

3SBIO INC.
Environmental, Social and Governance
(ESG) Code of Conduct

Version 3.1

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1 Purpose and Application

3SBIO INC. is a pioneer and leader of China's biopharmaceutical industry. “Improving patients’ quality of life and bringing health benefits to the human race through developing and manufacturing high quality medicines” serves as our mission, while “honoring commitments and delivering hope” serve as the tenets of our social responsibility philosophy. We believe that while a company creates economic value, it can create even more social value. To this purpose, 3SBIO INC. has formed this ESG Code of Conduct by referring to the relevant laws and regulations of its operation sites, as well as international standards such as those of *the UN Global Compact* and *the UN Declaration on Human Rights*.

This Code applies to all employees, senior managers, directors and third-party representatives¹ of 3SBIO INC. and those of its subsidiaries and affiliated companies (hereinafter jointly referred to as the “Group”).

In addition, the Group encourages its suppliers which conduct business with the Group to comply with this Code and, where applicable, to comply with the relevant provisions of the Group's *Notification of Handling of Compliance Incidents* and its *Employee Code of Conduct and Ethics*.

*More annual Environmental, Social and Governance (ESG) practices and performance results can be found in the **Environmental, Social and Governance Report of 3SBio Inc.***

¹ A third-party representative refer to persons authorized to act on behalf of the Group, which may include distributors, regulatory agents, consultants, clinical research institutions, market research companies, customs brokers, etc.

2 Business Practices

2.1 Anti-Bribery and Anti-Corruption

Policy

All employees, senior managers, directors and third-party representatives of the Group are required to comply with any local anti-bribery and anti-corruption laws and regulations of the countries and regions in which the Group conducts business. The Group prohibits all forms of corruption and bribery, including:

(i) Providing government officials with "facilitation payments" (or "convenience fees"), which refers to small, unofficial rewards intended to help advance or expedite the execution of any government-related process;

(ii) Directly or indirectly providing or accepting **Anything of Value** (as defined below) for the purpose of gaining an improper or illegitimate business advantage;

Definitions:

Anything of Value: this includes cash, goods and services, including consulting agreements, speaking fees, research agreements, travel, hospitality services, meals, preferential treatment, entertainment, donations, gifts or anything that brings personal benefit.

(iii) Gifts, services and entertainment activities, as well as financial or other support to third parties may be provided for legitimate business purposes assuming such actions comply with the applicable laws and regulations of the country or region in which the action occurs.

How We Put It into Practice

Business Ethics Auditing

The Group regards business ethics auditing as the top priority to the job auditing for all employees (including all employees, senior managers, directors and third-party representatives of the Group and the employees who resigned). The Group conducts

audits on business ethics such as corruption and bribery for all employees twice a year to ensure that the Group conducts business operations in a compliant and sustainable manner.

Training

Conduct regular training and lectures on compliance topics and business ethics, ensure coverage and access to all employees, senior managers and board members of the Group.

Due Diligence on Third-Party Representatives

Through the normal course of its businesses, the Group engages third-party representatives to provide services to or on behalf of the Group. Group personnel who engage third-party representatives shall actively supervise and monitor the conduct of third-party representatives through various means, including:

(i) Conduct due diligence on third-party representatives using methods such as inviting third-party representatives to complete questionnaires, conducting interviews and background checks, and ensuring that there is no corruption or bribery on the part of third-party representatives.

(ii) Third party representatives are required to sign a formal written statement at least once a year stating that they are aware of and in compliance with the *Environmental, Social and Governance (ESG) Code of Conduct of 3SBIO INC.*

Supplier Management

The Group formulated the *Supplier Conformity Statement*, which includes anti-corruption and anti-bribery policies, and provides a hotline and email address for reporting corruption and bribery. The Purchasing Department is responsible for managing suppliers, including by:

(i) Urging key suppliers² to sign the *Supplier Conformity Statement* at least once a year, and regularly monitor supplier behavior, including via on-site inspections;

(ii) Non-key suppliers are required to sign the *Supplier Conformity Statement* at the supplier access stage to ensure that all suppliers are aware of the anti-corruption and anti-bribery policies in the *Supplier Conformity Statement*.

(iii) Suppliers are required to develop appropriate anti-corruption systems and review

² Key suppliers are defined according to the four categories of suppliers defined by the Group, which refer to “1, 2 and 3” supplier categories.

them regularly. At the same time, the supplier is required to agree with the Group or a third party hired by the Group to audit the compliance with the above principles.

Whistleblower Protection

The Risk-control & Compliance Department of the group accepts real-name or anonymous reports regarding actual or suspected violations discovered by employees, third-party representatives, and partners with whom the Group does business. The Risk-control & Compliance Department conducts investigations according to the established *Internal Compliance Investigation and Management Standard of 3SBIO INC.*, and protects informants (including anonymous informants), including:

(i) The personal information of the informant and all information provided by the informant shall be kept strictly confidential. The Group will strictly and severely deal with those who violate any applicable confidentiality provision and will hold violators accountable for their legal responsibilities if the case constitutes a criminal offense.

(ii) The Group will deal with those who retaliate against an informant or relevant witnesses according to the seriousness of the circumstances. The methods include but not limited to dismissal, termination of labor contract, transfer to judicial organs for handling, etc.

Policies & Measures Referred to in this Section

Policies: *Supplier Conformity Statement, Internal Compliance Investigation and Management Standard of 3SBIO INC.*

Departments Responsible for Formulation and Interpretation: Purchasing Department, Risk-control & Compliance Department

2.2 Commercial Secrets and Intellectual Property Protections

Policy

The Group strictly protects its commercial secrets and intellectual property rights against infringement and pledges not to use business partnerships to obtain or infringe on the commercial secrets or intellectual property rights of its partners. All employees, senior managers and directors of the Group shall comply with the company's commercial secret protection policy when sharing company information with others.

Definitions:

Commercial Secrets: including but not limited to proprietary information, including production processes and formulas, trade secrets, non-public financial information, sales and marketing plans, customer and supplier lists, procurement information, employee information, etc.

Personal Information: symbols, text, images, audio/video and any other data that can be used individually or collectively to identify someone. This includes unique personal identity materials such as one's social security number or a driver's license number, as well as non-unique information such as age, marital status, religion, occupation, and even interests.

How We Put It into Practice

Authority Management System for Customer Information

The Group's internal management system collects and manages necessary customer information, and the system was set up with a strict authority management function. Users at different levels set different views and data permissions. Any information related to customer information, such as that of commercial companies and hospitals, can only be viewed and used within in the system, and any form of data export is strictly prohibited.

Intellectual Property Protection

The Group upholds an intellectual property management policy of "innovation-driven R&D, future-oriented management". The Group has standardized its protection of

internal commercial secrets and intellectual property according to well-established company measures including *Administrative Measures on Intellectual Property Rights*, *Administrative Measures on the Management of Trade Secrets*, and the *Manual on Intellectual Property Management*.

Personal Information Protection

The Group regards personal information as confidential information, and recognizes that any such information should reasonably be obtained and used in order to prevent unauthorized disclosures, including:

- (i) Personal information provided to the company should be obtained, used and stored only for legitimate business purposes;
- (ii) Personal information may only be shared if truly necessary and requires the explicit prior consent of the person providing the data;
- (iii) Respect the rights of individuals to their personal information, including viewing, modifying and destroying any personal information that has been authorized for use by the company.

<p>Policies & Measures Referred to in this Section</p> <p>Policies: <i>Administrative Measures on Intellectual Property Rights</i>, <i>Administrative Measures on the Management of Trade Secrets</i>, and the <i>Manual on Intellectual Property Management</i></p> <p>Departments Responsible for Formulation and Interpretation: Intellectual Property Department</p>

3 Responsible Products and Marketing

3.1 Responsible Marketing

Policy

All **marketing** (as defined below) or declarative information of the Group is subject to accuracy, clarity, and transparency requirements:

(i) Accuracy: Promotional materials or declarative information must be consistent with nationally approved labels, and any advertising or promotional material which is not properly approved is prohibited;

(ii) Clarity: Product information used or externally propagated must be complete and clear and contain no misleading statements;

(iii) Transparency: Comprehensive descriptions of product safety information should always be provided, while descriptions of products or technologies should also avoid exaggerations and concealing potential risks that could lead to any form of misinterpretation.

Definitions:

Marketing: methods include but are not limited to:

- Advertisements and promotional materials
- Product labels and descriptions
- Survey materials, test results, and comparisons of competitor products/services
- Intranet message board advertisements
- Other communication materials that may not be intended for our customers

How We Put It into Practice

[Employee Behavior Regulations](#)

Employees engaged in marketing communications, sales or other work involving advertising development or review, product labeling or promotion, or any other type of communication with customers are required to be aware of and understand the applicable company standards, policies and procedures. As such, the Group regularly carries out responsible marketing or related compliance training to help employees understand the requirements of relevant laws and regulations, and internal rules. Regarding product information, relevant staff are required not to disseminate all product uses and information other than approved labeling, nor exaggerate products and technologies or conceal their potential risks.

We regularly and irregularly carry out multi-level employee training on the topic of “responsible marketing”, which includes:

- All of the new employees: New employees within 90 days of employment, carry out at least 3 times of employee training, which must include themes about responsible marketing such as product marketing regulations and so on;
- New area managers and greater area managers: Carry out training at least 2-3 times a year.
- All marketing line employees: Carry out training at least 1 time a year.

Responsible Marketing Auditing

The Audit Department of the Group conducts internal oversight and auditing on “responsible marketing”, the audit includes marketing strategy formulation and the whole process from the development of marketing to the training of the marketing personnel, the audit object includes all employees in marketing department of the Group, audit frequency is twice a year. The scope of the audit work includes but is not limited to:

(i) Production and approval of marketing and educational materials is conducted in accordance with the established *Approval Procedure for Promotional and Educational*

(ii) Conduct accurate, clear and transparent audits of product descriptions, label information, packaging specifications and data to ensure that any changes to the company's products or services are timely and accurately communicated to the relevant departments;

(iii) For any potential risks identified during the auditing process, develop an audit and improvement recommendation report. In response to the discovery of any inappropriate behaviors, the product sales behavior must be adjusted immediately to meet the compliance requirements.

Policies & Measures Referred to in this Section

Policy: *Approval Procedure for Promotional and Educational Materials*

Departments Responsible for Formulation and Interpretation: Risk-control & Compliance Department

3.2 Product Quality and Safety

Policy

With “Benefitting Patients Globally with High-quality China Biopharmaceuticals” as its ultimate goal, the Group insists on adhering to a high standard of quality control as part of dedication to offering excellent products.

How We Put It into Practice

Establish a Product Quality Control System

All pharmaceutical affiliated companies of the Group have established a quality management system in accordance with the *Good Manufacturing Practice (GMP)* of the People's Republic of China. These guidelines cover several elements of the quality control system including, raw material sources, production, product release, transportation, and post-marketing pharmacovigilance.

Quality Management Auditing

The Group's production bases carry out regular internal audits of their quality management systems, including quarterly quality management reviews, annual self-inspections, and non-regular internal quality audits, among other auditing work. These sites also conduct preventive testing of possible quality and safety problems to ensure the effective operation of the quality management system and promote its continuous improvement.

The Group's production material suppliers include manufacturers and distributors. The Group conducts quality management audits on all upstream manufacturers (i.e., indirect suppliers) of distributors, and the audit covers all such indirect suppliers. Audits include on-site audit and written audit. On-site audits are carried out at least once every 2-3 years, while written audits are carried out at least once every 1-2 years.

Product Quality and Safety Training

The Group provides quality training to all employees, including part-time and contract workers. For example, the Group provides training on operating procedures to staff involved in medicine production quality, and for all new employees in the marketing system it provides training on products potential adverse reactions. At the same time,

the Group requires all production bases to carry out their operations and training work in an orderly manner.

In addition, the Group identifies high-risk suppliers³ based on its own business operations, and conducts quality-related training for all high-risk suppliers at least once a year.

³ High-risk suppliers refer to suppliers of direct materials related to the Group's production.

4 Employee Rights and Benefits

4.1 Employment and Human Rights Protection

Policy

The Group complies with local laws concerning employment relations in every location where we operate. The Group is committed to treating all employees with dignity and respect, and actively implements the following labor principles.

Definition:

Forced Labor: any form of involuntary labor, such as bonded labor, human trafficking, or prison labor, etc.

Child Labor: An underage child or juvenile worker. In China, child labor refers to children or young workers under the age of 16.

Equal Employment: This refers to the equality principles that decisions regarding employment, pay, promotions, awards, training opportunities, terminations, etc. are made without regard to gender, race, color, disability, age, marital status, religious belief, political affiliation, community membership, or other private factors.

How We Put It into Practice

Working Freedoms

The Group ensures that all employees are voluntarily employed, and that it will never require employees to pay a deposit, recruitment fee or other related expenses. It is strictly prohibited to restrict the personal freedom of employees.

Prohibit Child Labor

During the recruitment process, the Group verifies the age of all job applicants and strictly prohibits the use of child labor, or those applicants under the age of 16. The Group adopts special protective measures for workers under the age of 18 and ensures not to require any such workers to perform work that may endanger their health or safety.

Diversity and Employment Equality

In order to eliminate any form of discriminatory actions during employment decisions, the Group only considers legitimate business needs compared against the individual candidate's ability, quality, moral character and how well they meet the positional requirements.

The Group seeks and recruits the best talents from a wide range of backgrounds and actively pursues a workforce strategy of bringing in talents with varied perspectives. As such, the Group does not discriminate against anyone in hiring, compensation, promotion, awards, training opportunities, dismissal, or related personnel decisions. At the same time, the Group actively accommodates employees with legally recognized disabilities and/or religious beliefs in order to support its diversity goals.

The Group has set diversity performance indicators, including but not limited to “no violations of laws and regulations in employee diversity management” and “percentage of employees participating in diversity training each year”. The Board of Directors supervises the achievement of diversity performance goals, and the Remuneration and Performance Committee is responsible for managing the implementation of diversity performance indicators and regularly updating them. The Group conducts trainings on diversity and employment equality for all employees at least once a year and includes this topic in the new employees training program.

Satisfaction Survey

To understand employees' demands in depth, maintain a smooth communication mechanism with employees and continuously improve employee rights and benefits, the Group conducts satisfaction surveys of all employees as required.

4.2 Safe and Healthy Working Environment

Policy

The well-being of our employees is of the utmost importance to the company. As such, ensuring a safe and healthy working environment remains a top priority among the Group's corporate goals. The Group is not satisfied with merely complying with the law, but instead always takes strict health and safety standards as its goal and primary responsibility. The Group believes that the health and safety of its employees should never be compromised for the sake of any other objective.

How We Put It into Practice

Provide a Safe Workplace

Within any of the Group's provided workplaces and living spaces, employees and contractors are protected against unhealthy exposure to chemical, biological, and physical hazards, as well as excessively physically demanding tasks. The Group strictly complies with all applicable health and safety regulations and ensures that its safety management systems are properly operating in order to mitigate the risk of work injuries or accidents.

Provide Safety Trainings

The Group provides all employees with appropriate health and safety training. Within the workplace, employees receive ample personal protective equipment while health and safety related information is prominently posted throughout the working sites.

4.3 Human Capital Development

Policy

The Group regards employee development as an important driving force for corporate development and an important aspect of corporate social responsibility. The Group takes full consideration of employees' individual career development requirements and wishes, and provides employees with comprehensive training mechanisms, career development programs and personal development plans.

Employee Performance Evaluation

The Group adopts the BSC performance appraisal model to conduct employee performance evaluation and adopts the continuous feedback model, including focused and constructive comments and monthly communication on career development between employees and managers.

Through performance evaluation, the Group identifies talents and high-potential employees at all levels, covering senior managers, managers, supervisors and individuals, and correlate performance results with salary transfer, promotion and development planning.

The Group is committed to creating a high-performance culture, continuously motivating high-performance employees, and stimulating corporate vitality; at the same time, it provides low-performance employees with career advice and support, improvement plans, etc., and continues to help low-performance employees better adapt to the needs of corporate development.

Employee Career Development Program

Management Trainee Plan: The Group provides a special management trainee plan for pharmaceutical graduate candidates, including a series of trainings such as professionalism, professional quality and vocational skills, and provides a number of job rotation plans within a certain period to cultivate potential management talents.

New Employees Training Plan: The Group provides a special new employee training plan for non-graduate employees, including a series of trainings on professionalism, professional quality and vocational skills.

Management Personnel Training Plan: The Group provides MINI-MBA, external training and special management and leadership improvement programs for various management talents, so as to realize their all-round improvement such as broadening

their horizons and improving their leadership, and cultivate managers of all business groups and levels for the company.

Employee Succession and Development Planning

Through talent inventory and performance inventory, the Group conducts inventory of successors at all levels every year, and improves their capabilities in a hierarchical, diversified and even personalized way.

The Group provides learning and development opportunities for different types of employees. The Group's education projects and improvement plans are carried out in various forms, including on-site teaching, assignment of challenging tasks, formal training courses, online training, etc. Through team-based teaching, communication and feedback mechanisms throughout employees' careers, and a variety of specialized talent funding programs, the Group provides employees with coaching programs tailored to their needs to meet their unique needs at different stages of their careers.

5 Environment and Community

Policy

The Group is committed to conducting its operations in an environmentally sustainable manner, integrating the concept of green development (as defined below) throughout its business development practices, and continuously promoting improvements to its environmental performance. The Group remains committed to progressively optimizing its energy use, reducing its absolute environmental load and mitigating its impact on climate change.

Definitions:

Green Development: Green development includes efforts by the company to reduce consumption of resources, emissions and the impact of its operations on the external environment by optimizing production processes and improving resource recycling efficiency, among other environmental initiatives.

How We Put It into Practice

Establish an Environmental Management System

The Group is committed to carrying out management work in accordance with the environmental management system and conduct regular reviews. The Group has established an environmental management system. Up to now, 100% of the Group's manufacturing bases in China have passed the ISO14001 environmental management system certification. Based on the ISO14001 system requirements, the Group conducts external independent environmental audits for all relevant businesses at least once every three years, and regularly conducts system reviews for all relevant businesses every year.

The Group has established an environmental compliance audit mechanism, and the audit department is responsible for conducting environmental compliance audits for each of its internal production bases. In 2022, the environmental compliance audit work plan for all bases will be completed in October 2022. The Audit Department regularly evaluates the necessity of conducting external environmental audits in light of the company's business needs.

Environmental Goals and Regulation

The Group is committed to continuous reduction actions in water, energy, hazardous waste and greenhouse gas emissions, which are supervised and managed by the Board of Directors. Four quantitative targets have been formulated at the environmental level, covering water utilization, energy utilization, hazardous waste emissions and greenhouse gas emissions. For example, based on 2017, the unit revenue of greenhouse gas emission will decrease by 20% by 2025; based on 2018, the unit revenue of hazardous waste will decrease by 30% by 2025.

The Board of Directors of the Group performs its supervisory responsibility for the Group's environmental management system. The Group has linked the Group's environmental performance with the remuneration of the Board and senior management. The Group has incorporated quantitative indicators of sustainable strategies with a weighting of 20% into the appraisal and incentive system for the remuneration of Ms. Su Dongmei, a member of the Board of Directors. The Group conducts an annual performance appraisal, of which environmental-related performance accounts for 20% of its annual performance appraisal score. The Group's Remuneration and Performance Committee will conduct an annual assessment of environmental performance achievement and reduce the variable remuneration of directors by a certain percentage if each key environmental indicator is not met.

Reduce Emissions and Pollution

The Group is committed to ensuring its discharge of solid waste, wastewater and air pollutants throughout its operations at each production base is legally compliant. Using a variety of measures, the Group further strives to reduce both its absolute amount of pollutant discharges and pollutant discharge rate per unit of income/output value, including:

- (i) Continuously track environmental laws and regulations while monitoring pollutant emissions to ensure compliance;
- (ii) Regularly set reduction targets for resource consumption and emissions to steadily reduce the environmental load;
- (iii) Incorporate environmental management performance targets into the performance assessment of relevant departments.

Regarding solid waste, the Group is committed to classifying and recycling non-hazardous waste or handing them over to qualified units for disposal, and to conducting weekly declaration and ledger registration of hazardous solid wastes, and handing them over to qualified facilities for regular treatment. Among them, rejected

products found in finished products testing and drugs passing the expiration date in storage were destroyed under the supervision of quality departments.

Regarding wastewater, the Group is committed that all wastewater generated will be discharged after compliant treatment. Among them, production wastewater is collected by the manufacturing bases and treated by alkali and then discharged as required; domestic sewage and industrial effluents can be discharged into the municipal pipeline system after they are treated in the wastewater treatment center of the factory or industrial park and reach discharge standards. At the same time, the Group controls pollutants both at the workshop and in the effluent treatment center to reduce the discharge of effluents and pollutants.

Regarding waste gas, the Group is committed to reducing the emission of waste gases through purification treatment by treatment devices or entrusting third-party treatment.

Resources Conservation

Throughout its production and operation processes, the Group is committed to always adhering to several environmentally-conscious habits directed towards protecting natural resources and conserving social resources. As part of these efforts, we strive to improve our enterprises' energy mix structure, promote energy recycling, actively develop new energy sources, accelerate the application of clean technologies, carry out energy conservation projects, and improve the energy efficiency of all production bases.

Responding to Climate Changes

The Group is committed to regularly identifying and accounting for greenhouse gases generated by its operational activities, actively participating in the disclosure of climate change questionnaires by the *Global Environmental Information Research Center*⁴, disclosing climate change management practices and results to investors and other stakeholders, and actively encouraging the supervision of these initiatives by all relevant stakeholders.

Community Engagement

The Group is committed to actively communicating with government regulators, local communities and environmentally-focused public welfare organizations on its resource usage and pollutant emissions, as well as welcoming supervision of this work from regulatory authorities and the public.

⁴ The *Global Environmental Information Research Center* was formerly known as Carbon Disclosure Project, or abbreviated as CDP.

Supervise and Encourage Suppliers to Carry Out Environmental Management

The Group is committed to extending the concept of green development to the management of its suppliers through various measures, including:

(i) Require suppliers to sign the *Supplier Conformity Statement* to have them commit to comply with relevant environmental protection requirements;

(ii) Require suppliers to meet specific legal and regulatory requirements for waste treatment, waste gas emissions, waste water discharge, energy conservation, greenhouse gases, hazardous substances, environmental impact assessments, land use, noise pollution, etc., and obtain relevant permits and approvals.

6 Public Welfare

Policy

The Group incorporates fulfilling social responsibility goals into its long-term strategy of enterprise development. In the course of business development, we seek to develop long-term well-being for the health of increasing numbers of people through R&D and innovation. At the same time, through donations and other initiatives, we work to promote the realization of inclusive health care by improving the population's accessibility to medicine and healthcare.

Adhering to the professional competence and spirit of assistance in the pharmaceutical field, the Group regards "Access to Health Care" as one of the key issues of concern. The Board of Directors of the Group is responsible for overseeing the issue of medical and health accessibility, and the ESG Committee conducts day-to-day management of the issue. The Group is committed to Research & Development innovation, carrying out projects such as drug donation and helping grass-roots doctors to cultivate, so as to improve the availability of drugs and medical services. In addition, the Group will actively participate in the formulation of industry standards and academic exchanges in the industry to promote the development of the industry.

How We Put It into Practice

Pricing Policy

The Group has formulated differentiated pricing strategies based on factors such as local purchasing and payment ability, disease spreading speed, and regions involved in the sales of pharmaceutical products. Drug pricing follows international pricing standards such as CBP and MRP. For biosimilar drug products, the Group comprehensively considers factors such as the price of the original research drug when pricing; for innovative drug products, the Group comprehensively considers factors such as retail price in China and local purchasing power when pricing.

International Layout

At present, the products of the Group have been registered internationally, such as YISAIPU, TPIAO, EPIAO, INTEFEN, and SEPO, etc. The registration has covered nearly 40 countries and regions around the world, and the scope of business and

customer basically covers the world's developing countries. After years of hard work, these products have also been registered and listed in many countries. The Group has extensive deployment in major emerging markets around the world, including the Middle East and North Africa, South Asia, Southeast Asia, Latin America, the Commonwealth of Independent States and other regions. Currently, it mainly focuses on emerging or developing markets, such as Brazil, Mexico, and Colombia in Latin America, Indonesia, the Philippines, and Thailand in Southeast Asia, Russia, Ukraine, and Uzbekistan in the Commonwealth of Independent States, Turkey, Saudi Arabia, Egypt, and Jordan in the Middle East and North Africa, and India, Sri Lanka, Pakistan, Bangladesh in South Asia. The Group promotes the overseas layout of the company's core products, such as EPO, TPO, YISAIPU and SEPO, through direct overseas authorization of products and seeking local agents.

The Company adapts to the strategic requirements of internationalization, and actively conducts localized production in core emerging pharmaceutical markets and establishes opportunities for joint venture projects in the region. The Group provides patent authorization and technical personnel support for Turkey, Mexico and other countries, helps locals build advanced biopharmaceutical factories, promotes local employment, and trains local medical and health related personnel, improves local public health level, and benefits local patients, contributing to improving the medical level of developing countries.

7 Supervision and Management

All employees, senior managers, directors and third party representatives of the Group and its subsidiary and affiliated companies shall be aware of and comply with this policy. Employees of the Group and external partners of the Group can report any actual or suspected violations to the Group through the following contact details:

- Email: fxhgb@3sbio.com
- Telephone: 4008445110.

Any member of the Group who violates laws, regulations or relevant policies may be subject dismissal, termination of their labor contract, and have the facts of the violation transferred to the judicial authorities, among other measures.

Any supplier who violates this policy may have their contract terminated and business relationship with the Group suspended.

Reference Document

This ESG policy is based primarily on the following principles or documents , including:

- Ten Principles of the United Nations Global Compact
- The United Nations Universal Declaration of Human Rights
- The International Labor Organization’s Declaration on Fundamental Principles and Rights at Work
- United Nations Convention Against Corruption
- Rio Principles
- Principles of Corporate Governance of the Organization for Economic Cooperation and Development
- ISO26000 Social Responsibility Guide and GB/T36000-2015 Social Responsibility Guide

This document was also formulated with reference to the following rating requirements of international rating agencies for listed companies:

- MSCI (Morgan Stanley Capital International) ESG Rating;
- The Global Environmental Information Research Center (formerly known as the Carbon Disclosure Project, or CDP) questionnaire.