



A MESSAGE FROM OUR PRESIDENT & CEO

We are proud to share Precision BioSciences' inaugural Environmental, Social, and Governance (ESG) Highlights Report. Precision was founded in 2006 on the promise of therapeutic genome editing to transform the future of medicine through permanent genetic solutions for patients. Our company was built with the mission reflected in our ticker symbol, DTIL, or Dedicated to Improving Life.

Precision seeks to broadly translate the core precision and versatility potential of our gene editing platform, ARCUS, to address diseases once thought of as untreatable, such as severe and underserved genetic diseases, certain blood cancers, and chronic hepatitis B virus, which affects almost 300 million patients worldwide, especially in developing countries.

Our dedicated team of employees whom we refer to as "Precisioners" is the key to our success. We are built on a foundation of innovation and scientific discovery embodied in our core values of perseverance, continuous improvement, adaptability, deep respect for co-workers and partners, and accountability. We believe that a diversity of perspectives and experience within our leadership team is critical to our goal of delivering long-term value for our stockholders as a leading gene editing company.

Corporate responsibility has long been a guiding principle at Precision, and looking to 2023 and beyond, we are taking greater strides to share our ESG progress as we continue along this journey. Our Board and senior management team remain committed to serving our patients, Precisioners, partners, and community with high ethical and forward-thinking standards.

Michael Amoroso
President & Chief Executive Officer

ABOUT US

Precision BioSciences is a clinical-stage gene editing company. Our proprietary ARCUS genome editing platform was designed to deliver therapeutic-grade genome editing with applications in a variety of diseases. *In vivo* gene editing was developed to address complex genetic diseases with a potentially curative one-time treatment, and *ex vivo* allogeneic chimeric antigen receptor T-cell (CAR T) immunotherapies can provide donor-derived single-dose therapies through a single gene edit. Our ARCUS platform and nucleases are unencumbered by third-party IP, and we control over 100 issued patents related to ARCUS and its applications.

Since our founding in 2006, we have continued to innovate and push the boundaries of gene editing solutions.



ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) HIGHLIGHTS

GOVERNANCE OF ESG



We believe that the efficacy of our governance is directly tied to our highly qualified, experienced, and diverse Board of Directors (Board) and management team, all of whom are focused on our goal of driving Precision BioSciences’ value creation and financial sustainability. With the appointment of Melinda Brown to Audit Committee Chair and Shari Piré as Nominating and Governance Chair, half of the Board committees are now chaired by women.

Our Board, as a whole and through its standing committees, works closely with our management team to oversee our ESG initiatives and sustainable business practices to advance the long-term success of our business. The [Audit Committee](#) has been assigned primary responsibility for the oversight of key strategies and policies related to ESG, prioritizing those that are most relevant to the financial success of our business.

Our ESG Working Group comprises cross-functional senior leaders who meet periodically to design, implement, and evaluate our ESG program.

OUR SUSTAINABILITY FRAMEWORK

We are pleased to share our 2022 ESG Highlights Report, outlining our current ESG initiatives within the four primary pillars of our sustainability framework.



GOVERNANCE

We are committed to strong governance practices, which include compliance, risk management, safety management, and supply chain management, to ensure drug quality and safety. We are consistently enhancing the internal systems, controls, and procedures to govern the company, make effective decisions, comply with applicable regulations, and meet the needs of our stakeholders.



SOCIAL

We aim to advance our positive social impact through our scientific endeavors, in particular, gene editing. We are dedicated to designing and conducting our clinical trials in a way that adheres to the highest ethical and scientific standards, protects participants, and employs stringent quality management measures. Once we have launched commercialized products, drug quality, ethical marketing, and access and affordability will become additional critical areas to manage.



HUMAN CAPITAL

We believe that our Precisioneers are the key to our success, and we strive to create a workplace that is a destination of choice for premier talent within the life sciences industry. We intentionally work to foster a culture in which all Precisioneers have an opportunity to participate and contribute and are valued for their skills, experience, and unique perspectives.



ENVIRONMENT

We work to protect the environment through our business activities. We aim to lessen our environmental impact by exercising safe hazardous waste disposal protocols and efficient utilization of our electricity, water, and gas consumption.

PERFORMANCE HIGHLIGHTS UNDER OUR FOUR PRIMARY PILLARS



Code of Conduct and Policy: Our [Code of Business Conduct and Ethics](#) (Code) contains general guidelines to help all Precisioneers adhere to the highest standards of business ethics.

Compliance Awareness and Training: Precisioneers are trained on the Code upon hiring and annually thereafter, and an annual certification on other governance and security trainings is required. Known or suspected violations of the Code may be reported anonymously by telephone, email, or online via our whistleblower hotline. Details are outlined in the Employee Handbook and Code.

Business Continuity Management: Our Business Continuity Plan provides response and recovery procedures in the event of technological, workplace, workforce, and supply chain disruptions or natural disasters. Protocols and communication plans are in place to address potential disruptions.

Supply Chain Management: Suppliers must complete a comprehensive sourcing assessment process to meet initial approval, requalification, and renewal requirements. We regularly manage supplier performance internally.



Global Impact: Our vision at Precision is to power safe and lasting curative therapies worldwide for certain blood cancers and genetic and infectious diseases through ARCUS, our cutting-edge gene editing platform.

Quality Management: Creating an ARCUS nuclease for *in vivo* and *ex vivo* therapeutic applications requires an iterative process that involves multiple cycles of design and testing. In 2022, we conducted two quality audits to help inform our quality management efforts, identify areas for further enhancement, and improve our overall quality posture.

Quality Management in Manufacturing: Manufacturing optimization of our CAR T platform has resulted in improved cellular components associated with enhanced effectiveness and better patient safety, supporting the opportunity with our lead CAR T product candidate, azer-cel.

Animal Testing: Regulatory expectations still require the use of animals for testing, but we have made and will continue to make every effort to ensure the ethical use of animals and utilize non-animal models when feasible. To remain compliant, laboratory studies are audited by our Quality Assurance team as appropriate. All individuals involved in the design, conduct, and monitoring of nonclinical studies are required to have appropriate training and experience to allow for efficient, effective oversight of the studies.



PERFORMANCE HIGHLIGHTS UNDER OUR FOUR PRIMARY PILLARS (CONTINUED)



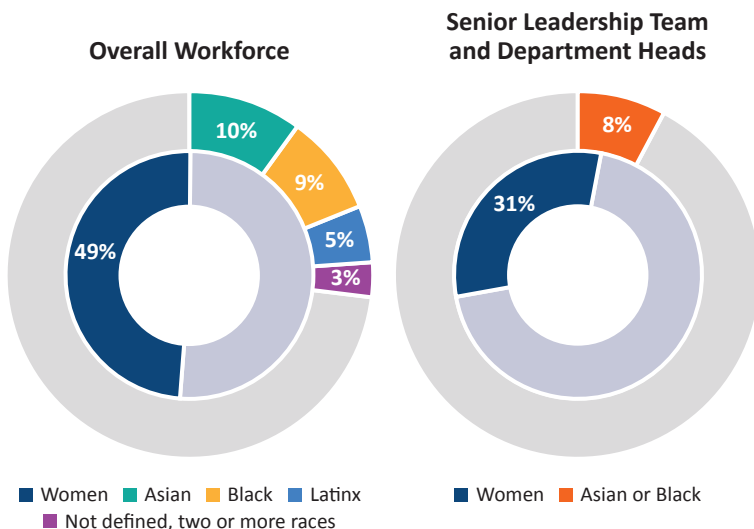
Employee Benefits: We invest in our Precisioneers by offering competitive benefits, including what we consider to be generous paid time off and paid parental leave. All full-time Precisioneers are eligible to participate in our equity compensation plans. Our hybrid work policy provides flexibility and balance to maximize collaboration, teamwork, and learning.

Talent Development: Through our Professional Development Initiative, we encourage Precisioneers to continue their personal and professional growth by identifying areas of interest, setting goals for learning and development, and pursuing interests that benefit their role at Precision and long-term career goals.

Tuition Reimbursement: We offer additional career development opportunities through financial assistance of up to \$7,500 per year per Precisioneer for educational courses, providing our employees with career development opportunities.

Employee Engagement: Our Precisioneers play a key role in our overall success, and we are dedicated to continually engaging with them for input on programs and initiatives. We had an 87% response rate for our 2022 engagement survey and the response rate increased to 95% in 2023.

Diversity and Inclusion: As of February 21, 2023, our workforce was self-reportedly approximately 49% women and approximately 27% Asian, Black, Latinx, two or more races, or not defined. Our senior leadership team and department heads were self-reportedly approximately 31% women and 8% Asian or Black as of February 21, 2023.



Waste Handling Procedures: Our waste handling procedures identify and assign responsibilities and outline safe practices for hazardous waste disposal in compliance with federal standards. Our employees are trained to minimize waste as well as to properly classify, label, and manage disposal.

Hazardous Waste Management: Hazardous waste is managed and transported by a third-party vendor. We have weekly pickups at our sites for biohazardous, hazardous, nonhazardous, and universal waste. Recyclables are picked up daily. In 2022, we generated 2,629 pounds of hazardous waste.

Local Historic Landmark Designation: We are proud to be headquartered in a designated local historic landmark by the Historic Preservation Commission (HPC). We abide by the HPC's philosophy to safeguard the heritage of the historic landmark and preserve important elements of its culture and architectural history while also working toward implementing sustainability initiatives where possible.

Environmental Metrics: Our facilities use LED lighting that is motion-controlled to reduce electricity consumption and subsequent carbon emissions. Metrics are tracked year over year to help us understand usage trends and identify areas of improvement.

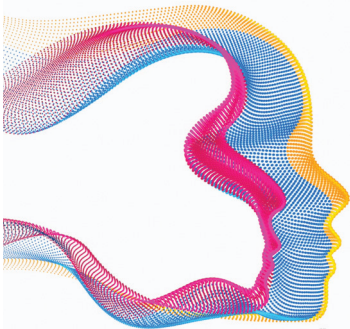
	2022	2021	2020
Number of Full-time Employees	198	198	231
Total Environmental Metric			
Electricity (thousand kWh)	2,322	2,348	2,259
Water (thousand gal)	1,552	1,498	1,298
Gas (therm)	14,342	14,204	11,766
Environmental Metric (normalized per employee)			
Electricity (thousand kWh)	12	12	10
Water (thousand gal)	8	8	6
Gas (therm)	72	72	51

PRIORITY TOPICS



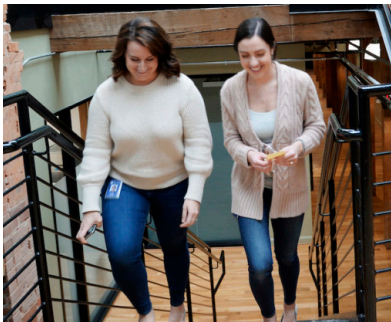
BOARD INDEPENDENCE AND DIVERSITY

We believe a diversity of backgrounds and experience in our Board reflects our conviction that investing in strong leadership and good governance spanning key capabilities end to end will best position Precision for its future as a leading gene editing company. Precision's Board of Directors consists of seven directors, six of whom are independent, including the Chair. The Board currently has four committees: the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee, and the Science and Technology Committee, all composed of independent directors. The Science and Technology Committee is specifically focused on assessing, monitoring, and providing input on risks in technological and scientific initiatives, including research and development. The Committees meet at least quarterly and provide oversight pursuant to our and each Committee's charter.



DIVERSITY, EQUITY, AND INCLUSION (DEI) COUNCIL

In 2020, our CEO, together with other senior executive sponsors, launched the DEI Council with a mission of promoting cultural understanding, broadening perspectives, and cultivating dialogue to foster a sense of belonging within our organization and throughout our community. By embracing collaboration, seeking and sharing knowledge, and maintaining a deep respect for each other, we are committed to building a diverse, inclusive, and equitable environment for all. The Council hosts cultural events, DEI speakers, and educational sessions and contributes to our internal newsletters that highlight upcoming events, spotlight various council members, and provide information on diversity-related topics.



EMPLOYEE HEALTH & SAFETY (EH&S)

Employees, agents, contractors, and other individuals whose employment is associated with or related to Precision are obligated to report instances of workplace injuries and unsafe acts or conditions immediately to the EH&S Coordinator. Employees who sustain a work-related injury or illness are expected to inform their manager immediately regardless of how minor an on-the-job injury may appear. Managers are responsible for completing an Accident/Incident Report with an affected employee and submitting it to the EH&S Coordinator within 24 hours post incident or as reasonably soon as possible. In 2022, we had zero reportable incidences.



CLINICAL TRIAL STANDARDS

Precision's clinical trials follow the International Council for Harmonisation (ICH) of Technical Requirements for Pharmaceuticals for Human Use Guideline for Good Clinical Practice (GCP), which are designed to ensure the highest ethical and scientific quality standards are met. We recognize the importance of including underrepresented communities within our clinical trials and strive to ensure that, depending on the parameters of the trial, we can incorporate diversity where possible. After clinical trials close, we work with a third-party vendor to update the current information and key milestones, and any changes are updated on the ClinicalTrials.gov database.



STAKEHOLDER ENGAGEMENT

We have a robust investor outreach program that includes active participation from the CEO, CFO, Chief Medical Officer, and Chief Research Officer. The Chair of the Board has also engaged investors in one-on-one dialogue to understand their views of the company and the management team.

PRIORITY TOPICS (CONTINUED)



DRUG QUALITY, SAFETY, AND COUNTERFEIT DRUG MANAGEMENT

The safety of our employees and the patients we serve is our highest priority. We are continuously improving our quality systems to ensure that the product candidates we test in the clinic and ultimately bring to the market comply with all applicable regulatory and industry standards. Despite not yet having a commercialized product, we have been forward-thinking on these topics. Once we are closer to bringing a product candidate to the market, we will establish a plan to manage the potential risk of counterfeit drugs.



HEALTHCARE ACCESS & AFFORDABILITY AND ETHICAL MARKETING

We recognize that these are key topics in our industry. Although we currently do not have a commercialized product and these topics are not yet relevant, we are aware of their importance and plan to proactively consider ways to integrate them into our business practices when the time comes.




SUSTAINABLE ACCOUNTING STANDARDS BOARD

The following table incorporates the accounting standards from the Sustainability Accounting Standards Board (SASB) related to the Biotechnology and Pharmaceuticals industry and our response to each standard.

Safety of Clinical Trial Participants (SASB: HC-BP-210a.1, HC-BP-210a.2, HC-BP-210a.3)	Precision's clinical trials follow the ICH of Technical Requirements for Pharmaceuticals for Human Use Guideline for GCP, which are designed to ensure the highest ethical and scientific quality standards are met. Our Extended Senior Leadership Team provides guidance and oversight for tactical decisions and decides what topics need to escalate to the Senior Leadership Team.
Access to Medicines (SASB: HC-BP-240a.1, HC-BP-240a.2)	We recognize the importance of these key topics in our SASB industry. Although Precision does not have a commercialized product and these topics are therefore not currently applicable, we are aware of their importance and plan to proactively consider ways to integrate them into our business practices.
Affordability & Pricing (SASB: HC-BP-240b.1, HC-BP-240b.2, HC-BP-240b.3)	
Drug Safety (SASB: HC-BP-250a.1, HC-BP-250a.2, HC-BP-250a.3, HC-BP-250a.4, HC-BP-250a.5)	
Counterfeit Drugs (SASB: HC-BP-260a.1, HC-BP-260a.2, HC-BP-260a.3)	
Ethical Marketing (SASB: HC-BP-270a.1, HC-BP-270a.2)	
Employee Recruitment, Development & Retention (SASB: HC-BP-330a.1, HC-BP-330a.2)	Our employees are the key to our success. We provide competitive benefits, work to actively engage employees, provide training and professional development opportunities, and promote diversity, equity, and inclusion initiatives.
Supply Chain Management (SASB: HC-BP-430a.1)	At Precision, our strategic sourcing process consists of an assessment process, during which suppliers are required to complete a quality questionnaire for an initial approval and annually thereafter for requalification and renewal.
Business Ethics (SASB: HC-BP-510a.1, HC-BP-510a.2)	We strive to adhere to the highest standards of business ethics. Our Code of Business Conduct and Ethics contains general guidelines for conduct that apply to all Precisioners.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

We have identified several U.N. Sustainable Development Goals (SDGs) that we believe our business activities and key priority areas support.

DESCRIPTION	PRECISION BIOSCIENCES ALIGNMENT	MORE INFORMATION
 <p>3 GOOD HEALTH AND WELL-BEING</p> <p>Ensure healthy lives and promote well-being for all at all ages</p>	<ul style="list-style-type: none"> • We are built on the mission “Dedicated to Improving Life.” • Our novel ARCUS genome editing technology is being developed to overcome and potentially cure hard-to-treat conditions, including cancer and genetic diseases. 	<p>Mission and Values Webpage</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all</p>	<ul style="list-style-type: none"> • Our employees are the key to our success, and we invest purposefully in their growth and professional development. • We offer tuition reimbursement to encourage Precisioneers to further their education. • Our 2023 engagement survey had a 95% response rate. 	<p>Human Capital Section</p>
 <p>17 PARTNERSHIPS FOR THE GOALS</p> <p>Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development</p>	<ul style="list-style-type: none"> • Through our innovative technologies, we are working to provide a pathway to improve health and well-being globally. 	<p>About Us Section</p>

REPORT METHODOLOGY

We performed a benchmarking analysis of other similarly situated firms in our sector and relied upon the SASB industry standards to help us understand the areas that may be most relevant to our U.S. investors. We drew upon the subject matter expertise of fellow Precisioneers to collect and organize the content relative to the areas we identified in our benchmarking.



FORWARD-LOOKING STATEMENTS

The statements, estimates, projections, guidance, or outlook contained in this report include “forward-looking” statements, as may any related presentations, within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this report that do not relate to matters of historical fact should be considered forward-looking statements, including, without limitation, statements regarding our ESG initiatives, goals and commitments, diversity and inclusion initiatives, health and safety efforts, sustainability goals, growth and business strategy, and expected benefits of our platform, programs, or product candidates. Without limiting the foregoing, in some cases, you can identify forward-looking statements by terms such as “aim,” “approach,” “could,” “goal,” “may,” “will,” “should,” “expect,” “plan,” “possible,” “target,” “believe,” “potential,” “seeks,” or “continue” or the negative of these terms or other similar expressions, although not all forward-looking statements contain these words. Forward-looking statements are based on management’s current expectations, beliefs, and assumptions and on information currently available to us. These statements are neither promises nor guarantees and may contain information about environmental, climate, diversity and inclusion, or other “ESG” goals and commitments, financial prospects, economic conditions, and trends and involve risks and uncertainties. Such statements involve number of known and unknown risks, uncertainties, and assumptions, and our actual future results, including the achievement of our goals or commitments, could differ materially from those expressed or implied in the forward-looking statements as the result of changes in circumstances, assumptions not being realized, or other risks, uncertainties, and factors, including, but not limited to, the important factors discussed under the caption “Risk Factors” section of our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2023, as any such factors may be updated from time to time in our other filings with the SEC, which are accessible on the SEC’s website at www.sec.gov and the Investors page of our website under SEC Filings at investor.precisionbiosciences.com, as well as with respect to our environmental, climate, diversity and inclusion, or other “ESG” goals and commitments outlined in this report or elsewhere, and other assumptions, risks, uncertainties, and factors identified in this report.

All forward-looking statements speak only as of the date of this report and, except as required by applicable law, we have no obligation to update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

A NOTE ON MATERIALITY

This report contains statements based on hypothetical scenarios and assumptions as well as estimates or topics that are subject to a high level of uncertainty, and these statements should not necessarily be viewed as being representative of current or actual risk or performance, or forecasts of expected risk or performance. While certain matters discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with or reporting pursuant to the U.S. federal securities laws and regulations.

Issued June 30, 2023