessment of ESG issues, prioritising them based on two key dimensions: "materiality to Frontage's development" and "materiality to the stakeholders". The materiality matrix is then drawn up based on the actual survey results.

Board Review of Materiality Assessment Results

To ensure accuracy, effectiveness, and relevance of the assessment results, the Board reviews and examines the materiality assessment outcomes, which are ultimately presented in a materiality matrix.

During the Reporting Period, the Board reviewed material ESG Issues and approved proposals to adjust the materiality of various ESG Issues, thereby ensuring that the materiality matrix remains both current and appropriate.

Material Issue Matrix



Stakeholder Engagement

At Frontage, we recognize the importance of stakeholder engagement in our corporate strategies and operations. We regularly communicate with stakeholders through a variety of channels to understand their expectations and views regarding the Company's ESG performance.

| Stakeholder Category | Areas of Concern | General Communication Channels | Responses and Feedback |
|--|--|--|--|
| <p>Shareholders/ Investor</p>  | <ul style="list-style-type: none"> • Sustained and Stable Investment Returns • Timely Information Disclosure • Compliant Corporate Operations | <ul style="list-style-type: none"> • Reports and Announcements • General Meetings of Shareholders • Roadshows/Conference Calls/ Meetings • Media Communication Mechanism • Telephone, Email, and Website Enquiries • Investor Visits | <ul style="list-style-type: none"> • Timely Disclosure of Information • Publication of Announcements and Periodic Reports • Timely Response to Investor Emails and Telephone Enquiries |
| <p>Employees</p>  | <ul style="list-style-type: none"> • Training and Career Development • Compensation and Benefits • Health and Safety | <ul style="list-style-type: none"> • Direct Communication • Performance Appraisal • Medical Examination • Training Programmes • Safety Management | <ul style="list-style-type: none"> • Providing a Healthy and Safe Working Environment • Establishing a Fair, Transparent Promotion and Performance Appraisal Mechanism • Organising of Employee Activities |
| <p>Supplier</p>  | <ul style="list-style-type: none"> • Standardised Supplier Management • Timely Execution of Contracts • Corporate Reputation | <ul style="list-style-type: none"> • Order/Contract Execution • Direct Communication • Supplier Management System • Supplier Questionnaires | <ul style="list-style-type: none"> • Fulfilment of Contractual Obligations • Maintaining Long-term Cooperation with Outstanding Suppliers • Supplier Engagement Activities • Timely Payment • Comprehensive Supplier Management Records |

| Stakeholder Category | Areas of Concern | General Communication Channels | Responses and Feedback |
|---|---|--|--|
| Government/ Regulatory Authorities | <ul style="list-style-type: none"> Compliant Corporate Operations Payment of Taxes in Accordance with the Law | <ul style="list-style-type: none"> Government Guidance Participation in Government Meetings and Regular Visits Information Disclosure | <ul style="list-style-type: none"> Company Compliance Monitoring of Changes in Regulatory Requirements Strengthen Safety Management |
| Financial Institution | <ul style="list-style-type: none"> Strong Corporate Credit and Financial Stability Steady Corporate Growth | <ul style="list-style-type: none"> Financial Reporting and Announcements On-Site Inspections Direct Communication | <ul style="list-style-type: none"> Prompt Repayment of Loans Maintain Good Business Relationships |
| Community/Public | <ul style="list-style-type: none"> Contribute to Society and Community Promote Employment | <ul style="list-style-type: none"> Community Service Charitable Activities News and Announcements | <ul style="list-style-type: none"> Actively Uphold Corporate Social Responsibility Create Job Opportunities Industry Professional Activities Advancing the Pharmaceutical Industry's Development |

1. About This Report

1.1 About This Report

This Report is intended to disclose, in a transparent and open manner, the progress and achievements of the Company in the area of ESG within the actual business scope during the period from 1 January 2025 to 31 December 2025 (the “Reporting Period”). This Report summarises the progress Frontage has made in fulfilling its ESG responsibilities in 2025.

Basis and Scope of Preparation

This Report has been prepared in accordance with Appendix C2 Environmental, Social and Governance Reporting Code (the “ESG Code”) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKEX”), as well as the United Nations Sustainable Development Goals (“UN SDGs”).

The time period and the scope covered by this Report aligns with the financial year covered by the Company’s 2025 Annual Report.

Reporting Principles

| Requirements | Our Response |
|---------------------|--|
| Materiality | This Report uses a materiality analysis to identify the issues it focuses on and mainly reports matters related to ESG issues that are important to investors and other stakeholders. |
| Quantitative | This Report includes measurable key performance indicators “KPIs”. Quantitative information in this Report is accompanied by a narrative, explaining its purpose and impact, and giving comparative data where appropriate |
| Balance | This Report provides an unbiased overview of Frontage’s achievements and challenges in relation to material sustainable development matters. |
| Consistency | Unless otherwise specified, Frontage will ensure that the scope of report disclosure and reporting methodology remain consistent with previous years. |

Data Sources

The data and cases in the Report are taken from the original records or financial reports of the Company. Unless stated otherwise, USD is taken as the currency unit in this Report.

Report Languages

This Report is published in traditional Chinese and English respectively. In case of any inconsistency across versions, the English version shall prevail.

Contact Information

Should you have any questions or suggestions regarding this report, you are welcome to contact us using the following contact information.

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- Tel.: +86 021 50796268 (Extension: 826)
- E-mail: ir@frontagelab.com.cn
- Company website: <https://www.frontagelab.com/investor-relations/investor-inquiries>

2. Strengthening Responsible Governance and Advancing Sustainable Development



The Company has established a comprehensive regulatory framework in governance, embedding the concept of sustainable development into its governance system. This effectively guides the specific practices of each business unit and provides a solid foundation for the sustainable development of the Company.

2.1 Sustainable Governance

The Company has established a top-down ESG governance structure comprising the Board and the ESG Working Group, with clearly delineated roles and responsibilities to ensure effective oversight and implementation.

As the highest decision-making body, the Board holds ultimate responsibility for ESG strategy and reporting. It provides strategic guidance, monitors material ESG issues that may impact the Company's business and stakeholders and ensures alignment between ESG priorities and overall corporate strategy. Key responsibilities of the Board include:

Approving ESG and climate-related objectives and reviewing their integration with business strategy;

Overseeing ESG risk management, internal control systems, and related disclosures;

Identifying and prioritizing key ESG issues and ensuring appropriate actions are taken;

Reviewing ESG performance annually and monitoring progress toward stated goals;

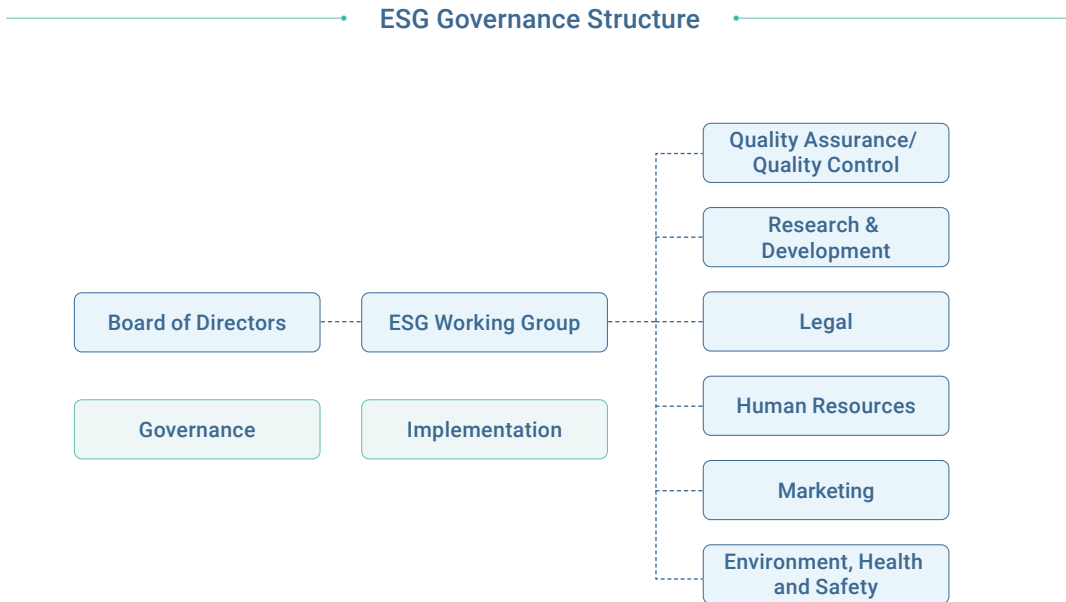
Enhancing transparency in business reporting to support stakeholder understanding of the Company's strategy and objectives.

The Board convenes regularly and oversees the development and implementation of ESG vision, strategy, and framework.

The ESG Working Group is responsible for the operational implementation of ESG strategies. Its duties include:

- Executing the ESG strategic plan and developing short- and long-term implementation plans;
- Regularly identifying and evaluating ESG and climate-related risks relevant to the Company's operations;
- Carrying out additional ESG-related tasks as delegated by the Board.

Collaboration between the Board and the ESG Working Group ensures that ESG considerations are integrated into organizational processes and decision-making. This structured approach supports continuous improvement in ESG performance, reinforces accountability, and helps us build trusted relationships with stakeholders while advancing its long-term sustainability goals.



2.2 Business Ethics and Anti-Corruption

At Frontage, we are committed to conducting business with the highest standards of integrity, transparency, and accountability. Our approach to business ethics and anti-corruption is embedded in our corporate governance framework and reinforced through clear policies, continuous monitoring, and regular training.

Compliance Framework and Internal Audit

Compliance with applicable laws and regulations is a fundamental pillar of our corporate responsibility. We adhere to all relevant legal requirements, as outlined in Appendix 2 – List of Laws and Regulations, and have established internal policies to govern our operations accordingly.

To ensure continuous compliance, our internal audit team conducts continuous, year-round reviews of business ethics and anti-corruption practices across key functions, including procurement and sales. The department works closely with the leadership team to refine audit processes, focusing on areas such as price comparison, supplier management, contract administration, and pricing controls.

At the enterprise level, the Board and senior management actively oversee compliance matters. The internal audit team conducts internal audits of our operations on a regular basis. In 2025, the Company conducted multiple planned internal and external audits, covering areas such as anti-corruption and corporate governance. Internal controls over financial reporting and third-party risk management were also conducted. While certain process improvements and corrective actions were identified and implemented, no material violations of Company policies or applicable laws were identified during the Reporting Period.

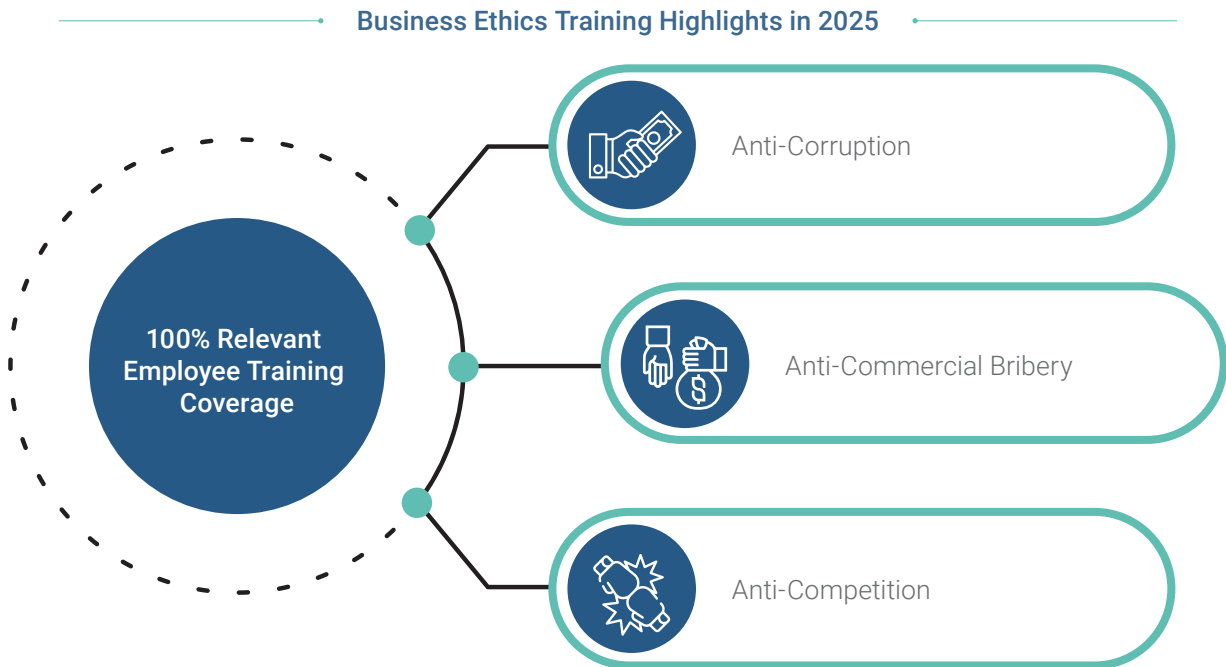
Business Ethics and Code of Conduct

Business ethics are central to our operations. We enforce a strict zero-tolerance policy toward all forms of corruption. We have integrated ethical principles into every aspect of our business through a comprehensive framework of policies, communicated transparently across the organisation. Our *Employee Handbook*, available in English and Chinese, sets out critical principles governing workplace conduct, including specific rules on anti-corruption, anti-commercial bribery, and anti-competition. These rules align with applicable laws, including the U.S. Foreign Corrupt Practices Act (FCPA).

The *Employee Handbook* is updated biennially to reflect evolving legal and compliance requirements. All new employees are required to review and digitally acknowledge the Employee Handbook upon joining, and existing employees reaffirm their commitment through regular digital acknowledgment. Compliance with the Employee Handbook, related party transaction rules, and applicable laws is mandatory for all employees and Board members.

Training and Awareness

We consider employee awareness essential to fostering a culture of integrity. Regular training sessions on the FCPA and relevant internal policies are provided to employees and Board members, ensuring a deep understanding of ethical standards and compliance obligations. During the Reporting Period, our anti-corruption expectations were communicated to new employees through the Employee Handbook upon joining. We also continued to highlight the importance of ethical business practices across procurement, sales, and operational teams. These efforts reflect our ongoing commitment to integrity and our zero-tolerance approach to corruption and unethical conduct.



Supply Chain Integrity

We extend our integrity and anti-corruption commitments throughout the supply chain. We encourage partners to establish their own anti-corruption systems, sign and act in accordance with the *Supplier Anti-Bribery and Anti-Corruption Commitment*, and all suppliers shall conduct business on the premise of fair and full competition. These measures set clear expectations regarding business ethics for suppliers, prohibiting any direct or indirect provision of loans, gifts, services, or other benefits to employees, their associates, or any third party for improper purposes.

Reporting Mechanisms

Internal staff and external stakeholders may report incidents of misconduct or fraud involving the Company via email. This includes complaints and disclosures concerning breaches of professional ethics. Reports can be submitted to: FLCN-SMX-Compliance@frontagelab.com.cn

Report:

- File a business misconducts or whistleblowing claim.

Assessment:

- Internal audit team evaluates the allegation to determine whether it falls within the scope of our business misconduct.

Investigation:

- Internal audit team establishes an Investigation Committee who interviews case participants, examines all available evidence, develops finding report, and submits the report to internal audit team.
- Internal audit team reviews the finding report and determines whether to accept the report and committee's recommended action.

During the Reporting Period, the Company was not involved in any major corruption violations, and there were no corruption reports brought against the Company or any of its employees. Through these measures, we continue to strengthen our ethical culture, safeguard our reputation, and build trust with stakeholders.

3. Driving Green Development and Promoting Low-Carbon Practices



The Company fully recognises the serious challenges posed by climate change and is committed to fulfilling its environmental responsibilities. Our mission is to integrate the principles of environmental sustainability into all aspects of our business operations and to continually work towards reducing our environmental impact. We have established a rigorous environmental compliance management system to ensure full adherence to all applicable environmental laws, regulations, and requirements across our operations.

At Frontage, we are committed to addressing the impacts our business activities have on the environment. The EHS department is designated to identify, evaluate and manage potential hazards and raise awareness of environmental protection at the Company level. Annually, the Company conducts environmental risk assessments, identifying potential risks, analysing possible incidents and their impacts, and evaluating gaps in risk mitigation and emergency measures. Based on these assessments, investments are made in key areas such as pollution control, environmental technologies, hazardous waste disposal, and the maintenance of air and wastewater treatment facilities, alongside routine environmental monitoring.

Furthermore, we have established the *Emergency Response Plan* for Environmental Incidents to address environmental emergencies and to provide a unified process for handling such situations. An early warning system has been implemented, classifying environmental issues into different levels and establishing corresponding preventive and response measures. Dedicated personnel are assigned responsibility for the prevention, reporting and management of relevant matters, in order to minimise adverse impacts and prevent the escalation of incidents.

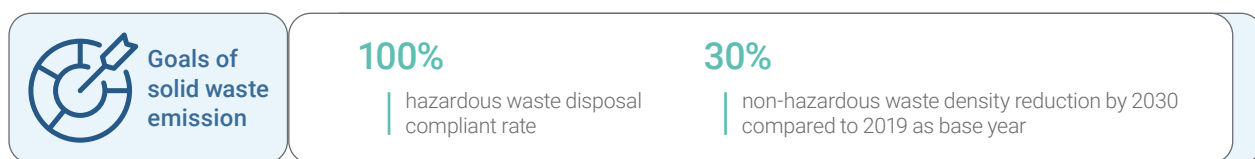
During the Reporting Period, the Company was not subject to any government investigations for environmental violations. The Company did not receive any major administrative or criminal penalties or corrective orders; and it has not been involved in any major litigation related to environmental issues, nor have any of its major assets been seized, or are subject to forfeiture.

3.1 Emissions and Waste Management

To ensure efficient coordination and management of environmental matters, the Company has designated the EHS department for this purpose. The Company has set environmental management goals of “100% waste disposal compliant rate” and “zero pollution accident rate” to reduce environmental hazards from its operations. To achieve these goals, Frontage has established a series of management policies, including the *Waste Management Policy* and the *Accountability Policy on Prevention and Control of Environmental Pollution by Waste*, to manage the generation, reduction, and treatment of emissions across its entire production cycle.

Waste Management

We strictly comply with the laws and regulations of our operational locations and have established the *Waste Management Policy*, the *Responsibility Policy on Prevention and Control of Environmental Pollution by Waste*, and the *Laboratory Waste Treatment Process*. We strictly prohibit illegal waste outflow from any channels that may pose a potential threat to the environment and community. In addition, we have installed environmental protection facilities, together with pollution control devices and technologies on production lines, to reduce the generation of solid waste.



Our principal non-hazardous waste consists of general domestic refuse and packaging bags. To ensure that such waste is handled appropriately, domestic refuse and discarded packaging materials are deposited at designated waste transfer stations, after which they are either sold to relevant organisations for integrated utilisation or collected in a centralised manner by the qualified third party.

Hazardous waste generated by the Company primarily arises during the clinical, biological, and chemical experiments in our laboratories. Our disposal methods consider both the waste hierarchy outlined by the U.S. EPA and other potential disposal methods.

To ensure the safe disposal of hazardous waste, we maintain strict oversight of its generation, warehousing, storage, transfer, and disposal processes. The Company has diligently stored waste in sealed containers and securely transported it to designated storage areas to prevent pollution. In compliance with applicable laws and regulations, Frontage has appointed site safety directors and chemical waste coordinators to oversee waste disposal in line with applicable laws, regulations, and the Company’s internal standards. When hazardous waste reaches certain discharge threshold, it is collected and managed by qualified professional organisations.

Waste Classification and Disposal

Classification of Wastes

General wastes

Waste paper boards, domestic wastes, etc.

Hazardous wastes

Waste orifice plates, waste plasma samples, waste gloves, waste medicine bottles, waste reagent bottles, waste solvents, wastewater for washing containers, waste pipette tips, waste activated car bons, waste centrifugal test tubes, waste engine oil, sewage treatment sludge, etc.

Disposal Methods

- Recycle paperboards
- Dispose domestic waste appropriately by environmental departments
- Monitor the generation, warehousing, storage, transfer and disposal of hazardous wastes, and entrusts qualified organizations for disposal

Medical waste

The Company recognises the importance of proper medical waste management in protecting public health and the environment from hazardous chemicals and potential pollution. Improper or illegal disposal of medical waste can pose significant risks to ecosystems and human wellbeing.

Frontage has implemented a comprehensive set of policies governing medical waste, including the *Medical Waste Management Policy*, *Laboratory Waste Treatment Process*, and *Leakage Control Procedures*. These measures establish clear protocols for the classification, handling, treatment, and disposal of medical waste generated during operations. The majority of hazardous waste produced by the Company arises from clinical, biological, and chemical laboratory activities. Waste is categorised and treated according to established procedures:

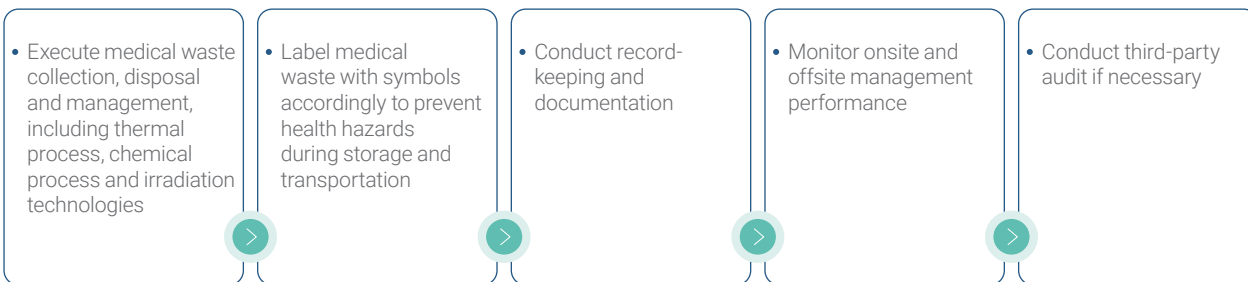
Sharp wastes (including needles, scalpels, and lancets) are placed in clearly labelled, designated containers, sanitised using high-pressure steam, and transferred to collection points.

Infectious wastes (such as human and animal tissues, blood-soaked bandages, surgical gloves, cultures, and swabs) are sealed in labelled medical bags, sanitised via high-pressure steam or placed in containers with sanitiser liquid, and then transferred for collection.

Pathological wastes (tissue samples examined for diagnostic purposes) are sealed in labelled yellow medical bags, sanitised using high-pressure steam, and transferred to collection points.

The Company adheres strictly to its management procedures to minimise the environmental impact of medical wastes. All wastes are appropriately treated prior to disposal. The Company works with licensed medical waste management contractors and follows their policies and standards to ensure safe handling, treatment, and disposal, thereby safeguarding public health and the environment.

Medical Waste Management Procedures



Wastewater Management

The Company strictly complies with all applicable laws and regulations governing wastewater management in the locations where it operates. Wastewater generated from our activities primarily comprises production wastewater and domestic sewage, originating from offices, laboratories, and laboratory animal facilities.

To uphold our environmental responsibilities and commitments, the Company has established a systematic framework for wastewater detection, monitoring, and discharge. Key indicators tracked include pH value, chemical oxygen demand (COD), suspended solids (SS), biochemical oxygen demand (BOD), ammonia nitrogen (NH₃-N), and total phosphorus (TP).

We employ the following approaches to ensure effective wastewater management:

Assessing the level of wastewater generated from our activities;

Installing on-site wastewater treatment systems to remove and dissolve impurities;

Installing an online wastewater monitoring system to continuously track key pollutants such as COD, ammonia nitrogen, total phosphorus, and pH, ensuring compliance with emission standards;

Continuously monitoring and evaluating our wastewater generation to inform future targets and enhancing reporting; and

Accurately calculating the necessary amount of experimental materials in medical facilities to reduce wastewater.

Air emissions management

The Company is not a manufacturing-intensive company and thus generates minimized air emissions from the laboratory, office operation, and research and development (“R&D”) processes. Our air emissions comprise very small quantities of volatile organic compounds and non-methane hydrocarbons, generated during laboratory, office, and research and development activities, all of which are appropriately treated and disposed of via dedicated treatment systems.

To manage air emissions effectively, the Company has established a *Pollution Source Emissions Management Policy*. Across our operational sites, we reduce the generation and release of airborne pollutants through the implementation of biosafety measures, including the use of biosafety cabinets and technical systems such as activated charcoal adsorption. These systems capture biological and organic emissions generated within laboratory environments.

We continuously monitor pollutant emission concentrations via online monitoring systems to ensure compliance with applicable standards and to minimise environmental impact wherever possible. The monitoring process follows a structured approach of collecting, sampling, and assessing emissions.

Noise management

We strictly comply with relevant laws and regulations to ensure that laboratory equipment noise conforms to environmental emission standards, thereby reducing and preventing noise pollution and associated hazards.

Technical improvements have been carried out on equipment associated with auxiliary facilities, environmental protection systems, and air compressor stations located near production areas. Production equipment is equipped with soundproofing, noise reduction, absorption, and vibration-damping technologies to minimise noise emissions. In addition, the Company conducts regular boundary noise monitoring to verify ongoing compliance with regulatory limits. To protect employee wellbeing, the Company provides noise-reducing earplugs to laboratory personnel and displays appropriate signage to raise awareness of noise hazards.

3.2 Energy and Resource Management

Frontage is committed to fostering environmental responsibility across all its operational sites worldwide. The Company has established a comprehensive set of management protocols to oversee resource utilisation and drive reductions in consumption. Active measures are being implemented to decrease resource use, supported by clearly defined targets that align with our broader environmental commitments.

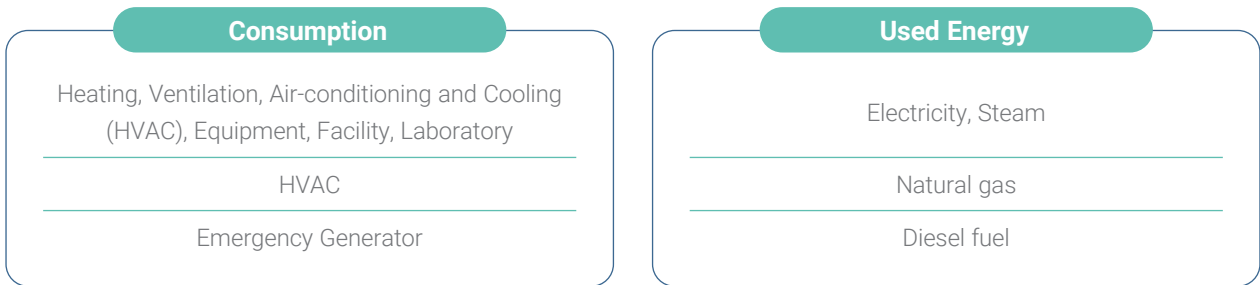


Energy Management

The EHS department leads the implementation of energy management practices across the Company. It monitors and evaluates energy usage at each operational site to inform the development of energy reduction strategies. Frontage actively explores the integration of clean energy sources into its operations and promotes initiatives to improve overall energy efficiency.

The main forms of energy consumed during production processes include electricity, diesel, natural gas, and steam. Key consumption areas include heating, ventilation, and air conditioning (HVAC) systems, equipment, facilities, and laboratories.

Energy Consumption



The Company continuously advocates for reduced energy consumption intensity by raising environmental awareness among employees and promoting the use of energy-efficient products. In parallel, clean energy sources are employed wherever feasible to minimise our environmental footprint.

Awareness Promotion

- We promote energy-saving awareness among employees through emails, internal communications, and posted signage.

Efficiency Improvements:

- We set maximum temperatures on air conditioning panels to ensure reasonable temperature control and reduce unnecessary consumption.
- We are replacing T8 bulbs with energy-efficient lighting and have installed occupancy sensors to ensure lights activate only when spaces are in use.
- We conduct regular area inspections after working hours to switch off lights, monitors, and other equipment, preventing energy wastage.

Clean Energy Utilisation:

- We encourage the use of clean energy sources—such as solar and wind—to reduce reliance on traditional energy and lower carbon emissions. At our Canadian sites, local utility stations supply power, with nuclear and hydroelectric energy serving as the primary sources.

Water Management

Water plays an essential role in our daily operations, including sterilising and cleaning equipment, and supporting HVAC systems, particularly cooling towers. The Company has mainly relied on municipal water supply, with no inappropriate behaviours in gaining access to or using it.

We are working to reduce this reliance by increasing the reuse of treated wastewater, while ensuring that all reused water meets the highest standards of quality and safety. We have adopted water-saving technologies and techniques, including efficient equipment, water recycling systems, and innovations in research techniques to improve water consumption efficiency.

In parallel, we have initiated an internal water-saving campaign to promote responsible water use among employees, raise awareness of the importance of water resources, and discourage unnecessary generation of domestic sewage.

3.3 Climate Change

Frontage recognises the profound impact of climate change on business operations and social development, and has implemented a range of measures to address this global challenge. We actively respond to the national “dual carbon” strategy by managing climate risks and opportunities, and implementing energy-saving and carbon reduction measures to reduce greenhouse gas emissions across the Company’s operations and its value chain, thereby enhancing resilience to climate change risks.

Governance

We have established a three-tier ESG Management Structure comprising the Board, the ESG Working Group and functional departments to comprehensively manage ESG Issues, including climate change. For further details, please refer to the section “2.1 Sustainable Governance” in this Report.

To ensure the Board has appropriate skills and competencies available to oversee strategies designed to respond to climate-related risks and opportunities, during the Reporting Period, all Board members participated in ongoing professional development and training activities, including trainings on ESG topics. The Company currently has not incorporated climate-related factors into its remuneration policy yet.

Strategy

Frontage has identified and managed climate-related risks and opportunities and has formulated relevant precautionary measures to mitigate the adverse impact of climate risks. From the perspective of the Company’s business model and operations, we have identified significant and highly probable physical risks and transition risks and have explored potential opportunities.

We recognise that these climate risks may have material impacts on the Company in the short term (within 3 years), medium term (3–5 years), and long term (over 5 years), encompassing both environmental physical changes and the challenges arising from the transition to a low-carbon economy.

To effectively address the aforementioned risks, the Company has analysed its impact on risk management objectives and assessed the Company’s risk tolerance. Based on the analysis, we have developed corresponding measures for physical risks and transition risk to ensure that the Company remains proactive and forward-looking in the risk management process.

Climate-related risks:

| Risk Type | Description | Impact period | Potential financial impact | Mitigating measures |
|---------------|---|----------------------|--|---|
| Physical Risk | Acute risk The frequent occurrence of extreme weather events (such as extreme cold or heat, heavy rain, snowstorms, typhoons) may affect the safety of the Company’s equipment, extend employees’ commuting time, and impact employee safety and regular business operations to a certain extent. Accordingly, investments have been made in upgrading heat prevention and cooling systems; operations are suspended during typhoons; flooding may result in equipment and other assets being submerged. | Medium to short term | Increase in operating costs Increase in employee insurance and subsidy costs Decrease in revenue | Securing appropriate insurance for equipment investment effectively mitigates the negative impact of increased costs on the Company Develop extreme weather emergency response plans, allow employees to work from home during periods of extreme weather, and utilise online video conferencing to maintain communication. These measures help safeguard employee safety and ensure the continued operation of critical equipment |
| | Chronic risk Global warming resulting in sustained high temperatures may increase the energy consumption of the Company’s cooling equipment (such as air conditioning); Extreme weather events may lead to supply chain disruptions, with suppliers unable to provide products and services to the Company on time. | Long term | Increase in operating costs Decrease in revenue | Regularly review supplier distribution to ensure they are in diverse countries or regions, thereby mitigating the risk of supply chain disruptions. |

| Risk Type | | Description | Impact period | Potential financial impact | Mitigating measures |
|-----------------|--------------------------|---|----------------------|--|--|
| Transition Risk | Policies and regulations | Changes in international and local climate change-related policies may require the Company to allocate additional resources to ensure compliance. | Medium to short term | Compliance costs have increased. | We closely monitor domestic and international climate policies, and regularly assess the impact of relevant policies and regulatory risks on the company, develop corresponding risk response strategies. |
| | Market | As public awareness of sustainable development continues to increase, investor and consumer demand for environmentally friendly products is expected to rise. Traditional products will be replaced by low-carbon products; therefore, it is essential to strengthen low-carbon innovation within products and services to maintain market competitiveness. | Medium to long term | Increase in operating costs Decrease in revenue | Establish a market analysis mechanism to strengthen trend monitoring, optimise supply chain management, and promptly identify market developments. |
| | Reputation | Should the Company fail to fulfil its social responsibility and implement appropriate measures to manage the potential impacts of climate change, the evaluation of the Company by stakeholders, including investors, may be adversely affected. | Long term | Damage to corporate image Reduction in investment | Set carbon reduction targets, communicate climate action outcomes transparently, and maintain ongoing engagement with stakeholders to understand their principal concerns, thereby enhancing stakeholder trust. |
| | Technical risk | Failure to invest successfully in new technologies and increased costs of transitioning to low-carbon technologies will both lead to higher research and development expenditure, thereby eroding profits, and resulting in asset write-downs, early asset retirement, and increased capital investment, among other effects. | Medium to long term | Increase in operating costs; Decline in operating revenue | Actively seek alternative energy sources and adopt a diversified low-carbon energy portfolio to prudently reduce operating costs. Adjust to address market demand for low-carbon solutions, establish efficient communication and feedback mechanisms, gain an in-depth understanding of clients' business requirements, and drive low-carbon development. |

Climate-related opportunities:

| Type of opportunity | | Description | Impact period | Potential financial impact | Mitigating measures |
|-----------------------|--------------------------------|---|---------------|----------------------------|--|
| Resources | Resource efficiency | Enhancing equipment energy efficiency by deploying digitalisation and related technologies to directly reduce costs | Medium term | Operating costs reduction | Increasing operational efficiency and reducing operating costs through digitalisation and smart technologies Conserving electricity, water and other resources to reduce corporate operating expenditure |
| Clean energy | Adoption of clean energy | With the development of clean energy, a rapid decline in costs, enhanced storage capacity, and the widespread adoption of such technologies globally, organisations shifting to low-emission energy may achieve annual cost savings | Medium term | Operating costs reduction | Utilising clean energy directly reduces costs. |
| Products and services | Shifts in consumer preferences | There is a growing consumer preference for green products, which is driving increased demand for low-carbon and environmental-friendly products. | Medium term | Revenue growth | By shaping the Company's green low-carbon image, enhancing market competitiveness, and strengthening Corporate Social Responsibility and brand image, the Company can attract more consumers and consolidate its market competitive advantage. |

| Type of opportunity | Description | Impact period | Potential financial impact | Mitigating measures | |
|---------------------|----------------------|--|----------------------------|---------------------|--|
| Market | Market opportunities | Given the increasingly prominent trend toward green and sustainable finance, companies with strong climate-related performance may be able to access investment capital at a lower cost. | Medium term | Revenue growth | Development of green and environmentally friendly pharmaceutical product packaging, etc. |

Given the Company's scale and business nature, the related financial effects are not considered material, cannot be reliably quantified, and would not trigger a change in strategic decisions. The Company has therefore applied the Financial Effects Relief, and the Capabilities Relief (where applicable) as provided under the ESG Code for disclosure requirements about the current and anticipated financial effects of the climate-related risks and opportunities.

The Company also recognises the importance of scenario analysis in assessing strategy resilience, identifying climate-related risks and conducting business continuity plan each year, but has not yet completed formal climate-related scenario analysis. The Company is developing internal capabilities and gathering the required data to conduct reliable scenario modelling. Accordingly, the Company has applied the Capabilities Relief and Reasonable Information Relief as provided under the ESG Code for use of climate-related scenario analysis. The Company's existing sustainability initiatives do not constitute a specific climate-related transition plan at this stage. The Company will continue to assess the need for a formal transition plan in future reporting periods as climate-related requirements and internal capabilities evolve.

Risk management

The Company has proactively embedded a systematic approach to the management and monitoring of climate-related risks within its overall risk management framework.

The process of identifying, assessing, and mitigating risks encompasses the following steps:

1. Establishing the scope, context, and risk criteria relevant to the business processes of various operating units and functional departments;
2. Identifying risks based on relevant, appropriate, and up-to-date information;
3. Analysing risks through a comprehensive evaluation of risk sources, potential consequences, likelihood, scenarios, and existing control measures, including their effectiveness;
4. Assessing and prioritising risks in accordance with established risk criteria, and assigning clear management responsibilities;
5. Addressing risks through the formulation and selection of appropriate response measures, implementation of control actions, and evaluation of their ongoing effectiveness.

Metrics and Targets

During the Reporting Period, the Company recorded Scope 1 GHG emissions of 4,241.60 tCO₂e and Scope 2 GHG emissions of 20,289.69 tCO₂e. Scope 3 emissions have not yet been calculated. All emissions are calculated in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, applying an operational control consolidation approach. Scope 2 emissions are reported on a location-based basis. Primary data are sourced from internal records and supplemented by appropriate emission factors where required. No material changes were made to the measurement methodologies, inputs or assumptions during the Reporting Period.

The Company has set a short-term qualitative target to establish a comprehensive carbon inventory system that will enable the systematic collection and disclosure of material Scope 3 emissions data in future reporting periods. To support its strategic goals, the Company has adopted a medium-term target of reducing its Scope 1 and Scope 2 GHG emissions density by 15% by 2030, using 2019 as the base year. This intensity target applies to the Company as a whole and aims to mitigate climate impact through improvements in energy efficiency, renewable energy procurement and low-carbon operations. The target has been informed by the Paris Agreement and China's national dual carbon policy. In the long term, the Company is committed to achieving carbon neutrality by 2060. This net GHG emissions target also applies across the entire Company and will progressively incorporate material Scope 3 emissions once robust data are available, in line with China's jurisdictional commitments under the Paris Agreement.

The Company will periodically review these targets to ensure they remain aligned with the Company's strategy. The targets have not been validated by third-party yet. Progress is monitored annually using absolute emissions and emissions density as the primary metrics.

In relation to cross-industry, the Company has applied the Reasonable Information Relief, and we don't have any capital expenditure, financing or investment deployed towards climate-related risks and opportunities. Given the low materiality of climate-related risks and the limited carbon footprint of its operations, the Company has not considered it necessary to adopt an internal carbon price at this stage.

4. Delivering Product Excellence and Fostering Industry Collaboration



The Company continues to introduce safer, more effective, and more economical products to support human health. At the same time, it has established a comprehensive life cycle quality management system to provide services in a fair, transparent, and clear manner.

4.1 Product Quality and Safety

Service Safety and Quality

Quality management forms the cornerstone of our commitment to being a reliable and ethical partner to our clients. We adhere to all applicable regulations, ensuring that our quality management system aligns with Good Laboratory Practices (GLP), Good Clinical Practices (GCP), and other requirements as mandated by regulatory authorities including the U.S. Food and Drug Administration (FDA) and China's National Medical Products Administration (NMPA). The Company has implemented standard operating procedures, such as the Quality Management Standard Procedures and the Implementation of Compliance in Research, to reinforce the safety, quality, and integrity of our data, research, and laboratory and clinical practices. Our operating sites comply with relevant global standards and regulatory frameworks, including:

GLP and GCP as required by the FDA;

Policies established by the NMPA;

Environmental Protection Agency (EPA) requirements;

Health Canada and other applicable regulatory bodies;

ISO 9001 Quality Management System;

ISO 27001 Information Security Management System.

A team of highly qualified and experienced professionals oversees and manages GLP, quality assurance, quality control, and project management across the organisation. We have developed and implemented industry-leading standard operating procedures for quality management, covering clinical and laboratory practices, data collection and distribution, and research project management.

Project Quality Management Procedure

Our project quality management follows a structured process to ensure integrity and compliance at every stage:

| Phase | Description |
|-------------|--|
| Phase | Description |
| Initiation | The project leader creates the project charter. |
| Planning | The project leader drafts the project design plan in accordance with GLP, coordinates project processes and resource allocation to ensure plan effectiveness, and prepares the project report. |
| Execution | The Operators implement the project design plan accordingly and document processes and data in research logs for subsequent monitoring and auditing. |
| Controlling | The Quality Controller audits project documentation to ensure the completeness and accuracy of research information and data. |
| | The Quality Assurance team audits the project design plan, research sites, practices, research logs, and data, reporting relevant issues to project leaders and organisational leadership. |
| Monitoring | The project leader monitors project progression, measures key performance indicators, and implements corrective actions as necessary. |
| Closing | The project leader reviews project findings and data to finalise the project report. |

Roles and Responsibilities in Quality Management

In our GLP-regulated studies, the Study Director assumes responsibility for drafting the study plan and final report, and for overseeing the overall conduct of the study to ensure its scientific integrity and compliance with GLP regulations. Operators carry out the experimental work and maintain detailed records. The Quality Controller reviews study records to verify the accuracy and completeness of data. The Study Director then reviews the completed work. Finally, the Quality Assurance team audits the study plan, final report, study sites, records, and data, providing feedback to the Study Director and institutional management, and issuing QA review reports and statements as appropriate.

For clinical trials, clinical pharmacology staff contribute to drafting the study protocol, while the project operations team assumes overall responsibility for study conduct, ensuring scientific validity and GCP compliance. Throughout the trial, Quality Controllers are actively involved in safeguarding data accuracy and integrity, with Quality Assurance personnel providing oversight at key junctures. The project leader maintains overall coordination, monitors project progress, and ensures timely delivery of reports to clients.

Quality Practices

Across our clinical trial operations, the Company maintains rigorous oversight throughout the entire trial process. Investigators carefully observe and assess participants’ post-dose status, symptoms, and vital signs, with participant safety prioritised at all times. In the event of any abnormalities, immediate corrective measures are taken, and any adverse reactions to investigational products are promptly recorded and reported through established channels.

We have implemented robust medical monitoring processes across our clinical sites to ensure that all medical evaluations align with therapeutic guidelines issued by regulatory authorities and remain current with the latest scientific developments.

In cases where complaints arise due to quality concerns, the Company initiates a quality deviation management process to conduct thorough investigations. Where a quality issue is confirmed, we promptly implement appropriate corrective and preventive actions, thereby establishing a continuous improvement cycle within our quality management system.

4.2 Ethics of Clinical Trials

Ethics of Clinical Trials

The Company respects and protects the rights of every trial participant. As a responsible CRO services provider, we actively address stakeholder interests and concerns regarding the ethics of clinical trials and animal welfare from the earliest stages of our research and development process. We adhere to clear guidelines in clinical trials, ensuring compliance with applicable laws, regulations, and standards such as *Good Clinical Practice (GCP)*.

We are committed to transparency regarding our policies, standards, and procedures for clinical trials, as set out in our *Ethics Committee Materials Preparation and Submission* process. This ensures that our implementation aligns with applicable laws, regulations, and the ethical principles of the Ethics Committee, while safeguarding participants' rights. We have implemented necessary measures to uphold the core principles of clinical trials: truthfulness, beneficence, autonomy, and confidentiality. These principles guide every aspect of our clinical research, ensuring that our work not only advances scientific knowledge but also respects the dignity and rights of all individuals involved.

| Principle | Definition | Actions |
|-----------------|--|---|
| Truthfulness | Telling the truth to participants | Establish an informed consent policy; state all facets of clinical trials on the Informed Consent Form. |
| Beneficence | Acting in the best interests of participants | Purchase commercial insurance for participants to safeguard their rights. |
| Autonomy | Respecting participants' right to self-determination | Ensure participants receive clear information and provide voluntary consent. |
| Confidentiality | Maintaining participant privacy | Create private areas for consultation and examination; restrict access to medical records; shield personal information in publications and documents. |

Our end-to-end procedures for ensuring ethical conduct in clinical trials include:

Material Preparation

- Authorise specialised personnel to prepare ethical review documents and monitor compliance with regulatory and policy requirements throughout the trial process.
- Review and examine clinical trial materials to ensure the quality of information and its conformity with legal and social standards.

Employee Training

- Educate employees about specific diseases, treatment pathways, challenging elements of protocols, and the practicalities of participation, alongside the needs and preferences of participants.

Clinical Trial Conduct

- Appoint professionals to supervise trial practices.
- Engage and communicate with participants to understand their preferences and address concerns.
- Ensure investigators promptly report Serious Adverse Events (SAE), Suspected Unexpected Serious Adverse Reactions (SUSAR), and protocol deviations to the Ethics Committee (EC) or Institutional Review Board (IRB).
- Ensure investigators notify the EC/IRB upon study closure and submit the Site Close-Out IRB Notification.

During the Reporting Period, there were no violations of clinical trial protocol standards reported.

Animal Welfare

At Frontage, we are committed to upholding the highest standards of animal welfare in all our research activities. We recognise our responsibility to ensure the humane and ethical treatment of laboratory animals, and we strictly adhere to all applicable local and international laws, policies, and guidelines governing their care and use.

The Company has established an Institutional Animal Care and Use Committee (IACUC) to evaluate and oversee all aspects of animal care and use within our facilities. The committee comprises a chair, veterinarians, scientists, non-scientists, and public members, ensuring a comprehensive and balanced approach to animal welfare.

• **Committee's responsibilities include** •

Reviewing and approving animal use programmes and related research protocols;

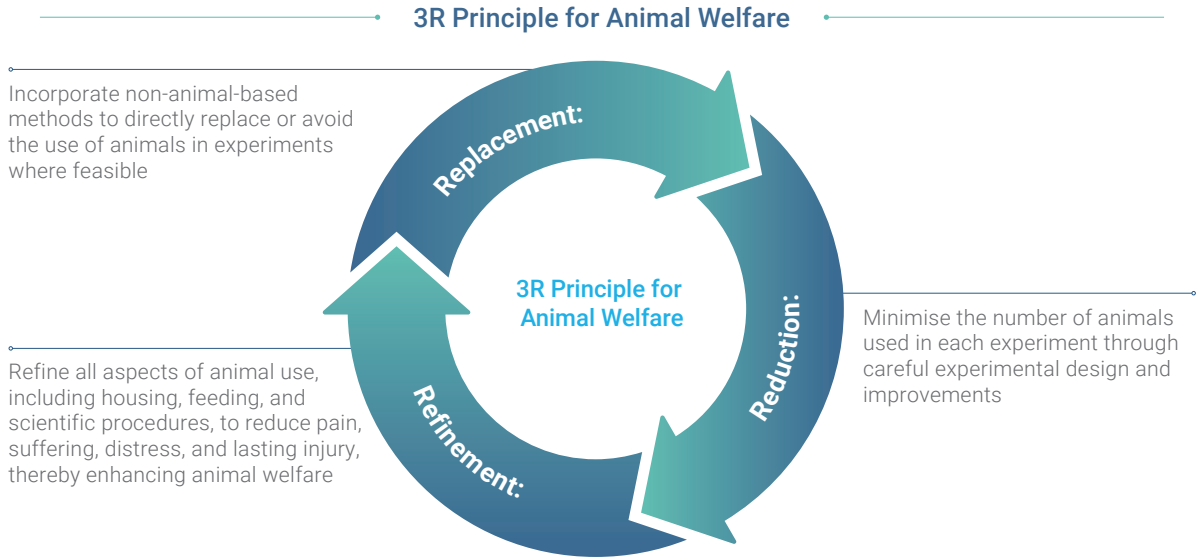
Holding the authority to suspend or terminate any animal experiment that violates animal welfare standards;

Convening quarterly meetings and conducting audits of Animal Use Protocols (AUP) and animal-related facilities every six months as planned;

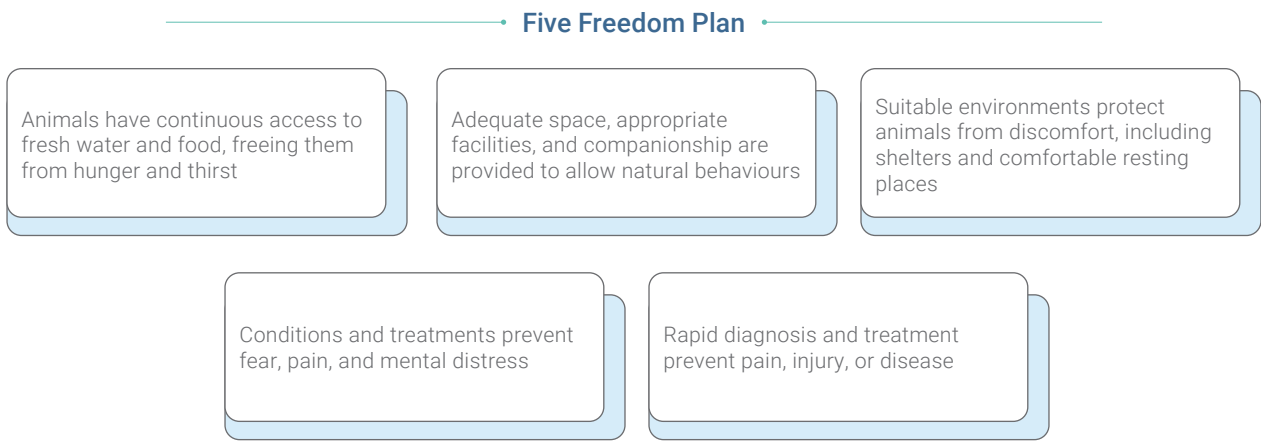
Evaluating suppliers of laboratory animals and animal-related products;

Evaluating suppliers of laboratory animals and animal-related products;

We embrace the “3R principles”—Replacement, Reduction, and Refinement, across our global laboratory practices. Animals are used only when robust scientific evidence demonstrates that no alternative methods can produce reliable data on the basic safety and efficacy of the drugs under development. Through these principles, we:



In parallel, we have implemented a “Five Freedoms Plan” to further promote the welfare and wellbeing of laboratory animals. This framework ensures that:



We have established comprehensive policies to guide our animal welfare practices, including the *Establishment of Humane Endpoint for Laboratory Animals*, which sets out predetermined physiological or behavioural signs indicating the need to terminate, minimise, or relieve pain and suffering in experimental animals. Additional policies address pain and distress recognition, welfare and environmental enrichment, and detailed procedures for alleviating pain, such as the *Welfare and Environmental Enrichment of Laboratory Animals* and the *Pain and Distress Recognition in Laboratory Animals*.

To reinforce our commitment, we organise seminars at our preclinical sites, integrating animal welfare principles into the daily practices of all staff. Visible signage throughout our facilities fosters a culture of care, ensuring that our responsibility towards animals is consistently communicated and embraced by every employee. Our Safety and Toxicology sites hold accreditation from the Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC) International. AAALAC promotes the humane treatment of animals in science through its voluntary accreditation and assessment programmes.

4.3 Research and Innovation

At Frontage, innovation drives our approach to drug discovery and development. We are committed to advancing scientific knowledge and delivering high-quality solutions that address the evolving needs of our clients across the entire development continuum. Our service portfolio covers the full development spectrum, from preclinical research including drug metabolism and pharmacokinetics, safety and toxicology, and drug screening, to laboratory testing, clinical services, chemistry, and CMC (Chemistry, Manufacturing, and Controls). In China, we also provide bioequivalence studies, pharmacology support, medical writing, and regulatory assistance to facilitate client submissions.

We invest strategically in research and development to sustain our competitive position and expand our scientific capabilities. During the Reporting Period, the Company allocated USD \$4.3 million to R&D, reinforcing our commitment to innovation and technical excellence.

Our investment extends beyond infrastructure to encompass the professional growth of our scientific teams. We provide ongoing training that equips R&D personnel with the knowledge and skills needed to stay at the forefront of biomedical science. Through position-specific instruction and scientific workshops, we support our employees in deepening their expertise and applying new insights to client projects.

Our R&D training initiatives focus on:

Position-specific training:

- Internal policies and procedures relating to R&D management;
- Drug delivery systems, approaches, and technologies, and their role in improving patient outcomes;
- Advances in drug discovery and development, and the process in which new therapeutics are developed;
- Principles governing drug action in the body and their application to disease treatment and prevention.

Medical scientific workshops:

- Current medical breakthroughs and their clinical applications;
- Opportunities to enhance project effectiveness and performance through case study analysis;
- Recent advances in disease treatment and their implications for patient care.

Through these initiatives, we aim to empower our employees, deliver exceptional value to our clients, and contribute to the advancement of global healthcare.

4.4 Intellectual Property Protection

At Frontage, we regard intellectual property as fundamental to both innovation and scientific progress. We recognise that robust intellectual property ("IP") protection is essential for fostering creativity, advancing research, and maintaining trust with our clients and partners. We are committed to safeguarding the IP rights of our customers, vendors, and collaborators, and we adhere to established best practices and industry standards within the CRO sector. During the Reporting Period, the Company did not infringe upon any third-party intellectual property rights and received no related administrative penalties or adverse court decisions.

We comply fully with all applicable IP laws and regulations in the jurisdictions where we operate. To ensure the protection of our clients' and vendors' IP, we have implemented comprehensive policies and procedures grounded in internationally recognised principles. Our legal team oversees IP protection efforts, continuously monitoring and evaluating our practices to ensure alignment with evolving legal requirements and industry standards. This commitment reflects our broader dedication to ethical conduct and sustainable business growth.

Our IP protection measures include the following:

Requiring confidentiality agreements with all employees, contractors, and third parties, which clearly define IP ownership, licensing, and usage rights to ensure transparent and fair collaboration;

Maintaining information management systems with restricted access controls and advanced encryption;

Conducting regular audits and risk assessments to identify potential vulnerabilities;

Developing employee training and awareness programmes on the importance of IP protection.

4.5 Privacy Protection and Information Security

At Frontage, we recognise that privacy and data security are fundamental to maintaining trust and operational integrity. Our employees, clients, and stakeholders entrust us with sensitive information, and we are committed to safeguarding it through rigorous controls and responsible practices. Our internal *Frontage Privacy Policy* establishes clear guidelines for the appropriate handling of data by employees, while our publicly accessible *Privacy Policy* aligns with the requirements of the EU-U.S. Data Privacy Framework (DPF) and the Swiss-U.S. DPF. We continuously refine our practices and infrastructure to address potential risks and ensure the effectiveness of our data management systems.

The Company maintains an evolving privacy and data security framework, supported by a comprehensive suite of IT operations policies. Each site has developed its own standard operating procedures (SOPs) tailored to local operational requirements. Key policies within our framework include:

Information Technology Infrastructure Security Management

Video Surveillance System Management

Computer Software Management Measures

Information Technology Asset Management Measures

Information System Account and Password Management System

Laboratory Clock System Management Regulations

Information Security Policy

DocuSign Electronic Signature System Management Regulations

To reinforce our privacy and data security commitments, we implement a range of practical measures:

Enforcing strict access controls, including the implementation of USB interface controls at the terminal level to block unauthorised external devices;

Installing a firewall and other data protection infrastructure. Integrate scattered assets across sites using a unified management approach to streamline asset tracking, improve operational efficiency and enhance resource coordination accuracy;

Conducting continuous threat hunting, ethical phishing tests, and simulated security incidents;

Delivering regular security training and communications for all employees, covering regulatory requirements, practical exercises, and risk prevention to embed information security awareness and skills;

Requiring Non-Disclosure Agreements (NDAs) from employees and external partners to reinforce data protection throughout information sharing;

Providing all employees with Frontage Security Awareness Training, including monthly learning campaigns and quarterly phishing simulation exercises.

The Company's information security management system has successfully achieved ISO 27001 certification. This accreditation provides independent validation of our control systems and demonstrates to the market and our partners that our information security protections meet internationally recognised standards.

During the Reporting Period, the Company was not subject to any investigations by governmental authorities for privacy or data security violations, nor did it receive any major administrative or criminal penalties in this area. This record underscores our ongoing commitment to compliance and robust privacy and data security practices.

4.6 Customer Service

Frontage has established a series of management rules to enhance performance across key areas, including promotion, marketing, and customer communication. The Company strictly adheres to industry norms and has formulated the *Rules on the Management of External Promotion and Advertisement* to ensure that all marketing materials accurately and appropriately represent the services we provide, and remain fully compliant with applicable requirements. These measures reflect our commitment to upholding the highest standards of professionalism and ethical conduct in all external communications.

All marketing materials are subject to a formal review process. Draft content is prepared in accordance with relevant laws and regulations, and subsequently reviewed by the Legal and Marketing departments to verify compliance and accuracy prior to external distribution.

To manage customer feedback effectively and drive continuous improvement, the Company has implemented the *Customer Satisfaction Survey Rules*. These provide a structured mechanism for collecting client input on service quality and professional proficiency. The *Customer Satisfaction Survey Implementation Plan* and accompanying questionnaires enable us to gather regular feedback, which informs the development of corrective and preventive actions across relevant departments.

All customer complaints are managed through formal handling procedures and documented in full, including the date, nature of the issue, and personnel involved. Each complaint undergoes comprehensive analysis and review, with findings reported to the relevant departments to support ongoing service enhancements. Through these efforts, we aim not only to meet but to exceed customer expectations, reinforcing our reputation as a trusted and client-focused organisation.

During the Reporting Period, the Company recorded no violations of laws or regulations pertaining to its marketing activities.

4.8 Responsible Supply Chain

Frontage collaborates with a diverse range of suppliers providing laboratory instruments and equipment, reagents, consumables, services, software, and engineering project support. We are committed to building a reliable and high-quality supply chain through rigorous supplier evaluation and ongoing performance management.

Supplier Admission and Evaluation

Prior to establishing a business relationship, all potential suppliers must submit relevant documentation, including business licences, management licences, production licences, and any other legally required certifications. Our Procurement department conducts thorough assessments of each candidate's qualifications, social credit standing, and past performance to ensure alignment with internal standards and industry regulations.

The supplier admission process begins when a procurement specialist initiates a new supplier application in our OA system, attaching all required documentation. The application then undergoes review and approval by the Procurement, Legal, and Internal Control departments before the supplier is added to our approved vendor database.

Legal review has been integrated into the supplier approval workflow to identify and assess potential risks at the earliest stage. Depending on the nature and severity of any identified concerns, appropriate measures are taken, which may include enhanced due diligence, corrective action plans, or, where necessary, disqualification from the approval process.

Supplier Group



Laboratory Instrument and Equipment Supplier



Reagent



Service Supplier

Ongoing Supplier Management

For existing suppliers, we conduct regular reviews of qualifications, quality, service levels, and ESG performance. Suppliers are evaluated across multiple dimensions and assigned a performance rating following a cross-departmental joint assessment. This rating determines their tier within our supplier hierarchy and informs ongoing management decisions.

Suppliers whose performance falls below our required standards are provided with a corrective action plan and subject to reassessment. Those failing to meet requirements after the corrective period may face reduced procurement volumes or removal from the supplier pool.

Our supplier performance evaluations are incorporated with comprehensive assessments of Service Level Agreements (SLAs), covering service standards, quality, timeliness, and information security. This approach enables us to better evaluate supplier resilience and ESG performance, and to identify potential supply chain risks proactively.

During the Reporting Period, we conducted assessments of 43 suppliers, achieving a 100% passing rate. Core suppliers undergo multiple business reviews and regular scheduled meetings to ensure continuous performance optimisation. In both routine and on-site audits conducted during the year, no suppliers were downgraded or disqualified from new project collaborations due to deficiencies in quality systems, regulatory compliance, environmental protection, or labour and human rights standards.

Quality Assurance and Corrective Measures

We operate a supplier quality management programme that actively encourages suppliers to conduct regular equipment calibration, fault diagnosis, and component replacement to ensure product consistency and batch-to-batch stability. Differentiated handling measures are applied based on the nature and frequency of any issues that arise, ensuring that we receive products of appropriate quality in a timely manner.

Where product performance concerns are identified, we address these through the Master Service Agreements (MSAs) in place with key suppliers. If necessary, we evaluate alternative sourcing options to maintain operational continuity.

ESG Expectations

Our *Supplier Code of Conduct* sets clear expectations across environmental, social, and ethical dimensions. We expect our suppliers to:

Observe all applicable environmental protection laws and regulations, and maintain appropriate environmental management systems;

Ensure safe handling, movement, storage, recycling, and disposal of waste, emissions, and wastewater;

Protect natural resources and minimise the use of hazardous substances wherever possible;

Prohibit child labour and uphold employees' human rights;

Maintain workplaces free from harassment and discrimination;

Comply with applicable laws on working hours, wages, and benefits;

Protect employees from workplace injuries through appropriate safety measures and training;

Identify and assess workplace risks and maintain emergency response plans;

Conduct business on the basis of fair competition and integrity;

Adhere to anti-bribery and anti-corruption commitments;

Protect private information relating to the Company, its employees, customers, suppliers, and others.

Guided by our environmental commitments, we prioritise collaboration with suppliers who adopt simplified packaging for raw materials and encourage them to offer environmentally friendly product options, contributing to the decarbonisation of our value chain. Where practical, we facilitate the sharing of supplier services across nearby sites to reduce waste and consumption. We actively minimise the use of paper contracts, invoices, and other non-essential documentation across supplier management processes, and encourage our suppliers to adopt lower-carbon packaging solutions and green transportation methods to reduce the environmental impact of logistics.

5. Building a Harmonious Workplace and Fulfilling Social Responsibilities



The Company upholds a people-oriented principle, places high importance on its employees, and is committed to providing a fair and equitable working environment. The Company strictly observes the labour laws and regulations of its countries of operation, continuously optimises and updates its internal management systems, and consistently enhances its frameworks for performance appraisal, remuneration, and training and development, with the aim of advancing and growing alongside its employees. At the same time, the Company places great importance on the physical and mental wellbeing of its employees, maintains open channels of communication, implements comprehensive employee care initiatives, and is committed to fostering a warm and inclusive working environment.

5.1 Labour Compliance

Employment Practices

At Frontage, we take proactive measures to protect and uphold the rights of our employees. Our employment and business practices promote respect for all individuals, regardless of race, religion, gender identity, or sexual orientation. Our internal employment policies reflect our firm commitment to fundamental labour principles, including the prohibition of child labour and forced labour, the protection of freedom of association and the right to collective bargaining, and the guarantee of a workplace free from discrimination. We have designated the Human Resources department as the principal authority responsible for all aspects of employee management, including recruitment, training, promotion, discipline, compensation, benefits, and termination. As a full-service global pharmaceutical CRO, we are dedicated to delivering high-quality services to our clients while creating an environment where our employees can advance their careers in a healthy and supportive workplace.

Compliance with Labor Rules

The Company strictly complies with all applicable laws and regulations concerning child labour and forced labour in the countries and regions where we operate. We have established *Management Rules on the Prohibition of Child Labour and Underage Workers*, which set out due diligence procedures to prevent the employment of underage individuals in any form. The Human Resources department has developed clear procedures and guidance to identify, monitor, and prevent any instances of child labour or forced labour across our operations.

During recruitment, we implement rigorous identity verification measures and have set *Employee Background Check Procedure*. At the Company's sites in China, the Human Resources department checks original identification documents, photographs, and household registration information as necessary to confirm each candidate's identity before onboarding. At the Company's U.S. sites, job candidates are asked during initial screening whether they are at least 18 years of age. During onboarding, identity and age are verified through *Form I-9, Employment Eligibility Verification*, as required by the U.S. Department of Homeland Security and U.S. Citizenship and Immigration Services. At locations where local law permits the employment of individuals aged 16 to 18, we do so only in full compliance with applicable regulations and with appropriate safeguards in place.

Our *Employee Handbook* clearly prohibits child labour and forced labour. The Company adheres to the principle of "employment at will," which establishes that employment is based on mutual consent and that employees retain the freedom to choose their occupation without coercion. We maintain a zero-tolerance approach to forced labour in any form.

During the Reporting Period, the Company recorded no violations of laws or regulations relating to child labour or forced labour.

Freedom of Association

The Company respects the right of all employees to freedom of association and collective bargaining, in accordance with applicable national laws. We are committed to fostering a workplace free from violence, pressure, fear, or intimidation, allowing employees to exercise their rights freely and without reprisal. Employees may form or join unions of their choice without fear of intimidation or retaliation. The Company maintains non-discriminatory policies and procedures with respect to trade union organisation, membership, and activities in all areas, including employment applications, advancement, dismissal, or transfer.

5.2 Employment Management

Frontage strictly observes employment-related laws and regulations in the regions in which it operates. During the Reporting Period, the Company did not receive any reports or complaints regarding serious violations of employment-related laws or regulations. We actively support the diversity and equal development of our workforce and are committed to eliminating all forms of discrimination and harassment in the workplace.

Employee Recruitment, Promotion and dismissal

The Company has established clear policies to govern employment practices, including *Recruitment Management Rules, Management Rules on Personnel Employment Relationship, Performance Management Rules, and the Employee Handbook*. These documents standardise the management of recruitment, labour relations, and performance, while supporting continuous improvement in both employee and organisational performance.

The Human Resources department manages the recruitment process in collaboration with relevant business units. When a position becomes vacant, internal employees have the same opportunity to apply as external candidates. Promotion and transfer decisions are based on performance appraisal results. Where an employee's conduct gives rise to grounds for termination under applicable laws and regulations, the Company may dismiss the employee in accordance with those legal requirements.

We have standardised key recruitment procedures, including the submission of recruitment requests, interview screening, employment approval, and probationary period management to ensure fairness and transparency. This approach lays a solid foundation for a healthy and equitable working environment. We are committed to establishing diverse talent development pathways and maintaining a transparent and equitable promotion mechanism that ensures every employee’s efforts and abilities are recognised fairly.

Employee Engagement and Communication

As a people-oriented organisation, Frontage values the voices and ideas of our employees and consistently seeks to listen to and address their needs. We place strong emphasis on communication and engagement with our workforce and have established multiple channels through which employees can provide feedback and raise concerns. These channels help foster a sense of belonging and ensure that employees feel heard.

We use SharePoint as our internal intranet platform, providing employees with easy access to important company information, including benefits, the Employee Handbook, policies, and procedures. This initiative supports transparent communication and helps keep employees informed and connected.

Employee Communication Channels

1 on 1 conversation Email SharePoint

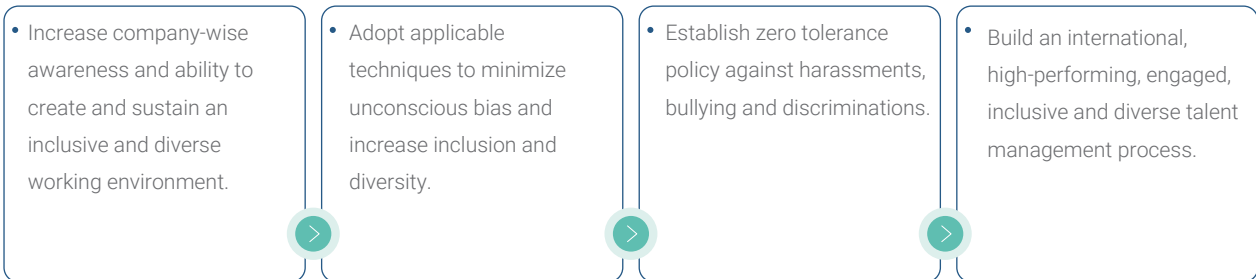
Inclusion and Diversity

At Frontage, we believe that inclusion and diversity form the backbone of our Company, and we consider discrimination unacceptable. We value the uniqueness and differences of our employees and are committed to fostering an inclusive environment where everyone can thrive. Our commitment to inclusion and diversity begins at Board level and extends throughout the organisation, as well as to the industry and communities in which we operate.

We promote diversity at all levels and uphold the principles of “fairness, equality, and employment at will” across every aspect of our business operations. We have established a zero-tolerance policy against harassment, bullying, and discrimination. To support this commitment, we implement blind hiring techniques that remove unnecessary personal information from application materials, helping to minimise unconscious bias during recruitment.

We prohibit discrimination on any ground, including race, colour, political or religious affiliation, nationality, gender, sexual orientation, age, marital status, family relations, disability, or any other legally protected status. Our Employee Handbook includes detailed policies and measures against discrimination and harassment, reinforcing our commitment to a respectful and inclusive workplace.

Inclusion and Diversity Policies:



To foster diversity and inclusion in talent attraction, we have developed a range of strategies, including:

- Collaborate with organisations and platforms that support career pathways for students from diverse ethnic backgrounds;
- Proactively connect with potential talent from diverse communities;
- Equip HR teams with resources to enhance inclusive talent acquisition practices;
- Implement coaching and mentoring programmes at all levels to promote female leadership.

5.3 Compensation and Benefits

Working Hours and Holidays

The *Employee Handbook* sets out the Company's policies on working hours, public holidays, annual leave, sick leave, personal leave, and related matters. Employees receive statutory entitlements including public holidays, annual leave, marriage leave, maternity leave, breastfeeding leave, and bereavement leave, in accordance with applicable laws. The Company also provides fully paid sick leave for a specified period. Employees may request personal leave for family needs or to return to their home countries during difficult circumstances, such as visiting an ill parent or family member. Overtime hours recognised by the Company are compensated through time off in lieu. In the U.S., employees are eligible for leave under the Family and Medical Leave Act (FMLA), which provides up to 12 weeks of leave for childbirth and bonding with their newborn children.

Compensation

The *Employee Handbook* specifies the structure of salary and bonuses, along with rules for withholding personal income tax and making social insurance and provident fund contributions as required by law. The Company supplements statutory benefits with commercial health insurance and critical illness coverage for employees, and provides travel allowances, and other forms of support as applicable.

Performance Management Rules outline the framework for performance evaluations and compensation, specifying that employee salaries and bonuses are determined based on their performance evaluations.

Employee Benefits and Care

Frontage provides a comprehensive and competitive benefits package designed to protect employee entitlements and address diverse needs. We believe that every employee deserves to feel valued, cared for, and supported, both within and beyond the workplace. To this end, we have developed a thoughtful *Employee Care plan* that includes the following:

Global Initiatives:

- Flexible work schedules and hybrid or remote working arrangements to support work-life balance;
- Recognition of employee birthdays, work anniversaries, project milestones, and achievements;
- On-site nursery facilities and dedicated healthcare programmes for female employees.

North America:

- Mental health care support, including virtual and in-person psychological counselling;
- Wellness programmes featuring yoga classes, meditation training, and walkathons;
- Lactation rooms for breastfeeding employees;
- Health insurance coverage that includes mental health support and stress management resources.

China:

- Housing assistance for interns and non-local employees;
- Shuttle bus services to facilitate commuting;
- Multiple commercial insurance plans covering employees, their children, spouses, and parents;
- Annual health examination options for employees and their parents;

5.4 Talent Development and Training

At Frontage, we place strategic emphasis on talent cultivation, training, and professional development. We recruit high-calibre individuals to maintain the quality of our services globally and provide comprehensive support from onboarding through to ongoing career progression. The Company has established a *Performance Management Policy* and an *Employee Handbook*, both of which set out the framework for effective talent management.

Talent Attraction

We employ a multi-channel approach to talent attraction, building an elite and diverse workforce by recruiting high-potential individuals from a variety of backgrounds worldwide. Our recruitment procedures are clearly defined and provide candidates with transparent guidance throughout the hiring process.

Our talent attraction pathways include:

Internship Programme:

- Offering meaningful, practical work aligned with students' academic interests and providing foundational insights into the CRO industry.

Graduate Programme:

- Engaging with leading universities and colleges to attract outstanding recent graduates.

Consultants:

- Engaging subject matter experts as in-house consultants to strengthen specialised capabilities.

Re-employment:

- Welcoming back former employees whose experience and skills remain aligned with our needs.

Recruitment Channels:

- Including internal transfers, promotions, employee referrals, social media, the Company website, recruitment websites, and headhunters.

We are committed to offering a comprehensive rewards package that is competitive in attracting, retaining, and engaging the talent required to drive business growth. We regularly benchmark our compensation against market data to ensure our benefits remain competitive in a dynamic employment landscape. In addition, we have developed and implemented a share distribution plan to recognise and reward employee contributions.

Employee Training

Training is central to our organisational culture. We invest in a structured employee training system designed to support professional growth and personal development. Our training programmes address technical competencies and leadership capabilities, helping to close skills gaps and prepare employees for future responsibilities.

Our training framework includes:

Onboarding Training:

- Introducing new hires to the Company's history, values, mission, and culture; facilitating meetings with key leaders; and providing an overview of operations, services, business goals, internal policies, benefits, and key documents.

General Knowledge Training:

- Covering the use of common tools, literature search methods, and techniques to improve work efficiency.

Upskilling Training:

- Delivering technical instruction relevant to specific roles, including professional competence and post-oriented skills.

Leadership Programmes:

- Preparing employees for leadership roles through targeted development.

During the Reporting Period, we arranged for four employees to undertake training at Frontage's U.S. headquarters, alongside various external training programmes covering specialised roles and equipment operation.

Employee Development

We have established dual career pathways that enable employees to progress either as individual contributors or into management roles. The professional track encompasses opportunities in product development, research and development, and other specialist fields. To support meaningful and intentional career growth, we actively seek insights into employee strengths and areas for development. Managers hold regular meetings with employees to provide feedback on performance and capabilities.

Employee Development Cycle



5.5 Occupational Health and Safety

Frontage is committed to protecting the health and safety of our employees, guided by the principle of “Safety First, Prevention Foremost, Comprehensive Governance.” We have implemented a robust suite of policies, including *the Occupational Health Management Policy, Occupational Sanitary Control Policy, and Work Safety Inspection Policy*, to ensure strict compliance with health and safety legal requirements and industry best practices in our daily operations. The EHS department and Human Resources department work closely with regulatory agencies to monitor working conditions and implement measures that safeguard employee wellbeing.

During the Reporting Period, the Company recorded no violations of applicable laws or regulations concerning employee health and safety. Additionally, no work-related fatalities have occurred over the past three years, including the Reporting Period.

Governance and Oversight

The Company has established an EHS Committee, which serves as the responsible body for safety and occupational health management. The chairman of the EHS Committee is the Company President, who is fully responsible for safety production management and occupational health management. We have established quantitative performance indicators such as occupational disease incidence rate, accident casualty rate, and safety hazard rectification rate. The EHS Committee regularly evaluates the health and safety management performance of each department, and the evaluation results are linked to the performance-based compensation of relevant personnel.

Hazard Identification and Risk Control

Due to the nature of our business, employees may be exposed to chemical, physical, and biological hazards in the workplace. To uphold our safety commitments, the EHS department conducts occupational hazard assessments in laboratories and facilities to identify potential risks and implement appropriate control measures. These assessments evaluate chemical, physical, and biological agents that may affect employee health and safety. In response, we provide laboratory-level protective equipment and deliver targeted training sessions.

| Hazard Type | Contents | Control Measures |
|-------------------|---|---|
| Chemical | Methanol, Acetonitrile, Dimethyl Sulfoxide, Hydrochloric Acid, Sulfuric Acid, Isopropanol, Toluene, Xylene, Dichloromethane, Ethyl Acetate, Chloroform, Methyl Tert-Butyl Ether, Ether, Ammonia, Acetone, Sodium Hydroxide, Formaldehyde, Hydrogen Peroxide, Acetic Acid, Carbon Tetrachloride, Chlorine Dioxide, Petroleum Ether | Install protective devices and safety systems including chemical detectors; provide laboratory coats and approved safety goggles; deliver occupational health and safety training |
| Physical | Noise, extreme temperature | Install occupational disease prevention devices such as fume hoods and gas detectors; provide approved garments and noise-cancelling headsets |
| Biological | Isopropanol, Formaldehyde, Acetic Acid, Liquid Nitrogen (sample preservation), biological samples | Provide laboratory coats and approved safety goggles; implement biosafety protocols |

Systemic Protection Measures

We have implemented a comprehensive set of systemic measures to reduce occupational health and safety risks:

Risk Identification and Monitoring:

- Identify and evaluate occupational hazard factors and vulnerable work areas across departments on a regular basis in accordance with applicable laws and regulations.
- Conduct monthly EHS meetings to discuss occupational health and safety issues.
- Maintain files tracking occupational hazards based on identification and evaluation results.
- Conduct Evaluations of Occupational Disease Hazard Control Effectiveness to assess the impact of risk reduction measures.
- Submit annual declarations through the “Occupational Diseases Hazardous Items Reporting System” to support government supervision and audit.

Training and Awareness:

- Educate new employees about potential occupational hazards at work, their effects, and prevention measures through Notification of Occupational Hazards.
- Provide occupational health and safety induction training to all new employees in compliance with relevant regulations.
- Coordinate ongoing corporate and departmental health and safety training focused on hazard identification, proper use of personal protective equipment, and safe technical operations.
- Conduct regular training sessions in partnership with Stericycle, including Occupational Safety and Health Administration (OSHA) training and related evaluations.
- Track training schedules and deadlines to ensure all employees complete required trainings on time and remain compliant with regulatory requirements.

Protection Facilities and Equipment:

- Equip workplaces, including laboratories and animal facilities with effective protection facilities and personal protective equipment in accordance with occupational health and safety requirements.
- Install safety protection systems in laboratories, including fume hoods, exhaust hoods, biological safety cabinets, emergency sprinklers, and eyewash equipment.
- Provide laboratory personnel with appropriate personal protective equipment, including gloves and masks.

Emergency Preparedness:

- Maintain a specific emergency plan for occupational hazards.
- Conduct regular emergency evacuation and firefighting drills.
- Organise self-rescue, mutual rescue, and first aid response in the event of occupational hazards or poisoning accidents, and promptly report such events to the EHS department for investigation and appropriate follow-up.
- Ensure any identified or suspected cases of occupational disease are reported promptly to the appropriate authorities.

During the Reporting Period, we continue to strengthen our occupational health and safety management through a range of coordinated measures. These include conducting regular safety hazard inspections in specialised work areas and refining our work safety emergency response plans to ensure preparedness. We maintain comprehensive occupational health surveillance files for at-risk personnel and deliver clear occupational hazard notifications, ensuring that employees are fully informed of potential risks. Adequate personal protective equipment is provided to all relevant staff, and we arrange pre-employment, in-service, and post-employment medical examinations to monitor employee health throughout their employment. In parallel, we continue to deliver targeted safety and occupational health training programmes, reinforcing our commitment to a safe and healthy working environment.

5.6 Social Responsibilities

During the Reporting Period, Frontage actively participated in community and charitable activities, demonstrating our commitment to giving back to society. Key initiatives included:

One community food drive, raising \$600 in donations to support local food banks or vulnerable populations.

Two blood drives, collecting a total of 32 pints of blood to aid medical needs and community health.

One virtual toy drive, raising \$310 in toys to benefit children and families in need.

These events involved employee volunteers and underscored Frontage's role as a responsible corporate citizen.

Appendix 1 Performance Data Table

Environmental Performance¹

| Indicators | Unit | 2025 | 2024 | 2023 |
|---|-------------------------|--------------|---------------------------|--------------|
| Resources | | | | |
| Electricity consumption | MWh | 39,675.38 | 38,621.89 | 30,270.55 |
| Renewable electricity consumption | MWh | 4,911.55 | 3,025.13 | 1,113.07 |
| Electricity consumption density | MWh/ USD'000 | 0.1546 | 0.1515 | 0.1165 |
| Natural gas consumption ² | cubic meter | 2,234,274.28 | 2,146,069.20 ³ | 1,450,857.00 |
| Natural gas consumption density | cubic meter/ USD'000 | 8.7041 | 8.4190 | 5.5833 |
| Steam consumption | ton | 12,529.00 | 17,860.00 | 22,040.00 |
| Steam consumption density | kg/USD'000 | 48.8097 | 70.0647 | 84.8164 |
| Gasoline consumption ³ | liter | 4,688.81 | 8,345.51 | 11,065.69 |
| Diesel consumption | liter | 2,403.90 | 4,916.41 | 1,376.00 |
| Total energy consumption ⁴ | MWh | 72,791.68 | 74,984.57 | 48,116.78 |
| Total energy consumption intensity | MWh/ USD'000 | 0.28 | 0.29 | 0.19 |
| Water consumption | ton | 195,215.87 | 117,582.22 | 156,763.51 |
| Water consumption density | ton/USD'000 | 0.7605 | 0.4613 | 0.6033 |
| Emissions | | | | |
| Industrial wastewater discharge | cubic meter | 11,244.88 | 29,901.64 | 60,436.95 |
| Chemical oxygen demand (COD) discharge | ton | 41.13 | 149.35 | 173.18 |
| Biochemical oxygen demand (BOD) discharge | ton | 0.13 | 0.15 | 0.56 |
| Ammonia nitrogen (NH ₃ -N) discharge | ton | 0.53 | 2.43 | 2.68 |
| Amount of hazardous waste generated | ton | 647.61 | 537.77 | 317.93 |
| Hazardous waste generation density | kg/USD'000 | 2.5229 | 2.1097 | 1.2235 |
| Amount of non-hazardous waste generated | ton | 296.44 | 309 | 248.75 |
| Non-hazardous waste generation density | kg/USD'000 | 1.1549 | 1.2122 | 0.9573 |
| Non-methane hydrocarbon emissions | kg | 3,552.11 | 4,757.62 | 3,357.79 |

| Indicators | Unit | 2025 | 2024 | 2023 |
|---------------------------------------|--------------------------------|-----------|-----------|-----------|
| Greenhouse gas emissions ⁵ | tCO ₂ e | 24,531.29 | 20,979.00 | 17,949.94 |
| Scope 1 greenhouse gas emissions | tCO ₂ e | 4,241.60 | 4,176.52 | 2,883.15 |
| Scope 2 greenhouse gas emissions | tCO ₂ e | 20,289.69 | 16,802.48 | 15,066.80 |
| Greenhouse gas emission intensity | tCO ₂ e/ USD'000 | 0.0956 | 0.0823 | 0.0691 |

Note:

- 1 For 2025, the environmental data reporting scope covers operational sites in China, the United, and Canada. The laboratory in Milan, Italy, acquired in 2024, has been included in the 2025 environmental performance reporting scope, despite challenges in obtaining complete historical data for prior periods.
- 2 Calculations related to natural gas emissions utilize emission factors from the GHG Protocol's "Emission Factors for Cross Sector Tools", which compiles cross-sector tools for stationary combustion and other sources.
- 3 The natural gas consumption data for 2024 has been restated and updated. As a result, the relevant key performance indicators have been revised accordingly.
- 4 In 2025, the Company decommissioned two business vehicles. These actions contributed to a reduction in gasoline and diesel consumption compared to previous years.
- 5 Total energy consumption includes electricity, natural gas, steam, gasoline, and diesel.
- 6 GHG emissions are calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard.

For GHG emissions from operational sites in China, emission factors are sourced from the National Greenhouse Gas Emission Factor Database, available at <https://data.ncsc.org.cn/factories/index>. For U.S. operations, emission factors are referenced from the EPA GHG Emission Factors Hub, published by the U.S. Environmental Protection Agency. For Canadian operations, emission factors and reference values are based on the "Emission Factors and Reference Values" document published by Government of Canada, available on canada.ca. For the Milan, Italy laboratory, the greenhouse gas emission intensity of electricity generation is based on data from the European Environment Agency (EEA) indicator "Greenhouse gas emission intensity of electricity generation in Europe"

Employee Performance⁶

| Indicators | Unit | 2025 | 2024 | 2023 |
|--|--------|-------|-------|-------|
| Employment | | | | |
| Total number of employees(Including Part time) | person | 1,577 | 1,605 | 1,825 |
| Number of employees: Full-time | person | 1,523 | 1,554 | 1,764 |
| Number of employees: Part time | person | 54 | 51 | 61 |
| *Note: The following figures do not include part-time employees ⁷ | | | | |
| Male | person | 631 | 645 | 660 |
| Female | person | 892 | 909 | 949 |
| ≤30y | person | 509 | 555 | 787 |
| 31-49y | person | 726 | 722 | 622 |
| ≥50y | person | 288 | 277 | 200 |
| General employees | person | 1,058 | 1,041 | 1,199 |
| Junior-level employees | person | 262 | 261 | 212 |
| Mid-level employees | person | 170 | 176 | 158 |
| Senior-level employees | person | 33 | 39 | 40 |
| Mainland China | person | 684 | 721 | 908 |
| Hong Kong, Macau, Taiwan and others | person | 839 | 833 | 856 |
| Employee turnover rate | % | 23.05 | 32.88 | 21.77 |
| Turnover rate of male employees | % | 26.31 | 37.05 | 29.39 |
| Turnover rate of female employees | % | 20.74 | 29.92 | 20.13 |
| Turnover rate of employees ≤30y | % | 31.04 | 42.88 | 25.54 |
| Turnover rate of employees of 31-49y | % | 19.70 | 27.7 | 22.35 |
| Turnover rate of employees ≥50y | % | 17.36 | 26.35 | 21.5 |
| Employee turnover rate in mainland China | % | 32.60 | 46.32 | 24.56 |
| Employee turnover rate in Hong Kong, Macau, Taiwan and others | % | 15.14 | 21.25 | 18.93 |

| Indicators | Unit | 2025 | 2024 | 2023 |
|--|--------|-------|-------|-------|
| Occupational Health and Safety | | | | |
| Number of workdays lost due to work-related injuries | day | 562 | 123 | 35 |
| Number of employees who died as a result of work-related injuries | person | 0 | 0 | 0 |
| Number of penalties for violating employment and labour laws and regulations | count | 0 | 0 | 0 |
| Employee Training | | | | |
| Employee training coverage rate | % | 89 | 100 | 100 |
| Training coverage rate for male employees | % | 88 | 100 | 100 |
| Training coverage rate for female employees | % | 89 | 100 | 100 |
| Training coverage of general employees | % | 86 | 100 | 100 |
| Training coverage of junior-level employees | % | 95 | 100 | 100 |
| Training coverage of mid-level employees | % | 94 | 100 | 100 |
| Training coverage of senior-level employees | % | 94 | 100 | 100 |
| Training hours per employee | hour | 27.24 | 28.20 | 17.40 |
| Training hours per male employee | hour | 32.19 | 30.04 | 17.90 |
| Training hours per female employee | hour | 23.75 | 26.90 | 19.90 |
| Training hours per general employee | hour | 27.96 | 29.76 | 18.95 |
| Training hours per junior-level employee | hour | 29.50 | 32.01 | 19.53 |
| Training hours per mid-level employee | hour | 20.19 | 22.84 | 19.87 |
| Training hours per senior-level employee | hour | 22.70 | 15.88 | 17.44 |

Note:

- 7 The scope of statistics of employees includes full-time labor contract employees, full-time labor dispatch employees and part-time employees.
- 8 In 2024, the reporting scope included employees in operating sites in China, the United States, Canada and Italy.

Product Performance

| Indicators | Unit | 2025 | 2024 | 2023 |
|--|-------|------|------|------|
| Percentage of sold products recalled due to safety and health issues | % | 0 | 0 | 0 |
| Number of complaints received about products and services | count | 0 | 85 | 94 |
| Complaints handling rate for products and services | % | 100 | 100 | 100 |

Supply Chain

| Indicators | Unit | 2025 | 2024 | 2023 |
|--|-------|-------|-------|-------|
| Total number of suppliers | count | 2,947 | 2,877 | 2,616 |
| Number of suppliers in Mainland China | count | 1,432 | 1,802 | 1,854 |
| Number of suppliers in Hong Kong, Macau, Taiwan and others | count | 1,515 | 1,075 | 762 |

Community Support

| Indicators | Unit | 2025 | 2024 | 2023 |
|----------------------------|---------|------|-------|------|
| Charitable contributions | USD'000 | 8.79 | 11.19 | 0 |
| Hours of volunteer service | hour | 0 | 92 | 15 |

Governance Performance

| Indicators | Unit | 2025 | 2024 | 2023 |
|--|-------|------|------|------|
| Number of anti-corruption lawsuits filed against the Company and employees and concluded | count | 0 | 0 | 0 |
| Proportion of board members covered by anti-corruption training | % | 100 | 100 | 100 |

Appendix 2 List of Laws and Regulations

| Chinese Regulations |
|---|
| <i>Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution</i> |
| <i>Integrated Emission Standard of Air Pollutants (DB31/933-2025)</i> |
| <i>Emission Standards for Odor Pollutants (DB31/1025-2016)</i> |
| <i>Law of the People's Republic of China on Prevention and Control of Water Pollution</i> |
| <i>Integrated Wastewater Discharge Standard (DB31/199-2018)</i> |
| <i>Environmental Protection Law of the People's Republic of China</i> |
| <i>Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Waste</i> |
| <i>Measures for Hazardous Waste Transfer and Management</i> |
| <i>Measures for Medical Waste Management of Medical and Health Institutions</i> |
| <i>Standard for Pollution Control on Hazardous Waste Storage (GB 18597-2023)</i> |
| <i>Classified Catalogue of Hazardous Waste (2025 Edition)</i> |
| <i>Classified Catalogue of Medical Waste (2021 Edition)</i> |
| <i>Emission Standard for Industrial Enterprises Noise at Boundary (GB 12348-2008)</i> |
| <i>Civil Code of the People's Republic of China</i> |
| <i>Labor Law of the People's Republic of China</i> |
| <i>Labor Contract Law of the People's Republic of China</i> |
| <i>Individual Income Tax Law of the People's Republic of China</i> |
| <i>Regulations on Paid Leave for Employees</i> |
| <i>Regulations of the State Council on Gradual Delayed Retirement Age</i> |
| <i>Special Provisions on Labor Protection for Female Employees</i> |
| <i>Law of the People's Republic of China on the Protection of Minors</i> |
| <i>Provisions on Prohibition of Child Labor</i> |
| <i>Law of the People's Republic of China on the Prevention and Control of Occupational Diseases</i> |
| <i>Provisions on the Supervision and Administration of Occupational Health at Work Sites</i> |
| <i>Work Safety Law of the People's Republic of China</i> |
| <i>Regulations on Work-Related Injuries Insurance</i> |
| <i>Product Quality Law of the People's Republic of China</i> |
| <i>Pharmacopoeia of the People's Republic of China</i> |
| <i>Advertising Law of the People's Republic of China</i> |

| |
|---|
| <i>Measures for the Administration of Internet Advertising</i> |
| <i>Regulations on the Protection of Computer Software</i> |
| <i>Trademark Law of the People's Republic of China</i> |
| <i>Data Security Law of the People's Republic of China</i> |
| <i>Cryptography Law of the People's Republic of China</i> |
| <i>Regulations on the Security Protection of Critical Information Infrastructure</i> |
| <i>Measures for Security Assessment of Data Exits</i> |
| <i>Regulations on the Administration of Human Genetic Resources of the People's Republic of China</i> |
| <i>Law of the People's Republic of China on Biosecurity</i> |
| <i>Measures for the Administration of Experimental Animal License (Trial)</i> |
| <i>Animal Epidemic Prevention Law of the People's Republic of China</i> |
| <i>Regulations for the Administration of Affairs Concerning Experimental Animals</i> |
| <i>Guidelines on the Humane Treatment of Laboratory Animals</i> |
| <i>Good Clinical Practice for Clinical Trials of Drugs</i> |
| <i>Good Manufacturing Practice for Pharmaceutical Products</i> |
| <i>Good Laboratory Practice for Non-clinical Drug Trials</i> |
| <i>Patent Law of the People's Republic of China</i> |
| <i>Copyright Law of the People's Republic of China</i> |
| <i>Criminal Law of the People's Republic of China</i> |
| <i>Company Law of the People's Republic of China</i> |
| <i>Anti-Unfair Competition Law of the People's Republic of China</i> |
| <i>Law of the People's Republic of China on Donations for Public Welfare</i> |
| <i>Anti-Money Laundering Law of the People's Republic of China</i> |
| U.S. Regulations |
| <i>Clean Air Act</i> |
| <i>Clean Water Act</i> |
| <i>Solid Waste Disposal Act</i> |
| <i>Uniformed Services Employment and Reemployment Rights Act</i> |
| <i>Pay Transparency Non-discrimination Provision</i> |
| <i>Employee Rights for Workers with Disabilities Paid at Special Minimum Wages</i> |
| <i>Fair Labor Standards Act</i> |
| <i>Title VII of the Civil Rights Act</i> |

| |
|--|
| <i>Age Discrimination in Employment Act</i> |
| <i>Occupational Safety and Health Act</i> |
| <i>Family and Medical Leave Act</i> |
| <i>Section 503 of the Rehabilitation Act</i> |
| <i>Animal Welfare Act and Animal Welfare Regulations</i> |
| <i>PHS Policy on Humane Care and Use of Laboratory Animals</i> |
| <i>Foreign Corrupt Practices Act</i> |
| Canadian Regulations |
| <i>City of Toronto Municipal Code</i> |
| <i>Ontario Environmental Protection Act</i> |
| <i>Health Canada Good Manufacturing Practices regulations</i> |
| <i>Ontario Employment Standards Act</i> |
| <i>Ontario Human Rights Code</i> |
| <i>Ontario Occupational Health and Safety Act</i> |
| European Regulations |
| <i>Italy Legislative Decree No. 135 of 4 September 2024 (implementing Directive (EU) 2022/431)</i> |
| Other Regulations |
| <i>Guide for the Care and Use of Laboratory Animals</i> |
| <i>AVMA Guidelines for the Euthanasia of Animals</i> |
| <i>Paris Convention for the Protection of Industrial Property</i> |
| <i>Berne Convention for the Protection of Literary and Artistic Works</i> |
| <i>Universal Copyright Convention</i> |
| <i>OECD Good Laboratory Practice Regulations</i> |
| <i>Patent Cooperation Treaty</i> |
| <i>General Data Protection Regulation</i> |

Appendix 3 HKEX ESG Code Index

| | | |
|---|---|---|
| Aspect A1: Emissions | General Disclosure: Policies relating to air emissions, discharges into water and land, and the generation of hazardous and non-hazardous waste, etc.; and (b) information on compliance with relevant laws and regulations that have a significant impact on the issuer. | Emissions and Waste Management Appendix 2 List of Laws and Regulations |
| A1.1 | Types of emissions and the related emission data. | Appendix 1 Performance Data Table |
| A1.3 | Total hazardous waste generated (in tonnes) and (where applicable) intensity (e.g., per unit of production or per facility). | Appendix 1 Performance Data Table |
| A1.4 | Total volume of non-hazardous waste generated (in tonnes) and, where applicable, its intensity (e.g. per unit of production, per facility). | Appendix 1 Performance Data Table |
| A1.5 | Describe the emission reduction targets established and the measures implemented to achieve these targets. | Emissions and Waste Management |
| A1.6 | Describe the methods for handling hazardous and non-hazardous waste, as well as the waste reduction targets established and the measures implemented to achieve these targets. | Emissions and Waste Management |
| Aspect A2: Resource Use | General Disclosure: Policies on the efficient use of resources (including energy, water and other raw materials). | Energy and Resource Management |
| A2.1 | Total direct and/or indirect energy consumption by type (such as electricity, gas or oil) (in thousand kWh) and intensity (e.g. per unit of production, per facility). | Appendix 1 Performance Data Table |
| A2.2 | Total water consumption and intensity (e.g., per unit of production or per facility). | Appendix 1 Performance Data Table |
| A2.3 | Describe the energy efficiency targets established and the actions taken to achieve these targets. | Energy and Resource Management |
| A2.4 | Describe any issues identified in obtaining applicable water sources, as well as the water efficiency targets set and the actions taken to achieve these targets. | Energy and Resource Management |
| A2.5 | Total quantity of packaging materials used for finished products (in tonnes), and, where applicable, per unit of production. | Non applicable as Frontage Holding only provides services and thereby with no usages of packaging materials of finished products. |
| Aspect A3: Environment and Natural Resources | General Disclosure: Policies to mitigate the issuer's significant impact on the environment and natural resources. | Emissions and Waste Management Energy and Resource Management |
| A3.1 | Describe the material impacts of business activities on the environment and natural resources, as well as the actions taken to manage these impacts. | Emissions and Waste Management Energy and Resource Management |

| | | |
|---|--|--|
| Aspect B1: Employment | Policies relating to remuneration and dismissal, recruitment and promotion, working hours, holidays, equal opportunities, diversity, anti-discrimination, and other terms of treatment and welfare: (a) Policy; and (b) information on compliance with relevant laws and regulations that have a significant impact on the issuer. | Appendix 2 List of Laws and Regulations Labour Compliance Employment Management Remuneration and Benefits |
| B1.1 | Total number of employees by gender, employment type (such as full-time or part-time), age group, and geographical region. | Appendix 1 Performance Data Table |
| B1.2 | Employee turnover rate by gender, age group, and geographical region. | Appendix 1 Performance Data Table |
| Aspect B2: Health and Safety | General Disclosure: Policies regarding the provision of a safe working environment and the protection of employees from occupational hazards: (a) Policy; and (b) information on compliance with relevant laws and regulations that have a significant impact on the issuer. | Occupational Health and Safety Appendix 2 List of Laws and Regulations |
| B2.1 | The number and rate of work-related fatalities for each of the past three years (including the reporting year). | Appendix 1 Performance Data Table |
| B2.2 | Number of working days lost due to work-related injuries. | Appendix 1 Performance Data Table |
| B2.3 | Description of the occupational health and safety measures adopted, and the relevant implementation and monitoring methods. | Occupational Health and Safety |
| Aspect B3: Development and Training | General Disclosure: Policies relating to the enhancement of employees' knowledge and skills for the discharge of job duties. Description of training activities. | Talent Development and Training |
| B3.1 | Percentage of employees trained by gender and employment category (e.g. senior Management, middle Management). | Appendix 1 Performance Data Table |
| B3.2 | Average training hours completed per employee by gender and employment category. | Appendix 1 Performance Data Table |
| Aspect B4: Labour Standards | General disclosure: Policies regarding the prevention of child or forced labour: (a) Policies; and (b) information on compliance with relevant laws and regulations that have a significant impact on the issuer. | Labour Compliance |
| B4.1 | Description of measures for reviewing recruitment practices to prevent child and forced labour. | Labour Compliance |
| B4.2 | Description of steps taken to eliminate non-compliance upon discovery. | Labour Compliance |
| Aspect B5: Supplier Chain Management | General Disclosure: Policies for managing environmental and social Risk within the supply chain. | Responsible Supply Chain |
| B5.1 | Number of Suppliers categorised by region. | Appendix 1 Performance Data Table |
| B5.2 | Description of the practices adopted for engaging Suppliers, the number of Suppliers to whom these practices are applied, as well as the relevant implementation and monitoring methods. | Responsible Supply Chain |
| B5.3 | Description of practices for identifying environmental and social Risk at each stage of the supply chain, together with the relevant implementation and monitoring methods. | Responsible Supply Chain |

| | | |
|-----------------------------------|--|--|
| B5.4 | Description of practices to promote the use of environmentally friendly products and services in Supplier selection, as well as the relevant implementation and monitoring methods. | Responsible Supply Chain |
| Aspect B6: Product Responsibility | General Disclosure: Matters concerning the health and safety, advertising, labelling, and privacy relating to the products and services provided, as well as remedial measures: (a) Policies; and (b) Information regarding compliance with relevant laws and regulations that have a material impact on the issuer. | Product Quality and Safety Appendix 2 List of Laws and Regulations |
| B6.1 | Percentage of products sold or delivered that have been recalled for safety and health reasons. | Appendix 1 Performance Data Table |
| B6.2 | Number of complaints received concerning products and services and the corresponding actions taken. | Appendix 1 Performance Data Table |
| B6.3 | Description of practices concerning the maintenance and protection of intellectual property rights. | Product Quality and Safety |
| B6.4 | Describe the quality assurance processes and product recall procedures. | Product Quality and Safety |
| B6.5 | Describe the consumer data protection and privacy policies, as well as the respective implementation and monitoring methods. | Privacy Protection and Information Security |
| Aspect B7: Anti-corruption | General Disclosure On the prevention of bribery, extortion, fraud, and money laundering: (a) Policies; and (b) Information regarding compliance with relevant laws and regulations that have a material impact on the issuer. | Appendix 1 Performance Data Table Appendix 2 List of Laws and Regulations |
| B7.1 | The number of corruption litigation cases brought against the issuer or its employees, and concluded during the reporting period, as well as the outcomes thereof. | Appendix 1 Performance Data Table |
| B7.2 | Describe the preventive measures and whistle-blowing procedures, as well as the corresponding implementation and monitoring methods. | Business Ethics and Anti-corruption |
| B7.3 | Describe anti-corruption training provided to Directors and employees. | Business Ethics and Anti-corruption |
| Aspect B8: Community Investment | General Disclosure Policies regarding understanding the needs of the communities in which operations are conducted through community engagement and ensuring that business activities take community interests into consideration. | Social Responsibilities |
| B8.1 | Key areas of contribution focus (such as education, environmental matters, labour needs, health, culture, and sport). | Social Responsibilities |
| B8.2 | Resources allocated to the key areas of focus (such as financial or time commitments). | Appendix 1 Performance Data Table |

Appendix 4 Climate-related Disclosure Content Index

| Category | Subcategory | Descriptions | Corresponding Section / Implementation Reliefs Applied |
|------------|---|--|---|
| Governance | | Information about the governance body(s) or individual(s) responsible for oversight of climate-related risks and opportunities. | Governance Structure and Board's Oversight Response to Climate Change – Governance |
| Governance | | Information about the management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities. | Governance Structure and Board's Oversight Response to Climate Change – Governance |
| Strategy | Climate-related risks and opportunities | Description of the reasonably expected climate-related risks and opportunities that could affect the issuer's cash flows, financing channels or cost of capital in the short, medium, or long term. | Response to Climate Change – Strategy |
| | | For each climate-related risk identified by the issuer, explanation of whether the issuer considers the risk to be related to climate-related physical factors or climate-related transitional factors. | |
| | | Specification of the time frame (short term, medium term or long term) during which each identified climate-related risk and opportunity is reasonably expected to impact the issuer. | |
| | | Explanation of how the issuer defines short term, medium term and long term and how these definitions are linked to the scope of its strategic decision-making planning. | |
| Strategy | Business model and value chain | Description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. | Response to Climate Change – Strategy |
| | | Description of where climate-related risks and opportunities are concentrated within the issuer's business model and value chain (e.g., geographical regions, facilities and types of assets). | |
| Strategy | Strategy and decision-making | Information about how the issuer has addressed and plans to address significant climate related risks and opportunities in its strategies and decisions, including how the issuer plans to achieve any climate-related targets it has set and any targets required by law or regulation. | Response to Climate Change – Strategy Response to Climate Change – Strategy |
| | | Information about how the issuer currently plans to provide resources for its actions to address significant climate-related risks and opportunities, both presently and in the future. | |

| Category | Subcategory | Descriptions | Corresponding Section / Implementation Reliefs Applied |
|---------------------|------------------------------|--|---|
| Strategy | Current financial effect | Information about how climate-related risks and opportunities affect an issuer's financial position, financial performance and cash flows during the reporting period. | Response to Climate Change – Strategy Financial Effects Relief |
| | | Information about how climate-related risks and opportunities affect the issuer's financial position, financial performance and cash flows identification during the reporting period when there is a significant risk that will cause significant adjustments to the carrying amounts of assets and liabilities in the relevant financial statements for the next reporting year. | |
| Strategy | Anticipated financial effect | Disclosure of how the issuer anticipates its financial position to change in the short, medium and long term, given its strategy to manage climate-related risks and opportunities, and taking into account its investment and disposal plans and planned sources of funding to implement its strategy. | Financial Effects Relief Capabilities Relief |
| | | Disclosure of how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities. | |
| Strategy | Climate resilience | Disclosure of the issuer's assessment of its climate resilience as at the reporting date. | Reasonable Information Relief Capabilities Relief |
| | | Disclosure of how and when to conduct climate-related scenario analysis | |
| Risk Management | | Information about the processes and related policies used by issuers to identify, assess, prioritise and monitor climate-related risks. | Response to Climate Change–Risk Management |
| Risk Management | | Information about the processes used by issuers to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities). | Response to Climate Change–Risk Management |
| Risk Management | | Information about the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring of climate-related risks and opportunities are integrated and inform the issuer's overall risk management process. | Response to Climate Change–Risk Management |
| Metrics and Targets | GHG emissions | Disclosure of the absolute gross GHG emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as: (a) Scope 1 GHG emissions; (b) Scope 2 GHG emissions; and (c) Scope 3 GHG emissions. | Performance Data Table Reasonable Information Relief |

| Category | Subcategory | Descriptions | Corresponding Section / Implementation Reliefs Applied |
|---------------------|---------------|--|---|
| Metrics and Targets | GHG emissions | <p>Measurement of greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions</p> | <p>Frontage measures and discloses its GHG emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004).</p> |
| | | <p>Disclosure of the approach used to measure its GHG emissions including: (i)the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii)the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii)any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;</p> | <p>Environmental KPIs Table We have selected these measurement approaches, as mentioned in Environmental KPIs Table, to ensure regulatory compliance with HKEX requirements, achieve accurate regional representation through specific emission factors Frontage made no changes to the measurement approach, inputs and assumptions used to measure its GHG emissions during the Reporting Period.</p> |
| | | <p>Disclosure of the location-based Scope 2 GHG emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 GHG emissions</p> | <p>Environmental KPIs Table</p> |
| | | <p>Disclosure of the categories that included within the issuer's measure of Scope 3 GHG emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).</p> | <p>Environmental KPIs Table Frontage discloses in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).</p> |

| Category | Subcategory | Descriptions | Corresponding Section / Implementation Reliefs Applied |
|---------------------|----------------------------------|--|---|
| Metrics and Targets | Climate-related transition risks | Disclosure of the amount and percentage of assets or business activities vulnerable to climate-related transition risks. | Reasonable Information Relief |
| Metrics and Targets | Climate-related physical risks | Disclosure of the amount and percentage of assets or business activities vulnerable to climate-related physical risks. | Reasonable Information Relief |
| Metrics and Targets | Climate-related opportunities | Disclosure of the amount and percentage of assets or business activities aligned with climate-related opportunities. | Reasonable Information Relief |
| Metrics and Targets | Capital deployment | Disclosure of the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities. | During the Reporting Period, Frontage did not undertake any capital expenditure, financing or investments related to climate-related risks and opportunities. |
| Metrics and Targets | Internal carbon prices | Disclosure of: (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of GHG emissions the issuer uses to assess the costs of its GHG emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making. | By the end of the Reporting Period, Frontage had not yet applied an internal carbon pricing mechanism in its internal decision-making processes. |
| Metrics and Targets | Remuneration | Disclosure of whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. | By the end of the Reporting Period, under the Remuneration Policy, specific climate-related performance metrics have not yet been directly incorporated into Frontage's remuneration assessment system. |
| Metrics and Targets | Industry-based metrics | Encouragement to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. | During the Reporting Period, Frontage had not yet referenced other industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in our industry. |

| Category | Subcategory | Descriptions | Corresponding Section / Implementation Reliefs Applied |
|---------------------|-------------------------|--|--|
| Metrics and Targets | Climate-related targets | Disclosure of (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any GHG emissions targets. | Response to Climate Change – Metrics and Targets |
| Metrics and Targets | Climate-related targets | Information about the issuer’s approach to setting and reviewing each target, and how the issuer monitors progress against each target. | Response to Climate Change – Metrics and Targets |
| Metrics and Targets | Climate-related targets | Information about its performance against each climate-related target and an analysis of trends or changes in the issuer’s performance. | Response to Climate Change – Metrics and Targets |
| Metrics and Targets | Climate-related targets | For each GHG emissions target disclosed, disclosure of: which GHG are covered by the target; whether Scope 1, Scope 2 or Scope 3 GHG emissions are covered by the target; whether the target is a gross GHG emissions target or a net GHG emissions target. If the issuer discloses a net GHG emissions target, the issuer is also required to separately disclose its associated gross GHG emissions target; whether the target was derived using a sectoral decarbonisation approach; and the issuer’s planned use of carbon credits to offset GHG emissions to achieve any net GHG emissions target. | Response to Climate Change – Metrics and Targets |



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