

# **Guidelines on Business Ethics of Shanghai Fosun Pharmaceutical (Group) Co., Ltd.**

## **Chapter I General Provisions**

### **Section I Purposes and Requirements**

**Article 1** In order to establish a solid business ethics system for Shanghai Fosun Pharmaceutical (Group) Co., Ltd. (hereinafter referred to as "Fosun Pharma" or "the Company") and its holding subsidiaries/units (hereinafter referred to as "member enterprises"), promote the core values and the ethical integrity of the Company, enhance the ability of the Group (i.e. Fosun Pharma and its member enterprises, hereinafter referred to as "the Group") to govern itself and manage its business ethics in accordance with the law, maintain its good reputation and brand value, and build the Group into an international pharmaceutical and healthcare industry group with international competitiveness, these guidelines have been formulated.

**Article 2** The occupational conduct of the management team and all employees should comply with laws, regulations, rules, regulatory documents, industry norms, self-regulatory rules, and the *Articles of Association of Shanghai Fosun Pharmaceutical (Group) Co., Ltd.*, etc. Employees should also comply with commonly applicable occupational ethics and codes of conduct recognized by the industry, dedicated to their work, and be law-abiding, honest and self-disciplined.

### **Section II Scope of Application**

**Article 3** These guidelines are applicable to the Group and all employees of the Group. The Group's shareholding companies may follow these guidelines in accordance with their own corporate governance requirements.

### **Section III Core Values**

#### **Article 4**

Mission: Better Health for Families Worldwide.

Vision: Dedicate to become a first-tier enterprise in the global mainstream pharmaceutical and healthcare market.

Values: Care for Life, Continuous Innovation, Pursuit of Excellence, Sustainable Partnership.

Compliance philosophy: We can not only provide clean products and services but also provide products and services in a clean way.

Integrity values: Honesty, integrity, prudence, diligence, and dedication.

### **Section IV Basis of Formulation**

**Article 5** These guidelines are based on laws and regulations, the Group's management system, and commonly accepted codes of conduct and ethics in the industry.

**Article 6** The management system of the Group on which these guidelines are based includes, but is not limited to, the *Employee Handbook of Shanghai Fosun Pharmaceutical (Group) Co., Ltd.*, the *Reward, Punishment and Grievance Management System of Shanghai Fosun Pharmaceutical (Group) Co., Ltd.*

**Article 7** The laws and regulations involved in these guidelines include, but are not limited to, the *Criminal Law of the People's Republic of China*, the *Company Law of the People's Republic of China*, the *Anti-Monopoly Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, the *Cybersecurity Law of the People's Republic of China*, the *Measures for the Administration of Information Disclosure of Listed Companies*, and the *Guidelines for Compliance Management of Enterprises' Overseas Operations*.

**Article 8** If there are revisions/changes to the laws and regulations, the Group's management system, and industry norms on which these guidelines are based, the revised/changed version should prevail. If the standards required by these guidelines are higher than those required by laws, regulations, or industry codes, these guidelines should prevail.

If the implementation of these guidelines in the Group's overseas operations conflicts with the laws and regulations or business practices and business culture of the host country/region, the local laws and regulations, business practices, and business culture should prevail.

## **Section V Management System**

**Article 9** With the authorization of the Board of the Directors, the Audit Committee under the Board of Directors of the Fosun Pharma oversight the group's business ethics matters, responsible for the review of this guideline and supervision of its implementation. The Fosun Pharma Disciplinary Committee serves as the daily management body for business ethics standards, overseeing the enforcement of this guideline within the group. This includes the establishment and implementation of mechanisms related to business ethics standards, as well as discussions and decisions regarding appropriate penalties for individuals who violate this guideline. The Fosun Pharma Disciplinary Committee is required to regularly report to the Audit Committee under the Board of Directors on the implementation status of business ethics standards.

### **Article 10 The Mechanism for Reporting and Monitoring Violations**

The Group should protect the normal exercise of the right of employees and external clients to report and complain about violations of the law, and the mechanism for monitoring and reporting violations includes:

- (I) Setting up a complaint hotline and a reporting hotline, and ensuring the accessibility of complaint and reporting channels through multiple platforms such as the official website, official WeChat account, email, letter, and telephone;
- (II) Encouraging and prioritizing real-name reporting;
- (III) Reviewing or investigating complaintf th

## **Article 12** The Mechanism of Ethics Management and Performance Assessment

The Group should establish a performance appraisal mechanism for ethics management and incorporate the effectiveness of ethics management into the scope of performance appraisal of all employees.

## **Article 13** The Mechanism of Ethical Culture Building

Ethical culture is the ideology, moral standards, and value orientation that members of the organization generally abide by for operating in compliance with the law, and is the Company's consciousness and behavior of honest operations. The mechanism of ethical culture building includes the advocacy of ethical concepts, training and education system of ethical norms, and cultivation of ethical culture. The Group should focus on the professionalism, accessibility, effectiveness, and standardization of ethics training.

# **Chapter II Corporate Ethics and Compliance Obligations**

## **Section I Lawful Employment and Occupational Safety and Security Obligations**

**Article 14** Employees are the Group's valuable assets and the driving force behind the Group's continued rapid growth. The Group should observe and conscientiously implement the laws and regulations related to labor employment in the countries/regions where it operates, establish and improve the labor employment system, respect and protect the legal rights and interests of employees, and create a healthy working atmosphere.

The Group should protect the legitimate rights and interests of employees in obtaining labor remuneration, rest and leave, occupational safety and health protection, social insurance and vocational skills training, etc., and should not in any way circumvent its legal obligations to employees.

**Article 15** The Group should create a healthy and safe working environment, including establishing, improving, and implementing a labor safety and health system that safeguards the health and safety of employees, strictly implementing labor safety and health norms and standards in the countries and regions where it operates, and educating employees on labor health and safety to prevent accidents and eliminate occupational hazards.

**Article 16** The Group should create a fair and equitable work environment, including providing equal opportunities to employees and applicants for employment, including recruitment, promotion, rewards, and training, oppose discrimination against any employee on the basis of race, color, gender, religion, nationality, disability status, marital status, veteran status, sexual orientation, gender identity, etc., protect employees from harassment at work, including sexual harassment, threats, intimidation, etc., and take serious action against those who commit harassment.

**Article 17** The Group should respect and protect the personal privacy of employees, collect and safeguard personal information based only on laws and regulations and institutional requirements or business needs, and possess and handle employees' personal information in accordance with relevant regulations.

Electronic data created by employees performing their duties through corporate accounts, work equipment, etc. belongs to the Group. The Group reserves the right to access and disclose employee records for legitimate business needs and when permitted or required by law or regulation.

## **Section II Tax Obligations in Accordance with the Law**

**Article 18** The Group should pay taxes in accordance with the law and actively fulfill the obligation of withholding and paying taxes on behalf of the Group.

**Article 19** The Company and its member enterprises should register for taxation, set up books of accounts, keep vouchers and file tax returns in accordance with the law, and should not

conceal, omit or misreport taxes or evade taxes.

### **Section III Obligation of Anti-monopoly**

**Article 20** Monopoly refers to the act of business entities using their market position to obstruct trade, restrict and exclude fair competition without legal permission, including the conclusion and implementation of monopoly agreements, the abuse of dominant market position to exclude other competitors, or the implementation of a concentration of operators that has or may have the effect of excluding or restricting competition.

The Group should observe the principle of fair competition in its business activities, comply with the provisions of the anti-monopoly law and the antitrust laws of each country, engage in virtuous competition within the legal framework, and consciously avoid monopolistic acts.

**Article 21** In merging or acquiring other business units or their equity assets, the Group

## **Section VII Obligation to Comply with Export Control and Trade Sanctions Provisions**

**Article 28** Export control is the act of a government to protect its security, diplomatic and economic interests by establishing a series of review, restriction, and control mechanisms to prevent, directly or indirectly, the circulation or proliferation of its own defined goods or technologies to a target country through various means.

**Article 29** Trade sanctions are actions in which one or more governments take strong measures against another country by decree in order to sever economic and trade relations between them.

**Article 30** The Group should establish a complete and effective compliance management system related to export control and trade sanctions to reduce the risk of non-compliance or the risk of being penalized.

## **Section VIII Obligations of Business Ethics for Business Partners**

**Article 31** A business partner is a party that receives products sold or services provided by the Group, and a party that provides products or services to the Group. Quality business partners are critical to the sustainable and solid growth of a company. The Group should fully understand its business partners and establish appropriate ethical requirements.

**Article 32** The Group should follow closely the creditworthiness of its business partners and perform due diligence, including but not limited to:

- (I) The information obtained from our business partners should be complete and faithful, including the registration status, shareholding structure, industry reputation, business performance, past credit, etc. If necessary, we can ask our business partners to provide the necessary financial information;
- (II) The Group reserves the right to require its business partners to cooperate with inspections and audits;
- (III) The Group keeps a close eye on media reports about its business partners, and if there are any related negative reports, the Group can get to know the specific situation through communication and launch a corresponding investigation if necessary.

**Article 33** The Group should communicate and promote its business ethics and core values to its business partners, urge its business partners to respect and understand its requirements for their business ethics management and prompt them to comply with the relevant aspects of these guidelines concerning them.

**Article 34** The Group should agree on business ethics and compliance terms (including integrity agreements) in contracts and ask its business partners to comply with them. The Group reserves the right to hold accountable any business partner who violates the relevant terms and agreements for breach of contract.

## **Section IX Obligations of Honesty and Accuracy in Financial Reporting**

**Article 35** The Group should prepare financial accounting reports based on actual transactions, events and complete and accurate records of accounts and other information, and in accordance with the bases, principles, and methods of preparation as stipulated in the applicable accounting system, with actual figures, accurate calculations, complete content, and clear explanations.

## **Section X Obligations for Environmental Protection**

**Article 36** The Group should fulfill its obligations for environmental protection, implement the main responsibility to comply with environmental protection laws and regulations, avoid pollution

of the environment and environmental hazards caused by various pollutants in the Group's operations; actively adopt environmental protection technologies, promote the implementation of various environmental protection measures, reduce pollutant emissions, and reduce the negative impact of the Group's operations on

However, the Group prohibits political donations.

## **Chapter III Code of Ethical Conduct for Employees**

### **Section I Obligation of Loyalty**

**Article 42** Employees should fulfill their obligation of loyalty to the Group and refrain from any act that damages the reputation and interests of the Group. Employees should not use their personal authority or the Group's resources (including but not limited to, business channels, business information, business secrets, intellectual property rights, etc.) for personal gain.

**Article 43** Employees should truthfully provide the Group with information such as basic personal information and employment experience related to their work.

**Article 44** Employees should abide by the non-competition rules and should not engage in business or activities that create a conflict of interest with their former companies during their employment and for a reasonable period of time after leaving the company in accordance with the signed and effective non-competition agreement.

**Article 45** Employees should avoid conflicts of interest. Conflict of interest refers to a situation where there is a conflict between the interests of the company, clients, or investors represented by an employee's position and his or her own personal interests in the course of performing his or her duties for the Group, which may harm or prevent the maximization of the interests of the Group, clients, and investors.

Employees should comply with the Group's relevant management system on conflict of interest, properly handle the relationship between their personal interests and those of the Group, and avoid conflicts between their personal interests and those of the Group, and should be liable for compensation if they cause losses to the Group as a result.

### **Section II Obligation to Safeguard Company Property**

**Article 46** Company property includes tangible and intangible property. Tangible property includes all factors of production such as capital, resources, products, equipment, installations, and plants. Intangible property includes patents, trademarks, copyrights, business secrets, domain names, etc.

**Article 47** Employees should handle and use the Company's property in a responsible and diligent manner and should not use, abuse, misappropriate, or dispose of the Company's property without permission, nor should they harm the interests of the Group.

### **Section III Obligation of Confidentiality**

**Article 48** The Group's business secrets refer to the operating and technical information in the Group's business activities that are not known to the public, have a significant impact on the Group's operation and economic interests, and need to be protected by confidentiality measures.

All business information, personnel information, financial information, client information, contract documents, management documents, correspondence, work passwords, meeting minutes, etc. of the Group that have not been publicly disclosed fall under the category of business secrets that employees are required to protect.

**Article 49** Employees should fulfill the obligation to guard the Group's business secrets, and no employee should disclose the above information to unrelated persons within the Group or to persons outside the Group without the Group's written permission.

**Article 50** When an employee leaves the company, he/she should hand over all confidential documents and should not copy or backup them, much less bring them to other companies for employment. This obligation remains in effect after the employee's labor/labor relationship with

Fosun Pharma or its member companies is terminated.

#### **Section IV Obligation of Integrity**

**Article 51** Employees should consciously abide by the law, faithfully safeguard the interests of the Group, work with integrity, and be loyal to their duties, and should not use their authority and the convenience of their work to obtain improper benefits or damage the interests of the Group, and the following acts are prohibited:

(I) Using the convenience of his or her position to solicit or illegally receive property or property benefits from others;

(II) Accepting rebates, commission charges, and consulting fees in various names in the course of performing their duties in violation of national regulations or the Group's rules and regulations;

(III) Providing property or property interests to others or other companies for improper benefits in violation of laws and regulations in business activities;

(IV) Using the convenience of position to embezzle, steal, cheat, or misappropriate the Group's property or to set up or share a private coffer;

(V) Using business hospitality and office expenses in violation of the Group's regulations for personal gain;

(VI) Other conduct that affects the integrity of the position and damages the interests and image of the Group.

**Article 52** The Group advocates normal and reasonable business interactions and public relations. For economic interactions under the relevant business etiquette, the provisions of the relevant rules and regulations of the Group should be strictly enforced. Employees should politely decline any gifts, gratuities, presents, or personal favors offered by external organizations or internal affiliates for business transactions that go beyond business etiquette. If it is indeed impossible to refuse or return those gifts, gratuities, presents, or personal favors on the spot, all of them should be declared in accordance with the Group's gift declaration regulations or handed over to the Group for disposal.

**Article 53** We advocate pure and harmonious interpersonal relationships within the Group. Employees are also expected to adhere to the obligation of integrity in their in-house interpersonal dealings and are prohibited from providing property or property benefits, additional services, or discounts to supervisors or other employees beyond reasonable limits.

#### **Section V Obligation against Insider Trading**

**Article 54** Insider information is defined as information that relates to the company's operations, finances, and personnel or has a significant impact on the development and value of the company or the market price of the listed company's securities and its derivatives that has not yet been made public.

**Article 55** Employees who are informed of insider information are insiders and should strictly comply with the provisions of the *Criminal Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, and the relevant laws and regulations of the country and region where they are located, and strictly abide by the provisions of the relevant rules and regulations of the Group and their units, and should not engage in the following acts:

(I) Trade with insider information, including trading by insiders in their own name, directly or by commissioning, or trading in the name of others, or for others.

(II) Disclosure of insider information, i.e., the act of an insider telling or disseminating insider information to a third person to make use of the insider information to trade or to pass on the information to others.

(III) Insider using insider information to advise others to buy or sell securities, i.e., the insider

