

Shanghai Fosun Pharmaceutical (Group) Co., Ltd.

Fosun Pharma [2021] No. 35

Issuer: Wu Yifang

Notice on Implementing the *Code of Conduct for Suppliers of Shanghai Fosun Pharmaceutical (Group) Co., Ltd.*

Departments and holding member companies,

In order to promote the sustainable development of supply chain management of Shanghai Fosun Pharmaceutical (Group) Co., Ltd. (hereinafter referred to as "Fosun Pharma"), strengthen the ability of supplier management of Fosun Pharma and its holding member companies, regulate the behavior of suppliers in terms of integrity and sustainable development, and clarify the main principles that suppliers should follow in their business activities, the *Code of Conduct for Suppliers of Shanghai Fosun Pharmaceutical (Group) Co., Ltd.* is formulated and should be implemented from the date of its issuance.

It is hereby notified.

Annex: Code of Conduct for Suppliers of Shanghai Fosun Pharmaceutical (Group) Co., Ltd.

Shanghai Fosun Pharmaceutical (Group) Co., Ltd.

August 05, 2021

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Shanghai Fosun Pharmaceutical (Group) Co., Ltd.

Issued on August 05, 2021

Code of Conduct for Suppliers of Shanghai Fosun Pharmaceutical (Group) Co., Ltd.

Shanghai Fosun Pharmaceutical (Group) Co., Ltd. and its holding subsidiaries (hereinafter referred to as "Fosun Pharma" or "the Group") expect all suppliers to conduct their business in an ethical manner and to comply with all applicable laws, regulations, and internationally recognized environmental, social and corporate governance standards. At the same time, Fosun Pharma also expects its suppliers to do their best to pass on this concept to the upstream and downstream enterprises in their supply chain to promote the sustainable development of the industry.

As a supplier to Fosun Pharma, you are expected to support, accept and implement the requirements of the *Code of Conduct for Suppliers of Shanghai Fosun Pharmaceutical (Group) Co., Ltd.* (hereinafter referred to as "this Code"). This Code sets out the main principles that you should follow in your business activities as a supplier to Fosun Pharma. For specific information on the requirements, or if you have any questions about the guidelines, please visit www.fosunpharma.com.

Article 1 Human Rights

As a supplier to Fosun Pharma, you are expected to:

- Respect the dignity, privacy, and other personal rights of individuals, and do not force any individual to work against his or her will.
- No form of sexual harassment and conduct of a coercive, threatening, humiliating, or exploitative nature, including posturing, verbal and physical contact, is permitted.

Article 2 Fair Working Conditions

You should ensure that fair working conditions are provided and should:

- Avoid employment discrimination on the basis of gender, age, race, nationality, religion, disability, union membership, political affiliation, or sexual orientation.
- Respect the legitimate rights of your employees to associate and to bargain collectively.
- Not tolerate or use child labor at any stage of business activity, even in compliance with applicable laws and regulations.
- Prohibit the use of any form of forced labor, including but not limited to involuntary prison labor, slavery, and victims of human trafficking, and allow all employees to leave freely after giving reasonable notice.
- Offer fair compensation to your employees in compliance with local government wage regulations.
- Ensure that working hours, including overtime, do not exceed the hours stipulated in applicable legal requirements. When no such regulatory requirements exist, it is suggested that working hours (including overtime) should not exceed sixty (60) hours per week and that your employees be allowed at least one (1) full day off per week.

Article 3 Environment, Health, Safety and Quality Management

You should conduct your business in an environmentally sustainable manner. In particular, you should:

- Strictly comply with Chinese laws and regulations and industry requirements in conducting your business, and also abide by the laws and regulations of the countries and regions where you operate.
- Provide a safe, healthy, environmentally friendly, and comfortable workplace for all your

employees.

- Establish a management model based on the environmental management system, occupational health and safety management system, and quality management system (EHS&Q), and regularly inspect and review them to ensure their effective operation. Reduce emissions of waste, air, and water, use energy and resources efficiently, and seek opportunities to recycle waste and reduce the environmental and human impact of your production and operations.

Article 4 Business Ethics

You should conduct your business in a commercially ethical manner and should:

- Avoid any form of embezzlement, extortion, and bribery and ensure that payments, gifts, or other promises made or offered to clients (including employees of Fosun Pharma), government officials, and any other related parties are made in compliance with applicable anti-bribery regulations.
- Disclose to the Group information about possible conflicts of interest as a supplier to Fosun Pharma, including disclosure of any financial interest that an employee of Fosun Pharma may have in any business of the supplier.
- Protect all confidential information provided by Fosun Pharma and its business partners. Respect the intellectual property rights of others, including those of Fosun Pharma.
- Comply with international trade regulations and export control regulations.

Article 5 Security of Business Operations

You should conduct your business in a secure manner and should:

- Take reasonable measures to reduce the threat to Fosun Pharma from security risks such as terrorism, crime, epidemics, and natural disasters.
- Visit or work at the business sites of Fosun Pharma, follow the security rules of Fosun Pharma, and report any security issues through appropriate channels of Fosun Pharma.

Article 6 Procurement from Suppliers

You should procure goods and services in a responsible manner and should:

- Require suppliers to comply with criteria similar to this Code when selecting next-level suppliers that provide goods or services directly or indirectly to Fosun Pharma.

Article 7 Checking and Corrective Measures

You should:

- Keep all relevant documentary records to demonstrate your compliance with this Code and should provide the required documents upon request by Fosun Pharma.
- Fosun Pharma has the right to audit the supplier's operations and facilities, either on its own or by commissioning a third party, with reasonable notice. If the result of Fosun Pharma's audit indicates that you have failed to comply with the Code, you should take necessary corrective measures in a timely manner as advised by Fosun Pharma. If you fail to take corrective measures or fail to meet the requirements of this Code after taking such measures, Fosun Pharma may take appropriate actions, including but not limited to suspension or cancellation of your status as a supplier of the Group.

Article 8 Reporting Channels

If suppliers or their employees believe that the provisions of this Code are not being followed or implemented in their business relationship with Fosun Pharma, you are welcome to raise questions through the relevant channels listed below.

Channels	Contact
Centralized Procurement and	Tel.:+862133987286

Procurement Management Department of Fosun Pharma	Email:ep_procurement@fosunpharma.com
Integrity Inspection Department of Fosun Pharma	Tel.:+862133987226 Email:lianzhengdc@fosunpharma.com
Whistleblowing Portal	www.fosunpharma.com

Annex:

Commitment to the *Code of Conduct for Suppliers of Shanghai Fosun Pharmaceutical (Group) Co., Ltd.*

To: Shanghai Fosun Pharmaceutical (Group) Co., Ltd.

We have carefully read and fully understood the *Code of Conduct for Suppliers of Shanghai Fosun Pharmaceutical (Group) Co., Ltd.* As a part of your supply chain, we are committed to complying with this code of conduct and continuously improving it to promote the sustainable development of the industry together with you.

Legal Representative (signature):

Corporate seal:

Date: ____ (month) ____ (day) ____ (year)