

Grand Pharmaceutical Group Limited

Code of Business Ethics and Conduct

Chapter I General Provisions

Article 1 Grand Pharmaceutical Group Limited (hereinafter referred to as the “Grand Pharma”, “Company”, “we” or “us”) are committed to establishing and maintaining a highly ethical and honest business environment, and to building a sound business ethics system and a clean corporate culture. We have formulated this policy to join hands with various stakeholders to monitor our business ethics and conduct, so as to ensure compliance and sustainable development of the Company’s business.

Article 2 This policy applies to all employees of the Company and its member companies, and we encourage other stakeholders, such as business partners and suppliers, to comply with this policy.

Chapter II Anti-Corruption and Anti-Bribery Principles

Article 3 The Company adheres to the principles of compliance and integrity in conducting business and commits to not obtaining or retaining business through corrupt means.

Article 4 The Company adopts a zero-tolerance attitude towards corruption and bribery, requiring all employees as well as third parties to comply with all applicable anti-corruption and anti-commercial bribery laws and regulations as well as industry norms, and to refrain from taking advantage of their positions for personal gain or engaging in power-money transactions in any form.

Article 5 The Company is committed to ensuring that our employees’ business interactions will be carried out with sufficient transparency and on the principles of fairness and openness. We require our employees to keep clear, accurate and complete records of all financial records that reflect the true state of business interactions and communications to ensure the accuracy and reliability of the bookkeeping records. At the same time, we emphasise truthful and equal communication with government authorities, healthcare professionals, patients and other stakeholders, and avoid any form of misrepresentation or misleading behaviour.

- (i) Charitable Contributions: Charitable donations and voluntary actions are authorized if they are actually in the interest of the general public and contribute to genuine public involvement. Any proposed sponsorship or partnership initiatives with charitable organizations must be approved by the authority in charge. The recipient charity must:
- be a bona fide charity that is regulated and supervised as such in the jurisdiction;
 - be well-established, with a good reputation and a track record of delivering community benefit.

Chapter III Anti-Monopoly, Anti-Unfair Competition Principles

Article 6 The Company adheres to the principle of fair competition and strictly complies with all laws related to competition, anti-monopoly and collection of competitive information. The Company requires all employees to refrain from providing misleading or deceptive information in dealings with customers, suppliers, competitors, government and other third parties, and to refrain from obtaining an advantage by unfair means such as manipulation, concealment or abuse of privileged information in support of and respect for open trade practices and open competition, and to conscientiously maintain the fairness of the market order.

Chapter IV Conflict of Interest

Article 7 Employees shall avoid situations where their personal interests conflict with the interests of the Company, and if a conflict of interest does exist, they shall promptly report it to their superiors and take measures to resolve it.

Article 8 Employees shall be objective and fair when participating in the Company's business decision-making and shall not favour or harm the Company's interests due to personal relationships or interests.

Chapter V Anti-Money Laundering or Insider Trading

Article 9 The Company strictly prohibits any form of money laundering and insider trading, and employees shall strictly abide by relevant national and local laws and regulations.

Article 10 Employees shall be honest and transparent in handling the Company's business and shall not use their position to make illegal profits or damage the Company's reputation.

Chapter VI Privacy and Security

Article 11 The Company strives to protect the privacy and security of our stakeholders, including business partners, consumers and trial participants. We are committed to placing a high priority on data security and privacy protection by monitoring the secure transmission of data in real time to avoid anomalous transfers of private personal information.

Article 12 Employees of the Company shall strictly abide by the Company's confidentiality system and shall not disclose the Company's trade secrets, customer information, research and development results and other sensitive information.

Article 13 The Company is committed to actively enhancing employees' awareness of information security by conducting multiple offline specialized security awareness trainings, online security reminders, and new employee orientation trainings each year, so as to raise the awareness of all employees, and ensure that the risk of data leakage and unauthorized transmission is strictly controlled from the source.

Chapter VII Environment, Health and Safety

Article 14 The Company strictly complies with all applicable environmental, health and safety laws and regulations, continuously implements environmental management, occupational health and safety management system measures, and regularly conducts environmental health and safety training for employees to enhance their safety and environmental awareness.

Article 15 The Company has established and continues to improve the management mechanism of the Environment, Health and Safety Management Committee, which regularly identifies, assesses, prevents and controls health and safety risks in its business activities.

Article 16 The Company is committed to remaining its focus on the environmental

impact of its products and to promoting business in a safe, compliant and environmentally friendly manner.

Article 17 The Company urges all employees, contractors, suppliers and business partners to comply with the same or higher environmental, health and safety standards.

Chapter VIII Reporting Channels

Article 18 The Company is committed to building a fair, just and transparent working environment and cooperative ecosystem, which encourages stakeholders, including the Group's employees, suppliers and business partners, to report to us any malpractice in violation of business ethics.

Article 19 The Company has formulated the *Measures for the Management of Reports and Complaints of Grand Pharma* (《远大医药举报投诉管理办法》), and is committed to protecting whistleblowers in an anonymous manner and upholding a zero-tolerance attitude towards retaliation:

- 1) Reported leads will be handled by designated personnel and strictly managed in accordance with the confidentiality level. No one else is allowed to view it without the permission of relevant person in charge;
- 2) It is strictly prohibited from disclosing contents of report and whistleblower's name, address, contact details and other information, and it is strictly prohibited from transferring reporting materials to the person or unit under investigation;
- 3) Other confidentiality measures that should be taken.

Article 20 If the reported leads are verified to be true, the Company shall offer relevant mental and material incentives to qualified whistleblowers who have actively provided leads and assistance in the case investigation for the Company to recover losses or effectively prevent the widening in losses.

Article 21 Anyone (including all employees of the Company and others who have dealings with the Company (including but not limited to customers and suppliers, etc.)) may report any violation or potential violation of this policy, either in person or anonymously, through the following channels:

- 1) Tel: 027-83565610
- 2) Email: ts@grandpharma.cn
- 3) Mailing address: Supervision and Audit Department of Grand Pharma (China) Limited, 27th Floor, K11 Office Building, No. 626 Jiefang Avenue, Qiaokou District, Wuhan City, Hubei Province (湖北省武汉市硚口区解放大道 626 号 武汉 K11 办公楼 27 楼)

Chapter IX Training

Article 22 The Company organises training on the Code of Business Ethics and Conduct for all employees (including part-time employees and contract staff) at least once a year to ensure that all employees are aware of, understand and comply with the provisions of this policy.

Chapter X Oversight

Article 23 The Company's Strategy and ESG (Promotion) Committee is responsible for organising and directing the implementation of this code and ensuring its effectiveness. The Board of Directors of the Company shall oversee the implementation of the Group's business ethics.

Article 24 The Company shall conduct a comprehensive audit of the implementation of this code across all operations at least once every three years.

Article 25 Employees' compliance with this code will be used as a basis for assessment and included in the performance evaluation system of employees. The Company attaches great importance to the compliance of its employees and takes it as one of the important criteria for measuring the comprehensive quality and professional conduct of its employees. This is intended to guide employees to consciously comply with laws and regulations and this code, and to jointly safeguard the reputation and interests of the Company.

Chapter XI Handling of Violations of the Code

Article 26 Any failure to comply with laws and regulations or this code may result in extremely serious consequences for employees and the Company. The Company adopts a zero-tolerance attitude towards employees who violate this code, and will take appropriate disciplinary action according to the specific circumstances of each case, with the most serious action including termination of employment. In cases of violation of national laws and regulations, the Company will refer the matter to the judicial authorities for legal liability in accordance with laws.

Chapter XII Supplementary Provisions

Article 27 Any matters not mentioned in this code or in conflict with relevant laws, regulations and normative documents shall be executed in accordance with such relevant laws, regulations and normative documents.

Article 28 This code is formulated, revised and interpreted by the Company's ESG Working Group and shall take effect from the date of issuance.