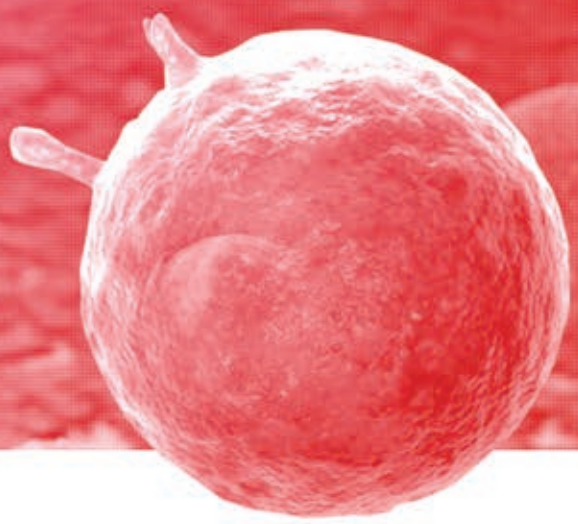
BeiGene

BeiGene, Ltd.
百濟神州有限公司

(incorporated in the Cayman Islands with limited liability)

Stock Code : NASDAQ : BGNE HKEX : 06160

CANCER HAS NO BORDERS
NEITHER DO WE



2020
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

I. ABOUT THE REPORT

This Environmental, Social and Governance ("ESG") report provides information on the ESG performance of our Company for the period from January 1, 2020 to December 31, 2020. This report is prepared in accordance with the ESG Reporting Guide set out in Appendix 27 to the HK Listing Rules. This report is to be read in conjunction with the Company's 2020 Annual Report, in particular the Corporate Governance Report.

Our major operations are in the PRC, and we have offices located in Asia-Pacific, North America and Europe. Unless otherwise specified, the scope of this report covers our global operations.

II. ESG STRATEGY AND GOVERNANCE

i. ESG Strategy

We are a global, commercial-stage biotechnology company focused on discovering, developing, manufacturing, and commercializing innovative medicines to improve treatment outcomes and access for patients worldwide. Our vision, mission, values, and behavior guidelines demonstrate our core ESG strategy.

- **Our Vision**

  Transform the biopharmaceutical industry, creating impactful medicines that will be affordable and accessible to far more cancer patients around the world.

- **Our Mission**

  Build the first next-generation biopharmaceutical company – one that expands the highest quality therapies to billions more people – through courage, persistent innovation, and challenging the status quo.

- **Our Passion**

  At BeiGene, we are passionate about our people, science, and creating a lasting impact. These priorities are of utmost importance to our organization. We strive to build a global organization recognized for its impact in cancer research and drug development, talented people, and integrity.

- Our Values

  - **All Patients First.** Striving to improve the health and well-being of all patients, regardless of location or income.

  - **Transformational Mindset – Challenging the Status Quo.** Embracing innovative ways of doing things at all levels, and stretching our minds to accomplish things that others thought were impossible.

  - **Sense of Urgency, With Commitment to Quality and Compliance.** Maintaining our sense of urgency and agility with a relentless dedication to quality and compliance, with a commitment to continuous improvement.

  - **Regional and Functional Teamwork.** Creating superior teamwork through open, authentic communication and respect for individual differences to enable excellence cross-functionally and around the world.

  - **Global Capabilities, Local Expertise.** Operating at the highest global standards, while understanding and respecting the value and importance of local expertise.

  - **Effective Non-Hierarchical Decision-Making.** Involving inclusively the appropriate people; communicating openly and transparently, listening actively, considering all options; articulating a scientific/logic-based decision, and aligning to support decisions made.

  - **Individual Growth.** Creating an environment, built on diversity and inclusion, in which all employees have an opportunity to grow professionally, affect the world meaningfully, and build lifelong friendships with exceptional people.

- Our Behavior Guidelines

  How we get things done is just as important as what we accomplish – we operate with an unwavering commitment to compliance, ethics, and integrity, and always treat fellow colleagues with respect and dignity.

ii. ESG Governance and Management

We pursue our business objectives with integrity, trust, and respect, and in compliance with applicable laws and regulations. We have integrated ESG considerations into our operations. Also, we established the ESG organizational and management systems based on the characteristics of our business.

Our Board oversees and reviews the Company's ESG matters, including:

- reviewing and discussing periodically the Company's ESG management approach and strategy, and promoting ESG considerations to be part of the business decision-making process;
- reviewing and discussing periodically the process and result of the Company's ESG materiality assessment;
- reviewing and discussing periodically the ESG goals and targets and the progress made against the goals and targets;
- reviewing and discussing the annual ESG report and other ESG-related information disclosure; and
- reviewing and discussing the Company's major ESG risk exposures, and the actions that the management makes to monitor and control such risks.

Relevant departments are responsible for the implementation of ESG-related work.

iii. BeiGene and Sustainable Development Goals

The United Nations Sustainable Development Goals ("SDGs") are the blueprint to achieve a better and more sustainable future for all. At BeiGene, we have also identified our SDG priorities, and have taken actions to contribute to the advancement of the SDGs.

It is our vision to create impactful medicines that will be affordable and accessible to far more cancer patients around the world. We strive to build a global organization recognized for its impact in cancer research and drug development. The sections headed "Product Quality Control" and "Community Investment" illustrate our commitment and actions to promote people's health and well-being.

We strive to create a comfortable and harmonious workplace while building an inclusive culture where everyone can contribute their best work. See the section headed "Workplace" for more information.

One of our values is that we embrace innovative ways of doing things at all levels, and stretch our minds to accomplish things that others thought were impossible. Since the Company was founded, we have made great achievements in medical innovation. See the section headed "Product Responsibility" for more information.

We have established an environmental management system for energy conservation and emission reduction. The section headed "Environment" describes how we reduce our environmental impact.

We promote a culture of compliance and ethical operations and set up comprehensive risk-based monitoring programs. Sections headed "Anti-Corruption" and "Supply Chain Management" provide more information on our anti-bribery and anti-corruption efforts.

iv. Stakeholder Engagement

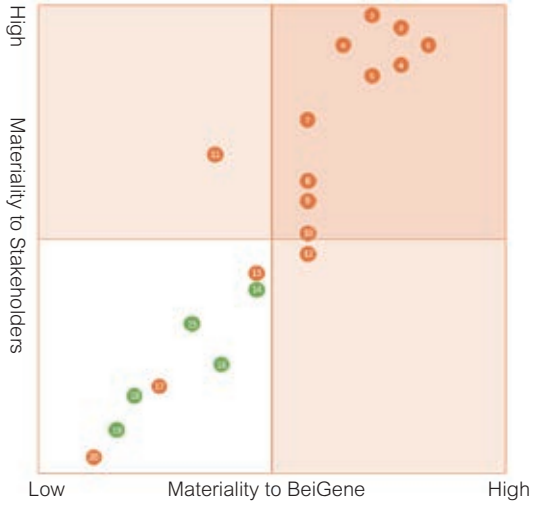
We have maintained close communication with our stakeholders and established channels to understand their opinions on the Company's ESG performance and future development strategy. According to our business characteristics, we identified the main stakeholders and their main ESG concerns as follows:

Main Stakeholders	Main ESG Concerns	Main Communication Channels
Shareholders	• Product responsibility such as product R&D innovation, client satisfaction, products quality control, and patents and intellectual property protection • Supply chain management • Anti-corruption	• Shareholder meeting • Annual report • Regular announcements • Official website • Face-to-face communication • Investor relations
Government and regulators	• Product responsibility such as pharmaceutical advertising compliance, products quality control, and privacy and data protection • Medical waste management • Anti-corruption	• Policy consultation • Incident reporting • Information disclosure
Employees	• Diversity, equity and inclusion • Employee benefits • Talent attraction and retention • Employee training and development • Employee health and safety	• Communication meetings • Employee satisfaction survey • Employee activities • Social media • Face-to-face communication • Whistleblower • Emails • Intranet
Customers and patients	• Product responsibility such as product R&D innovation, client satisfaction, products quality control, and privacy and data protection • Anti-corruption	• Quality management system • Information disclosure • Whistleblower
Suppliers	• Supply chain management • Anti-corruption	• Supplier assessment • Conferences • Telephone calls • Emails • Whistleblower

Main Stakeholders	Main ESG Concerns	Main Communication Channels
Distributors	• Product responsibility such as client satisfaction and products quality control • Supply chain management • Anti-corruption	• Conferences • Telephone calls • Emails • Whistleblower
Media and non-governmental organizations	• Climate change • Energy management • Reduce pollution to water and air • Medical waste management • Water use • Product responsibility such as product R&D innovation, pharmaceutical advertising compliance, products quality control, and privacy and data protection • Diversity, equity and inclusion	• Social media • Official website
Community	• Climate change • Energy management • Reduce pollution to water and air • Medical waste management • Water use • Charitable donations • Volunteering activities	• Community interaction • Public welfare activities • Social media

v. Materiality Assessment

Based on the communication with the main stakeholders and the operating characteristics of the Company, we conducted an online survey to understand ESG topics that our stakeholders believe to be material to BeiGene and themselves. The result of the materiality assessment is summarized below. These topics are discussed in detail in this ESG report.



1 Patient Outcomes
2 Anti-corruption
3 Product Quality and Safety
4 Product Innovation
5 Intellectual Property
6 Data Privacy
7 Employee Health and Safety
8 Responsible Marketing
9 Diversity, Equity and Inclusion
10 Employee Training and Development
11 Supply Chain Management
12 Talent Attraction and Retention
13 Employee Benefits
14 Medical Waste Management
15 Wastewater Management
16 Water Use
17 Charitable Donations
18 Other Air Emissions
19 Climate Change
20 Employee Volunteerism

III. PRODUCT RESPONSIBILITY

We have grown into a fully-integrated global biotechnology company with a broad portfolio of medicines and drug candidates. We are committed to the development of a diverse pipeline of novel therapeutics for cancer. We currently market two internally-discovered oncology medicines: BTK inhibitor BRUKINSA® (zanubrutinib) in the United States and China, and anti-PD-1 antibody tislelizumab in China.

In 2020, we made significant progress and more recently with our collaboration agreement with Novartis and Amgen respectively to develop and commercialize tislelizumab and XGEVA® across multi-countries, and the expansion of our commercial portfolio, including the most recent approval from the NMPA for tislelizumab for use in combination with two chemotherapy regimens as a first-line treatment for patients with advanced squamous NSCLC.

We market REVLIMID®, and VIDAZA® under a license from Celgene Logistics Sàrl, now a BMS company, since 2017, and also market or plan to market additional oncology in-licensed products in China from our collaborations such as with Amgen Inc. and EUSA Pharma.

We announced that three innovative oncology products have been included in the updated NRDL by the NHSA, including BRUKINSA® (zanubrutinib), tislelizumab, and XGEVA® (120-mg denosumab). The NRDL inclusion of tislelizumab, BRUKINSA®, and XGEVA® will help expand access to these high-quality oncology treatments across China and alleviate some of the financial burden for many cancer patients and their families. We believe that it would make a profound impact on local patients who are roughly one-quarter of the world's new cancer patients every year.

We have entered into an exclusive license agreement with Singlomics Biopharmaceuticals Co., Ltd, for developing, manufacturing, and commercializing Singlomics' investigational anti-COVID-19 antibodies, including DXP-593 and DXP-604. We plan to develop one or more of these antibodies globally outside of greater China, while Singlomics would retain rights in greater China, to help support the prevention and control of the epidemic.

i. Product Quality Control

BeiGene strives to never compromise on the safety, compliance, and quality of our products, our research, or our services. BeiGene maintains a quality-focused culture to ensure the highest priority is placed on the quality of our products, the safety of our patients and consumers, the integrity of data supporting our products such as in regulatory submissions, and interactions with our stakeholders.

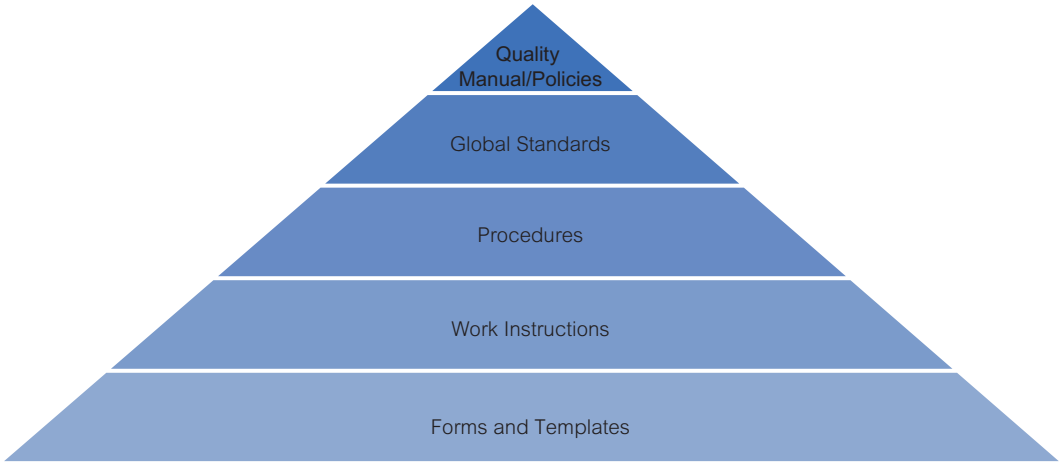
We have developed a comprehensive quality assurance and control program to generate awareness, foster a culture of quality, and support our compliance with applicable laws and regulations and internationally recognized standards. We earn and preserve stakeholders' trust by adhering to strict quality control standards in testing, manufacturing, packaging, storage, and distribution of our medicines. We are committed to high standards on safety, standardization, product quality, research, and service quality. Our internal standards are often stricter than those required by national and industry practice, and are optimized and enhanced on an ongoing basis. We also expect our external business partners, such as vendors, contract manufacturers, contract research organizations, specialty service providers, contractors, and distributors to demonstrate their alignment with our quality control requirements to achieve patient safety and compliance.

Our clinical studies are conducted in compliance with Good Clinical Practice ("GCP") and Good Pharmacovigilance Practice ("GVP"), Our investigational new drug enabling nonclinical studies are conducted in compliance with principles of Good Laboratory Practice ("GLP"). Our manufacturing sites follow requirements of the FDA, NMPA and EMA, such as Good Manufacturing Practice ("GMP"), and the ICH Q10 Drug Quality Control System. In 2020, we completed GMP qualification for the second phase of biologics manufacturing facility in Guangzhou, China, with a total capacity of 24,000 liters for the completed first and second phases.

1. Quality Management

BeiGene commits to serving patients first by delivering safe, effective, high quality medicines that consistently meet or exceed customer and regulatory requirements. We have established a comprehensive and full life-cycle Quality Management System to set quality objectives, conduct quality related risk assessments, and promote continuous improvement. The system covers drug discovery, research and development, manufacturing facilities, production, and inspection. We have formulated detailed guidelines for our quality control processes. All subsidiaries within the BeiGene network operate under this global quality system for the management, monitoring and control of our product quality based on their business characteristics.

Our quality system is illustrated below and includes quality manual/policies, global standards, standard operating procedures, work instructions, and forms and templates. In the pyramidal structure, each level interlocks with and supports the next higher level. We periodically review and enhance our quality management system to ensure its robustness and effectiveness.



We have an independent and autonomous group tasked with establishing and maintaining procedures, tools, and the organizational structures required to support an effective quality system. It consists of four areas under the Global Head, Quality & Compliance, including GMP Quality, Medical Quality Assurance, Computer Systems Validation Quality Assurance, and Quality Management Systems.

In addition, we have established a global patient safety group headed by a Chief Safety Officer to manage overall responsibilities for product and service safety. Safety management review for senior leadership is conducted periodically. In addition, our clinical scientists are responsible for identifying and monitoring safety issues in our operation to ensure the safety of our medicines.

2. Monitoring

At BeiGene, a quality management risk process is in place to support all GxP (including GMP, GCP, GLP, etc.) operations in identifying, analyzing, and devising controls for managing potential risks observed with internal manufacturing, CMOs and in the quality system. We believe that it is our responsibility to monitor the whole process and evaluate potential risks to ensure product safety and quality.

We have set up comprehensive, risk-based monitoring programs to ensure the robustness and effectiveness of our quality system. We carry out management reviews periodically. Performance measures including key quality indicators are reviewed, analyzed and summarized in periodic reports. Based on these periodic reviews, we implement continuous enhancements as needed to maintain an effective quality system, including training, additional resources, modifications of roles and responsibilities and/or procedural changes.

We also maintain internal and external audit programs to ensure our functional business units, vendors, and clinical trial sites comply with relevant procedures, written agreements, and applicable regulations. Procedures are in place for scheduling, performing, and documenting audits, and for tracking and resolving audit observations in a timely manner. Annually, internal compliance audits of each manufacturing site for cGMP compliance, clinical operations for GCP and GPV compliance, external audits of suppliers of services and products are conducted on a risk-based approach.

3. Training

BeiGene fosters a quality culture by developing quality awareness throughout the organization. Role-based training on GxP regulations and standards is provided on a regular basis to ensure that all BeiGene personnel are qualified to perform job functions and remain proficient in their understanding of GxP regulations and operational procedures. We maintain training records for all personnel and conduct periodic and systematic reviews of these records to ensure personnel are receiving the training required by their job function.

4. Promoting Industry Development

We actively participate in industry events to promote industry development. Our quality leadership team participates as experts in industrial workshops and conferences on quality issues jointly with local provincial authorities. For example, we are an active member of many non-profit associations and industry communities such as Biotechnology Innovation Organization, European Confederation of Pharmaceutical Entrepreneurs, Parenteral Drug Association and International Society for Pharmaceutical Engineering, to connect and collaborate with more key industry leaders and actively promote industry development. In China, we share our experiences with various biotechnology companies sharing international standards in safety management and biologics production.

ii. Complaints and Recall Procedures

Timely reporting of potential product complaints or quality concerns is critical to ensure the integrity of our medicines. We have issued a global standard relating to complaint handling to define the process and ensure that product complaints related to clinical and commercial products are documented, evaluated, investigated, monitored, reported, and trended in accordance with regulatory requirements.

Our channels for receiving complaints include a web portal, telephone hotline, and email. All employees and representatives are responsible for reporting product complaints for any products owned or marketed by BeiGene. Our Quality Assurance Department monitors these channels daily for product complaints. All complaints are documented, tracked, and rigorously investigated. Based upon the findings, the Quality Assurance Department investigation determines whether more stringent preventive measures are required and implements them accordingly.

In 2020, we amended our global standard, stipulating that all product complaints for any BeiGene owned or marketed product should be reported by our employees, representatives and product customers/ patients within 24 hours of awareness, which shortened the reporting timeline and further helped us in our efforts to prevent subsequent adverse events from occurring.

Should a serious product quality issue be identified, customers would be advised to stop using the product immediately, and a recall may be initiated. We have established a global standard product recall procedure for our products. If a stock recovery/recall is warranted, our Stock Recovery/Recall Committee consisting of representatives from Regulatory Affairs, Quality, Clinical Development, and Supply Chain, will determine the extent of such a recovery/recall. Further investigation will be conducted to identify the root cause so as to implement corrective actions and propose any preventive actions needed to ensure that the quality issue shall not reoccur.

We were not aware of any significant adverse events based upon complaints due to quality in BeiGene products in 2020. On March 25, 2020, the NMPA suspended the importation, sales and use of ABRAXANE® in China supplied to us by BMS. This suspension is based on inspection findings at BMS's contract manufacturing facility in the United States. Following additional meetings with the health authorities, BMS initiated a voluntary recall of all existing stock of ABRAXANE® in China. We cooperated with our partners and related authorities on their investigation and efforts to trace product to support the recall procedures.

iii. Intellectual Property Rights

Our commercial success depends to a large extent on our ability to develop and protect our proprietary technology and knowledge by obtaining, maintaining and pursuing enforcement of our intellectual property rights.

We strictly abide by and keep abreast of the requirements of relevant laws and regulations in countries and regions in which we operate. In 2020, the Patent Law of the People's Republic of China was amended to be effective as of June 1, 2021, and the amendment expects to serve as an incentive to the innovation of the pharmaceutical industry.

We have filed patent applications and obtained patents in China, the United States and other countries and regions, relating to our medicines and drug candidates, and are pursuing additional patent protection for our medicines, drug candidates and technologies. We rely on trade secrets to protect aspects of our business that are not amenable to, or that we do not consider appropriate for, patent protection, including our manufacturing processes.

We seek to protect our proprietary technology and processes, in part, by entering into confidentiality agreements with employees, consultants, scientific advisors and contractors and invention assignment agreements with our employees. We also seek to preserve the integrity and confidentiality of our data and trade secrets by maintaining physical security of our premises and physical and electronic security of our information technology systems.

In addition, we also comply with all applicable laws and regulations regarding inventor remuneration and establish the employed inventor policy to encourage drug innovation and new drug development. We provide training to employees to raise their awareness on intellectual property protection.

We avoid infringing the valid patents and other intellectual property rights of third parties. We conduct Freedom to Operate ("FTO") analysis to make sure that the development and commercialization of our medicines does not infringe others' valid patent rights. We rely not only on our know-how and continuing technological innovation, but also on in-licensing opportunities to develop, strengthen and support our development programs. Intellectual property due diligence is conducted for in-license and out-license projects to minimize intellectual property risks.

As of December 31, 2020, we owned 14 issued China patents, 28 issued the United States patents, a number of pending China and the United States patent applications, and corresponding patents and patent applications in other jurisdictions. In addition, we own pending international patent applications under the Patent Cooperation Treaty ("PCT"), which we plan to file in the United States and other jurisdictions, as well as additional priority PCT applications. We also own a number of registered trademarks and pending trademark applications. We currently have registered trademarks for BeiGene, our corporate brand and product names and logos in the United States, China, the EU and other jurisdictions, and we are seeking further trademark protection for BeiGene, our corporate brand, product names and logos, and other trademarks in jurisdictions where applicable and appropriate.

iv. Privacy and Data Protection

As indicated in our Code of Conduct, BeiGene is committed to protecting the privacy and security of personal data.

A number of privacy and data protection laws and regulations apply to our business operations, including but not limited to the GDPR, the California Consumer Privacy Act, the Regulation on the Administration of Human Genetic Resources, and the Cybersecurity Law of the People's Republic of China.

Our global Privacy and Data Protection Policy establishes core requirements for personal data BeiGene receives, uses, stores, transmits or otherwise processes. Violations of that Policy may result in discipline, up to and including termination, or referral to regulatory authorities and potential civil and criminal liability, where appropriate.

Designated employees oversee BeiGene's compliance with data protection laws and regulations. We provide training to all employees on privacy protection, and specifically data protection training to individuals in departments that process sensitive personal data.

We are committed to processing personal data lawfully, fairly, and in a transparent manner. We collect personal data only for legitimate and justifiable purposes, and that are relevant, adequate and limited to what is necessary to achieve legitimate purposes. We maintain data only for as long as necessary for the purposes for which it is processed, or as otherwise permitted under applicable laws and regulations. We also secure personal data to help protect against unauthorized or unlawful processing and against accidental loss, destruction or damage.

Protection for the data of patients who are participating in BeiGene clinical trials include the following:

1. *Contractual Protections*

   Our agreements with trial centers, principal investigators and clinical trial vendors require compliance with applicable laws, which include privacy and security laws, and strict confidentiality.

2. Informed Consent

We and our clinical trial collaborators are all legally and contractually required, in accordance with the China GCP to obtain clinical trial subjects' permission to collect personal data, share personal data with us, and if applicable, transfer personal data outside of China. This is conducted through the informed consent process, which includes written, documented consent from the parties involved.

We have policies governing the preparation, review, approval and use of the informed consent form ("ICF"). ICF templates must be approved by the ethics committee of each clinical trial site in every trial. Under these policies, clinical trial subjects, prior to being enrolled in a clinical trial, would be informed in writing of the scope of the information to be collected from them as well as how, and to what extent, such information will be used, processed, transferred, and stored, and requested to give their consent in writing. Our use of personal data obtained from clinical trial subjects complies with the terms of such consent.

3. Regulatory Approvals

We obtain approval from the Ministry of Science and Technology of the People's Republic of China before the commencement of clinical trials in which we, and clinical trial centers in China, obtain human genetic resources ("HGR"), and before exporting the HGR samples or associated data outside of China.

4. Security Measures

We employ security measures that protect the confidentiality and security of data that we collect, store and otherwise process. Most clinical trial data maintained by us resides in validated quality systems that include additional security protections such as limited role-based access and firewall protection. Our employees must explicitly agree to comply with applicable security measures as outlined in our Acceptable Use Policy and attend mandatory information security training sessions.

5. Others

Our Code of Conduct mandates that all employees comply with applicable laws and protect confidential information, including personal data. Confidentiality obligations are further detailed in the employment documents with all employees. These compliance and confidentiality obligations extend to the protection of all personal data collected and processed by us, including the personal data of clinical trial subjects.

Our employees are obliged to report any data incident immediately upon learning, so that the Legal and Compliance and IT Departments can take appropriate action, including assessing any potential disclosures, and notification requirements to data protection authorities or affected individuals, as appropriate.

v. Advertising and Labelling

The FDA, NMPA, EMA and other regulatory authorities strictly regulate the marketing, labeling, advertising, and promotion of drugs. Our medicines may be promoted only for their approved indications and for use in accordance with the provisions of the approved label.

At BeiGene, we strictly abide by advertising and labelling laws and regulations, such as the Advertisement Law of People's Republic of China, the Pharmaceutical Administration Law of the People's Republic of China, Classification Management Measures of Prescription Drugs and Non-Prescription Drugs, the Provisions for Drug Advertisement Examination, the Drug Instructions and Label Management Regulation and the United States Food, Drug and Cosmetic Act, so that regulators, medical professionals and patients may receive authentic and rigorous product and academic information.

In China, prescription drugs are strictly forbidden from being advertised to the general public and are only permitted to be advertised in professional medical journals. We manage publicity work strictly according to the regulations and do not advertise our products to the general public in China. We also require that all materials used in external communications shall be approved by our Material Review Committee consisting of the Functional Reviewer, Medical Affairs and Legal department to ensure appropriateness compliance and accuracy. All promotion and advertising-related interactions with healthcare professionals, including physicians, nurses, nurse practitioners, physician assistants, pharmacists, or health plan administrators, must be consistent with the prescribing information approved by relevant regulatory authorities.

We have developed global standard operating procedures ("SOPs") for regulatory labeling processes for the development, review, approval, update, and distribution of labeling documents for all marketed and development products for which BeiGene holds core labeling document responsibilities. We have an Executive Labeling Committee and a Labeling Committee to ensure all core labeling content receive the appropriate level of internal review prior to release for submission to a regulatory agency and/or before releasing for product commercialization. Our Executive Labeling Committee, comprised of key senior representatives from specific functions and product units, is accountable for making decisions, advising the Labeling Committee on labeling documents as appropriate, and providing the final approval of any significant labeling.

IV. WORKPLACE

BeiGene values the growth of employees as we believe that our people are critical to the success of the Company. We strive to create a comfortable and harmonious workplace while building an inclusive culture where everyone can contribute their best work. One of our core values is *creating an environment, built on diversity and inclusion, in which all employees have an opportunity to grow professionally, affect the world meaningfully, and build lifelong friendships with exceptional people*. We are committed to taking care of our employees' wellbeing and creating a safe, healthy, innovative, and diverse work environment for our staff. We have adopted policies to protect our employees' health and safety, keep a work-life balance, and foster their career development.

From January 1, 2020 to December 31, 2020, we were not aware of any incidents of material non-compliance with applicable laws and regulations in the People's Republic of China relating to employment, occupational health and safety, and labor standards.

i. Employment and Labor Practices

We strictly comply with PRC laws and regulations relating to employment, such as the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Women's Rights and Interests, the Social Insurance Law of the People's Republic of China, and the Provision on Minimum Wage of the People's Republic of China.

We have developed an employee handbook in China, specifying the policies for recruitment, promotion, working hours, leave entitlements, compensation, dismissal, welfare and other benefits, anti-discrimination, diversity and equal opportunity. In 2020, we focused on making standards and policies clearer, optimizing the processes, and managing employees effectively through the employee handbooks.

1. Diversity and Equal Opportunity

BeiGene promotes diversity, inclusion, and equal opportunity through recruiting and employees' work life as we understand that international talents are strongly needed for every organization. Currently, we have offices located in Asia-Pacific, North America, and Europe. Our employees are from diverse backgrounds and we are committed to creating a diverse and inclusive environment.

We comply with the relevant PRC national and local employment laws and regulations, and prohibit any discrimination on the grounds of gender, ethnicity, race, disability, age, religious belief, sexual orientation, nationality, or family status. We clearly state in our employee handbook that the basic principle of employee management at BeiGene is that we are firmly committed to giving all employees equal treatment and opportunities regardless of their nationality, ethnicity, race, gender, religion, etc. In terms of other corporate initiatives, we have created many collaboration opportunities across the division to enhance inclusion and improve employees' capabilities.

We do not tolerate discrimination or harassment in the workplace, including any form of abusive conduct or action, such as verbal, non-verbal, written, electronic, or physical conduct that creates an intimidating, hostile or offensive work environment; unreasonably interferes with an individual's work performance; or demeans or shows hostility toward an individual. Employees are required to report any discrimination or harassment they may witness or experience in the workplace through our complaint and whistle-blowing mechanism.

2. Recruitment and Dismissal

In strict accordance with relevant laws and regulations such as the Provisions on Prohibition of Child Labor, we strictly forbid the employment of child labor and incidents of forced labor. We have recruitment guidelines in place. Every job applicant is required to provide information such as ID card, educational background and work experience, which is reviewed by us and verified by a professional background checking agency as needed, to avoid related risks. During the reporting period, BeiGene did not have any cases of child labor or forced labor.

We primarily recruit employees through recruitment agencies, employee referrals, on-campus job fairs and online channels including our corporate website, social networking platforms and industry referrals. Recruitment interviews are conducted at three levels in sequence, including the human resources department, line manager and senior manager. These procedures are designed to recruit suitably talented employees who fit the job descriptions under the principle of equal employment opportunity. In 2020, we focused on making position competency requirements clearer and more specific based on qualifications of different level of jobs to increase recruiting efficiency. Besides, we switched the face-to-face handwriting contract signing process to the online contract signing process, which provided more convenience for remote employees, improved our productivity, and helped maintain the social distancing policy during COVID-19.

As of December 31, 2020, BeiGene had a total of approximately 5,100 employees across all our global operations. Dismissal of employees is strictly compliant with applicable PRC laws and regulations, and contractual terms and clauses as stipulated in our labor contracts.

3. Working Hours and Leave Entitlements

We adopt two working hour systems in China. In 2020, we have set up special allowances for remote employees and added "home office" applications to the attendance system to provide employees with flexible options during the COVID-19 pandemic. According to our China leave policy, our employees are entitled to annual leave, fully-paid sick leave, and other statutory leave. Additionally, our female employees are entitled to take fully-paid maternity leave and other associated leave benefits, while male employees are entitled to take fully-paid paternity leave.

4. Compensation and Promotion

We promote a high performance and high appreciation global culture. We refer to the salary and welfare standard of the pharmaceutical and other industries to offer competitive salary and benefits to attract talent and retain our employees. The financial benefits we offer to employees include base pay, cash bonuses and equity compensation.

Every employee receives a performance evaluation annually. The results of employee performance evaluations are an important factor affecting employees' annual performance bonuses, promotion or demotion, rewards and disciplinary action. Promotion is reviewed and determined by different internal business units according to preset criteria on candidates' performance, job requirements and business performance. In 2020, we improved our talent management policies and there were more layers of rewards designed for promoting collaboration and praising employees' good performance. For example, the criteria for salesperson became more specific. Employees had more opportunities to get promotions compared to the past.

5. Welfare and Benefits

We provide benefits related to health, wellness, retirement and leaves of absence to help attract, cultivate and retain the industry's most talented workforce. In China, we provide a range of insurances including medical insurance, pension insurance and unemployment insurance as required by local rules and regulations. To demonstrate our commitment to the health of our employees, we also provide commercial insurances to all employees and premium plan insurance packages to executive-level employees and organize health lectures periodically to share health knowledge. Transportation and meal subsidies are also available to our employees.

6. Communication

Employees' suggestions and opinions are important to BeiGene. We have established a variety of internal communication channels such as company website, president email, business WeChat account, CEO communication letter, townhalls and all-hands meeting to collect employees' suggestions, opinions and complaints. In 2020, BeiGene conducted an Engagement Survey to understand employees' needs and recommendations for the Company. The employee satisfaction rate reported in the survey was approximately 80% globally and 84% in China.

7. Employee activities

We promote efficient work and encourage employees to maintain a positive work-life balance. We hold a "Healthy Running" event every year to promote the concept of healthy living. In 2020, to enhance COVID-19 prevention and control and comply with the requirements of national and local governments, we did not hold company-level off-site activities that enrolled each employee. However, we organized a series of functional level activities within each department for team building to help employees stay engaged and involved. We also held volunteer programs that encouraged employees to attend including charitable donations to help low-income families.

ii. Occupational Health and Safety

We are committed to maintaining safe workplaces. We strictly comply with the applicable laws related to occupational health and safety, such as the Law of the People's Republic of China on Prevention and Control of Occupational Diseases, the Technical Specification for Occupational Health Surveillance, the Law of the People's Republic of China on the Prevention and Treatment of Infectious Diseases, the Provisions of the State Council on the Investigation of Administrative Responsibility for Major Safety Accidents, and the Notice of the State Administration of Work Safety on the Adjustment of the Statistical Report on the Dispatch of Work Safety Accidents.

In 2020, We engaged a professional third-party vendor to help establish a database of applicable EHS laws and regulations to facilitate a more effective management of our compliance with these laws and regulations. We stay up-to-date on the latest changes in EHS laws and regulations by obtaining periodic research reports from third-party experts and monitoring by our dedicated EHS team. We take immediate measures to respond to these changes when necessary. In 2020, there were no significant changes in occupational health and safety laws and regulations that may have a significant impact on BeiGene, and we did not have any material violations of PRC laws and regulations relating to occupational health and safety.

1. *Environmental, Health and Safety Management Structure and Policy*

Our EHS management mechanism is set up based on the ISO14001 framework. We have a comprehensive EHS management framework consisting of senior management, EHS department and EHS coordinators responsible for the effective implementation of EHS management policies. Our Senior Vice President, Head of Biologics is responsible for overseeing and directing overall EHS management.

We have formulated EHS policies to guide EHS management in our manufacturing sites and other facilities. We are committed to achieving the following EHS objectives:

- **Employee Health and Safety:** Fostering a safe work environment that prevents injuries and diseases and promotes employee health and productivity; We also ensure that our employees have the awareness, skills, and knowledge to carry out this policy;

- **Sustainability:** We strive to conserve natural resources and eliminate or minimize adverse EHS aspects and hazards that may be associated with our products, services, and operations, with a focus on creating value for internal and external stakeholders;

- **Suppliers and Contractors:** We work with our suppliers and contractors to enhance EHS and sustainability performance;

- **Compliance:** We comply with all applicable EHS laws and regulations and continue to integrate sound EHS practices consistent with our EHS management system into all aspects of the business;

- **Business Integration:** We integrate EHS and sustainability considerations into our business activities;

- **Customer:** We work with our customers to help them address their EHS and sustainability needs; and

- **Community and Government:** We participate in community and government EHS and sustainability initiatives.

To support implementation of the EHS policies, we have established procedures and standards, such as an EHS Management System Manual, EHS Specifications, Restricted Space Management Procedure, Emergency Preparedness and Procedures, Emergency Rescue Management, Procedure for Explosive Chemicals Management, Procedure for Precursor Chemicals Management, Health Examination Procedure, and Occupational Health Management Procedure, to manage and control occupational health and safety risks. We regularly review and update relevant procedures and standards to ensure their applicability to the latest situation.

We evaluate, identify, and monitor the occupational disease hazard factors and safety risks in our workplace, and take necessary measures to remove or reduce occupational hazards and safety risks.

We conduct occupational physical examinations for employees before employment, during the term of employment, and before departure. Appropriate Personal Protective Equipment ("PPE") is provided to employees in positions with potential exposure to occupational health risk to prevent occupational diseases. If an employee suffers from occupational health issues, his or her posts and responsibilities will be adjusted with necessary remediations actions. In 2020, the occupational health physical examination coverage rate was 100%.

Our employees who engage in higher risk work activities are required to receive relevant training and obtain corresponding qualifications. We have put in place various policies and procedures including our Chemical Management Procedure, Procedure for Explosive Chemicals Management, and Procedure for Precursor Chemicals Management in managing hazardous safety risk of our employees. Our chemical warehouses and manufacturing facilities are well tested for safety in compliance with applicable PRC laws and regulations.

2. Education and Training

We integrate safety awareness into our business processes and our corporate culture. We conduct occupational health and safety trainings for all our employees and third parties on a regular basis to enhance occupational health and safety awareness and improve their capabilities to cope with safety emergencies, such as training on PPE use, first aid, and confined space operation.

3. Monitoring and Inspection

In our Suzhou and Guangzhou manufacturing facilities, we conduct internal EHS audit activities regularly. The management team and EHS coordinators conduct monthly safety inspections, whereas relevant departments conduct daily and monthly reviews.

4. Emergency Response

We have established an emergency response system and developed emergency response plans to deal with natural disasters, medical emergencies, fire and explosion emergencies, chemical spills, sewage treatment system emergencies, occupational disease hazard accidents, and special equipment related emergencies.

We also carry out relevant emergency drills regularly, including fire drills and emergency drills for chemical leaks, confined space rescue, and special equipment accidents. All sites are equipped with first-aid kits, and automated external defibrillators ("AEDs") are set up in the public areas of the Suzhou plant. All first-aid specialists in the plants have received professional training delivered by the local Red Cross.

5. Response to COVID-19

During the worldwide COVID-19 health crisis, our primary focus has been on keeping BeiGene colleagues and their families safe, upholding our commitments to patients, and providing assistance and materials to doctors and hospitals on the frontline.

For the safety of our employees, we were early in closing our offices in China and then in the United States and Europe as the COVID-19 pandemic spread. We were also early in suspending domestic and international travel, changing all in-person meetings to virtual meetings, and temporarily suspending all in-person field activities. Our employees in China have returned to the office, following required and recommended precautions such as wearing masks, temperature screening and social distancing, and we are monitoring the situation closely in the United States and Europe as we make plans for our employees to return to the office when it is deemed safe.

During the COVID-19 outbreak, we immediately acted upon the National Health Commission of China, World Health Organization, Center for Disease Control and local government requirements and developed an action plan for pandemic prevention and control. We set up a dedicated Emergency Response Team in China comprising personnel from our EHS, HR and Administration departments and in the United States created a global COVID team from Workplace Services, Legal, Human Resources, IT, Travel and Security with clearly defined roles and responsibilities The action plan includes various management measures and procedures with respect to monitoring risks and impacts of the pandemic, managing internal and external communication, collecting and tracking health information and wellbeing of our employees for necessary care and assistance, and reporting and emergency response procedures. COVID testing and PPE was provided in the United States for those interacting with medical facilities. Leaders are monthly informed of any changes on all aspects related to each region. Outside of China employees are working from home and were given the necessary IT equipment and a monthly stipend for internet and miscellaneous expenses. As vaccines become available in 2021, offices outside of mainland China are expected to open.

We continue to closely monitor the pandemic situation and maintain continuous communication with our employees on the latest developments with the pandemic and have issued specific guidance on infection prevention and personal safety and health protection.

We continue to take vigorous disinfection measures in our offices and plants, provide our employees with adequate protective equipment and necessary facilities to ensure a safe environment for our operations and production, conduct safety inspection, and train all employees and third parties' personnel online on the requirements and cautions.

In addition, we launched a charitable initiative, called BeGenerous, coordinated by our COVID-19 task force, to procure and donate PPE to hospitals around the world and provide other charitable support. Initially, our team in China, with the assistance of our global team, secured and delivered much-needed PPE and supplies to doctors and hospitals on the frontlines in the city of Wuhan and Hubei Province. We were among the first companies to do this. We have also helped to secure PPE for distribution to hospitals in the United States, while our employees globally, including in Europe and Australia, have engaged in active donations of medical supplies and other support in their communities.

iii. Training and Development

We are committed to fostering a culture of continuous learning and providing training tailored to the needs of different positions. Our employees make their own personal development plans annually and propose training needs, based on which we design the annual training program. There are generally three types of training: new employee orientation, annual mandatory training on compliance/intellectual property/quality/EHS, and training on general professional skills, management skills and job-specific technical skills. We help new employees quickly fit into the Company by offering induction training and on-the-job training from their entry. By coaching new employees using the onboarding performance management system, we aim at helping everyone achieve their goals proactively. All of these training courses are organized by the responsible functions including quality, legal, compliance, EHS and human resources. Additionally, we have a dedicated sales training team to provide tailored training to our sales representatives.

We are committed to continuously optimizing our training system and courses. In 2020, additional new training courses for general professional skill training and new employee training were provided and the participation percentage of employees reached 100%. With frequent communication with our business departments to understand training needs, we provide customized training courses, mentorship programs, and workshops to our employees.

Training courses are regularly provided to employees by internal trainers or external consultants. Our employees may also attend external training courses upon their supervisors' approval. Moreover, we have set up an online learning platform – e-Learning Management System ("eLMS") so that employees can learn anytime and anywhere. "BeiGene ELIVE LIVE" sessions were held entirely online to provide employees training with a wide range of topics such as time management and communication skills. To better support on-the-job education for our employees, we have set up a talent review project based on the results and feedback of talent mapping. Human capital internal assessment and change management are conducted periodically based on organizational growth and future strategy.

Furthermore, we are working on a special program designed for directors and above employees called Talent Acceleration Program, expected to be launched in the middle of 2021. By utilizing a "square nine box" mapping method, the program is aimed at helping top talents reach their career goals and support BeiGene in retaining talent.

V. ANTI-CORRUPTION

BeiGene values a clean and honest corporate environment and is committed to preventing corruption in any form. BeiGene adopts a zero-tolerance attitude towards bribery and corruption. We implement anti-corruption control measures and strictly follow relevant laws and regulations against corruption, extortion, fraud, bribery and unfair competition, such as the Law of the People's Republic of China against Unfair Competition, Sarbanes-Oxley (SOX) Act, the federal Anti-Kickback Statute, and the Foreign Corrupt Practices Act. In 2020, we continue to improve our management policies and control measures related to bribery, extortion, fraud and money laundering in accordance with updated laws and regulations.

The compliance management, under the Audit Committee's supervision, ensures the implementation of relevant regulations. It consists of senior managers from the Commercial Department, the Finance Department, and the HR Department to oversee and review the work related to professional and business ethics.

At BeiGene, a comprehensive and robust compliance management system has been built, consisting of the following key components:

- Designated compliance officer;
- Internal policies and procedures;
- Education and training programs;
- Online compliance management system;
- Platform/Lines of communications between employees and leadership;
- Effective due diligence programs; and
- Remedial actions.

Our Code of Conduct outlines the ethical and compliance principles that guide our daily operations and embody our commitment to ethical business practices in all of our interactions with the healthcare community, patients, suppliers, business partners, government regulators, shareholders, and each other. In addition to the Code of Conduct, BeiGene developed a series of global policies, including the Anti-corruption Policy, the Global Healthcare Compliance Policy, the Global Vendor Code of Conduct, and the IT Security Policy.

i. Compliance Education and Training

At BeiGene, we are committed to promoting a culture of compliance and ethical operations. We develop education and training programs for our employees to fully understand the requirements of our compliance policies and relevant laws and regulations.

We conduct both online and offline training programs. Through our eLMS, we provide tailored training programs for different employees based on their roles and responsibilities. Every new employee receives training on company policies related to anti-bribery, extortion, fraud and money laundering. Online training is provided to all employees every quarter. We have ethical marketing training programs and quarterly tests for sales personnel to ensure they understand relevant policies and procedures. Classroom training is also provided. For example, in 2020, an anti-corruption training was provided to the BeiGene China Leadership Team including the heads of each business unit.

ii. Monitoring and Reporting

We have set up comprehensive, risk-based internal monitoring programs to review high-risk processes and transactions, including forensic data analytics, monthly travel and entertainment ("T&E") transaction testing. These programs help us identify risks, gaps, and potential misconduct in a timely manner, so that we can take prompt remediation actions. We also employ independent reviews by third parties on a quarterly basis. Reports are sent to the Audit Committee for quarterly review. In 2020, we carried out a program to enhance vendor due diligence, and launched unannounced audits for online meeting.

At BeiGene, we value feedback and promote an open-door policy. We encourage our employees to ask questions or raise concerns with no hesitation or fear of retaliation. If individuals are not comfortable reporting issues of concern directly to management, they may file complaints via our compliance hotline or web portal, available 24 hours a day, 365 days a year. We process these reports in accordance with the law and regulations. All reports are investigated thoroughly and independently by designated compliance personnel. In response to any findings identified in monitoring programs and investigations, we take appropriate preventative actions, such as disciplinary action or enhancement to policies, procedures, and controls.

Complaints, and investigation procedures, conclusions and remedial actions are recorded in our report and investigation system, and automatically notified to BeiGene's Chief Compliance Officer, General Counsel and Audit Committee Chair.

VI. SUPPLY CHAIN MANAGEMENT

We are committed to conducting business activities with integrity, quality, respect, and responsibility. We have established a sound supplier management system and strive to build a long-term and stable relationship with suppliers to ensure that our products are consistently produced and controlled according to quality standards such as GMP. We have developed a procurement policy and a global contract policy.

In 2020, we developed the Supplier Code of Conduct to regulate the behaviors of our suppliers globally, covering commitment to an ethical workplace, adherence to laws, regulations and guidance, anti-bribery and anti-corruption, fair competition, marketing and promotional practices, conflicts of interest, trade, privacy, security, confidential and proprietary information, commitment to quality, accuracy of books and records, management systems, non-discrimination and fair treatment, wages, benefits and working hours, freedom of association, prohibition of slavery, human trafficking and child labor, workplace health and safety, diversity in employment, emergency preparedness and response, animal welfare, and environmental safety.

i. Supplier Access Management

Our suppliers mainly include production suppliers and non-production suppliers, including research service organizations, fixed asset suppliers, reagents/consumables suppliers and contract research organizations. All suppliers are required to be pre-assessed before they are selected or qualified for procurement. We also have developed evaluation standards for new suppliers which consider factors like business legitimacy and technical professional reputation. For production suppliers, there are additional quality assurance standards and other stringent evaluation criteria such as specific recognized technical qualification requirements.

ii. Supplier Selection and Assessment

During the supplier selection and assessment stage, we constantly monitor and supervise suppliers before and after we agree to cooperate. Supplier assessments and evaluations including supplier selection, routine competitive bidding, and annual performance assessments are conducted throughout the process of supplier management.

Our procurement department, assisted by business line managers, is responsible for sourcing potential supplier candidates and the final selection. Supplier assessments are conducted by suppliers' business natures, based on established internal selection criteria and standards, including quotation, quality of performance, deliverables, services, etc. Line managers may jointly participate in the evaluation and selection of suppliers and provide professional recommendations as necessary. In addition, phased and continuous performance evaluations are conducted. The results are considered when evaluating future collaboration opportunities.

iii. Supplier Environmental and Social Requirements

Our supply chain management program focuses not only on the quality, cost and reliability of the products and services, but also on a wide range of environmental and social responsibility considerations, such as employees' health and safety and environmental impacts.

We stress business ethics risk management in procurement. We have incorporated anti-corruption rules and requirements into our contracts, and integrity commitment letters that require our suppliers to operate with honesty and integrity. Due diligence is conducted periodically for selected suppliers.

We expect suppliers to abide by all laws, regulations, and standards not only related to healthcare, but also those that address financial, labor, health, safety, transparency, and environmental practices. We may seek to verify a supplier's compliance with our Supplier Code of Conduct. If we are aware of any actions or conditions not in compliance with our standards, we will seek to work with our suppliers to take corrective or remedial actions. We also established a program to monitor our suppliers, which includes surveying and auditing supplier adherence to the BeiGene Supplier Code of Conduct.

For suppliers with higher environmental and social risks, such as engineering and construction suppliers, we have additional stringent requirements on their management of environmental and social risks. For example, our contracts with engineering suppliers specify that they are obliged to minimize the adverse impacts of their operations on the environment. In addition, we give preference to environmentally friendly suppliers during the selection process in order to encourage them to use more eco-friendly production, packaging and logistics.

During the COVID-19 pandemic, we strived to maintain a healthy and safe work environment for suppliers and established backup systems in case deliveries of raw materials and equipment provided by overseas suppliers were delayed. By setting up backup mechanisms such as utilizing more local suppliers and domestic factories, the pandemic did not have a material impact on our local production in 2020.

VII. ENVIRONMENT

We value the importance of living in harmony with the environment and are committed to responsible production. Our main impacts on the environment and natural resources are emissions generated and the use of natural resources in the process of research and development, manufacturing, and daily office work. We have adopted emission reduction and resource conservation measures to minimize these impacts. For example, towards a sustainable future, we aim to have 100% of the office paper procured and used in the Suzhou factory be certified by the Forest Stewardship Council ("FSC") by the end of 2021.

i. Environmental Management

With our manufacturing currently in China, we strictly abide by the country's environmental laws and regulations, such as the Environmental Protection Law of the People's Republic of China, the Environmental Noise Pollution Prevention and the Control Law of the People's Republic of China, the Water Pollution Prevention Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, and Regulations on the Administration of Construction Project Environmental Protection. In 2020, we did not have any material violations of PRC environmental laws and regulations.

Within the framework of our EHS management system, we have developed a series of management procedures, such as the Management Procedure for Wastewater, Gas Emissions, Noise and Solid Waste, and the Leak Prevention Procedures.

We have established environmental emergency response plans for our plants and R&D centers in coordination with the local government, the local Ecological Environment Bureau, Environmental Monitoring Stations, the Public Security and Fire Detachment and the industrial parks to quickly respond to environmental emergencies.

ii. Emissions and Waste Management

At BeiGene, we are working towards a low-carbon future. Our greenhouse gas emissions mainly come from the use of electricity, natural gas, and steam. We reduce carbon emissions by saving energy and improving energy efficiency.

Apart from greenhouse gas emissions, our major air emissions include SO_2 and NO_x generated from natural gas consumption during production, and a small volume of waste gas generated during laboratory operations. SO_2 and NO_x emissions are discharged after being processed by waste gas treatment facilities to ensure that SO_2 and NO_x concentrations meet the emission standards set by the local authority. Waste gas from the laboratories is discharged through a fume hood, and a treatment device has been installed at the end of the ventilation system in each laboratory to ensure we meet emissions standards.

Wastewater produced by the Company includes industrial wastewater and sanitary sewage. Our R&D centers and plants are equipped with wastewater treatment facilities, and we conduct monitoring to ensure that the treated water meets national and local standards. The industrial wastewater from the Suzhou plant is 100% recycled after being treated. The sanitary sewage from our plants is discharged into the municipal pipelines in accordance with the local standards.

We engage qualified testing institutions to conduct regular air emissions and wastewater discharge testing. In 2020, we did not find any cases in which emissions or wastewater exceeded the local standards.

Our non-hazardous waste includes domestic waste produced in office operations and non-hazardous waste from production. Non-hazardous waste produced in manufacturing is disposed of by municipal sanitary stations. Domestic waste produced in office operations is handled by property management companies, with whom we collaborate to recycle items such as cardboard boxes, glass, plastic, and paper. Our operation sites follow waste sorting standards and abide by local laws and regulations.

Hazardous waste produced in manufacturing and the laboratories is collected and stored in compliance with applicable PRC laws and regulations and transported to qualified third-party vendors for disposal. Through strict daily management and optimization of production processes, we strive to reduce the generation of hazardous waste.

iii. Use of Resources

We strive to conserve energy and water in our operations.

We use energy-saving technologies in our plants. In the Guangzhou plant, we use frequency conversion energy-saving chillers, and the backup boiler is equipped with low NOx burners and a heating recovery device, which greatly increases energy recovery. We also implement energy efficiency improvements in our plants to save energy. In 2020, we relocated the light switches in our warehouse to centralize control and ensure power is turned off during non-working periods.

We have also launched water-saving initiatives. In 2020, we retrofitted the cooling system of the steam condensate water tank in the Suzhou plant. Now, instead of using tap water for cooling, the system uses reverse osmosis drainage from purifying water process, saving two tons of tap water per hour, or 17,280 tons per year, while creating less wastewater.

Other measures to reduce our environmental footprint include encouraging employees to use public transportation for commuting, using LED lights and motion sensors in our offices, turning off lights after meetings, and posting energy and water saving signs and posters in the office areas.

iv. Environmental Key Performance Indicators

Unless otherwise specified, the environmental data below covers the major operations of BeiGene, including our Beijing and Shanghai R&D centers, Suzhou and Guangzhou manufacturing facilities, all office buildings located in China and the Cambridge office in the United States for the period from January 1, 2020 to December 31, 2020. Our Shanghai R&D center was put into service on November 20, 2020, so its data only covers the period from November to December, 2020. Our operations in relation to our offices in other countries are not included due to their relatively small environmental footprint.

1. Emissions

KPIs	2020
Total GHG emissions (Scope 1 and 2) (tonnes)	27,622.91
Direct GHG emissions (Scope 1) (tonnes)	493.08
Including: Natural gas (tonnes)	493.08
Indirect GHG emissions (Scope 2) (tonnes)	27,129.83
Including: Electricity (tonnes)	17,582.68
Steam (tonnes)	9,547.15
Total GHG emissions per unit of operating income (tonnes/US$10,000)	0.89
Total SO_2 emissions (tonnes)	0.08
Total NO_x emissions (tonnes)	1.23
Total VOC emission (tonnes)	0.17
Total hazardous waste (tonnes)	210.44
Hazardous waste per unit of operating income (tonnes/US$10,000)	0.007
Total non-hazardous waste (tonnes)	672.38
Non-hazardous waste per unit of operating income (tonnes/US$10,000)	0.022
Wastewater (tonnes)	52,481.01
COD (tonnes)	5.57
Ammonia nitrogen (tonnes)	0.42
Wastewater per unit of operating income (tonnes/US$10,000)	1.70

Note:

- BeiGene's GHG emissions inventory includes CO_2, CH_4 and N_2O. GHG emissions data is presented in carbon dioxide equivalents and is based on the 2019 Baseline Emission Factors for Regional Power Grids in China for Clean Development Mechanism(CDM) and Chinese Certified Emission Reduction (CCER) issued by the Ministry of Ecology and Environment, the Emissions & Generation Resource Integrated Database (eGRID) 2019 provided by the United States Environmental Protection Agency and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories of the Intergovernmental Panel on Climate Change (2019 revised).

- NOx emissions and SO_2 emissions are generated by natural gas consumption in the Beijing R&D center, and the Suzhou and Guangzhou plants. VOC emissions mainly include non-methane hydrocarbons generated by VOC solvents used in the Beijing and Shanghai R&D centers, and the Suzhou and Guangzhou plants.

- Hazardous waste mainly includes pharmaceutical waste, organic solvents, etc.

- Non-hazardous waste and the volume of wastewater from the office buildings located in China are estimated based on the Emission Factors Manual of the First National Pollution Source Survey of Urban Pollution. Data from Camridge office is not included.

- The wastewater generated in construction is not included.

2. Use of Resources

KPIs	2020
Total energy consumption (MWh)	63,392.08
Direct energy consumption (MWh)	2,439.21
Including: Natural gas (MWh)	2,439.21
Indirect energy consumption (MWh)	60,952.87
Including: Electricity (MWh)	31,286.73
Steam (MWh)	29,666.14
Total energy consumption per unit of operating income (MWh/US$10,000)	2.05
Total water consumption (tonnes)	319,979.00
Production water consumption (tonnes)	295,957.75
Office water consumption (tonnes)	24,021.25
Water consumption per unit of operating income (tonnes/US$10,000)	10.36
Recycled water (tonnes)	2,912.00
Total packaging material used for finished products (tonnes)	2.55
Packaging material used per unit of product (tonnes/1,000,000 capsules)	0.27

Note:

- Total energy consumption is calculated based on the total electricity, natural gas and steam consumption and the conversion factors in the PRC National Standards General Principles for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2008).

- Water resources used by the Company come from municipal water supplies. There is no issue in sourcing water. Water consumption of the offices located in China is estimated base on the Design Standard for Water Supply and Drainage of Buildings (GB 50015-2019). The data of the Cambridge office is not included.

- The data of electricity and production water consumption has greatly increased due to the construction of the Guangzhou plant.

- The packaging data solely includes that of the Suzhou plant as our Guangzhou plant has not commenced commercial production in 2020.

VIII. COMMUNITY INVESTMENT

We offer various patient support programs; provide charitable donations to patient advocacy organizations, charitable foundations, industry associations and hospitals; and actively participate in and sponsor academic conferences or seminars to further advances in medicine and healthcare.

i. Patient Support Programs

We provide patient support programs in China and the United States.

In China, we collaborated with charitable foundations to set up the Patient Assistance Programs ("PAP") to provide eligible low-income patients with access to advanced medical treatment. For example, we have collaborated with China Primary Health Care Foundation and Beijing Health Alliance Charitable Foundation to provide free tislelizumab since March 2020. We also worked with VLove Foundation ("Micro-found") to provide free zanubrutinib to eligible patients since July 2020.

In the United States, we established a comprehensive patient support program called myBeiGene®, which provides reimbursement and coverage support, copay assistance, and free drug for eligible patients to support access to BRUKINSA®.

ii. Donations and Sponsorship

In 2020, we provided donations to numerous organizations in support of initiatives to improve the lives of patients around the world. There were approximately RMB 2 million in cash donations to non-profit organizations in China, and over US$450,000 in cash donations to non-profit organizations and foundations in the United States.

We also participate in, and sponsor, many pharmaceutical academic conferences or forums to support scientific exchanges. We have joined the Conquer Cancer Coalition, and donated laptops with a total value of US$3,150 to the Life Science Cares (LSC), a non-profit organization.

Since the outbreak of the worldwide COVID-19 epidemic, BeiGene has proactively initiated various supporting activities and projects in our community. In January 2020, BeiGene donated medical supplies in the amount of approximately RMB1,000,000 to Wuhan city to support front-line medical workers. We donated more than 73,000 medical masks, more than 16,000 N95 masks, 5,000 sets of protective clothing and approximate 150,000 pairs of medical gloves to support various hospitals in Hubei. In the U.S., BeiGene donated PPE valued at US$120,000 for hospitals, employees and front-line workers, and in Australia over US$7,000 worth of donations were made to the Red Cross COVID initiative.