

PharmaBlock Sciences (Nanjing), Inc.

Environmental Sustainability Policy

Purpose

To clarify the general management principles of PharmaBlock Sciences (Nanjing), Inc (hereinafter referred to as "PharmaBlock", "the Company", or "We") in environmental management, reduce the impact of daily operations on the environment, and to achieve sustainable development of environmental and economic benefits. This Policy is formulated in accordance with relevant laws and regulations.

Applicable Scope

This Policy applies to PharmaBlock and its subsidiaries and affiliates worldwide, covering the Company's operations and commercial facilities, products and services, distribution and logistics, waste management, due diligence, mergers and acquisitions, and other links. It also applies to the Company's suppliers, service providers, contractors, and other business partners.

Guideline

PharmaBlock recognizes that environmental sustainability is critical to the well-being of present and future generations. We are steadfast in our "people-oriented" approach, valuing life and health while prioritizing environmental sustainability. We actively mitigate climate change, conserve natural resources, and strive to eliminate waste. Our continuous improvement in environmental performance aims to contribute positively to the global fight against climate change and protect our natural world.

Our Management Principle

The Company is dedicated to the pursuit of environmental sustainability, persistently enhancing environmental protections across its business operations. It is proactive in adopting diverse environmental conservation strategies to lessen the ecological impact of its corporate endeavors. Concurrently, the Company elevates environmental consciousness among its clientele, suppliers, and other stakeholders. It collaborates with the entire business value chain to engage in environmental stewardship, foster positive transformations throughout the value chain, and strive for a collective future of sustainable development.

To achieve environmental sustainability, we are committed to vigorously promote the following work:

- Strictly follow the applicable environmental protection laws and regulations in each operation location, establish and continuously improve the environmental management system, run it well, and improve performance.
- Focus on product process technology improvement, minimize the use of hazardous chemicals, develop and utilize alternative chemicals, reduce the production of wastewater, exhaust gas, and waste in the operation process, and promote the resourceful recycling of production raw materials.
- Formulate energy and water conservation strategies, prioritize the use of clean energy, and improve the utilization efficiency of energy and water resources.

- Actively carry out staff training, enhance the environmental awareness of all staff, and promote them to contribute to environmental protection work.
- Choose efficient environmental protection facilities and operate them usually to ensure waste water and exhaust gas discharge meet the standards and avoid pollution to water, atmosphere, and soil.
- Carry out preventive maintenance of environmental protection facilities and adopt measures such as risk warnings and regular emergency drills to reduce the impact of events such as abnormal operation of environmental protection facilities on the environment.
- Reduce the use of non-environmentally friendly packaging materials and encourage recycling of packaging materials.
- Select qualified units to dispose of waste in a compliant manner and consider the selection of appropriate suppliers from the perspective of the entire value chain to realize the resourceful use of waste and promote the efficiency of resource utilization.
- Based on business activities and greenhouse gas verification results, we develop energy conservation and greenhouse gas reduction strategies to reduce the impact of the Company's operations on climate change.
- Collaborate with downstream partners to achieve the harmless disposal of discarded products and reduce the environmental impact of discarded products.
- Timely disclosure of the progress of environmental protection efforts in an appropriate manner, and consultation with relevant parties on environmental issues when necessary.

Our Governance

PharmaBlock has built a management structure led by the Board of Directors, guided by the ESG Executive Committee, and executed by the ESG Task Force and related business departments. In addition, each site has set up corresponding ESG Task Force and Environmental Management Departments, which are responsible for formulating the environmental management system and processes. Promote the implementation of various environmental protection work through the formulation of goals, indicators and action plans, and daily follow-up, to ensure the implementation of the Company's environmental sustainable development policy.

This Policy is reviewed and approved by the Company's ESG Executive Committee to ensure alignment with our medium-and long-term environmental protection strategy. At the same time, we have established an environmental management system and management system within the Company to identify, prevent, eliminate, or mitigate the impacts of environmental risks in our business activities.

The Company develops environment-related key indicator performance, which will be reviewed regularly by the Board of Directors to ensure that relevant policies and management systems are implemented. Additionally, we are transparent about essential work and critical performance, as detailed in our annual Environmental, Social, and Governance (ESG) Report, where we highlight the progress of our environmental protection efforts.

Supplementary Provisions

This Policy is formulated and revised by the Company's ESG Executive Committee. It takes effect from December 2023.