cutia 科笛
CUTIA THERAPEUTICS

Cutia Therapeutics 科笛集团

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 2487

Environmental, Social & Governance Report 2025

CONTENTS

ABOUT THE REPORT

OVERVIEW

The Environmental, Social & Governance Report 2025 (hereinafter referred to as the "**Report**") of Cutia Therapeutics (hereinafter referred to as the "**Company**" or "**we**") highlights process management, emphasizes the materiality, quantitative nature, balance, and consistency of the Report, and systematically expounds the Company's philosophy, actions, performance, and commitments in pursuing sustainable development. We hope to respond to the concerns of stakeholders through the release of this report, strengthen communication and exchanges with stakeholders, enhance alignment of interests, emotional resonance, and shared values, and continuously promote sustainable development in the economic, environmental, and social dimensions.

PRINCIPLES

Materiality: Cutia Therapeutics utilizes a communication with stakeholders mechanism to distribute materiality assessment questionnaires, identifying key sustainability concerns of stakeholders and determining material issues relevant to the Company. For details, please refer to the *Materiality Issues Identification* chapter of this Report.

Quantitative: The application of the quantitative principle is primarily reflected in the calculation and disclosure of the Company's environmental and social key performance indicators (KPIs). For details, please refer to the appendix *Key Performance Table*.

Balance: To ensure that this Report can comprehensively reflect the Company's sustainable development practices to our stakeholders, we have objectively and fully disclosed our efforts in environmental, social, and governance aspects.

Consistency: This Report adopts statistical methods consistent with previous year and provides comparative data across different years. Where there are changes in the scope of data disclosure, explanations are provided following the Appendix *Key Performance Table*.

SCOPE

Reporting Scope: The entities covered in this Report include Cutia Therapeutics and its subsidiaries, consistent with the scope of the annual report. For detailed information about the Company's business, please refer to the Company's 2025 Annual Report. The following abbreviations are used in this Report to define subsidiaries:

Aurora Cutis	Aurora Cutis Medical Technology (Shanghai) Co., Ltd.
Chongqing Lehao	Chongqing Lehao Pharmaceutical Co., Ltd.
Cutia HK	Cutia Therapeutics (HK) Limited
Cutia Shanghai	Cutia Therapeutics (Shanghai) Co., Ltd.
Cutia Wuxi	Cutia Therapeutics (Wuxi) Co., Ltd.

Reporting Period: The content of this Report primarily covers the period from January 1, 2025 to December 31, 2025 (hereinafter referred to as the "**Reporting Period**" or "**this Year**"). To enhance the completeness of the Report, some content extends beyond the aforementioned period.

Reporting Cycle: This is the third Environmental, Social & Governance Report published by Cutia Therapeutics.

STANDARDS

The Report is prepared in accordance with the *Environmental, Social and Governance Reporting Code* contained in Appendix C2 of the Listing Rules of the Stock Exchange and the summary of its major amendments. Readers can refer to the last chapter of this Report "Appendix II: Content Index of *Environmental, Social and Governance Reporting Code* of the Hong Kong Stock Exchange" for quick reference.

SOURCE OF INFORMATION

The information and data in this Report are sourced from Cutia Therapeutics's internal formal documents, internal statistical materials, and relevant public information. Unless otherwise specified, all monetary amounts in this Report are denominated in Renminbi (RMB).

ASSURANCE METHOD

All contents disclosed in this Report have been reviewed and approved by the board (the "**Board**") of directors (the "**Director(s)**") of Cutia Therapeutics. The Board commits to supervising the content of the Report to ensure there are no false or misleading statements or material omissions.

2025 HIGHLIGHTS

Financial Performance	• Revenue for 2025 was approximately RMB336.2 million.
Commercialization Progress	• Two products have began commercialization. – CU-40102 (topical finasteride spray) for the treatment of androgenetic alopecia has obtained marketing approvals from the National Medical Products Administration (the "**NMPA**") of the People's Republic of China ("**China**") and the Department of Health of the Government of the Hong Kong Special Administrative Region of China (the "**Hong Kong Department of Health**"), and has officially began commercialization. – CU-10201 (topical 4% minocycline foam) for the treatment of acne vulgaris has began commercialization.
Governance	• The proportion of female Directors on the Board reached 33%. • During the Reporting Period, the Company organized training on business ethics and anti-corruption for Directors, senior management, and employees in various business lines.
Products	• During the Reporting Period, Cutia Therapeutics constructed its first sterile production line, with a comprehensive contamination control system and sterility assurance capabilities. • During the Reporting Period, we conducted full-process internal audits covering quality systems at operational sites including the pharmaceutical factory, the device factory, the R&D center and all audit results met the requirements. • During the Reporting Period, combining the introduction of new products and registration progress, the Company completed quality audits for key contract manufacturing organizations (CMOs) and multiple suppliers of raw materials, excipients, and packaging materials, as well as testing service providers; furthermore, based on the *Pharmacopoeia of the People's Republic of China* (2025 Edition) and its own business needs, the Company newly signed quality assurance agreements with relevant suppliers and service providers. • During the Reporting Period, Cutia Therapeutics did not experience any product recalls caused by product quality and safety issues.

Employees	• During the Reporting Period, the Group had no incidents of child labor, forced labor, workplace discrimination, or sexual harassment, and the labor contract signing rate was 100%. • During the Reporting Period, Cutia Therapeutics had a total of 304 employees, including 175 female employees, accounting for 58%. • During the Reporting Period, the employee training participation rate of Cutia Therapeutics reached 100%, and the average training hours per employee were 41.6 hours. • During the Reporting Period, Cutia Therapeutics did not experience any work-related injuries, lost time due to work injuries, or work-related fatalities. The number and rate of work-related fatalities at Cutia Therapeutics over the past three years were both 0.
Environmental	• In accordance with the disclosure methodology and recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), scenario analysis methods were applied to identify physical risks, transition risks, and opportunities related to climate change, and to conduct financial impact analysis of climate change risks and opportunities. • Water-saving renovations were carried out for the purified water distribution system; during the Reporting Period, a total of 4,474 tons of tap water usage was saved, and sewage treatment volume was reduced by 4,261 tons. • During the Reporting Period, the greenhouse gas emission intensity (Scope 1 and Scope 2) per RMB10,000 of revenue reached 0.10 tons of CO_2e/RMB 10,000, a decrease of 16.67% compared to the previous reporting period.
Social	• Actively carried out health knowledge popularization work, helping the public master scientific protection knowledge through professional and easy-to-understand health education content.

About Cutia Therapeutics

• COMPANY OVERVIEW

Since our establishment in 2019, we have always focused on developing innovative and comprehensive solutions in the broad field of dermatology to meet the continuously changing and diverse needs of the market. Centering on core areas such as scalp diseases and care, skin diseases and care, localized adipose accumulation management, and topical anesthesia, we have established a product pipeline covering multiple dosage forms including creams, sprays, and ointments.

With the collaborative support of an experienced internal team and an external scientific committee, we rely on our unique CATAME® technology platform to continuously deepen our R&D capabilities in dermatological science, topical and transdermal drug formulations, and novel molecular synthesis. By developing micron and nano-sized particulates, evaluating formulation quality and stability, and combining cutaneous pharmacokinetic analysis to improve drugs, we lay a core foundation for continuous innovation and R&D.

We are always driven by a customer-centric philosophy, extending our capabilities to every link of the industry value chain by continuously optimizing candidate products, expanding the commercialization ecosystem and collaboration network, and introducing and distributing multiple overseas commercialized products already launched in China. Currently, our platform has fully covered the entire process from demand identify, core technology development, clinical trials and registrations management, to the manufacturing and marketing of products.

- Our Vision: To Become A Global Leading R&D-Driven Dermatology Platform

- Our Mission: To Provide Consumers and Patients with a Comprehensive Suite of Alternative, Safe and Effective Solutions for Skin and Scalp Diseases, etc.

- Awards and Honors

Name of Award	Time of Award
Cutia Therapeutics was awarded "Elite Partner" by the China Skin Health Development Conference	August 2025
Cutia Therapeutics was awarded "Member Unit of Scientific-skincare Innovation Alliance China Hair Industry Alliance" by SIA	August 2025
Tmall HAIR GEOGRA Overseas Flagship Store was awarded the "Tmall Global Purple Medicine Box Marketing Growth Award"	November 2025
Cutia Therapeutics was awarded the "Excellent Collaboration Award" at the 8th Annual Congress of CAHRS	November 2025
Cutia Therapeutics was awarded the "Exhibitor Certificate" at the 20th Annual Meeting of the China Dermatologist Association & National Congress of Cosmetic Dermatology	November 2025
Cutia Therapeutics was awarded the "Excellent Collaboration Award" by the Hair and Scalp Health Management Branch of the Guangdong Association of Plastic and Aesthetics	November 2025

1. Governance

Sound corporate governance is the cornerstone of an enterprise's sustainable development and the institutional guarantee for us to address environmental and social challenges and create long-term value. We are committed to building a transparent and inclusive governance system, leading the Company to steady and long-term development with responsible decision-making and effective supervision, and winning the trust of all stakeholders.

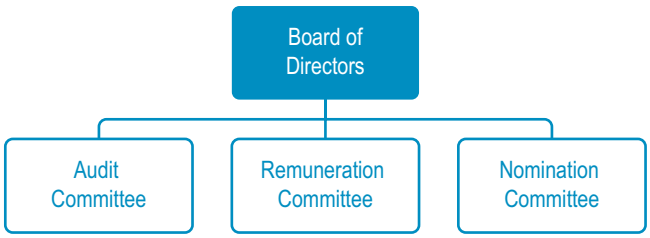
1.1 RESPONSIBLE OPERATIONS

Cutia Therapeutics has established a governance structure with the Board as the core to conduct comprehensive supervision and guidance on major risks and strategic decisions. At the same time, we have established a systematic institutional guarantee system covering key areas such as risk management, business ethics, and information security, and through regular assessments and continuous improvement, we continuously enhance governance efficiency to ensure the compliance, stability, and transparency of the Company's operations.

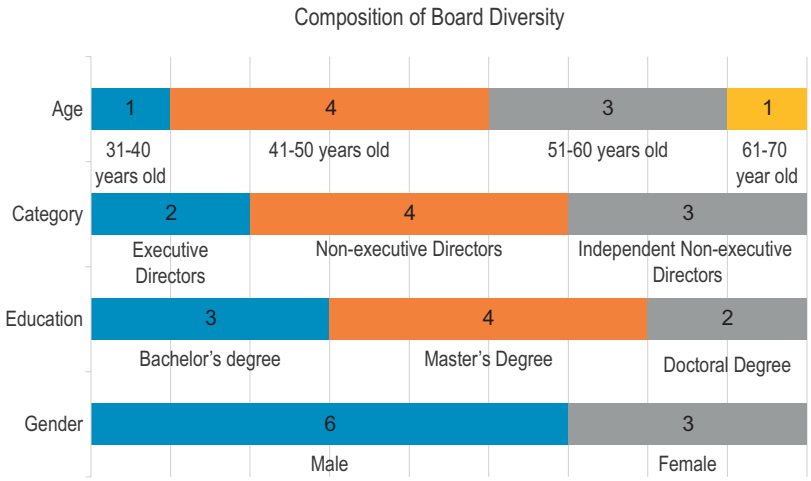
1.1.1 Corporate Governance

To continuously improve the governance level, Cutia Therapeutics has established a governance mechanism with clear rights, responsibilities and standardized operations. Under the strategic leadership of the Board, we have established three special committees: the Audit Committee, the Remuneration Committee, and the Nomination Committee, and formulated supporting internal systems such as the *Administrative Measures for Legal Affairs*, the *Measures for the Administration of Legal Documents*, and the *Measures for the Management of Compliance Risk Reporting*, ensuring professional, efficient, and compliant governance decisions through a clear structure and scientific rules.

Board Structure of Cutia Therapeutics



To increase the flexibility of the Board and reduce operational risks, Cutia Therapeutics has formulated the *Board Diversity Policy*, comprehensively considering factors such as gender, age, educational background, skills, knowledge, and professional experience in the appointment of Directors. The members of the Board cover professional backgrounds in multiple fields such as pharmacy, communication, science, clinical medicine, accounting, literature, and law, with female Directors currently accounting for one-third. We ensure that we can comprehensively oversee the development of the enterprise with diverse perspectives and put forward effective opinions.

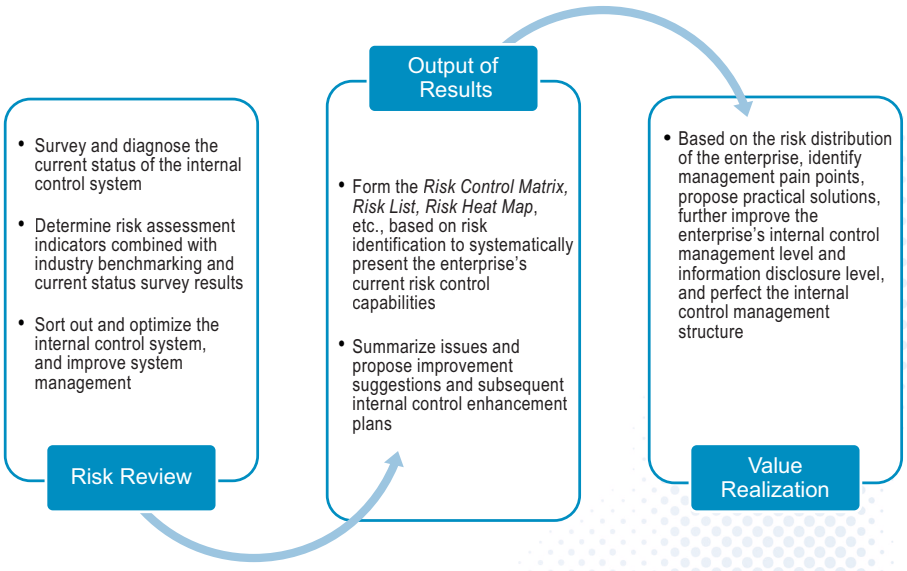


1.1.2 Compliance and Risk Management

Cutia Therapeutics carries out group-level risk identification work based on the principles of "full-process coverage and multi-dimensional linkage"; we have formulated and implemented the *Measures for the Management of Compliance Risk Reporting*, establishing a full-process control system from risk identification, early warning to contract performance, while clarifying the responsibilities of each department and position to achieve closed-loop risk management from the source to the execution stage.

Cutia Therapeutics systematically identifies risks by drawing a project panorama, implements targeted improvement measures, and achieves timely control and effective resolution of risks.

Cutia Therapeutics Project Risk Identification Panorama



To improve the risk management level, the Company has established a legal risk management communication platform and regularly conducts corporate risk reviews.

We continuously strengthen the risk control system through measures such as conducting legal risk screenings, organizing compliance training, and establishing employee feedback channels. The Company introduced special compliance training and provided monthly pre-service training for new employees to effectively improve the risk prevention awareness and ability of all employees. At the same time, compliance performance is included in performance evaluations to ensure the effective implementation of risk management.

2025 Cutia Therapeutics Special Training on Trade Secret Protection

In June 2025, the legal team organized a special training on trade secret protection covering all employees. The training followed the main line of "**Law + Scenario + Practice**", analyzing the legal framework and characteristics of trade secrets, dissecting risks in combination with six high-frequency leakage scenarios, and emphasizing trade secret protection principles and employee codes of conduct. After the meeting, all employees were required to sign the *Letter of Commitment* to effectively build a solid safety defense line for the Company's trade secrets.

1.1.3 Business Ethics

Cutia strictly abides by relevant laws and regulations such as the *Criminal Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, and the *Interim Provisions on Prohibition of Commercial Bribery*, and has established internal policies such as the *Anti-Fraud* and *Anti-Money Laundering Management System* to clarify and implement business ethics requirements.

The Company always adheres to integrity in operation and compliant operation, maintains a zero-tolerance attitude towards corruption, fraud, and unfair competition, and requires all employees, Directors, and partners to jointly comply with the *Company Code of Conduct* and corporate values to jointly maintain a clean and fair business environment.

To continuously strengthen business ethics risk management, the Company incorporates relevant requirements into annual internal and external audits, identifies room for improvement through assessment, and implements rectification and accountability. At the same time, we regularly conduct internal control self-inspections to systematically prevent fraud.

Key Anti-fraud Initiatives of Cutia Therapeutics

During the Reporting Period, combining annual regulatory requirements with business realities, we further improved the compliance approval process for medical representatives' in-hospital activities and purchase and sales expenses, and strengthened the systematic verification of the filing of academic promotion activities, the fulfillment of dealer integrity agreements, and the integrity of sales expense vouchers, so as to hold the bottom line of compliance.

To continuously strengthen supply chain compliance management, Cutia Therapeutics regularly organizes special training, focusing on the three major areas of anti-corruption, information confidentiality, and conflict of interest prevention and control, systematically improving suppliers' compliance awareness, risk prevention and control capabilities.

Cutia Therapeutics continues to carry out special anti-corruption training, strengthening the compliance operation awareness of suppliers and employees through a combination of case analysis and system interpretation, jointly maintaining a fair and transparent business environment.

Building a Culture of Business Ethics

To strengthen the culture of integrity, the Company systematically carries out employee professional ethics training, cultivating an open, transparent, and honest corporate culture, and continuously improving all employees' awareness and capabilities in anti-corruption and trade secret protection. During the Reporting Period, we organized training for the Company's Directors, senior management, and employees in various business lines covering business ethics and anti-corruption, effectively building a strong ideological defense line and consolidating the foundation for compliant operations.

2025 Cutia Therapeutics Annual Anti-Corruption Training

In November 2025, Cutia Therapeutics focused on business ethics values and the "Four-Haves Outline" for anti-corruption, systematically improving all employees' compliance awareness and integrity in performing duties through regulatory interpretation, risk sorting, and case guidance, building a solid foundation for integrity in operations.

Whistleblowing and Investigation Mechanism

We continuously optimize the whistleblowing mechanism, providing multiple channels such as email, letters, and interviews, to encourage internal and external parties to supervise and report. The Company strictly implements the whistleblower protection policy, ensures strict confidentiality of reporting information and whistleblower identity, resolutely prohibits any acts of retaliation, and will impose severe penalties once verified. In addition, we strengthen the promotion of whistleblowing channels and processes through regular training to effectively ensure smooth reporting channels and timely responses.

In 2025, Cutia Therapeutics did not receive any reports related to anti-fraud, and no corruption lawsuits occurred.

1.1.4 Information Security and Privacy Protection

Cutia Therapeutics attaches great importance to information and privacy data security, strictly abides by laws and regulations such as the *Data Security Law of the People's Republic of China* and the *Personal Information Protection Law of the People's Republic of China*, and is committed to creating a safe and reliable network environment for internal and external stakeholders. We have formulated a series of policies such as the *Information Security Management System, Information System Account Management Standards*, *Computer Room Safety Management Regulations*, and *Data Backup and Recovery Standard Operating Procedures*, and updated the *Information Security Management System* during the Reporting Period, adding database modification processes and clarifying the approval and execution steps that relevant operations must follow, further standardizing internal information security behavior and comprehensively safeguarding data security for all stakeholders.

We have established a sound information security and privacy protection system, and strengthened information security assurance through multiple measures such as permission control, information security training, and strengthened technical protection, so as to improve the Company's risk awareness and emergency response capabilities in dealing with cybersecurity incidents.

Cutia Therapeutics' information security and privacy protection initiatives

Information Security Protection

- Unified deployment of office computers with centralized push of system patches and security policies
- Mandatory installation and real-time updates of anti-virus and security monitoring software on all terminals
- Deployment of network firewalls and application firewalls to defend against external attacks and malicious threats

Data protection and system certification

- Implementation of enterprise-level backup software to ensure recoverability of critical business data
- Deployment of mature commercial systems (SAP cloud servers, ERP, HR systems and etc.) certified with ISO 27001
- Two-factor authentication (password + SMS verification code) enabled for email login to enhance account security

Systematic access and permission control

- Implementation of bastion host to safeguard customer privacy; all remote supplier access to servers must go through this device with full operational traceability
- Enforcement of dynamic password policy requiring employees to update account passwords every three months
- Regular audit of system permissions with timely cleanup of redundant or expired access rights to prevent internal data leakage

In addition, we carry out customized training pushes for different departments through the Cutia cybersecurity awareness education platform and conduct phishing email drills, effectively improving all employees' cybersecurity prevention awareness and practical capabilities, and building a solid internal security defense line.

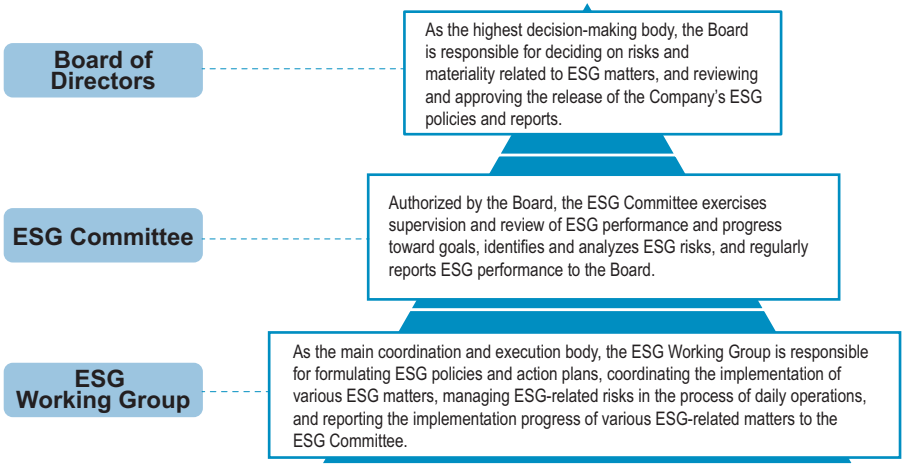
1.2 ESG GOVERNANCE

Cutia Therapeutics continuously deepens the integration of ESG responsibility concepts with business strategies, and deepens the Company's concept of responsibility governance through continuous attention to and management of key ESG issues. Meanwhile, we join hands with multiple partners to jointly explore sustainable development paths and fulfill the Company's sustainable development commitments.

1.2.1 ESG Governance Structure

Cutia Therapeutics has established a scientific ESG governance system, setting up a three-tier ESG governance structure with the Board as the highest decision-making and supervisory body, the ESG Committee established under it as the core, and the ESG Working Group as the execution body, with the Chief Executive Officer serving as the Chairman of the ESG Committee to lead the development of ESG-related work. As the core body, the ESG Committee is responsible for the supervision and advancement of various ESG matters of the Company. The ESG Working Group is jointly composed of various functional departments and acts as the coordination and execution body, responsible for the specific formulation and execution of policies and action plans related to ESG matters, implementing ESG management concepts into all aspects of daily production and operation.

ESG Governance Structure of Cutia Therapeutics



Board Statement

Board Responsibilities

- As the highest decision-making body of Cutia Therapeutics's ESG governance, the Board is responsible for reviewing and approving ESG strategies and policies, assuming overall supervision, guidance, and review responsibilities for work related to ESG matters. The Board authorizes the ESG Committee to formulate ESG management policies, supervise and review the achievement of ESG goals, and regularly identify and manage ESG-related risks. The ESG Committee consists of five members, with the Company's Chief Executive Officer serving as the Chairman of the ESG Committee.

Risk Management

- Cutia Therapeutics regularly identifies ESG risks and conducts assessment work, with the ESG Committee proposing strategic recommendations to the Board regarding the control of relevant risks. The Board is responsible for reviewing risks and materiality related to the Group's daily operations, formulating response strategies in a timely manner, and preventing negative impacts brought by potential risks.

Execution of ESG Affairs

- Cutia Therapeutics has established an ESG Working Group responsible for comprehensively promoting the implementation and execution of the Company's ESG strategies and projects, ensuring the effective execution of various tasks, and improving the Company's overall ESG performance. The ESG Committee regularly reviews ESG work status and progress to continuously improve ESG performance.

Material ESG Issues

- Cutia Therapeutics communicates regularly with stakeholders to promptly respond to their demands. We regularly review and evaluate the materiality matrix; we optimize the Company's ESG strategy by conducting industry analysis and distributing stakeholder questionnaires.

1.2.2 Stakeholder Communication

Cutia Therapeutics has established efficient and diverse communication channels with stakeholders, actively responding to the expectations and demands of key stakeholders such as customers, shareholders and investors, employees, suppliers, government and regulatory authorities, and public welfare and community organizations, and taking their focus points and issues of concern as important factors for the Company's continuous improvement of ESG governance levels, continuously promoting the orderly development of various sustainable development works.

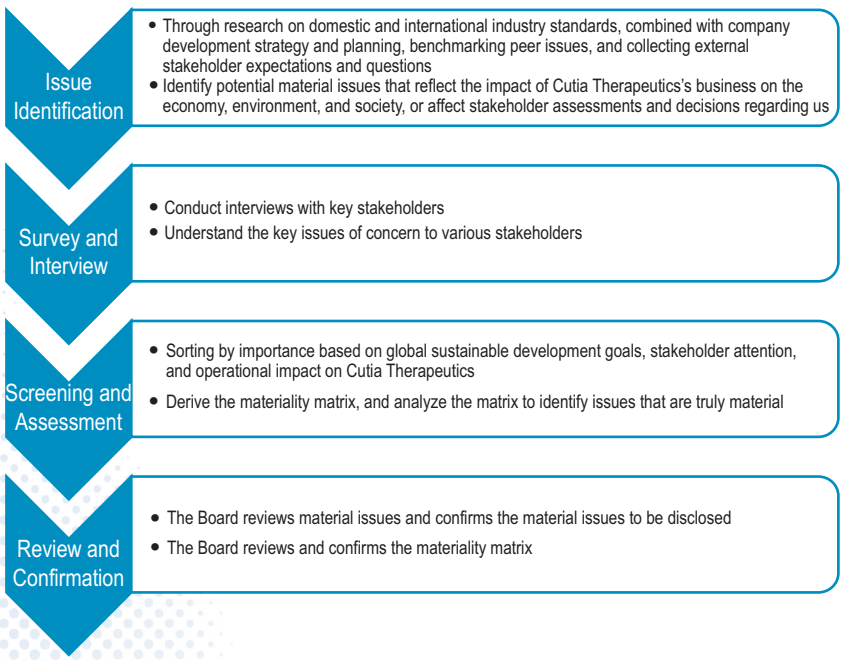
Stakeholder	Key Material Issues of Concern	Company Response	Main Communication Channels
Customers	Compliant Operations R&D Innovation Product Quality and Safety	Product Quality and Safety R&D and Innovation Compliant Operations Responsible Marketing Customer Rights and Privacy Protection	Daily Operations/Exchange Company Website Industry Forums
Shareholders/ Investors	Compliant Operations Anti-corruption and Business Ethics Intellectual Property Protection Community Public Welfare Industry Cooperation and Development	Product Quality and Safety R&D and Innovation Intellectual Property Protection Industry Cooperation and Development Compliant Operations Sustainable Supply Chain Management Emissions Management Resource Management	General Meetings of Shareholders Industry Forums Roadshows Annual Press Conferences Company Website Announcements
Employees	Employee Rights Employee Communication and Care Employee Training and Development Employee Health and Safety	Employee Rights Employee Communication and Care Employee Training and Development Employee Health and Safety	Employee Training Performance Appraisal Exit Interviews Team Building Activities
Suppliers	Anti-corruption and Business Ethics Sustainable Supply Chain Management Industry Cooperation and Development	Sustainable Supply Chain Management	Daily Operations Supplier Management

Stakeholder	Key Material Issues of Concern	Company Response	Main Communication Channels
Government and Regulatory Authorities	Anti-corruption and Business Ethics Compliant Operations Promoting Industry Development Industry Cooperation and Development Resource Management Climate Change and Response Emissions Management	Compliant Operations Emissions Management Resource Management Community Public Welfare Anti-corruption and Business Ethics	Regulatory Communication Industry Conferences Compliance Reporting Communication with Healthcare Departments Professional Forums
Public Welfare Organizations/ Community Organizations	Community Public Welfare Climate Change and Response	Community Public Welfare Climate Change and Response Emissions Management Resource Management Inclusive Healthcare	Community Organizations Public Welfare Activities Seminars

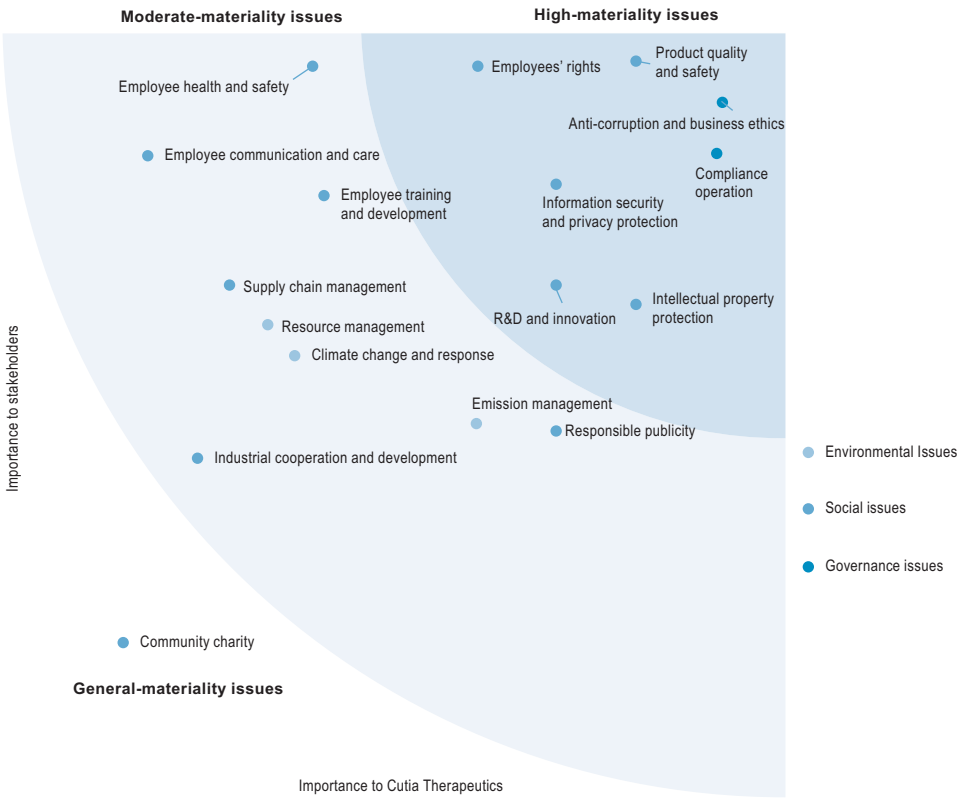
1.2.3 Material ESG Issues

Cutia Therapeutics regularly reviews and evaluates ESG issues, comprehensively considering policy guidelines, industry trends, and internal and external stakeholder concerns, and determining our materiality matrix through questionnaire surveys, peer benchmarking, interviews, etc., to provide guidance for ESG strategic planning. Cutia Therapeutics identified a total of 17 material issues, covering eight highly material issues, eight moderately material issues, and one low materiality issue. During the Reporting Period, the Group's external environment and corporate strategy remained stable, and we made no adjustments after reviewing the materiality matrix.

Cutia Therapeutics' Process for Analysis and Assessment of Material Issues



Materiality Matrix of Cutia Therapeutics



2. Products

Cutia Therapeutics has always taken "To Become A Global Leading R&D-Driven Dermatology Platform" as its vision, focusing on developing innovative and comprehensive solutions in the broad field of dermatology. We always take innovation and quality as our core, and are committed to building a new ecosystem together with industry partners.

2.1 PRODUCT R&D

The Company takes the industry of dermatology treatment and care as its core R&D direction, continuously optimizes and expands its product pipeline, and steadily advances the development layout of innovative drugs. We simultaneously pay attention to global cutting-edge technologies and product dynamics, continuously improve the intellectual property protection system, and build a solid foundation for the Group's long-term innovative development.

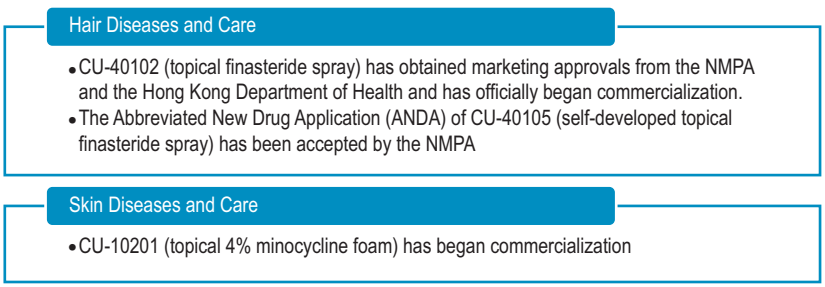
2.1.1 R&D Driven

Cutia Therapeutics continuously explores the application possibilities of innovative technologies and processes, simultaneously advances product portfolio R&D, and deepens the commercialization process of pipeline products.

Product R&D Progress

We possess comprehensive capabilities that are rare in the Chinese dermatology treatment and care market, and are committed to extending these capabilities to every link of the industry value chain. The Company's product line extensively covers multiple fields such as hair diseases and care, skin diseases and care, topical anesthesia, and localized fat accumulation management. During the Reporting Period, multiple product pipelines of the Company achieved significant progress.

Cutia Therapeutics R&D Progress

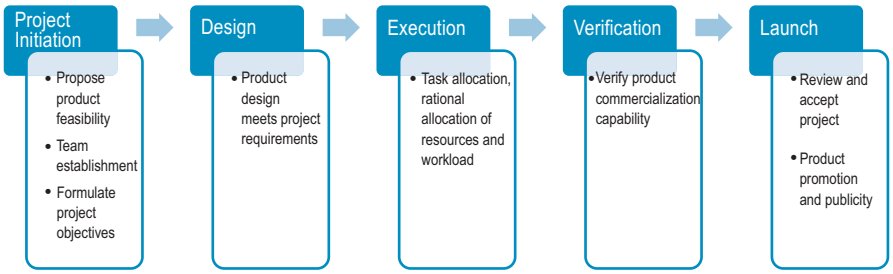


Innovative R&D Management

To systematically advance innovative R&D work and ensure the standardization and efficiency of the product development process, Cutia Therapeutics has formulated and continuously optimized a series of R&D management regulations during the Reporting Period, such as the *Cosmetics New Product R&D Rules*, *6-QP Design and Development Control Procedure*, and *New Drug Development Process Management*, providing a solid institutional guarantee for the smooth implementation of R&D projects.

In the R&D process, the decision-making committee performs review duties at key stages and collaborates with multiple departments and professional modules, integrating standardized process management throughout the entire life cycle of new product R&D projects.

Cutia Therapeutics New Product Development Process



Establishment of R&D Platform

Relying on the unique CATAME® technology platform, Cutia Therapeutics systematically integrates core modules such as Colloidal-Emulsification-Active Encapsulation (CEAE), Aerosol (ARS), Transdermal Drug Delivery (TDD), Active & Formulation Evaluation (AFE), Micro/Nano-Particulates & Self-Assembly (MiSA), and Ex Vivo & Efficacy Evaluation (EVEE), to build a product pipeline covering various formulations such as topical cream, ointment, aerosol, and foam. In 2025, the platform further strengthened its accumulation, with 3 new patents granted throughout the year, and 10 new patent applications submitted.

We have built an integrated testing platform covering active substance discovery, in vitro efficacy evaluation, and human efficacy testing, and through continuous optimization and expansion of platform capabilities, we drive R&D quality improvement and efficiency enhancement with efficient and precise testing technologies, accelerating the drug innovation process.

Building of R&D Team

We possess an experienced R&D team with diverse medical backgrounds, with core members including Masters, PhDs, overseas returnees, and core technical talents. To stimulate the team's continuous research, we established the "President's Star" project, and actively recommend outstanding talents to apply for national, provincial, and district-level awards and scientific research funds such as "Taihu Innovation Talents", while granting special awards to contributors of key R&D nodes and important launch projects. The Company encourages R&D personnel to participate in training organized by authoritative institutions such as the Advanced Research Institute and the Center for Drug Evaluation (CDE) to continuously follow up on regulations and industry dynamics, and organizes multiple R&D quality-related training projects. In addition, we effectively attract, motivate, and retain core talents through a systematic employee incentive plan.

During the year, we upgraded the activity format of the "Cutia Academy of Dermatology", adjusting from thematic seminars to a special seminar mode. The seminars are held every two weeks, focusing on topics such as product development progress, research findings, market research, and innovative ideas; through open and in-depth exchanges, they effectively promoted team knowledge sharing and further enhanced the innovation awareness and professional capabilities of the overall R&D team.

Quality Training for R&D Personnel of Cutia Therapeutics

In 2025, we systematically carried out quality training covering all R&D personnel, with content covering key areas such as quality risk management, data integrity, change control, and interpretation of the *Pharmacopoeia of the People's Republic of China* (2025 Edition). Through a combination of case teaching, system practice, and special seminars, the Company effectively improved the team's compliance awareness and operational capabilities, providing solid support for quality control throughout the R&D process and product lifecycle risk management.

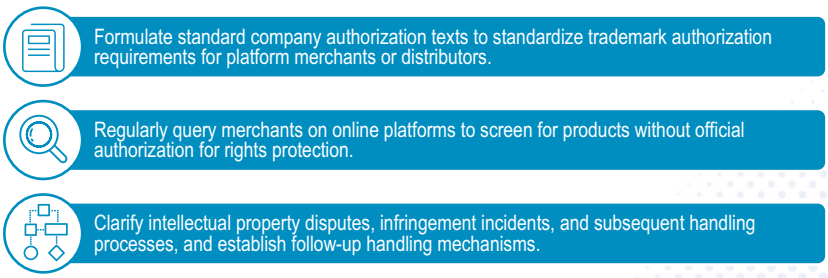
2.1.2 Intellectual Property Protection

Cutia Therapeutics strictly abides by relevant laws and regulations such as the *People's Republic of China Anti-Unfair Competition Law*, the *Patent Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, and the *Trademark Law of the People's Republic of China*, has formulated internal management regulations such as *Measures for the Management of Compliance Risk Reporting*, the *Drug and Medical Device Advertising Compliance Management System*, and the *Intellectual Property Management Measures*, and established a sound intellectual property management system to systematically protect the Company's technological achievements and prevent intellectual property risks.

The Company attaches great importance to intellectual property management and regards it as a core guarantee for promoting innovative R&D. We have established and continuously improved the patent fast-track patent examination filing mechanism, prioritizing key projects for patent applications through the fast track, shortening the cycle from application to authorization to within five months, effectively improving the efficiency of high-value patent layout and enhancing market competitiveness.

We implement whole-process risk control over intellectual property, continuously optimize the intellectual property supervision and management process, and actively safeguard relevant rights and interests. At the same time, the Company systematically enhances the intellectual property protection awareness and team professional capabilities of all employees through regular organization of special training. During the Reporting Period, regarding acts of unauthorized use of our Company's trademarks as trade names, we successfully promoted the relevant enterprises to complete name clearance and rectification, and achieved effective clearance of infringing product links on e-commerce platforms through systematic evidence collection and complaints.

Cutia Therapeutics' Intellectual Property Protection Measures



Intellectual Property Training

During the Reporting Period, Cutia Therapeutics conducted special training on "Patent Infringement Offense and Defense" for the legal team, systematically explaining infringement determination standards, patent invalidation strategies, and practical response techniques. Through typical scenario demonstrations, the Company effectively improved the professional ability to identify risks and actively defend rights in business operations.

2.2 PRODUCT RESPONSIBILITY

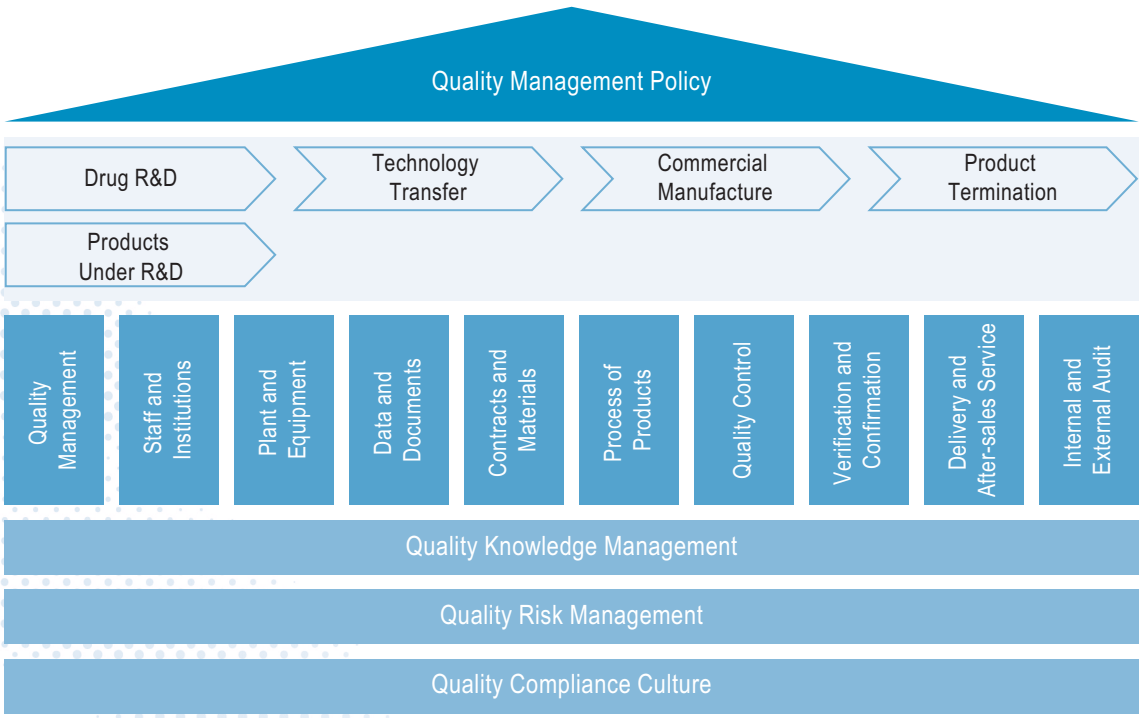
We ensure product quality, monitor drug safety, and strictly observe clinical norms through a complete system spanning R&D, production, and post-marketing surveillance, providing solid protection for the life and health of every user.

2.2.1 Product Quality

Cutia Therapeutics strictly follows national laws and regulations such as the *Drug Administration Law of the People's Republic of China*, the *Administrative Measures for Drug Registration*, and the *Provisions for the Supervision and Administration of Drug Manufacturing*, establishes and improves an internal quality management system with the Quality Manual as the core, and continuously improves key systems such as *Corrective and Preventive Action (CAPA) Management* and *Change Control Management* to ensure the standardized, scientific, and effective operation of the Company's quality processes. At the same time, the Company has established a quality management structure composed of senior management, quality departments of subsidiaries, and functional departments, with clear rights and responsibilities, ensuring the effective implementation and execution of the Company's overall quality management work.

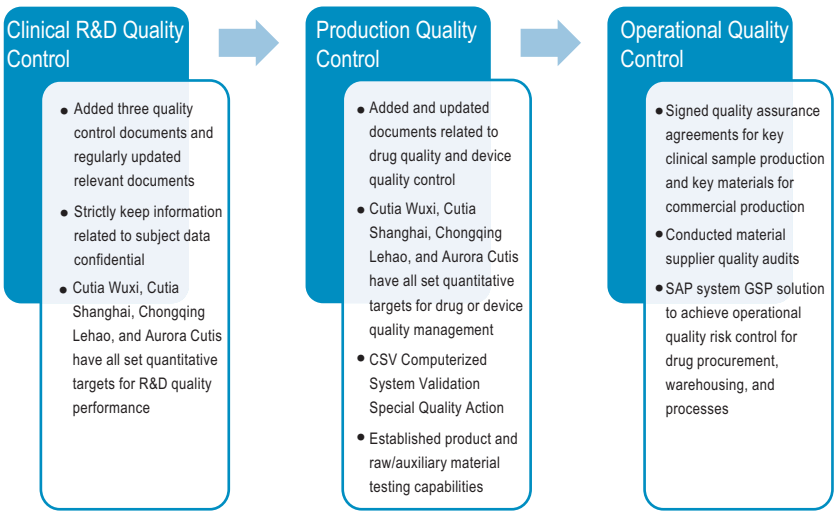
To ensure the quality management system complies with the latest national quality standards, we systematically promoted the update implementation in response to the *Pharmacopoeia of the People's Republic of China* (2025 Edition) through special project management, completed the comprehensive impact assessment and corresponding capacity building for transferred products and their raw and auxiliary materials, packaging materials, process control samples, and system documents, and successfully completed the transition in October 2025.

Cutia Therapeutics Quality Management System



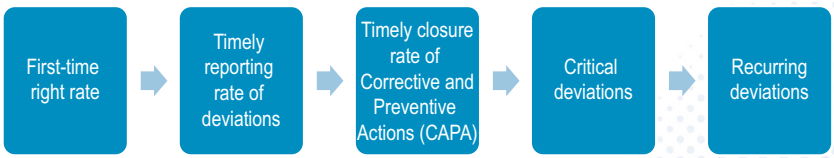
We strictly standardize various operations in accordance with internationally recognized good practice guidelines and regulations (cGxP), systematically build quality management covering the full lifecycle from drug R&D, technology transfer, and commercial production to product discontinuation, and continuously optimize quality management processes to achieve continuous effectiveness and full-process control of quality management.

Cutia Therapeutics Full-Process Product Quality Monitoring



The Company has established a system of quality management objectives and metrics, and through regular monitoring and monthly indicators tracking, continuously assesses quality management progress. During the Reporting Period, each subsidiary dynamically adjusted specific indicators based on business realities. The Company organizes quality management review every six months to comprehensively report goal achievement and management status to senior management, ensuring information transparency and evidence-based decision-making, and formulating quality improvement strategies and action plans for the next stage based on this.

Cutia Therapeutics Quality Measurement Indicator



The process and control design of our commercial-scale GMP production facility constructed in Jiangsu Province comply with the latest GMP requirements. During the Reporting Period, Cutia Wuxi successfully passed the on-site inspection by the Jiangsu Medical Products Administration for the addition of production scope to the *Drug Manufacturing Certificate*, marking a new step for the Company in drug production quality and compliance management, and providing solid assurance for subsequent product commercial supply. In addition, we have built Cutia Therapeutics' first sterile production line during the Reporting Period, with a comprehensive contamination control system and sterility assurance capabilities.

Product Testing and Quality Control

To ensure controllable product quality throughout the entire process, Cutia Therapeutics has established a comprehensive quality management and digital system, covering multiple links such as R&D, production, and operations. During the Reporting Period, we added multiple analytical monitoring instruments to meet the needs of new products and new testing items, enhancing inspection capabilities.

Cutia Therapeutics Construction of Quality Management and Digital System

Laboratory and Quality Management System

- We conduct preventive testing on products and services in the laboratory to discover and eliminate potential quality and safety hazards in advance. At the same time, we conduct comprehensive internal quality inspections on raw materials, excipients, packaging materials, intermediate products, in-process products, and product release required for production, ensuring full-process quality control from the source to release. Currently, we possess comprehensive testing capabilities for multiple types of products and raw and auxiliary materials.

Construction of Digital Management System

- We simultaneously launched a document and training management system in eight sites, achieving centralized compliance management of the document lifecycle and training through project management, deep cross-departmental participation, and supplier collaboration.
- The Cutia Wuxi plant launched the SAP system Sales and Distribution (SD) module to support inventory and sales management of sub-packaged products.
- Chongqing Lehao deployed the Good Supply Practice (GSP) system to achieve electronic management of operational records and controllable processes.

Wuxi Factory Data Integrity Improvement Project

To systematically improve data management compliance, the Company initiated the "Wuxi Factory Data Integrity Improvement Project" in 2025, aiming to establish data integrity assessment procedures, identify and control risks in paper and electronic systems, ensure the data management complies with the Principles of Data Integrity (ALCOA+) and international GMP requirements, and reduce compliance risks.

Quality Audit and Monitoring

To ensure the continuous compliance and effective operation of the quality management system, Cutia Therapeutics conducts internal audits of the quality system covering all business lines every two years, formulates rectification plans for identified issues and tracks their implementation, and clarifies specific responsible persons and the completion time of rectification plans. The Company also accepts external audits from official agencies, business partners, and third parties, improving quality levels through internal and external collaboration. During the Reporting Period, we conducted full-process internal audits covering quality systems at operational sites including Aurora Cutis Cosmetics, the pharmaceutical factory, the device factory, the R&D center, and Chongqing Lehao, and all audit results met the requirements.

To ensure the quality of raw materials and outsourced production, we have established a systematic supplier audit mechanism. The Company's quality audit team audits material suppliers and Contract Manufacturing Organizations (CMOs) according to the annual audit plan, issues reports, and supervises suppliers to complete corresponding rectifications, promoting their continuous compliance with quality requirements. During the Reporting Period, combining the introduction of new products and registration progress, the Company completed quality audits for one key CMO and multiple suppliers of raw materials, excipients, and packaging materials, as well as testing service providers; furthermore, based on the *Pharmacopoeia of the People's Republic of China* (2025 Edition) and its own business needs, the Company newly signed quality assurance agreements with relevant suppliers and service providers.

Quality Culture Construction

Cutia Therapeutics always regards quality culture construction as the core of enterprise development, implementing it through systematic concept promotion, institutional guarantees, and full employee participation. Based on the implementation of training in the previous year, trend reviews in key quality areas, regulatory update dynamics, and business development needs, the Group systematically formulates annual quality training plans to continuously improve the quality training system.

During the Reporting Period, relying on the launched Training Management System (TMS), we fully implemented electronic management of the entire training process in business units including Cutia Wuxi Drugs, Devices, R&D Center, Lehao, and Aurora Cutis. Throughout the year, we conducted various forms of quality training centering on over 60 themes such as GMP basic knowledge, regulatory dynamics, and data integrity, and implemented assessments for all employees, continuously enhancing quality and safety awareness and strengthening compliance execution capabilities.

2.2.2 Pharmacovigilance

To ensure drug safety throughout the entire lifecycle, the Company has established and continuously improved the pharmacovigilance system to systematically monitor, evaluate, and control drug safety risks.

Pharmacovigilance Management System

Cutia Therapeutics has established a sound pharmacovigilance system. We strictly follow national regulations and business realities, and have formulated internal rules and Standard Operating Procedures ("**SOPs**") such as the *Management Measures for Adverse Drug Reaction Reporting and Monitoring* and the *Pharmacovigilance Activity Management System*, ensuring the effective operation of the system through continuous updating and improvement of relevant systems and SOPs.

The Company has set up a professional pharmacovigilance team, whose members all possess pharmaceutical-related backgrounds and relevant experience, fully responsible for clinical trial safety and pharmacovigilance operations. For clinical-stage projects, we conduct annual safety data analysis and generate Development Safety Update Reports (DSUR); for marketed products, we compile Periodic Safety Update Reports (PSUR) or Periodic Benefit-Risk Evaluation Reports (PBRER) based on safety data and changes in benefit-risk characteristics within one or five years according to drug type, and submit them to regulatory authorities through the Pharmaceutical Annual Report.

Pharmacovigilance Audit

To ensure the effectiveness and compliance of the pharmacovigilance system, the Company has established a regular audit mechanism covering internal and external pharmacovigilance-related work based on systems such as the *Internal Audit Management* and *Medical Department Supplier Audit Management*. Among them, the audit frequency for the internal pharmacovigilance system is at least once every two years; the Company commissioned an external third-party team to complete the latest round of audit in 2024, and no significant need for modification or non-compliance was found.

Pharmacovigilance Training

To ensure the professionalism and compliance of pharmacovigilance work, we systematically designed and implemented a three-level pharmacovigilance training process based on internal management systems such as the *Cutia Therapeutics Pharmacovigilance Activity Management System*, *Pharmacovigilance Training Management Process*, and Annual Pharmacovigilance Training Plan. This system conducts differentiated and targeted graded training for personnel of different functions and levels, effectively improving overall pharmacovigilance capabilities and awareness.

Pharmacovigilance Level 1 Training

- **For all company employees (including third-party employees):** All employees must complete the prescribed training on adverse event identification and reporting, and report to the pharmacovigilance team within 24 hours of becoming aware of relevant safety information. Such training is conducted on a monthly basis and updated annually.

Pharmacovigilance Level 2 Training

- **For employees directly facing patients, consumers, or doctors:** For employees in the hotline team, business units, quality management team, and medical department, in addition to Level 1 training, the focus is on training regarding the identification and reporting of adverse events and other safety information; this training is also applicable to third-party partners such as hotline suppliers, customer service contractors, and literature search suppliers.

Pharmacovigilance Level 3 Training

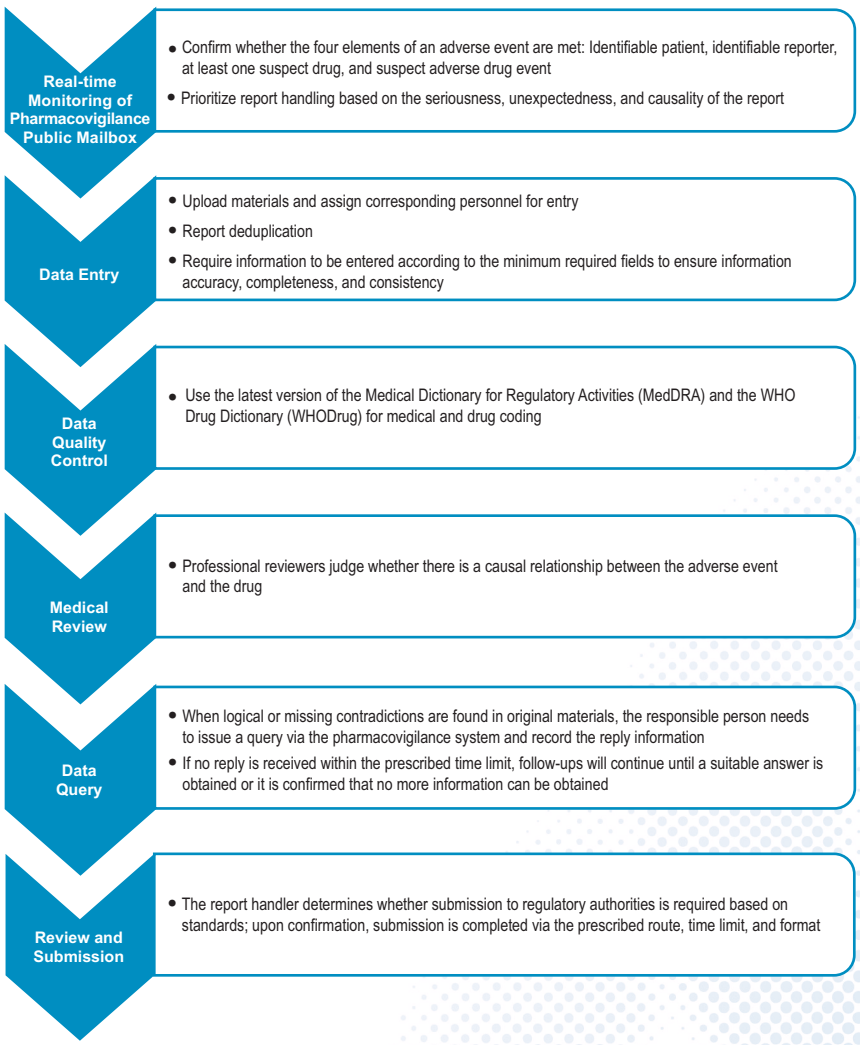
- **For employees dedicated to pharmacovigilance work:** Pharmacovigilance specialists, senior managers, and physicians must be fully trained before being qualified to perform their duties. Training content includes, but is not limited to, laws and regulations and technical guidelines related to pharmacovigilance, standard operating procedures, work guidelines, and professional skills training on adverse reaction monitoring, reporting, analysis, and evaluation.

Adverse Event Handling

To standardize the monitoring, collection, and archiving of adverse events and individual case safety reports, the Company strictly abides by national regulations such as the *Measures for the Reporting and Monitoring of Adverse Drug Reactions of the People's Republic of China*, has formulated internal policies such as the *Pharmacovigilance Activity Management System*, and added special operating procedures such as the *Processing Flow for Individual Case Safety Reports in Medical Device Clinical Trials* and the *Management Process for Group Medical Device Adverse Events* to improve full-process management.

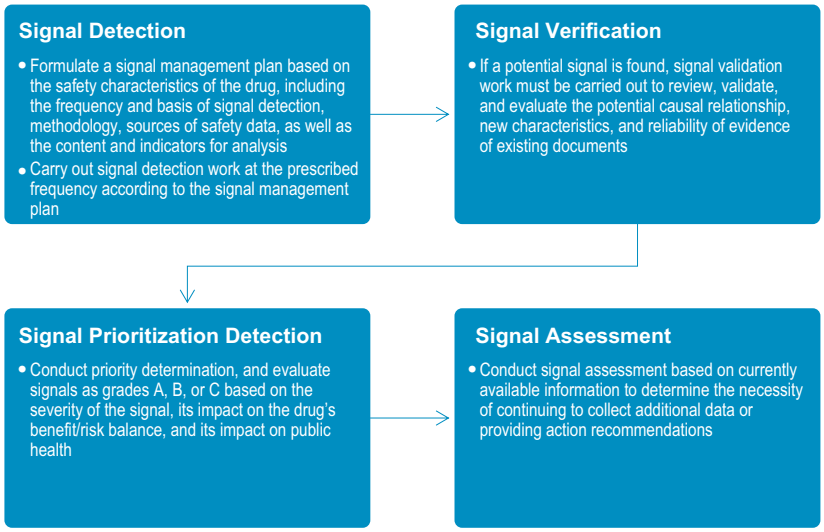
The Company has established a sound adverse event handling process and response mechanism, actively collecting and responding to adverse drug reaction events for each drug. We collect complaints regarding adverse events through multiple channels such as public email, hotlines, partners, distributors, interactive media, commercial platform customer service, literature, safety information from pre-marketing clinical trial projects, and feedback data from regulatory authorities; all information is incorporated into the standard process to ensure timely and professional evaluation and handling.

Cutia Therapeutics Adverse Event Handling Process



Regarding pharmacovigilance responsibilities, Cutia Therapeutics implements differentiated management based on its status as the Marketing Authorization Holder ("**MAH**"). For products where Cutia is not the MAH, if Cutia Therapeutics acts as a distributor, upon receiving an adverse event, it will transfer it to the corresponding MAH in accordance with the Safety Data Exchange Agreement ("**SDEA**"), and the MAH will lead the safety monitoring and risk assessment, with Cutia fulfilling its obligation to cooperate; if acting as the domestic agent, the signed SDEA or Pharmacovigilance Agreement (PVA) shall prevail. Cutia only initiates internal procedures and safety risk assessment processes for adverse drug events of products for which it is the MAH. Currently, the Company has no marketed drugs as an MAH, so the full-process pharmacovigilance procedures for proprietary products have not yet been initiated.

Cutia Therapeutics continues to improve the safety monitoring system. In 2025, we conducted systematic signal management for a certain product based on this process and updated its risk control plan accordingly.



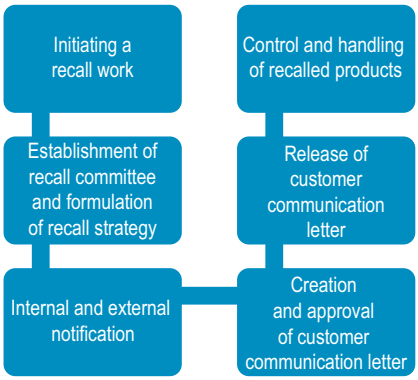
Product Recall

Cutia Therapeutics attaches great importance to drug safety and quality responsibilities, strictly follows relevant regulations such as the *Provisions for Drug Recall Management Measures*, and has formulated and updated internal systems such as the *Cutia Wuxi Drug Recall Management Regulations*, clarifying the specific measures and operational processes to be taken when marketed drugs have quality defects or need to be recalled.

The Company has a professional product quality management and regulatory team that strictly carries out product recall work in accordance with SOPs. We have clarified the specific responsibilities of each department in the recall process, ensuring that upon receiving customer feedback, customer service can immediately report to the quality management team and simultaneously coordinate with customers to arrange product recalls.

During the Reporting Period, Cutia Therapeutics did not experience any product recalls caused by product quality and safety issues.

Cutia Therapeutics Product Recall Process



We manage the product recall process through product recall classification, implementing classification and time limit control based on the degree of product impact, and ensuring timely internal and external communication to minimize the adverse impact of problematic products. After implementing the recall, we isolate and label relevant products, and finally, the quality department collaborates with the Food and Drug Administration to dispose of products requiring destruction in a compliant manner, eliminating environmental risks.

Cutia Therapeutics Hierarchical Recall Management

Class I Recall/Recovery

- Submit the investigation and assessment report and recall plan to the drug regulatory authority for filing within one day
- Notify relevant research centers, business enterprises, and user units to stop sales and use within 24 hours

Class II Recall/Recovery

- Submit the investigation and assessment report and recall plan to the drug regulatory authority for filing within three days
- Notify relevant research centers, business enterprises, and user units to stop sales and use within 48 hours

Class III Recall/Recovery

- Submit the investigation and assessment report and recall plan to the drug regulatory authority for filing within seven days
- Notify relevant research centers, business enterprises, and user units to stop sales and use within 72 hours

To ensure the effectiveness of the recall plan, we regularly organize simulated recall drills, continuously improving the recall plan through the process and results of the mock recall to avoid product recall risks.

Mock Recall Drill for Cosmetics

In June 2025, the Company organized and carried out a simulated recall drill for cosmetics. Upon evaluation, the existing recall process possesses good operability and effectiveness, and the drill process ran smoothly. This drill did not identify any links requiring further optimization.

2.2.3 Clinical Compliance

Cutia Therapeutics has established a sound clinical compliance system, covering all links from clinical trials to marketing approval and post-marketing medical examinations, including clinical trial risk management, subject screening and standardized operations, and clinical drug use standards and safety, comprehensively safeguarding the rights and safety of subjects.

Clinical Trials

We have established a management system covering the entire process of clinical trials, including multiple policies and SOPs such as the *Clinical Trial Management* and *Clinical Trial Agreement Management*, and dynamically update and revise the policies to systematically guarantee the compliant conduct of clinical trials.

In 2025, the Company engaged an independent third party to conduct a special audit of Cutia Therapeutics's Good Clinical Practice (GCP) system, covering key links such as clinical operations, quality assurance, biometrics, and medical science, and no significant control deficiencies or compliance risks were found.

Privacy Protection for Trial Subject

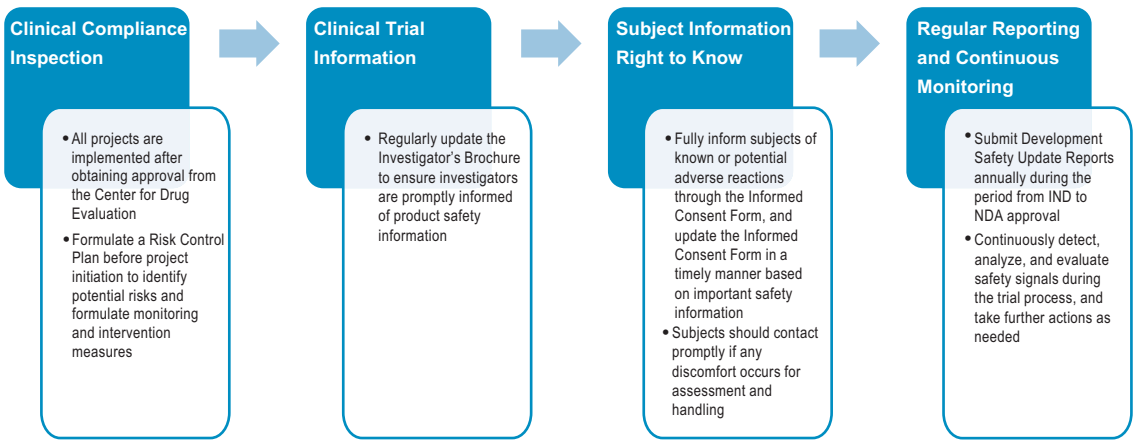
We conduct clinical trials in accordance with international guidelines such as those of the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH), actively obtaining review and approval from the Ethics Committee and following its requirements to ensure that trials are scientific, compliant, and meet ethical requirements. On this basis, the Company further formulated the *Participant Data and Privacy Protection*, systematically standardizing and strengthening the collection, use, and protection of personal data in clinical trials from the levels of systems, processes, and supervision mechanisms.

Cutia Therapeutics Privacy Protection Measures for Trial Subject

Clinical Drug Safety

Cutia Therapeutics has formulated sound SOPs for clinical safety assessment, dedicated to providing safe and reliable drugs to subjects. In accordance with the requirements of the Center for Drug Evaluation (CDE), we formulate risk control plans based on non-clinical safety data, clinical trial safety data, and systematically convey risk information and safeguard subjects' right to know by regularly updating the Investigator's Brochure (IB), Informed Consent Form (ICF), and submitting Development Safety Update Reports (DSUR).

Cutia Therapeutics Clinical Safety Risk Assessment



In 2025, the Company added a series of SOPs to standardize clinical supplier audit work, and conducted introduction audits and annual risk assessments for clinical trial suppliers, with no anomalies found in the audit results.

To guarantee the quality of clinical trials, the Company regularly conducts special training on clinical trials. We formulate a Training Matrix for each project, systematically train team members before initiation and during implementation, and retain complete records to ensure researchers fully master operational norms and key matters.

2.3 PRODUCT SERVICES

We always adhere to a customer-centric philosophy, committed to listening to the voices of customers, safeguarding customer rights and interests, and building long-term trust through sincere service and responsible marketing.

2.3.1 Customer Service

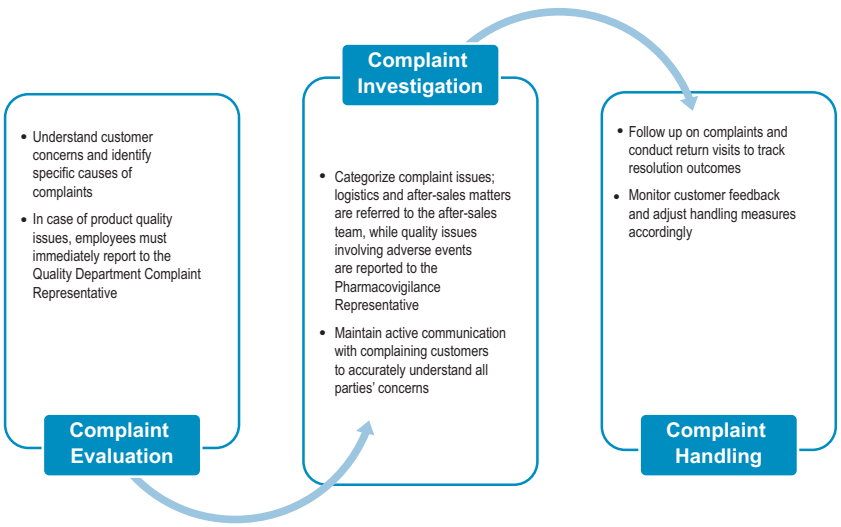
Customer service is the cornerstone of building lasting trust between us and our users. We attach great importance to feedback from every customer, and have established an institutionalized customer complaint response and closed-loop management mechanism to ensure that every opinion can be responded to and properly resolved in a timely manner. At the same time, through regular customer satisfaction surveys, we continuously collect and analyze the voice of users, always committed to providing customers with more professional and reassuring services.

Complaint Handling

We continuously optimize the complaint handling process, dedicated to creating a good service experience for customers. We regulate the customer complaint process for post-market products through the *Management of Product Quality Complaints*, providing transparent and smooth complaint channels such as email and official website messages, and responding in a timely manner.

We continuously optimize the complaint handling process, dedicated to providing customers with a high-quality service experience. In accordance with the *Product Quality Complaint Management*, we have established transparent and smooth complaint channels including email and official website messages, and strictly implement standardized steps such as preliminary assessment, investigation and verification, summary and closure, and reply follow-up for each complaint to ensure timely response and closed-loop handling. During the Reporting Period, a total of six complaint cases occurred at Cutia Therapeutics, all of which were processed in a timely manner, with a complaint resolution rate of 100%.

Cutia Therapeutics Complaint Handling Process



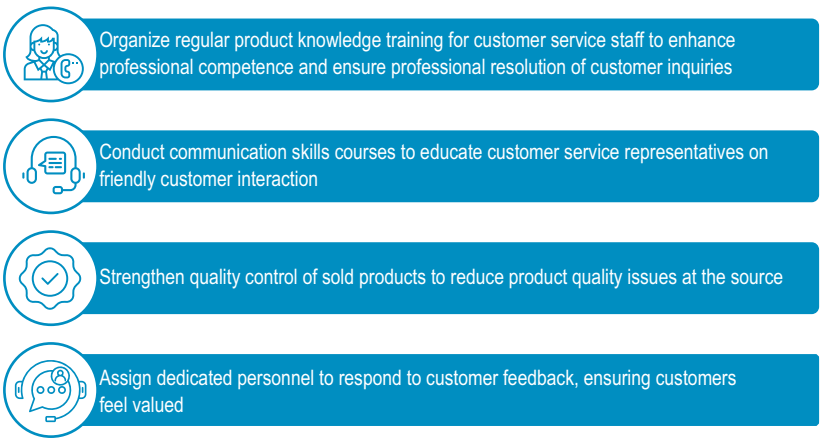
Cutia Therapeutics Tiered Complaint Handling Process

General Complaints	Complaints Involving Adverse Events	Material Quality Complaints or Incidents
• Employees promptly report to the Quality Department Complaint Representative, who performs categorized management and log registration according to grading standards.	• Responsible personnel must report to the Group's Pharmacovigilance Representative within 24 hours.	• The Group must immediately notify the Quality Officer by email, and simultaneously inform relevant departments as appropriate, ensuring serious and timely handling.

Customer Satisfaction Survey

Cutia Therapeutics adheres to a customer-centric approach, continuously enhancing service experience We proactively engage with customer needs and feedback through active communication and timely response To systematically track service effectiveness, the Customer Service Department weekly collects satisfaction data via platform push, conducting special research and analysis on low-scoring items to drive improvement measures, achieving closed-loop management and continuous optimization of service quality

Customer Satisfaction Improvement Measures of Cutia Therapeutics



2.3.2 Compliance Marketing

We strictly comply with the Advertising Law of the People's Republic of China and other relevant laws and regulations, and in accordance with internal policies such as the *Drug and Medical Device Advertising Compliance Management System* and the *Audit and Approval Process for Drug and Medical Device Promotion Materials*, we systematically standardize our marketing practices. We strictly prohibit false advertising, improper promotions, and any form of bribery, comprehensively ensuring that all marketing activities are legal and compliant.

We have established a compliant marketing management system covering the "entire channel and whole process," strictly adhering to the "review-before-release" principle. Following SOPs, we conduct unified reviews of all external information, including advertising materials, product labels, e-commerce detail pages, and social media content. Through systematic controls, we mitigate marketing compliance risks such as the illegal release of prescription drug advertisements, commercial bribery, false advertising, and monopolistic practices across both online and offline channels.

Cutia Therapeutics Marketing Management Initiatives

Online Management

- All product pages on our proprietary e-commerce platforms (Tmall, JD.com, etc.) and short video scripts require pre-review by the compliance team
- Content published on self-media platforms (e.g., Bilibili, Xiaohongshu) is subject to confirmation by the brand process compliance team to eliminate exaggerated claims or misleading expressions
- An online sentiment monitoring mechanism is established to screen for promotional risks

Offline Management

- Academic promotion activities strictly follow relevant policies, prohibiting the provision of improper benefits to healthcare professionals
- Printed materials such as product labels, instructions, and promotional brochures are produced strictly in accordance with approved registration documents, with regular spot checks on end-use implementation
- All offline activities (e.g., hair follicle tests, health talks) are equipped with standardized script manuals to ensure scientific and accurate information delivery

Cutia Therapeutics systematically strengthens the compliant marketing awareness of all employees through layered and categorized special training. Training specifically includes knowledge explanations and case studies, continuously deepening employees' understanding of the importance of compliance, promoting the internalization of compliance requirements into daily behavior, and jointly safeguarding the company's reputation and image.

Compliant Marketing Training	Monthly Compliance Advocacy Training for New Employees
	Key Points for Cosmetic Advertising Compliance
	Key Points for Pharmaceutical and Medical Device Advertising Compliance
	Review and Approval of Pharmaceutical and Medical Device Promotional Materials

3. Environmental

Cutia Therapeutics upholds the concept of green development, continuously improves the environmental management system, and proactively identifies and actively responds to climate change risks and opportunities. We strengthen the recycling of water resources and packaging material management, strictly implement compliant disposal of pollutants, achieve a win-win situation for corporate economic and environmental benefits, and promote green, low-carbon, and sustainable development of the enterprise.

3.1 ADDRESSING CLIMATE CHANGE

Cutia Therapeutics actively addresses climate change, identifies and responds to climate-related risks and opportunities, integrates the low-carbon development philosophy into corporate strategy and daily operations, and is committed to reducing its environmental footprint through systematic management, contributing to global climate governance.

3.1.1 Governance

Cutia Therapeutics has established a three-tier ESG governance structure with the Board as the highest supervisory body, the ESG Committee as the core coordination body, and the ESG Working Group for execution, systematically integrating climate change issues into corporate ESG governance and orderly advancing work related to addressing climate change. For details on the specific governance structure, please refer to the section "1.2 ESG Governance" in this Report.

3.1.2 Strategy

The Group attaches great importance to the potential impact of climate-related risks and opportunities on strategy and finance, and actively applies scenario analysis methods, combining short-, medium-, and long-term business development plans, policy guidance, and the macro environment to assess financial performance and the impact of climate risks and opportunities on the Company's finances under different temperature rise and policy scenarios.

For physical risks, we selected the Intergovernmental Panel on Climate Change (IPCC) Shared Socioeconomic Pathways SSP2-4.5 and SSP5-8.5 for analysis. For transition risks, we selected the International Energy Agency (IEA) Net Zero Emissions (NZE) scenario and the Announced Pledges Scenario (APS) for analysis.[1]

[1] This climate risk and opportunity assessment focuses on the Group's manufacturing segment, as risks and opportunities related to office premises are negligible. During the Reporting Period, the Group's large-scale manufacturing was concentrated at the Cutia Wuxi plant in Wuxi City, Jiangsu Province; therefore, this assessment focuses on the Cutia Wuxi plant.

Scenario Hypotheses	Climate Scenario	Scenario Description
Physical Risks	SSP2-4.5	SSP2-4.5 is an intermediate emissions scenario, which envisages the implementation of some emission reduction measures, but global greenhouse gas emissions would still peak around the middle of this century and then gradually decline. Under this scenario, the global average temperature rise is projected to reach approximately 2.4°C to 3.0°C by 2100.
	SSP5-8.5	SSP5-8.5 is a high emissions scenario, also known as the "business-as-usual" scenario, which assumes no additional emission reduction measures are taken in the future to limit greenhouse gas emissions. Under this scenario, global greenhouse gas emissions will continue to grow.
Transition Risk	NZE	This scenario designs a narrow path that is technically feasible and cost-effective, aiming to achieve net zero carbon dioxide emissions from global energy and industrial processes by 2050 and stabilize global temperature rise within 1.5°C.
	APS	The Announced Pledges Scenario (APS) represents a future energy and emissions development path based on the climate policies and pledges already announced by national governments. This scenario considers the impact of policy pledges on energy demand, prices, and emissions.

During the Reporting Period, Cutia Therapeutics systematically identified physical risks and transition risks that the Company might face in its operations, referring to the climate-related disclosure requirements in Part D of the *Environmental, Social and Governance Reporting Code* of the Hong Kong Stock Exchange. We analyzed the likelihood and degree of impact of climate risks from three time dimensions: short-term (1 year), medium-term (2-3 years), and long-term (over 3 years).

Risk/ Opportunity No.	Climate Risk/ Opportunity Category	Climate Risk/ Opportunity Type	Name of Risk/ Opportunity in 2025	Impact of Climate Risk/ Opportunity on Cutia Therapeutics	Likelihood		Degree of Impact	
					SSP 2-4.5/ APS	SSP 5-8.5/ NZE	SSP 2-4.5/ APS	SSP 5-8.5/ NZE
1	Physical Risks	Acute Risk	Extreme Heat and Cold Waves	With the rising frequency of global maximum temperatures and extreme high-temperature events caused by climate change, shortages in energy supplies such as electricity or water resources may occur. On one hand, extreme heat or cold waves may cause increased operating costs for running air conditioning or backup generators, and passive upgrades of water treatment equipment and technology or production suspensions due to water shortages, leading to increased operating costs and reduced revenue; on the other hand, cold waves or heat waves may increase the severity and scope of diseases such as cardiovascular diseases, malaria, or heatstroke, leading to increased labor costs.	Low	Low	Low	Medium
2			Floods, Hurricanes, Typhoons, and Wildfires	Natural disasters (such as typhoons and floods) may cause asset losses and equipment damage to the Company, requiring additional capital expenditures (such as maintenance, repairs, relocation, insurance costs, etc.) to maintain assets. Meanwhile, an increase in the frequency of floods or rainstorms may lead to interruption or delay of production processes (such as damage or repair of production equipment, shortage of freshwater supply, etc.), as well as interruption of product supply and distribution (such as delayed delivery of raw materials or products to production bases).	Low	Low	Low	Low
3		Chronic Risk	Sea Level Rise	Sea level rise will impact flood control facilities or inundate low-lying coastal lands, threatening infrastructure and facility assets at some of the Company's coastal operation sites. Meanwhile, seawater backflow or saltwater intrusion may cause water scarcity in coastal plant areas, thereby affecting the production and operation of factories in coastal regions.	Low	Low	Low	Low
4			Rising Average Temperatures	Sea level rise will impact flood control facilities or inundate low-lying coastal lands, threatening infrastructure and facility assets at some of the Company's coastal operation sites. Meanwhile, seawater backflow or saltwater intrusion may cause water scarcity in coastal plant areas, thereby affecting the production and operation of factories in coastal regions.	Low	Low	Low	Medium

Risk/ Opportunity No.	Climate Risk/ Opportunity Category	Climate Risk/ Opportunity Type	Name of Risk/ Opportunity in 2025	Impact of Climate Risk/ Opportunity on Cutia Therapeutics	Likelihood		Degree of Impact	
					SSP 2-4.5/ APS	SSP 5-8.5/ NZE	SSP 2-4.5/ APS	SSP 5-8.5/ NZE
5	Transition Risk	Policy and Legal	Impact of Carbon Pricing Mechanisms and Carbon Tax Policies	With the continuous improvement of domestic regulations regarding carbon emissions and carbon trading, the Company may be mandatorily included in the carbon trading market in the future, and carbon prices may rise, requiring additional resources to keep up with regulatory changes.	Low	Low	Low	Low
6			Increased Environmental Requirements and Regulation for Existing Products	With the continuous increase in requirements for product lifecycle environmental compliance domestically and internationally, and the increasingly strict regulatory system, the Company needs to actively monitor and respond to constantly refining environmental standards and regulatory dynamics to ensure products comply with the latest regulatory frameworks during production and operation, avoiding compliance risks and increased operating costs caused by policy changes.	Low	Medium	Low	Medium
7		Technology	Costs of Transition to Low-carbon Emission Technologies	Extensively applying green technologies (including green design, automated production, energy-saving equipment, green process application) to replace current high-energy-consumption and high-emission production and operation models to reduce environmental impact.	Low	Low	Low	Low
8		Market	Rising Raw Material Costs	The yield and quality of raw materials for the Company's products may be affected by factors such as extreme weather, pests and diseases, and energy shortages, resulting in insufficient raw material supply and rising prices, thereby leading to increased production costs for the Group. Meanwhile, extreme weather events exacerbate supply chain instability, posing stock-out risks and driving up the Company's procurement costs.	Low	Low	Low	Low
9			Changes in Customer Behavior	Loss of Orders and Reduction in Revenue due to Insufficient Disclosure of Carbon Neutrality Goals and Data	Low	Low	Low	Low
10		Reputation	Stakeholder Concern and Negative Feedback	Stakeholders (including customers, employees, investors, and shareholders) are paying increasing attention to corporate ESG and climate change information; poor performance may affect corporate market reputation and reduce company value	Low	Low	Low	Low
11	Opportunities	Resource Utilization	Improving Resource Utilization Efficiency	Improvements in resource allocation and usage efficiency, as well as process innovation, will help the Company reduce operating costs and have a positive impact on the Company	Low	Low	Low	Low

Risk/ Opportunity No.	Climate Risk/ Opportunity Category	Climate Risk/ Opportunity Type	Name of Risk/ Opportunity in 2025	Impact of Climate Risk/ Opportunity on Cutia Therapeutics	Likelihood		Degree of Impact	
					SSP 2-4.5/ APS	SSP 5-8.5/ NZE	SSP 2-4.5/ APS	SSP 5-8.5/ NZE
12		Energy Source	Energy Substitution and Application of New Technologies	Adopting more efficient energy management methods and increasing the proportion of clean energy use can not only improve comprehensive energy utilization efficiency and effectively control costs, but also investment in and application of renewable energy can help the Company generate energy benefits on the basis of energy conservation and consumption reduction, providing the Company with more diversified measures to reduce operating costs	Low	Low	Low	Low

Risks and opportunities brought by climate change are increasingly becoming key factors affecting corporate operations and strategic decision-making. Based on the results of this year's climate scenario analysis, we have conducted a quantitative assessment of relevant climate risks and opportunities that may materially impact Cutia Therapeutics's financial condition.

Physical Risks	Extreme Heat Risk, Typhoon Risk, Flood Risk
Quantification Method	Based on the actual geographical location and climate characteristics of each operating site, the Group referred to climate change risk assessment databases such as the World Resources Institute (WRI) to calculate the annualized fixed asset loss ratio or annualized productivity loss ratio caused by climate physical risks to the operating sites.
Quantification Results	The following physical risks do not constitute a significant financial impact on Cutia Therapeutics in the current period.

Under both the SSP2-4.5 and SSP5-8.5 scenarios, our analysis indicates that the annualized fixed asset loss ratio or annualized productivity loss ratio potentially caused by various climate physical risks and opportunities to Cutia Therapeutics in the short, medium, and long term is low.

During the Reporting Period, climate transition risks and opportunities did not have a significant financial impact on Cutia Therapeutics; meanwhile, according to the climate scenario analysis, under the NZE scenario, with increasing global attention to climate change issues and the combined effect of multiple factors such as tightening policies, shifting market preferences, technological iteration, and reputational impact, the potential degree of impact of climate-related transition risks on Cutia Therapeutics may rise to a medium level in the long term.

To more effectively address the transition risks and opportunities brought by climate change, Cutia Therapeutics has carried out a series of energy management measures. Cutia Therapeutics strictly abides by laws and regulations such as the *Energy Conservation Law of the People's Republic of China*, carries out energy conservation and emission reduction work, optimizes production processes, improves energy usage efficiency, and reduces greenhouse gas emissions. During the Reporting Period, we continued to prioritize energy conservation and efficiency improvement as our key development direction, ranging from intelligent energy supervision and management systems to energy-saving process retrofits, so as to achieve sustainable development goals.

Energy Management Measures of Cutia Therapeutics

Equipment Upgrades and Retrofits

- Improving the operational stability of equipment motors by adjusting control system parameters
- Optimizing group control of cooling towers and chillers to enhance the operating efficiency of the cooling system
- Improving lighting switch modes and optimizing lighting duration to achieve energy conservation and consumption reduction

Intelligent Control

- Installing metering instruments and on-site sensors to monitor the operating load of chillers in real time
- Using environmentally friendly refrigerants, LED lighting, and selecting advanced energy-saving equipment, and achieving lights-off when people leave through sensor devices to reduce electricity consumption
- Monitoring energy consumption data through remote environmental temperature and humidity and clean area pressure detection systems (EMS) and energy metering and control systems (BMS) to facilitate real-time parameter adjustments
- Adopting time-program automatic control for air conditioning operating times, automatically stopping air conditioning during non-working hours and when outdoor weather is below 35 degrees, independently controlling temperatures in key rooms, and reducing unnecessary energy consumption through zoned independent temperature control + meteorological condition-linked start/stop

Improvement of Management Efficiency

- Adjusting the operation mode of two dryers running simultaneously to alternating operation, and confirming after 60 consecutive days of monitoring that it meets the requirements for air humidity usage

Procurement of Clean Electricity

- Actively responding to national electricity policies, proactively connecting with power supply departments to procure clean energy such as wind power, and promoting the optimization of the electricity consumption structure.

Cutia Therapeutics deeply implements the concept of energy conservation and emission reduction, and systematically advances energy-saving technical retrofitting work under the guidance of lean management principles. We focus on tapping into energy-saving potential in every minute aspect of daily operations, continuously improving energy utilization efficiency, and effectively reducing carbon emission levels.

Cutia Therapeutics' Procurement of Wind Power

During the Reporting Period, Cutia Therapeutics actively responded to national green electricity policies, proactively negotiated and connected with power supply departments to promote the optimization of the enterprise's electricity consumption structure. By adjusting electricity procurement from unified dispatch via the conventional grid to direct supply from designated wind power projects under contract, the Company successfully obtained green electricity preferences. During the Reporting Period, the Company saved approximately RMB180,000 in electricity procurement costs cumulatively through the procurement of wind power.

Green Office

Cutia Therapeutics actively promotes green office practices, advocates for employees to practice green travel and paperless office work, and reduces the use of bottled water and disposable paper cups in daily operations. At the same time, the Company continuously carries out energy conservation publicity and environmental protection themed activities, continuously enhancing the environmental awareness and action consciousness of all employees.

Cutia Therapeutics' Green Office Measures

Full Utilization of Paper

- Printer programs automatically count the number of paper prints by each department to eliminate waste. Advocate double-sided printing of documents and materials to make full use of paper.

Paperless Office

- Implement paperless office, use electronic documents, emails, electronic signatures, etc., for information transmission and approval processes to minimize paper use and the resulting carbon emissions

Reduce the Use of Disposable Consumables

- Configure disinfection cabinets in offices and fully promote reusable water cups to reduce the consumption of bottled water and paper cups during visitor reception, thereby reducing the usage of plastic products and helping to reduce carbon emissions

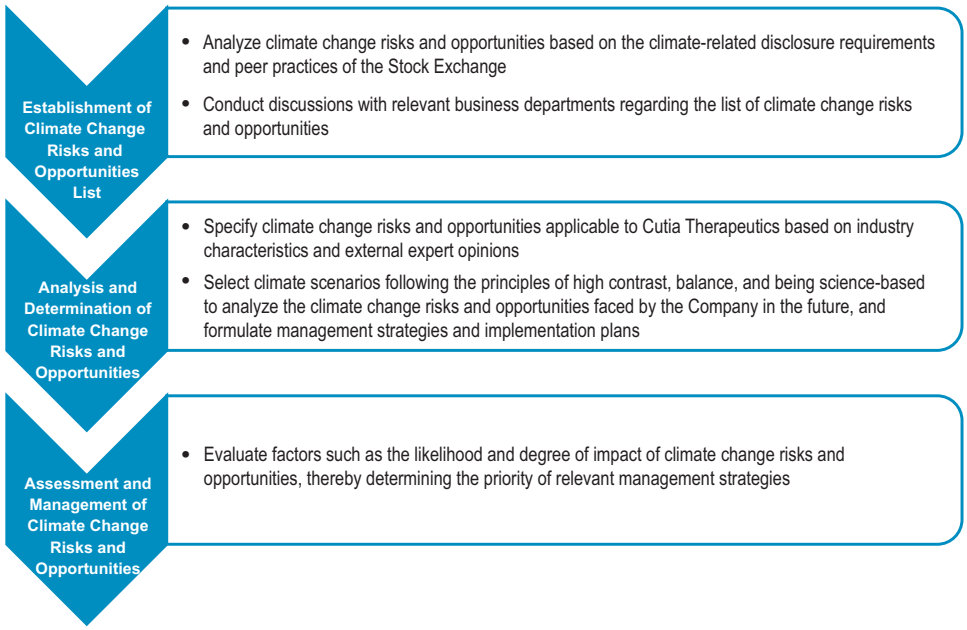
Energy Conservation Promotion

- Before legal holidays, Cutia Therapeutics sends low-carbon holiday tips to all employees, proposing that employees turn off electrical appliances in office areas and cut off power to instruments and equipment that do not need to operate during the holiday before leaving the factory, doing their part for energy conservation and environmental protection, and improving employees' environmental awareness.

3.1.3 Risk Management

Cutia Therapeutics integrates climate-related risks into its overall risk management system by combining international mainstream risk management guidelines and frameworks. We identify a list of potential climate risks based on relevant policies issued by regulatory authorities, peer benchmarking, and external information retrieval, evaluate the expected time horizon of risk occurrence and the degree of potential impact, and jointly discuss and formulate mitigation measures with relevant business departments based on the climate risk assessment results.

Cutia Therapeutics' Climate Change Risk Management Process



3.1.4 Metrics and Targets

Cutia Therapeutics regards addressing climate change and promoting low-carbon transformation as a key path to achieving corporate sustainable development. To actively respond to global climate action initiatives, during the Reporting Period, we set a target to reduce greenhouse gas emission intensity by 7% by 2030, using 2025 as the base year.[2] We support the development of low-carbon energy, regularly monitor energy consumption and greenhouse gas emission data, carry out corresponding work targeting the achievement of goals, and implement a series of measures for energy conservation, emission reduction, and improvement of resource utilization rates.

We continuously track the direct and indirect greenhouse gas emissions of Cutia Therapeutics. During the Reporting Period, the total Scope 1 and Scope 2 greenhouse gas emissions of Cutia Therapeutics were 3,197.5 tCO_2e, and the greenhouse gas emission intensity (Scope 1 and Scope 2) was 0.10 tCO_2e/RMB10,000.

Cutia Therapeutics officially calculated and disclosed Scope 3 emissions for the first time during the Reporting Period. During the Reporting Period, the Scope 3 greenhouse gas emissions of Cutia Therapeutics were 15,050.0 tCO_2e.

3.2 ENVIRONMENTAL MANAGEMENT

Cutia Therapeutics strictly abides by relevant laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, *Water Pollution Prevention and Control Law of the People's Republic of China*, and the *Law of the People's Republic of China on Environmental Impact Assessment*, and has formulated and implemented a series of environmental management systems such as the *Environmental Impact Assessment System*, the "Three Simultaneities" System, and the *Pollutant Discharge Registration System*, comprehensively guaranteeing the compliance of environmental management. To standardize the Group's environmental management, during the Reporting Period, the Group formulated and implemented the *Environmental Risk Prevention and Control Management System*, comprehensively standardizing aspects such as environmental management of construction projects, pollutant discharge, energy conservation and emission reduction, and emergency response to environmental emergencies.

The Group has established a sound environmental management system to systematically identify, assess, and manage various environmental risks related to business operations. The Company has formulated and implemented emergency plans such as the *Cutia Wuxi Emergency Response Procedures*, established a complete environmental risk emergency management system, strictly implemented various environmental risk prevention and mitigation measures, and ensured the compliance and standardization of all business activities. During the Reporting Period, Cutia Therapeutics did not experience any environmental penalties or violations.

In addition, the Company actively carries out environmental emergency drills to strengthen prior prevention. In 2025, the Group organized emergency drills targeting environmental emergencies involving waste liquid leakage in temporary waste storage rooms for the EHS department and EHS coordinators of relevant departments, effectively improving the Company's response and disposal capabilities for environmental emergencies.

[2] The Group comprehensively considers key factors such as the product commercialization process, market sales performance, and future capacity layout, and regularly conducts dynamic reviews and updates of relevant targets.

3.3 RESOURCE MANAGEMENT

Cutia Therapeutics regards resource management as a key task for corporate sustainable development. The Group is committed to optimizing resource usage efficiency, actively promoting recycling models while strictly controlling resource consumption, deeply practicing the concept of sustainable development, and continuously reducing the impact of company operations on the environment.

3.3.1 Water Resources Management

Cutia Therapeutics strictly abides by water resources protection laws and regulations such as the *Water Law of the People's Republic of China*, systematically improves water resource utilization efficiency and strengthens recycling through multiple measures such as promoting water-saving technologies, optimizing water usage processes, and constructing reclaimed water reuse systems, practicing water conservation and protection with concrete actions.

Improvement of Water Usage Efficiency	Water Resource Reuse
• **Process Optimization:** Improve the operating efficiency of purified water and soft water by adjusting the regeneration time of purified water and soft water resins and using ultrafiltration membrane water purification technology in the water treatment process • **Management Optimization:** Improve the usage efficiency of the hot water system by adjusting the operating time and operating parameters of the hot water system • **Equipment Optimization:** Optimize the cooling water make-up pipeline to allow chemicals to dissolve better throughout the cooling water system, improving the heat exchange efficiency of the cooling tower	• **Air Conditioning Condensate Water Recovery:** Install automatic air conditioning condensate water recovery devices and steam condensate water recovery devices, collect air conditioning condensate water that was originally discharged directly by adding water tanks, and import the collected water resources into cooling towers through water pumps for reuse • **Purified Water System Retrofit:** Retrofitted the drainage pipeline of the purified water system and added a drainage tank, recovering and reusing the discharged water from the system, saving water resources while effectively reducing the energy consumption of wastewater treatment

All water used by Cutia Therapeutics in the production and operation process comes from the municipal water supply system. In 2025, the Group actively promoted the retrofitting of water-saving equipment and achieved water resource reuse of over 1,574.80 tons through measures such as recycling. Cutia Therapeutics persists in the compliant procurement and use of water resources according to law; during the Reporting Period, the Group did not experience any water shortage or violation of water resource use incidents.

Cutia Therapeutics's Clean Water Recycling Retrofit

To improve resource utilization efficiency, the Group carried out a technical retrofit of the purified water distribution system, recovering clean water that was originally discharged into the sewage station during disinfection and sterilization of water for injection stages, and recycling it for the factory's steam system. This initiative not only effectively reduced purified water consumption and sewage treatment load in the plant area but also significantly saved operating costs, achieving multiple benefits of water conservation, quality improvement, and consumption reduction. During the Reporting Period, this retrofit project cumulatively saved 4,474 tons of tap water and reduced sewage treatment volume by 4,261 tons.

3.3.2 Packaging Material Management

Cutia Therapeutics upholds the green and low-carbon sustainable development philosophy, adhering to the principles of compliance first and source control in product packaging management. The Group actively responds to and complies with the *Opinions on Further Strengthening the Treatment of Plastic Pollution*, continuously strengthening packaging material management requirements for supplier partners, comprehensively promoting packaging reduction and green substitution under the premise of meeting functionality, and practicing corporate environmental responsibility with concrete actions.

3.4 EMISSIONS MANAGEMENT

Cutia Therapeutics strictly abides by the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, and the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, systematically carrying out emissions management and earnestly fulfilling corporate environmental responsibility. We have established and improved treatment processes for exhaust gas, wastewater, and hazardous waste, and through process optimization and recycling, we minimize the impact of various emissions on the environment, providing a solid guarantee for the sustainable development of the enterprise.

3.4.1 Wastewater Management

Sewage generated during the production and operation of the Group mainly includes production wastewater and domestic sewage. We strictly follow the principles of "rain-sewage separation and classified treatment," using self-built sewage treatment facilities to pre-treat various types of sewage; after ensuring they meet relevant discharge concentration limit standards, they are discharged into designated municipal pipe networks for subsequent advanced treatment by regional sewage treatment units, ultimately achieving compliant discharge. During the Reporting Period, there was no instance of Cutia Therapeutics directly discharging sewage into natural water bodies such as surface water, groundwater, or seawater.

Regarding the sewage treatment process, we adopt a multi-stage high-efficiency combined process including coagulation air flotation, anaerobic treatment, anoxic treatment, aerobic treatment, and Membrane Bioreactor (MBR) technology, effectively removing key pollutants in wastewater such as Chemical Oxygen Demand (COD), Total Nitrogen, Total Phosphorus, and Ammonia Nitrogen, ensuring that all effluent stably meets national and local discharge standard requirements.

Cutia Therapeutics' Wastewater Management Measures

Maintenance of Sewage Treatment Facilities

- The Engineering Department regularly inspects, maintains, and services sewage treatment facilities to ensure normal operation. Maintenance personnel are specially trained and familiar with sewage treatment processes and equipment operations.

Online Real-time Water Quality Monitoring

- According to the requirements of government environmental protection regulatory authorities, online water quality monitoring system devices are installed to conduct real-time monitoring of the effluent quality of the sewage treatment system.
- Monitoring information is uploaded to the Wuxi Municipal Sewage Monitoring Platform in real-time, and dedicated personnel inspect it daily.

Daily Operation and Maintenance of Monitoring System

- The Group entrusts a third-party unit to operate and maintain the water quality monitoring system; the Engineering Department supervises the daily operation and maintenance of the third-party operating unit and tracks and manages the monitoring data transmission status.

Emergency Management for Excessive Water Quality

- If excessive discharge of wastewater is discovered, the Engineering Department immediately takes emergency measures to identify the cause and carry out rectification.

3.4.2 Exhaust Gas Management

Atmospheric pollutants generated during the production process of Cutia Therapeutics mainly include nitrogen oxides, sulfur dioxide, and soot particles emitted during the full or incomplete combustion process of boilers, as well as various organized and unorganized emissions of Volatile Organic Compounds (VOCs) generated in production segments. On the basis of ensuring full compliance of exhaust gas emissions, the Group continuously explores more efficient and cleaner exhaust gas treatment paths.

To minimize the impact on the environment, the Group has adopted a series of emission reduction measures to comprehensively collect and centrally treat production exhaust gas, achieving organized compliant discharge. For process exhaust gas, we focus on strengthening the organized collection system and discharging after effective treatment according to national norms; for exhaust gas containing particulate matter, non-methane total hydrocarbons, and other harmful substances generated during the experimental process, after collection and filtration, secondary activated carbon adsorption devices are used for advanced treatment, significantly reducing the final emission amount of pollutants and effectively mitigating the impact on the atmospheric environment.

Cutia Therapeutics' Exhaust Gas Treatment Process

3.4.3 Waste Management

Cutia Therapeutics has formulated internal systems such as the *Solid Waste Management System and the Responsibility System for Prevention* and *Control of Hazardous Waste Pollution, clarifying the full-process management requirements* for various types of solid waste, especially hazardous waste, systematically standardizing internal operations, and effectively reducing environmental pollution risks.

Regarding non-hazardous waste, the Company actively promotes waste reduction, resource utilization, and harmless treatment. General waste with recycling value is entrusted to qualified units for recycling; general waste without recycling value is uniformly collected and disposed of by qualified units such as local municipal sanitation departments.

Regarding hazardous waste, the Company has set up a dedicated hazardous waste warehouse and implemented pollution prevention measures such as rain protection, seepage prevention, leakage prevention, dispersion prevention, and loss prevention, while storing it in dedicated hazardous chemical storage cabinets by category based on waste properties. The Group entrusts third-party professional institutions with corresponding treatment qualifications to dispose of hazardous waste in a legal and compliant manner, ensuring that all hazardous waste is managed and disposed of in a compliant, safe, and efficient manner.

Hazardous Waste Classification and Treatment Process

Chemical Laboratory	Strong Acid and Strong Alkali Hazardous Substances

- For strong acid and strong alkali hazardous substances in the laboratory, we conduct neutralization treatment in advance to ensure they are weakly acidic before referring to the hazardous waste disposal process for unified treatment.

Microbiology Laboratory	Bacteria-Carrying Waste

- For bacteria-carrying waste generated in the microbiology laboratory, we require that such waste undergo effective sterilization in the laboratory before being treated as hazardous waste.

Production and Operation Activities	Hazardous Waste

- For all hazardous waste generated during production and operation activities, we entrust units with hazardous waste disposal qualifications to conduct safe treatment, and handle the approval procedures for the transfer and disposal of hazardous waste in accordance with regulations.

The Group attaches importance to enhancing employees' awareness of waste management and actively cultivates a green operation culture. We conduct waste management training on an irregular basis, covering hazardous waste-related laws and regulations, classification standards, collection methods and norms, collection and storage norms, and transfer and disposal processes, effectively improving employees' compliance awareness and operational capabilities throughout the waste management process. During the Reporting Period, we conducted special training on "Solid Waste Management Requirements and Processes" to strengthen the standardization and execution of solid waste management.

4. Employees

Cutia Therapeutics regards talent as the core driving force for enterprise development. By perfecting the training system, optimizing career paths, creating an inclusive workplace environment, and improving the compensation, benefits, and growth platform, we comprehensively enhance employees' sense of happiness and belonging, achieving common growth for employees and the enterprise.

4.1 EMPLOYEE RIGHTS AND EMPLOYMENT

Cutia Therapeutics is committed to building a sound employee rights protection system, strictly abiding by national and regional labor laws and regulations, adhering to the principle of equal employment, and eliminating any form of discrimination and improper behavior. Through sound management mechanisms and transparent communication channels, we ensure that employees enjoy fair development opportunities, reasonable compensation and benefits, and a safe and respected working environment.

4.1.1 Protection of Employee Rights

Cutia Therapeutics strictly abides by laws and regulations such as the *Labor Contract Law of the People's Republic of China*, the *Labor Law of the People's Republic of China,* and the *Social Insurance Law of the People's Republic of China* in employment activities, systematically building a compliant employment system. To continuously optimize human resource management, the Company has formulated internal regulations such as the *Cutia Therapeutics Employee Handbook*, the *Cutia Therapeutics Performance Management System*, and the *Cutia Therapeutics Human Resources Business Process System*, standardizing key links such as employee recruitment, compensation and benefits, training and development, and performance evaluation, comprehensively improving the systematization and standardization of management.

Cutia Therapeutics resolutely implements the principle of equal employment, strictly prohibiting discrimination or unfair treatment against employees due to gender, age, nationality, marital status, race, or any other factors during recruitment and employment. If employees encounter discrimination or harassment, they can appeal through designated channels; once verified, we will handle the involved personnel in accordance with laws and regulations, and those with serious circumstances will have their employment terminated.

Cutia Therapeutics strictly prohibits the employment of child labor and strictly abides by the minimum working age requirements stipulated by laws in the locations where it operates. The Company has clarified the minimum employment age standard in the *Employee Handbook* and strictly verifies identity information during the recruitment stage to eliminate the employment of child labor from the source. At the same time, the Company has established an appeal and reporting mechanism for issues such as forced labor to ensure relevant issues are handled in a timely manner.

Cutia Therapeutics is committed to safeguarding the legitimate rights and interests of employees, strictly prohibiting forced labor, and ensuring that employees enjoy statutory holidays and reasonable working hours. The Company implements a flexible working system based on job characteristics, supporting employees in balancing work and life. In 2025, the Group did not experience any incidents of child labor employment, forced labor, workplace discrimination, or sexual harassment, and the labor contract signing rate was 100%.

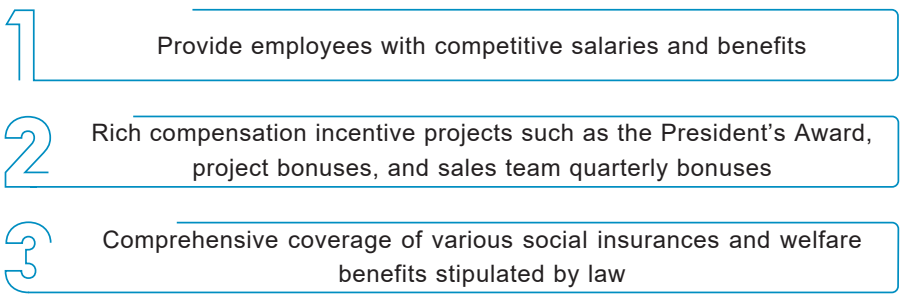
4.1.2 Diversified Recruitment

Cutia Therapeutics adheres to the recruitment philosophy of "fair recruitment and cherishing talent," continuously expanding diversified recruitment channels and strictly standardizing the recruitment process. We require interviewers to abide by post standards, uphold the principles of objectivity, fairness, honesty, and trustworthiness, eliminate any malpractice for personal gain, and ensure the precise introduction of high-quality talents meeting strategic development needs for the Company. During the Reporting Period, Cutia Therapeutics had a total of 304 employees, including 175 female employees, accounting for 58%.

Meanwhile, Cutia Therapeutics focuses on and actively recruits individuals with disabilities who possess the corresponding capabilities, providing them with equal employment opportunities. As of the end of the Reporting Period, Cutia Therapeutics has cumulatively employed 6 employees with disabilities.

4.1.3 Compensation and Benefits

Cutia Therapeutics upholds the principles of fairness, justice, and openness, continuously optimizes the employee performance management system, and ensures its close alignment with the Company's strategic goals. Through formulating and continuously improving internal norms such as the *Employee Handbook* and the *Performance Management System*, we have built a systematic compensation management system, continuously improving the standardization and refinement of compensation and benefits management. Cutia Therapeutics' compensation management system closely links compensation with position value and individual performance, effectively playing the core role of attracting, retaining, and motivating talents, providing solid support for the sustainable development of the enterprise.



Employee Incentive Measures

4.2 EMPLOYEE DEVELOPMENT AND TRAINING

Cutia Therapeutics continuously optimizes the job grade promotion system by combining position requirements with talent development needs, providing employees with clear career development paths. By continuously improving the career development mechanism, the Company assists employees in realizing personal growth and promotes the common development of the enterprise and employees.

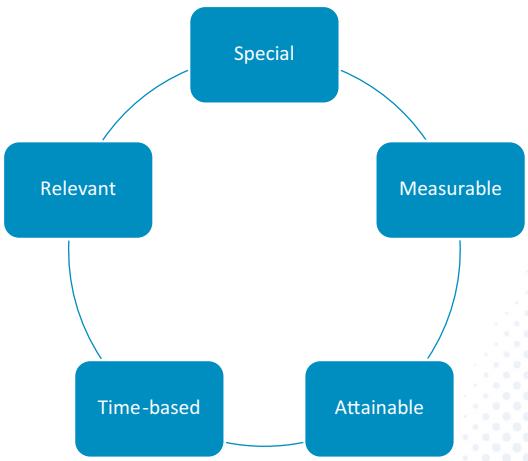
4.2.1 Employee Development

Cutia Therapeutics is committed to providing clear promotion support for talents at all stages through a systematic system. Based on the *Cutia Therapeutics Employee Handbook* and the *Cutia Therapeutics Performance Management System*, the Company has established a transparent and standardized promotion system, aiming to accurately identify employee potential, combine individual career planning with advantages, provide diversified development channels, encourage employees to achieve career growth through continuous learning and performance improvement, and form a virtuous cycle of common development for employees and the enterprise.

Employee Promotion System

Cutia Therapeutics has established a systematic employee promotion system based on clear systems, providing employees with clear career development paths. The Company combines performance evaluations based on the "**SMART**" principles with special plans such as the "**Star of Cutia**" to select and cultivate backbone talents, while encouraging employees to continuously improve through external studies, thereby building a solid talent pipeline and achieving common growth for employees and the enterprise.

Cutia Therapeutics Performance Assessment "SMART" Principles



In 2025, Cutia Therapeutics implemented differentiated talent development strategies targeting the characteristics of different positions: For R&D positions, a long-term and stable career development path was designed to ensure professional depth and team stability; for the sales team with high turnover and urgent demand, a flexible and efficient talent pipeline construction model was adopted to quickly respond to business needs.

R&D Department	Clear job grade development paths were formulated for R&D laboratory personnel, clarifying the promotion paths and standards for each level, aiming to motivate and retain core technical talents.
Sales Team	Aiming at the characteristics of high turnover and urgent demand in the sales team, the post of "Acting Regional Manager" was added to the existing job grades as a transitional key position, specifically used to quickly identify and cultivate high-potential talents and establish a talent reserve.

Talent Development Channel

In 2025, through a series of pragmatic talent management measures, Cutia Therapeutics effectively improved the stability of the core team, fully stimulated employee potential, and provided strong support for the realization of the Company's strategic goals.

Medical Department	Formulate a core employee retention plan and adjust the organizational structure to allow core employees more opportunities to participate in and lead important projects.
R&D Department	Formulate a targeted talent retention and improvement plan.
Offline Sales Team	Sales management talent reserve plan to reserve leadership talents for the sales team.
Online Sales Team	Implement a Performance Improvement Plan (PIP) for employees with pending performance improvement, and form a retention plan for core employees.

4.2.2 Employee Training

With the Cutia Therapeutics *Human Resources Business Process System* as the framework, Cutia Therapeutics has constructed a systematic, layered, and classified talent training system, committed to providing precise and efficient growth support for employees at all levels and comprehensively strengthening organizational capabilities.

Cutia Therapeutics Employee Training System

New Employees	Middle and Grassroots Backbone Employees	Senior Management	Construction of Professional Sequence
• Through a standardized induction training system, the Company helps newcomers quickly understand corporate culture, system processes, and job requirements, shortening the adaptation cycle and promoting the realization of "person-job fit" and team integration.	• The Company regularly carries out special capability improvement plans, focusing on cultivating their ability to advance business and drive teams in complex business environments, strengthening professional depth and management foundations, and reserving high-quality talents for key positions in the enterprise.	• The Company has set up advanced courses such as Situational Leadership, aiming to enhance managers' ability to flexibly adjust leadership styles in different business scenarios, thereby effectively stimulating team potential and improving overall decision-making and execution efficiency.	• The Company conducts position-specific training centering on key functions such as sales, ensuring employees possess the practical ability to cope with market dynamics, understand products, and meet customer needs, continuously improving professional literacy and business contribution in the position.

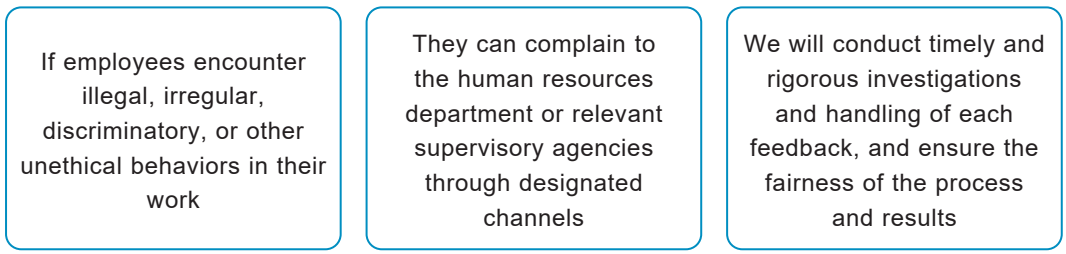
During the Reporting Period, the employee training rate of Cutia Therapeutics reached 100%, and the average training hours of employees was 41.6 hours.

4.3 EMPLOYEE COMMUNICATION AND CARE

Cutia Therapeutics actively builds harmonious and trusting internal relationships, committed to enhancing employees' sense of belonging and stimulating organizational vitality through systematic communication mechanisms and humanized care measures, gathering people's hearts and laying a solid foundation for the Company's sustainable development.

4.3.1 Employee Communication

Cutia Therapeutics actively builds a transparent and open communication environment, values and listens to employee feedback, and ensures smooth employee complaint paths and effective implementation of rights and interests through diversified channels.



Grievance and Reporting Mechanism

4.3.2 Employee Care

Through systematic and diversified activity arrangements, Cutia Therapeutics carefully creates a warm and pleasant working atmosphere, allowing employees to feel the warmth and care of the enterprise while striving.

To help new employees quickly become competent for their positions and integrate into the team, Cutia Therapeutics implements a newcomer mentoring plan, providing rapid growth assistance by matching mentors, providing on-the-job training, and continuous coaching.

To enrich employees' spare time life and promote work-life balance, Cutia Therapeutics regularly organizes colorful employee activities, aiming to convey the Company's care through these activities, relieve work pressure, and jointly build a big family full of vitality and warmth.

Employee Quarterly Birthday Party

Cutia Therapeutics integrates humanistic care into the daily routine of the enterprise; we continue to create a warm and loving organizational atmosphere by holding quarterly employee birthday parties, so that every employee can feel the warmth of home and the Company's sincere blessings.

Employee Quarterly Birthday Party

Mid-Autumn Hand-Pressed Flower and Grass Lantern Making

On the occasion of the Mid-Autumn Festival in 2025, Cutia Therapeutics organized all employees to hold a unique "Mid-Autumn Hand-Pressed Flower and Grass Lantern Making" themed activity. This activity not only allowed everyone to relax and feel the fun of handicrafts after busy work but also deepened emotional connections during collaborative interaction, creating a warm, reunion, and creative festival atmosphere.

Mid-Autumn Hand-Pressed Flower and Grass Lantern Making

Cutia Therapeutics always pays attention to the workplace needs of female employees and actively creates a caring working environment. The Company has set up dedicated nursing rooms in the Huanzhi and R&D offices, and thoughtfully provides female care items at the Wuxi factory, conveying respect and support for female employees through practical measures.

International Women's Day Activity

On the arrival of International Women's Day, to pay tribute and care to female employees who have contributed important strength to the Company's development, Cutia Therapeutics specially planned and held an International Women's Day themed celebration activity to thank them for their hard work and outstanding contributions.

International Women's Day Activity

4.4 OCCUPATIONAL HEALTH AND SAFETY

Cutia Therapeutics regards employee occupational health and safety as the cornerstone of the Company's sustainable development. By continuously improving the work safety management system and regularly conducting health and safety training, the Company effectively creates a safe and healthy working environment and fully safeguards employee welfare.

4.4.1 Production Safety

Cutia Therapeutics strictly follows the requirements of laws and regulations such as the *Work Safety Law of the People's Republic of China* and the *Occupational Disease Prevention and Control Law of the People's Republic of China*, and has accordingly formulated a series of internal management systems such as the *Work Safety Responsibility System* and the *Work Safety Emergency Response Plan*, clarifying the safety responsibilities of personnel at all levels. The Company requires that key positions such as chemical administrators and special operation personnel must work with valid certificates, fully implementing work safety guarantees from both the institutional and execution levels.

Cutia Therapeutics's EHS Department and management collaborate to carry out normalized hazard identification, identifying risks through monthly inspections and special governance, and establishing a rectification tracking mechanism to achieve closed-loop management. During this Year, Cutia Therapeutics updated contractor safety management documents such as the *Safety Measures Plan* to optimize processes. Before construction, contractors must compile a plan and sign a safety commitment; their employees must receive EHS training on the first day and sign a personal commitment letter. At the same time, the Company signed work safety management agreements with contractors for security and cleaning services, clarifying the safety responsibilities of both parties and strengthening external operation risk control from the source.

Regular Hazard Identification Activities	
EHS Department	Management
Monthly safety inspections, holiday safety inspections, daily patrols, and special safety inspections	

Hazard Sources	Safety Hazards
The Company immediately records in detail and follows up continuously until the problem is properly resolved, achieving 100% rectification, and preventing and reducing the occurrence of safety accidents from the source	

During the Reporting Period, Cutia Therapeutics did not experience any work-related injuries, lost time due to work injuries, or work-related fatalities. The number and rate of work-related fatalities at Cutia Therapeutics in the past three years were both 0.

Cutia Therapeutics actively creates a work safety atmosphere, effectively enhancing employees' safety awareness and integrating safety concepts into daily work by regularly conducting safety training, setting up safety publicity columns, and holding knowledge contests.

Safety, Health, and Environment (EHS) Promotion

Cutia Therapeutics has set up a safety, health, and environmental protection publicity column at the Wuxi plant, centrally displaying regulations and policies, popularizing professional knowledge, and real-time releasing plant EHS dynamics and notices, thereby enhancing employees' safety awareness and creating a safety culture atmosphere of full participation.

Safety, Health, and Environment (EHS) Promotion

Workplace Safety Month Knowledge Contest

During the 2025 Work Safety Month, the Company organized and carried out a work safety knowledge contest. This activity featured an eco-themed second-hand market named "Green Circulation, Renewing All Things", chemical leakage emergency drills, and other activities, and played safety publicity materials on a loop in public areas to enhance employees' safety awareness in a vivid and intuitive way.

Workplace Safety Month Knowledge Contest

4.4.2 Occupational Health and Safety

Cutia Therapeutics has established a systematic occupational health protection system, strictly following the requirements of laws and regulations such as *the Occupational Disease Prevention and Control Law of the People's Republic of China*, systematically conducting pre-job, on-job, and off-job occupational health examinations, and regularly testing for occupational disease hazard factors in the workplace. The Company updated the hazard identification and risk assessment table for the drug plant, added a risk assessment table for the device plant, and further identified potential risks. At the same time, we provide employees with comprehensive occupational disease protection training, effectively improving employees' safety awareness, effectively protecting employee health, and reducing the risk of occupational diseases.

Cutia Therapeutics's Occupational Disease Prevention Measures

Identification of Occupational Health and Safety Risks

Cutia Therapeutics has established a systematic risk management process, organizing employees to carry out hazard identification and risk assessment, classifying risks into four levels: major (red), significant (orange), general (yellow), and low (blue). Based on the assessment results, the Company produced a four-color distribution map of safety risks to visually present risk areas, compiled a company-level risk control list, and publicized all relevant information on the safety risk bulletin board at the Company entrance, facilitating employees' access at any time and effectively improving the safety awareness of all staff.

Hazardous Chemical Safety Notification Cards

Cutia Therapeutics posts safety notification cards in prominent locations in outdoor hazardous chemical explosion-proof cabinets and other storage areas, enabling employees to quickly obtain hazardous chemical information and relevant safety control measures, enhancing hazardous chemical safety awareness, and ensuring rapid and correct response in emergencies.

Training on Basic Occupational Health Knowledge

Cutia Therapeutics conducts professional training on occupational health and labor protection for employees, covering occupational health basics, occupational disease hazard prevention and control, and the use of labor protection supplies, continuously improving employees' self-protection capabilities. The Company also organized activities such as the Occupational Disease Prevention and Control Law Publicity Week to strengthen employees' occupational health awareness.

Cutia Therapeutics attaches great importance to the occupational health and safety management of contractors, formulated the *Safety Management System for External Operation Personnel* as a construction specification, and implemented comprehensive occupational health and safety prevention measures for contractors and their teams, committed to building a safe working environment for all project participants.

Qualification Review	• Before the project is proposed, the service demand department or project manager shall clarify the EHS requirements of the project and evaluate all EHS risks, with the EHS Department providing necessary assistance.
Ensuring Safety Investment	• The project implementation contract shall clarify that a certain proportion of the construction or service fees shall be guaranteed for safety investment to ensure that safety construction conditions are met.
Construction Management	• Before construction, the contractor shall compile a Safety Measures Plan based on the project situation, analyze project safety risks and propose safety control measures, and the contractor's project manager shall sign the Contractor Environmental Safety Management Commitment. When contractor employees come to the Company for construction on the first day, the EHS Department will provide safety training to their employees and sign the Contractor Employee Safety, Health, and Environment Management Commitment.
On-site Safety Officer	• For all construction projects, the contractor is required to designate an on-site safety officer responsible for construction or service.
Daily Safety Inspections	• Conduct full-process safety supervision on-site, manage and coordinate on-site safety affairs. During the contractor's construction process, the EHS and Cutia project managers will conduct daily safety inspections; when safety hazards or unsafe behaviors are discovered, they will promptly communicate with the contractor and require rectification.

5. Social

Cutia Therapeutics always upholds the core principle of "Quality First," continuously optimizes the supply chain management system, advances business operations with high standards and strict requirements, and strictly abides by business ethics. We are committed to improving healthcare accessibility, practicing corporate social responsibility with practical actions, and giving back to society's trust.

5.1 SUPPLY CHAIN MANAGEMENT

Cutia Therapeutics continuously strengthens supply chain compliance management and capability building, optimizes process mechanisms, implements sustainable procurement strategies, and deepens synergistic development with partners to jointly build a cooperative and win-win value chain ecosystem, continuously improving the overall operational level of the supply chain.

5.1.1 Supplier Management

Cutia Therapeutics strictly follows the requirements of local laws and regulations, has comprehensively updated and optimized systems such as the *Supplier Management System* and the *Procurement Management System*, and added norms such as the procurement scope for international material suppliers, material control processes, and standard optimization, effectively guaranteeing supply chain quality and stability.

Supplier Access

During the access stage, Cutia Therapeutics strictly manages potential and registered suppliers, comprehensively evaluating their basic situation, scale, operational capability, and product strength through methods such as preliminary research and on-site inspections. The Company assigns dedicated personnel to conduct pre-qualification and research, covering all suppliers; only after passing the assessment and evaluation are they entered into the supplier database system to become potential suppliers of the Company.

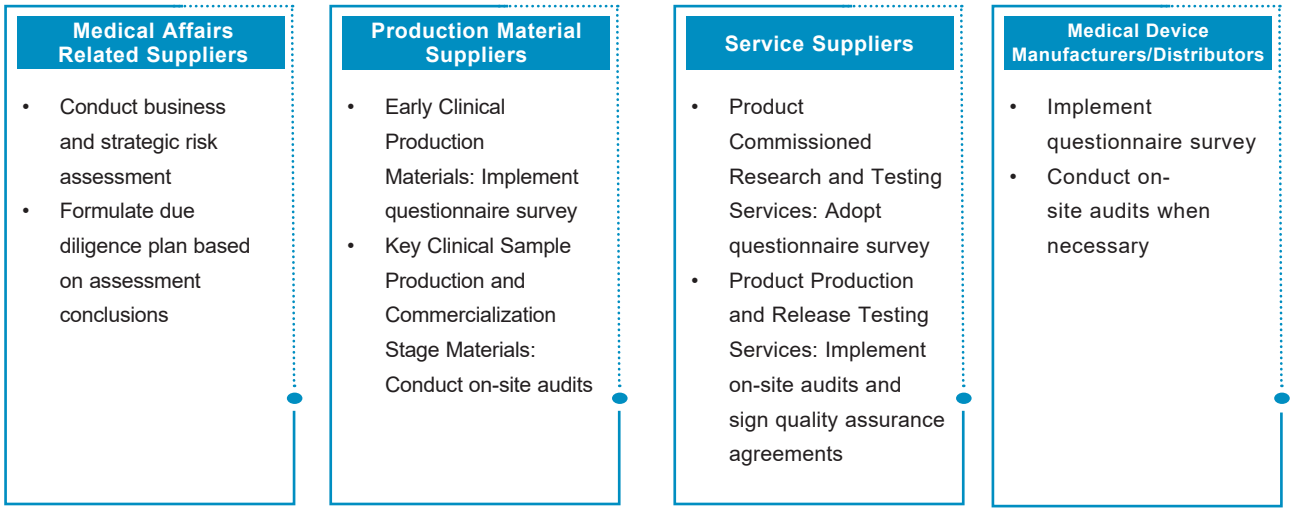
Supplier Assessment

After suppliers are registered, Cutia Therapeutics conducts comprehensive assessments from dimensions such as quality management, integrity and self-discipline, and ESG construction, ensuring that all suppliers strictly follow relevant laws and regulations for compliant operation and that delivered products meet Company requirements, effectively avoiding potential risks.

Supplier Quality Management

Cutia Therapeutics has formulated systems such as the *Supplier Quality Management* to standardize management processes, conducting comprehensive quality reviews through a combination of questionnaire surveys and on-site audits to ensure that all links from raw material procurement and production process to product inspection and ex-factory release meet quality control requirements.

Cutia Therapeutics Supplier Quality Management Assessment Requirements



Supplier Tiered Management

Cutia Therapeutics implements tiered management of suppliers, implementing a tiered and classified management mechanism based on indicators such as supplier delivery quality, contract performance, and material importance, dividing suppliers into four levels: Strategic Cooperation, Excellent, Qualified, and Unqualified. Unqualified suppliers will be removed from the list and cooperation will be suspended. The Company regularly provides feedback on assessment results to suppliers, urges them to rectify within a time limit, and tracks and verifies the improvement situation.

At the same time, the Company conducts supplier risk assessments annually, comprehensively identifying potential risks of new suppliers in market, R&D, quality, supply, and ESG aspects, establishing early warning mechanisms, and formulating targeted response measures to ensure timely risk prevention and control and continuous meeting of qualification requirements.

High-Risk Suppliers (Red)	Medium-Risk Suppliers (Yellow)	Low-Risk Suppliers (Green)
• Immediately suspend cooperation qualification, require completion of special rectification within three months, and prohibit participation in new order bidding during the rectification period • Entrust a third-party agency to track the rectification process, and cooperation can only be resumed after passing a second on-site audit following rectification • For seven suppliers with records of major violations of laws and regulations, directly list them on the blacklist (no access within three years)	• Specify rectification time limit (1-2 months) and quantified goals (e.g., reaching the standard for safety training coverage rate, completing waste disposal records) • Carry out "one-on-one" compliance coaching, providing the Cutia ESG Management Toolkit (including policy templates and process guidelines) • After rectification is completed, include in quarterly dynamic monitoring and increase the sampling frequency (once per quarter)	• Grant the "ESG Excellent Supplier" label, prioritize obtaining annual framework agreements and innovative project cooperation opportunities • Invite to participate in the Cutia Supply Chain Sustainable Development Alliance to share best practice cases • Implement an annual review system, requiring only submission of document update materials (no on-site audit required)

Supplier Tiered Control Mechanism

Supplier Elimination

For suppliers who fail to complete rectification within three months, Cutia Therapeutics decides whether to suspend procurement through an internal review panel and initiates the elimination process based on the assessment results to maintain supply chain stability. If a supplier damages the Company's rights and interests due to major fault, cooperation will be immediately terminated for serious cases. We incorporate ESG performance into the procurement assessment system and will not cooperate with suppliers who do not meet ESG standards (see Section 5.1.2 Sustainable Supply Chain). At the same time, we actively link up with upstream and downstream partners to promote environmental protection concepts and jointly promote the development of a green industry chain.

Supplier Empowerment

Cutia Therapeutics strictly executes the supplier management process, comprehensively controls the supplier quality system, and ensures the stability of raw material supply and production for key suppliers.

5.1.2 Sustainable Supply Chain

Cutia Therapeutics integrates the sustainable development concept into supply chain management, working with partners to build an environmentally friendly and clearly responsible sustainable value chain through measures such as responsible procurement.

Supplier Code of Conduct

Cutia Therapeutics has formulated the *Supplier Code of Conduct*, explicitly requiring all suppliers to abide by basic guidelines such as business ethics, labor rights, environmental protection, and compliant operation, and taking it as an important basis for cooperation access and continuous assessment.

Low Risk (Green)	Medium Risk (Yellow)	High Risk (Red)
• All ESG indicators fully meet requirements, possessing a sound management system and practice cases	• Existence of 1-2 non-critical deficiencies (e.g., incomplete waste recycling records, insufficient frequency of compliance training)	• Existence of major compliance hazards (e.g., records of environmental penalties, labor rights disputes, suspected cases of commercial bribery)

Supplier ESG Risk Assessment

Responsible Procurement

During this Year, Cutia Therapeutics conducted supplier sustainable risk assessments, covering full screening of newly admitted suppliers and annual reviews of core suppliers. Building upon traditional risk dimensions, our assessment added ESG indicators such as labor rights, occupational health and safety, business ethics, and pollution and waste management, increasing their weight to 35% of the total score. We comprehensively improved supply chain risk management through a three-dimensional assessment model of “document review + on-site audit + third-party verification”.

 **Environmental Compliance Dimension: Green Production and Low-Carbon Transformation**	• Regarding pollution emission control, Cutia Therapeutics requires production and R&D suppliers to establish real-time Volatile Organic Compounds (VOCs) monitoring systems, achieve a wastewater reuse rate of no less than 30%, and ensure 100% compliant discharge of exhaust gas and wastewater. • Carbon emission reduction actions set a target of peaking operational carbon emissions by 2030, promoting a carbon data verification rate of over 90% for core suppliers, and reducing carbon emissions per unit of output value by 8% in 2025. • In terms of waste resource utilization, we require suppliers to achieve a 100% compliant disposal rate for hazardous waste and a packaging recycling rate of no less than 40%. • For green supply chain construction, we prioritize procurement from suppliers with green factory certification for raw materials, promote a renewable energy usage ratio of no less than 25% for suppliers, and increase the green procurement ratio target to 60%.
 **Labor Rights Dimension: Compliance Guarantee and Welfare Improvement**	• Regarding basic rights protection, Cutia Therapeutics requires suppliers to achieve a 100% compliance rate in salary payment, eliminate child labor and forced labor, ensure working hours comply with the Labor Law of the People's Republic of China, and control the response time for labor complaints within 72 hours. • In the field of occupational health and safety, we require 100% compliance of safety protection facilities, 100% coverage of occupational disease screening, and an annual coverage rate of safety training of no less than 95%. Regarding inclusive employment, we prohibit all forms of discrimination and set a target of no less than 40% for female employees. Supply chain rights transmission requires Tier-1 suppliers to transmit labor standards to lower-tier suppliers, with a compliance verification rate for lower-tier suppliers of no less than 60%.

Business Ethics and Anti-Corruption Dimension: Compliance Governance and Transparent Operation	• In the construction of the anti-bribery system, Cutia Therapeutics requires suppliers to establish specific systems, achieve 100% coverage of compliance training for key positions, and ensure a 100% completion rate for bribery reporting investigations. • In terms of compliance management, we establish a conflict-of-interest declaration system, dynamically update supplier integrity files, and achieve full coverage of annual compliance audits. • Regarding information transparency, we require the disclosure of third-party verified ESG reports, a 100% reporting rate for major risk events, and an ESG information disclosure rate of no less than 85%. • In terms of intellectual property protection, we eliminate infringing procurement behaviors, establish a supplier intellectual property compliance review mechanism, and aim for a zero intellectual property dispute rate.

5.2 SOCIAL CONTRIBUTION

Cutia Therapeutics integrates its own development into the overall context of social progress, interpreting the connotation of corporate social responsibility with concrete actions. We are committed to demonstrating the value and responsibility of contemporary enterprises through sustainable operational models and warm social participation.

5.2.1 Community Co-construction

Health science popularization is an important way to improve national health literacy. Cutia Therapeutics actively engages in health knowledge popularization, helping the public master scientific protection knowledge through professional and easy-to-understand health education content, contributing to the construction of a Healthy China.

"How Much Do You Know About Acne" Series Science Popularization Activity

In May 2025, Cutia Therapeutics jointly launched the "How Much Do You Know About Acne" series science popularization activity with the People's Daily Health Client. The activity was presented in video format, inviting multiple renowned doctors to conduct online acne knowledge popularization from perspectives such as pathogenesis, graded diagnosis and treatment, and sequela prevention.

"Turns Out Pimples Should Not Be Squeezed Hard" Thematic Science Popularization Month

From October to November 2025, Cutia Therapeutics partnered with Weibo to carry out the "Turns Out Pimples Should Not Be Squeezed Hard" thematic science popularization month, covering content such as doctor science popularization videos, doctor science popularization talk shows, and Q&A on acne-related issues. The total reading volume reached 188 million, video views reached 8.55 million, total interactions reached 154,000, and total discussions reached 94,000.

"Hair Loss Dilemma" Thematic Science Popularization Activity

In November 2025, Cutia Therapeutics launched the "Hair Loss Dilemma" thematic activity on the Weibo platform, launching a series of science popularization focusing on scientific hair care and correct hair loss prevention. Through multi-dimensional interactions such as precise analysis of hair loss pain points, holding the "Must Spray" offline launch event, disseminating professional science popularization content, and revealing the truth about hair loss, the activity accumulated 370 million reading views, 572,000 interactions, and 170,000 discussions.

5.2.2 Industry Promotion

Cutia Therapeutics actively promotes industry-university-research cooperation in the field of hair health, promoting technological innovation and joint standard construction through industry exchanges, government collaboration, and academic seminars, assisting in the high-quality development of the industry.

Cutia Therapeutics Attends the 2025 Taihu Bay Life and Health Future Conference

At the 2025 Taihu Bay Life and Health Future Conference, Cutia Therapeutics on-site showcased cutting-edge skin health technologies and innovative product solutions, which attracted widespread attention, fully demonstrating the Company's active achievements in promoting industry innovation and exchange, and injecting new momentum into the development of the life and health field.

Appendix I: Key Performance Table

ENVIRONMENTAL PERFORMANCE

Indicator	Unit	2023	2024	2025
Energy Use				
Electricity Consumption	KWh	5,058,078.4	5,041,797.3	4,967.349.9
Gasoline	Liter	4,176.7	4,020.5	2,552.6
Natural Gas Consumption	Cubic meter	314,642.0	274,803.0	256,395.0
Direct Energy Consumption	tce	422.9	369.8	344.8
Direct Energy Consumption Intensity[3]	tce/RMB 10,000	0.03	0.01	0.01
Indirect Energy Consumption	tce	621.6	619.6	610.5
Indirect Energy Consumption Intensity[4]	tce/RMB 10,000	0.05	0.02	0.02
Total Energy Consumption	tce	1,044.5	989.4	955.3
Total Energy Consumption Intensity[5]	tce/RMB 10,000	0.08	0.04	0.03
Resource Use				
Water Consumption	Cubic meter	18,437.7	20,807.0	22,656.8
Water Consumption Intensity[6]	Cubic meter/RMB 10,000	1.34	0.74	0.67
Emissions				
Exhaust gas				
Nitrogen Oxides (NOx) Emissions	Gram	3,398.6	3,288.6	792.0
Sulphur Oxides (SOx) Emissions	Gram	61.4	59.1	13.0
Particulate Matter Emissions	Gram	250.2	242.1	58.0
Wastewater				
Discharge of Waste Organic Solvents	Ton	2.0	3.5	3.2
Laboratory Wastewater Discharged	Ton	15	5,581	1,901.0

[3] Denominator: Revenue of RMB10,000
[4] Denominator: Revenue of RMB10,000
[5] Denominator: Revenue of RMB10,000
[6] Denominator: Revenue of RMB10,000

Indicator	Unit	2023	2024	2025
Waste				
Total Non-hazardous Waste Discharged	Ton	8.5	14.4	6.5
Non-hazardous Waste Discharge Intensity[7]	Ton/RMB 10,000	0.001	0.001	0.0002
Total Hazardous Waste Discharged	Ton	18.0	16.4	10.8
Hazardous Waste Discharge Intensity[8]	Ton/RMB 10,000	0.001	0.001	0.0003
Greenhouse Gas Emissions				
Total GHG Emissions (Scope 1 and Scope 2)	Ton of carbon dioxide equivalent (tCO_2e)	3,576.0	3,308.1	3,197.5
Scope 1 GHG Emissions	Ton of carbon dioxide equivalent (tCO_2e)	691.4	602.7	561.8
Scope 2 GHG Emissions	Ton of carbon dioxide equivalent (tCO_2e)	2,884.6	2,705.4	2,635.7
GHG Emissions Intensity (Scope 1 and Scope 2)[9]	tCO_2e/RMB 10,000	0.26	0.12	0.10
GHG Emissions (Scope 3)[10]	Ton of carbon dioxide equivalent (tCO_2e)	/	/	15,050.0
Category 1: Purchased Goods and Services	Ton of carbon dioxide equivalent (tCO_2e)	/	/	13,335.4
Category 2: Capital Goods	Ton of carbon dioxide equivalent (tCO_2e)	/	/	75.6
Category 3: Fuel and Energy Related Activities	Ton of carbon dioxide equivalent (tCO_2e)	/	/	479.5
Category 4: Upstream Transportation and Distribution	Ton of carbon dioxide equivalent (tCO_2e)	/	/	131.4
Category 5: Waste Generated in Operations	Ton of carbon dioxide equivalent (tCO_2e)	/	/	40.3
Category 6: Business Travel	Ton of carbon dioxide equivalent (tCO_2e)	/	/	710.8
Category 7: Employee Commuting	Ton of carbon dioxide equivalent (tCO_2e)	/	/	171.2
Category 8: Upstream Leased Assets	Ton of carbon dioxide equivalent (tCO_2e)	/	/	69.8
Category 9: Downstream Transportation and Distribution	Ton of carbon dioxide equivalent (tCO_2e)	/	/	36.1

7 Denominator: Revenue of RMB10,000
8 Denominator: Revenue of RMB10,000
9 Denominator: Revenue of RMB10,000
10 Cutia Therapeutics officially calculated and disclosed Scope 3 emissions for the first time during the Reporting Period.

EMPLOYEE EMPLOYMENT PERFORMANCE

Indicator	Unit	2023	2024	2025
Total Number of Employees	Person	298	333	304
Full-time Employees	Person	296	333	303
Contract Employees	Person	2	0	1
By Gender				
Number of Male Employees	Person	113	132	129
Number of Female Employees	Person	185	201	175
By Age				
Number of Employees Aged over 50	Person	4	3	3
Number of Employees Aged 30-50	Person	170	211	219
Number of Employees Aged under 30	Person	124	119	82
By Region[11]				
Mainland China	Person	294	330	301
Other Regions (Hong Kong, Macao and Taiwan)	Person	4	3	3
Employee Turnover				
Employee Turnover Rate[12]	%	17.0	25.3	31.2
By Gender				
Male Employees	%	16.9	20.0	29.9
Female Employees	%	17.0	28.5	32.2
By Age				
Aged over 50	%	20.0	40.0	40.0
Aged 30-50	%	14.6	18.9	24.2
Aged under 30	%	20.0	34.3	44.6
By Region[13]				
Mainland China	%	20.4	25.2	31.4
Other Regions (Hong Kong, Macao and Taiwan)	%	20.0	40.0	0
Employee Health and Safety				
Number of Work-related Injury Cases	Case	0	0	0
Number of Work-related Fatalities	Person	0	0	0
Work-related Fatality Rate	%	0.0	0.0	0.0
Lost Time Injury Frequency Rate (LTIFR)	%	0.0	0.0	0.0

[11] The total number of employees of Cutia Therapeutics is divided by region into Mainland China and Overseas regions (including Hong Kong, Macao and Taiwan). Among them, Mainland China includes East China, South China, Central China, North China, Northwest China, Northeast China, and Southwest China.

[12] The calculation basis for 2025 is Number of Departures/(Number of Departures + Total Number of Employees) x 100%.

[13] Employee turnover rate of Cutia Therapeutics is divided by region into Mainland China and Overseas regions (including Hong Kong, Macao and Taiwan). Among them, Mainland China includes East China, South China, Central China, North China, Northwest China, Northeast China, and Southwest China.

Indicator	Unit	2023	2024	2025
Development and Training				
By Rank				
Senior Management	Person	7	8	8
Middle Management	Person	120	144	139
Junior Staff	Person	171	181	157
By Gender				
Male Employees	Person	113	132	129
Female Employees	Person	185	201	175
Employee Training Coverage Rate				
Employee Training Coverage Rate	%	100.0	100.0	100.0
By Gender				
Male Employees	%	37.9	39.6	42.4
Female Employees	%	62.1	60.4	57.6
By Rank				
Senior Management[14]	%	2.3	2.4	2.6
Middle Management[15]	%	40.3	43.2	45.7
Junior Staff[16]	%	57.4	54.4	51.6
Employee Average Training Hours				
Employee Average Training Hours[17]	Hour/Person	30.3	48.3	41.6
By Gender				
Male Employees	Hour/Person	33.0	52.7	42.2
Female Employees	Hour/Person	28.8	45.4	41.2
By Rank				
Senior Management	Hour/Person	42.7	38.6	46.1
Middle Management	Hour/Person	36.4	42.5	42.8
Junior Staff	Hour/Person	25.6	53.4	40.3

14 The calculation basis is Number of Senior Management Trained/Total Number of Employees Trained x 100%
15 The calculation basis is Number of Middle Management Trained/Total Number of Employees Trained x 100%
16 The calculation basis is Number of Junior Staff Trained/Total Number of Junior Staff Trained x 100%
17 The calculation basis is Total Training Hours/Total Number of Employees

PRODUCT QUALITY AND SAFETY

Indicator	Unit	2023	2024	2025
Percentage of total products sold or shipped that are subject to recall due to safety and health reasons	%	0	0	0
Number of complaints regarding products and services	Case	10	18	11
Handling rate of complaints regarding products and services	%	100.0	100.0	100.0

SUPPLIER PERFORMANCE

Indicator	Unit	2023	2024	2025
Mainland China[18]	Number	1,030	1,623	2,923
Other Regions (including Hong Kong, Macao and Taiwan)	Number	71	105	138
Total Suppliers	Number	1,101	1,728	3,061

ANTI-CORRUPTION PERFORMANCE

Indicator	Unit	2023	2024	2025
Number of concluded corruption lawsuits against the Company and its employees	Case	0	0	0
Total hours of anti-corruption training provided to Directors	Hour	18.0	18.0	18.0
Number of Directors who received anti-corruption training	Person	9	9	9
Total hours of anti-corruption training provided to employees	Hour	264.0	376.0	336.0
Number of employees who received anti-corruption training	Person	132	188	336

SOCIAL WELFARE PERFORMANCE

Indicator	Unit	2023	2024	2025
Charitable Donations	RMB 10,000	/	2.3	0
Total volunteer service hours invested in public welfare and charity	Hour	18.0	10.0	6.0

[18] Mainland China includes East China, South China, Central China, North China, Northwest China, Northeast China, and Southwest China.

Appendix II: Content Index of the Environmental, Social and Governance Reporting Code of the Hong Kong Stock Exchange

Disclosure Requirement		Corresponding Section or Explanation
A. Environmental		
A1: Emissions		
General Disclosure	Information on the following regarding air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	3. Environmental
KPI A1.1	Types of emissions and respective emissions data.	Appendix I: Key Performance Table
KPI A1.3	Total hazardous waste produced (in tons) and, where applicable, intensity (e.g., per unit of production volume, per facility).	Appendix I: Key Performance Table
KPI A1.4	Total non-hazardous waste produced (in tons) and, where applicable, intensity (e.g., per unit of production volume, per facility).	Appendix I: Key Performance Table
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	3.4 Emissions Management
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	3.4 Emissions Management
A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources (including energy, water and other raw materials).	3. Environmental
KPI A2.1	Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) in total (kWh in '000s) and intensity (e.g., per unit of production volume, per facility).	Appendix I: Key Performance Table
KPI A2.2	Water consumption in total and intensity (e.g., per unit of production volume, per facility).	Appendix I: Key Performance Table
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	3.1 Addressing Climate Change
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	3.3 Resource Management
KPI A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	3.3 Resource Management
A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	3. Environmental
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	3.2 Environmental Management

Disclosure Requirement		Corresponding Section or Explanation
B. Social		
Employment and Labour Practices		
B1: Employment		
General Disclosure	Information on compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	4. Employees
KPI B1.1	Total workforce by gender, employment type (e.g., full-time or part-time), age group and geographical region.	Appendix I: Key Performance Table
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix I: Key Performance Table
B2: Health and Safety		
General Disclosure	Information on providing a safe working environment and protecting employees from occupational hazards: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	4. Employees
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix I: Key Performance Table
KPI B2.2	Lost days due to work injury.	Appendix I: Key Performance Table
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	4.4 Occupational Health and Safety
B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	4. Employees
KPI B3.1	The percentage of employees trained by gender and employee category (e.g., senior management, middle management).	Appendix I: Key Performance Table
KPI B3.2	The average training hours completed per employee by gender and employee category.	Appendix I: Key Performance Table
B4: Labour Standards		
General Disclosure	Information on preventing child and forced labour: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	4. Employees
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	4.1 Employee Right and Employment
KPI B4.2	Description of steps taken to eliminate violations when discovered.	4.1 Employee Right and Employment

Disclosure Requirement		Corresponding Section or Explanation
Operating Practices		
B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	5. Social
KPI B5.1	Number of suppliers by geographical region.	Appendix I: Key Performance Table
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	5.1 Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	5.1 Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	5.1 Supply Chain Management
B6: Product Responsibility		
General Disclosure	Information on the health and safety aspects of products and services provided, advertising, labelling and privacy matters and methods of redress: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	2. Products
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Appendix I: Key Performance Table
KPI B6.2	Number of products and services related complaints received and how they are handled.	2.2 Product Responsibility
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	2.1 Product R&D
KPI B6.4	Description of quality assurance process and recall procedures.	2.2 Product Responsibility
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	2.2 Product Responsibility
B7: Anti-corruption		
General Disclosure	Information on prevention of bribery, extortion, fraud and money laundering: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	1. Governance
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of such cases.	Appendix I: Key Performance Table
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	1.1 Responsible Operations
KPI B7.3	Description of anti-corruption training provided to Directors and staff.	1.1 Responsible Operations

Disclosure Requirement		Corresponding Section or Explanation
B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	5. Social
KPI B8.1	Focus areas of contribution (e.g., education, environmental matters, labour needs, health, culture, sport).	5.2 Social Contribution
KPI B8.2	Resources contributed (e.g., money or time) to the focus area.	Appendix I: Key Performance Table
Part D. Climate-related Disclosures		
Climate-related Disclosures		
(I) Governance	1. An issuer shall disclose information about: (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about:	
	(i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	1.2 ESG Governance
	(ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	1.2 ESG Governance
	(iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	1.2 ESG Governance
	(iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 19 to 22), including whether and how related performance metrics are included in remuneration policies (see paragraph 17); and	1.2 ESG Governance
	(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	
	(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	1.2 ESG Governance
	(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	1.2 ESG Governance

Disclosure Requirement		Corresponding Section or Explanation
(II) Strategy	**Climate-related risks and opportunities** 2. An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:	
	(a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	3.1 Addressing Climate Change
	(b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	3.1 Addressing Climate Change
	(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	3.1 Addressing Climate Change
	(d) explain how the issuer defines short term, medium term and long term and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	3.1 Addressing Climate Change
	Business model and value chain 3. An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:	
	(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	3.1 Addressing Climate Change
	(b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	3.1 Addressing Climate Change
	Strategy and decision-making 4. An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:	
	(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about:	
	(i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities;	3.1 Addressing Climate Change
	(ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect);	3.1 Addressing Climate Change

Disclosure Requirement		Corresponding Section or Explanation
	(iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and	3.1 Addressing Climate Change
	(iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 19 to 22; and	3.1 Addressing Climate Change
	(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 4(a)	3.1 Addressing Climate Change
	5. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 4(a).	3.1 Addressing Climate Change
	Financial position, financial performance and cash flows **Current financial effect** 6. An issuer shall disclose qualitative and quantitative information about:	3.1 Addressing Climate Change
	(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and;	3.1 Addressing Climate Change
	(b) the climate-related risks and opportunities identified in paragraph 6(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	3.1 Addressing Climate Change
	Financial position, financial performance and cash flows **Anticipated financial effect** 7. The issuer shall provide qualitative and quantitative disclosures about: (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	
	(i) its investment and disposal plans;	3.1 Addressing Climate Change
	(ii) its planned sources of funding to implement its strategy; and	3.1 Addressing Climate Change
	(b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	3.1 Addressing Climate Change

Disclosure Requirement		Corresponding Section or Explanation
	Climate resilience 8. An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose: (a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of:	
	(i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis;	3.1 Addressing Climate Change
	(ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and	3.1 Addressing Climate Change
	(iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	3.1 Addressing Climate Change
	(b) how and when the climate-related scenario analysis was carried out, including:	
	(i) information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis);	3.1 Addressing Climate Change
	(ii) the key assumptions the issuer made in the analysis; and	3.1 Addressing Climate Change
	(iii) the reporting period in which the climate-related scenario analysis was carried out.	3.1 Addressing Climate Change

Disclosure Requirement		Corresponding Section or Explanation
(III) Risk Management	9. An issuer shall disclose information about: (a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:	
	(i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	3.1 Addressing Climate Change
	(ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;	3.1 Addressing Climate Change
	(iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);	3.1 Addressing Climate Change
	(iv) whether and how the issuer prioritises climate-related risks relative to other types of risks;	3.1 Addressing Climate Change
	(v) how the issuer monitors climate-related risks; and	3.1 Addressing Climate Change
	(vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	3.1 Addressing Climate Change
	(b) the processes the issuer uses 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); and	
	(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	
(IV) Metrics and Targets	Greenhouse gas emissions 10. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO_2 equivalent, classified as:	3.1 Addressing Climate Change
	(a) Scope 1 greenhouse gas emissions;	3.1 Addressing Climate Change
	(b) Scope 2 greenhouse gas emissions; and	3.1 Addressing Climate Change
	(c) Scope 3 greenhouse gas emissions.	3.1 Addressing Climate Change

Disclosure Requirement		Corresponding Section or Explanation
	11. An issuer shall: (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	3.1 Addressing Climate Change
	(b) disclose the approach it uses to measure its greenhouse gas emissions including:	
	(i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions;	3.1 Addressing Climate Change
	(ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	3.1 Addressing Climate Change
	(iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	3.1 Addressing Climate Change
	(c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 10(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and	3.1 Addressing Climate Change
	(d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 10(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	3.1 Addressing Climate Change
	Climate-related transition risks 12. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	3.1 Addressing Climate Change
	Climate-related physical risks 13. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	3.1 Addressing Climate Change
	Climate-related opportunities 14. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	3.1 Addressing Climate Change
	Capital deployment 15. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	3.1 Addressing Climate Change

Disclosure Requirement		Corresponding Section or Explanation
	Internal carbon prices 16. An issuer shall disclose:	
	(a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and	Cutia Therapeutics has not established an internal carbon price; this matter is not applicable.
	(b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	Cutia Therapeutics has not established an internal carbon price; this matter is not applicable.
	Remuneration 17. An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 1(a)(iv).	Cutia Therapeutics has not incorporated climate-related considerations into its remuneration policy; this matter is not applicable.
	Industry-based metrics 18. An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	Industry benchmarks were not referenced; this matter is not applicable.

Disclosure Requirement		Corresponding Section or Explanation
	Climate-related targets 19. An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:	
	(a) the metric used to set the target;	3.1 Addressing Climate Change
	(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	3.1 Addressing Climate Change
	(c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region);	3.1 Addressing Climate Change
	(d) the period over which the target applies;	3.1 Addressing Climate Change
	(e) the base period from which progress is measured;	3.1 Addressing Climate Change
	(f) milestones or interim targets (if any);	3.1 Addressing Climate Change
	(g) if the target is quantitative, whether the target is an absolute target or an intensity target; and	3.1 Addressing Climate Change
	(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	3.1 Addressing Climate Change
	20. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	
	(a) whether the target and the methodology for setting the target has been validated by a third party;	3.1 Addressing Climate Change
	(b) the issuer's processes for reviewing the target;	1.2 ESG Governance
	(c) the metrics used to monitor progress towards reaching the target; and	3.1 Addressing Climate Change
	(d) any revisions to the target and an explanation for those revisions.	3.1 Addressing Climate Change
	21. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	3.1 Addressing Climate Change

Disclosure Requirement		Corresponding Section or Explanation
	22. For each greenhouse gas emissions target disclosed in accordance with paragraphs 19 to 21, an issuer shall disclose:	
	(a) which greenhouse gases are covered by the target;	3.1 Addressing Climate Change
	(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	3.1 Addressing Climate Change
	(c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;	3.1 Addressing Climate Change
	(d) whether the target was derived using a sectoral decarbonisation approach; and	3.1 Addressing Climate Change
	(e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose[19]:	
	(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	/
	(ii) which third-party scheme(s) will verify or certify the carbon credits;	/
	(iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	/
	(iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	/
	Applicability of cross-industry metrics and industry-based metrics 23. In preparing disclosures to meet the requirements in paragraphs 3 to 8 and 19 to 20, an issuer shall refer to and consider (i) the applicability of cross-industry metrics (see paragraphs 10 to 17) and (ii) industry-based metrics (see paragraph 18).	Industry benchmarks were not referenced and this matter is not applicable.

[19] During the Reporting Period, Cutia Therapeutics did not utilize nor plan to utilize carbon credits. Therefore, this matter is not applicable.