

Grand Pharmaceutical Group Limited

Human Rights and Diversity Policy

Chapter I General Provisions

Article 1 In order to further protect the labour and employee rights and interests with a diverse, equal, inclusive and respectful working environment of Grand Pharmaceutical Group Limited (hereinafter referred to as “Grand Pharma”, the “Company”, “we” or “us”), and to impose on contractors, suppliers and business partners our requirements to comply with the same or higher human rights standards, the Company has formulated this policy with reference to the principles mentioned in the Universal Declaration of Human Rights and the International Labour Organisation Conventions.

Article 2 This policy applies to all employees of the Company and its member companies.

Chapter II Human Rights and the Principle of Diversity

Article 3 Grand Pharma shall follow the principles below in the conduct of all business activities:

- (i) Principle of compliance with laws and regulations. The Company strictly abides by the laws and regulations of the countries or regions in which it operates, eliminates child labour and other forced labour, and respects the political rights and freedom of association of its employees.
- (ii) Principle of equality and inclusion. The Company adheres to the principle of equal employment and treats employees of different nationalities, races, religious beliefs, gender and ages fairly, creating a diverse, inclusive, fair and reasonable workplace environment for employees.
- (iii) Principle of equal pay for equal work. The Company adheres to the principle of equal pay for equal work, and enters into labour contracts with all employees in accordance with laws, ensuring that the remuneration of employees is not affected by race, colour, gender, religion, nationality, disability, sexual orientation, gender identity, marital status, veteran status or any other legally protected status.

Chapter III Human and Labour Rights Commitments

Article 4 Grand Pharma respects the legitimate rights and interests of its employees and is committed to building an inclusive working environment entirely free from

discrimination, harassment and bullying.

- (i) We respect our employees' rights to collective bargaining and freedom of expression, and support our employees to express their individual wishes, opinions and ideas and to set up trade unions, and provide them with reasonable channels of expression.
- (ii) We respect and uphold the freedom of association and support our employees to establish and join social groups and organisations freely and voluntarily, with a view to promoting and safeguarding their professional interests.
- (iii) We are committed to employing all employees on a voluntary basis, and strictly prohibit the behaviour of forcing or inducing employees to work by means of violence, threats or unlawful restriction of personal freedom, or from threatening any form of punishment to force employees to carry out all work or services involuntarily.
- (iv) We are committed to examining the age of new employees at the recruitment stage and strictly prohibit child labour under the age of 16 at any stage of our operations.
- (v) We are committed to implementing the employment system in terms of working hours, leave protection, recruitment and dismissal in accordance with the requirements of the relevant laws and regulations in the PRC, and entering into employment contracts with all employees that meet the requirements of local laws and regulations.
- (vi) We strictly comply with the minimum wage levels and working hour requirements of the locations where we operate, and we are determined to protect the basic rights and interests of our employees.

Chapter IV Employee Diversity Commitment

Article 5 Grand Pharma is committed to improving employee diversity and building a diverse, equal, inclusive and respectful working environment. Grand Pharma has set quantitative goals for employee diversity and regularly reviews the progress of such goals to promote a more diverse, open, transparent and inclusive company culture.

- (i) We welcome job applications from people of different backgrounds and ensure the recruitment process to be fair and equal. Grand Pharma is committed to providing equal employment opportunities based on individual merit of applicants without discrimination based on race,

colour, religion, gender, sexual orientation, nationality, age, pregnancy or disability in respects of recruitment, promotion, remuneration, etc.

- (ii) We are committed to advocating gender equality and respecting differences in abilities. We have set the salaries of our employees based on their performance to effectively guarantee equal pay for equal work for both male and female employees, as well as to ensure that remuneration packages and equal opportunities of our employees are not affected by factors such as gender, age, race, colour and sexual orientation.
- (iii) Any form of discrimination in employment or arbitrary dismissal of employees is prohibited.
- (iv) We respect lifestyles of all types of employees and endeavour to provide them with convenient conditions that cater to their customs, beliefs and living habits.
- (v) We emphasise building mutual trust and support through encouraging honesty and openness within our organisation, as well as maximising the effectiveness of teamwork through solidarity and collaboration.

Chapter V Human Rights and Diversity Training

Article 6 The Company shall conduct annual training on human rights and diversity for all employees to enhance their awareness and knowledge on, and compliance with, the relevant principles and requirements. Employees are obliged to attend these trainings to understand, gain knowledge and comply with various requirements of this policy. The Company shall, upon completion of the training, ensure relevant training records be kept properly, including but not limited to contents of the training, training schedule, training sign-in sheet or list of participants.

Chapter VI Complaint Channels

Article 7 Under the premise of protecting the safety and privacy of employees, we encourage employees to make complaints and feedback on workplace discrimination, gender harassment, unfair treatment, etc. via our email and corporate WeChat account. At the same time, we will also investigate vigorously all employees' complaints and feedback, and if the situation is proven to be true, we will take a "zero-tolerance" attitude to seriously deal with the relevant personnel, and provide timely feedback to employees on the results of investigation and the handling of situation.

Reporting channels:

Email: ts@grandpharma.cn

Corporate WeChat account: Workstation(工作台) - Daily Office Operation(日常办公) - Audit Complaint and Reporting(审计投诉举报)

Chapter VII Oversight

Article 8 The Company's Organisation and Human Resources Centre is responsible for organising and directing the day-to-day operation of this policy within the Company to ensure the effectiveness of its implementation. The Board of Directors of Grand Pharma shall oversee the implementation and key performance of the Company's Human Rights and Diversity Policy.

Chapter VIII Supplementary Provisions

Article 9 Any matters not mentioned in this policy or in conflict with relevant laws, regulations and normative documents shall be executed in accordance with such relevant laws, regulations and normative documents.

Article 10 This policy is formulated, revised and interpreted by the Company's ESG Working Group and shall take effect from the date of issuance.