

Tigermed

Environmental, Social and Governance (ESG) Regulation

1 Objective and Application Scope

Tigermed (stock code: 300347.SZ/3347.HK) is the industry's leading provider of the integrated service platform for the R&D of biological and pharmaceutical products. The Company specializes in providing innovative solutions for clinical studies that span across the whole lifecycle of the products for world's pharmaceutical and medical device sectors. With the mission of "serving healthcare partners through innovation, advancing human health through excellence", Tigermed is dedicated in efficiently promoting the marketization process of pharmaceutical products and providing innovative therapies of clinical value to patients and physicians worldwide for the benefit of human health.

Tigermed believes that the sound management based on the Environmental, Social and Governance ("ESG") regulation may guarantee the long-term development of the Company, hence, have integrated the ESG regulation into the management strategies of the Company. Therefore, Tigermed has developed this regulation with reference to the laws and regulations of the places where it operates, as well as international norms such as the United Nations Global Compact and the United Nations Declaration of Human Rights to regulate its own decisions and actions.

This regulation applies to all the employees on active duty (including regular employees, contract employees and interns), senior management and directors of Tigermed and its subsidiaries (collectively, "the Group"). The provisions stipulated in the section of the "Anti-corruption Business Code" also apply to the suppliers of Tigermed.

2 Anti-corruption Business Code

Policy

The Group does not tolerate any bribery or corruption committed in any form, including misconducts in all activities of Tigermed's employees (including employees and directors) and third party representatives (such as agents, consultants and joint venture partners), suppliers, clients, government officials and healthcare professionals (HCPs).

The employees are strictly prohibited from providing or authorizing any third party to provide any valuables to partners in the name of Tigermed, or offer or accept gifts and hospitality/banquets so frequently that it may be considered excessive, or offer or accept any valuables or services in a non-transparent manner, especially using their private address or bank accounts, without the consent of the Company's compliance department.

The employees of the Group must make sufficient reports in case of conflicts of interests or potential conflicts of interests. The employees must promptly disclose the ownership or business interests of themselves or their relatives in other enterprises (both direct and indirect) to department managers or compliance officers.

How do we put this into practice

Signing a Written Commitment

Employees at the positions of directors or higher levels, including members of board of directors, boards of supervisors, senior management, as well as the employees at special positions specified by the Company's ESG and the Compliance Management Committee must sign the *Declaration of Conflicts of Interests of Tigermed* to make a commitment that they will never accept or solicit in any form any gifts or rewards beyond ordinary business etiquettes from any unit that has business relations with Tigermed.

Internal Audit

As the leaders of enhancing the correct business ethics, Tigermed's senior management have the obligation to establish an environment of honesty and integrity in addition to promoting the implementation of the Company's business ethics system, whilst the internal audit department is responsible for independently reporting the supervision results to the Company's audit committee. The departments of internal control and internal audit shall conduct audits on the key aspects on an annual basis, and the audits shall cover all the core business processes at a frequency of once every three years.

Training

Training sessions or lectures concerning compliance and business ethics will be provided on a regular basis (no less than once a year) to all the employees on active duty (including regular employees, contract employees and interns), senior management and board of

directors of Tigermed.

Management of Suppliers

The Group has developed the *Code of Business Conduct for Suppliers of Tigermed* and its Attachment 1, the *Anti-bribery and Anti-corruption Commitments*, which includes the anti-corruption and anti-bribery policy, and the Group also provides a dedicated hotline or an e-mail box for whistleblowing of misconducts related to corruptions and briberies.

The purchasing department is responsible for the management of suppliers. All the new suppliers must sign the *Code of Business Conduct for Suppliers of Tigermed* and its Attachment 1, the *Anti-bribery and Anti-corruption Commitments* when they gain admittance into the suppliers list to ensure that all the suppliers become aware of the anti-corruption and anti-bribery policy of the Group.

Tigermed expects that the suppliers may establish appropriate management systems and business requirements to ensure ongoing compliance with the *Code of Business Conduct for Suppliers of Tigermed*. Supplier shall agree that the Group or a third party designated by the Group will conduct audits to verify the compliance and continuous improvements as for the *Code of Business Conduct for Suppliers of Tigermed*.

Protection of Whistleblowers

The Group's ESG and the Compliance Management Committee accept all the real-name or anonymous whistleblowing submitted by the employees, representatives of the third parties or the the Group's business partners concerning actual or suspected violations they have discovered. We have set up several channels, such as the official website, the whistleblowing hotline and e-mail box, for whistleblowing of non-compliance. We will set up a working group to investigate and evaluate each reported incident and deal with it based on the investigation results.

The Group has stipulated strict measures to protect the whistleblowers. Whistleblowers' personal information and the information they provide will be kept in strict confidentiality. The Group has established an anti-retaliation protection mechanism for the whistleblowers and the Group will protect them in accordance with the law. Any individual who takes revenge on the whistleblowers or the relevant witnesses will be disciplined by the Group based on the severity of their offenses, including but not limited to dismissal, termination of employment contract and being handed over to relevant judicial organs for handling.

3 Employee's Rights and Interests

Policy

The Group believes that the employees are the most important resources of it and it is committed to treating all employees with dignity and respect. The Group requires that the local laws and regulations regarding employment relations shall be followed wherever the business activities of the Group are conducted.

How do we put this into practice

Labor Code

The Group adopts clear regulations to prohibit improper employments such as the use of child labor, forced labor and employments related to corruptions and discriminations. Tigermed recognizes human rights and labor code throughout its global organizations. See Tigermed's Labor Standards for more information.

Employee Complaint

The Group provides a smooth communication mechanism for all employees to ensure that all the employees enjoy the rights of sufficient participation and expression so as to establish harmonious and stable labor relations.

- (i) All the employees can put forward any suggestions and demands through the "Dialogue" platform. All the issues will be supervised and handled by the department head in person on the premise that the employee's personal privacy is protected; moreover, the platform will keep track of the event and makes the progress transparent to employees.
- (ii) All the employees can also use various kinds of channels for whistleblowing of non-compliance to submit complaints about the misconducts violating compliance standards and infringing upon employees' lawful rights and interests.
- (iii) The personal information of the employees who make proposals or file complaints and the materials they provide shall be kept strictly confidential, so as to prevent them from being squeezed out or retaliated against due to whistleblowing or testifying.
- (iv) Any individual who takes revenge on the whistleblowers or the relevant witnesses will be be disciplined by the Group based on the severity of their offenses, including but not limited to dismissal, termination of employment contract and being handed over to relevant judicial organs for handling.

4 Rights and Interests of Clients

4.1 Responsible Marketing

Policy

The Group is committed to carrying out marketing and sales activities in accordance with the local laws, regulations and norms of the place where such activities are conducted. External dissemination or declaration of information by all the Group's employees on duty (including regular employees, contract workers, interns and employees dispatched by third parties to work in the Company) is subject to the principle of accurate information disclosure and they shall not make false¹ or misleading statements about the products and services of the Company or the Company's competitors.

How do we put this into practice

Approval System for External Dissemination

A reviewing committee has been set up by Tigermed to review all the press releases and promotional materials provided to the public for compliance and to ensure that there is no content or description that infringes upon the legal rights of any other party or violates the requirements of the advertising law.

The following requirements should be met when the information to be disclosed is reviewed and approved:

- (i) All the advertisements and promotional materials and any form of marketing content must be approved as necessary to ensure that Tigermed's services and products are described in an accurate manner;
- (ii) Only authorized employees may publicize or share the relevant information in public speeches on behalf of the Group;
- (iii) Respect objective facts and all product information used or disseminated shall be complete and unambiguous and is free from misleading statements.
- (iv) Images, portraits, music, video clips, fonts and other materials used in external dissemination must use materials that have been authorized and copyrighted from

¹ External dissemination includes but not limited to:

- Business introduction PPT, bidding PPT, external presentation PPT ;
- Websites, graphs and texts on Wechat platform, video clips, promotional videos and online conferences
- Booth and exhibition boards, posters, billboards, brochures, gifts and printed materials
- Publicly published articles, news and press releases;
- Public lectures and media interviews;
- Designs provided by the suppliers;

regular channels..

- (v) For contents to be externally disseminated, the names or images of state organs or personnel of state organs shall not be used or disguised, and no wordings of “national”, “highest” and “best” shall be used;
- (vi) The contents to be externally disseminated shall not contain any wordings of assertion or guarantee of product efficacy and safety, any wordings indicating the cure rate or effective rate, or any comparison with other drugs and medical devices concerning efficacy and safety or comparisons with other healthcare institutes. The information should be described in a comprehensive way and exaggeration or concealment of potential risks should be eliminated so as to avoid any form of misinterpretation.
- (vii) For citing of all the external sources in any form, be sure to include the source or the information of the original author(s). When quoting the Company information or data of the clients, be sure to obtain their review and approval in advance.

Training for Employees

The Group will conduct multi-level training for the employees on the topic of “responsible marketing”, including:

- (i) All the employees shall participate in the training session of “responsible marketing” on an annual basis. The content includes: the internal training system provides video training of *Tigermed's Regulations for Management of External Dissemination* to all the employees, and all the employees shall complete the training and pass the online tests; and internal and external experts will be invited to provide training to related employees from time to time.
- (ii) New employees shall receive training on the brand and topics of external dissemination: a minimum of 3 times of training shall be provided to the employee within 90 days after a new employee joins the Group, and the topics of “responsible marketing” such as standards in product promotion shall be included;
- (iii) The marketing team regularly conducts external impact compliance advocacy and training for each subsidiary through monthly meetings .

Audit of the “Responsible Marketing”

The Audit Department of the Group shall carry out internal supervision and audits on “responsible marketing”, and the Marketing Department is responsible for conducting a unified audit on all the externally disseminated materials of the Group on a semi-annual basis to ensure the legality and compliance of the externally disseminated materials and contents.

4.2 Product Quality and Safety

Policy

The Group has established a quality assurance system which is composed of a quality management committee, a quality assurance department and an internal audit department. The Group adopts the principles of PDCA (plan, do, check and action) cycle to continuously improve the quality management system.

The employee performance appraisal of the project manager (PM) and the clinical research associate (CRA) of the clinical operations team shall be linked to quality-related key performance indicators (KPIs).

How do we put this into practice

Create a Product Quality Control System

The Group has established a comprehensive and well-developed quality management system and standards. Based on the E6(R2) issued by the ICH (e.g. *Good Clinical Practice: Integrated Addendum to ICH E6(R1)*), the *Good Clinical Practice* of China and TransCelerate's Clinical Quality Management System, the quality management committee of the Group has established a comprehensive quality management system for the whole group from the aspects of system construction, internal audits, external audits, audit and management of suppliers, internal training on quality, management of quality related risks. In addition, a quarterly meeting will be held to review the quality management, evaluate quality related risks of the Group and provide suggestions for corrective and preventive actions.

Preventive Measures and Continuous Improvement

The Group has formulated standards such as *Handling for Non-compliance* and *Corrective and Preventive Measures* to investigate quality related events and implement disposal measures in a timely manner. Moreover, based on the type of the events, the PDCA principles will be followed to optimize the process, formulate corrective and preventive measures one by one so as to realize continuous improvement, and prevent recurrence of similar problems.

Audit of Quality Management

Internal audits of the projects will be carried out by the quality assurance (QA) inspection team of the headquarter on an annual basis, and internal system audits will be carried out every two years. The Group aims to optimize the quality management system through conducting a series of audit activities to ensure that the implementation of the project meets the requirements of laws and regulations and the in-house SOPs of Tigermed.

Product Quality and Safety Training

The Group implements "full participation" in quality management to raise the employee's awareness of quality through establishing the knowledge management system. In addition,

multi-level quality management training sessions will be provided to all the employees, including:

- (i) For the Group leaders and the directors of subsidiaries, meetings on product quality will be held on an annual basis to provide them with guidance for the annual quality management, summarize and analyze the situation of the quality management system as well as make proposals for the improvement of the quality culture;
- (ii) For the quality related employees, meetings for work communication will be held on a monthly basis, with the aim to understand the quality related problems identified in each business department, as well as to provide counseling and relevant quality training to these employees;
- (iii) For all the employees, the quality docking personnel of each department will carry out quality training within the department from time to time, at a minimum frequency of once a year, so as to achieve 100% coverage in providing training to the core employees.
- (iv) For all employees, simultaneous online and offline“quality day“ activities will be carried out on a quarterly basis to promote the quality culture and enhance the quality concept of the employees.

Quality Management of Suppliers

The Group has formulated a series of documents including the *Supplier Management System*, the *Procurement and Bidding Management System*, the *Code of Business Conduct for Suppliers*. Special supplier management processes are developed for different types of suppliers, so that the Company's quality requirements can be integrated into the control of the supply chain and quality control of all aspects of clinical research can be achieved.

The Group's quality management of suppliers covers direct suppliers and sub-suppliers.

- (i) For high-risk suppliers such as those for clinical operations, a minimum of one assessment will be conducted on an annual basis, and online quality training courses will be provided to them, and the suppliers are required to complete at least one session of online training each year;
- (ii) Any sub-suppliers who provide products or services to suppliers (including but not limited to product manufacturers, sub-contractors, sub-suppliers and suppliers of raw materials or original services) shall also follow the *Code of Business Conduct for Suppliers* of Tigermed.
- (iii) Suppliers agree that Tigermed reserves the right to audit the sub-suppliers and actively cooperate so that Tigermed obtains relevant review materials, and Tigermed regularly audits the sub-suppliers using questionnaires.

Meanwhile, the Group will conduct the ESG management with reference to the *Pharmaceutical Supply Chain Initiative (PSCI) Principles for Responsible Supply Chain Management*.²

Dual-sourcing Procurement Mechanism

In order to avoid the procurement related risks in emergency situations, the Group has established a dual-sourcing procurement mechanism for suppliers, which will evaluate the supply performance of suppliers by the supplier type so as to ensure the stability of supply.

For key suppliers, Tigermed will sign framework agreements with them to ensure long-term stable supply from such suppliers.

² Tigermed has not officially participated in the PSCI (Pharmaceutical Supply Chain Initiative).

5 Environmental Protection

Policy

The Group strictly complies with the laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and plays an active role in promoting the inclusion of the concept of green development into daily work and aspects in clinical studies. The Group aims to gradually build an environment, health and safety (EHS) management system of our own based on the experience of environmental management gained by the industry's leading enterprises. The Group integrates the requirement of green development into business operations step by step and strives to reduce the environmental footprint of our own business operations.

How do we put this into practice

Create an Environmental Management System

The Group adheres to the management principle of "people-oriented, caring for human health and reducing emissions and sustainable development". The Group has set up an environment, health and safety (EHS) working group, which is responsible for the review and approval of environmental protection systems and the management and promotion of environmental protection works, as well as formulation and issuing of the Environment, Health and Safety Management System to regulate the discharge of waste gas and waste water, harmful and harmless wastes, energy, water resources and materials, so as to actively fulfill the responsibility of environmental protection.

The Group has set targets for water efficiency, energy efficiency, greenhouse gas emission and waste reduction according to the status of its own operations, and the board of directors will review the Group's achievement in the ESG performance targets on a yearly basis.

Strict Control over Waste Disposal

The Group has set the reduction of waste emissions as one of its environmental objectives. It also sets strict rules in making statistics and management of harmless wastes produced from daily office works, and conduct garbage classification and have the environmental protection department regularly clean and remove the harmless wastes produced from daily office works. In addition, the Group has formulated special procedures to manage the laboratory environments, set up a special department to be responsible for the registration and disposal of laboratory wastes so as to strengthen the disposal of laboratory wastes and prevent the water and soil from being polluted by these wastes.

Save Resources

The Group sets strict rules in controlling the use of water and electricity. It continuously strengthens the inspection and maintenance of water supply equipment and facilities, timely eliminates the old electric appliances that consume large amounts of electricity, and manages

the data statistics of water and electricity consumption. The Group also make efforts to raise the employees' awareness of saving resources through daily communication and setting up water and power saving slogans.

Responding to Climate Change

The Group integrates climate change into the focus of ESG regulation and has built a climate change management system in the four aspects of governance structure, strategy formulation, risk management and formulation of indicators and targets by constantly referring to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

The board of directors is responsible for supervising and managing the ESG related issues, including the issues of climate change, and relevant functional departments and business units of the Group has incorporated management of climate change into their daily work priorities.

The Group identifies climate-related risks and opportunities based on its own development status and expert opinions and constantly improves the management accordingly.

Urge Suppliers to Conduct Environmental Management

The Group will also integrate the concept of green development into the management of suppliers. In the *Code of Business Conduct for Suppliers*, the suppliers are required to:

- (i) Comply with all applicable environmental and environmental protection laws and regulations;
- (ii) Ensure safe handling, transfer, storage, recovery, reuse or management of waste, air emissions and wastewater discharges;
- (iii) Encourage suppliers to adopt environmental protection measures and recommend them to use environment-friendly products and services;
- (iv) Protect natural resources and avoid the use of harmful substances whenever possible.

6 Social Welfare

Policy

Tigermed insists on focusing on the community and seeks for in-depth integration with the community. We pay attention to the needs of the community and include the pursuit of common development with the community as a key aspect of the Group's social responsibility. The Group focuses on social contributions in the fields of medicine, health and education, and work hand in hand with all sectors of the society to give back to the society.

How do we put this into practice

The Group upholds its expertise and the spirit of saving the lives of the patients in the field of medicine to enhance public health awareness, provide services to meet the medical needs of the society, invest in and care for the society through its power of influence, promote knowledge concerning clinical studies and foster the innovation and development in the pharmaceutical industry. The Group proactively participates in the establishment of industry standards, the industry's academic exchanges and training talents for the industry so as to promote the development of the industry.

7 Supervision and Management

All the employees, senior management, directors and third party representatives of the Group and its subsidiaries shall be aware of and abide by this Policy. All the employees of the Group and external partners of the Group may report any actual or suspected violations to the Group through the following channels.

Official website:	whistleblowers may submit the reports by completing the forms in the “Compliance Concern” column. This column provides options for them to submit the reports in real-name or anonymously.
Hotline:	the hotline for whistleblowing of non-compliance is: 400- 400-687-02.
E-mail address:	the e-mail box for whistleblowing of corruptions and non-compliance: compliance.officer@tigermedgrp.com the e-mail address for whistleblowing data protection issues: DPO@tigermedgrp.com E-mail address for whistleblowing of non-compliance in finance and taxation: tax-compliance-team@tigermedgrp.com E-mail address for whistleblowing of non-compliance in labor compliance: labor-compliance-team@tigermedgrp.com

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References:

This document is drafted with reference to the following principles or documents, including:

- The Ten Principles of the United Nations Global Compact
- United Nations *Universal Declaration of Human Rights*
- International Labour Organization's *Declaration on Fundamental Principles and Rights at Work*
- *United Nations Convention against Corruption*
- *Rio Principle*
- *Principles of Corporate Governance* of the Organization for Economic Cooperation and Development of the United Nations
- *ISO26000 Guidance on Social Responsibility* and *GB/T36000-2015 Guidance on Social Responsibility*

Also, the rating requirements for listed companies stipulated by the following international rating agencies is referred to when preparing this document:

- ESG rating by MSCI(Morgan Stanley Capital International)