

PharmaBlock Sciences (Nanjing), Inc. Biodiversity Conservation Policy

Purpose

In order to clarify the principles of biodiversity management for PharmaBlock Sciences (Nanjing), Inc. (hereinafter referred to as “PharmaBlock”, “the Company” or “We”), to achieve harmonious coexistence with the ecosystem, and to promote the protection of nature and forests, this Policy is hereby established.

Applicable Scope

This Policy applies to PharmaBlock and its subsidiaries and affiliates worldwide, as well as to other key business partners such as the Company's suppliers, service providers, contractors.

Guideline

PharmaBlock recognizes the importance of protecting biodiversity as a key shared responsibility. We uphold the philosophy of a Community with a Shared Future for Mankind, focus on "Responsible Operation and Green Development", integrate the concept of biodiversity protection into the whole process of operation, and furthermore contribute to the global biodiversity conservation.

Our Management Principle

In order to address biodiversity issues, PharmaBlock adheres to the following principles:

- Strictly comply with relevant environmental laws and regulations, simultaneously commit to achieving a Net Positive Impact (NPI) on biodiversity as a long-term goal.
- None of the workspaces and business premises are located in the nature reserve.
- Strengthen environmental management to reduce the impact on the ecosystem and potential threat to biodiversity from a variety of dimensions, including resource use, pollution prevention and control.
- Progressively conduct biodiversity risk assessments and implement a progressive strategy of mitigation measures, including avoidance, minimization, restoration and compensation, prioritizing measures that highly effective from a biodiversity and business perspective, with the aim of achieving No Net Loss (NNL) of biodiversity.
- Persist on biodiversity conservation through responsible sourcing, rigorous selection of sustainable products that meet resource, energy and environmental standards, and ensuring that raw materials in our supply chain do not come from illegally harvested or damaged ecosystems.
- Promote forest conservation by committing to stop or reduce all deforestation associated with the production, trade, and/or sale of goods, with the aim of achieving No Gross Deforestation (NGD).
- Improvement of knowledge and awareness of stakeholders (employees, customers, suppliers, partners, etc.) on biodiversity conservation and forest protection.

- Seek opportunities to work with stakeholders, such as government agencies, NGOs and local communities, to develop and implement biodiversity conservation programs and share resources and experiences.

Our Governance

PharmaBlock has established a management structure led by the Board of Directors, guided by the ESG Executive Committee, and executed by the ESG Task Force and relevant business departments. In addition, each site has established the ESG Task Force and Environmental Management Department to ensure the implementation of Biodiversity Conservation Policy. We have embedded our Biodiversity Conservation Policy in our internal management standards and guidelines, which are regularly monitored and reviewed to ensure that the Policy and management system are implemented and monitored.

Supplementary Provisions

This Policy is formulated and revised by the Company's ESG Executive Committee. It takes effect from February 2024.