



# 2022

Corporate  
Sustainability Report

# Table of Contents

## **3 Letter from the CEO**

## **4 Introduction**

## **5 About Us**

## **7 Transforming Patients' Lives**

## **8 Environmental**

### 8 Environmental Sustainability

## **9 Social**

### 9 Patients: Our Inspiration

### 11 Diversity, Equity, and Inclusion

### 12 Employees and Communities

## **14 Governance**

### 14 Shareholder Favorable Governance

### 15 Ethics and Business Conduct

### 16 Risk Management

## **17 Annex**

### 18 SASB Table

OUR MISSION IS TO PIONEER A NEW BRANCH OF MEDICINE BASED ON THE DIRECTED DIFFERENTIATION AND TRANSPLANT OF ALLOGENEIC CELLS TO PATIENTS

# Letter from the CEO



## To Our Stockholders,

I am pleased to share Lineage's first global Corporate Sustainability Report, which emphasizes our commitment to positive corporate citizenship. In our inaugural report, we share our successes and outline our efforts as well as opportunities for the continued prioritization of principles integral to environmental, social and governance (ESG).

Lineage is a clinical-stage biotechnology company working to position itself as a leader in regenerative medicine through the transplant of specific cell types to treat significant unmet medical needs. We are committed to positively impacting patients and plan to do so with a focus on sustainability.

2022 marked a year of clinical and regulatory execution for our team, as we worked alongside our partners to advance our clinical and preclinical programs. We believe we have selected the most capable partner to advance the OpRegen<sup>®</sup> program and a significant area of focus last year was our alliance with Roche and Genentech, a member of the Roche Group. We also made considerable progress expanding and diversifying our pipeline, primarily through the addition of two new cell transplant programs. Concurrently, we also completed key regulatory activities for our OPC1 and VAC2 programs, which help provide insights into their continued development.

Our corporate objectives for 2023 are to emphasize the further progression of our allogeneic cell therapy programs, making responsible investments in the expansion of our novel approach to cell transplant medicine in disease settings where we believe we can make a meaningful impact, and the continued support of both our newly established and existing collaborations. These objectives reflect Lineage's commitment to becoming an innovative, leading cell therapy company and highlights our extensive cell therapy platform. Over the course of the year, we have made significant investments in our people, collaborations, and sustainability, which positions us well for our next stage of growth.

We are committed to creating a positive impact for our stakeholders and strive to make a difference in the communities where we live and work. Our aim is to encourage a collaborative workplace environment which rewards impact and we will continue to make investments to achieve the highest ethical and operational standards. We are excited about what the future holds for Lineage, and we thank you for being a part of our journey.

Regards,

A handwritten signature in black ink, appearing to read 'Brian M. Culley', written in a cursive style.

**Brian M. Culley**  
Chief Executive Officer

# Introduction

We're committed to upholding ESG standards and believe a dedication to sustainability is important to our business. The Nominating and Corporate Governance Committee provides oversight of our practices and reporting with respect to sustainability matters. In 2022, we established an ESG Task Force, made up of key executives and cross-functional subject matter experts across our Company. Our Board and its committees, working with this group, provides strategic direction for our sustainability efforts and approves and oversees the selection and implementation of material sustainability initiatives.

This is our inaugural Corporate Sustainability Report, which covers data to December 31, 2022, unless otherwise noted. This report was prepared in accordance with the Sustainability Accounting Standards Board (SASB) standard. In compiling this Sustainability Report, in 2022, we completed a SASB assessment, which began by examining a range of key stakeholders – including investors, patients, comparable biotechnology companies, and ESG rating organizations. We then reviewed the recommended ESG topics for inclusion in the sustainability disclosure, rating methodologies, investment decision-making, goal setting, and strategy. The tenets of our ESG strategy are:

EMPLOYEES AND COMMUNITIES

ENVIRONMENTAL SUSTAINABILITY

SHAREHOLDER FAVORABLE GOVERNANCE

RISK MANAGEMENT

PATIENTS: OUR INSPIRATION

DIVERSITY, EQUITY, AND INCLUSION

ETHICS AND BUSINESS CONDUCT

The disclosures within the SASB framework were prepared with the goal of developing future qualitative and quantitative reporting that will also align with industry best practices. Our objective is to provide continued transparency as we further enhance our performance in the areas of ESG. Working with investor stakeholders, SASB has developed a standardized disclosure on the industry specific issues most important to our stakeholders. By mapping our organizational programs against the SASB framework, Lineage's sustainability efforts are now part of a broader set of organizational goals. We believe we are making meaningful progress within these SASB topics and expect to harvest many other benefits indirectly resulting from improvements in these ESG areas.

All statements in this report, other than statements of historical fact, are forward-looking statements within the meaning of federal securities laws. These statements are subject to risks and uncertainties and are not guarantees of future performance. All forward-looking statements are based on management's current assumptions, estimates, and projections. This Report is for informational purposes only and is not an offer to sell or a solicitation of an offer to buy any securities of Lineage Cell Therapeutics, Inc. ("Lineage"). This Report includes certain information obtained from trade and statistical services, third-party publications, and other sources. Lineage has not independently verified such information and there can be no assurance as to its accuracy.

# About Us

Lineage Cell Therapeutics, Inc. (Lineage) is a clinical-stage biotechnology company developing novel cell therapies to address unmet medical needs. Our programs are based on our proprietary cell-based technology platform and associated development and manufacturing capabilities. From this platform, we design, develop, manufacture, and test specialized human cells with anatomical and physiological functions similar to, or identical to, cells found naturally in the human body. Cells which we manufacture are created by specific developmental biological differentiation protocols that we apply to established, well-characterized, and self-renewing pluripotent cell lines. These cells are transplanted into patients and are designed to (a) replace or support cells that are absent or dysfunctional due to degenerative disease, aging, or traumatic injury; and (b) restore or augment functional activity in the affected person.

Our strategy is to efficiently leverage our technology platform and our development, formulation, delivery, and manufacturing capabilities to advance our programs internally, or in conjunction with strategic partners, to further enhance their value and probability of success.

## Broad Capabilities

Cell manufacturing and transplant technology

5

Cell types in active development

>200

Cell types for future targeting

∞

Commercial scalability and cell line supply

## Highly Differentiated

Allogeneic product candidates

3

Product candidates in active clinical trials

0

>50 patients treated with zero cases of rejection

>\$1B

Addressing multi-billion dollar markets

## Validated Technology

Global partnership for lead asset OpRegen®

\$670M\*

Partnership

**Genentech**

*A Member of the Roche Group*

5

Unprecedented cases of retinal regeneration






1

Single administration per patient


\* Includes \$50M up front payment received Jan 2022, \$620M of eligible milestones and double-digit royalties on sales.

Lineage is incorporated in the State of California. Our common shares trade on the NYSE American and the Tel Aviv Stock Exchange (TASE) under the symbol "LCTX." Our principal executive offices are based in Carlsbad, CA.

**CELL THERAPY PIPELINE – 100% ALLOGENEIC**

Field	Program	Phase 1	Phase 2	Phase 3	Partners
<b>Neuroscience</b>					
 Ophthalmology	<b>OpRegen</b> Dry AMD with Geographic Atrophy (GA)	24 patients treated	Enrolling		<b>Genentech</b> <i>A Member of the Roche Group</i>
 Demyelination	<b>OPC1</b> Spinal Cord Injury (SCI)		30 patients treated		<b>CIRM</b> <small>CALIFORNIA STEM CELL AGENCY</small>
 Neurology	<b>ANP1</b> Auditory Neuropathy (Hearing Loss)	Preclinical			Internally-owned
 Ophthalmology	<b>PNC1</b> Vision loss; Retinitis Pigmentosa	Preclinical			Internally-owned
<b>Oncology</b>					
 Immuno-oncology	<b>VAC2</b> Non-Small Cell Lung Cancer (Oncology)		8 patients treated		<b>CANCER RESEARCH UK</b>

# Transforming Patients' Lives



Lineage believes it has a responsibility to serve, support, and be transparent with our stakeholders, and, as part of this overall mission, is committed to effectively managing ESG issues. We believe that our focus on sustainability can help drive business practices that are crucial to our long-term growth. While our core competency is as a clinical-stage biotechnology company, the Lineage mission is inherently aligned with ESG, as we are committed to improving the lives of people with unmet medical needs.

# Environmental

## Environmental Sustainability

Lineage is committed to responsible environmental practices that include conservation of natural resources, pollution prevention, and reduction of waste. As climate change concerns become more prevalent, we recognize the need to comply with increased regulations and stricter environmental standards. With our dedication to human health, our efforts must go beyond medicine and into protecting and improving the entire ecosystem. While our environmental footprint is relatively small, we are striving to employ more sustainable practices. Examples of our commitment include:

- ✓ Encouraging **ENVIRONMENTALLY FRIENDLY WORK PRACTICES** by reusing and recycling our resources
- ✓ Increased use of e-records and e-signing technology, **REDUCING OUR PRINTING** and other consumption
- ✓ **REDUCING WATER USAGE**
- ✓ Supporting **ETHICAL TREATMENT OF ANIMALS** in research
- ✓ Supporting **HYBRID WORK SCHEDULES**, reducing the environmental impact of employee commuting
- ✓ Responsibly disposing of our **LIMITED WASTE**
- ✓ Prioritizing **RESPONSIBLE CARBON FOOTPRINT PRINCIPLES** as our facility needs evolve

Lineage complies with all applicable legal and regulatory requirements to minimize its environmental footprint. We are committed to making the necessary investments in systems and technology to ensure compliance and to meet or exceed these standards. We have implemented ways to boost efficiency, such as utilizing high-efficiency electrical equipment including LED and motion detector lighting and high-efficiency HVAC units. Our headquarters uses recycled water for irrigation. We also maintain formal hazardous waste and medical waste disposal policies and are further reviewing our water-use policy, as it relates to our new lab space.

Going forward, we will continue to engage with suppliers throughout our global value chain to measure and manage these impacts in order to conserve resources, reduce costs, and promote ethical practices in line with our values. Although we do not currently incorporate specific aspects of our environmental policy into our business analysis, we do seek business partners that align with our values and long-term sustainability goals. We believe that our focus on environmental sustainability, with the objective of reducing costs and improving sustainability of our operations may provide a strategic benefit to the Company. Furthermore, we recognize that climate change is a growing risk for our planet, and we are committed to doing our part to mitigate this risk by placing increased focus and emphasis on environmental sustainability.



# Social



## Patients: Our Inspiration

VIEW THEIR STORIES AT [LINEAGECELL.COM/MEDIA](https://lineagecell.com/media)

At Lineage, we believe our most important asset is our people. We continually strive to use our knowledge, talents, and resources to improve the quality of life of our communities, patients, and workforce. By developing our strategy with a focus on improving social impact, we will continue to drive innovation in our industry.



[PATIENTS MAKING STRIDES IN ADVANCING SCI RESEARCH](#)  
*Christopher and Dana Reeve Foundation Blog*



[THE STEM CELLAR](#)  
*The Official Blog of CIRM, California's Stem Cell Agency*  
Update on spinal cord injury patient Jake Javier, enrolled in CIRM-funded stem cell clinical trial



[OPC1 PROGRAM - PATIENT SPOTLIGHT - JAKE JAVIER](#)  
In 2016, Jake Javier was paralyzed from the neck down. In late 2022, he is set to graduate from Duke University with his Master's Degree in Biomedical Engineering, with plans to help those impacted by neurological injuries or diseases.



[OPC1 PROGRAM - PATIENT SPOTLIGHT - CHRIS BLOCK](#)  
In 2016, Chris severely injured his spine in a biking accident. Learn more about his journey and participation in the OPC1 research study.



[SONIA COHEN'S OPREGEN STORY](#)  
*OpRegen for Dry AMD | Lineage Cell Therapeutics - Jul 27, 2021*



[CHERI'S STORY](#)  
*OpRegen for Dry AMD | Lineage Cell Therapeutics - Jun 10, 2021*

INTERVIEWS, ARTICLES & PODCASTS



**HOPKINS BIOTECH PODCAST**  
 CEO Brian Culley joined the Hopkins Biotech Podcast to discuss Lineage’s proprietary cell therapy platform and next steps for our clinical programs



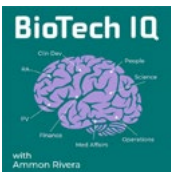
**EVALUATE VANTAGE**  
 Looking for winners in geographic atrophy



**HEALTH PROFESSIONAL RADIO**  
 CEO Brian Culley discusses the latest clinical advancements with the company’s lead cell therapy program



**GEN: GENETIC ENGINEERING & BIOTECHNOLOGY NEWS**  
 CEO Brian Culley interviewed by Jonathan D. Grinstein, PhD



**BIOTECH IQ**  
 Can Lineage Cell Therapeutics Proprietary Cell-Based Therapy Platform Change Treatment Development?



**ENDPOINTS NEWS**  
 Lineage Cell Therapeutics opens new California R&D facility and expands Israel manufacturing site

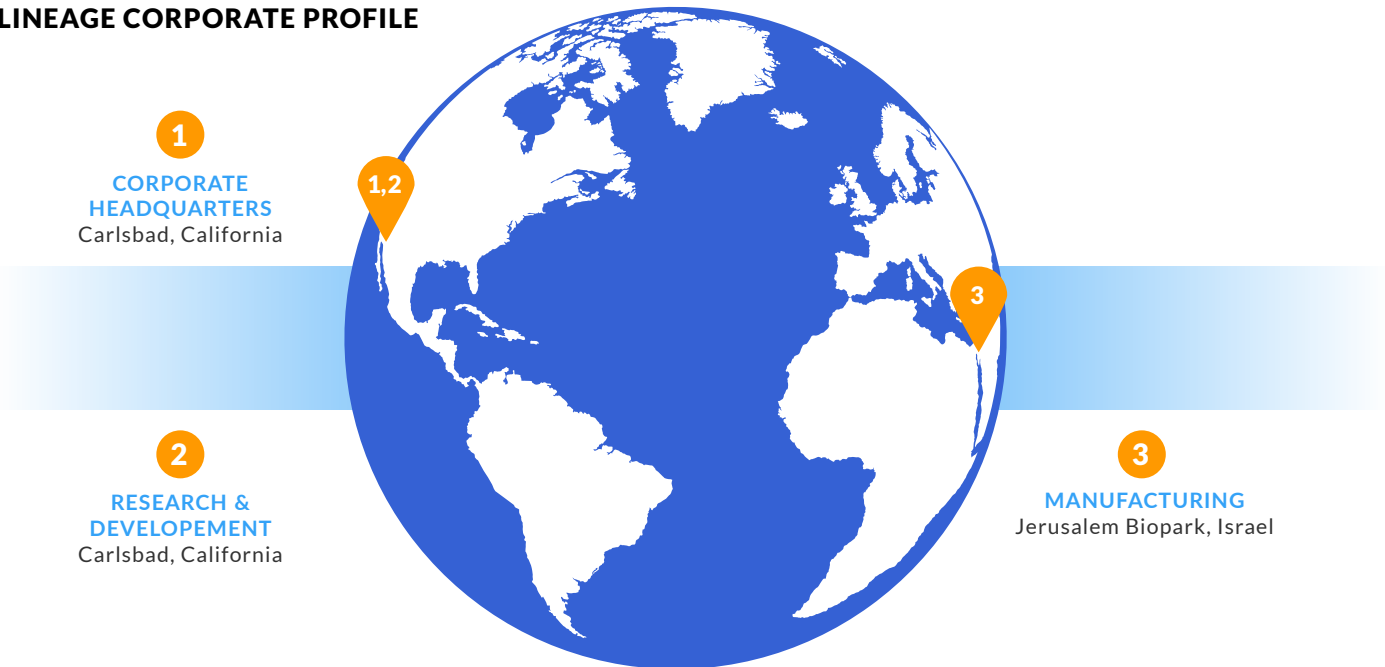


**BIOTECH 2050**  
 Episode 116. Retinal restoration and visions for growth, Brian Culley, CEO, Lineage Cell Therapeutics



**INVESTOR'S BUSINESS DAILY**  
 Genetics, Alzheimer's and AI – Why 2023 Could Be The Year For Biotech Stocks

LINEAGE CORPORATE PROFILE



## Diversity, Equity, and Inclusion

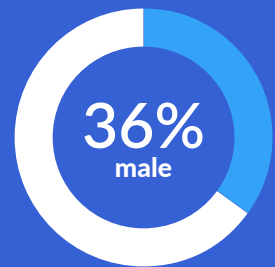
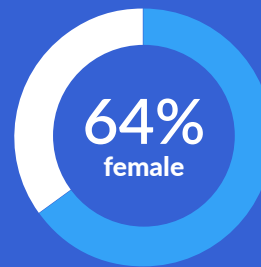
We aim to provide equal opportunities to our workforce based on merit, while facilitating a corporate culture that values diversity. Within the company, diversity is achieved through a blend of different experiences, perspectives, skills, genders, ages, ethnicities, and cultural and social backgrounds across all levels of the Company, including our Board of Directors. This commitment to diversity, equity, and inclusion (DE&I) enables us to better understand the challenges facing the communities we serve, drive innovation that propels our industry forward, and realize our purpose of delivering a world a little better than we found it. We are committed to fostering and embracing diversity, equity, and inclusion in the workplace, promoting a culture in which all employees have the opportunity to fully participate and are valued for their distinctive skills, experiences, and perspectives.

Lineage recognizes that a diverse workforce and a culture of equity and inclusion helps us compete more effectively, sustain success, and build long-term shareholder value. We believe that diversity is central to our innovation and productivity; that the company is stronger because of the variety of backgrounds, perspectives, and experiences of its employees and Board. We maintain a broad view of diversity and are intolerant of any bias against gender, gender expression, racial identity, cultural identity, sexual orientation, or other categories.

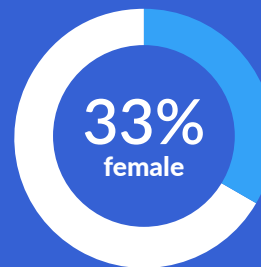
As of December 31, 2022, our current number of full-time equivalent employees is 78, where women represented 64% of the company's workforce. Women and individuals from other underrepresented groups serve in many executive and senior leadership roles within the Company, including our U.S. General Counsel and CFO for each of Lineage U.S. and our subsidiary, Cell Cure Neurosciences, Ltd.

Our Board and Nominating and Corporate Governance Committee believe in the benefits of diversity in its members (including diversity with respect to gender, race, sexual orientation, ethnicity, as well as a diversity of skills, experience, expertise, perspectives and backgrounds) and are cognizant of the value of experience in international markets and operations given the growing globalization of the pharmaceutical and biotechnology industries and world-wide focus on cell therapy research.

### All Company Employees



### Board and Leadership



“On behalf of six California Legislative diversity caucuses – Asian & Pacific Islander (API), Black, Jewish, Latino, LGBTQ and Women’s – we write to you to express our sincere appreciation for the tremendous steps your Company has made in appointing women to Corporate Boards.”

Letter from California Legislature to Lineage

We strive to make our employees feel welcome and included. Lineage's commitment to the LGBTQ+ community is reflected in our policies. We offer same-sex domestic partner benefits and have a strong anti-discrimination policy. We are a supporter of veteran communities and currently support a mentorship program that is designed to help veterans transition from the military into careers in biotech. Lineage also recognizes the importance of supporting STEM education for students in Title I schools, and we support a Classroom partnership where students learn about what biotech has to offer and inspires them to pursue careers in STEM.

## Employees and Communities

Our employees are our biggest asset. We work hard to create a rewarding and supportive environment that empowers our employees to thrive. Examples of our commitment include:

- A dedication to employee safety through occupational health and safety programs
- The grant of stock options in the Company to all employees
- Company-wide bonus program based on achievement of Company goals
- Opportunities for professional development, Company-paid training, continuing education, and advancement
- Annual performance evaluations to 100% of employees
- Labor rights and anti-discrimination policies
- Regular reviews of our compensation model to support the goals of inclusive pay practices and pay equity
- Paid time off including vacation, sick leave, and holidays

### Lineage provides comprehensive benefits to meet the needs of employees in each geography.\* Some of the various benefits we offer include:

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>✓ Medical Insurance, including PPO and HMO options and mental health services.</li> </ul>   | <ul style="list-style-type: none"> <li>✓ Healthcare Flexible Spending Accounts (FSA)</li> </ul>   |
| <ul style="list-style-type: none"> <li>✓ Generous contributions to health-related premiums for employees and dependents, including registered domestic partners</li> </ul> | <ul style="list-style-type: none"> <li>✓ Basic Life Insurance and AD&amp;D</li> </ul>   |
| <ul style="list-style-type: none"> <li>✓ Prescription Drug Coverage including mail order delivery</li> </ul>   | <ul style="list-style-type: none"> <li>✓ Short-term and Long-term Disability</li> </ul>   |
| <ul style="list-style-type: none"> <li>✓ Dental and Vision insurance</li> </ul>  | <ul style="list-style-type: none"> <li>✓ Voluntary Life, Critical Illness, Accident Insurance, Hospital Indemnity</li> </ul>                        |
|  | <ul style="list-style-type: none"> <li>✓ 401(k) Savings Plan with 5% employer match and pension programs specific to non-U.S. employees.</li> </ul> |

\* Benefits are tailored to meet the needs of employees in each geography; not all benefits available in every geography.

We are committed to pay equity and regularly review our compensation model to ensure fair and inclusive pay practices. In addition to base salary and benefits, Lineage employees participate in incentive plans that support our organizational philosophy of allowing employees to share in our corporation's performance and success. Our compensation program is designed to attract, retain, and reward performance and align incentives with achievement of our strategic plan and both short- and long-term operating objectives.

We support and empower our employees' efforts to volunteer in their communities by providing them with generous paid-time-off benefits. Additional programs include travel assistance, will preparation, recreational discounts, and onsite fitness centers. We are dedicated to ensuring the health and safety of our team members, patients, partners, and suppliers.

Members of our human resource department annually review benefits to ensure we can meet the well-being of our employees and their families. Our dedicated global health and safety function ensures that employees are trained on best practices to create a safe and healthy workplace for all. Lineage has never experienced a strike or similar work stoppage and we believe our employee and labor relations are strong.

We believe that investing in local communities to create social and economic outcomes is at the heart of generating social impact. We believe in giving back to the communities in which we live and work.



Notable highlights included:

- In 2022, we gave over \$100,000 for community and volunteer initiatives.
- Classroom Partner (STEM in Title I Schools) program through Biocom, an association representing the California life science industry.



Lineage is committed to spinal cord injury (SCI) engagement and advocacy, with an overarching goal of enhancing awareness and elevating the patient's voice in the treatment development process via a focus on patient education, treatment access, enhanced disease awareness and attention.

As part of our enhanced patient awareness and advocacy efforts, a key area of focus for the team has been re-engagement and establishment of new relationships with various advocacy organizations and patient advocates.

We established or expanded collaborations with organizations such as ASIA (American Spinal Injury Association), Spinal Cord Outcomes Partnership Endeavor (SCOPE), Wings for Life, and the Christopher and Dana Reeve Foundation, among others.

# Governance

## Shareholder Favorable Governance

As a publicly-traded company, it is incumbent upon us to assure that our operations are conducted in a manner that is both consistent with environmental preservation and supportive of the entire community in which we operate. Our Board of Directors and senior leadership actively support and promote sound corporate governance and risk management across the company. This culture of accountability, integrity and transparency affirms our unwavering commitment to *Transforming Patient's Lives*.

Through our governance and corporate responsibility initiatives, we strive to demonstrate accountability, transparency and trust to our stakeholders. We believe that good corporate governance is important to ensure that Lineage is managed for the long-term benefit of its shareholders. We periodically review our corporate governance policies and practices. Our policies and practices include:

- Separate roles for the Chief Executive Officer and Chair of the Board
- 100% non-CEO Directors independent by NYSE American standards
- [Director stock ownership guidelines](#)
- Annual Director elections
- We have no “poison pill”

Lineage is governed by a nine-person Board and is currently comprised of people with substantial experience in biotechnology, the pharmaceutical industry, corporate management, finance, and law. These members represent a mix of ages, genders, races, ethnicities, geographies, cultures, and other perspectives that we believe expand our Board’s understanding of the needs and viewpoints of our employees, shareholders, and other stakeholders. This Board is responsible for the oversight of the management of our company and its business for the long-term benefit of our stakeholders. We feature an independent, experienced, and diverse Board with expertise in a broad set of areas relevant to our business.

## BOARD COMMITTEES

Our Board has an Audit Committee, a Nominating and Corporate Governance Committee, and a Compensation Committee. The members of each of these committees are independent in accordance with Section 803(A) of the NYSE American Company Guides and Section 10A-3 under the Exchange Act. The members of our Audit Committee and Compensation Committee must also meet the independence tests applicable to members of those committees under the NYSE American Company Guide. Our Board also has a Financial Strategy Committee, the members of which are not required to be independent. From time to time, our Board may establish ad hoc committees to address particular matters.

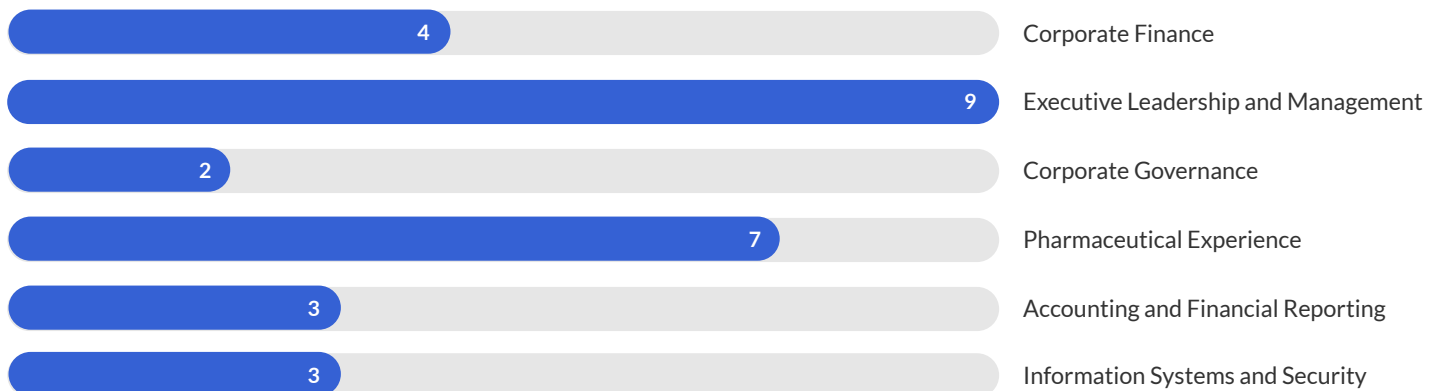
Name	Audit	Compensation	Nominating & Corporate Governance	Financial Strategy
<b>Alfred D. Kingsley</b>			✓	Chair
<b>Dipti Amin</b>		✓		
<b>Deborah Andrews</b>	Chair	✓		
<b>Don M. Bailey</b>			✓	
<b>Neal C. Bradsher, CFA</b>			Chair	✓
<b>Brian M. Culley</b>				✓
<b>Anula Jayasuriya</b>			✓	
<b>Michael H. Mulroy</b>	✓	Chair		✓
<b>Angus C. Russell</b>	✓	✓		

Our Board has had at least one female director at all times since 1995 and currently 33% of our directors are female, including Ms. Andrews, the Chair of our Audit Committee.

## BOARD DIVERSITY (AS OF JULY 11, 2023)

	Female	Male
<b>Part I: Gender Identity</b>		
Directors	3	6
<b>Part II: Demographic Background</b>		
Asian	2	0
White	1	6

## BOARD SKILLS



## Ethics and Business Conduct

We are committed to conducting our business in a manner that is fair, ethical, and responsible to earn and maintain the trust of our stakeholders. Our [Code of Conduct and Ethics](#) requires all of our directors, officers, and employees to conduct business in an ethical manner and in compliance with all applicable laws, rules, and regulations. Under the oversight of the Audit Committee, our compliance team oversees compliance with applicable laws and regulations and coordinates with subject matter experts throughout the business to identify, monitor, and mitigate compliance risks. Some highlights of our Ethics & Business Conduct program include:

- We maintain and publish an [Insider Trading Policy](#).
- Lineage does not make contributions to any political campaigns, organizations, or parties.
- We maintain a “Whistleblower Hotline.”

Lineage is committed to working with suppliers willing to support our sustainability initiatives. We believe that managing a responsible supply chain includes a proactive approach to supplier onboarding combined with a diligent auditing process to assess potential supply chain risks. While we exercise oversight, we do not have full control over our supply chain nor the suppliers we do business with; however, we continually seek to partner with suppliers that share common values and a shared commitment to our ESG objectives.

## Risk Management

Our board has responsibility for oversight of our risk management processes and regularly discusses with management our major risk exposures and strategies. We implement robust risk management programs to ensure compliance with applicable laws and regulations governing ethical business practices, including our relationships with suppliers and business partners, and our industry.

We are committed to ensuring the safety, health, and well-being of our clinical trial participants and we continually monitor all aspects of a trial to minimize risks. The Food and Drug Administration (FDA) also closely monitors the progress of each of the three phases of clinical testing and may, at its discretion, re-evaluate, alter, suspend, or terminate the clinical trial based upon the data which have been accumulated to that point, and based on the FDA's assessment of the risk/benefit ratio to the intended patient population. All adverse events must be reported to the FDA.

We conduct our business in alignment with all polices and regulations that promote ethical marketing and off-label promotion, such as those set by the FDA. The FDA closely regulates the post-approval marketing and promotion of genetic medicines to ensure they are marketed only for the approved indications and in accordance with the provisions of the approved labeling. The FDA imposes stringent restrictions on manufacturers' communications regarding off-label use and if we market our products for uses beyond their approved indications, we may be subject to enforcement action for off-label marketing.


Our IT team works 24/7 and uses a combination of industry-leading tools and innovative technologies to help protect our stakeholder's data. Our team members are responsible for complying with our data security standards and complete mandatory annual training to understand the behaviors and technical requirements necessary to keep patient PII secure. We also offer ongoing education for team members to recognize and report suspicious activity. The primary goal of our data security program is to maintain defenses with industry best practices.

We use examination guidelines, frameworks, and privacy laws to guide us in consistently meeting legal and regulatory requirements as detailed in our [Information Security Statement](#) published on our website. Our strategy allows us to perform a high level of due diligence by investing in information security controls. We also recognize our responsibility to appropriately use, maintain and safeguard the personal data we collect from our stakeholders. Some highlights include:

- Our Audit Committee has oversight of our information security and regularly reviews our policies, systems, and controls.
- We take information security very seriously and provide ongoing awareness and vigilance training to all our employees, conducting frequent mock phishing and other social engineering attacks to test our readiness.
- We partnered with an independent consulting firm to conduct an assessment of our U.S. policies, systems, and controls against NIST standards.
- In 2022, we implemented an Endpoint Detection and Response (EDR) system to further enhance endpoint detection and investigation of a wide range of potential threats.



# Annex



This annex expands transparency through key quantitative data compiled in accordance with the SASB frameworks and standards, along with additional details on our workforce, revenues, stakeholders, locations, and certifications. Report data covers all global operations unless otherwise noted. In developing our Factsheet Report, we have compiled metrics organized by key ESG themes incorporated within our tables and throughout our organization.

# SASB Table

SASB Topic	SASB Metric	SASB Code	2022 Data & Narrative Response
<b>Safety of Clinical Trial Participants</b>	Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials	<a href="#">HC-BP-210a.1</a>	We are committed to ensuring the safety, health, and well-being of our clinical trial participants and we continually monitor all aspects of a trial to minimize risks. The Food and Drug Administration (FDA) also closely monitors the progress of each of the three phases of clinical testing and may, at its discretion, re-evaluate, alter, suspend, or terminate the clinical trial based upon the data which have been accumulated to that point, and based on the FDA's assessment of the risk/benefit ratio to the intended patient population. All adverse events must be reported to the FDA.
	Number of FDA Sponsor Inspections related to clinical trial management and pharmacovigilance that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI)	<a href="#">HC-BP-210a.2</a>	(1) 0 (2) 0
	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	<a href="#">HC-BP-210a.3</a>	Any material legal or regulatory issues would be disclosed in our annual 10-K.
<b>Access to Medicines</b>	Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index	<a href="#">HC-BP-240a.1</a>	The disclosures for this metric are not yet applicable for Lineage because we do not yet have products on the market. However, we will re-evaluate this in the future when products have been introduced to the market.
	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	<a href="#">HC-BP-240a.2</a>	Lineage has no products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)
<b>Affordability &amp; Pricing</b>	Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments and/or provisions to delay bringing an authorized generic product to market for a defined time period	<a href="#">HC-BP-240b.1</a>	The disclosures for this metric are not yet applicable for Lineage because there are currently no products on the market. However, we will re-evaluate this in the future when products have been introduced to the market.
	Percentage change in: (1) average list price and (2) average net price across U.S. product portfolio compared to previous year	<a href="#">HC-BP-240b.2</a>	
	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year	<a href="#">HC-BP-240b.3</a>	

SASB Topic	SASB Metric	SASB Code	2022 Data & Narrative Response
<b>Drug Safety</b>	List of products listed in the Food and Drug Administration's (FDA) MedWatch Safety Alerts for Human Medical Products database	HC-BP-250a.1	The disclosures for this metric are not yet applicable for Lineage because there are currently no products on the market. However, we will re-evaluate this in the future when products have been introduced to the market.
	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System	HC-BP-250a.2	
	Number of recalls issued, total units recalled	HC-BP-250a.3	
	Total amount of product accepted for take-back, reuse, or disposal	HC-BP-250a.4	
	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	HC-BP-250a.5	
<b>Counterfeit Drugs</b>	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	HC-BP-260a.1	The disclosures for this metric are not yet applicable for Lineage because there are currently no products on the market. However, we will re-evaluate this in the future when products have been introduced to the market.
	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products	HC-BP-260a.2	
	Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products	HC-BP-260a.3	
<b>Ethical Marketing</b>	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	HC-BP-270a.1	Any material legal or regulatory issues would be disclosed in annual 10-K.
	Description of code of ethics governing promotion of off-label use of products	HC-BP-270a.2	We conduct our business in alignment with all policies and regulations that promote ethical marketing and off-label promotion, such as those set by the FDA. The FDA closely regulates the post-approval marketing and promotion of genetic medicines to ensure they are marketed only for the approved indications and in accordance with the provisions of the approved labeling. The FDA imposes stringent restrictions on manufacturers' communications regarding off-label use and if we market our products for uses beyond their approved indications, we may be subject to enforcement action for off-label marketing.

SASB Topic	SASB Metric	SASB Code	2022 Data & Narrative Response
<b>Employee Recruitment Development &amp; Retention</b>	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	<a href="#">HC-BP-330a.1</a>	Our future and the lives of patients depend on the efforts of our talented employees. We are committed to hiring and retaining highly qualified and motivated people and to providing each employee with an opportunity to make a difference. We provide our regular, full-time employees a competitive benefits package that includes an Employee Assistance Program (EAP) to provide support for personal and/or work-related issues. Our Compensation Committee determines or recommends to our Board the terms and amount of executive compensation and grants of equity-based awards to executives, key employees, consultants, and independent contractors, including scientists and research and development personnel.
	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) mid-level managers, (c) professionals, and (d) all others	<a href="#">HC-BP-330a.2</a>	Due to the confidentiality of this metric and the competitive market for skilled labor in our industry, we do not report a turnover rate. To support employee retention, we provide internal and external training and professional development programs that enable our employees to grow and develop within our company. We believe that our company benefits from the successful growth of our employees. Any significant departures from our executive or management team would be reflected in our Form 8-K.
<b>Supply Chain Management</b>	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party audit programs for integrity of supply chain and ingredients	<a href="#">HC-BP-430a.1</a>	At Lineage Cell, the integrity of our supply chain is critical. For key items in our products, we conduct periodic audits, known as Key Supplier Audits, to ensure these materials meet our quality standards.
<b>Business Ethics</b>	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	<a href="#">HC-BP-510a.1</a>	Any material legal or regulatory issues would be disclosed in annual 10-K.
	Description of code of ethics governing interactions with health care professionals	<a href="#">HC-BP-510a.2</a>	All interactions and communications with healthcare professionals and healthcare organizations are compliant with applicable laws and regulations. We have policies and procedures in place that govern interactions with healthcare professions that include management of clinical trials, informed consent for patients, and HIPPA.
<b>Activity Metrics</b>	Number of patients treated	<a href="#">HC-BP-000.A</a>	We have treated 62 patients in our five clinical trial programs.
	Number of drugs (1) in portfolio and (2) in research and development (Phases 1-3)	<a href="#">HC-BP-000.B</a>	(1) 0 (2) 5  We have two pre-clinical therapies, one therapy in Phase 1 trials, and two therapies in Phase 2 trials. For more details, see <a href="#">Our Pipeline</a> .