先声药业 Simcere

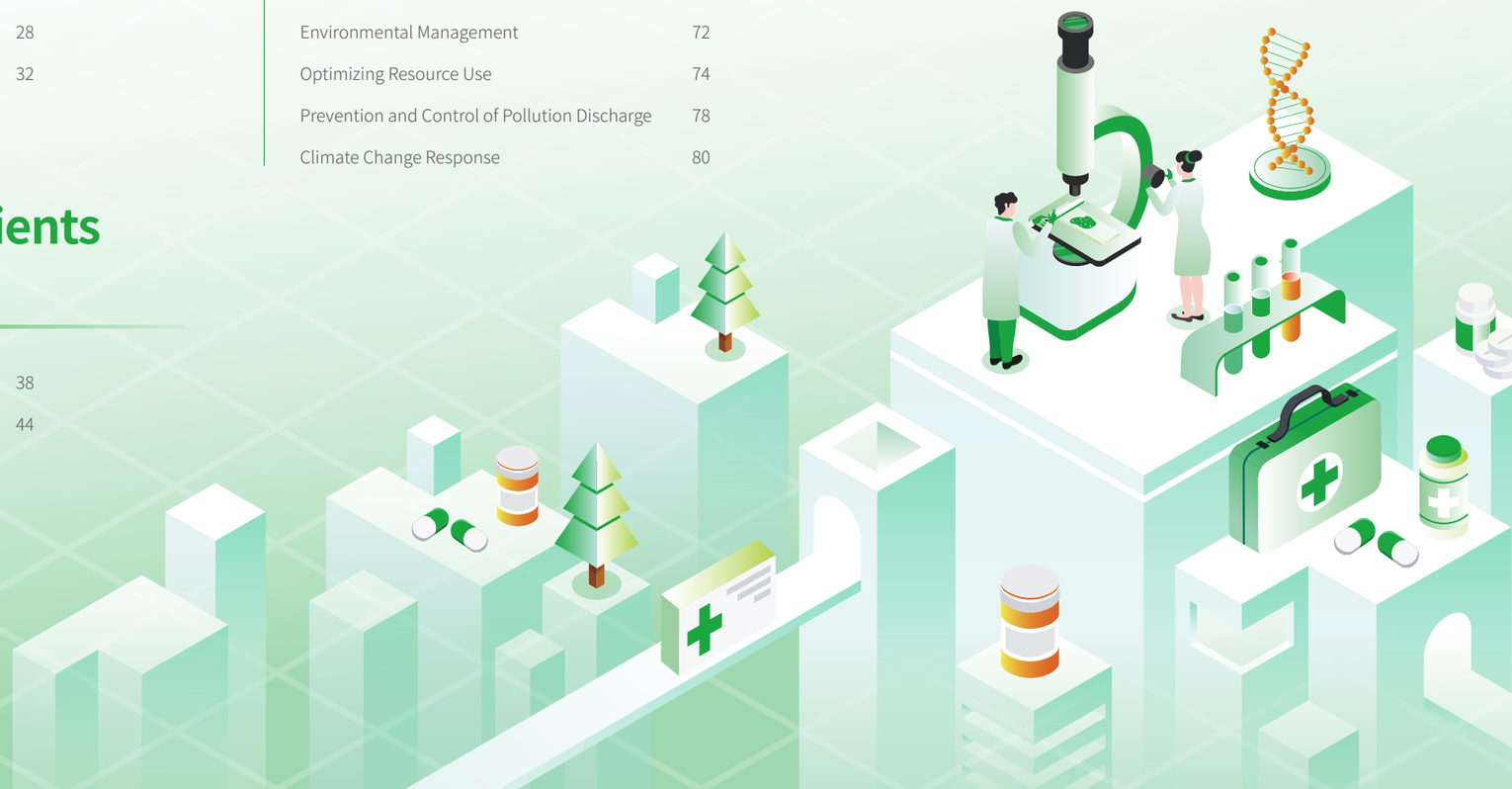
為患者而生

For patients, for life.

2025

Environmental, Social and Governance Report

Contents



About the Report

This report is the sixth Environmental, Social and Governance (ESG) report released by the Group. It mainly discloses the practices and achievements of the Group in product liability, social welfare, environmental protection, and other aspects in 2025. It presents the Group's latest progress in sustainable development to shareholders, customers, consumers, employees, governments, partners and other stakeholders.

Time Range

The report covers the period from January 1 to December 31, 2025 (the "Reporting Period"), some of which are beyond the above scope.

Reporting Scope

The content of the report covers Simcere Pharmaceutical Group Limited and its subsidiaries (the "Group").

Basis of Preparation

The Report is prepared in accordance with the provisions of the Appendix C2 *Environmental, Social, and Governance Reporting Guide* of the Main Board Listing Rules of the Hong Kong Exchanges and Clearing Limited (HKEX) and adheres to the following reporting principles:

Materiality: This report contains a matrix of material topics, elaborates in detail the process and results of determining material topics, lists important stakeholders, and describes corresponding communication measures. For details, please refer to "Stakeholder Engagement" and "Materiality Assessment" in the "ESG Responsibility Management" section.

Quantitative: This report discloses data of environmental and social dimensions, and indicates reference standards, calculation methods and parameters for environmental data.

Balance: This report objectively discloses both positive and negative information to ensure that the content is balanced.

Consistency: For quantitative data disclosed in this report, comparative data of two or more consecutive years are provided where possible according to the actual management situation and necessary explanations for the data caliber are provided to ensure consistency comparison.

Source of Data

All information and data in the report are sourced from official documents, statistical and financial reports of the Group, as well as the environmental, social and governance information collected, summarized and audited by the Group. Unless otherwise stated, the currency used is RMB (yuan).

About the Group

Simcere Pharmaceutical Group Limited (the "Company", together with its subsidiaries, the "Group", "we" or "us") is an innovation and R&D-driven pharmaceutical company and home to the National Key Laboratory of Neurology and Oncology Drug Development. The Group focuses on neuroscience, oncology, autoimmune diseases and anti-infectives, while also proactively expanding into disease areas with significant unmet clinical needs, in fulfilment of its corporate mission of "for patients, for life".

Driven by huge unmet clinical needs, the Group focuses on innovative drug R&D and has already secured approval for ten innovative medicines. As of 31 December 2025, 14 of the Group's products had been included in more than 100 guidelines or treatment pathways issued by government authorities or authoritative academic organizations, and more than 45 products had been included in the National Reimbursement Drug List (the "NRDL"), further improving inclusive access to innovative therapies.

The Group is committed to building a globalized R&D ecosystem, with innovation centers in Shanghai, Nanjing, Beijing and Boston, plus a collaborative innovation center in Hong Kong. Our R&D system covers the entire drug development process, ranging from drug discovery and preclinical development to clinical trials and regulatory approval. We currently maintain over 60 new drug development pipelines and own innovative platforms of protein engineering, PAb/TCE, ADC, messenger ribonucleic acid (mRNA), AI-aided drug discovery and protein degradation, etc. As of 31 December 2025, the Group had an R&D team of approximately 985 employees, including approximately 214 doctorate holders and 522 master's degree holders.

The Group has a nationwide marketing network and leading commercialization capacity and continuously strengthens its professional marketing capacity, so as to enhance coverage and access to medicines. As of December 31, 2025, the Group's sales team had a total of approximately 4,315 employees divided into four business units (neuroscience, oncology, autoimmune & comprehensive, and retail frontline) and other support departments across 31 provinces, municipalities, and autonomous regions, covering over 3,600 Class III hospitals, approximately 17,000 other hospitals and medical institutions as well as more than 2,400 large-scale national or regional chain pharmacies in China.

The Group has developed its production facilities and quality management systems in line with international standards, possessing integrated capabilities for both APIs and finished dosage formulations. All currently operational manufacturing sites comply with China GMP standards, and some production lines have obtained EU GMP certification or passed on-site inspections by the U.S. Food and Drug Administration (FDA), consistently ensuring the supply of high-quality medicines to patients worldwide.

Driven by in-house R&D and collaborative innovation, the Group has established strategic partnerships with innovative companies, research institutes and universities, and explores diverse models such as co-development and technology transfer to identify products with strong market potential and urgent clinical need. The Group's Scientific Advisory Board (SAB) brings together more than ten leading global scientists, whose expertise in oncology, neuroscience and autoimmune diseases provides forward-looking advice for early discovery and clinical development, supporting the pursuit and creation of breakthrough therapies.

Awards in 2025

Science and Technology Award of Jiangsu Pharmaceutical Association

Jiangsu Pharmaceutical Association

First Prize of Jiangsu Medical Science and Technology Award for Progress

Jiangsu Pharmaceutical Research and Development Association

International Scientific and Technological Cooperation Demonstration Base

Ministry of Science and Technology of People's Republic of China

Key Unit of Shanghai Global JC Talent Enjoyment Program

Organization Department of Shanghai Municipal Party Committee

2025 Golden Bull Award for Social Responsibility

China Securities Journal, Xinhua News Agency News Information Center

Advanced Smart Factory

Jiangsu Provincial Department of Industry and Information Technology

Chairman's Statement

To our shareholders, partners, employees and all friends who care about Simcere Pharmaceutical:

In today's world, global challenges such as health and well-being, climate change, and social equity are deeply interconnected, shaping the future of human society. As an innovative pharmaceutical company with the mission "for patients, for life," we recognize that the value of an enterprise extends beyond commercial success. True corporate value lies in responsibly addressing human health challenges and promoting the harmonious coexistence of society and the environment. We fully embrace the ESG philosophy, integrating sustainable development into our corporate strategy and daily operations, striving to demonstrate excellence in governance, human-centric care, and a greener future through our business activities.

We establish strong governance as the foundation to ensure long-term stability. Robust governance is the cornerstone of sustainable development. The Group's Board of Directors, as the highest decision-making body for ESG matters, leads our ESG strategy comprehensively. We continue to optimize our three-tier governance structure—Board of Directors, Strategy Committee, and ESG Working Group—to ensure accountability at every level. By establishing a "three lines of defense" model for internal control and risk management, we quantitatively assess and dynamically monitor employees' compliance behavior. In 2025, business ethics compliance training and directors' anti-corruption training achieved 100% coverage. In our value chain, we grow alongside suppliers. Through rigorous onboarding, performance evaluation, and sustainability audits, we extend environmental, safety, and ethical requirements across upstream and downstream operations, completing 168 supplier quality audits. In information security and privacy protection, our solid defense system ensured zero data breaches throughout the year, safeguarding both corporate and customer data assets.

We drive innovation to transform potential into tangible results. Guided by clinical value, we strengthen our full-chain R&D capabilities from target discovery to clinical translation, bringing innovative drugs from the lab to patients. In 2025, the Group invested RMB 2.076 billion in R&D, accounting for approximately 26.8% of revenue. We manage over 60 new drug pipelines, added three externally licensed products, and had two new drug marketing applications accepted by China's National Medical Products Administration. By actively promoting the inclusion of innovative drugs such as suvelitazumab in medical insurance, our innovations tangibly benefit the public. We also drive open collaboration through the "Simcere State Key Laboratory Exploration Project," partnering with leading global experts to tackle major scientific challenges in neurology and oncology and strengthening the open innovation ecosystem across industry, academia, research, and clinical practice.

We prioritize patients to safeguard medication safety with assured quality. We have built a full life-cycle quality management system covering R&D, production, operations, and post-marketing surveillance. All production facilities comply with Chinese GMP standards, and some production lines have obtained EU GMP certification, and multiple workshops are ISO 9001 certified. We underwent 41 external audits and inspections in the year, ensuring drug safety, efficacy, and reliability at international standards. Leveraging digital and intelligent upgrades, we continually enhance quality control. In customer service, we uphold responsible marketing, verifying compliance and authenticity through routine inspections and audits. In 2025, multi-level responsible marketing training covered over 4,800 participant attendances, and 100% of customer inquiries were addressed promptly and professionally.

We cultivate and empower talent to energize our organization. We foster an equal, inclusive, and dynamic workplace, treating employee growth as a core responsibility and cultivating future-oriented, multi-skilled talent through systematic training. In 2025, women held 50.24% of managerial roles, and diversity-focused training, including intergenerational leadership and cross-cultural understanding, helped build an inclusive workplace culture. Competitive compensation and equity incentives reflect our commitment to sharing growth with employees. We also prioritize occupational health and safety: four factories achieved ISO 45001 certification, and all health and safety production targets were met.

We advance green operations to chart a sustainable transformation blueprint. We maintain a comprehensive environmental management system with a structured EHS framework and quantitative emission reduction targets through 2030. In 2025, all factories achieved ISO 14001 certification (100% coverage). Energy-saving initiatives in R&D projects saved 1,383,700 kWh of electricity, while photovoltaic projects in Hainan progressed steadily. We strictly follow regulations for pollution prevention, upgrading waste gas and wastewater treatment to minimize environmental impact.

We leverage our expertise to contribute to society and improve community well-being. We embrace our role as a responsible corporate citizen, leveraging our pharmaceutical expertise to support communities through free clinics, medicine donations, and strengthening primary healthcare capabilities. In 2025, we invested over RMB 6 million in public welfare initiatives, focusing on health, education, and supporting orphans in Yushu, Qinghai for the 16th consecutive year. The Group was recognized as the "Most Caring Charitable Donor" at the Jiangsu Charity Awards.

The achievements of 2025 mark the beginning of a new journey. With the advancement of the "Healthy China" and "Dual Carbon" strategies and rising public expectations for a healthy life, we will continue to uphold our mission "for patients, for life," embedding ESG deeply into our corporate DNA. We aim to build a more resilient operating system, accelerate the translation of frontier technologies, expand inclusive healthcare, advance green and low-carbon transformation, reduce environmental footprints, promote inclusive workplaces, and convert professional expertise into social value. We look forward to partnering with shareholders, partners, employees, and society at large to safeguard health with dedication, build the future with responsibility, and collectively move toward a healthier, fairer, and more sustainable tomorrow.

REN Jinsheng

Chairman & Chief Executive Officer

Directors' Statement on ESG

As the highest responsible and decision-making body for ESG affairs, the Board of Directors of the Group coordinates corporate development planning and ESG management, promotes the effective integration of ESG concepts with the Group's operations, and regularly studies and judges external industry trends and internal governance status to ensure the effective implementation of ESG strategies, risks, opportunities and objectives management. The Board authorizes the Strategy Committee to lead ESG management, coordinate and guide ESG work and the evaluation of major decision-making matters. The ESG Working Group under the Strategy Committee is specifically responsible for the planning, coordination and implementation of ESG work.

The Group closely follows the external macro environment, the Group's development strategy and the core expectations of stakeholders, and regularly conducts materiality assessment and risk identification of ESG topics to ensure that they are integrated into the Group's normalized management system. In 2025, we deepened the management and control of core ESG risks based on the actual business development, and dynamically reviewed the progress of achieving ESG goals to ensure effective management and improve the overall ESG performance of the Group.

In 2025, as approved by the Board of Directors, we successfully achieved the annual management targets set out in our 2025 ESG Report. We upheld the bottom line of compliant operations and risk management, and worked with diverse partners to advance responsible procurement. We accelerated the pipeline of innovative products addressing urgent clinical needs to enhance drug accessibility. We established a quality management system covering the entire product lifecycle, practiced an environmentally friendly and low-carbon operating model, and remained people-oriented by co-creating value with our employees. We also stayed attentive to societal needs and continued our commitment to public welfare and charitable initiatives.

This report fully discloses the practical progress and key performance of the Group's ESG work in 2025, and was formally considered and approved by the Board of Directors on March 25, 2026.

ESG Responsibility Management

The Group has built a scientific and efficient ESG governance system and deeply integrated the core concept of sustainable development into corporate development strategies and daily operations. We continue to strengthen in-depth communication and value synergy with stakeholders, drive management improvement with responsibility, and strive to create long-term social value.

ESG Governance Structure

The Group continues to optimize the ESG governance system, established a sound governance structure, fulfilled the corporate mission of "for patients, for life", and is committed to creating pioneering value for patients, partners and the society. To ensure the efficient implementation of ESG affairs, the Group has established a three-level ESG governance structure of "Board of Directors — Strategy Committee — ESG Working Group" to coordinate the sustainable development work and systematically promote the process of sustainable development.

ESG Governance Structure	Responsibility
Board of Directors	• As the top decision-making body of the Group, it comprehensively coordinates corporate strategic planning, pays attention to ESG governance and the development trend of the industry in which it operates, and identifies ESG risks and opportunities. The Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee and the Strategy Committee are responsible for supervising and directing relevant matters of the Group.
Strategy Committee	• Responsible for systematically reviewing and analyzing the development of ESG of the Group, formulating medium-and long-term strategic plans for ESG, coordinating the evaluation of relevant major decision-making matters, and reporting to the Board on a regular basis. The ESG Working Group is responsible for the specific communication, implementation and execution of ESG-related matters, and clarifies the authority and procedures of ESG management.
ESG Working Group	• Leveraging horizontal synergy, the Group will work together to promote and implement ESG work by linking various business lines and functional departments of the Group. It regularly reports the results and progress of ESG work to the Strategy Committee of the Group, and is responsible for organizing and preparing the annual disclosure of ESG-related information of the Group.

ESG Target Management

The Group attaches great importance to the management of ESG objectives, and the Board regularly reviews the achievement of various ESG objectives of the Group and sets ESG objectives for the next year. The review of ESG management status in 2025 and the ESG management objectives in 2026 are set out in the table below.

Topics	Status of ESG Management in 2025	2026 ESG Management Target
ESG Governance	• We continued to optimize the three-level governance structure of "Board of Directors—Strategy Committee—ESG Working Group" and established a climate change management system under this framework. We maintained close communication with stakeholders and formally incorporated the achievement of energy conservation and emission reduction targets into the departmental performance appraisal system, ensuring ESG responsibilities are implemented in step with business operations.	• We will continue to elevate our sustainable development governance and embed ESG principles throughout our long-term strategy and day-to-day operations. We will actively support the national "Healthy China" and "Dual Carbon" strategic initiatives, enhance the quality of our disclosures, and deepen transparent communication with stakeholders.
Building a Strong Governance Foundation	• We established and strengthened the "three lines of defense" for internal control and risk management, focusing in 2025 on implementing quantitative evaluation and dynamic supervision of employee behavior through the *Measures for the Management of Compliance Points*. We continued to carry out full-coverage business ethics audits throughout the Reporting Period, with no cases of corruption, money laundering, or insider transactions recorded. We also conducted 28 legal compliance training sessions to enhance risk control awareness across the organization.	• We will further strengthen our corporate governance framework, advance our compliance culture and anti-corruption systems, and sharpen our early warning and rapid response capabilities for risk management. We are committed to building a more robust and transparent operating environment and driving the digital transformation of compliance management.
Innovation-Driven Development	• Adhering to a clinical value-oriented approach, we continued to grow our R&D investment in 2025, bringing our portfolio of commercialized innovative drugs to 10 and maintaining over 60 pipeline projects, with multiple advances in key areas such as oncology, neurology, and autoimmune diseases. We actively improved drug accessibility, with more than 46 products included in the national medical insurance catalog and innovative therapies such as suvelitazumab successfully reaching a broader patient population.	• We will accelerate the translation of cutting-edge science into clinical solutions, deepen collaboration across industry, academia, research, and medicine, and advance more breakthrough therapies toward patients. We will broaden our international footprint, with a particular focus on Southeast Asia and emerging markets, and continue to ease the financial burden on patients through diversified payment options.
Putting Patients First	• We established a full life cycle quality system covering R&D, production, and post-marketing, managing production and quality in accordance with international high standards. In 2025, multiple factories passed ISO 9001 certification, and we received a total of 41 external audits throughout the year. We also advanced the digitalization of quality management, improving production quality through intelligent manufacturing and equipment upgrades.	• Guided by the quality policy of "the Best Products, the Pursuit of Excellence," we will reinforce risk prevention and control across the full product life cycle. We will extend quality management and responsible marketing training to all relevant staff, ensure marketing audits cover 100% of key risk areas, and maintain a transparent and compliant marketing environment through a normalized unannounced inspection mechanism.
Growing Together with Our People	• We upheld the principle of equal employment and continuously improved our diversity performance. We strengthened diversity capacity building through training on intergenerational leadership and cross-cultural differences, refined our hierarchical leadership development framework, and reinforced the retention of core talent through equity incentive schemes.	• We will continue to refine our talent development and succession planning, fostering a fair, inclusive, and dynamic workplace that unlocks the full potential of our people. We will broaden employee communication channels to better listen to and act on their feedback, and further optimize our "Z-shaped" rotation mechanism to develop a high-caliber, versatile workforce with a truly global outlook.
Jointly Building a Green Ecosystem	• We advanced our green transformation across all areas, carrying out regular internal and external environmental audits, with all factories achieving ISO 14001 certification in 2025. We enhanced environmental risk awareness through training and emergency drills, implemented energy-saving technology upgrades and management improvements, phased out high energy-consuming equipment, and reduced both energy use and GHG emissions.	• We will systematically advance our green and low-carbon transition and build greater resilience against climate risks. We will steadily grow the share of clean energy in our operations and drive a structural shift away from purchased grid electricity toward green and renewable energy sources.
Committed to Society	• We continued to carry out charitable donation activities to fulfill our social responsibilities, earning the "Jiangsu Charity Award" for most caring charitable donation unit. We supported the education of orphans in Yushu for 16 consecutive years and contributed to rural revitalization and disadvantaged communities through a range of initiatives, demonstrating our commitment to corporate responsibility.	• We will align closely with national strategies, deepen our work in the areas of public health and social welfare, and increase our support for frontline medical capacity building. We will expand the reach of our community initiatives and translate our professional expertise into meaningful, lasting social value.

Stakeholder Engagement

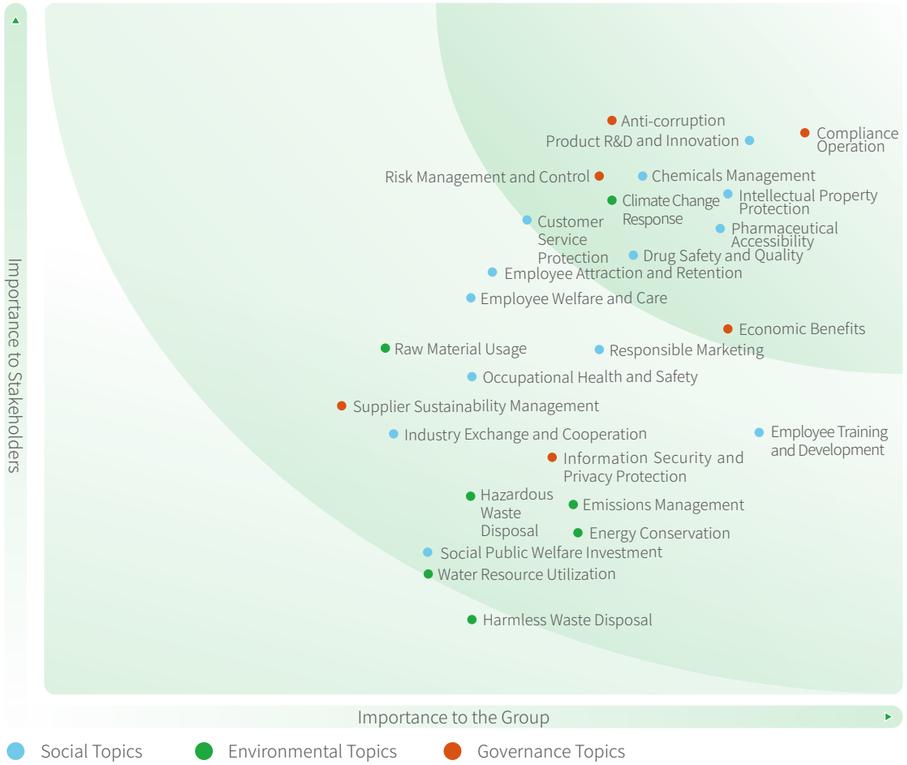
Stakeholders are indispensable peers of the Group in the process of sustainable development. The Group attaches great importance to communication with stakeholders such as the government, shareholders and investors, customers, partners, employees, industry associations and community representatives, and establishes diversified communication and feedback mechanisms to ensure that actions in the environmental, social and governance fields are consistent with the expectations of stakeholders by proactively understanding and responding to concerns of all parties, so as to contribute to the improvement of people's well-being and social harmony.

Stakeholders	Expectations and Demands	Communication Methods
Government and regulators	• Compliance operations • Drug quality and safety • Anti-corruption • Boosting local employment • Clean manufacturing	• Government dialogue • Information disclosure • Government research and supervision
Shareholders and investors	• Compliance operations • Operating results • Risk management and control • Information disclosure • Return on Investment (ROI)	• Shareholders' meeting • Performance disclosure conference • Investor research and exchange session • Regular information disclosure
Customers	• Drug safety and quality • Customer rights and privacy protection • Drug development and innovation • Responsible marketing	• Improving pharmaceutical production management system • Customer satisfaction survey • Customer complaints and opinion handling • Regular return visits
Partners	• Win-win cooperation • Supply chain sustainability • Product and service quality	• Daily communication and dialogue • Audit and assessment
Employees	• Employee rights protection • Occupational health and safety • Employee training and development	• Employee representative conference and labor union • Occupational, health and safety training • Employee care activities • Internal training and learning
Industry association	• Fair competition • Promoting industry development • Technology and experience sharing	• Industry exchange seminar • Project cooperation • Industry association training
Community representatives	• Driving local economic development • Community services • Public welfare and charity	• Carrying out public welfare projects • Regional assistance programs • Participating in community building • Volunteer services

Material Topics

The Group strictly follows the relevant requirements of the *Environmental, Social and Governance Reporting Code* of the Stock Exchange, with reference to internationally unified initiatives, standards and industry key topics of concern, and identifies and determines substantive topics that are closely related to the Group's business. At the same time, we maintain in-depth communication with various stakeholders by consulting industry experts to ensure the comprehensiveness and accuracy of topic identification. In 2025, we systematically assessed and confirmed the risks and opportunities under various dimensions of topics based on the macro policy guidance, the Group's development strategy and ESG regulatory trends. The matrix of material topics for the year is as follows.

2025 ESG Materiality Topic Matrix



Active Response to UN SDGs

UN Sustainable Development Goals (SDGs)	Actions of the Group in 2025
16 PEACE, JUSTICE AND STRONG INSTITUTIONS; 17 PARTNERSHIPS FOR THE GOALS	• We have established a comprehensive corporate governance structure and internal control system, systematically identifying and managing **16** key risk areas, and strengthening enterprise-wide risk management capabilities through a compliance points system and business ethics training. In 2025, the Group reported no cases of corruption, money laundering, or insider trading. • Through full-process supplier management and continuous empowerment, we collaborate to enhance ESG performance. In 2025, we identified and developed **188** preferred suppliers and **6** strategic suppliers. The Group also partnered with pharmaceutical sales platforms to build a digital health service ecosystem, improving drug accessibility and enhancing the patient experience.
3 GOOD HEALTH AND WELL-BEING; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 15 LIFE ON LAND	• Guided by clinical needs, we are committed to improving the full chain R&D capabilities from target discovery to clinical translation, and promoting innovative drugs from laboratories to patients through forward-looking R&D layout and innovative results. In 2025, the Group invested RMB **2.076 billion** in research and development, accounting for approximately **26.8%** of its revenue. • We strictly follow the "3R" principle of Replace, Reduce, and Refine to ensure the five welfare standards for laboratory animals, and have established a full-process management system covering animal care, usage, and facility operations.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• We have established a full-process quality management system covering R&D to market launch, ensuring product safety and quality through digital tools and automation upgrades, and reinforcing lifecycle responsibilities through regular drills. In 2025, the Group conducted **39** internal quality audits and self-inspections, underwent **41** external audits and inspections, and three factories obtained quality management system certification. Quality training achieved **100%** coverage, with an average of **29.48** training hours per employee.
4 QUALITY EDUCATION; 5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES	• We implement a people-centered approach to ensure full protection of employee rights. In 2025, the Group reported no incidents of forced labor or child labor. We set diversity targets and firmly prohibit gender discrimination in employment, safeguarding the rights of women. In 2025, women accounted for **52.17%** of all employees, and **50.24%** of managers were female. • We place talent development and training at a strategic priority. In 2025, **100%** of our employees participated in training, with an average of approximately **39.34** hours of training per person.
7 AFFORDABLE AND CLEAN ENERGY; 13 CLIMATE ACTION	• We consistently adhere to an environmentally friendly and sustainable approach, fulfilling our responsibility as a green enterprise by managing GHG emissions across the full value chain, including R&D, production, and supply chain, while actively applying energy-saving technologies and clean energy. In 2025, GHG emissions per RMB 10,000 of revenue decreased by **22.22%** compared with 2024.
1 NO POVERTY	• We actively fulfill our corporate social responsibility and respond closely to societal needs, carrying out public welfare projects in areas such as healthcare, education support, volunteer services, and community building. In 2025, the Group donated HKD **5 million** to support fire relief efforts in Hong Kong and, for the **16th** consecutive year, sponsored **146** orphans in Yushu, Qinghai.

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Building a Strong Governance Foundation

Guided by high standards of corporate governance, the Group has built a sustainable development operation system that integrates comprehensive risk management and control, responsible value chain management and solid information security. As a responsible corporate citizen, we adhere to high standards of business ethics in our operations and make unremitting efforts to build a sound and trustworthy development foundation.

In 2025

The coverage rate of business ethics and compliance training

100%

Corruption, money laundering or insider trading cases occurred within the Group

0

Information security violations or privacy breaches occurred within the Group

0

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

Corporate Governance

The Group upholds the principle of high standards of governance, continuously improves the governance structure, optimizes the operation of the Board of Directors, and strengthens risk management and internal control to promote the long-term, stable and high-quality development of the Group.

Structure of the Board of Directors

The Group strictly complies with the laws and regulations of the places where it is listed and where it operates, and has established a scientific and efficient governance structure with clear rights and responsibilities. As the highest decision-making body, the Board of Directors has established the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee and the Strategy Committee. Each committee has clear powers and responsibilities and operates in a standardized manner to jointly protect the interests of shareholders and the sustainable development of the Company.

Structure of the Board of Directors of the Group in 2025

Name	Position	Committee Type			
		Audit Committee	Remuneration and Appraisal Committee	Nomination Committee	Strategy Committee
REN Jinsheng	Chairman and Executive Director		✓	✓	✓
TANG Renhong	Executive Director				✓
WANG Xi	Executive Director			✓	
WAN Yushan	Executive Director		✓		
SONG Ruilin	Independent Non-executive Director	✓		✓	
WANG Jianguo	Independent Non-executive Director	✓	✓	✓	✓
WANG Xinhua	Independent Non-executive Director	✓	✓		
SUNG Ka Woon	Independent Non-executive Director		✓	✓	

The Group follows the *Board Diversity Policy* and optimizes the composition of the Board of Directors by taking into account various factors such as gender, industry experience and professional background in the selection of Directors. The Directors have in-depth professional knowledge and rich practical experience in pharmaceutical, enterprise management, financial accounting, risk control and other fields, providing a diverse and professional perspective for the decision-making of the Board of Directors. As of the end of the Reporting Period, the Board of Directors had a total of 8 members, including 1 female Director and 4 independent non-executive Directors.

As of the end of the Reporting Period

The board of Directors had a total of **8** members

1 female Director

4 independent non-executive Directors

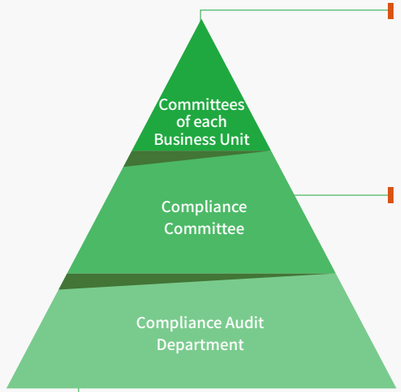
Risk Management

A sound risk management and internal control mechanism is the guarantee for the long-term stable operation of the enterprise. The Group has built and continuously optimized a scientific and comprehensive internal control and risk management mechanism to ensure the effective operation of the Group's risk management and control system and build a solid line of defense for the sustainable development of the business.

Internal Control Management

The Group has established a systematic internal control system, formulated the *Internal Control Management System,* the *Internal Audit Management System* and *Guidelines* and other internal policies, and actively promoted all business departments to deeply integrate internal control requirements into the formulation and implementation of business processes. At the same time, the Group has established "three lines of defense" for internal control management to work together to ensure the effective implementation of risk management and supervision.

Three Lines of Defense for Internal Control Management



Composed of Vice President of Business Unit, Regional Sales Director, and Business Partners of Business System Compliance

- Responsible for directly identifying, assessing and responding to potential compliance risks in daily operations, and conducting weekly risk assessment of academic promotion activities/projects within the business scope;
- Develop risk reduction plans and implement corresponding compliance controls.

Composed of the Group Chief Financial Officer, the Senior Vice President of Hospital Line, the Vice President of Supply Chain Management Department, the Vice President of each business institutions and Compliance Officer

- Hold group-level meetings on a monthly basis or as necessary to coordinate and supervise business ethics and non-compliance;
- Re-evaluate and make decisions on the legal compliance and commercial/medical value of major marketing projects;
- Responsible for establishing policies, processes and tools for risk management and internal control, providing training, guidance and supervision for the first line of defense.

Composed of members of the Compliance Audit Department

- Independently and objectively conduct comprehensive audit and evaluation on the design and operation effectiveness of internal control of the first and second lines of defense;
- Optimize the internal control system and process, and carry out follow-up and spot check audits on the implementation of projects after approval to ensure compliance;
- Implement audit and supervision of key operating activities before, during and after the event, and promote problem rectification, covering all operations and business lines every three years.

In 2025, the Group conducted risk scanning and control point optimization for key business processes such as three-party meetings, marketing expenses and marketing project management through project-driven audit. At the same time, we embedded the internal control requirements system into the system, clarified the management of change management, review mechanism and flow to the person responsible for review, and strengthened the active prevention and control role of business departments as the first line of defense. In addition, the Group cooperated with external audit institutions to jointly complete the annual self-assessment of internal control, and continued to improve the closed-loop management of internal control.

Compliance Culture

The Group regards the construction of compliance culture as an important part of internal control management, and is committed to continuously enhancing the compliance concept of all employees and the Company's overall risk prevention and control capabilities through institutionalized behavior guidance and normalized awareness cultivation. During the year, the Group formulated the *Measures for Compliance Points Management* and established a systematic compliance points management system. Through quantitative assessment and dynamic management of compliance behaviors, the Group achieved refined guidance and real-time supervision of all employees' behaviors, and strengthened behavioral restraint, risk warning and closed-loop management.

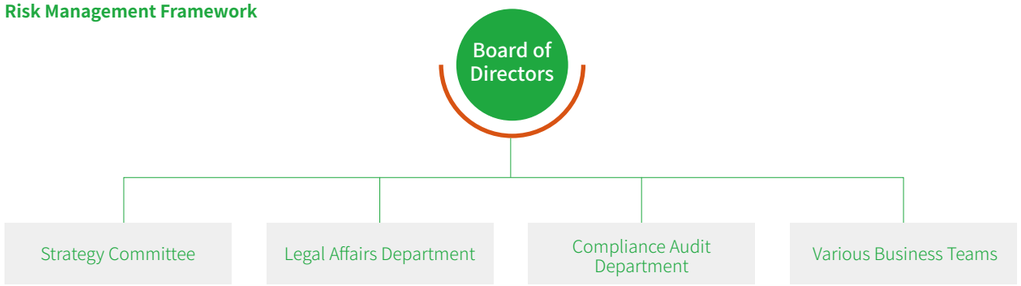
Compliance Points Management System

Evaluation Dimension	Evaluation indicators are set around the four core business areas of compliance concept, spot inspection of conferences, KOL (Key Opinion Leader) management and expense control.
Evaluation Method	Implement monthly statistics and dynamic point management, and carry out quantitative scoring and real-time point adjustment according to behavioral performance.
Application of Points	The points are directly linked to incentive and punishment. • Positive incentive: Select outstanding individuals/teams based on points annually, and give publicity and rewards. • Graded punishment: measures such as verbal warning, notification of criticism, deduction of bonus, cancellation of promotion qualification and termination of employment contract will be taken for violations depending on the circumstances.

Risk Management

The Group has established a multi-level risk management structure comprising the Board of Directors, the Strategy Committee, the Legal Affairs Department, the Compliance Audit Department and various business teams, with clear responsibilities and coordinated operations. From the strategic level of the Group to the business execution level, the Group implements full-chain risk management and control to ensure systematically effective risk management.

Risk Management Framework



The Group has formulated the *Comprehensive Risk Management System* and established a normalized risk identification, assessment and response mechanism. Through continuous monitoring of the internal and external environment, the Group focuses on the implementation of management and control of major risks and formulates targeted strategies to reduce their potential impact on the Company's operation and sustainable development. At present, the Group has identified 16 key risk points and continuously reviewed and optimized the implementation of various risk response measures.

ESG-related Risk Identification and Response Measures of the Group in 2025

Human Resources Risk

- Systematically identify the whole process risks of employees from onboarding to leaving, and formulate special rectification plans;
- Comprehensively update the relevant files of the whole employment cycle, and establish a template covering 37 standard files and forms.

Legal Risks of Commercial Bribery and Regulatory Investigations of the Company

- Continuously track the development of national regulations and policies, timely adjust internal control management policies, and strengthen compliance training and commitment for all employees;
- The anti-commercial bribery and anti-unfair competition clauses are clearly defined in commercial contracts, and a complaint, whistleblowing, investigation and audit mechanism is established to establish a complete risk control system.

Corporate Governance Risks

- In accordance with the new *Company Law of the People's Republic of China*, the Group comprehensively assessed the governance status of the Group and its subsidiaries, combined with the functional positioning of each company, and systematically proposed and promoted the implementation of optimization plans for governance structure and system.

In terms of awareness cultivation and capacity building, the Group carried out legal compliance training on core topics such as pharmaceutical industry regulations, contract and project management, labor employment and internal control systems in light of changes in laws, regulations and policy environment, and interpreted key points of risk control and organized special learning through the "Legal Affairs Online" platform to systematically improve the risk identification and prevention capabilities of employees. In 2025, the Group conducted a total of 28 internal and external compliance training sessions to comprehensively enhance the awareness of legal compliance of all employees.

In 2025

The Group conducted a total of **28** internal and external compliance training sessions

Business Ethics

The Group strictly follows the *Compliance Guidelines for Pharmaceutical Enterprises' Prevention of Commercial Bribery Risks* and the *Anti-Monopoly Guidelines on the Pharmaceutical Field issued by the Anti-Monopoly and Anti-Unfair Competition Committee of the State Council* and other laws and regulations, and the Human Resources Committee is responsible for business ethics supervision and the Compliance Committee is responsible for business ethics management and enforcement. The Group has formulated the *Code of Business Conduct and Ethics* and other system documents to clarify the Group's zero-tolerance attitude towards bribery, extortion, money laundering or other unfair competition, and further refined the conflict of interest management rules, clearly listing "false fees, false sales, cash rebates, part-time employees and failure to meet the standards of compliance training" as five red lines that cannot be touched, and violations will face severe penalties such as termination of employment contracts.

The Group has established a normalized and full-coverage audit and supervision system for anti-corruption and business ethics. In the annual audit plan, special anti-corruption and business ethics audits, key personnel departure audits and verification of whistleblowing complaints are included, and anti-corruption and business ethics are the key verification contents in daily audits to ensure supervision throughout the whole business process. In 2025, the Group conducted business ethics audits covering 100% of its operations. The Group has established a special tracking and rectification mechanism to prevent ethical and compliance risks. During the Reporting Period, the Company did not have any corruption cases, money laundering or insider transactions.

Whistleblowing and Protection

The Group is committed to building an open and credible whistleblowing environment. In accordance with the *Policies and Procedures for Handling whistleblowing and Complaints*, the Company strictly implements the process of registration and encryption of all reported information, strictly controls the scope of informed personnel, conceals the personal information of whistleblowers, resolutely preventing retaliatory acts and protecting the rights and interests of whistleblowers. In 2025, the Group expanded six major reporting channels, including email, dedicated hotline, OA system, etc., and clarified the reporting reward mechanism to encourage employees and partners to participate in supervision.

Complaint and Reporting Handling Flowchart

Confirm report information(within 12 hours)
↓
Formulate a project list and initiate an investigation
↓
Give feedback on investigation results
↓
Develop a handling plan based on the results
↓
Continuously track the implementation of the plan

Public Whistleblowing Channels of the Group

Tel:
400-887-7552

Chairman's email:
ceo@simcere.com

Integrity Culture

To strengthen integrity and self-discipline from the ideological source, the Group requires employees to sign the *Employee Compliance Commitment*. As of the end of the Reporting Period, the signing rate of the *Employee Compliance Commitment* of the Group reached 100%. According to the actual business situation and regulatory requirements, the Group conducted training sessions focusing on the full-process compliance operation guidelines, key risk prevention and interpretation of regulations, and anti-monopoly guidelines in the pharmaceutical field. In 2025, the Group conducted 314 business ethics and compliance training sessions (both online and offline), covering a total of 14,150 participant attendances, achieving 100% coverage of employees including part-time, outsourced staff, and contractors, effectively enhancing employees' compliance awareness and risk prevention and control capabilities.

Business Ethics and Compliance Training

Responsible Procurement

The Group places responsible procurement at the core of supply chain management and is committed to building a transparent, reliable and sustainable supply ecosystem. Through systematic full-process management, stringent risk prevention and control and continuous collaborative empowerment, we implement high-standard management of suppliers in key aspects such as quality, safety, environment and business ethics, which has a positive impact on the value chain.

Supplier Management

The Group regards supplier management as the core link in ensuring pharmaceutical quality, controlling supply chain risks and practicing business ethics. We are committed to building and continuously improving a scientific, standardized and responsible supplier management system, ensuring the stability, reliability and compliance of the supply chain through systematic management and control of the whole process, and providing patients with safe and effective medicines.

Supplier Full Process Management

The Group revised the *Supplier Tiered Classification Management Regulations* to further clarify the supplier classification standards, entry thresholds and approval process management. According to business needs, the Group classifies suppliers into production-related raw and auxiliary materials and packaging materials, non-production materials, equipment, infrastructure, services and other categories, and implements differentiated management strategies. On this basis, we identified and confirmed 188 preferred suppliers and 6 strategic suppliers in each category based on the overall performance, closeness of cooperation and strategic value of suppliers. The Group has established a full-process management system covering "entry-cooperation-exit" of suppliers, and achieved dynamic upgrade and downgrade of supplier level through annual performance evaluation.

Supplier Full Process Management

Supplier Access

Qualification review

- We conduct a comprehensive review of all documentation submitted by new suppliers, including business credentials and quality system records, based on the new supplier lists submitted by the requesting departments.

Product verification

- We unify material quality standards and inspection methods, carry out process verification on suppliers' materials, and evaluate their suitability and quality in the production process.

Records establishment

- We establish records for suppliers who have passed the audit and maintain them on an ongoing basis, and prepare a list of qualified suppliers and a list of pre-approved suppliers.

Supplier Cooperation

Supplier assessment

- We conduct annual assessment on suppliers from multiple dimensions such as quality, delivery and service, and make dynamic adjustments according to the assessment scores;
- If the assessment score of the supplier is lower than a certain score, we put forward rectification opinions and require rectification within a time limit;
- In 2025, we conducted comprehensive evaluations on 505 suppliers and adjusted them according to the assessment scores, of which 28 suppliers were promoted due to outstanding performance and 144 suppliers were downgraded due to failure to meet the standards.

Supplier audit

- We carry out audits on suppliers based on material classification and risk level, and evaluate their quality assurance system, production management and compliance status.

Supplier review

- We carry out annual supplier performance review, systematically evaluating the quality performance, changes and management level, and promote the continuous improvement.

Supplier Withdrawal

Supplier blacklist

- We define the supplier elimination criteria, and include suppliers with major quality problems, violations of laws, regulations or business ethics in the "blacklist" and terminate cooperation.

Regular cleanup

- We regularly check basic information such as the industrial and commercial status of suppliers, and timely clean up invalid suppliers;
- In 2025, we identified and processed 12 suppliers whose industrial and commercial status was "deregistered" to eliminate cooperation risks.

Number of Suppliers of the Group by Geographic Region in 2025

Number of suppliers	Chinese mainland	Hong Kong, Macao and Taiwan of China	Overseas
3,695	3,644	8	43

Supplier Risk Management

The Group has established a supplier risk management mechanism to ensure the stability and quality safety of the supply chain. We proactively identify potential risks through regular verification of suppliers' legal existence status and dynamic monitoring of the supply of exclusive and scarce materials. According to the criticality of materials to product quality and safety, we implement strict hierarchical management principles, and accordingly, we implement differentiated audit strategies for suppliers with different risk levels: for critical material suppliers, we adopt on-site audit, documentation audit and online audit; For non-critical material suppliers, questionnaire audit is the main one. The audit frequency is also set based on the risk assessment results, in which the on-site audit cycle of Active Pharmaceutical Ingredients (API) suppliers is 1-3 years, and that of excipients and inner packaging materials suppliers is 2-5 years.

To cope with potential supply chain disruption risks, the Group has established a multi-level risk buffer and safeguard mechanism. On the supply side, we actively seek secondary suppliers for high-risk materials or increase our reserves, and build our own API plant to reduce our dependence on a single source of goods. On the production side, we plan and establish a backup manufacturing base to ensure that the supply of core products can be maintained when the main production base encounters obstacles. In terms of procurement strategy, we actively promoted localization and strategic localization, reduced the reliance on imported key consumables and equipment, and enhanced the regional resilience of the supply chain.

On-site audit

The on-site audit cycle of Active Pharmaceutical Ingredients (API) suppliers is

1-3 years

and the excipients and inner packaging materials suppliers is

2-5 years

Supplier Empowerment

The Group is committed to building long-term and synergistic partnerships with suppliers. In daily cooperation, we not only pay attention to the performance of suppliers, but also actively support and empower them through various channels. For suppliers with upgrading needs, we improve the cooperation efficiency and quality level of the overall supply chain through supplier assistance, special improvement projects, process assessment, performance review meetings, supplier training, etc. Furthermore, we actively participate in high-level industry exchange platforms, and participate in important industry exhibitions and conferences such as CMAC (China Medical Development Promotion Council) Conference, CPHI (World Pharmaceutical Raw Materials Exhibition), China International Import Expo, and Pharmaceutical Machinery Exhibition, so as to promote in-depth collaboration with suppliers and jointly explore development opportunities.

Sustainable Procurement

The Group has deeply integrated the concept of sustainability into supply chain management, built a high-standard and responsible procurement system, implemented full-cycle management of suppliers in terms of quality, environment, safety and business ethics, and promoted the synergistic improvement of the industrial chain through clear standards, performance evaluation, audit supervision and continuous empowerment, so as to build a more resilient and sustainable supply chain ecosystem.

Supplier Sustainable Management Initiatives

Quality Management

- We require all suppliers providing materials or services directly to hold ISO 9001 or equivalent quality management system certification as one of our baseline admission criteria.
- We have established a quantitative supplier performance evaluation system, incorporating indicators such as incoming quality pass rate, on-time delivery rate, and quality response speed into quarterly and annual scoring.
- We classify suppliers according to the criticality of the materials they supply and conduct differentiated audits accordingly. In 2025, we completed a total of 168 supplier quality audits.

Environmental Protection

- We give priority to suppliers that demonstrate strong environmental performance and hold certifications such as ISO 14001 or equivalent green credentials.
- We have also established a green incentive mechanism, offering preferential order allocation, pricing benefits, or dedicated rewards to suppliers with outstanding environmental performance.
- We closely monitor suppliers' environmental qualifications, such as pollutant discharge permits, and enforce environmental requirements throughout their production processes, including restrictions on highly polluting raw materials, adoption of cleaner production methods, and adherence to energy-conservation and emission-reduction targets.
- We conduct regular environmental compliance audits, including on-site inspections and data verification, and initiate rectification or disqualification procedures in cases of excessive emissions or non-compliant disposal practices.
- We pay attention to suppliers' environmental training, promoting concepts such as low-carbon production and circular economy, sharing energy-saving technologies and waste recycling practices, and working together to reduce the environmental footprint across our supply chain.

Safety Management

- At the supplier admission stage, we require suppliers in high-risk categories, such as chemicals, energy, and waste disposal, to provide occupational health and safety management system certification (such as ISO 45001) or a third-party EHS audit report.
- For high-risk suppliers, we conduct regular and unannounced on-site EHS audits covering occupational health protection, safety production systems, facilities and equipment management, and hazardous waste disposal procedures.

Business Ethics

- The Group strictly follows the *Procurement Tendering and Bidding System*, which requires all suppliers to sign a letter of integrity commitment before participating in the tendering, and independently supervises the entire tendering process to ensure fair procedures.
- The Group incorporates supplier anti-corruption verification requirements into the annual routine and special audit plans to achieve continuous and dynamic supervision coverage.
- At key periods such as the Mid-Autumn Festival and Chinese New Year, we engage our major suppliers in signing dedicated integrity statements, reinforcing the foundation of honest and ethical cooperation.
- For special partners such as foundations and academic associations, we engage third-party professionals to conduct due diligence, with anti-commercial bribery as a core evaluation criterion, embedding integrity and compliance requirements from the very start of the onboarding process.

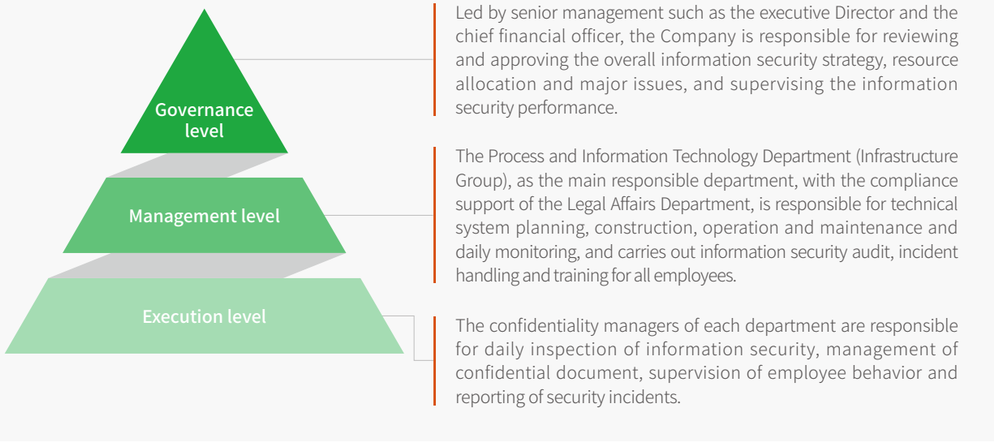
Information Security

The Group attaches great importance to information and data security. While strictly adhering to the laws and regulations, we have built a duty-specified three-tier management structure and defense system, which has effectively safeguarded the data and privacy security of the Company, clients, and employees by conducting all-staff training, regular auditing, and supply chain risk management and control.

The Group strictly abides by the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China* and other laws and regulations, and has formulated the *Group Confidentiality Management System*, the *System Account Authority Management Procedures,* the *Computer and Network Use Management System* and other systems to clarify information protection responsibilities and management requirements. We are committed to building a comprehensive and effective data security defense system through a sound management structure, systematic technical protection and regular training and audit, so as to effectively protect the data and privacy security of the Company, customers and employees.

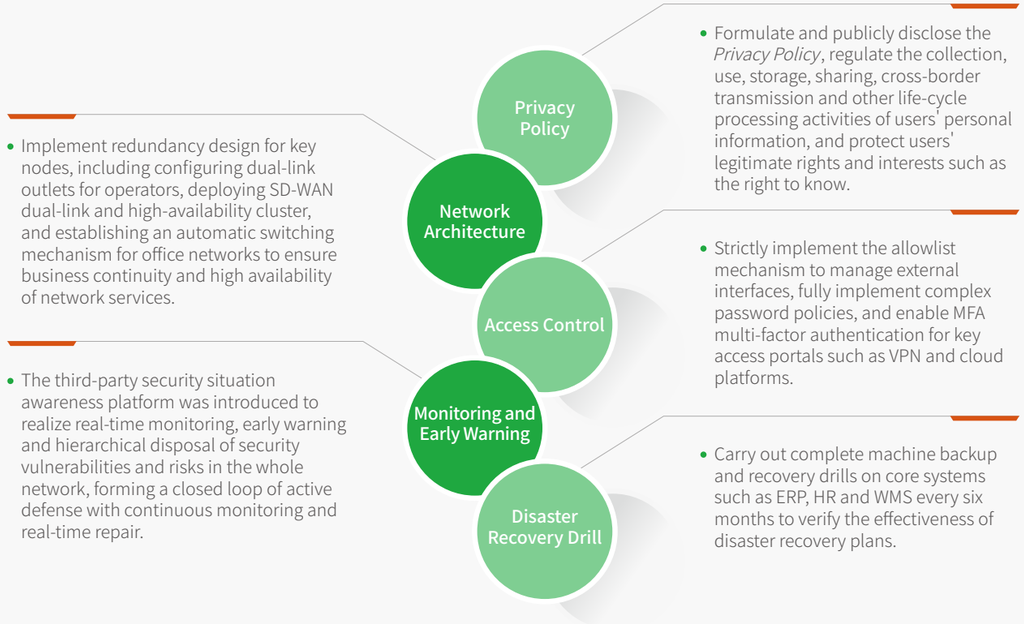
The Group has established a three-level information security and privacy protection management structure, which clarifies the job responsibilities of each level, and coordinates the Group's information security work from three dimensions: audit compliance, network and system protection, confidentiality and software legalization. In 2025, the Group recorded no information security violation or privacy breach.

Information Security and Privacy Protection Management Framework



The Group continued to carry out a series of information security protection work, promoted the strengthening and optimization of the infrastructure, and strived to build a highly available and resilient protection system.

Information Security and Privacy Protection Work of the Group



To continuously improve safety defense capabilities and awareness of all employees, the Group systematically strengthened safety training, safety audit and incident response. The Group conducts special training in conjunction with various departments, and uses online platforms to publicize information security. All employees conduct retraining every six months, and new employees are required to complete information security training once when they join the company. In terms of audit, the Group insists on conducting monthly internal audits and regularly adopts third-party systems to conduct protection drills to verify the effectiveness of the defense system. In 2025, the Group complied with regulatory requirements from the Bureau of Industry and Information Technology of Jiangsu Province and Nanjing Municipality by organizing a data security emergency drill and producing a report.

The Group extends information security management to suppliers. For newly introduced suppliers, the entry stage is to strictly review their safety qualifications, sign confidentiality clauses and clarify their responsibilities; For existing service providers, special information security audits are carried out annually. In the operation and maintenance cooperation, we conducted monthly reviews on system providers deployed locally and conducted annual security spot checks on cloud service providers, realizing dynamic and hierarchical management and control of supplier security risks.

02

Innovation-Driven Development

As a pharmaceutical company driven by innovation and R&D, the Group adheres to the R&D philosophy of "focusing on higher efficiency and adhering to differentiation", closely focusing on major diseases such as oncology, the nervous system, autoimmune diseases and infectious diseases, and driving drug R&D with cutting-edge science. By optimizing R&D layout, strengthening team building and actively fulfilling product responsibilities, we are committed to transforming breakthrough scientific discoveries into tangible clinical value, enhancing the accessibility and affordability of innovative drugs, and contributing to protecting the health of patients worldwide.

In 2025

The Group invested in research and development

RMB 2.076 billion

Cumulative intellectual property rights granted

481

Number of professional R&D personnel

985

Academic papers were published throughout the year

67

Accelerating R&D

Guided by clinical needs, the Group is committed to enhancing the R&D capabilities in the whole chain from target discovery to clinical translation, and strives to promote innovative drugs from laboratories to patients through forward-looking R&D layout, innovative results and adherence to R&D ethics. In 2025, the Group invested RMB 2.076 billion in research and development, accounting for approximately 26.8% of its revenue.

R&D Layout

The Group has built a multi-dimensional R&D layout with a forward-looking vision, built a high-level innovative R&D center, built an open innovation platform, and established strategic cooperation with top scientific research institutions around the world to gather cutting-edge scientific wisdom. As of the end of the Reporting Period, the Group had 10 commercialized innovative drugs and over 60 product pipelines of innovative drugs, two new drug molecules under NDA approval, six new drug molecules at phase III clinical study stage and 13 molecules entered early clinical stage.

R&D Layout of the Group in 2025

Development status of the Group | Development status of partner(s)

Territory	Product candidate(Target/Mechanism)	Pre-clinical	IND	Phase I	Phase II	Phase III	NDA/BLA
		Anti-Oncology					
Global	Endostar® New indication (Angiogenesis)	Thoracoabdominal effusions (COREMAP study)					
China (commercialization right)	Enweida (恩维達 ®) New indication (PD-L1)	Advanced biliary tract cancer					
		Non-small cell lung cancer (perioperative)					
		TMB-H					
Global	SIM0270 (SERD)	Breast cancer					
China (commercialization right)	Denlorlatinib (ALK/ROS1)	Non-small cell lung cancer					
Global	SIM0237 (PD-L1/IL15v bispecific antibody)	Non-muscle invasive bladder cancer					
China	Enzeshu® New indication (VEGF)	Third-line refractory metastatic colorectal cancer					
China (Option to license from AbbVie for rights outside Greater China)	SIM0500 (GPRC5D/BCMA/CD3 trispecific antibody)	Multiple myeloma (China and U.S.)					
China	SIM0395 (PI3K/mTOR)	Glioblastoma (GBM AGILE study)					
Global	SIM0508 (Polθ)	Solid tumors (China and U.S.)					
China (licensed-out to NextCure outside of China)	SIM0505 (CDH6 ADC)	Solid tumors (China and U.S.)					
Global	SIM0686 (FGFR2b ADC)	Solid tumors (China and U.S.)					
Global	SIM0609 (CDH17 ADC)	Solid tumors (China and U.S.)					
Global	SIM0610 (EGFR/cMet ADC)	Solid tumors					
Global	SIM0532 (PanRAS)	Solid tumors					
China (licensed-out to Ipsen outside of China)	SIM0613 (LRRC15 ADC)	Solid tumors					
Global	SIM0689 (PD-1/VEGF)	Solid tumors					
China	SIM0323 (CD80/IL2)	Solid tumors					
Global	SIM0688 (B7H3/cMet ADC)	Solid tumors					
Global	SIM0518 (ALK)	Solid tumors					
Global	SIM0616 (STEAP1/PSMA/CD3)	Solid tumors					
Global	SIM0611 (EGFR/cMet ADC(NMTi))	Solid tumors					
		Neuroscience					
Global	Sanbexin® injection New Indication (Free radicals and inflammatory cytokines)	ICH					
Global	Sanbexin® sublingual tablets (Free radicals and inflammatory cytokines)	PSCI					
		AIS (U.S.)					
Global	SIM0811 (PLG)	AIS, MI, etc.					
Global	SIM0815	Alzheimer's disease					
		Autoimmune					
China	Leruiping® (IL-4Rα)	AD					
		Asthma					
China (commercialization right)	Zemprocitinib (JAK1)	RA					
		AS					
China (licensed-out to Almirall outside of China)	SIM0278 (IL-2mu-Fc)	AD					
		LN					
		Alopecia areata (U.S.)					
China (licensed-out to Boehringer Ingelheim outside of China)	SIM0709 (TL1A/IL23p19)	IBD					
Global	SIM0712 (STAT6 PROTAC)	AD, COPD, Asthma, etc					
Global	SIM0725 (CD122)	Vitiligo, AA, etc					
Global	SIM0708 (IL-4Rα ADC)	AD, COPD, Asthma, etc					
Global	SIM0721	LN、IgAN, etc					
Global	SIM0722	AD, COPD, Asthma, etc					
		Anti-infective					
China (commercialization right)	Xianlinda® (PA)	Influenza (adult/adolescent)					
		Influenza (child)					
		Post-exposure prevention of influenza type A and B (2 years old and above)					
China (commercialization right)	Deuterated Remdesivir Hydrobromide Dry Suspension (RdRp)	Respiratory syncytial virus infection					

Construction of Innovation R&D Center

The Group has integrated its internal resources to establish four R&D innovation centers in Nanjing, Shanghai, Beijing and Boston, to establish a full-process R&D system for drug discovery, preclinical development, clinical trials and drug registration, and has established a national key laboratory for neurological and oncological drug research and development, which is the only national key laboratory independently built by enterprises in the domestic pharmaceutical field.

Key Laboratory and Innovation R&D Center of the Group

State Key Laboratory of Neurology and Oncology Drug Development


Shanghai Innovation Center


Beijing Innovation Center


Nanjing Innovation Center


Boston Innovation Center

The Group has built an efficient R&D laboratory system comprising three core platforms: macromolecule laboratory, small molecule laboratory and non-clinical laboratory, covering the whole life cycle of drug R&D. At each critical stage of drug research and development, we promote our work with a rigorous scientific attitude and cutting-edge technological means, and systematically carry out core work such as target verification and lead compound screening in the early stage of drug development, laying a solid foundation for innovative drug research and development; In the preclinical research link, relying on advanced experimental equipment and professional scientific research teams to comprehensively evaluate the safety and effectiveness of drugs; After entering the clinical trial stage, we strictly followed international standards, advanced phase I, II and III clinical trials in sequence, closely monitored the performance of drugs in the human body, and continuously optimized the treatment plan. In the field of process validation, we ensure the stability and repeatability of drug manufacturing processes, providing reliable guarantee for subsequent large-scale production.

R&D Team Building

We attach great importance to the building of R&D talent pipeline, continuously empower the R&D team through diversified incentives and systematic training, and provide solid talent guarantee for source innovation. As of the end of the Reporting Period, the Group had a total of approximately 985 R&D personnel, including approximately 214 doctoral degrees and approximately 522 master's degrees.

In 2025, we continued to refine our R&D project reward system, further strengthening mechanisms that recognize long-term value creation and individual contribution. We placed greater emphasis on rewarding key contributors throughout the full project cycle and introduced a dynamic reward calculation framework tied to the actual commercial value of each project. This included adding milestone-based rewards for subsequent development stages in external licensing arrangements, as well as implementing long-term, sales-linked incentives for outstanding R&D contributors following the commercial launch of new products.

At the same time, the Group continued to strengthen the introduction of high-end talents and the coordination of R&D resources, optimized the pipeline layout, and included the effectiveness of external cooperation in the scope of managerial assessment, so as to promote open innovation in the R&D system, so as to comprehensively improve the quality of project establishment and R&D efficiency, and systematically enhance the Group's sustainable innovation capability. In addition, through the deployment of Project Management System (PMS), the Group has realized the digital management of the whole process from scientific review of project approval, plan approval, budget control to completion evaluation, further enhancing the systematic and scientific level of R&D management.

Innovative Results

We adhere to the clinical value-oriented approach, accelerate the transformation of scientific research results into innovative drugs, and develop innovative drugs with differentiated advantages by focusing on actual needs. In 2025, we have made significant progress in multiple core pipelines, with ten innovative drugs approved for marketing, and 14 products recommended in guidelines and clinical pathways issued by over 100 government authorities or prestigious professional associations, and has over 45 products included in the NRDL.

14

products recommended in guidelines and pathways issued by over 100 government authorities or prestigious professional associations

over 45

products included in the NRDL

During the Reporting Period, the Group added three new externally licensed products for the treatment of multiple myeloma and solid tumors, respectively, becoming the company with the largest number of licenses in the domestic oncology field in 2025. At the same time, the transformation of the Group's innovative research and development achievements has accelerated, and in 2025, two new drug applications have been accepted by the NMPA for the treatment of influenza in adults and children and for the treatment of atopic dermatitis, respectively.

Global Innovative Drug Name	Drug Introduction
XIANNUOXIN®	It is the first Chinese 3CL targeted anti-SARS-CoV-2 innovative new drug with independent intellectual property rights, working by inhibiting the 3CL protease, which is essential for the replication of coronaviruses, thus preventing the virus from infecting normal cells and spreading.
Sanbexin®	It is the only innovative drug for stroke approved worldwide since 2015 and significantly reduces brain neuron damage caused by acute ischemic stroke.
Iremod®	It is the world's first Iguratimod preparation and the first small molecule disease-modifying anti-rheumatic drug developed independently in China and launched to the market in the last decade.
Endostar ®	It is the world's first recombinant human endostatin and the first biological innovative drug approved in China for first-line treatment of non-small cell lung cancer.
COSELA®	It is the world's first "chemotherapy guardian" with a full-range bone marrow protection effect, and when administered prophylactically before chemotherapy, can induce bone marrow hematopoietic stem/progenitor cells to temporarily arrest at the G1 phase of the cell cycle and reduce damage exposed to chemotherapy.
ENWEIDA®	It is the world's first subcutaneously injectable PD-(L)1 antibody drug and China's first immune therapy medication approved for pan-cancer indications.
ENLITUO®	It is the first domestically produced EGFR monoclonal antibody, with no black box warning in the prescribing information and a low incidence of infusion reactions.
Sanbexin® sublingual tablets	It is the first drug in the stroke field to receive the "Breakthrough Therapy" designation from the U.S. Food and Drug Administration (FDA), significantly reducing brain cell damage caused by acute ischemic stroke. Sublingual rapid disintegration avoids the first-pass effect, sequentially administered with injection, providing full protection for patients with acute ischemic stroke.
QUVIVIQ®	Daridorexant is the world's first innovative drug with dual orexin receptor antagonists, bringing new and effective treatment options for insomnia patients.
ENZESHU ®	Suvisexumab is the first antivascular targeted drug in China to obtain the indication for the whole population of platinum-resistant ovarian cancer, breaking the dilemma of limited treatment options in this field.

QUVIVIQ® Daridorexant Hydrochloride Tablets—The World's First Double Orexin Receptor Antagonist Entered China

In June 2025, the Group's innovative product QUVIVIQ ® (daridorexant hydrochloride tablets) was officially approved for marketing in China for the treatment of adult insomnia patients characterized by difficulty in falling asleep and difficulty in sleep maintenance. The drug is the world's first innovative double orexin receptor antagonist drug approved for marketing. It provides a new mechanism choice for insomnia treatment by targeting the orexin system that regulates the key sleep-wake pathway.

QUVIVIQ ® was first launched in the United States in January 2022, and its clinical value lies in the ability to comprehensively improve sleep indicators, while having the significant advantages of low addiction and low residual effects. This approval in China is an important achievement of the Group and its partner Idorsia in promoting global simultaneous development and commercialization, bringing safer and more effective treatment options for insomnia patients in China, improving treatment accessibility, and helping to reduce the social and health burden caused by long-term insomnia.

R&D Ethics

Responsible innovation is the cornerstone of drug research and development. While fully promoting the research and development process, we strictly abide by international and domestic ethical standards and regulatory requirements to fully protect the rights and interests of subjects and laboratory animals.

Clinical Trials

The Group strictly abides by domestic and foreign ethical guidelines and regulatory requirements such as the *Administrative Measures for Drug Registration (2020 Edition)*, the *Good Clinical Practice (2020 Edition),* the *Declaration of Helsinki*, and the *Guidelines for Construction of Ethical Review Committee for Clinical Studies Involving Human Subjects*, and has formulated internal systems and management processes such as emergency plans for laboratory trials and laboratory management, putting the rights, safety and privacy of subjects first. In response to emerging regulatory requirements such as cross-border transfer of personal information in clinical research, the Group has established an information protection system and supporting evaluation guidelines, and systematically ensures data compliance and subject privacy security through standard contract filing and other methods.

We attach great importance to the whole life cycle management of drugs before and after launch, and are committed to providing scientific and comprehensive drug information. In the clinical research stage, we conduct in-depth exploration of drug indications and submit complete application materials to the NMPA based on the research data to obtain supplementary approvals including adverse reactions, clinical trials, pharmacology and toxicology, etc., to ensure that all aspects from research and development to marketing comply with laws, regulations and ethical requirements, while ensuring that the trial process is scientific, standardized and transparent.

Animal Welfare

In the non-clinical research stage, the Group strictly follows the "3R" principle of substitution, reduction and optimization to ensure the five welfare of laboratory animals[1] and treat laboratory animals humanely. We have established a full-process management system covering the feeding, use and facility operation of laboratory animals, and strictly implement the *Guidelines for the Feeding, Management and Use of Laboratory Animals*, the *Animal Welfare Evaluation System (AWAS)*, the *Regulations on the Management of Laboratory Animals* and the relevant requirements of the Office of Jiangsu Provincial Laboratory Animal Management Committee. Since November 2020, the Group's laboratory animal center has maintained the accreditation of the Association for Assessment and Accreditation of Laboratory Animal Care International (AAALAC), and its facility management and animal welfare standards have maintained the international advanced level.

[1] The Five welfare of laboratory animals: the freedom from thirst and hunger, the freedom from discomfort, the freedom from pain, injury and disease, the freedom from fear and distress, and the freedom to express normal behavior.

Product Liability

We know that the ultimate value of innovative drugs lies in benefiting patients. The Group has always been patient-centric and fully fulfilled its product responsibilities while continuously promoting R&D breakthroughs. By building a comprehensive intellectual property system to protect innovative achievements, accelerating value transformation with the help of an open cooperative ecosystem, and relying on diversified inclusive healthcare initiatives to improve drug accessibility, we are committed to making innovative achievements effectively serve patient health.

Intellectual Property

The Group has continuously improved its intellectual property management system, strictly followed the laws and regulations such as the *Patent Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China* and *the Trademark Law of the People's Republic of China*, formulated internal policies such as the Intellectual Property Management Measures. It has continuously improved the patent application process, and clarified the examination and approval procedures and management approach for various intellectual property matters. The Group has established an Intellectual Property Committee with the Chairman as the highest leadership level, which is responsible for overall leadership of the Group's intellectual property management and making decisions on relevant important matters.

We continued to deepen the whole process of intellectual property risk management, and embedded patent risk monitoring and FTO analysis systems in all business links from project establishment, research and development to listing and export. For listed products, a dynamic monitoring mechanism for core patents was established to realize early warning and rapid response to risks, and effectively safeguard the rights and interests of product markets. For key projects, we introduced third-party institutions to carry out back-to-back independent assessment, providing multi-dimensional risk research and judgment for key decisions.

Intellectual Property Application and Authorization Status of the Group in 2025

Indicator	Patents	Registered trademarks	Copyrights
Cumulative number of intellectual property authorizations obtained	481	1,556	27
Number of new IP applications in 2025	300	44	2
Number of new IP rights granted in 2025	50	49	1

The Group continued to carry out special training and professional exchange activities on intellectual property rights, continuously strengthened employees' awareness and practical ability on intellectual property rights, and conducted intellectual property training for new employees every year. In 2025, we focused on cutting-edge and complex legal issues in the industry, and invited senior domestic and foreign experts to conduct internal training many times, covering key areas such as international licensing transaction practices, analysis of key points of patent examination and innovative drug rights protection strategies, which effectively enhanced the practical capabilities of R&D, intellectual property rights and business teams. At the same time, the Group actively participated in external industry conferences and seminars, participated in a number of intellectual property related activities such as China Intellectual Property Innovation Forum, Jiangsu International Intellectual Property Application and Project Cooperation Promotion Conference, 2025 Pharmaceutical Intellectual Property and Innovation Series Academic Seminar, and was committed to promoting the popularization and development of the consensus on intellectual property protection in the pharmaceutical industry. In addition, we implement annual patent awards in accordance with the system to encourage all employees to innovate and jointly create an organizational culture that respects and protects intellectual property rights.

Intellectual Property Highlights 2025

Jiangsu International Intellectual Property Application and Project Cooperation Promotion Conference

Second Medical Use Roundtable Forum

Participating in the 2025 Medical Intellectual Property Academic Symposium organized by the Intellectual Property Law Research Center of Tsinghua University

High-value Patent Cultivation Project Awarded Provincial Excellence Award

As the undertaking unit of the 2022 High Value Patent Cultivation Program in Jiangsu Province, the Group systematically promotes the layout, management and operation of high value patents. In September 2025, the Group held a project achievement demonstration meeting to systematically share its high-value patent cultivation model and practical experience in key fields such as neurology and oncology to the industry. The project was awarded "Excellent" in the acceptance inspection, which reflects the Group's comprehensive capabilities in the creation, protection and application of intellectual property rights, and also provides the industry with a path to cultivate high-value patents for reference.

Progress through Cooperation

The Group insists on driving innovation through open collaboration, continues to deepen strategic cooperation with universities, scientific research institutes, medical institutions and industry partners, and builds an innovation ecosystem of collaboration between industry, university, research and medicine. By jointly setting up joint laboratories, conducting research projects and sharing R&D resources, we continue to explore flexible and efficient cooperation models to accelerate the transformation of cutting-edge scientific discoveries into clinical value. In 2025, we maintained close cooperation with a number of high-level research institutions and universities, actively shared research results through academic papers, industry conferences and other forms, published 67 academic results throughout the year, including 29 papers and 38 international conference abstracts, and promoted the successful selection of 20 key research projects into the 2025 ASCO and ESMO Annual Meetings, promoting technological progress and knowledge sharing in the industry.

Number of academic results published
67

including academic papers
29

international conference abstracts
38

promoted the successful selection of
20 key researches into the 2025 ASCO and ESMO Annual Meetings

"Simcere State Key Laboratory Exploration Project" Officially Released

In March 2025, the Group successfully held a large-scale collaborative innovation conference in Nanjing, relying on the National Key Laboratory of Neurological and Oncological Drug Research and Development, which brought together Nobel Prize winners, academicians of the two academies and nearly 700 medical and academic experts to discuss industrial innovation paths. At the meeting, the "Simcere State Key Laboratory Exploration Project" was officially released, and it was announced that RMB 2 billion would be invested in the next five years, focusing on ten scientific problems in the field of neurology and tumor, supporting subversive basic research and early transformation, and forming a scientific steering committee composed of 11 academicians to systematically promote non-consensus innovation and multidisciplinary integration, and strengthen the open innovation ecology of "industry-university-research-medicine" collaboration.

"Simcere State Key Laboratory Exploration Project" Officially Launched

GIOC 2nd Annual Academic Meeting "Symposium on Digestive Tract Tumors"

In December 2025, the Group successfully hosted the authoritative platform sub-forum of the second annual academic conference of GIOC in Guangzhou. Led by Academician Xu Ruihua of the Cancer Prevention and Treatment Center of Sun Yat-sen University, the conference brought together 27 core experts in the field of gastrointestinal tumors from 12 provinces and cities including Guangdong, Shanghai, Jiangsu and Hubei. The conference closely focused on the latest breakthroughs and cutting-edge directions of colorectal cancer and gastric cancer in the fields of targeted therapy and immunotherapy in 2025, and was committed to promoting the standardized diagnosis and treatment of digestive tract tumors. Through high-standard cross-regional exchanges, the company consolidated its brand leadership in academic frontiers.

GIOC 2nd Annual Academic Meeting "Digestive Tract Tumor Symposium"

Inclusive Healthcare

Improving the accessibility and affordability of pharmaceuticals is the core embodiment of our social responsibility. By actively incorporating innovative drugs into the national medical insurance catalog, launching patient assistance programs, and steadily expanding overseas markets, we have reduced patients' medication burden through multiple approaches, enabling innovative therapies to benefit more people in need more promptly.

Medical Insurance Catalog

The Group strictly abides by the relevant national drug price management policies, fully considers patient affordability and regional economic differences in the pricing process, and implements a fair and transparent price formation mechanism through standardized tendering and procurement procedures. As of the end of the Reporting Period, more than 46 products of the Group have been included in the National Reimbursement Drug List, covering various therapeutic areas such as oncology, cardiovascular and cerebrovascular, and anti-infection.

At the same time, we actively respond to and participate in the centralized procurement of drugs organized by the state, comply with relevant policy documents such as the *Pilot Plan for Centralized Procurement of Drugs Organized by the Central Government*, and are committed to protecting the health of more patients. In 2025, 9 drugs were included in the national centralized procurement list, including XINBIQI®, JIELIEN® and AIJIEWEI®.

As of the end of the Reporting Period

more than **46**

products have been included in the national medical insurance catalog

In 2025

9

drugs of the Group, including XINBIQI®, JIELIEN® and AIJIEWEI®

Suvisexumab for Injection Officially Included in the Medical Insurance Catalog

In December 2025, China's first innovative macromolecular anti-VEGF drug with platinum-resistant ovarian cancer indications for the whole population-suvisexumab for injection was officially included in the *National Basic Medical Insurance, Work Injury Insurance and Maternity Insurance Drug Catelogue (2025)*, each price dropped to RMB 2,218, with a price reduction of about 62%.

Recombinant human endostatin injection has also been successfully transferred from the negotiated drug list during the agreement period to the medical insurance routine drug list, which will further consolidate drug accessibility and benefit a wider patient group.

With a price reduction of about

62%

Benefiting Overseas Patients

In terms of overseas business expansion, the Group will continue to deepen its international layout, formulate differentiated expansion strategies for key markets such as the United States, Europe, Japan and Southeast Asia, accelerate the global R&D and launch of products, and steadily promote the development of international business. In 2025, we actively promoted the pre-launch preparation of the innovative drug Sanbexin in Southeast Asia, and held the second academic exchange visit of stroke experts in Southeast Asia, building a professional bridge for in-depth exchanges and experience sharing between Chinese and foreign medical experts. At the same time, we successfully completed the patient compassionate medication research project of Sanbexin injection in the Philippines, and accumulated clinical data and experience of Sanbexin in the treatment of local patients with acute ischemic stroke.

The Group adheres to the clinical value and patient needs as the guide to promote the internationalization process, and continues to strengthen its clinical research, registration application and market access capabilities worldwide. In the future, on the basis of continuing to deepen the Southeast Asian market, we will actively deploy emerging markets such as the Eurasian Economic Union (EAEU), and leverage the advantages of regional drug mutual recognition policies to promote products to achieve the goal of "one-place access and multi-regional coverage". Accelerate the global accessibility of innovative drugs, so that the company's innovative drugs can benefit more patients in need around the world faster.

Key Progress in Overseas Registration and Listing of Innovative Drugs

In 2025, we steadily advanced the new drug registration filings for our patented innovative drug Sanbexin®, comprising both the injection and sublingual tablet formulations, in the Philippines, Indonesia, and Malaysia, accelerating market access across Southeast Asia. We also continued to consolidate our generic drug presence in overseas markets, including Diosmectite for the treatment of diarrhea, already marketed in France, and Edaravone Injection for the relief of symptoms associated with acute ischemic stroke, marketed in the Philippines. In addition, our patented drug Daridorexant tablets, marketed internationally as QUVIVIQ®, was successfully launched in Hong Kong, further strengthening our innovative drug portfolio in overseas markets.

03

Putting Patients First

The Group integrates high-standard quality management into the entire drug life cycle, and by building a rigorous quality and risk prevention and control system, practicing responsible marketing philosophy, and continuously listening to and responding to customer needs, to provide patients with safe, effective and trustworthy medicines and services, and build a solid foundation for protecting health.

In 2025

Received external audits and inspections

41 times

Received inspection by regulatory authorities

19 times

The coverage rate of production quality training

100%

The average learning time of market training

43.77 hours

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Quality Control

The Group upholds the quality policy of "the Best Products, the Pursuit of Excellence," always puts product quality as the first priority, and is committed to building a quality management and risk monitoring system covering the whole life cycle of drugs, so as to ensure product safety, effectiveness and quality control, and continuously protect the health of patients.

Quality System

We strictly comply with the *Drug Administration Law of the People's Republic of China* and the *Good Manufacturing Practice for Pharmaceutical Products*. With the *Tracking for Revision of Current Regulations, Standards and Guidelines* as our foundation, we have built a comprehensive quality management policies system spanning every stage from R&D through to commercialization, with clearly defined processes and objectives to ensure both compliance and best-in-class standards. In terms of organizational structure, we have established a quality management system led by the General Manager as the highest-level authority, with a dedicated Quality Officer reporting directly to the General Manager to oversee and coordinate all quality-related matters. We operate six pharmaceutical manufacturing bases in China, with fully integrated active pharmaceutical ingredient and formulation capabilities covering late-stage development and commercial production of both large-molecule and small-molecule drugs, all managed to international high standards. We have actively pursued quality management system certification, and in 2025, Simcere Pharmaceutical, Jiangsu Xiansheng, and Hainan Simcere obtained ISO 9001:2015 certification, bringing our certification coverage rate to 50%.

In 2025

Simcere Pharmaceutical, Jiangsu Xiansheng, and Hainan Simcere

obtained ISO 9001:2015 certification

bringing our certification coverage rate to

50%

Simcere Pharmaceutical Quality Management System Certification

Hainan Simcere Quality Management System Supervision Re-recognition Certification

The Group formulates an annual self-inspection plan and carries out comprehensive quality internal audit and self-inspection in accordance with the *Standard Operating Procedures for Self-inspection*. In 2025, the Group carried out a total of 39 internal quality audits and special self-inspections, and all questionable items have been rectified, forming an effective closed loop of self-supervision and continuous improvement. At the same time, the Group actively accepted and successfully passed various external audits and inspections from national and local drug regulatory authorities, international regulatory authorities such as US FDA, EU QP, Malaysian NPRA (PIC/S) and Mexican CPQ, as well as third-party certification bodies, partners and customers, and received a total of 41 external audits and inspections throughout the year, of which 19 were inspected by regulatory authorities, all of which have completed systematic rectification and passed review, which fully reflects the soundness of the Group's quality management system and international compliance level.

In 2025

Received external audits and inspections

41 times

Received inspection by regulatory authorities

19 times

Quality Control

The Group has continuously deepened quality management, established a full-process quality management system from R&D, production to post-marketing through refined process control, established a comprehensive quality risk early warning mechanism, and improved quality management with the help of drug traceability and pharmacovigilance systems throughout the whole life cycle. During the Reporting Period, the Group did not have any major quality accidents to ensure the safety and reliability of its products.

In risk management, the Group has established systems such as the *Quality Risk Management System*, and the *Post-marketing Risks Management Plan (RMP)* in accordance with the *Guidelines for Quality Risk Management*, to form a full-process system covering risk identification, analysis, evaluation, control and review, and set up a quality management and risk management activity group to carry out systematic assessment and management of quality risks.

R&D Quality

In accordance with the latest edition of the *Pharmacopoeia of the People's Republic of China*, the Group systematically promoted the process upgrade of the R&D and quality assurance system, revised the quality documents of materials, raw and auxiliary materials, packaging materials and finished products, and improved the whole life cycle management of materials covering procurement, acceptance, storage, distribution and expiration date management. In risk management, the Group analyzes the severity, occurrence frequency and detectability of risks from risk identification, formal assessment, risk rating, formulation of control measures, supervision and implementation of closed-loop management. For specific high-risk links, we formulated special control measures, formulated a complete process of toxin-linker management, pilot production, personnel safety protection and waste treatment for the pilot production of antibody conjugate drugs (ADCs), systematically upgraded the management system and supporting SOPs for special equipment and hazardous chemicals, and strengthened the control of the whole process of procurement, storage, use and waste of hazardous chemicals. In addition, the Group has strengthened the standardized management of the whole process of experimental records and protocols to ensure the integrity and traceability of R&D data.

Production Quality

We strictly implement the *Good Manufacturing Practice* and all relevant laws and regulations, and have established the *Quality Manual* applicable to all employees. The manual sets out clear production quality objectives: a 100% out-of-factory product qualification rate, zero major drug safety incidents, and a 100% customer complaint resolution rate. These objectives are embedded in the performance assessments of all employees, and key quality indicators are directly linked to the remuneration of management personnel, enabling precise accountability for product quality at every level. During the Reporting Period, the Group revised 25 production quality management systems, including the *Standard Operating Procedures for Quality Control in Production Process,* covering the whole process of supplier management, material control, production process, product inspection and release, to meet the quality control standards.

In accordance with the *Guidelines for Quality Risk Management of Different Medicinal Products in Shared Facilities* and the *Management Procedures for Risk Assessment of Multi-variety Different Medicinal Products in Shared Facilities*, the Group systematically upgraded and reviewed the risk assessment of different medicinal products in shared facilities in various major production workshops, and adopted cross-contamination control strategies to strengthen risk analysis and preventive measures at various nodes such as personnel, materials, equipment and environment to reduce risks in production.

In 2025, all production quality targets have been achieved

The out-of-factory product qualification rate is

100%

The number of major drug safety incidents is

0

The customer complaint resolution rate is

100%

In terms of material management, the Group strictly reviewed the quality of pharmaceutical raw materials and strengthened supplier management, updated the *Material Testing Strategy Management Process*, focused on identification and safety testing, and strengthened the testing of excipients, inner packaging materials and production media. We procure all materials from qualified suppliers and conduct on-site quality audits of critical material suppliers. For animal-derived materials, we commission third-party inspections to ensure that no foreign virus is introduced.

The Group takes intelligent manufacturing and equipment upgrading as the path to improve production quality. By promoting the automation upgrade of production lines and widely applying Distributed Control System (DCS), Safety Instrumented System (SIS) and other automated control systems in key processes, real-time monitoring, chain protection and precise regulation of the whole production process have been realized. While improving efficiency, the risk of human error is reduced, and the risk of product defects and quality is systematically reduced. At the same time, the Group has established the *Equipment Maintenance and Overhaul Management Procedures* to manage equipment maintenance in different levels and carry out maintenance according to the planned cycle, so as to reduce the risks caused by equipment damage during production.

The Group conducts preventive tests on possible quality or safety issues to ensure product compliance and safety. During the year, we launched the Laboratory Information Management System (LIMS) to realize the digital control of the whole inspection process. The Group has established a quality control system, equipped with fully qualified testing instruments, and strictly implemented standardized sampling and inspection procedures to ensure the accuracy and standardization of testing. At the same time, we strengthened the capacity building of testing personnel, participated in external testing capability evaluation activities and all obtained "satisfactory" results, and maintained the advanced level of testing capabilities in the industry.

Operation and Transportation

The Group strictly follows the *Good Supply Practice for Drugs*, revises the *Drug Maintenance Procedures*, the *Drug Delivery Review Procedure* and other management standards, and optimizes the temperature and humidity monitoring and warehousing management system to ensure the quality of products in the operation process.

In terms of transportation management, the Group focused on strengthening the management and control of the cold chain transportation process, updated the *Operation Procedures for the Shipping of Refrigerated Drugs*, standardized the operation procedures of cold chain transportation, clarified the inspection requirements for the appearance, temperature and ice storage of incubators, and implemented strict standard acceptance procedures for returned drugs to achieve traceability and recordability throughout the transportation process. At the same time, we strictly implemented the *Carrier Management System*, systematically strengthened the authority control over warehousing management WMS, transportation management TMS and business system ERP, and standardized transportation operations and carrier behaviors. We conducted qualification audits and annual on-site audits for suppliers and carriers, and completed 4 on-site audits of carriers during the year, with the audit coverage rate of 100%.

In 2025

We completed

4

on-site audits of carriers

with the audit coverage rate of

100%

Pharmacovigilance (PV)

The Group always prioritizes patient medication safety, and has built and improved a pharmacovigilance management system covering the whole life cycle of drugs in accordance with the requirements of existing laws and regulations such as the *Good Pharmacovigilance Practice.* During the Reporting Period, the Group revised eight internal systems, including *Post-marketing Safety Monitoring and Signal Management of Drugs*, to actively identify and manage drug safety risks through systematic monitoring, evaluation and control. In terms of management structure, the Group has established a Drug Safety Committee, which is responsible for the research and judgment of major safety risks, decision-making and guidance on emergency handling, and a specialized pharmacovigilance department has been set up to ensure the strategic, authoritative and effective pharmacovigilance work.

The Group has established a pharmacovigilance risk management mechanism covering R&D and post-marketing to achieve proactive risk identification and closed-loop management. During the research and development period, we formulated the *Safety Surveillance Plan* (SSP) prior to the first human trial, dynamically aggregated, analyzed and reported safety data, and regularly updated the *Developmental Risk Management Plan* (dRMP) to support the communication of new drug clinical trial applications (INDs) with regulators. In the post-marketing phase, we extensively collect adverse event reports, identify drug safety information by differentiated literature search, and use multivariate analysis to detect, verify and rank safety signals for risk assessment.

We continuously improved our adverse reaction reporting and collection system, strengthening proactive collection for new product characteristics on top of our existing 24-hour PV online mini-program, PV public mailbox, and Group official website. In the current year, following the launch of our new insomnia drug Daridorexant (QUVIVIQ®), we promptly optimized our 400-hotline service, provided safety information training to call-handling staff, and conducted follow-up visits with consumers to collect effective patient-end reports more comprehensively and in a timely manner.

The Group actively applies digital and intelligent technologies to improve the efficiency and quality of pharmacovigilance work. During the Reporting Period, the Group launched an intelligent literature retrieval platform integrating AI capabilities to realize automatic tracking, accurate screening and efficient management of massive medical documents, which greatly enhanced the breadth and depth of security information monitoring. At the same time, the Group's drug safety database (Argus system) successfully realized the electronic (E2B R3 standard) direct reporting to the US FDA Gateway, marking a new height in international reporting capabilities and laying a solid foundation for global clinical trials and product post-marketing safety data declaration

The Group attaches great importance to and continuously strengthens the compliance and effectiveness of the pharmacovigilance system, insists on carrying out strict internal audits, systematically evaluates the system files, key activities and past rectification, and actively accepts external regulatory review. During the Reporting Period, the Group conducted a comprehensive internal audit of pharmacovigilance in accordance with the annual plan, and underwent two special inspections of pharmacovigilance (GVP) by regulatory authorities, and no major defects were found.

The Group is committed to improving the drug safety literacy of all employees, and regularly conducts systematic training for new employees and on-the-job employees. During the Reporting Period, the Company carried out compulsory training and assessment on "Reporting Responsibilities of Drug Safety Information" for all employees, with a coverage rate of 98.70%, to strengthen employees' compliance awareness and reporting ability. For the launch of Daridorexant (QUVIVIQ®), we delivered dedicated training sessions to all sales personnel, covering product safety information as well as the procedures and channels for reporting adverse drug reactions. At the same time, we expanded both the depth and breadth of our professional training by inviting industry experts to share insights on cutting-edge topics such as the intelligent transformation of pharmacovigilance. We also facilitated discussions on AI tool applications and lifecycle risk management practices, continuously enhancing our team's professional judgment and industry influence.

QUVIVIQ Drug Safety Information Reporting Special Training

Adverse Reaction (Event) Monitoring Capability Improvement Training Course

Product Recall

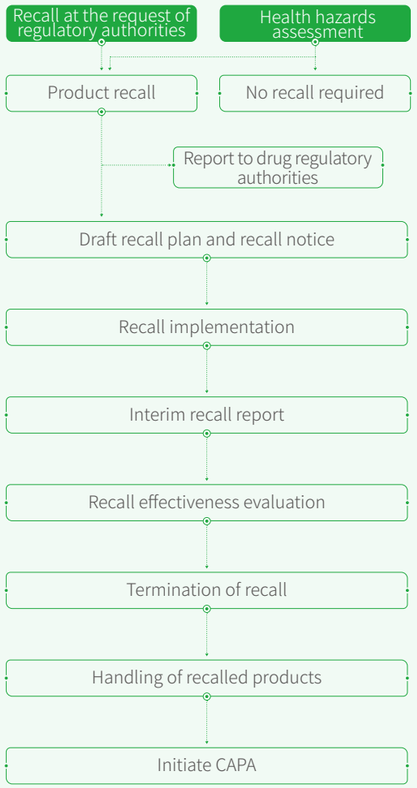
In compliance with the *Measures for Drug Recall Management* and other laws and regulations, the Group has formulated the *Product Recall Management Procedures* and the *Drug Traceability Management System*, established a comprehensive information-based traceability system, and clarified the responsibilities, grading and decision-making process of relevant personnel for possible product recall incidents, so as to ensure the orderly and rapid execution of recall actions. During the Reporting Period, the Group recorded no product recall due to quality problems.

To ensure full end-to-end product traceability, we apply the "Drug Code Trace" traceability code to all of our products. Both our internal staff and consumers can verify product authenticity by scanning the drug traceability code or logging into the Drug Code Trace system.

The Group is committed to taking responsibility for the safety of its marketed products, has established an efficient and reliable product recall mechanism, and standardized the disposal procedures of unqualified drugs to ensure that drugs withdrawn from circulation or not meeting standards for any reason can be effectively controlled and disposed of in compliance with regulations, so as to ensure the safety of patients' medication.

The Group attaches great importance to the drill of emergency plans, and fully tests the feasibility and effectiveness of the recall process. During the Reporting Period, the Group completed 8 recall drills for various products such as RUIFUSHU®, Enweida®, ENZESHU®, and comprehensively tested the response capability of the whole process from start-up, notification, recall to communication, and recorded it to form an analysis report to ensure that each enterprise can quickly and effectively carry out emergency response in case of product safety emergencies.

Product Recall Process



In 2025

The Group completed

8

recall drills for various products

Quality Culture

The Group is committed to building a systematic and immersive quality cultural ecosystem, and continuously enhances the quality compliance awareness of all employees through various forms such as layered training, management leadership, thematic practice and team co-creation.

On-the-Job GMP Training

In terms of training system construction, we designed differentiated courses for management, front-line personnel, new employees and key positions every year, achieving 100% full coverage, with an average training duration of 29.48 hours per employee. For new employees, the Group organized 1,219 new employees to study compulsory courses such as "GSP and Related Regulations" online, with a cumulative duration of over 1,591 hours, thus establishing a strong quality control for onboarding. For all production quality personnel, six sessions of in-depth GMP training were organized to systematically benchmark international advanced regulations and comprehensively strengthen the compliance enforcement capability, with a training coverage rate of 100%. For the management, after the person in charge of the enterprise passed the legal popularization assessment by the drug regulatory department, the Group immediately transformed internally and organized 20 managers to conduct closed-book regulatory examinations to strengthen quality leadership.

The Group designates September every year as "Quality Month" to stimulate the enthusiasm of all employees to participate with a variety of themed activities. Each subsidiary of the Group organized dozens of activities in various forms, such as knowledge competitions, skills competitions, fun challenges on "quality stalls", practical combat on quality "finding faults" and special seminars on international laws and regulations, focusing on the themes of "building foundations and strengthening chains driven by digital intelligence" and "quality and quantity go hand in hand", which greatly enhanced the enthusiasm and ability of employees to participate in quality management. At the same time, the Group participated in the 47th National QC Technical Research Group Presentation and Exchange Conference during Quality Month, and won a number of awards, forming a benign cultural atmosphere of "everyone values quality and everyone improves quality".

Quality Finding Faults Campaign

Special Training on International Regulations

Quality-related Awards of the Group in 2025

In 2025

2025 National Pharmaceutical Industry QC Group Presentation and Exchange Conference	2025 Jiangsu Pharmaceutical Industry QC Group Presentation and Exchange Conference	2025 Nanjing Pharmaceutical Industry QC Group Presentation and Exchange Conference
2 National First Prizes	**2 First Prizes in Jiangsu Province**	**4 Nanjing Excellence Awards and 1 written publication result**

Certificates of Award

The 46th Pharmaceutical Industry Quality Management (QC) Group Results Presentation and Exchange Meeting

Service Assurance

The Group is committed to building a professional and reliable high-quality service system, ensuring that all market activities are authentic and compliant through strict marketing regulations and audit supervision mechanisms, and actively expanding health services with the help of digital innovation to accurately respond to patients' needs. At the same time, we continuously optimize customer communication and complaint handling processes, continuously improve service experience and patient satisfaction with professional and closed-loop management, and earnestly fulfill our commitment to each user.

Responsible Marketing

In strict compliance with the *Drug Administration Law of the People's Republic of China*, the *Advertising Law of the People's Republic of China* and other laws and regulations, the Group has formulated the *Management Measures for Compliance Points of Sales Personnel in Marketing System*, the *Management Regulations for High-Quality Academic Conferences*, the *Academic Visit System* and the *Academic Project Management System*, and systematically standardized the whole process management of academic promotion activities in the marketing system, strengthened the authenticity and effectiveness of marketing from the source, and ensured the delivery of scientific and accurate product information to medical professionals and the public.

We have clearly defined five "zero-tolerance" compliance red lines—false fees, false sales, cash rebates, part-time employees and failure to meet the standards of compliance training. For all sales employees, we have established a comprehensive points-based management system with corresponding incentives and disciplinary measures, directly linking compliance performance to individual evaluations, awards, and promotions to proactively drive a culture of compliance. During the Reporting Period, the Group recorded no violations related to product labeling or marketing.

Marketing Audit and Supervision

For the marketing promotion plan and sales process, the Group has established a regular supervision and review mechanism, carried out special internal and external audits from time to time, and conducted management evaluation on sales personnel, sales projects, outsourced marketing teams and suppliers to safeguard responsible marketing strategy.

The Group has established a systematic and normalized marketing audit and supervision system, and annually conducts independent compliance review and evaluation on the whole process of marketing promotion and sales through a multi-level supervision and review mechanism to provide systematic guarantee for responsible marketing.

Marketing Audit Management for the Year

Normalized Unannounced Inspection	For marketing activities such as academic events, we conduct both internal and external inspections through a combination of online and offline methods. Internal unannounced inspections are jointly carried out by multiple departments across the Group, while external unannounced inspections are commissioned to third parties on a regular basis, together ensuring the authenticity and compliance of all marketing activities.
Special Internal Audit	We systematically conduct targeted internal audits of key marketing risk areas, performing in-depth reviews and ongoing assessments of sales conduct, project execution, and supplier partnerships. In 2025, we carried out an authenticity audit of purchase, sales and inventory flows, an audit of tripartite cooperation projects within the marketing system, a tripartite meeting audit, a marketing expenses audit, and a dedicated study on sales volume recognition standards.

Marketing Training

The Group aims to enhance employees' awareness of responsible marketing and compliance capabilities, and fully empowers the marketing team through regular and systematic training, covering all business divisions and product marketing departments, with a 100% employee participation rate. In 2025, the Group carried out a series of multi-dimensional and hierarchical training sessions focusing on key areas such as management strategy and leadership improvement, professional skills of marketing and medical teams, interpretation of laws on pharmaceutical advertising and consumer protection and advertising compliance, engaging with an aggregate of over 4,800 participants, with an average learning time of 43.77 hours per employee and a total learning time of over 210,300 hours.

In 2025

Employee participation rate of responsible marketing training	engaging with an aggregate of over	average learning time per employee	total learning time exceeds
100%	**4,800** participants	**43.77** hours	**210,300** hours

Medical Market Training

Marketing Basic Class

Digital Marketing

The Group continued to deepen its digital marketing strategy, focusing on "adhering to users first," and built a global marketing closed-loop through tripartite collaboration with mainstream Internet platforms and chain pharmacies. With the help of AI and big data, we explored new digital marketing routes and made breakthroughs in marketing channels, marketing innovation and patient services. We leveraged digital infrastructure to strengthen medication management and knowledge popularization for chronic diseases such as rheumatoid diseases; By strengthening cooperation with self-operated pharmacies on the platform, the brand accessibility and penetration rate on the consumer side were significantly improved, and the online business of core products achieved rapid growth.

"Qingdao International Beer Festival" Innovative Scenario Marketing

New retail big data analysis revealed a high overlap between users profiled as "hotel consumers with beer preferences" and those with demand for gastrointestinal and joint health products. Seizing this opportunity, during the 2025 Qingdao International Beer Festival, we developed an integrated health support network centered on XINBIQI® and Antine® to address common visitor health concerns such as diarrhea and gout. The initiative brought together event title sponsorship, online outreach, on-site health stations, and coordinated pharmacy chain partnerships into a seamless, multi-layered service model. Over the 30-day event, we delivered accessible health consultations and medication services to more than 6 million visitors, embedding healthcare support naturally into a popular leisure setting and bringing our brand values to life while actively fulfilling our social responsibilities.

XINBIQI® and Antine® Health Post

QUVIVIQ Reshapes Insomnia Health Management Through Digitalization

In September 2025, we partnered with Alibaba Health in a strategic online launch collaboration for our innovative new anti-insomnia drug QUVIVIQ® (daridorexant), co-building an online "Sleep Disease Center," working alongside clinical experts to promote public education on sleep health, and establishing a one-stop solution spanning from medical consultation and medication access through to recovery follow-up. We also rapidly expanded our presence across O2O platforms including Meituan, Taobao Flash Shopping, and JD.com Express Delivery, covering over 300 cities nationwide and more than 5,000 24-hour pharmacies within one month of QUVIVIQ®'s launch, ensuring patients' urgent medication needs were met. For regions with limited accessibility, we drove the listing of the drug in self-operated pharmacies on platforms such as Alibaba and JD.com, ensuring that patients across the country could receive their medication within 30 minutes to two days. Post-launch user research showed that QUVIVIQ® received a 93% patient satisfaction rate and quickly topped JD.com's sleep disorder bestseller list, validating the success of our "professional service + convenient accessibility" model.

Customer Service

The Group has always adhered to "the patient-centered service" philosophy and prioritized meeting the needs of users and enhancing customer experience and satisfaction. By continuously optimizing our communication mechanism, strengthening our professional capabilities and handling feedback efficiently, we ensure that we provide timely, professional and warm services to our customers.

Customer Communication

To ensure the quality and efficiency of communication, the Group has systematically improved the customer communication system in accordance with internal regulations such as the *Quality Inquiry Management System* and the *Customer Service Hotline Handling Procedure*. During the year, we focused on deepening the construction of communication mechanisms, and the main measures and achievements are as follows:

Customer Communication Construction in 2025

Fast Response

- Quick response communication groups have been established in each product business line to ensure that when customer service staff encounter difficult questions that cannot be answered in real time, they can connect with internal experts in medicine, marketing and other fields for professional guidance at the first time, so as to give customers the most accurate answer.

Speech Standardization

- An annual update mechanism for speech techniques has been established, and all standard speech techniques need to be jointly reviewed and approved by medical, marketing, legal and pharmacovigilance departments to ensure the professionalism and compliance of information transmission.

Service Specialization

- The customer service staff are all licensed pharmacists. In addition to completing the required annual continuing education, they also regularly update their product knowledge through internal platforms such as "Simcere e-Course", and receive continuous adverse drug reaction and pharmacovigilance training to maintain a high standard of professionalism.
- For our new product, Daridorexant, we innovatively introduced a 24-hours third-party call handling service to provide seamless, round-the-clock support. To optimize resource allocation, the service was adjusted effective December 15, 2025, to operate during business hours, with an emergency contact line available outside working hours and on holidays, ensuring that customer needs continue to be addressed promptly.

In 2025

The Group's customer service team handled a total of customer inquiries

4,094

maintained the response rate of

100%

Customer Complaints

The Group strictly abides by the *Quality Complaint Handling Procedures* and *Quality Complaint Handling Procedure* and other regulations, has established diversified and smooth complaint feedback channels, and is committed to handling every complaint promptly and properly in a closed loop. Our complaint handling personnel are professionally trained to quickly identify and classify problems. After the complaint is accepted, a professional will immediately intervene in the investigation and form a written report and solution to ensure the rigorous and traceable handling process. At the same time, all drug complaints are synchronized to Group executives, factories and PV in the form of quarterly quality reports to promote cross-departmental synergy and improvement. In 2025, the Group received a total of 137 complaints from patients and customers, all of which were properly handled.

04

Growing Together with Our People

The Group adheres to the concept of collaborative progress between employees and enterprises, and constantly invests in the improvement of employees' well-being and career development support. We build a growth and development platform for each employee, unlock their potential, and provide high-quality resource support, an inclusive working atmosphere, and a safe and healthy working environment, so as to achieve two-way empowerment between talents and enterprises.

In 2025

The proportion of female employees

52.17%

The percentage of female employees in management position

50.24%

Average score of employee satisfaction survey

4.56

Average training hours per employee reached approximately

39.34 hours

Human Capital

The Group firmly believes that every employee has unlimited potential and creativity. To support global business expansion, the Group continues to develop its talent management system, strives to build an organizational platform for gathering and retaining professional talents, and takes safeguarding the well-being of employees as the core support to strengthen the Group's long-term competitive advantages.

Diversity and Equality

To deepen the values of diversity, equality and inclusiveness, the Group optimized the system design and support system in all aspects, and was committed to creating a workplace that was free from prejudice and enjoyed fair opportunities for everyone.

Diversity and Equality

In strict compliance with relevant laws and regulations such as the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*, the Group has formulated and continuously improved internal documents such as the *Employee Handbook (Trial),* the *Eleven Principles of Simcere Management*, the *Compilation of Hospital Marketing Human Resources Work Manual* and the *Manager Management Work Manual*. During the entire process of recruitment and employment, we specifically prohibit any discrimination based on gender, age, religious belief, ethnicity, family status or health status, and strictly prohibit the employment of child labor and any form of forced labor, so as to effectively protect labor rights and interests from the institutional level. During the Reporting Period, the Group did not have any incidents involving child labor or forced labor.

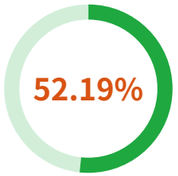
We adhere to the principle of "equal employment", and all recruitment and hiring decisions are strictly based on the qualifications, experience and skills required for the position. We promise not to adopt any discriminatory screening criteria that are irrelevant to job requirements, adopt a zero-tolerance attitude towards discrimination, harassment, and infringement of employee privacy, and strictly abide by the provisions of laws and regulations on social security and holiday protection. The Group has set clear employee diversity objectives and established an annual tracking, monitoring and evaluation mechanism. As of the end of the Reporting Period, the relevant targets had been achieved, and the Group had 13 employees with disabilities and 356 employees from ethnic minorities.

Employee Diversity Goals and Progress

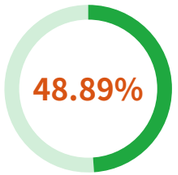
Target	Completion Status	Target	Completion Status
The percentage of female employees is not less than	The percentage of female employees is	The percentage of female employees among middle- and senior-level managers is no less than	The percentage of female middle- and senior-level managers is
50%	52.17%	35%	44.65%

Employee Diversity Performance

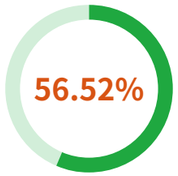
Percentage of female employees in management position



Percentage of female employees in junior management positions



Percentage of female employees in revenue-generating functions



Percentage of female employees in STEM-related positions

In internal talent development and promotion, we also implement the concept of diversity and equality, pay attention to the diversified combination of managers and key talents in terms of age, background and experience, and provide all employees with fair growth opportunities through mechanisms such as job rotation and cross-field development, so as to continuously build an inclusive and active organizational environment.

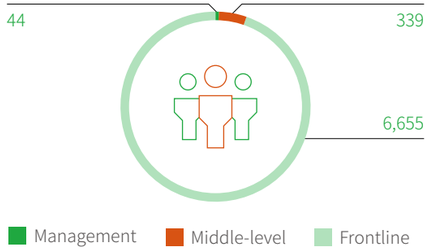
As of the end of the Reporting Period, the Group had a total of 7,038 full-time employees. Among them, 7,018 were regular contract employees and 20 were rehired retirees.

As of the end of the Reporting Period

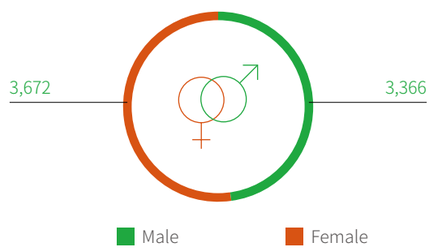
The Group had a total of	Among them	
7,038	7,018	20
full-time employees	regular contract employees	rehired retirees

Overview of Employee Composition of the Group in 2025

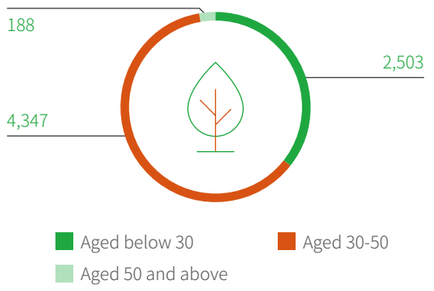
Number of employees by rank Unit: Persons



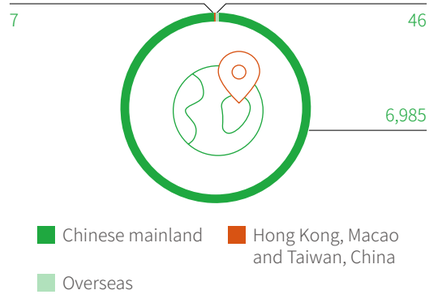
Number of employees by gender Unit: Persons



Number of employees by age Unit: Persons



Number of employees by region Unit: Persons



Employee Turnover Rate of the Group in 2025

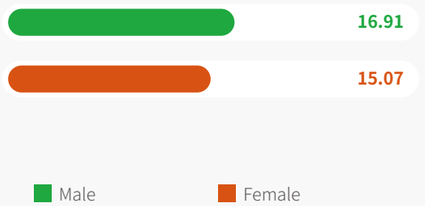
Total employee turnover rate

15.97%

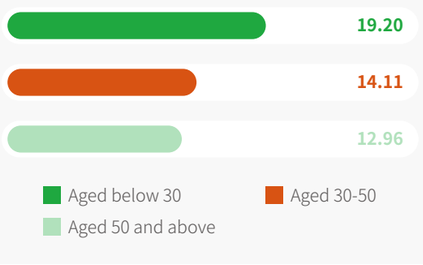
Voluntary employee turnover rate

8.54%

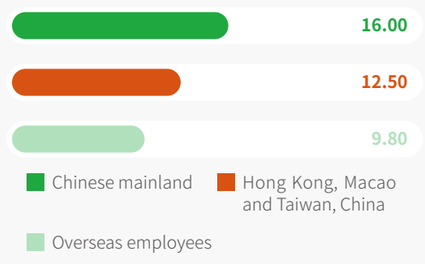
Employee turnover rate by gender Unit: %



Employee turnover rate by age Unit: %



Employee turnover rate by region Unit: %



Intergenerational Leadership Course Helps Diverse Team Building

In 2025, we introduced the Intergenerational Leadership program, focusing on employee differences across diverse dimensions such as age and background. By examining generational characteristics and applying personalized communication and management approaches, we helped managers enhance their leadership effectiveness in diverse teams. We delivered the program through a blended "offline enablement + online coverage" model: offline, we ran six sessions within initiatives such as the Management Optimization Workshop and the Marketing New Managers Program, reaching over 150 core managers and high-potential talent; online, we made the course available to all employees through the Simcere e-Course, accumulating over 1,000 participant attendances. The program effectively deepened mutual understanding among employees of different generations and backgrounds, fostered an inclusive and collaborative team culture, and supported the development of the Group's diverse talent pipeline.

Group Photo of Offline Class on Intergenerational Leadership

Cross-cultural Understanding Training Promotes Diversity and Collaboration

In the fourth quarter of 2025, the Group conducted special training on cultural differences between Europe, America and Southeast Asia. By analyzing cultural concepts, living habits and communication styles in different regions, the course helps employees to deeply understand the differences in thinking and behavior in multi-cultural contexts. The training enhances employees' ability to adapt and collaborate in cross-cultural scenarios, provides important cultural support for the Group's international certification and global business expansion, and creates an inclusive and collaborative diverse organizational atmosphere.

Intercultural Difference Understanding Training

Employee Communication

The Group has established a two-way communication mechanism and a multi-channel and systematic feedback mechanism to widely absorb the opinions of employees. We listen to the voices of employees through daily communication, regular activities, special hotlines, satisfaction surveys and formal complaint channels to continuously improve the effectiveness of organizational communication.

Communication Channels of the Group

Channel Type	Form and Mechanism	Implementation Status
Executives at the frontline	We have made the "Executives at the Frontline" face-to-face program a regular practice, engaging in direct dialogue with frontline employees through discussions, interviews, and other interactive formats.	We had senior executives, including the chairman and president, go directly to the frontline on multiple occasions, conducting interviews with 638 employees and establishing a direct dialogue bridge, enabling management to effectively listen to employee voices and accurately grasp the real situation of the organization and business.
All-staff meeting	We hold periodic company-wide meetings for all employees and management, facilitating open discussion and communication on topics including strategy, operations, business development, and talent.	We held three large-scale meetings in total, reaching over 8,000 participants, promoting strategic alignment and organizational communication, effectively conveying the Group's direction, and enhancing employees' sense of participation and organizational cohesion.
Employee hotline	We maintain a dual-channel support system encompassing a service hotline and an Enterprise WeChat platform, through which employees can submit a wide range of requests, including inquiries, complaints, requests for assistance, suggestions, and reports.	We ensured that personnel responsible for the employee hotline strictly followed the *Employee Support Service Hotline Management* Regulations in all follow-up and handling, and seriously investigated any violations of confidentiality principles, thereby ensuring that employees' day-to-day concerns were responded to in a timely manner and resolved through a closed-loop process.

The Group has zero tolerance for malicious behaviors such as discrimination and harassment. To ensure the smooth flow of employee feedback and complaint channels on human resources-related issues, we have set up an exclusive complaint email for CEO and compliance on our official website, and opened a special complaint and reporting process on our internal OA platform. At the same time, the chairman's mailbox serves as an important supplementary channel to receive direct email feedback from employees to the chairman, senior management and the Party Committee. All complaints and whistleblowing clues are received and preliminarily judged by the Group Office, and then transferred to the Compliance Audit Department, Human Resources Department and other responsible departments for handling. Relevant cases are generally handled within one week, and the feedback is completed within one month. Based on the above official complaint and reporting channels, the Group clearly stipulates through the *Employee Handbook (Trial)* and other systems that all complaints and whistleblowing information are strictly confidential, and any organization or individual is prohibited from retaliating or discriminating against relevant employees.

The Group attaches great importance to employee satisfaction and engagement, and regularly conducts systematic surveys through anonymous questionnaires every year. In 2025, the Group conducted an engagement survey focusing on four dimensions: "Support I can get", "My dedication", "My belonging" and "My development", covering all employees. A total of 6,790 questionnaires were distributed and 6,741 were collected, of which 5,823 were valid, with a completion rate of 99.28%. The survey results showed that the employee satisfaction score was 4.56 out of 5, representing an increase of 0.05 points as compared to the previous year, demonstrating the continuous positive working atmosphere of the Group. Based on the survey results, we identified advantageous areas and points to be improved through in-depth analysis of the scores and subdivision data of each dimension, and formulated targeted improvement plans. Relevant departments have conducted special discussions and improvements around key topics, and continuously track the progress and effectiveness of improvements through quarterly reviews and periodic follow-up surveys to ensure that employee feedback is translated into practical management improvement and experience optimization.

In 2025

Number of questionnaires distributed

6,790

Number of questionnaires collected

6,741

Survey completion rate

99.28%

Employee satisfaction score

4.56

In addition, we have established a comprehensive communication and retention framework spanning the full employee lifecycle, with tailored strategies applied at each stage. We conduct structured exit interviews with departing employees, proactively engage in care and retention efforts for key talent, and provide ongoing support to campus recruits through the "Dandelion Warmth" program. For employees who have completed their probationary period, we facilitate deeper team integration and continuous growth through a range of initiatives, including management roundtables, one-on-one conversations, and welcome sessions.

Employee Communication and Support Activities of "Dandelion Warmth Meeting"

In 2025, the Group launched the "Dandelion Warmth" program for the recruited freshmen, aiming to enhance the freshmen's sense of identity and belonging to the Group through continuous interaction and care before joining. Through regular communication, information sharing and online activities, the activities maintained continuous contact with prospective employees, helped them understand the group culture, team atmosphere and job information in advance, effectively alleviated the confusion and anxiety of new students before joining the company, and laid a good foundation for subsequent team integration and talent retention.

Site of "Dandelion Warmth Meeting"

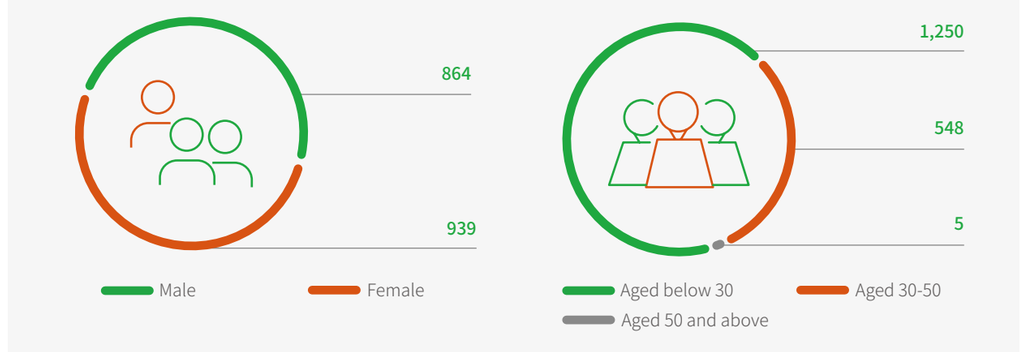
Talent Attraction and Retention

The Group recognizes the core value of talents for innovation and business development, and continues to attract outstanding talents with diverse backgrounds and professional fields. We ensure the openness and transparency of the recruitment process, support the career growth of employees, and establish a comprehensive remuneration incentive system to stimulate the potential and creativity of each employee.

Talent Recruitment

The Group strictly complies with the *Labor Law of the People's Republic of China,* the *Labor Contract Law of the People's Republic of China* and other relevant laws and regulations, and carries out recruitment work in accordance with the *Recruitment Management System*, the *Resignation Management System (Trial)*, the *Recruitment Standards and Recruitment Quality Management*, the *Talent Evaluation/Inventory Plan and Operation Guidelines* and other systems. Based on systematic talent planning and with the goal of supporting quality business growth, we coordinate and manage the total amount, structure and pace of annual talent demand, formulate a talent pipeline development strategy, carry out precise management, and integrate various channels such as campus recruitment, social recruitment and internal mobility, so as to deploy talent allocation in a forward-looking manner, which not only creates jobs for the society, but also builds a solid talent pipeline for the sustainable development of the Group. The Group actively expands diversified recruitment channels, focuses on both campus recruitment and social recruitment, and prioritizes internal talent flow. In 2025, the Group recruited 1,803 new employees, and the percentage of vacant positions filled by internal candidates was 33.35%.

Number of New Employees of the Group



Group Recruitment Channels

Channel Type	Form and Mechanism	Implementation Status
Campus recruitment	We deepen university-enterprise collaboration by signing strategic agreements, jointly build practice bases, and implement systematic recruitment initiatives to attract young talent.	In 2025, we held over **60** on-campus presentations across more than **20** key universities, participated in over **80** career fairs, and received more than **30,000** resumes in total. These efforts effectively expanded our access to high-quality university talent, building a strong pipeline of young professionals to support business growth.
Internal mobility	We adhere to the principle of "internal mobility first," leveraging mechanisms such as the "Talent Mobility Platform" to support cross-business movement and "Z-shaped" career development.	During the Reporting Period, the internal promotion rate of managers in the marketing system exceeded **75%**, which broadened the development space of employees, optimized the allocation of internal resources, and improved the efficiency of talent utilization and organizational vitality.
Social recruitment	Introduce professional talents through diversified external channels, and set up incentives such as "Talent Scout Award" to improve the internal recommendation mechanism.	In 2025, we hired over **1,000** employees through external recruitment, of which approximately **20%** were onboarded through employee referrals. This effectively met real-time business demand for key talent while expanding talent sourcing channels and enhancing recruitment quality through referrals.

Deepening University-Enterprise Cooperation to Strengthen Campus Recruitment

In 2025, the Group continued to deepen school-enterprise cooperation, signed strategic agreements with a number of key universities and jointly built practical teaching bases, establishing a two-way channel for early talent training and introduction. Based on the solid school-enterprise cooperation, the Group systematically carried out special presentations and dual selection activities covering many key colleges and universities during the autumn recruitment season, attracting a large number of high-quality talents to submit their resumes. By closely combining long-term school-enterprise cooperation with systematic campus recruitment, it not only effectively expanded the talent reserve pipeline, but also significantly enhanced the influence of employer brands among universities, injecting new strength into the sustainable development of the business.

Campus presentations at Tsinghua University and Peking University

Remuneration Performance

The Group adheres to the "performance-oriented and comprehensive remuneration concept" and continuously improves the remuneration and performance incentive system. We continuously improve the remuneration systems such as the *Annual Salary Adjustment Operation Guidelines* and the *Marketing Bonus Adjustment Operation Guidelines*, and complement the performance systems such as the *Performance Management System* and the *Performance Evaluation Operation Guidelines* to provide institutional guarantee for the standardized operation of remuneration performance management. The Group has established a fair and equitable compensation structure, comprising fixed salaries, variable bonuses, allowances, medium- to long-term incentives, and benefits. Variable bonuses, directly linked to individual and team performance, are designed to motivate employees to fully realize their potential. The Group strictly upholds the principle of equal pay for equal work; in 2025, the average salary ratio between male and female employees was 1:0.9018.

The Group regards the long-term incentive mechanism as an important part of its core talent strategy, and implements an equity incentive scheme covering all employees, mainly including high-potential managers in various business systems, core backbones in non-marketing fields such as R&D and pharmaceutical, and employees with outstanding performance in the frontline of the market, to ensure that the incentive orientation is closely aligned with the Group's sustainable development goals. As of the end of the Reporting Period, the total number of RSUs granted to employees has reached 85,492,200 shares.

In 2025

Average salary ratio between male and female employees

1:0.9018

As of the end of the Reporting Period

Total number of RSUs granted to employees

85,492,200 shares

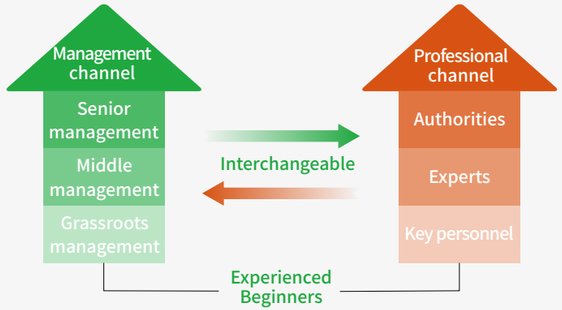
The Group has established a two-way performance management system covering all employees, including non-office and non-sales employees. Tailored to the characteristics of each business unit, the system evaluates performance across four core dimensions: business targets, customer/market position, management optimization, and organizational capability. Assessment cycles combine quarterly and annual reviews, with Personal Performance Commitments (PBC) ensuring alignment with objectives. In 2025, we further optimized the performance management process by fully implementing Continuous Feedback and Recognition (CFR) as a routine management tool. Based on evaluation outcomes, high-potential employees receive Individual Development Plans (IDPs), while employees requiring improvement are guided through formal Performance Improvement Plans (PIPs) in accordance with the *Performance Coaching and Improvement Commitment*. Fairness and developmental orientation are reinforced through cross-level audits and team review mechanisms.

Employee Promotion

Based on the systematic promotion management mechanism, the Group has formulated and continuously optimized a series of systems such as the *Headquarters Promotion Management System* and the *Succession Echelon Management System*. At the same time, we have newly formulated the *Manager Management Manual* and the *Hospital Marketing Human Resources Manual* to actively promote the rational flow and sustainable growth of internal talents through transparent and fair promotion paths, and continuously broaden the career development space.

The Group continuously strengthens its talent pipeline by formulating talent strategies aligned with corporate objectives and optimizing competency and capability development models to build a robust talent pool. By prioritizing internal talent selection, the Group identifies and positions key personnel and implements tiered succession plans to establish a systematic reserve of future leaders. This approach ensures a steady supply of talent for middle- and senior-management roles, with the retention of core talent incorporated into managerial performance evaluations. In 2025, the Group identified a total of 1,674 high-potential and high-performing employees.

Promotion Channel of the Group



During the Reporting Period, we provided employees with diversified development paths, while smoothing up internal promotion channels, systematically promoted succession training plans, and encouraged the accumulation of compound experience through job rotation and cross-departmental mobility to fully support the growth of employees.

Talent Flow and Promotion Path

Internal promotion

- We position promotion as a key element of our talent pipeline development. Guided by three core principles—business alignment and resource fit; prioritizing high performance, capability enhancement, and values demonstration; and primarily step-by-step promotion supplemented by exceptional advancement—we have established a standardized process covering nomination, assessment, review, and approval. Promotion decisions are based on a three-dimensional evaluation of performance, capability/potential, and values alignment.
- In 2025, we promoted a total of **625** employees through internal advancement in position or rank.

Succession training

- Through our "Evergreen Career" plan, we deeply integrate succession planning with the promotion system. Based on annual talent reviews, we systematically identify, develop, and retain successors according to role criticality and readiness, ensuring strong talent pipelines for key positions. During the Reporting Period, the succession coverage rate for key roles reached **70%**.
- In 2025, approximately **75%** of key position vacancies were filled by internal successors, effectively ensuring business continuity and organizational stability.

Job rotation/ cross-sector mobility

- We actively promote our "Z-shaped" development philosophy, encouraging high-potential talent and managers to gain diverse, cross-functional experience through job rotations, concurrent roles, and cross-regional assignments. This approach fosters versatile talent with a holistic perspective and avoids siloed development.
- In 2025, we engaged over **350 employees** in mobility programs, generating **more than 50** replicable "Z-shaped" development case studies that enabled talent to grow through hands-on experience.

Talent Development

The Group regards talents as the first resource for development, establishes a training system covering all levels and business systems, and customizes personalized growth plans for employees. Through comprehensive training, we continuously stimulate the potential of employees and promote the common growth of individuals and organizations.

The Group continued to optimize the training management system and formulated the *Management System of Internal and External Training for Employees*, the *Management System of Simcere E-Courses* and the *Management System of Lecturers and Courses* to standardize the development of online and offline courses and the management of lecturers. At the same time, we have formulated the *Guidelines for Research and Development External Training* and the *Guidelines for Functional External Training* to meet the needs of employees for external training. To build a robust talent pool for the future, the Group has established comprehensive specialized programs for graduate trainees, high-potential employees, and reserve cadres, viewing the growth of young talents as the driving force for the Group's development. During the Reporting Period, the Group continued to enrich its employee growth and development mechanism. Relying on talent inventory and succession planning, we systematically planned and implemented training programs covering multiple business scenarios for different levels, functions and learning forms to fully meet the diversified needs of employees for continuous learning and ability improvement.

Development of Leadership Training

Targets	Training Goals	Summary of Initiatives and Results	
Managers	Empowering managers through high-level projects, broadening strategic horizons, strengthening cross-departmental synergy and organizational leadership, and creating a core management echelon that drives sustainable business development.	• Special training camp: We organized special training camps focusing on practical topics such as strategic alignment, cross-functional collaboration, target selection, and patent strategy. Throughout the year, we engaged over 120 manager-participations, effectively supporting strategy execution. • School-Enterprise Cooperation MBA Program: We partnered with the Business School of Nanjing University to deliver customized MBA programs covering modules such as strategy and finance. These programs enhanced cross-functional collaboration and facilitated knowledge integration, empowering more than 100 mid- to senior-level managers during the year.	 Group Photo of the Training Members of the Seminar
Middle and frontline managers	Consolidate the management foundation and enhance business practice and team leadership capabilities.	• Implemented an apprenticeship-based mentorship model for frontline supervisors. This program covers management role transition, team building, and on-site standardization, enhancing the competencies of frontline managers through practical coaching and knowledge transfer. • Launched the "90-Day Transition for New Leaders", providing each new leader with three professional mentoring instructors. The direct supervisor serves as the "Business Mentor" to give feedback, while dedicated "Cultural Mentor" and "Onboarding Mentor" who provide comprehensive support in areas such as cultural value inheritance and organizational integration. Four sessions were conducted in 2025.	 New Employees Training Site
High potential employees	Establish a front-line talent pool for each business system.	• We implemented management development programs for high-potential talent pipeline candidates, including management training camps and governance enhancement workshops. Through executive mentorship, case-based learning, external benchmarking visits, and project competitions, we provided systematic capability building for future leaders while generating practical insights for management optimization, reaching over 200 participants.	 Training Project Class Photo

Training of the Group by Function Line

R&D line

- We continued to hold livestreamed knowledge-sharing initiatives such as the Yanzhihui and Qiusuo forums, inviting internal and external experts to share and discuss frontier disease topics and R&D technological breakthroughs.
- The online learning platform "Simcere e-Course" continues to enrich course resources, covering multiple professional knowledge modules from drug discovery to clinical development, providing systematic and independent learning support for R&D personnel.

Pharmaceutical line

- A series of training sessions were carried out for all employees in the system, covering GMP regulations, pharmacovigilance, data integrity, EHS (environment, health and safety) knowledge and corporate culture of the Company, etc., to ensure compliance operation and knowledge update of each position.

Marketing line

- We continued to operate digital learning projects such as "Knowledge Chat Column", focusing on business pain points and sharing best practices, and creating a normalized experience exchange platform.
- The Group carried out on-the-job sales training, pharmaceutical sales control and compliance training, and conducted a series of marketing courses and reading sharing sessions for regional managers to continuously consolidate the professional capabilities of frontline sales and regional management positions.
- Carry out training sessions on brand building, marketing strategy and new media empowerment to jointly enhance professional support capabilities.

Headquarters functional line

- Each functional department carries out training based on professional fields and business needs, such as the Legal Department jointly carries out regulations and risk prevention training with multiple departments, the Human Resources Department organizes performance management training, and the Administration Department carries out business etiquette training.

Interns and outsourcing staff

- Training for interns: actively advance talent development schemes tailored to our internship programs, providing systematic training in corporate culture, job-specific skills, and professional competence. Through mechanisms such as business scenario competitions, we rapidly assess and enhance practical capabilities, ensuring that interns integrate smoothly into business processes and achieve their personal growth goals.
- Training of outsourced personnel: systematically carry out safety education, system and process, job skills and corporate culture training to ensure that their work meets the requirements of standardization, safety and effectiveness.

Group School-Enterprise Cooperation MBA Program

In 2025, the Group cooperated with the Business School of Nanjing University to launch a customized MBA learning and development program, aiming to systematically empower key reserve managers. The project period is 12 months, 13 courses were designed around five modules, including strategy and finance, and 7 offline training sessions were carried out throughout the year. The project attracted a total of 46 formal students and 28 participants. Through systematic course learning and cross-departmental communication, the project effectively promoted the internal transformation and integration of senior management knowledge, and provided continuous support for the construction of the Group's strategic talent pipeline.

MBA Program Group Photo

"Group New Talent Training" Project

In 2025, the Group systematically built a training system for new employees covering different employment groups based on the construction of talent pipeline. A total of 11 sessions of training were carried out throughout the year, with an overall satisfaction score of 4.97, realizing the full-cycle empowerment of new employees from cultural integration, business understanding to job competence. The training carried out six special training sessions for social recruitment personnel. The marketing system focused on "fully supporting representatives and winning customers with heart", and quickly improved the job competence through modular learning of "Enterprise Day, Professional Day and Skills Day". The campus recruitment relies on the "Growth Empowerment Plan" and adopts the "4 + X" mode, covering more than 500 people, and systematically carries out cultural, business and role transformation guidance. The system significantly improved the integration efficiency of new employees and organizational recognition, and provided solid talent support for business development.

"Group New Talent Training" Activity

Special Training of AI Pioneer Group

In March 2025, Simcere Academy organized a special training for AI Pioneer Group at Shanghai Innovation Center, aiming at accelerating the implementation of the Group's artificial intelligence strategy. The training invited experts from Tsinghua University, Tencent, Huawei and other institutions to give lectures on topics such as the empowerment application of DeepSeek in the workplace and AI implementation cases in the medical and health field. A total of 112 AI pioneer trainees from the Group participated. This training helps students master the application of AI tools by combining theory with practice, providing ideas and methods for the Group's digital transformation, and at the same time deepening the foundation of industry-university-research cooperation with universities and industry benchmarks.

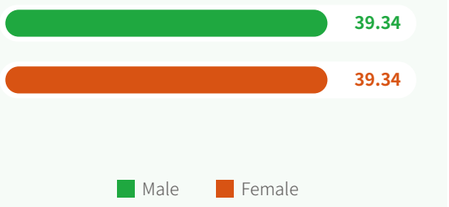
AI Pioneer Group Photo

Employee Training of the Group in 2025

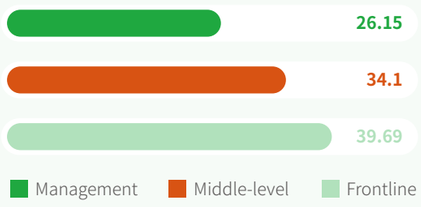
Training investment per capita

916.45 RMB

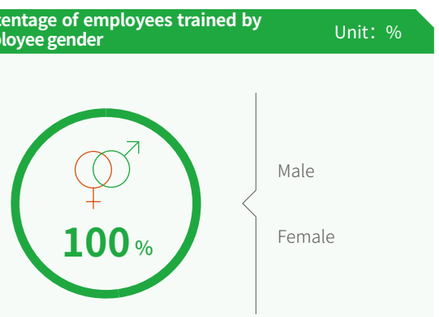
Average training hours by gender Unit: Hour(s)



Average training hours by rank Unit: Hour(s)



Percentage of employees trained by employee gender Unit: %



Percentage of employees trained by rank Unit: %

The Group is committed to building a learning-oriented organization and actively supports employees in continuous professional knowledge updating and skills development. To this end, we have established a special support mechanism for further studies, and in 2025, we have systematically created a trinity special enhancement plan of "qualification certification, skill advancement and cutting-edge research". The program covers all employees' participation in professional and technical in-depth training such as professional qualification and special operation qualification certification, clinical and GMP, as well as participation in cutting-edge industry conferences at home and abroad, aiming to support employees' compliance practice, professional improvement and horizon expansion. During the Reporting Period, the Group sponsored 247 employees to participate in various external certifications and high-end training sessions, and invested a total of RMB312,000 in related support expenses.

247

employees were sponsored to participate in various external certifications and high-end training sessions

RMB**312,000**

were invested in related support expenses

Employee Care

The Group is committed to enhancing the well-being of employees by supporting employees to achieve work-life balance and enhancing their sense of belonging and satisfaction with the organization through a sound welfare guarantee system and diversified cultural activities, so as to continuously enhance their sense of career gain and life happiness.

Employee Activities

The Group attaches great importance to employee care and corporate culture building. During the Reporting Period, it carried out diversified activities including donations to welfare homes, family days, celebrations, art festivals, children's day activities, fishing competitions, etc., which effectively enhanced team cohesion and employees' sense of belonging, so that the majority of employees could deeply feel the Group's care and organizational warmth during their participation.

Arts Festival Activities

Children's Day Activities

Tree Planting Day Activities

Fishing Competition

New Year Goods Festival Activities

Food Festival Activities

Family Day Activities

In December 2025, the Group held its annual Family Day event in Nanjing Campus, with a total of more than 160 employees and family members participating. Through an interactive form combining culture, art and sports, the activities created a warm reunion experience for employees' families, and also allowed them to understand the Group's culture and working environment more intuitively. The event enhanced employees' sense of belonging and team cohesion, and injected humanistic care and emotional motivation into the high-quality development of the enterprise.

Family Day Parent-Child Photo

Employee Welfare

The Group has established a comprehensive benefits system covering all employees, designed to support a healthy work–life balance. Building on statutory social insurance and housing provident fund contributions, we have carefully developed a range of supplementary benefits to enhance employee care, with the ultimate goal of strengthening employee engagement, cohesion, and overall well-being.

Employee Welfare System of the Group

Physical and mental health benefits

Statutory benefits
- Five insurances and one fund (endowment insurance, medical insurance, unemployment insurance, industrial injury insurance, maternity insurance and housing provident fund)
- Paid annual leave

Featured benefits
- Based on the physical examination results of employees, dynamically adjust the physical examination package every year, and provide customizable physical examination support services
- Provide traffic accident insurance and accidental injury medical insurance
- Establish and improve the psychological care and assistance plan for employees, and set up a mental health consultation room
- Provide self-purchased commercial insurance support services for employees and enjoy discounts agreed by the company
- Relying on the cooperative resources of the campus, we provide employees with personalized medication genetic testing services for cardiovascular and cerebrovascular diseases

Family benefits

Statutory benefits
- Marriage leave
- Maternity leave
- Breastfeeding leave
- Family planning leave
- Paternal care leave
- Parental leave

Featured benefits
- Regular distribution of daily medicines to all employees and additional health medicines for female employees
- Reimbursement of childcare expenses and children's medical expenses according to prescribed standards

Workplace benefits

Featured benefits
- Implement flexible working arrangements, including work-from-home arrangements for some employees
- Provide additional pay during high-temperature periods
- Offer festive gifts and birthday care
- Express delivery collection, take-out self-pickup lockers, and self-service snacks and beverages
- On-site facilities to help employees relieve fatig
- Access to sports parks, gym, football, basketball, tennis courts, rock climbing wall, table tennis, and more to enrich employees' leisure time
- Cover fuel, electricity, tolls, and parking for private vehicles used for work, improving convenience
- Ensure travel lodging meets company standards

Employee Assistance

The Group always pays attention to the actual needs of employees and has established a systematic employee assistance mechanism. Through multi-dimensional measures such as financial assistance, life care and continuous psychological support, we effectively provide timely help to employees facing difficulties, demonstrate corporate responsibility, and enhance team cohesion and employee centripetal force.

We provide timely support to employees through multiple channels, including the establishment of a union care fund. In 2025, the Group extended assistance to employees facing serious illnesses or special difficulties through this fund, conducting four rounds of support and disbursing a total of RMB 30,000 in care subsidies. At the same time, we actively helped employees connect with external resources, successfully securing RMB 2,400 in Spring Festival assistance from the district federation of trade unions for those in need. These efforts reflect the Group's strong commitment to employee well-being and help foster a caring and supportive workplace environment.

Safety Management

The Group always adheres to the coordination of work safety and occupational health and safety management, and is committed to creating a safe, healthy, comfortable and humanistic working environment for all employees through systematic measures such as improving systems, setting goals and strengthening supervision.

Work Safety

In strict compliance with the *Work Safety Law of the People's Republic of China* and the relevant laws and regulations of the locations where the Group operates, the Group has formulated and continuously improved a series of system documents including the *Assessment System of Work Safety Responsibility System*, the *Management System of Work Safety Goals*, the *Management System of Work Safety Rewards and Punishments*, the *Contractor Safety Management System*, the *Occupational Health Management System* and the *Procedures for Declaration of Occupational Hazard Projects*. At the same time, the Group has established an EHS (Environment, Health and Safety) Management Committee to comprehensively coordinate and promote the safety management and facility guarantee of each workplace.

Work Safety Management

We attach great importance to the setting and implementation of safety production targets, and by establishing a three-level safety production responsibility system of "group-company-department/position", we decompose the annual safety targets step by step, and organize all employees to sign safety production responsibility letters to ensure that the responsibilities are horizontally to the edge and vertically to the end, so as to realize the transmission of safety pressure layer by layer. At the same time, we regard "zero accidents" as our core goal, regularly carry out hidden danger management and risk management and control work, and through the establishment of a "daily inspection + special inspection" mechanism, hundreds of hidden dangers were investigated and rectified during the Reporting Period, with a rectification rate of 100%.

Hundreds of hidden dangers were investigated and rectified during the Reporting Period, with a rectification rate of

100%

Key Work Safety Targets of the Group in 2025 and Achievement Status

Safety Production Target	2025 Completion Status	Performance-Linked level of Responsibility
Zero fatalities and major injuries	Achieved	• General Manager • Deputy General Manager • Deputy Director • Heads of various departments
Zero major fire and explosion accidents	Achieved	
Zero acute poisoning accidents	Achieved	
Zero occupational disease incidence	Achieved	
Zero administrative penalty	Achieved	

The Group continued to improve the occupational health and safety management system, actively promoted the certification of health and safety related systems, and demonstrated the steady operation of management and continuous compliance.

Certification of the Group

Safety Production Standardization Level 3 Enterprise

- Simcere Pharmaceutical
- Jiangsu Xiansheng
- Jiangsu Simcere Biologics
- Hainan Simcere

ISO 45001 Occupational Health and Safety Management System

- Simcere Pharmaceutical
- Jiangsu Simcere
- Hainan Simcere
- Jiangsu Xiansheng

Hidden Hazard Investigation

The Group has established a systematic safety risk management system, comprehensively carried out hazard source identification and risk assessment, and implemented hierarchical control accordingly. For hazardous chemicals involved in production and operation, we have established a full-process management system covering procurement, storage, use and disposal in strict compliance with national regulations, and systematically prevent and control safety and environmental risks through special management and control, technical prevention upgrades and standardized disposal, so as to ensure operational compliance.

Hazardous Chemicals and Risk Control Measures

Systematically carry out hazard source identification and risk assessment, covering safety behaviors, environmental factors and management defects.

Conducted root cause analysis, formulated hierarchical control measures based on the assessment results, and built a risk matrix to improve the accuracy of prevention and control.

Risk identification and assessment

Strictly implement national laws and regulations, and establish a full-process system covering procurement, storage, use and disposal of hazardous chemicals such as ethanol, acetonitrile and hydrochloric acid.

Implement the registration and tracking of inbound and outbound warehousing, and implement the special control of "double lock, double transmission and reception" for precursor chemicals, explosive chemicals and highly toxic chemicals.

Full process management of hazardous chemicals

Improvement of storage and technical defense

Continuously improve the storage conditions of hazardous chemicals and upgrade technical prevention facilities.

Upgraded the explosion-proof ventilation system and Internet of Things alarm system, systematically managed temporary storage, and comprehensively prevented and controlled safety and environmental risks.

Hazardous waste disposal and tracing

Standardize the classification and disposal of hazardous wastes and establish a traceability mechanism.

Implement classified disposal of hazardous wastes, and realize the traceability of the whole process by scanning QR codes to ensure operational compliance.

Contractor Safety Management

The Group has included the health and safety of contractors' personnel as key management areas, and formulated a systematic *Contractor Safety Management System*, which clearly covers the whole process requirements of safety qualification review, on-site training and assessment, on-site operation supervision and project acceptance, and clearly defines the safety responsibilities of all parties and supervises the implementation of protective measures by signing special safety management agreements. During the Reporting Period, each subsidiary continued to strengthen the practice of safety production management, Hainan Simcere established a dynamic verification of contractor qualifications and on-site standardized protection mechanism, while Simcere Dongyuan updated the safety training content and clarified the terms of economic penalties and accountability for violations, so as to effectively improve the on-site safety risk management and control capability.

Safety Training

The Group vigorously promotes the safety capacity building model of "training + drill", we have set a target of 100% EHS training qualification rate for employees, and systematically organize and carry out various types of drills including limited space operations, chemical leakage accidents and fire emergency response, aiming at clarifying the emergency responsibilities and handling procedures of each department, and continuously strengthening the safety awareness and practical skills of employees. In the implementation of training, we adhere to the same standards and provide the same training opportunities for employees in labor dispatch and outsourcing positions as regular employees. In 2025, the Group organized a total of 13 safety training sessions and 8 emergency drills, achieving full coverage of employees in pharmaceutical and R&D systems, effectively improving the safety quality and emergency response capabilities of employees, and further consolidating the foundation of work safety.

In 2025

The Group organized a total of

13 safety training sessions

8 emergency drills

Emergency Practical Drill for Hazardous Chemical Leakage

On 29 April 2025, the Group organized a special emergency drill in the hazardous chemicals warehouse to simulate a hydrochloric-acid leak and personnel burn during transfer operations. On-site staff immediately activated the emergency response plan. The drill covered the full emergency-response process, including alarm reporting, personnel rescue, leak control, pollutant handling and on-site decontamination. Through this practical drill, the Group effectively tested the operability of the Emergency Plan for Production Safety Accidents and enhanced employees' awareness of safety protection, coordinated response and emergency-handling capability in sudden incidents, providing practical support for improving the emergency plan.

Treatment of the Leak Site

Occupational Health

The Group strictly implements relevant laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and the *Regulations on Labor Protection in Workplaces Using Toxic Substances*, and has formulated and continuously improved systems and standards such as the *Work Plan and Implementation Plan for the Prevention and Control of Occupational Diseases*, the *Safety Responsibility System for Special Equipment Positions*, the *Publicity, Education and Training Procedures for the Prevention and Control of Occupational Hazards*, and the *Management Procedures for the "Three Simultaneities" of Occupational Health in Construction Projects*, so as to provide special occupational health and safety guidance to employees. As of the end of the Reporting Period, the total number of lost working days due to work-related injuries by employees of the Group was 201 days, and the number of lost working days due to work-related injuries by employees of contractors was 0 days, and there was no work-related fatality during the year.

Statistics on Work-Related Fatalities of the Group in the Past Three Years

Indicator	Unit	2025	2024	2023
Number of work-related fatalities	persons	0	0	0
Number of contractor work-related fatalities	persons	0	0	0

The Group sets management objectives based on occupational health and safety performance, and continues to optimize various safety management measures in a goal-oriented manner to ensure that all control measures are accurately matched with the objectives, so as to systematically prevent the occurrence of occupational diseases and work-related injuries at the source.

Key Occupational Health and Safety Targets of the Group in 2025 and Achievement

Safety Production Goal	2025 Completion Status	Performance-Linked Accountability Levels
0 occupational disease incidence	Achieved	• General Manager • Deputy Director • Deputy General Manager • Heads of various departments
100% employment rate of special operation certificates	Achieved	
100% occupational health examination rate for employees involved in occupational hazards	Achieved	

The Group attaches great importance to the physical and mental health of employees, and has set up a special team for building a healthy enterprise with the general manager as the team leader and the deputy general manager as the executive team leader to systematically promote related work. We actively implemented the annual occupational disease prevention and control plan, and utilized special funds to effectively carry out a series of health promotion activities. The Group is committed to providing systematic services covering physical and mental health for all employees, with special attention to the needs of specific employee groups. At the same time, through systematic training and diversified cultural activities, we have deeply integrated the concept of health into our daily operations, and continued to create a healthy, safe and supportive working environment.

Occupational Health Management Initiatives

Healthy environment management

- We implement pre-evaluation of occupational hazards, design of protective facilities and evaluation of control effects;
- We complete the detection of occupational hazard factors in the workplace, entrust a third party to issue the *Occupational Hazard Status Evaluation Report*, and investigate relevant potential risks;
- We standardize installation of occupational hazard warning signs in the workplace, and on-site first aid supplies;
- We equip employees with necessary labor protection equipment, and supervise and guide them to wear and use them correctly.

Health support services

- We arrange annual occupational health check-ups for all employees;
- We provide mental health counseling services to all employees;
- We organize special health examinations for female employees, and strengthen special care for female employees during pregnancy and breastfeeding.

Health culture promotion

- We carry out systematic occupational health training for the main person in charge of the enterprise, occupational health management personnel and all workers;
- We organize and carry out diverse health knowledge popularization and publicity and education activities;
- Through a wide range of cultural and sports activities, we actively foster a healthy and positive organizational culture.

During the Reporting Period, the Group systematically carried out training related to occupational health and safety, and set up assessment mechanisms such as written examination and question-and-answer to ensure that employees and contractors can master the necessary occupational health and safety knowledge and operating specifications.

Special Fire Emergency Drill at Hainan Simcere

On 25 November 2025, Hainan Simcere organized a special fire emergency drill at its Chengmai site, simulating a fire caused by ageing electrical circuits in the quality inspection building. The drill systematically tested the full emergency-response mechanism, from alarm activation and initial fire-fighting to personnel evacuation and post-drill review.

Personnel were evacuated within five minutes, verifying the operability of the plan. In response to issues identified during the drill, such as alarm responsiveness and personnel urgency, improvement measures including equipment maintenance and enhanced training have been formulated and implemented. The drill effectively improved employees' fire-safety awareness and practical emergency-response capabilities.

Post-drill On-site Debrief

05

Jointly Building a Green Ecosystem

The Group has always adhered to a path of environmentally friendly and sustainable development, and fulfilled its social responsibility as a green and environmentally friendly enterprise by establishing a systematic environmental management system. Through continuous optimization of resource utilization efficiency, comprehensive implementation of pollution prevention and control and emission management, and proactive response to risks and opportunities brought by climate change, the low-carbon development model is implemented in the whole process of production and operation, so as to contribute to the sustainable development of society.

In 2025

The water consumption per RMB 10,000 revenue decreased by

24.00%

compared to 2024

The greenhouse gas emissions per RMB 10,000 revenue decreased by

22.22%

compared to 2024

The total annual electricity generation from wind power generation devices is approximately

1,421 kWh

The use of renewable energy increased by

23.02%

compared to 2024

Environmental Management

The Group strictly complies with environmental management laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and the *Environmental Impact Assessment Law of the People's Republic of China,* establishes and continuously improves the environmental management system, and systematically improves the level of environmental governance by setting clear environmental objectives and implementing comprehensive environmental protection capacity building.

Environmental Management System

ISO 14001 Environmental Management System Certification coverage rate and external audit passing rate reached

100%

Coverage rate of EHS internal audit

100%

The Group has established a sound environmental management system, established a series of policy documents such as the *Environmental Protection Management System*, the *Group EHS Management System,* the *Environmental Protection Reward and Punishment Management System,* and the *Environmental Protection Post Responsibility System*, and formulated the *EHS Reward and Punishment System* in 2025. At the same time, the Group linked environmental protection indicators with the salaries of senior management to clarify environmental management responsibilities and ensure the effective implementation of environmental management. It further strengthened the incentive and restraint mechanism of the Group and improved the construction of the whole process environmental management system.

The Group has established an EHS Management Committee to coordinate the formulation of the EHS strategy, objectives and policies of the Group. The EHS Management Committee has an EHS Office, which is composed of the functional departments of the headquarters, the R&D system and the pharmaceutical system, and is responsible for promoting, coordinating and supervising the implementation of environmental management and providing guidance to subsidiaries. Each of the Group's subsidiaries has established an EHS Management Committee, which is responsible for decomposing and implementing the Group's objectives and ensuring that environmental management requirements are integrated into daily operations.

We regularly conduct independent internal and external audits of all relevant businesses across all operational locations. In 2025, all subsidiaries and factories of the Group passed the annual supervisory audit of ISO 14001 Environmental Management System Certification, and the certification coverage and external audit passing rate reached 100%. On this basis, the Group actively promoted the internal audit of environmental compliance, carried out comprehensive mutual inspection covering all production bases every six months, and formed inspection teams from EHS personnel of each factory to conduct EHS audits in each campus and factory. Each subsidiary carries out high-frequency and regular special internal inspections on key aspects such as hazardous waste management, environmental monitoring and pollution discharge compliance based on the actual operation. During the Reporting Period, the EHS internal audit coverage rate of the Group was 100%.

Environmental Risk Management and Control

The Group attaches great importance to the prevention and control of environmental risks, regularly conducts systematic assessment of environmental risks in each production base, updates and optimizes the emergency plans for environmental emergencies in a timely manner, and completes the filing to ensure that they match the actual situation on site, so as to ensure rapid and effective response to emergencies. The Group systematically promoted all production bases to strengthen their environmental risk prevention capabilities, and organized and completed a number of emergency drills for environmental emergencies, covering key aspects such as hazardous chemical leakage and waste disposal. In 2025, the Group did not record any major environmental emergencies.

Emergency Drill for Environmental Emergencies

Guided by scientific management and technological improvement, the Group promotes the comprehensive deepening of green operation, sets clear energy conservation and emission reduction targets, and is committed to continuously improving resource efficiency and environmental performance in the next five years (2025-2030).

Environmental Targets

Emission Reduction Targets

Taking 2025 as the benchmark year

- Achieve a **15%** reduction in **solid waste emissions per RMB 10,000 revenue** by 2030.
- Achieve a **5%** reduction in **hazardous waste emissions per RMB 10,000 revenue** by 2030.
- We are committed to continuously reducing emissions of exhaust gas and wastewater through technological innovation and process optimization.

Resource Efficiency Target

Taking 2025 as the benchmark year

- Achieve a **10%** reduction in **water consumption per RMB 10,000 revenue** by 2030.
- Achieve a **10%** reduction in **purchased electricity per RMB 10,000 revenue** by 2030.

Biodiversity Conservation

The Group always follows the principle of ecological protection in the operation activities, and minimizes the impact of business activities on the surrounding natural environment as much as possible through a combination of compliance management and active monitoring. In the process of site selection, construction and operation of the project, we strictly abide by national and local laws and regulations related to ecological and environmental protection, conduct environmental impact assessment in accordance with the law, and implement biodiversity protection requirements. At the same time, the Group regularly carries out soil environmental monitoring at the operation sites to dynamically grasp the environmental conditions, prevent potential ecological impacts, and fulfill the corporate responsibility to protect the natural ecology with practical actions.

Environmental Protection Training

The Group attaches great importance to the building of environmental management awareness and capabilities of all employees, and continuously enhances the professional capabilities of employees in environmental compliance, risk prevention and control and emergency response through various special training sessions. In 2025, the Group successively organized management personnel to participate in special training organized by external authoritative organizations, and conducted internal systematic training covering core environmental protection requirements such as waste management and pollutant prevention and control for all employees. Through the combination of classroom lectures, case analysis and knowledge assessment, it effectively strengthened the awareness of environmental responsibility and practical skills of managers and grass-roots employees, providing a solid guarantee for the standardized operation of the Group's environmental management system.

The Group Participated in Special Training on Standardized Management of Hazardous Waste

In August 2025, the Group organized employees to participate in the "2025 Hazardous Waste Standardization and Related Safety Management Training in Nanjing" sponsored by Nanjing Municipal Bureau of Ecology and Environment. This training covers key positions such as the main person in charge of the enterprise, the leader in charge of EHS, the department head, the safety and environmental protection management personnel and the front-line operators of the hazardous waste warehouse, and focuses on the regulatory requirements of the whole life cycle of hazardous waste, focusing on strengthening the compliance management and risk control of classification, storage, transfer and disposal. After the training, all the trainees passed the online assessment and obtained the qualification certificate, which provided professional support for the continuous optimization and standardized operation of the Group's hazardous waste management system.

2025 Hazardous Waste Standardization and Related Safety Management Training in Nanjing

Optimizing Resource Use

The Group focuses on the improvement of resource utilization efficiency and the transformation of energy conservation and emission reduction technologies, and integrates the low-carbon concept throughout the entire production and operation process of the Group. We focus on energy efficiency, efficient management of water resources and biodiversity protection, and constantly explore new models of green operation to inject innovation into the green transformation of the industry.

Energy Management

The Group thoroughly implemented the *Energy Conservation Law of the People's Republic of China* and other laws and regulations, improved the energy management system, followed the energy policy of energy conservation, emission reduction and green development, and took multiple measures to strengthen energy resource management to promote the achievement of its own energy conservation and carbon reduction goals. In 2025, the Group carried out a number of technological transformation and management optimization work focusing on improving energy efficiency.

Highlights of the Group's Measures to Improve Resource Utilization Efficiency

Energy-Saving Technical Renovations

Hainan Simcere: Hainan Simcere completed the low-nitrogen transformation of boilers, improved thermal efficiency and boiler energy efficiency, and achieved an annual saving of 50,000 cubic meters of natural gas.

Shandong Simcere: Shandong Simcere added a steam-water separation device in the steam generator, and the separated high-temperature steam is used for preheating the softened water twice, thus reducing the subsequent steam usage.

Simcere Dongyuan: Simcere Dongyuan completed the renovation of air conditioning in the non-clean area of the oral liquid workshop. By adjusting the proportion of new return air, the load of the chiller was reduced in summer and the opening of the chiller was reduced in winter, thus achieving an annual electricity cost saving of RMB 150,000.

Management Efficiency Improvements

Shandong Simcere: Through reasonable arrangement of production plans, Shandong Simcere concentrated production and completed stocking in January-June and September-October, and arranged production shutdown for maintenance in July, August, November and December, effectively avoiding the peak of electricity consumption in summer, reducing energy consumption and improving workforce efficiency.

Simcere Pharmaceutical: Through the establishment of a R&D energy-saving management and control project team, Simcere Pharmaceutical implemented a comprehensive energy-saving plan focusing on "management efficiency improvement and local technical transformation as supplement", including "three-stage dynamic frequency modulation per day" of laboratory fans, regional air conditioning system cutting, equipment maintenance and other measures. In 2025, the annual power consumption decreased by 16% year-on-year, and the power saving reached 1,383,700 kWh.

The Group actively promotes the use of clean energy, vigorously promotes alternative energy such as photovoltaic power generation, continuously reduces energy costs, and actively builds green manufacturing advantages. The Group actively constructed and applied wind power plants, generating approximately 1,421 kWh of electricity throughout the year. There are 12 solar street lamps in the Group's park, with an annual electricity generation capacity of 7,884 kWh. In addition, to facilitate the use of new energy vehicles, the Group installed 210 charging piles in total.

The Group actively constructed and applied wind power plants, generating approximately **1,421 kWh** of electricity throughout the year

Number of solar street lamps in the Group's park **12**

with an annual electricity generation capacity of **7,884 kWh**

the Group installed **210 charging piles in total**

Photovoltaic Capacity Expansion Project of Hainan Simcere Factory

To increase the proportion of clean energy use, Hainan Simcere implemented the second phase of photovoltaic expansion project on the basis of existing photovoltaic facilities, and adopted the mode of "spontaneous self-use and surplus electricity on the grid", which can achieve clean power generation of about 500,000 kWh throughout the year. This project not only directly reduces the consumption of purchased electricity, but also provides support for the construction of regional green power grid by connecting surplus electricity to the grid, which is an important practice for the Group to promote renewable energy substitution and practice low-carbon operation.

Construction of Simcere Dongyuan Rooftop Distributed Photovoltaic Power Station

Simcere Dongyuan has systematically planned and developed a rooftop distributed photovoltaic (PV) power project, utilizing idle rooftop space within the plant to install solar generation systems. By leveraging approximately 6,400 square meters of rooftop area, the project has installed PV equipment with a total capacity of 1,200 kW, with expected annual power generation of approximately 1.3 million kWh. The project is expected to generate average annual returns of approximately RMB 270,000 in the first six years, increasing to around RMB 540,000 in subsequent years. While delivering stable economic benefits, it significantly reduces reliance on external electricity and lowers carbon emission intensity in the production process, providing sustainable energy support for the plant's green transformation.

We integrate the green and low-carbon concept system into daily office scenarios, establish and implement a conservation-oriented office management system, fully implement resource conservation measures such as energy conservation, water conservation and material reduction in the office environment, guide employees to jointly practice a simple and appropriate office style, and continuously reduce the intensity of resource consumption in the operation process.

Green Office Initiatives of the Group

- We equipped public office areas with shared office supplies and uniformly recycled and reused consumables such as dovetail clips and paper clips, saving approximately RMB 20,000 in procurement costs throughout the year;
- We recycled idle office supplies on a quarterly basis and redeployed them for use, and implemented a trade-in system for non-consumable items;
- We implemented electronic management of personnel files, completing the digitization of 1,054 volumes through high-speed scanning and OCR technology, which significantly improved retrieval efficiency and saved 52,000 sheets of paper, 5 toner cartridges, and 35 square meters of file space;
- We enabled digital electronic invoices to replace the original paper invoice mailing method, reducing mailing costs by approximately RMB 20,000 per month and promoting paperless office operations;
- We adopted intelligent seal watermark recognition technology to enable automatic comparison of approval documents, saving approximately 3,000 sheets of A4 paper per month;
- We established a daily water meter reading and quarterly pipe network leak detection mechanism, effectively controlling water consumption and preventing leakage through continuous monitoring and timely repairs;
- We implemented a regular nighttime inspection system to promptly switch off non-essential lighting and air conditioning, and introduced energy-saving controls and centralized equipment management for selected air conditioning units, achieving refined control over office energy consumption.

Energy Use of the Group

Indicator	Unit	2025	2024	2023
Gasoline	Tonnes	54.01	74.15	87.14
Diesel oil	Tonnes	20.37	29.53	26.92
Natural gas	Cubic meters	2,374,308.13	3,707,747.00	2,109,132.00
Liquefied petroleum gas	Tonnes	3.63	8.64	10.44
Purchased electricity	KWh	58,816,355.00	59,974,883.44	80,061,679.53
Purchased steam	Tonnes	57,717.40	61,111.00	58,240.15
Renewable energy use	KWh	3,351,134.00	2,724,036.43	2,068,310.40
Total comprehensive energy consumption	tce	15,914.41	17,994.69	1,8227.83
Comprehensive energy density	tce/ RMB 10,000 revenue	0.021	0.027	0.028

Water Resources Management

The Group attaches great importance to the conservation and utilization of water resources, strictly abides by relevant laws, regulations and management regulations such as the *Water Law of the People's Republic of China*, and implements water conservation plan management for the whole process of water intake and use. We actively carry out water-saving actions, strengthen the water-saving renovation of equipment and facilities, and strive to improve the comprehensive utilization efficiency of water resources by implementing measures such as recycling of purified water, concentrated water, cooling wastewater and other process drainage, optimizing the water supply pipe network system, and implementing graded recycling in production, auxiliary and greening links. We have optimized the rainwater recycling system in the Nanjing headquarters campus to collect and store natural rainwater and use it for daily greening and irrigation in the campus, thus realizing the recycling of water resources.

Hainan Simcere Concentrated Water Recycling Project

Hainan Simcere carried out technical transformation of the purified water preparation system in the comprehensive water production room and the montmorillonite raw material water production room. By building special recovery pipelines and water storage facilities, the prepared concentrated water originally directly discharged was collected and transported to the cooling tower of the workshop as a supplementary water source for reuse. This measure not only significantly reduced the amount of fresh water consumed, but also reduced the amount of wastewater discharged, achieving an annual water saving of about 20,000 tonnes.

Water Resources Use Performance of the Group

Indicator	Unit	2025	2024	2023
Water consumption	Tonnes	877,765.00	995,024.42	1,178,901.14
Water consumption density	Tonnes / RMB 10,000 revenue	1.14	1.50	1.78

Packaging Material Management

The Group's consumption of packaging materials is mainly derived from packaging accessories and packaging boxes in the product packaging process. We continue to optimize the pharmaceutical packaging management system and strive to reduce resource consumption and environmental footprint in the packaging process on the premise of ensuring product safety and quality. We actively promote the lightweight and material optimization of packaging design, and explore reusable transit packaging solutions in the clinical stage to reduce the consumption of disposable packaging materials. At the same time, the Group further optimized the packaging structure in the transportation of preparations, and by adopting the insertion box method, the use of auxiliary packaging materials was reduced while ensuring the safety of transportation, so as to promote the green packaging from the source.

Green Optimization of Inner Packaging Materials of Sevelamer Carbonate Tablets

Hainan Simcere systematically optimized the inner packaging materials of sevelamer carbonate tablets, and successfully achieved material reduction by redesigning the blister size and optimizing the aluminum specifications. On average, each batch of production can save 17.44 kg of cold stamping aluminum and 3.86 kg of aluminum foil, reducing resource consumption and carbon footprint from the source. At the same time, by upgrading the blister molding process to stepped stamping, the production stability and packaging quality have been significantly improved, and the waste of materials and energy caused by debugging and defective products have been effectively reduced.

Prevention and Control of Pollution Discharge

The Group is committed to reducing the impact of pollutants and wastes on the environment. We continued to strengthen management, set up waste reduction plans, take mitigation measures for potential pollution discharge and waste, and carry out waste treatment and recycling in an orderly manner to ensure the legal and compliant discharge of the "three wastes."

Exhaust Gas Management

The Group abides by the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution* and other laws, rules, regulations and standards, and implements strict internal control emission standards to ensure that exhaust gas emissions are legal and compliant. The atmospheric pollutants generated by the Group mainly include sulfur dioxide (SO_2), nitrogen oxides (NO_x), particulate matter and volatile organic compounds (VOCs). To systematically control exhaust gas emissions, we have formulated internal systems such as the *Standard Operating Procedures for Workshop Exhaust Gas Treatment* to standardize the whole process of exhaust gas collection, treatment and monitoring. The waste gas is effectively collected through fume hoods and other facilities, and purified by the combined process of "lye spraying + activated carbon adsorption", so as to effectively reduce the concentration and total amount of pollutant emissions. At the same time, we continued to carry out the operation, maintenance and optimization of waste gas treatment facilities to ensure that the treatment efficiency was stable and up to standard, and fulfilled the commitment of green production with practical actions.

Exhaust Gas Emission Performance of the Group in 2025

Indicator	Unit	2025	2024	2023
Total exhaust gas emissions	Cubic meters	1,017,527,578.11	1,175,253,457.57	740,549,458.29
Exhaust emission intensity	m^3/ RMB 10,000 revenue	1,316.17	1,771.29	1,120.69
Sulfur dioxide emissions	Tonnes	0.12	0.18	0.06
Nitrogen oxide emissions	Tonnes	0.48	1.84	2.30
Smoke emissions	Tonnes	0.04	0.04	0.06
Volatile organic compound emissions	Tonnes	1.61	3.24	71.08

Wastewater Management

We strictly abide by the *Law of the People's Republic of China on the Prevention and Control of Water Pollution* and relevant laws and regulations, and implement the whole process management of wastewater from source control to end treatment. The main sources of wastewater of the Group are production wastewater and domestic sewage in the factory area, and the main pollutants in wastewater include chemical oxygen demand (COD), suspended solids (SS) and ammonia nitrogen. We have established and implemented strict operating procedures for wastewater treatment and adopted a combination of physical, chemical and biological processes for advanced treatment to ensure that the effluent quality stably meets or exceeds national and local discharge standards. At the same time, we continuously carry out monitoring of wastewater discharge outlets to fully ensure the safety of water environment. On this basis, the Group participated in emission trading in accordance with laws and regulations, optimized the allocation of environmental resources through market-oriented means, and fulfilled the responsibility of total emission control.

Wastewater Discharge Performance of the Group in 2025

Indicator	Unit	2025	2024	2023
Total wastewater discharge	Tonnes	491,370.39	464,553.74	436,299.00
Wastewater discharge intensity	Tonnes/ RMB 10,000 revenue	0.64	0.70	0.66
COD Emissions	Tonnes	14.39	19.98	20.43
SS Emissions	Tonnes	6.22	7.25	8.04
Ammonia nitrogen emissions	Tonnes	0.64	0.77	1.81

Waste Management

In accordance with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and other relevant laws and regulations, the Group has improved internal systems such as the *General Waste Management Regulations* and the *Hazardous Waste Management System*, and implemented classified and standardized management of all types of wastes generated in production and operation. In 2025, Simcere Dongyuan and Hainan Simcere were awarded the title of "Zero Waste Factory" respectively.

The Group's waste mainly includes general solid waste and hazardous waste. General solid waste is mainly packaging materials (such as cartons, packaging bags, metals, etc.) and waste equipment and lamps that are not contaminated with chemical and biological reagents. We strictly implement classified collection, standardized storage, ledger records and compliant clearance, and give priority to qualified units for resource utilization. Hazardous wastes mainly include laboratory wastes, medical wastes, etc. We have established a whole-process traceable management mechanism from generation, classification, code scanning and storage, storage to handing over to professionally qualified units for disposal, and entrusted third-party organizations with corresponding qualifications to conduct standardized treatment, while truthfully recording production and waste ledgers. On this basis, we give priority to signing resource disposal agreements for recyclable hazardous wastes, so as to maximize waste reduction and resource utilization. Through systematic management, we are committed to reducing the potential impact of waste on the environment and practicing the concept of circular economy.

Dust Recovery and Hazardous Waste Reduction from Amoxicillin Granule Production

Hainan Simcere optimized the dry granulation process of amoxicillin granules, and collected and recycled the dust generated in the granulation process by adopting sealed conveying and adding vacuum buffer tanks, which improved the yield and reduced the source of hazardous wastes. According to statistics, this measure has reduced the generation of hazardous waste by about 20 kilograms per batch of production, and based on 110 batches in the whole year, the total hazardous waste reduction in the whole year has been achieved by about 2,200 kilograms.

The total hazardous waste reduction has been achieved by about

2,200 kilograms

Waste Emission Performance of the Group in 2025

Indicator	Unit	2025	2024	2023
Total General Solid Waste Emissions	Tonnes	1,427.87	2,972.19	2,152.18
General solid waste emission intensity	kg/ RMB 10,000 revenue	1.85	4.48	3.26
Total hazardous waste discharge	Tonnes	2,199.16	1,885.34	1,896.69
Hazardous waste emission intensity	kg/ RMB 10,000 revenue	2.84	2.84	2.87

Noise Management

The noise generated during the Group's operation mainly comes from the operation of equipment in the production workshop. We strictly abide by the requirements of relevant laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Noise Pollution*, reduce noise at the source by installing sound insulation panels, sound insulation covers and other facilities around production equipment, and regularly carry out noise monitoring at the factory boundary to ensure that noise emissions meet national standards, and strive to create a quiet and harmonious production and living environment for employees and surrounding communities.

Climate Change Response

Climate change is the core issue facing global sustainable development. The Group is well aware of the responsibility in tackling climate change and has deeply integrated climate risk management and low-carbon development goals into the Company's strategy and operations. We focus on systematically managing GHG emissions in the whole value chain, including R&D, production and supply chain, actively apply energy-saving technologies and clean energy, and are committed to continuously improving operational energy efficiency and climate resilience driven by innovation, so as to fulfill our corporate responsibility for protecting the global healthy environment.

Governance

The Group attaches great importance to climate change issues and has established a corresponding climate change governance system in accordance with the ESG governance framework. We have built a climate change management structure with the Board as the highest leadership, and the ESG Working Group is responsible for implementing specific work related to climate change. The Company incorporates the completion of energy conservation and emission reduction targets into the departmental performance appraisal system to ensure the effective implementation and continuous optimization of various measures.

Climate Change Governance Structure of the Group

Strategy

Through the analysis of climate-related risks and opportunities, the Group constantly adjusts its operational strategies and optimizes resource allocation to prepare for various risks that may be brought by climate change, while seizing various opportunities brought by climate change. We actively explored the path of product technology transformation and upgrading, promoted the green and low-carbon development of the Company and the industry, and helped achieve the national "carcon peak and carbon neutrality" goal.

To ensure the Company's climate resilience and actively seize the opportunities of low-carbon transformation, we systematically identified and assessed the transformation risks and physical risks related to climate change based on industry characteristics and business layout.

Climate Change Risk Identification List of the Group

Type of Risk	Risk	Risk Description	Response Measures
Transition risk	Policy risk	Stringent climate policies	To implement the "carcon peak and carbon neutrality" goal, the domestic policy system has been continuously improved, and the requirements for corporate carbon emission management have become increasingly stringent, which may bring challenges arising from rising compliance costs.	• We establish a policy tracking mechanism through EHS and relevant departments to ensure our operations comply with the latest regulatory requirements. • We proactively disclose emission data and climate action progress through ESG reports and other channels to address stakeholder concerns.
	Market risk	Changes in market demand	Consumer preferences have changed in favour of more environmentally friendly and low-carbon products.	• We continuously assess market demand trends for low-carbon products and sustainable practices. • We systematically reduce the carbon footprint of our products through technological transformation, energy structure optimization (such as the application of renewable energy), and improved resource utilization efficiency.
	Reputation risk	Stakeholder concern	Investors, partners and other stakeholders are increasingly concerned about the performance of enterprises on climate change issues. Inadequate response may affect market competitiveness and corporate reputation.	• We integrate ESG and climate performance into our corporate communications and brand building, and proactively manage stakeholder expectations.
Physical risk	Acute risk	Extreme weather	Extreme weather events such as typhoons, heavy rains and floods occur frequently and increase in intensity, which may lead to damage to production facilities, operation disruption, supply chain instability and threaten employee safety.	• We establish an early warning and emergency response mechanism for extreme weather, and formulate and regularly drill special contingency plans. • We incorporate climate risk assessments and consult professional institutions in the planning and construction of new projects. • We assess and promote the enhancement of climate risk resilience among key suppliers to strengthen supply chain resilience.

Type of Risk		Risk	Risk Description	Response Measures
Physical risk	Chronic risk	Rising average temperature	Long-term climate warming has led to an increase in the frequency and intensity of hot weather in summer, which has driven up the demand for regional refrigeration and production energy and increased operating costs. At the same time, high temperature may lead to excessive load of public power grid, causing regional power supply shortage or planned power curtailment, which poses a potential risk to the continuity of production and operation.	• We continuously advance energy-saving technological upgrades and intelligent energy management to improve facility energy efficiency and reduce additional energy consumption caused by rising temperatures. • We leverage our self-provided power generation equipment and established emergency power supply plans to respond swiftly to external power disruptions, ensuring the continuous and stable operation of key production facilities and warehousing environments, and safeguarding business continuity. • We formulate and implement guidelines for employee protection during high-temperature operations, and provide necessary heatstroke prevention and cooling facilities to safeguard employees' occupational health and safety.
		Water shortage	Climate change exacerbates the uneven spatial and temporal distribution of precipitation, which may lead to water supply shortages or price fluctuations in the region. As a water consumer, the company's production and operation may face potential risks of cost increase and supply stability.	• We vigorously advance water-saving process upgrades and water recycling projects across all production bases to continuously improve water resource utilization efficiency. • We regularly conduct water balance tests and water use audits to identify water-saving opportunities and implement improvement measures. • We carry out water-saving awareness campaigns and education programs for all employees to cultivate a company-wide culture of water conservation.

List of Climate Change Opportunities of the Group

Dimension	Name	Opportunity Description
Demand	Public health needs	The increasing correlation between climate warming and related environmental issues and the burden of specific diseases has led to increased public health awareness, which has led to a wider market demand for related prevention, diagnosis and treatment options. The Group will closely track such health trends, optimize R&D and product pipeline layout based on scientific insights, and strive to provide solutions to improve public health.
Operations	Green financial support	With the release of the *Catalog of Projects Supported by Green Bonds (2021)* and other institutional files, the domestic green financial system has been increasingly improved, and it is clear that it will support projects in the fields of energy conservation, environmental protection and cleaner production. This has broadened the financing channel for sustainable development projects such as green factory construction and low-carbon technology upgrading of pharmaceutical companies, and is expected to be supported by diversified financial instruments including green credit and green bonds.
	Resource use efficiency	By systematically applying energy-saving technologies, optimizing production processes and strengthening lean management, the use efficiency of various resources such as water, electricity and materials can be effectively improved. This not only directly reduces the production cost, but also reduces the dependence and impact on environmental resources, which is the key path to achieve cost reduction, efficiency increase and green operation.
	Clean energy utilization	Actively evaluating and gradually applying renewable energy such as solar energy under feasible conditions will help reduce the dependence on traditional fossil energy, hedge the risk of energy price fluctuation, and enhance the green image and long-term competitiveness of enterprises.

[2] Source: *Notice by the People's Bank of China, the National Development and Reform Commission and the China Securities Regulatory Commission of Issuance of the Catalog of Projects Supported by Green Bonds (2021)* http: / /www.gov.cn/zhengce/zhengceku/2021-04/22/content_5601284.htm.

Risk Management

The Group incorporates climate change risks into the Company's overall risk management system, and establishes a full-process management for identifying, assessing and responding to climate risks and opportunities, laying a solid foundation for timely and effective avoidance of climate risks, seizing climate opportunities and taking countermeasures. In response to extreme weather events such as typhoons and heavy rains, we have established a full-process emergency plan from early warning response to post-event recovery, and regularly organized hidden danger investigation and emergency drills to improve the climate resilience of key facilities and supply chains.

Metrics and Targets

The Group has formulated carbon emission intensity targets at the group level based on its development plan and actual business conditions, and regularly tracks and reports on the progress of the targets.

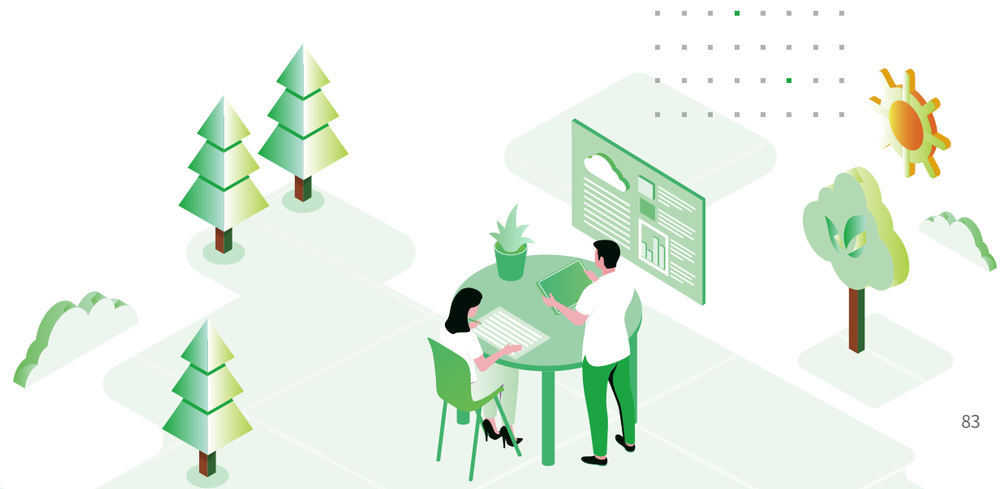
Target

Taking 2025 as the base year,

- Achieve a reduction of **GHG emissions per RMB 10,000 revenue** by no less than **10%** by 2030

GHG Emissions of the Group

Indicator	Unit	2025	2024	2023
Scope 1: Direct GHG emissions	tCO_2e	5,428.48	8,459.21	4,996.50
Scope 2: Indirect GHG emissions	tCO_2e	49,010.85	49,996.38	62,636.18
Total GHG emissions	tCO_2e	54,439.32	58,455.59	67,632.68
Greenhouse gas emission intensity	tCO_2e/ RMB 10,000 revenue	0.07	0.09	0.10



06

Committed to Society

As a responsible corporate citizen in the pharmaceutical industry, the Group consistently integrates social concerns into its development agenda and is committed to giving back to society with professional expertise and human warmth. We have taken concrete action across medical assistance, education support, community care and volunteer service. Through systematic and ongoing public-welfare initiatives, we continue to translate corporate social responsibility into tangible outcomes and contribute solidly to social harmony and sustainable development.

In 2025

Was awarded the
"Most Caring Charitable Donor"

Cumulative donation of common medicines valued at
RMB **400,000**

Donate a total of
RMB **175,200**
in orphan sponsorship fees

Sponsor
146
orphans from the Yushu Bayi Orphan School

1 NO POVERTY

People's Livelihood and Health

The Group actively fulfills its social responsibilities by leveraging its professional expertise and resources to engage continuously in public health initiatives. We contribute to improving nationwide health literacy through free medical consultations and strategically donate medical resources, strengthening public health defenses and promoting the well-being of communities.

In 2025, we extended our health initiatives beyond medical services to encompass education support, community programs, and rural assistance. By doing so, we advance sustainable business growth while actively practicing corporate social responsibility, aiming to build a more inclusive and sustainable public health ecosystem. As one of our key initiatives this year, the Group donated RMB 1 million to the School of Pharmacy at Huazhong University of Science and Technology, earmarked for the development of an innovative drug research platform and the cultivation of high-end pharmaceutical talent. This donation is intended to support breakthroughs in cutting-edge medical research, facilitate the development and clinical translation of new drugs, and provide dual support in both scientific research and talent development to combat major diseases and enhance national health outcomes. We believe that by continuously empowering education and research, we can contribute more profoundly to the construction of a Healthy China, promote long-term development in the pharmaceutical and healthcare sectors, and ensure that more people benefit from advances in technology and accessible health resources.

Safeguarding Health and Fulfilling Social Responsibility

In April 2025, the Group organized a team of medical volunteers to go to Zhijin County, Guizhou Province to carry out the "Region + Field" free health clinic activity, providing free health consultation and diagnosis and treatment services to local residents, and donating commonly used medicines worth nearly RMB 30,000 to alleviate the access to medicines for frontline communities.

In October, the Group funded RMB 50,000 to jointly carry out the public welfare activity of "Yangzi Four Ranks Warm, Clouds Reflect Nine Autumns Long" on the Double Ninth Festival Silver Age Service Bank with *Yangtze Evening News*. By organizing volunteers to provide health consultation, life care and other services for the elderly in the community, the activity promotes the traditional virtue of respecting the elderly and creates a good social atmosphere for caring for the elderly.

Donating commonly used medicines worth nearly

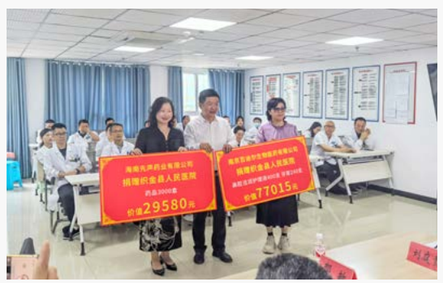
RMB 30,000

to alleviate the drug use problem of frontline people

The Group funded

RMB 50,000

to jointly carry out the public welfare activity with Yangtze Evening News



The Group Launched Community Free Clinics and Drug Donation Activities

Giving Back to Society

The Group regards fulfilling social responsibility as a core element of sustainable development and integrates philanthropy deeply into its strategic framework. We actively respond to national and societal needs, systematically planning and continuously investing in areas such as rural revitalization, disaster relief, educational empowerment, community development, and employee volunteerism. Our goal is to create broader social value, give back the trust of stakeholders, and act as a responsible and caring corporate citizen.

In recognition of our ongoing commitment to public welfare, the Group was awarded the "Most Caring Charitable Donor" at the 7th Jiangsu Charity Awards in 2025, jointly presented by the Jiangsu Provincial Civil Affairs Department and the Provincial Human Resources and Social Security Department. This prestigious honor acknowledges our annual contributions to philanthropy and affirms our long-term, sincere engagement in charitable initiatives ranging from poverty alleviation and eldercare support to education promotion, embedding social responsibility into our corporate development strategy.

Donation

The Group donated

HKD 5 million

to support fire rescue in Hong Kong, which was used for medical treatment and temporary resettlement of affected residents

Educational assistance

For 16 consecutive years, we have upheld our commitment to education support. In 2025, we continued to sponsor

146 Tibetan orphans

at the Bayi Orphan School in Yushu, Qinghai

Donating

RMB 175,200

for annual support and providing an additional RMB 20,000 worth of learning materials and care packages to ensure the children's basic living and educational needs.

Rural revitalization

A total of

RMB 400,000

worth of commonly used medicines were donated to Yuan'an County, Laohekou City, Yidu City and Gucheng County in Hubei Province through public welfare channels, which strongly supported the capacity building of local primary medical and health services and built a healthy cornerstone for rural revitalization

Volunteer activities

In 2025, a total of 62 Party members donated 17,400 ml of blood. So far, the voluntary blood donation campaign of the our employees has been carried out for

14 consecutive years

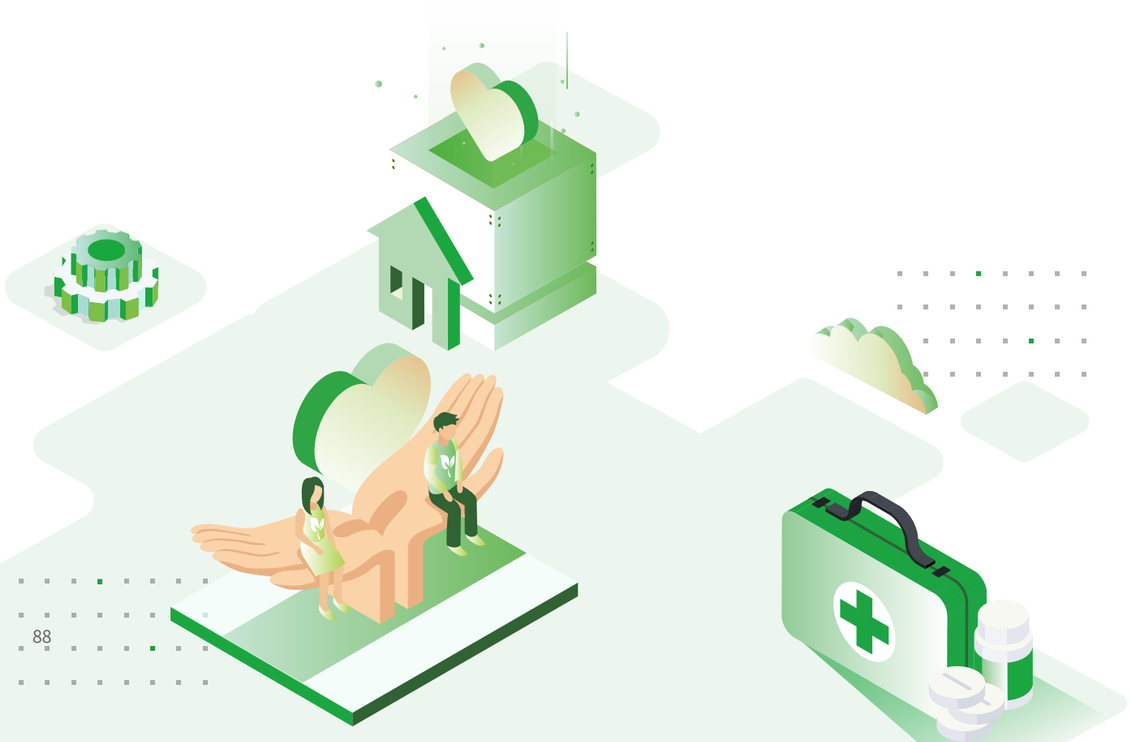
A total blood donation of

235,700ml

Donation for Nanjing Social Welfare Institute for Children

In May 2025, Party member representatives and volunteers from the Group visited the Nanjing Social Welfare Institute for Children to carry out a care initiative themed "Caring with Love, Warming Young Hearts." They donated essential daily supplies valued at nearly RMB 7,000, including milk, yogurt, and diapers, to support the children's needs. Volunteers also actively purchased handmade crafts created by the children as part of a charity sale, delivering warmth and care through tangible actions. This initiative reflects the Group's ongoing commitment to supporting vulnerable groups, fulfilling its corporate social responsibility, and demonstrating the dedication of Party members and youth volunteers to public welfare and giving back to society.

Charity Donation for Welfare Institute



Future Outlook

Looking forward to 2026, the Group will continue to uphold the core philosophy of responsible operation, collaborative innovation, patient-first, talent-driven, green and low-carbon, and social co-creation, continue to integrate ESG into the whole process of corporate strategy and operation, and systematically improve the level of sustainable development governance. We deeply recognize that the national strategic deployment of comprehensively promoting the construction of a healthy China and deepening the green and low-carbon transformation during the "15th Five-Year Plan" period has brought new development opportunities for the pharmaceutical and health industry. The Group will actively respond to the national call and fulfill its corporate social responsibility with practical actions.

In terms of operation and governance, we will continue to improve the corporate governance system, deepen the building of risk management and control capabilities, optimize responsible supply chain management, and build a more stable and transparent operation ecosystem. In terms of innovation and R&D, we will accelerate research in cutting-edge fields, deepen industry-university-research cooperation and international exchanges, promote more innovative achievements to benefit patients, and improve drug accessibility through diversified payment plans. In terms of quality management, we will adhere to the quality policy of "fine work, fine products, striving for excellence" and continue to strengthen the quality management of the whole life cycle of drugs.

In response to the national "dual carbon" goal and green manufacturing requirements, we will systematically promote green and low-carbon transformation, improve energy and resource utilization efficiency, strengthen climate risk management, and promote green upgrading of supply chain. In terms of employee development, we will continue to optimize the talent training system, create a fair, diverse and dynamic workplace environment, and improve the employee care mechanism.

In fulfilling its social responsibilities, the Group will closely follow the national strategy and continue to deepen its efforts in the two major areas of "people's livelihood and health" and "focusing on public welfare". On the basis of continuing to carry out drug donation, frontline free clinics and health science popularization, we will further explore new models of digital health services and support the building of primary medical capacity. At the same time, we will continue to expand public welfare projects such as education support, community care and emergency assistance to promote the co-creation of social values.

We are willing to join hands with all parties to draw a healthy, fair and sustainable future with professionalism and responsibility as the pen.

Appendix

HKEX ESG Reporting Code Content Index

Environmental, Social and Governance Indicators			Page
Environmental	A1 Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	P78-79
		A1.1 The types of emissions and respective emissions data.	P78-79
		A1.2 Direct (Scope 1) and energy indirect (Scope 2) GHG emissions (in tonnes) and, where applicable, intensity (e.g. per unit of production volume, per facility)	P83
		A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P79
		A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P79
		A1.5 Description of emission target(s) set and steps taken to achieve them.	P73
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	A2 Use of Resources	General Disclosure: Policies on the efficient use of resources, including energy, water and other raw materials.	P74-77
		A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	P76
		A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P77
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	A3 The Environmental and Natural Resources	General Disclosure: Policies on minimising the issuer's significant impacts on the environment and natural resources.	P72-73
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Environmental, Social and Governance Indicators			Page
Social	B1 Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	P50-58
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		B1.2 Employee turnover rate by gender, age group and geographical region.	P52
	B2 Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P68
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		B2.2 Lost days due to work injury.	P68
		B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P69
	B3 Development and Training	General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	P59-62
		B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P62
		B3.2 The average training hours completed per employee by gender and employee category.	P62
	B4 Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	P50
		B4.1 Description of measures to review employment practices to avoid child and forced labour.	P50
		B4.2 Description of steps taken to eliminate such practices when discovered.	P50

Environmental, Social and Governance Indicators			Page
Social	B5 Supply Chain Management	General Disclosure: Policies on managing environmental and social risks of the supply chain.	P21-23
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		B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	P21-22
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		B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P23
	B6 Product Responsiblity	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	P38-42, P44-47
		B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	P42
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		B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	P20
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		B7.3 Description of anti-corruption training provided to directors and staff.	P20
	B8 Community Investment	General Disclosure: Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	P86-88
		B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	P86-88
		B8.2 Resources contributed (e.g. money or time) to the focus area.	P87

Subject Area	Aspects	General Disclosures and KPIs	Page
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		Industry-based metrics	P83
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		Applicability of cross-industry metrics and industry-based metrics	/

[3] The company conducted an assessment of the impacts of climate-related risks and opportunities this year. There is considerable uncertainty in indicators such as the quantification of financial impacts, expected financial impacts, and capital expenditures, which meets the criteria for financial impact exemption.

In addition, the company has not yet used internal carbon price in decision-making, nor has it incorporated climate-related factors into its current compensation policy, and therefore does not disclose the relevant information at this time.

As the data underlying industry-based metrics are currently incomplete, the company applies the reasonable data exemption clause and does not disclose the relevant information for the time being.

Definitions

"AAALAC"	Refers to	Association for Assessment and Accreditation of Laboratory Animal Care International
"GMP"	Refers to	Good Manufacturing Practice, guidelines and regulations issued from time to time pursuant to the *Drug Administration Law of the PRC* as part of quality assurance which aims to minimize the risks of contamination, cross contamination, confusion and errors during the manufacture process of pharmaceutical products and to ensure that pharmaceutical products subject to these guidelines and regulations are consistently produced and controlled in conformity to the quality and standards appropriate for their intended use
"NMPA"	Refers to	National Medical Products Administration, formerly known as China Food and Drug Administration ("CFDA") or State Food and Drug Administration ("SFDA") or China's Drug Administration ("CDA"); references to NMPA include CFDA, SFDA and CDA
"NRDL"	Refers to	China's National Reimbursement Drug List, also known as Drugs Catalogue for the National Basic Medical Insurance, Work-related Injury Insurance and Maternity Insurance, which was published by the MOHRSS on November 27, 2009 and amended from time to time
"PRC"	Refers to	the People 's Republic of China
"Company" or "Our Company"	Refers to	Simcere Pharmaceutical Group Limited (formerly known as Simcere Pharmaceutical (Hong Kong) Limited and Sincere Investment Limited), a private company limited by shares incorporated under the laws of Hong Kong on November 30, 2015
"Stock Exchange"	Refers to	the Stock Exchange of Hong Kong Limited
"The U.S."	Refers to	the United States of America
"EHS"	Refers to	Environment, Health and Safety
"Group""Group" or "we"	Refers to	Simcere Pharmaceutical Group Limited and its subsidiaries
"Hainan Simcere"	Refers to	Hainan Simcere Pharmaceutical Co., Ltd. (formerly known as Sanya Haifu Pharmaceutical Co., Ltd.), Hainan Haifu Pharmaceutical Co., Ltd., and Simcere Pharmaceutical Co., Ltd., a limited liability company established in the PRC on April 28, 1993 and a subsidiary of our Company
"Jiangsu Simcere"	Refers to	Jiangsu Simcere Pharmaceutical Co., Ltd., formerly known as Jiangsu Chenggong Pharmaceutical Co., Ltd., a limited liability company established in the PRC on March 28, 1995 and a subsidiary of our Company
"Jiangsu Simcere Biologics"	Refers to	Jiangsu Simcere Biologics Co., Ltd., a limited liability company established in the PRC on July 10, 2017 and a subsidiary of our Company
"Shandong Simcere"	Refers to	Shandong Simcere Biopharmaceutical Co., Ltd. (formerly known as Yantai Rongchang Bioengineering Limited, Yantai Maidejin Bioengineering Co., Ltd., Yantai Maidejin Bioengineering Limited, Yantai Maidejin Biology Pharmaceutical Co., Ltd.), and Shandong Simcere Maidejin Pharmaceutical Co., Ltd., a limited liability company established in the PRC on June 30, 1999 and a subsidiary of our Company
"Shanghai Simcere"	Refers to	Shanghai Simcere Pharmaceutical Co., Ltd. (formerly known as Shanghai Haciyi Pharmaceutical Co., Ltd.), Shanghai Simcere Haifu Pharmaceutical Co., Ltd., and Simcere Merck Sharp&Dohme (Shanghai) Pharmaceutical Co., Ltd., a limited liability company established in the PRC on July 20, 2000 and a subsidiary of our Company
"Simcere Pharmaceutical"	Refers to	Simcere Pharmaceutical Co., Ltd. (formerly known as Nanjing Simcere Dongyuan Pharmaceutical Co., Ltd. and Nanjing Dongyuan Pharmaceutical Co., Ltd.), a limited liability company established in the PRC on September 10, 1998 and a subsidiary of our Company
"Jiangsu Xiansheng"	Refers to	Jiangsu Xiansheng Bio-medical Technology Co., Ltd., (a pharmaceutical ingredient base), a limited liability company established in the PRC on March 11, 2022 and a subsidiary of our Company
"Simcere Zaiming"	Refers to	Hainan Simcere Zaiming Pharmaceutical Co., Ltd. (formerly known as Simcere Zaiming Pharmaceutical Co., Ltd.) and each of its subsidiaries

Reader Feedback Form

Dear readers:

Thank you for reading the *2025 ESG Report of Simcere Pharmaceutical Group Limited*. We value and expect your feedback on the Group's ESG management, practice and reporting. Your comments and suggestions are the important basis for us to promote ESG management and practice. We look forward to your reply!

1. Which category of stakeholder does your organization belong to?

☐ Shareholders and investors ☐ Employees ☐ Suppliers ☐ Customers

☐ Governments and regulatory authorities ☐ Communities ☐ Business partners

☐ Industry associations/NGO ☐ Others (please specify) _____

2. What do you think of the report?

☐ Pretty good ☐ Good ☐ Average ☐ Poor

3. What do you think of the clarity, accuracy and completeness of the information and data disclosed in the report?

☐ Pretty good ☐ Good ☐ Average ☐ Poor

4. What do you think of the comprehensiveness of the economic responsibility fulfilled by the Group and reflected in the report?

☐ Pretty good ☐ Good ☐ Average ☐ Poor

5. What do you think of the comprehensiveness of the environmental responsibility fulfilled by the Group and reflected in the report?

☐ Pretty good ☐ Good ☐ Average ☐ Poor

6. What do you think of the comprehensiveness of the social responsibility fulfilled by the Group and reflected in the report?

☐ Pretty good ☐ Good ☐ Average ☐ Poor

7. What do you think of the readability of the report?

☐ Pretty good ☐ Good ☐ Average ☐ Poor

8. Are there any information you would like to have but the report has not disclosed?

9. Do you have any comments and suggestions to the Group's ESG work and the preparation of the report?


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