

2025

Environmental, Social and Governance Report

CSPC Pharmaceutical Group Limited (01093.HK)

石藥集團有限公司
CSPC PHARMACEUTICAL GROUP LIMITED

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About This Report

This report is an Environmental, Social and Governance (ESG) report publicly disclosed by CSPC Pharmaceutical Group Limited and its subsidiaries (collectively referred to as "CSPC," "we," "the Group," or "the Company"). It aims to respond to stakeholder expectations and present the Company's philosophy, management approach, actions, and performance in environmental, social, corporate governance, and sustainable development.

Basis of Preparation

This report has been prepared in accordance with *Appendix C2 "Environmental, Social and Governance Reporting Code"* to the *Rules Governing the Listing of Securities on The Main Board of the Stock Exchange of Hong Kong Limited* and the International Sustainability Standards Board (ISSB)'s *IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information* and the *IFRS S2 Climate-related Disclosures*. It also references the *GRI Sustainability Reporting Standards issued* by the Global Sustainability Standards Board (GSSB), as well as major ESG rating indices in the capital markets such as the MSCI ESG Ratings.

Reporting Period and Frequency

This is an annual report for the year 2025, covering the period from 1 January 2025 to 31 December 2025. Certain content appropriately includes historical data for comparison purposes.

Reporting Scope

CSPC regularly reviews the reporting scope to ensure that this report covers all material issues that have a significant impact on the Group's overall business. Environmental, Health and Safety (EHS) data presented in this report covers all production enterprises within the Group, while the policy descriptions and the reporting scope of other data are consistent with that of the Annual Report. Unless otherwise stated, social and governance data are consistent with the scope of the Company's consolidated financial statements.

Data Sources and Reliability

The data and case studies presented in this report are primarily derived from the Company's internal statistical reports and related policy documents. We are committed to ensuring the accuracy and reliability of the reported information and to avoiding any false or misleading statements. Unless otherwise stated, all monetary amounts in this report are expressed in Renminbi (RMB). This report is published in both Chinese and English. In the event of any discrepancies between the two versions, the Chinese version shall prevail.

Reporting Principles

Materiality: This report identifies key issues that need to be responded through stakeholder surveys and materiality analysis, and highlights the environmental, social, and governance (ESG) issues that may have a significant impact on investors and other stakeholders.

Quantitative: This report discloses key quantitative performance indicators, provides definitions of these indicators, and explains calculation methods and underlying assumptions. Detailed data and calculation methods can be found in the relevant sections of this report.

Balance: The contents of this report reflect the objective facts and disclose indicators that involve both positive and negative information.

Consistency: As the tenth ESG report issued by the Company, it maintains consistent disclosure practices. Reporting scopes and data collection tools have been standardized. Any changes in disclosure metrics are noted to facilitate an objective and accurate understanding of the Company's ESG performance by stakeholders.

Confirmation and Approval

The Board of Directors of the Company have reviewed and approved this report, ensuring that its content contains no false records, misleading statements, or major omissions. The Board also regularly monitored ESG matters and reviewed progress against relevant targets during the reporting period.

Report Access

This report is available for review and download on the websites of the Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the Company's website at www.cspc.com.hk.

For further inquiries or any comments or suggestions regarding this report, please contact us via email at esg@cspc.hk or through the Company's website.

Chairman's Message

The year 2025 marks a pivotal year for CSPC as we advance high-quality development to greater depth. It is also an important year for deepening our sustainable development strategy and fully delivering on our corporate social responsibilities. In the face of rising global demand for healthcare and the fast-moving wave of industry transformation, CSPC has remained committed to its original mission of "All for Good Medicine, All for Mankind's Health," integrating ESG principles into every aspect of corporate development, demonstrating resilience amid challenges, and moving forward with resolve through change.

Innovation-driven growth builds new engines for development.

Innovation is embedded in CSPC's DNA and remains the core strength with which we respond to the demands of our time. Guided by our dual strategy of "innovation + internationalization," we continued to increase investment in R&D. In 2025, our R&D expenses reached RMB 5.809 billion, accounting for approximately 28.2% of revenue from finished drug business. The Group had more than 200 innovative drug and novel formulation projects under development. Supported by eight core technology platforms, including nanomedicine, ADC, and mRNA vaccines, we have not only further strengthened our presence in key therapeutic areas such as oncology, neurology and psychiatry, and cardiovascular diseases, but also continued to make progress in rare disease drug development. To date, 9 products have received orphan drug designation from the U.S. FDA, demonstrating through concrete action our contribution to the "Healthy China" initiative.

Quality first reinforces the foundation of responsibility.

Quality is the lifeline of an enterprise and our solemn commitment to hundreds of millions of patients. We have consistently upheld the quality policy of "ingenious manufacturing with craftsmanship and high quality," and established a quality management system covering the entire product life cycle to ensure that every tablet and every formulation can stand the test of quality. In 2025, we further strengthened end-to-end quality control from R&D to production. Multiple subsidiaries obtained ISO 9001 Quality Management System certification, all pharmaceutical production lines passed GMP certification, and we successfully passed 62 inspections by domestic and international drug regulatory authorities during the reporting period, safeguarding patients' health with outstanding quality.

Green Development paints a new ecological landscape.

Anchored in China's "dual carbon" strategy, CSPC has embedded green development into every stage of its operations. We have established comprehensive energy and environmental management systems. Seven subsidiaries passed ISO 50001 Energy Management System certification, 11 sites passed ISO 14001 Environmental Management System certification, and 5 production bases were recognized as national-level green factories. In 2025, we continued to advance energy-saving and technological upgrade projects such as photovoltaic power generation and waste heat recovery. Green electricity consumption reached 177,823.51 MWh, while the compliant treatment rate of waste gas, wastewater, and waste remained at 100%. Through practical action, we are protecting the environment and contributing to the building of a beautiful China where humanity and nature coexist in harmony.

People-oriented development gathers strength for progress.

Talent is the Company's most valuable asset and the core engine of innovation-driven development. Upholding our talent philosophy of "valuing talent and capability, embracing diversity, and helping people succeed," we have built a career development system covering the entire employee life cycle. In 2025, women accounted for 48% of our workforce, while the proportion of women in the middle- and senior-management team rose to 59%, reflecting a stronger culture of diversity, equality, and inclusion. We also upheld the bottom line of workplace safety. Nine subsidiaries passed ISO 45001 Occupational Health and Safety Management System certification, and throughout the year there were no work-related fatalities or confirmed occupational disease cases, ensuring every employee's peace of mind and dignity through comprehensive occupational health protection.

Responsibility in action shows our support to society.

As a responsible corporate citizen, CSPC integrates social responsibility throughout its value chain. In 2025, in recognition of our sustained commitment and innovative practices in social responsibility, we were selected for the All-China Federation of Industry and Commerce's "2025 Outstanding Cases of Social Responsibility of Chinese Private Enterprises." We continued to advance inclusive healthcare. Three patient assistance programs have cumulatively benefited more than 100,000 patients. Through a public welfare model that encourages participation by all employees, we continue to deliver warmth and demonstrate responsibility.

Standing at the forefront of our era is what defines true leadership.

Looking ahead, CSPC will continue to take technological innovation as its driving force and responsibility as its foundation, working hand in hand with partners across the value chain and all sectors of society. Through high-quality development, we will contribute to common prosperity and bring even greater "CSPC strength" to the building of a healthy China and the advancement of Chinese modernization.

Chairman
CAI Dong Chen

Board ESG Statement

CSPC fully recognizes the significant impact of environmental, social and governance (ESG) issues on corporate sustainability, stakeholder trust, and long-term value creation. In accordance with the *Code of Corporate Governance for Listed Companies* issued by the China Securities Regulatory Commission and the relevant requirements of The Stock Exchange of Hong Kong Limited, the Company has progressively integrated ESG concepts and standards into its corporate governance and business management systems.

The Company has established a sound ESG governance framework, forming a three-tier management structure comprising the "Board of Directors – ESG Professional Guidance Team – ESG Working Group," which provides organizational support for the orderly advancement of ESG management. As the highest decision-making body and governing body for ESG matters, the Board of Directors leads and assumes overall responsibility for the Company's environmental, social and governance work. Its main responsibilities include formulating ESG strategies and targets, reviewing assessments of material risks and opportunities, overseeing the response to and management of ESG-related risks and opportunities with a material impact on the Company's business, and reviewing ESG-specific policies and the ESG report. As the core management body for ESG work, Professional Guidance Team is responsible for assessing ESG-related risks and opportunities, coordinating resource allocation, reviewing ESG management matters and policies, and supervising the timely alignment of the Company's ESG policies with national requirements. The ESG Coordination Office serves as the executive body for ESG matters, coordinating and advancing the implementation of ESG-related work across departments. In addition, the Company has established an ESG Working Group and subsidiary-level ESG Working Groups, which are responsible for implementing annual ESG work plans, participating in the formulation of ESG targets and the preparation of the ESG report, and collaboratively advancing specific ESG initiatives.

The Board places great importance on the identification and determination of material ESG topics. In 2025, based on the two dimensions of "impact materiality" and "financial materiality," the Company systematically reviewed and dynamically refined its double materiality topics in accordance with the process of "identification – research – assessment – confirmation." The 2025 double materiality matrix was updated and disclosed upon review by the Board.

This report provides a detailed account of the progress and implementation of the Company's ESG management in 2025. Following review by the Professional Guidance Team, it was submitted to the Board of Directors for consideration and approval on 25 March 2026.



About CSPC

Company Profile

Guided by the philosophy of "All for Good Medicine, All for Mankind's Health," CSPC Pharmaceutical Group Limited has grown through innovation into an international and innovation-driven enterprise with a workforce of 20,000 employees. The Company (Stock code: 01093.HK) was listed on the Main Board of The Stock Exchange of Hong Kong Limited in 1994 and was included as a constituent of the Hang Seng Index in 2018. It also ranked 19th globally among Citeline published pharmaceutical companies by R&D pipeline size, representing China's pharmaceutical industry on the global stage and serving patients worldwide.

Through innovation on a global scale, we continuously deliver better healthcare solutions for humanity. With five major global R&D centers and a high-caliber R&D team of more than 2,000 professionals, we are advancing research into new technologies, new targets, and new frontiers, with a focus on key treatment areas including oncology, neuroscience, cardiovascular, immunology and respiratory, gastrointestinal and metabolic, and anti-infectives. We have established a diversified product portfolio spanning three major business segments: finished drugs, active pharmaceutical ingredients, and functional foods. Supported by eight technology platforms, including nanomedicine, mRNA, and ADC, CSPC is focused on six core therapeutic areas: oncology, neurology and psychiatry, cardiovascular, immunology and respiratory, metabolism, and anti-infectives. The Group currently has more than 200 innovative drug candidates in development, including over 90 macromolecular drugs, more than 60 small molecule drugs, and over 50 novel formulations.



20,000+
Employees

2,000+
R&D team members

200+
Innovative drug candidates

19th
Ranked globally among Citeline published pharmaceutical companies by R&D pipeline size

Corporate Culture

CSPC Mission

All for Good Medicine,
All for Mankind's Health

CSPC Vision

Leading Innovation and
Creating Excellent CSPC

CSPC Core Values

Openness and Inclusiveness
Harmony and Friendship
Diligence and Pragmatism
Justice and Integrity
Teamwork and Sharing

Performance Highlights

Grounded in Integrity, Marching Far

- No litigation cases related to corruption occurred, nor were there any financial losses resulting from corruption-related incidents.
- A total of 10,254 *Sunshine Cooperation Agreements* were signed with suppliers, covering all suppliers participating in the Group's tendering and bid negotiation processes.
- Anti-corruption training coverage reached 100%.
- No litigation or material administrative penalties arose from unfair competition conduct by the Group.

Quality First, Innovation Drives the Future

- A cumulative total of 37 system inspections, unannounced inspections, and special inspections were conducted throughout the year.
- The Group held a cumulative total of 15 CEP certificates, 15 ANDA products, and 1 NDA product.
- All pharmaceutical production lines had passed GMP certification. During the reporting period, the Group underwent 62 inspections by domestic and international drug regulatory authorities, all of which were successfully passed.
- A total of 708 quality system training sessions were organized, with 100% employee coverage and an average of 92 training hours per employee.
- R&D investment reached RMB 5.809 billion.
- A total of 4 new products were approved for marketing, and 9 generic drugs received marketing approvals.
- The Group obtained 40 clinical trial approvals for first indications and 27 clinical trial approvals for additional indications.
- The Group had more than 200 innovative drug and novel formulation projects under development.
- A total of 471 patent applications were filed, including 256 domestic applications and 215 overseas applications, all of which were invention patents; 76 patents were granted, including 26 domestic patents and 50 overseas patents, all of which were invention patents.
- Both the complaint handling rate and complaint resolution rate reached 100%.
- A total of 71 anti-corruption training sessions for suppliers were conducted, with 152 suppliers participating.

Rooted in Green, Safeguarding the Future

- More than RMB 30 million was invested in energy-saving upgrades and the introduction of new high-efficiency energy-saving equipment.
- More than RMB 1 million was invested in water conservation and water recycling projects.
- No material environmental penalties were incurred.
- 11 sites passed ISO 14001 Environmental Management System certification.
- A total of 44 emergency drills for environmental incidents were conducted.
- The Group had 5 national-level green factories, 2 provincial-level green factories, and 2 municipal-level green factories.
- Total green electricity consumption reached 177,823.51 MWh.
- The compliant treatment rate of waste gas, wastewater, and solid waste reached 100%.

People-Oriented, Growing Together

- The labor contract signing rate, social insurance coverage rate, and additional group accident insurance coverage rate for employees all reached 100%.
- No violations involving forced labor or child labor occurred.
- The Group had a total of 9,514 female employees, accounting for 48% of the total workforce; there were 1,002 female employees in the middle- and senior-management team, representing 59% of that group.
- Over the past three years, the Group has cumulatively provided 239 jobs for persons with disabilities and hired 90 ethnic minority graduates.
- The Group's overall satisfaction score averaged 86.76 out of 100.
- The Group actively organized and supported all employees in participating in professional title evaluations, and 282 employees successfully passed the assessment in 2025.
- 9 subsidiaries of the Group passed ISO 45001 Occupational Health and Safety Management System certification.

Social Co-Building

- The Group has established long-term cooperative relationships with more than 100 well-known universities, research institutes, and innovative enterprises worldwide.
- The Group has engaged in deep collaboration with leading companies such as AstraZeneca, WuXi AppTec, and Keymed in areas including the in-licensing of Class 1 innovative drugs and technology licensing for high-end formulations.
- The Group's products have covered more than 35,000 medical institutions nationwide, with coverage of tertiary hospitals remaining above 90% and coverage of secondary hospitals exceeding 70%.
- A total of 9 products have received orphan drug designation from the U.S. FDA.
- Cumulative charitable donations reached RMB 61.5464 million, benefiting 105,880 persons, with total volunteer service hours amounting to 95,469 hours.

We are firmly committed to the principles of sustainable development and have fully integrated them into our strategic planning and operational practices. By continuously improving our ESG governance system, we strive to achieve a harmonious balance between business growth, social contribution, and environmental protection.

ESG Governance

ESG Governance Structure

The Group has established a three-tier ESG governance structure comprising the governance level, management level, and execution level to advance sustainable development. With clearly defined roles and responsibilities and implementation at each level, this structure ensures that ESG management is fully embedded in the Group's operations and long-term development.

Table: CSPC ESG Governance Structure

Governance Level	Board of Directors	The Board of Directors is the highest decision-making body and governing body for the Group's ESG work. It leads and assumes responsibility for the Group's ESG governance matters, and oversees and reviews the Group's ESG-related development strategies, targets, plans, and other matters that may have a material impact on the Group. It serves as the governing body responsible for addressing ESG issues such as climate change, occupational health and safety, business ethics, and information security, and performs the following duties: (1) Establishing the Group's ESG organizational structure; (2) Overseeing the Group's ESG management and practices; (3) Approving the Group's ESG strategy, targets, and development plans.
Management Level	ESG Committee	The Group has established an ESG Committee as the core management body for ESG work. It consists of 3 to 4 directors of the Group and the head of the ESG Working Group, and is responsible for assisting in the formulation of ESG strategic targets and implementation plans, as well as reviewing and evaluating the achievement of ESG targets by each business division. The main responsibilities of the ESG Committee include: (1) Assisting in the formulation of the Group's ESG strategy and targets, and in implementing related measures and action plans; (2) Executing decisions related to ESG targets; (3) Reviewing the specific ESG indicators and targets of each business division and functional department; (4) Evaluating and assessing the execution and progress of ESG work across business divisions and functional departments.
Execution Level	ESG Working Group	The Group has established an ESG Working Group responsible for the specific implementation and execution of ESG work. The main responsibilities of CSPC's ESG Working Group include: (1) Implementing the Group's ESG work requirements; (2) Reporting work progress to the ESG management level; (3) Taking the lead in organizing the preparation of the ESG report and management systems; (4) Collecting information related to the Group's ESG indicators; (5) Benchmarking against industry standards and making recommendations to improve ESG ratings; (6) Organizing ESG-related training and coordinating resources across the Group; (7) Formulating the Group's annual ESG policies, targets, and assessment measures.

We have incorporated ESG performance into the evaluation of senior management, assessing performance comprehensively across three dimensions: business performance, capability assessment, and values alignment. The evaluation results are directly linked to key decisions including performance bonuses, adjustments to grade-based compensation, promotions, talent activation, and training and development.

Double Materiality Assessment

To further enhance ESG management performance and disclosure transparency, the Group conducted an ESG double materiality assessment. Taking into account industry characteristics, the current state of our business, regulatory trends, and the core concerns of stakeholders, we carried out a comprehensive evaluation of relevant topics from the two dimensions of "impact materiality" and "financial materiality." The assessment results were reviewed and approved by the Board of Directors, based on which the materiality matrix for the year was finalized and established, providing a sound basis for the focused execution and effective implementation of our ESG strategy.

Table: Double Materiality Assessment Process

Background Analysis and Preliminary Topic Identification	• Analyze the Group's business model, operational characteristics, industry environment, and major stakeholder groups to define the background and boundaries of the assessment.
Establishment of the Preliminary Topic List	• Integrate industry benchmarking, regulatory guidance, international standards, and the Group's own operational realities to screen, consolidate, and refine topics, forming a comprehensive preliminary pool of topics.
Double Materiality Assessment	• Impact Materiality Assessment: The Group evaluates the impact materiality of each topic across three dimensions. The first is likelihood of risk exposure, namely the probability that the topic may have a negative impact on the Group. The second is severity, referring to the potential extent of damage if the impact occurs. The third is risk adaptation capacity, meaning the effectiveness of the Group's existing control systems in responding to the risk. Based on the analysis of these dimensions, a conclusion is reached regarding the impact materiality of each topic. • Financial Materiality Assessment: We adopted an expert assessment approach and organized the heads of the Finance Department and other relevant departments to evaluate the potential multi-dimensional impacts of each ESG topic on the Group's revenue, costs, assets, and valuation. We also analyzed the pathways and potential scale of these impacts on the Group's financial performance over the short, medium, and long term. Based on this multi-stage assessment, each topic was assigned an overall financial materiality score, and the final rating was determined according to pre-set thresholds.
Integrated Analysis and Topic Confirmation	• Integrate the results of the impact materiality and financial materiality assessments to identify the double materiality topics that are of major significance to the Group's sustainable development.
Review, Reporting and Disclosure	• The assessment process, methodology, and materiality matrix are submitted to the Board for review and confirmation before public disclosure.

During the year, CSPC identified a total of 18 topics. Among them, climate change response and carbon emissions, product safety and quality, product innovation and R&D, and access to healthcare are classified as high-priority topics under both dimensions.

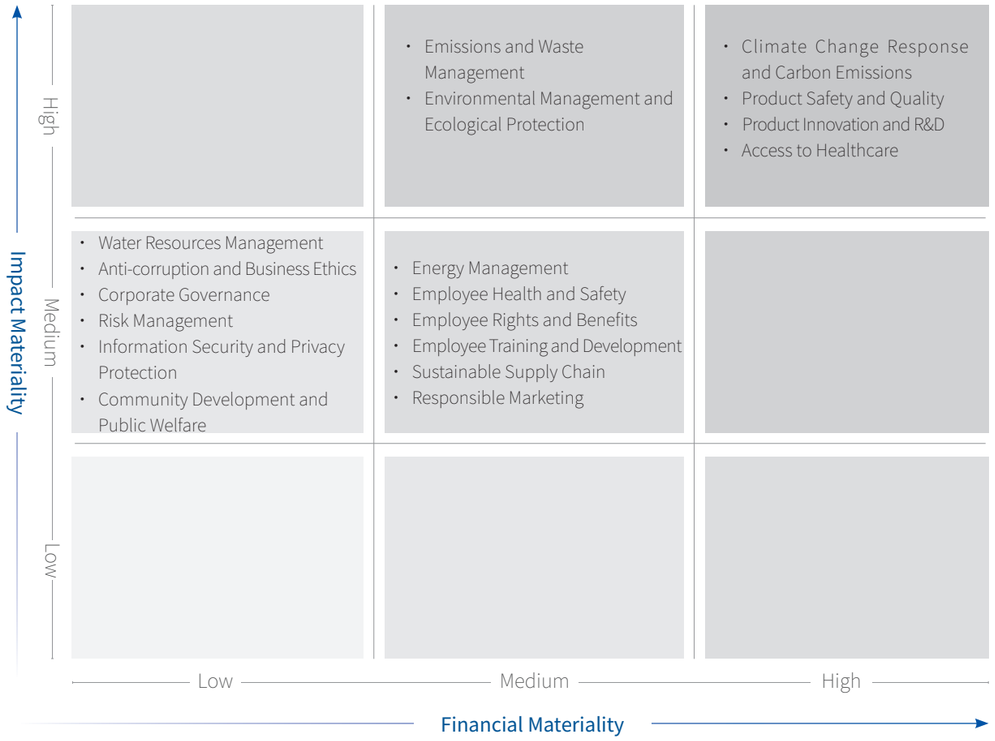


Figure: Double Materiality Matrix

Stakeholder Engagement

We attach great importance to the needs and expectations of different stakeholders. Taking into account industry developments and the Group's actual operational needs, we have identified our key stakeholders and respond to their concerns in a timely manner through various communication channels, including shareholder general meetings.

Stakeholders	Key Topics of Concern		Communication Mechanisms	
Government and Regulatory Authorities	• Corporate Governance • Risk Management • Anti-corruption and Business Ethics • Employee Health and Safety	• Environmental Management and Ecological Protection • Climate Change Response and Carbon Emissions • Product Safety and Quality	• Government research and inspections • Participation in government policymaking and recommendations	• Information disclosure
Shareholders and Investors	• Environmental Management and Ecological Protection • Climate Change Response and Carbon Emissions	• Product Innovation and R&D • Corporate Governance • Risk Management • Anti-corruption and Business Ethics	• Shareholder general meetings • Regular announcements • Investor briefings and site visits	• Investor meetings • Telephone and email inquiries
Customers and Consumers	• Product Safety and Quality • Product Innovation and R&D • Access to Healthcare	• Responsible Marketing • Information Security and Privacy Protection • Sustainable Supply Chain	• Customer satisfaction surveys • Regular customer communication activities • Forums • Seminars	• Monthly sales analysis meetings • Annual marketing seminars • Product complaint handling process • Information exchange mechanisms
Employees	• Employee Health and Safety • Employee Rights and Benefits	• Employee Training and Development	• Employee satisfaction surveys • Employee representative meetings	• Performance management • Internal and external training • Employee care activities
Suppliers	• Sustainable Supply Chain	• Anti-corruption and Business Ethics	• Open tendering and bidding • On-site audits	• Annual supplier review system • Supplier management procedures
Partners	• Product Safety and Quality • Product Innovation and R&D	• Responsible Marketing	• Regular communication and exchanges • Meetings, telephone calls, and correspondence	• Company website
Communities and the Public	• Environmental Management and Ecological Protection • Emissions and Waste Management • Water Resources Management	• Climate Change Response and Carbon Emissions • Energy Management • Access to Healthcare • Community Development and Public Welfare • Responsible Marketing	• Volunteer activities • Public education on pharmaceutical knowledge and pandemic response support	• Industry cooperation

Grounded in Integrity Marching Far 01

CSPC is committed to building a professional corporate governance system to ensure transparency and effectiveness in decision-making. By strengthening our risk management framework, upholding business ethics and an anti-corruption stance, and fostering a culture of compliance across the organization, we support the Group's steady and sustainable development.

1.1 Corporate Governance

Sound corporate governance is a core pillar and fundamental safeguard for CSPC's steady development. The Group continues to optimize its governance structure and enhance governance effectiveness in all respects, ensuring compliant and efficient operations and laying a solid foundation for long-term sustainable development.

1.1.1 Corporate Governance Structure

CSPC complies with the *Main Board Listing Rules* of The Stock Exchange of Hong Kong Limited, and other applicable laws and regulations. We continue to improve our management systems and have established a governance framework that is well-structured, clearly accountable, and highly efficient in operation, thereby continuously advancing the modernization of the Group's governance capabilities.

As the Group's decision-making body, the Board of Directors is responsible for setting strategic directions, establishing objectives and business plans, and overseeing financial and operational performance. The Board performs its duties in strict accordance with the Group's governance requirements, and the procedures for convening, holding, and voting at Board meetings are all in compliance with relevant regulations. The Board has established 3 specialized committees under its authority: the Remuneration Committee, the Nomination Committee, and the Audit Committee. Each committee performs its duties in strict accordance with applicable requirements, providing strong support for the professionalism and efficiency of the Board's deliberations and decision-making. In 2025, the Group had a total of 17 directors, and Board attendance reached 100%.

Board of Directors

Remuneration Committee	Nomination Committee	Audit Committee
Responsible for formulating assessment criteria for directors and senior management of the Group and conducting evaluations accordingly; also responsible for formulating and reviewing the remuneration policies and packages for directors and senior management, and reporting to the Board.	Responsible for reviewing and making recommendations on candidates for directorships of the Group, as well as the selection criteria and procedures.	Responsible for the Group's audit, risk management, and the independent review communication, monitoring, and verification of the effectiveness of the internal control system.

Table: CSPC Board Committee Structure

1.1.2 Board Composition

Board independence and diversity are core safeguards for CSPC's sustainable development. As of the end of the reporting period, the Board comprised 17 directors, including 6 independent non-executive directors and 1 female director. Independent directors accounted for approximately 35.30% of the Board, while female directors represented 5.9%.

The Group regards the independent non-executive director system as a core component of a sound corporate governance framework. In managing board independence, the Group applies strict standards and requires independent non-executive directors to maintain an independent position and provide objective views in performing their oversight duties. In the selection and appointment process, the Group places particular emphasis on reviewing the independence of candidates' identities and relationships to ensure that independent non-executive directors can effectively perform their duties, enhancing the Board's supervisory effectiveness and decision-making quality and improving the fairness and transparency of corporate governance.

The Group also strives to promote diversity on the Board in areas such as gender, culture, and professional expertise, in order to align with the Group's business needs. In the nomination process, factors such as age, gender, cultural background, and ability to collaborate are considered comprehensively, with a view to creating long-term value for the Group and its stakeholders. Members of the Board bring extensive professional backgrounds and industry experience spanning corporate governance, financial management, risk management, human resources management, and market development in the energy sector. During the reporting period, the Group had 16 directors with pharmaceutical industry backgrounds and 3 directors on the Audit Committee with relevant industry experience.

The Distribution of Board Members by Position

6	11
Independent Non-executive Directors	Executive Directors



Table: Composition of the Board of Directors of CSPC as of 31 December 2025

Name	Gender	Position / Responsibilities	Professional Capabilities		
			Industry Experience[1]	Risk Management Experience[2]	Financial Management Experience[3]
CAI Dong Chen	Male	Chairman of the Board, Executive Director of the Company, chairman of the Nomination Committee	✓		
Cai Lei	Male	Vice Chairman of the Board, Chief Executive Officer of the Company, and executive president of the Group	✓		
Wei Qingjie	Male	Vice Chairman of the Board, Chief Operating Officer of the Company, executive president of the Group and a director of certain subsidiaries of the Company	✓		
Zhang Cuilong	Male	Executive Director of the Company, executive president of the Group, and a director of certain subsidiaries of the Company	✓		
Wang Zhenguo	Male	Executive Director of the Company, executive president of the Group, and a director of certain subsidiaries of the Company	✓		
Wang Huaiyu	Male	Executive Director of the Company, executive president of the Group	✓		
Li Chunlei	Male	Executive Director of the Company, Chief Scientist of the Group, executive president of the Group, a director of certain subsidiaries of the Company and a director of the Novel Pharmaceutical Preparations and Excipients State Key Laboratory	✓		
Yao Bing	Male	Executive Director of the Company, chairman of CSPC Innovation Pharmaceutical Co., Ltd., a subsidiary of the Company, and a director of certain subsidiaries of the Company	✓		
Cai Xin	Male	Executive Director of the Company, executive president of the Group	✓		
Chen Weiping	Male	Executive Director of the Company, executive president of the Group, and a director of certain subsidiaries of the Company	✓		
Qu Zhiyong	Male	Executive Director of the Company, executive president of the Group, and a director of certain subsidiaries of the Company			✓
Wang Bo	Male	Independent Non-executive Director of the Company, and a member of the Audit Committee, Nomination Committee, and Remuneration Committee	✓		
Chen Chuan	Male	Independent Non-executive Director of the Company, and a member of the Audit Committee, Nomination Committee, and Remuneration Committee	✓		
Wang Hongguang	Male	Independent Non-executive Director of the Company	✓		
Au Chun Kwok Alan	Male	Independent Non-executive Director of the Company, and a Chairman of the Audit Committee and Remuneration Committee	✓	✓	✓
Law Cheuk Kin Stephen	Male	Independent Non-executive Director of the Company		✓	✓
Li Quan	Female	Independent Non-executive Director of the Company, and a member of the Nomination Committee	✓		

1. Refers to experience serving in enterprises within the "Capital Goods" sector under the Global Industry Classification Standard (GICS®).
2. Refers to professional expertise in risk management, or experience in positions related to risk management.
3. Refers to professional expertise in finance or accounting, or experience in positions related to finance or auditing.

Board Diversity Composition of CSPC (2025 Data)

Number of female directors on the Board
1

Number of male directors on the Board
16

Number of directors with a master's degree or above
12

Number of directors with a bachelor's degree
5

1.1.3 Investor Relations Management

We continue to strengthen effective communication with investors, promote sound governance, improve the quality of the Group's communications, and protect the legitimate rights and interests of investors, especially minority shareholders. Through a range of channels, including online results briefings, investor meetings, investor hotlines, email, and the Company's website, we serve investors and communicate Company information to the capital market and investors in a timely, proactive, and detailed manner. In 2025, the Group further deepened its communication with shareholders and investors, with engagement frequency increasing from the previous year. Alongside business expansion and the advancement of our internationalization strategy, the number of new investors focusing on innovative drugs increased, and our investor base became more diversified.

In addition, the Group strictly fulfills its information disclosure obligations in accordance with applicable laws and regulations, continuously improves the quality of information disclosure, and safeguards shareholders' right to know. All announcements are disclosed in a true, accurate, timely, complete, and fair manner. During the reporting period, we completed 144 public disclosures, held 4 earnings briefings, organized 15 company research events, participated in 78 domestic and international strategy meetings, and conducted 142 investor communication meetings. In 2025, the Company's management also attended approximately 260 one-on-one and group meetings.

1.2 Risk and Compliance Management

CSPC systematically embeds comprehensive risk management and compliance requirements into its corporate strategy and day-to-day operations, providing a solid foundation for steady operations and sustainable development. The Group has established and continues to refine its risk assessment mechanisms and compliance management systems to dynamically identify, assess, and respond to internal and external risks, thereby laying a strong foundation for the long-term sustainable development of its business.

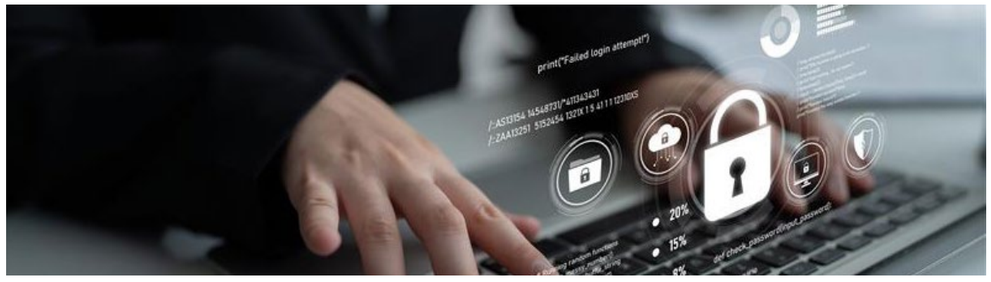
1.2.1 Risk Management

The Group has established a full-cycle risk management approach and incorporated ESG risks into its Enterprise Risk Management (ERM) system. We have improved the entire risk management process, covering risk identification, risk assessment, risk response, issue resolution, review and reflection, as well as follow-up control and monitoring, thereby forming a closed-loop risk management framework. We adopt a three lines of defense mechanism for compliance risk prevention and control, comprising "functional departments (business, operations, and marketing) – compliance management department – security audit department," to ensure that risk management is effectively implemented across all aspects of the Company's operations, helping the business reduce operational risks and better respond to changes in the external environment.

Table: Three Lines of Defense for Risk Prevention and Control

First Line of Defense Functional departments (including business, marketing, operations)	As the first line of defense in implementing compliance requirements, these departments bear primary responsibility for compliance management within their respective scopes of responsibility, and carry out all business activities in strict accordance with internal rules, regulations, and business process requirements.
Second Line of Defense Compliance Management Department	In accordance with the responsibilities assigned under compliance policies, the Compliance Department systematically identifies, collects, and assesses compliance risks, promptly investigates and organizes potential risk points, and on that basis promotes the effective operation of risk prevention and response mechanisms.
Third Line of Defense Supervision Audit Department	In line with the requirements of the compliance framework, these departments conduct regular independent and objective audits and oversight of the Company's overall compliance management.

At the same time, the Group leverages digital platforms to gain deeper insights from environmental and social data and has established a coordinated mechanism linking risk identification with regulatory response. Driven by real-time data and benchmarked against external compliance standards, we dynamically calibrate our internal control standards and promote a shift in compliance management from reactive response to proactive early warning.



1.2.2 Compliance Management

The Group strictly complies with applicable laws, regulations, and government regulatory requirements, and incorporates compliance requirements into its policies and procedures while continuously strengthening compliance management under the foundational framework *CSPC Compliance Management System*. We have further refined a comprehensive compliance management framework covering compliance objectives, system development, operating mechanisms, compliance culture, supervision and accountability, and continuous improvement, thereby comprehensively enhancing our level of lawful and compliant operations.

To further strengthen the Group's overall governance standards, we have established a Compliance Committee, composed of the Group CEO and the presidents of each business division, as the highest decision-making body responsible for overseeing compliance matters across the Group. Under the Compliance Committee, the Compliance Department is responsible for coordinating and advancing the implementation of compliance work, while providing comprehensive compliance guidance and professional support to business divisions and relevant functional departments.

Compliance Audits

The Group regularly conducts internal and external compliance audits to monitor the actual implementation of compliance work across departments and to provide a comprehensive view of the current state of compliance management. In accordance with the *CSPC Internal Audit Procedures*, the Group carries out its work independently under the guidance of the Board's Audit Committee. We have established an audit framework, carried out various forms of audit oversight, promoted rectification and accountability, and pursued claims recovery and loss mitigation, with coverage spanning financial, management, engineering, fraud, and special audits, all aimed at improving the internal control system and preventing operational risks. In 2025, the Group's internal audit work was grounded in further strengthening the institutional framework. Leveraging big data analytics to optimize risk assessment, we carried out systematic audits focusing on core processes such as sales and collections, procurement and payments, and production and warehousing, identifying control deficiencies and making recommendations for improvement. Through closed-loop follow-up on rectification, accountability, and loss recovery, we continuously enhanced the effectiveness of internal controls and the soundness of operations.

Compliance Training

The Group continuously improves employees' compliance awareness and execution capabilities through regular compliance training programs covering all employees, while also providing targeted training for key personnel to ensure the effective operation and rigorous oversight of the compliance management system. In doing so, we foster a corporate culture in which compliance principles are deeply embedded, while firmly upholding the Company's compliance bottom line.



1.3 Integrity and Compliance

CSPC has established a sound business ethics governance framework, conducts regular business ethics audits, and ensures that whistleblowing and complaint channels remain open and effective. At the same time, we actively foster a corporate culture of integrity and self-discipline to comprehensively safeguard the Company's honest and compliant operations.

1.3.1 Business Ethics System Development

CSPC strictly complies with the *Criminal Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Interim Provisions on Prohibiting Commercial Bribery*, and other applicable laws and regulations. We have revised internal policies applicable to all employees and all suppliers of the Group, including the *Employee Code of Integrity and Conduct*, the *Gifts and Monetary Gifts Management System*, the *Business Hospitality Management Measures*, the *Dishonest Blacklist Management System*, and the *Tender Supervision and Management System*. We have also newly formulated the *Anti-Corruption and Commercial Bribery Policy of CSPC Pharmaceutical Group Limited*. These efforts continuously strengthen our business ethics management mechanisms, regulate employees' conduct in integrity-related matters, and ensure that business ethics work is governed by clear rules and standards. During the reporting period, the Group was not involved in any litigation related to corruption, nor did it incur any financial losses arising from corruption-related incidents.

We have established and continuously improved a comprehensive business ethics management system. We formulated the *Employee Code of Integrity and Conduct*, which clearly defines the responsibilities of all levels, including the Board of Directors, in business ethics management, building a business ethics governance structure led by the Board of Directors, with dedicated supervision functions responsible for the overall development of integrity-related systems and frameworks. Presidents and general managers of subsidiaries and business divisions serve as the primary persons responsible for integrity and self-discipline at work, while middle- and senior-management personnel in subsidiaries and business divisions serve as professional leads, supported by designated supervisors. Managers at all levels assume corresponding management and leadership responsibilities within their respective scopes, ensuring that oversight responsibilities are carried out professionally and effectively across the organization.

Anti-Corruption Management of Suppliers

To regulate supplier conduct and foster a clean business environment, the Group has established the *Tender Supervision and Management System* and the *Dishonest Blacklist Management System*, requiring suppliers to sign the *Sunshine Cooperation Agreement* before participating in tendering activities. Integrity clauses are also incorporated into standard contracts to give such requirements legal effect. At the same time, through a full-process supplier management system, we continuously assess suppliers' business ethics performance during cooperation and blacklist suppliers that violate relevant requirements, thereby safeguarding fairness in the tendering process and the integrity and compliance of supplier relationships. In 2025, the Group carried out audits covering the full supplier lifecycle, including supplier onboarding, tendering and bidding, contract signing, payment, and acceptance and warehousing, and organized the signing of 10,254 Sunshine Cooperation Agreements, covering all suppliers participating in the Group's tendering and negotiation processes.

Business Ethics Audits

We conduct a business ethics audit every 3 years covering all business activities and management processes, and increase the audit frequency where specific business needs require, so as to ensure the continued effectiveness of our business ethics standards. In addition, we carry out at least 1 business ethics audit each quarter covering high-risk areas such as tendering and procurement, sales expenses, and supplier management, while also using big data analytics to support risk assessment. During the reporting period, we carried out 26 audit projects across the Group, mainly covering professional areas such as sales, engineering, procurement, and production.



1.3.2 Building a Culture of Integrity

The Group continues to improve its tiered, focused, and normalized integrity and compliance training system. Each year, we provide integrity training covering full-time employees with the aim of turning institutional requirements into conscious standards of conduct. During the reporting period, we further deepened our training model of "full coverage + focus on key personnel," providing foundational red-line education to all employees while delivering targeted and in-depth training for personnel in key positions. In addition, through the annual Integrity Awareness Month, we actively foster a clean and upright organizational culture and work to cultivate an integrity culture brand with distinctive CSPC characteristics.

Case study: In-person Sand Table Exercise during the 2025 Integrity Awareness Month

On 25 December 2025, the Group organized a featured in-person activity, an integrity-themed sand table simulation under its Integrity Awareness Month program, titled "The Road of Choice". Through an innovative and immersive format, the activity delivered a practical lesson in ethical conduct and integrity at work. By simulating real business scenarios, participants were guided through group discussions and strategic decision-making exercises, helping them gain a deeper understanding of the importance of integrity boundaries and the serious consequences of misconduct and legal violations. A total of 150 employee representatives from key positions across various departments and subsidiaries took part in the activity.

Table: CSPC Business Ethics Training in 2025

ESG Indicator		Unit	2025 Data
Business Ethics Training	Anti-corruption training coverage	%	100
	Number of integrity training sessions	session(s)	72
	Average anti-corruption training hours per employee	hour(s)	17.9
	Average anti-corruption training hours per director	hour(s)	17
	Average anti-corruption training hours per senior management	hour(s)	17
	Number of employees receiving anti-corruption training	person(s)	19,693
	Employee anti-corruption training coverage	%	100
	Number of directors receiving anti-corruption training	person(s)	17
	Director anti-corruption training coverage	%	100
	Number of senior management receiving anti-corruption training	person(s)	168
	Senior management anti-corruption training coverage	%	100

1.3.3 Anti-Unfair Competition

CSPC actively participates in establishing and maintaining a fair and orderly market environment, and works to prevent and combat monopolistic conduct, abuse of market dominance, and improper concentration of undertakings. The Group strictly complies with the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-monopoly Guidelines in the Field of Active Pharmaceutical Ingredients*, and other applicable laws and regulations. On this basis, we have established internal management policies such as the Dishonest Blacklist Management System, which clearly defines 15 categories of unfair competition conduct. Where a business partner is found, upon investigation, to have engaged in non-compliant conduct, the Group will disclose the matter internally in accordance with its policies and place the party on the dishonest blacklist. From the effective date of such blacklisting, the partner will be prohibited from participating in any tendering projects of the Group, and all direct and indirect business dealings with the Group will be fully terminated. In 2025, the Group was not involved in any litigation or material administrative penalties arising from unfair competition conduct.

In addition, to ensure that all business activities are conducted in a fair, impartial, straightforward, and transparent environment, we require the relevant business department to arrange for counterparties to sign the Sunshine Cooperation Agreement before entering into any formal agreement or launching any tendering process. The agreement clearly defines specific forms of unfair competition and dishonest conduct, with the aim of establishing safeguards at the outset of the business relationship and effectively preventing and curbing unfair competition.

1.3.4 Whistleblower Protection

CSPC places great importance on the development of business ethics oversight and whistleblowing mechanisms. In strict accordance with applicable national laws and regulations, we have established a comprehensive whistleblower protection framework and formulated, and continue to improve, internal policies such as the *Whistleblower Protection and Reward Policy*. These policies systematically regulate reporting channels, handling procedures, and graded reward mechanisms based on the level of contribution, ensuring that all complaints and reports are responded to and handled in a timely and effective manner.

The Group fully respects whistleblowers' wish to report anonymously and strictly fulfills its responsibilities for whistleblower protection. We keep strictly confidential all information relating to whistleblowers, including their names, employers, addresses, and the content of their reports, in order to safeguard their safety. In the process of receiving reports and complaints or conducting verification work, we do not disclose whistleblowers' identities. Any act of retaliation discovered will be dealt with seriously in accordance with applicable rules and laws.

Table: CSPC Whistleblowing Channels

1. Reporting Hotline: 18931872760 (24 hours)
2. Reporting E-mail: cspcjb@cspc.cn
3. Postal Mail: Security Supervision Department of CSPC Pharmaceutical Group, No. 896 Zhongshan East Road, High-tech Zone, Shijiazhuang, Hebei Province, Postal Code: 050035
4. To make an appointment to visit and report
5. CSPC Integrity WeChat platform: Integrity CSPC (cspclianjie)

Quality First
Innovation Drives the Future 02

Guided by high-quality development, CSPC continues to strengthen its capabilities in full life-cycle product management and value chain coordination, focusing on four key areas: quality excellence, R&D innovation, quality services, and supply management. By continuously reinforcing our quality foundation and innovation capabilities, while enhancing service value and supply assurance, we lay a solid foundation for steady operations and sustainable development.

2.1 Quality Excellence

CSPC has established a product quality management system covering the entire life cycle of pharmaceuticals, including R&D, procurement, manufacturing, testing, and post-marketing surveillance. By leveraging scientific management, institutionalized controls, and digital tools, we continuously improve product quality consistency and the effectiveness of system operations, thereby providing a strong safeguard for patient medication safety.

2.1.1 Product Quality Management System

As a pharmaceutical enterprise deeply engaged in innovative drug R&D and excellence in manufacturing, CSPC has always regarded quality as the lifeline of the Company and the foremost core driver of its development. Through a well-established management system and ongoing internal and external audit mechanisms, we ensure the effective operation of the quality management system.

Quality Commitment

The Group adheres to the quality policy of "ingenious manufacturing with craftsmanship and high quality to create excellent CSPC," upholds the quality philosophy of "manufacturing products with love and transmitting health,"and lives by the quality culture of "producing high-quality medicines with heart," safeguarding the health and future of patients around the world with high-quality products.

The Group places great importance on building a strong quality management talent pool. Core management personnel within the quality management and testing teams generally hold bachelor's or master's degrees or above, ensuring the effective implementation of the Group's various quality management systems.

The Group consistently upholds the following quality commitments:

- Strictly abide by and implement relevant laws and regulations; uphold integrity in operations, ensuring honesty and compliance during production, sales, brand promotion, and after-sales services, without falsification.
- Establish product quality standards in accordance with national pharmacopoeia requirements to ensure compliance with quality and legal regulations.
- Establish a quality management system covering the entire product life cycle; promote continuous improvement through internal audits and reviews.
- Ensure the accuracy of product testing equipment and instruments via certified calibration bodies, maintaining traceability in all quality inspection activities and records.
- Utilize ERP, SAP, MES, WMS, LIMS, QMS and other management systems and product traceability systems to implement traceability management.
- Focus on customer needs, improve the after-sales service system, and provide excellent after-sales services, with customer satisfaction as the behavioral benchmark.

Figure: Quality Commitments



Quality Management System

CSPC strictly complies with a wide range of national laws and regulations, including the *Drug Administration Law of the People's Republic of China*, the *Vaccine Administration Law of the People's Republic of China*, the *Administrative Measures for Drug Registration*, the *Measures for the Supervision and Administration of Drug Production*, the *Product Quality Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, the *Good Manufacturing Practice for Drugs*, the *Pharmacovigilance Quality Management Standards*, the *Good Laboratory Practice for Non-clinical Laboratory Studies*, the *Measures for the Supervision and Administration of Drug Distribution and Use*, the *Measures for the Administration of Drug Recalls*, and the *Provisions on the Supervision and Administration of Drug Marketing Authorization Holders in Fulfilling Their Primary Responsibility for Drug Quality and Safety*. Based on these requirements, we have established a prevention-oriented, comprehensively controlled quality management and full-process traceability system to ensure quality management throughout the entire life cycle of pharmaceuticals.

The Group rigorously fulfills its primary responsibility for drug quality and safety by formulating and implementing the *Quality Responsibility Management System*, under which the safety responsibilities of drug marketing authorization holders and food manufacturers and operators are clearly embedded across all management dimensions. Through a cross-functional quality coordination mechanism, we have established a matrix of responsibilities and accountabilities covering the full product life cycle and the entire value chain, ensuring that quality responsibilities at every stage are performed with precision. In addition, the Group relies on a four-level quality assurance system comprising the Group, company, department, and team levels. Supported by a professional quality management team and refined vertical management, this system enables comprehensive and in-depth oversight of quality control (QC) and quality assurance (QA) across the Group's member enterprises.

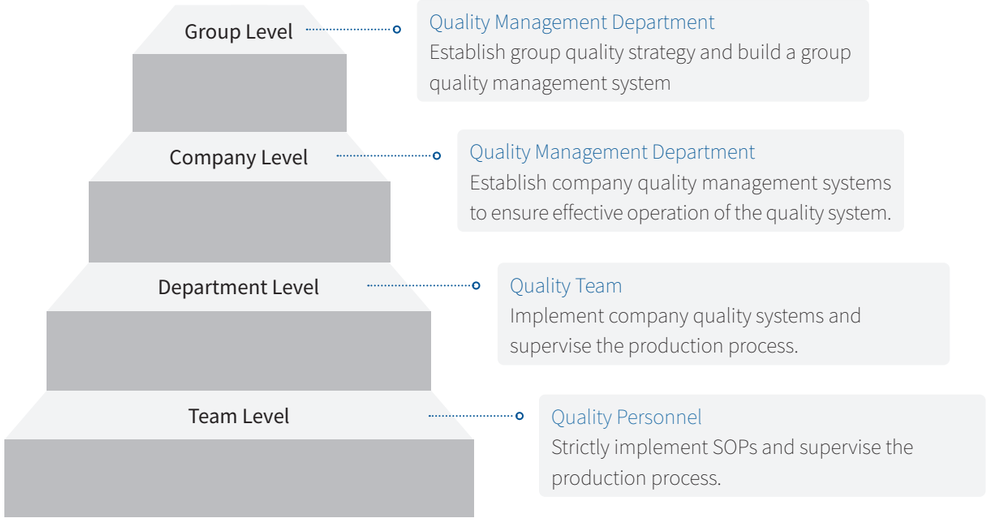


Figure: Quality Management System

Quality Audits

The Group has established a quality audit mechanism and regularly conducts both internal and external audits. Issues identified are subject to follow-up, rectification, and verification, enabling the continuous enhancement of quality management standards.

- Internal Audits

  CSPC continues to supervise, inspect, and guide its subsidiaries through a normalized internal audit mechanism. In 2025, the Group formed dedicated inspection teams by selecting professional inspectors from its internal inspector pool to carry out in-depth quality system inspections and special cross-checks among subsidiaries. During the year, a total of 37 system, unannounced, and special inspections were completed. Through these internal audits, communication and the sharing of advanced quality management practices and typical issues identified in both internal and external inspections were further strengthened across subsidiaries.

- External Audits

  The Group actively aligns itself with major global regulatory standards and continues to validate the compliance and internationalization of its quality system through external audits and authoritative certifications. All subsidiaries operate in strict accordance with China's GMP requirements and continue to improve production quality management with international standards as the benchmark. As of the end of the reporting period, the Group held a cumulative total of 15 CEP certificates, 15 ANDA products, and 1 NDA product. Relevant active pharmaceutical ingredients (API) and formulation enterprises manage their quality systems in accordance with ICH Q7, U.S. cGMP, and EU GMP requirements. All pharmaceutical production lines of the Group have passed GMP certification. During the reporting period, the Group underwent 62 inspections by domestic and international drug regulatory authorities, all of which were successfully passed.

Key Quality Certification Achievements in 2025

Formulation Companies: In 2025, the Group's formulation companies underwent a total of 41 inspections by domestic drug regulatory authorities, 1 EU GMP inspection, 1 FDA inspection, and 5 inspections by overseas regulatory authorities, all of which were successfully passed. In total, the formulation companies passed 48 inspections by domestic and international drug regulatory authorities during the year.

API Companies: In 2025, the Group's API companies underwent a total of 11 inspections by domestic drug regulatory authorities, 1 German GMP inspection, 1 FDA inspection, and 1 EU certification inspection, all of which were successfully passed.

Table: Certification and GMP Compliance of Formulation Companies

Certification Type	Certifying Authority	Certification Status
GMP Compliance Inspection / Registration Audit / Licensing Inspection	National and provincial drug regulatory authorities	In 2025, a total of 41 inspections by domestic drug regulatory authorities were completed, all of which were successfully passed. These included: • 17 GMP compliance inspections / unannounced inspections; • 5 special inspections/ supervisory inspections/ for-cause inspections; • 11 licensing inspections; • 8 registration audits.
EU GMP	Drug regulatory authorities of EU member states	In 2025, Zhongnuo Xingshi underwent 1 on-site EU GMP certification inspection.
U.S. FDA Certification	U.S. Food and Drug Administration	In 2025, Zhongnuo Xingshi underwent 1 FDA unannounced inspection.
Malaysian Official Certification	National Pharmaceutical Regulatory Agency of Malaysia	In 2025, Ouyi underwent 1 official on-site inspection by the Malaysian authority.
Philippine Official Certification	Food and Drug Administration (FDA) of the Philippines	In 2025, Ouyi underwent 1 official on-site inspection by the Philippine authority, and Zhongnuo also underwent 1 official on-site inspection by the Philippine authority.
Jordanian Official Certification	Jordan Food and Drug Administration	In 2025, Ouyi underwent 1 official on-site inspection by the Jordanian authority.
Brazilian Official Certification	Brazilian Health Regulatory Agency	In 2025, Ouyi underwent 1 official on-site inspection by the Brazilian authority.

Table: Certification and GMP Compliance of API Companies

Certification Type	Certifying Authority	Certification Status
GMP Compliance Inspection / Registration Audits / Licensing Inspection	National and provincial drug regulatory authorities	In 2025, a total of 11 inspections by domestic drug regulatory authorities were completed, all of which were successfully passed. These included: • 6 GMP compliance inspections / unannounced inspections; • 4 special inspections / supervisory inspections; • 1 licensing inspection.
German GMP	German Federal Ministry of Justice and Consumer Protection	In 2025, Weisheng underwent 1 on-site German GMP certification inspection.
U.S. FDA Certification	U.S. Food and Drug Administration	In 2025, Weisheng underwent 1 FDA on-site inspection.
EU GMP	Drug regulatory authorities of EU member states	In 2025, Zhongnuo API underwent 1 on-site EU GMP certification inspection.








As of the end of the reporting period, 8 subsidiaries of the Group had obtained ISO 9001 Quality Management System certification.



2.1.2 R&D Quality Management

CSPC's quality management system begins at the R&D stage, with a focus on two core areas: preclinical research and clinical research. Through a rigorous control framework, we ensure compliance and scientific rigor throughout the entire R&D process.

Quality Management for Preclinical Drug Research

At the preclinical research stage, the Group strictly follows standards and regulatory requirements including the *Good Manufacturing Practice for Drugs*, *Good Manufacturing Practice for Drugs – Investigational Products for Clinical Trials*, the *Administrative Measures for Drug Registration*, and the *Chinese Pharmacopoeia*, while also incorporating its own R&D practices to establish and continuously improve the quality management system for preclinical pharmaceutical research.

The Group's quality management system for preclinical pharmaceutical research deeply integrates foundational management with risk management, with the aim of ensuring the steady advancement of pharmaceutical R&D. On the foundational management side, we have established a multi-dimensional management framework covering quality, materials, equipment, and laboratory management. Through refined control over pilot production, analytical method development, reference standards management, and electronic data management, together with risk control measures for deviations and changes, we have enabled effective integration between pharmaceutical R&D and subsequent manufacturing. On the risk management side, we have adopted the ICH Q10 quality risk management concept, covering the full lifecycle from drug development to pre-launch. By identifying and assessing compliance risks at critical research stages, and through closed-loop management of deviations and quality feedback, we ensure that risks are effectively controlled before project submission. Since 2018, the Group has undergone on-site inspections for pharmaceutical development for a cumulative total of 16 projects, all of which were successfully passed, including 2 FDA registration inspection projects, 4 inspections by the National Medical Products Administration, and 10 inspections by provincial drug regulatory authorities. Looking ahead, we will continue to deepen both foundational and risk management and further enhance the effectiveness of our R&D quality system.

Clinical Research Quality Management

In accordance with internationally recognized ICH guidelines and the relevant requirements of the National Medical Products Administration (NMPA), the Group has established and continues to refine a Clinical Quality Management System (cQMS) covering the entire clinical trial process. In 2025, guided by the core principle that "quality built by design, and responsibility runs throughout the process," the Company worked to elevate quality management from a single focus on compliance inspection to a strategic capability that drives R&D efficiency and sustainable development, building a dynamic management system covering the full value chain and highly responsive to regulatory trends. During the year, the Group continued to optimize and improve its policies and procedures, revising and refining more than 20 SOPs, work manuals, and templates to ensure that the quality management system remained closely aligned with the latest domestic and international regulations, including ICH GCP E6 (R3), as well as the Group's own organizational structure.

The Group implements a front-loaded risk management approach, moving the starting point of quality management significantly forward to the clinical trial project initiation and protocol design stages. Potential risks are assessed based on multiple dimensions, including historical audit data, site qualifications, researcher experience, and national inspection findings. Through the establishment of a clinical key document review mechanism and the strengthening of upfront resource allocation, systemic risks are mitigated at the source. The Group adopts a combined management model of routine monitoring and risk-based oversight, using centralized statistical monitoring to capture abnormal signals in key indicators such as enrollment pace, data query rates, and protocol deviations in real time. This enables monitoring and quality control resources to focus on the most critical data and processes, ensuring the compliance of trial conduct and the authenticity of results.

In addition, the Group places strong emphasis on knowledge management and continuous improvement. By systematically analyzing deviations identified in projects, their root causes, and corrective and preventive actions (CAPA), we continuously improve the Company's knowledge base and risk database. In 2025, we conducted annual training covering all clinical R&D personnel, including more than 50 specialized skill enhancement sessions. We also shared best practices through weekly themed capability-building activities, fostering a culture in which all employees participate in quality management. Looking ahead, we will actively explore the application of artificial intelligence in risk identification and data verification, driving the system toward greater intelligence and agility. By upholding the highest quality standards in innovative drug development, we aim to protect patient rights and interests and further strengthen the foundation for the Company's sustainable development.



2.1.3 Manufacturing Quality Management

CSPC is committed to integrating technological innovation with institutional development, deeply combining advanced manufacturing equipment with intelligent information systems to build a high-quality manufacturing system covering the entire value chain from materials and production to product release.

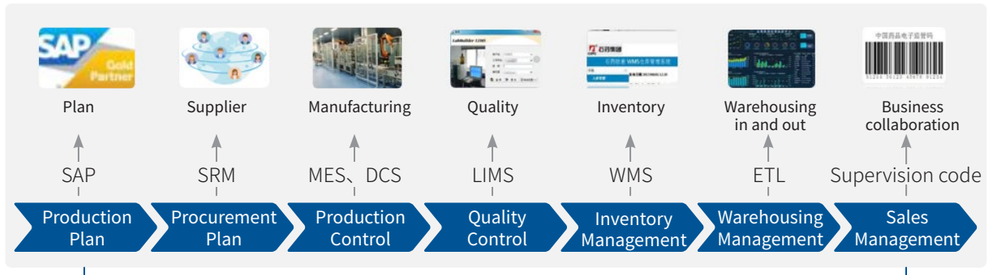
All subsidiaries of the Group have established comprehensive quality management systems covering six core systems of pharmaceutical manufacturing and operations. Each subsidiary has also put in place mechanisms for tracking laws, regulations, and standards, enabling the timely follow-up of the latest compliance requirements issued both domestically and internationally, and their accurate translation into internal management systems. This ensures both the regulatory compliance of the quality management system and its effective guidance for manufacturing activities. At the same time, through the establishment of quality risk management systems, the Group and its subsidiaries use scientific risk assessment tools to identify potential risks affecting product safety and quality controllability from multiple dimensions and formulate control plans accordingly, with the goal of providing patients with high-quality, safe, and controllable products.



Product Manufacturing Quality Control

With the SAP system as the main backbone, supplemented by multiple specialized management systems, the Group comprehensively supports smart manufacturing through digitalization. Each company has established full-process management systems covering material receipt, production control, finished product release, and distribution. Combined with the application of information systems, this has enabled effective full life-cycle product management and continuous improvement. On the hardware side, production workshops are designed and constructed in strict accordance with the standards of smart manufacturing and internationalization, reaching internationally leading levels. Through the SAP system upgrade project, the Group conducted an in-depth review of the entire business workflow of its manufacturing centers, from sales planning, production planning, and procurement demand to production task execution, and carried out end-to-end standardization and integration of the functions and processes of surrounding systems such as MES, WMS, LIMS, and APS. On this basis, the Group successfully shifted from a make-to-stock model to an "order-based management" logic, significantly improving management efficiency.

The application of advanced production equipment and information tools such as MES, WMS, LIMS, and traceability systems provides the core driving force for the Group's smart manufacturing. In terms of software management, subsidiaries across the Group have established rigorous production and process control systems and operating procedures aimed at standardizing employee operations, effectively preventing mix-ups and errors, and minimizing the risks of contamination and cross-contamination. After receiving materials, production workshops carry out manufacturing strictly in accordance with process requirements and standard operating procedures (SOPs) for each position. Once finished product sampling is completed, products are transferred to the warehouse pending inspection and are subject to strict control by the quality management department. The QC laboratories fully apply the LIMS system for automated data management, effectively reducing human error. In addition, critical production areas' pressure differentials and temperature/humidity levels, warehouse temperature and humidity, laboratory refrigerator temperatures, and stability chamber temperature and humidity are all equipped with automatic monitoring and alarm systems. Through an early warning mechanism triggered whenever parameters exceed limits, delays caused by human judgment are reduced. Each batch of product is assigned a unique batch number, ensuring a full-process and traceable quality closed loop throughout the product life cycle.

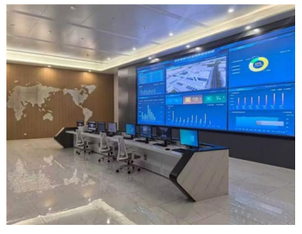


Intelligent management system: SAP system as the main line, supplemented by professional management system

Figure: SAP Information System

Case Study: Ouyi "5G Workshop"

The Group's Ouyi "5G Workshop" was included in the 2024 national list of 5G factories. Through an efficient, stable, and secure hyper-converged server architecture and a fully connected 5G network framework, the project has enabled the secure operation and interconnectivity of all systems. Driven by data, the workshop has achieved full-process control in areas such as precise material pull, secure weighing control, real-time data transmission, and authentic record storage, ensuring transparency and traceability throughout the product life cycle.



Materials Management

The Group implements rigorous supplier and material admission systems. By centrally managing a shared supplier roster and applying unified on-site audit standards, the Group has achieved centralized control at the source of the supply chain. Each company has established a Supplier Management System to regulate the full lifecycle of supplier admission, evaluation, and phase-out.

In the material flow process, the Group strictly implements the Material Receipt, Storage, and Issuance Management System, ensuring that all materials are procured only from qualified suppliers and stored separately in strict accordance with storage requirements. Through clear signs of pending inspection, released, and non-conforming materials, together with physical segregation measures, the risk of errors is effectively prevented. All materials must be inspected by the quality management department and approved for release before they enter the production process.

Finished Product Release

The Group strictly implements the release responsibility system for Marketing Authorization Holders (MAH). Where contract manufacturing is involved, the contracting party and the contract manufacturer clarify their respective quality responsibilities in production and release by signing manufacturing agreements and quality agreements. After each batch has completed testing against the established standards, it must undergo final review by the Qualified Person (QP) authorized by the drug marketing authorization holder, ensuring that only products meeting quality standards are released to the market.



Figure: Finished Product Release Process

2.1.4 Quality and Safety Management

CSPC is committed to providing society with products of high quality, strong efficacy, and proven safety and reliability. Guided by the principle that "quality is built by design," we apply risk management tools to quality management throughout the entire product life cycle, from R&D to commercial sales. At the same time, the Group has established a sound market surveillance mechanism. Each subsidiary has implemented systems for customer complaint management, return management, product recall management, and corrective and preventive actions (CAPA), which are used to collect and analyze market feedback and formulate continuous improvement measures.

Quality Risk Management

The Group's philosophy on quality risk management is "prevention first, combination of prevention and control, and dynamic management." In accordance with the relevant requirements of ICH Q9 on quality risk management, we have established a sound risk control framework and a *Quality Risk Management System* to comprehensively identify risk points that may affect product quality throughout the product life cycle. During the risk assessment process, the quality management department organizes expert teams to use professional assessment tools such as Failure Mode and Effects Analysis (FMEA), factor analysis, and fishbone diagrams to assess risks across different products and processes, and implements graded management based on the results.

The Company has also enhanced inventory security for major products and strengthened the reliability and safety of supply by implementing dual sourcing arrangements and multi-line production. At present, the vast majority of raw materials are covered by dual sourcing arrangements, and major products are supported by multiple production lines operating in coordination.

Table: Quality Risk Management Philosophy

Prevention First	Identify quality risks in advance, conduct assessment and management updates; Classify risks by materiality, formulate control plans early, and adopt various early warning and response measures.
Combination of Prevention and Control	Combine prevention and control by not only preventing risk events in advance, but also actively controlling risks once they arise.
Dynamic Management	Ensure rapid adaptation of risk prevention and control to changes in the external environment, and revise and improve the system in a timely manner in response to changes in national laws and regulations, reforms in management systems, improvements in management standards, and evolving business management needs.



Leveraging its comprehensive quality risk prevention and control system, the Group has clearly established an assessment process for quality and safety risks. Full-process management is implemented from risk assessment, risk control, and risk review, with risk communication and risk management tools embedded throughout the process.



Figure: Quality Risk Management Process



Pharmaceutical Quality and Safety Traceability

Leveraging its information systems, the Group has established a traceability system covering the entire life cycle of pharmaceuticals, enabling full-process tracking from material receipt and product release to commercial distribution. In addition, all formulation manufacturing companies have established comprehensive pharmacovigilance systems and adverse drug reaction reporting and monitoring systems to safeguard patient medication safety on all fronts.

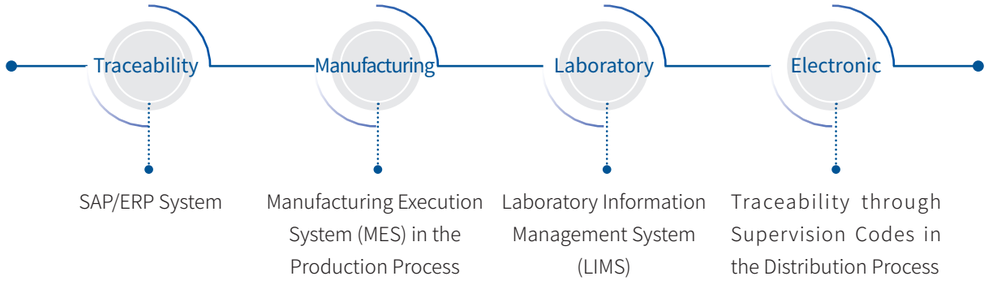


Figure: Pharmaceutical Quality and Safety Traceability

Operation of the Pharmacovigilance System

The Group has dedicated pre-marketing and post-marketing pharmacovigilance teams and has built a pharmacovigilance system covering the entire product life cycle, while overseeing the effective operation of the system across all formulation companies. The Group has established a Drug Safety Committee responsible for handling major drug safety incidents at the Group level, while each formulation company is responsible for executing its company-level system and has clearly defined and continuously improved the processes for collecting, reporting, and handling adverse drug reactions. Each member enterprise is equipped with dedicated personnel commensurate with its production scale to ensure the effective implementation of management systems.

In terms of system standardization, in accordance with the requirements of the Good Pharmacovigilance Practice (GVP), the Administrative Measures for Adverse Drug Reaction Reporting and Monitoring, and other relevant regulations, the Group has established 87 management procedures, policies, and guidance documents. These include the *Pharmacovigilance Management System*, *Emergency Response Plan for Major Adverse Drug Reaction Events*, *Drug Safety Committee Management System*, *Internal Audit Management System for the Pharmacovigilance System*, *Pharmacovigilance Database Management System*, and *Standard Operating Procedures for Drug Safety Information Collection*. Of these, 53 documents were developed by the pre-marketing pharmacovigilance team and 34 by the post-marketing pharmacovigilance team, covering key areas such as individual case safety report handling, literature searches, Development Safety Update Reports (DSURs), Periodic Benefit-Risk Evaluation Reports (PBRERs), signal detection, and risk management.

The Group has developed a comprehensive pharmacovigilance plan and implements continuous monitoring measures. In terms of system operation, the Group has established a multi-channel information collection network. Dedicated personnel conduct real-time monitoring and collection through channels including the national direct adverse reaction reporting system, dedicated email addresses, clinical studies, market programs, academic literature, and relevant websites and forums. Supported by its pharmacovigilance information system, the Group processes, evaluates, and reports individual suspected adverse reaction cases to ensure that, in the event of cluster or major adverse reaction incidents, emergency measures can be launched promptly and relevant national and local regulatory authorities can be notified in a timely manner. In addition, each formulation company under the Group submits its annual pharmacovigilance report and periodic drug safety reports on schedule every year, using data-driven approaches to strengthen safety management and fully protect patient medication safety. In 2025, the Group did not receive any reports of cluster adverse reaction incidents caused by product defects.

In line with its pharmacovigilance quality objectives, the Group regularly conducts internal pharmacovigilance quality audits to review relevant policies, procedures, and their implementation, thereby managing the quality of the pharmacovigilance system and its activities. Through the continuous refinement and optimization of the pharmacovigilance system and its operation, the Group continues to enhance pharmacovigilance within its full life-cycle quality management framework. In 2025, CSPC successfully passed multiple regulatory inspections.

To strengthen pharmacovigilance capabilities, the Group adopts a multi-dimensional training model combining internal and external resources. Internal training, delivered through centralized sessions and online learning, systematically enhances risk awareness among all employees and strengthens the professional capabilities of dedicated personnel. External training connects closely with professional courses offered by national and provincial monitoring institutions and advanced research institutes, enabling the Group to stay abreast of domestic and international developments and risk management practices and thereby drive the continuous innovation of its pharmacovigilance system.



Product Recalls

To address the recall of defective products, each subsidiary of the Group has formulated and implemented a *Product Recall Management System*, clearly defining the respective responsibilities of relevant departments such as quality and sales, and establishing standardized product recall procedures. In strict accordance with the severity of potential drug safety risks, the Group classifies recalls into Class I, Class II, and Class III to ensure a precise risk response. At the same time, the quality management departments of each company regularly organize mock recall drills to continuously verify and ensure the effective operation of the recall system. In 2025, no recalls were recorded for any products sold or delivered by the Group due to safety or health reasons.

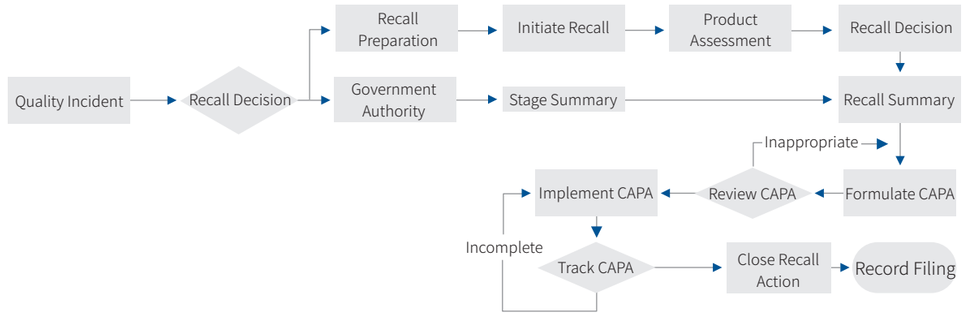


Figure: Product Recall Handling Process

Counterfeit Drugs and Infringement Management

The Group has established a *Quality Information Management System*, which sets out the procedures for handling information related to counterfeit drugs and infringement. A dedicated rights protection task force has been set up to define follow-up actions, as well as the responsibilities and division of work among departments, based on the level of impact and urgency of counterfeit or infringement cases. Where necessary, the Legal Affairs Center and the Patent and Government Affairs Department will initiate relevant legal proceedings. The rights protection task force follows up on the progress of each case until it has been fully resolved. Within one week after the conclusion of each case, a summary report is prepared, and corresponding follow-up preventive measures are formulated to standardize handling procedures and prevent similar issues from recurring. Where counterfeit or infringement incidents give rise to reputational risks, they are handled in accordance with the General Rules for Media Crisis Emergency Response of CSPC Pharmaceutical Group.

2.1.5 Building a Quality Culture

The Group has established a comprehensive quality management training system covering the full process from training needs assessment and analysis to planning and implementation. Each subsidiary formulates an annual training plan and is explicitly required to include specialized training on quality management knowledge and GMP-related content relevant to job responsibilities. This ensures that all employees receive effective training when joining the Company, during their regular employment, and when transferring to new positions, so that they possess the qualifications and skills required for their roles and thereby strengthen the quality foundation from a human resources perspective. In 2025, the Group organized a total of 708 quality system training sessions, achieved 100% employee coverage for quality training, and recorded an average of 92 training hours per employee.

2025 Highlights in Quality Culture Development

708 quality training sessions

100% participation rate in quality training

118 quality analysis meetings

74 quality checks

In addition, subsidiaries across the Group regularly hold quality analysis meetings and conduct annual quality reviews to comprehensively summarize issues relating to production quality, sales, complaints, and services, and formulate corresponding improvement measures on that basis. To promote the continuous evolution of the Group's internal quality management system, and based on in-depth analysis of the quality performance and business characteristics of each subsidiary, the Group adheres to a risk-based approach and continues to strengthen supervision and inspections across subsidiaries. By identifying deficiencies in a timely manner and tracking rectification measures throughout the process, we effectively drive the dynamic optimization and continuous improvement of subsidiaries'quality management systems.





Case Study: 2025 Quality Month Activities

In September 2025, the Group launched a series of Quality Month activities under the theme of "Eliminating Quality Risks and Strengthening the Quality Defense Line." By integrating communication, job-based skills training, and professional competitions, the Group embedded the core belief that quality is the lifeline of the enterprise throughout the entire production and operation process.

- Empowering all employees and reinforcing the foundation of quality awareness: The Group planned and carried out a wide variety of quality-themed activities, including supervision competitions and skills training. By reinforcing the management mindset of prevention first and comprehensive control, these activities fostered a strong atmosphere across the Group in which everyone cares about quality and participates in quality improvement, ensuring that the quality culture is deeply rooted at the grassroots level.
- Promoting learning through competition and demonstrating professional excellence: The Group encourages employees to pursue grassroots innovation through Quality Control (QC) teams and quality improvement projects. At the 2025 Hebei Pharmaceutical Industry Chemical Testing Skills Competition, representatives from the Group's subsidiaries won the first prize in the individual category and the Outstanding Organization Award through their outstanding operational skills, fully demonstrating the professionalism, practical capability, and technical strength of CSPC employees.













Figure: QC Team Award Certificate

2.2 R&D Innovation

CSPC is an innovation-driven pharmaceutical enterprise integrating R&D, manufacturing, and sales, and is one of the leading players in China's pharmaceutical industry. Upholding our corporate mission of "All for Good Medicine, All for Mankind's Health," we actively pursue innovation to address unmet clinical needs and provide patients with innovative treatment solutions.

2.2.1 R&D Layout

The Group consistently adheres to its FIRST R&D philosophy: Focus, Innovation, Responsibility, Synergy, and Top-notch. With innovation and internationalization as the dual drivers at the core of its R&D and innovation strategy, the Group is accelerating its transformation from a leader in generic drugs into a company centered on "global innovative drugs + high-end formulations," with the goal of becoming an innovative pharmaceutical enterprise with international influence. The Company focuses on six major therapeutic areas: oncology, anti-infectives, immunology and respiratory, neurology and psychiatry, cardiovascular and cerebrovascular, and gastrointestinal and metabolic diseases. Supported by eight core technology platforms, including nanomedicine, antibodies/fusion proteins, ADC, small molecules, siRNA, mRNA, cell therapy, and long-acting injectables, the Group has built an R&D system with three major pillars: macromolecular drugs, small molecule drugs, and novel formulations.

2.2.1.1 R&D Management System

The Group has established an R&D management system under the overall coordination of the R&D and Innovation Committee. Under this structure, dedicated divisions for preclinical research, clinical research, U.S. R&D, and global clinical development enable specialized management across the entire R&D process. At the same time, the Group has developed an institutional framework covering funding, project management, talent, and compliance. Through policies such as the Financial Management and Assessment System for the R&D System, the R&D Project Initiation Management System, and the Measures for the Recommendation and Management of Outstanding Talent, we standardize expense management and scientific decision-making to support the sustainable development of R&D. To further strengthen talent incentives, the Group conducted a talent review and salary and promotion adjustments for all R&D personnel in 2025.

The Group has built a high-caliber international R&D team of more than 2,000 professionals and established five major global innovation R&D centers, continuously exploring new technologies, new targets, and new fields. In 2025, the Group's R&D investment reached RMB 5.809 billion.

2.2.1.2 R&D Platform Development

The Group has developed eight core technology platforms, namely nanomedicine, antibodies/fusion proteins, ADC, small molecules, siRNA, mRNA, cell therapy, and long-acting injectables, and has established a full R&D value chain from the laboratory to commercial production.

Table: Eight Core Technology Platforms

Technology Platform	Technological Advantages and R&D Achievements
Nanomedicine Platform	As the world's largest nanomedicine R&D and industrialization base, we have successfully commercialized 8 products, including Mitoxantrone Hydrochloride Liposome and Paclitaxel (Albumin-bound).
ADC Platform	We have developed proprietary site-specific conjugation technology. Nectin4-ADC, Claudin18.2-ADC, and ROR1-ADC have already been out-licensed overseas, and 10 products have entered or are about to enter the clinical stage.
Antibody / Fusion Protein Platform	5 products, including Narlumosbart Injection and Enlansobart Injection, have been approved for marketing. A further 30 monoclonal antibodies, bispecific antibodies, and antibody fusion proteins are under development.
mRNA Vaccine Platform	We have systematically addressed key challenges in LNP delivery and industrialization, and successfully developed and launched China's first COVID-19 mRNA vaccine. Vaccines for RSV, HPV, and VZV have entered the clinical research stage.
siRNA Platform	We have laid out more than 10 pipeline projects targeting various chronic diseases, among which siRNA projects including PCSK9, Lp(a), ANGPTL3, and C5 have successfully entered the clinical research stage.
Small Molecule Platform	We use AI-based drug screening technology to improve efficiency. More than 20 projects are under development. Prusogliptin tablets, a Class 1 innovative chemical drug, were approved for marketing in January 2025, and strategic collaborations have been established with AstraZeneca and others.
Long-acting Injectable Platform	We use sustained-release technologies such as microspheres and nanocrystals to develop 20 projects. Meloxicam Nanocrystals Injection was approved in June 2025, while projects such as Semaglutide Long-acting Injection have entered the clinical stage.
Cell Therapy Platform	We have achieved breakthroughs in nanodelivery system technologies for CAR-T and gene-editing therapeutics, independently developed related excipients and vectors, and built a complete industrial chain. Pipeline projects have entered the clinical stage.

2.2.1.3 R&D Achievements

CSPC focuses on six major therapeutic areas: oncology, anti-infectives, neurology, cardiovascular, immunology and respiratory, and gastrointestinal and metabolic. The Group currently has more than 200 innovative drug and novel formulation projects under development. The commercialized products on the market comprehensively cover all six of these major therapeutic areas.

- New drug approvals

In 2025, a total of 4 new products were approved for marketing, and 9 generic drugs received marketing approvals. Among them, Prusogliptin tablets (DPP-4 inhibitor), a Class 1 innovative chemical drug provided a better glucose-lowering option for patients with type 2 diabetes, while Meloxicam Injection (III), a nanomedicine product, offered a fast-acting and safe treatment option for acute moderate to severe pain management.

- Clinical trial approvals obtained

In 2025, the Group obtained 40 clinical trial approvals for first indications, including 26 approvals from the NMPA and 14 from the FDA, as well as 27 clinical trial approvals for additional indications, all from the NMPA. Representative approved projects included SYH2059, SYS6045 (HER2-ADC), and SYS6017 (mRNA vaccine), demonstrating the Group's strong clinical translation capabilities.

- Innovative drug and novel formulation pipeline

Currently, the Group has over 200 innovative drugs and formulations in its R&D pipeline, including more than 90 large molecules, over 60 small molecules, and over 50 novel formulations. There are over 160 ongoing clinical trials, many of which feature products with broad market prospects that demonstrate significant advantages over existing therapies in terms of efficacy and safety.

- Academic impact

In 2025, the Group's scientific communication and medical writing team published 13 high-level papers and delivered 27 conference abstracts and 12 oral presentations at various academic conferences, continuously amplifying CSPC's voice in the international academic community.

Table: Drugs Approved for Marketing in China in 2025

Month	Investigational Drug	Indication
January 2025	Shanzeping® (Prusogliptin Tablets)	For improving glycemic control in adult patients with type 2 diabetes, including as monotherapy and in combination when metformin hydrochloride alone does not provide adequate glycemic control
February 2025	Enyitan® (Omalizumab for Injection)	For the treatment of moderate to severe persistent allergic asthma
June 2025	Meiluotai® (Meloxicam Injection (III))	For moderate to severe pain in adults
December 2025	Duoenyi® (Irinotecan Hydrochloride Liposome Injection)	In combination with oxaliplatin, 5-fluorouracil (5-FU), and leucovorin (LV) for first-line treatment of patients with metastatic pancreatic cancer

Table: Drugs with Marketing Applications Accepted in 2025

Month	Investigational Drug	Indication
March 2025	Aprepitant Injection	Prevention of postoperative nausea and vomiting
March 2025	Irinotecan Liposome Injection	First-line treatment of metastatic pancreatic cancer
March 2025	Paliperidone Palmitate Injection (1M)	Schizophrenia
June 2025	Pregabalin Sustained-release Tablets	Diabetic peripheral neuropathic pain and postherpetic neuralgia
August 2025	Semaglutide Injection	Glycemic control in adult patients with type 2 diabetes
September 2025	Anbenitamab injection (KN026)	In combination with chemotherapy for HER2-positive locally advanced, recurrent, or metastatic gastric/gastroesophageal junction adenocarcinoma in patients who have failed at least one prior systemic therapy, which must have included trastuzumab plus chemotherapy
October 2025	Efmedaglutide Alpha Injection (TG103)	For long-term weight management in overweight or obese adults, on the basis of diet control and increased exercise
November 2025	Pertuzumab Injection	HER2-positive breast cancer
December 2025	Semaglutide Injection	For long-term weight management in overweight/obese adult patients, on the basis of diet control and increased physical activity

Table: Publications by the Global R&D Team and Pre-registration Clinical Development in 2025

Product Name	Project Name / Chinese and English Title	Institution / Investigator	Journal / Conference
JMT103	Efficacy and safety of JMT103 in patients with bone metastases from solid tumors: A randomized Phase Ib clinical trial	Shanghai East Hospital / Peking University Cancer Hospital Yin Jin / Li Jianping	International Journal of Cancer - IF 5.7 - January 2025
	Efficacy and safety of narlumosbart, an innovative fully-humanized anti-RANKL monoclonal antibody, in postmenopausal women with osteoporosis: a multi-center, randomized, double-blind, placebo- and active-controlled, phase II study	Peking Union Medical College Hospital, Chinese Academy of Medical Sciences Xia Weibo	eClinicalMedicine (a Lancet journal) - IF 9.6 - July 2025
	JMT103 versus Non-denosumab or Denosumab Treatment in Chinese Patients with Unresectable or Surgically-Challenging Giant Cell Tumor of Bone: A Propensity Score Matched Comparison	Beijing Jishuitan Hospital Niu Xiaohui	Cancer Medicine - IF 4.0 - November 2025
HA121-28 Tablets	Safety, pharmacokinetics and efficacy of HA121-28 in patients with advanced solid tumors and RET fusion-positive non-small-cell lung cancer: a multicenter, open-label, single-arm phase 1/2 trial	Sun Yat-sen University Cancer Center Zhao Hongyun	Signal Transduction and Targeted Therapy - IF 40.8 - February 2025
Mitoxantrone Liposome	Mitoxantrone hydrochloride liposome injection for the treatment of Recurrent/Metastatic head and neck squamous cell Carcinoma: AMulticenter, Open-label, Single-arm, phase Ib study	Sun Yat-sen University Cancer Center Li Zhiming	Oral Oncology - IF 4.0 - February 2025

Product Name	Project Name / Chinese and English Title	Institution / Investigator	Journal / Conference
Ustekinumab	Efficacy and safety of SYSA1902 versus reference ustekinumab in moderate-to-severe plaque psoriasis: a multicenter, randomized, phase III study	The First Hospital of China Medical University Gao Xinghua	Journal of the American Academy of Dermatology - IF 12.8 - March 2025
DBPR108 Tablets	Pharmacokinetics and Pharmacodynamics of Prusogliptin (DBPR108), a Once-Daily Dipeptidyl Peptidase-4 Inhibitor, in Patients with Type 2 Diabetes	Beijing Anzhen Hospital, Capital Medical University Xing Shan	Clinical Pharmacokinetics - IF 4.6 - April 2025
Omalizumab	A multicenter, randomized, double-blind, parallel-group, active-controlled phase III study to evaluate the equivalence of SYN008 versus omalizumab(Xolair®) in patients with refractory chronic spontaneous urticaria (CSU)	Peking University First Hospital Li Ruoyu	Chinese Medical Journal - IF 7.5 - June 2025
SYHA 1813	SYHA1813, A VEGFR and CSF1R Inhibitor, in Patients With Recurrent High- Grade Gliomas: A Multicenter, Open-Label Phase I Study	Beijing Tiantan Hospital, Capital Medical University Li Wenbin	Annals of Clinical and Translational Neurology - IF 4.0 - November 2025
Amoxetine	Efficacy and Safety of Ammoxetine in Major Depressive Disorder: A Randomized Clinical Trial	Shanghai Mental Health Center Li Huafang	JAMA Network Open - IF 10.5 - September 2025
SG001	A multicenter, open-label, phase Ib study of SG001, a recom-binanthumanized anti-PD-1 monoclonal antibody, in patients with advanced solid tumors	Shanghai East Hospital / Shanghai Pulmonary Hospital Yin Jin / Zhou Caicun	Drug Design, Development and Therapy - IF 5.1 - November 2025
KN026	Anbenitamab in combination with chemotherapy in patients with HER2-positive gastric or gastroesophageal junction car-cinoma who failed previous therapy containing trastuzumab: a multicenter, phase II study (KC-WISE 01)	Chinese PLA General Hospital Xu Jianming	Cancer Communications - IF 24.9 - November 2025
SYHX 1901	SYHX1901, an oral dual JAK/SYK inhibitor, for moderate-to-severe plaque psoriasis: a randomized phase 2 trial	Huashan Hospital, Shanghai Chen Jinhua	Journal of the American Academy of Dermatology - IF 12.8 - September 2025

Case Study: Megalith Biopharma Selected for the Provincial Cultivation List of "Front-runner" Enterprises in Featured Industrial Clusters

Megalith Biopharma. was included in Hebei Province's 2025 cultivation list of "front-runner" enterprises in featured industrial clusters, in recognition of its outstanding independent R&D capabilities and achievements in digital transformation. As an important part of CSPC's innovation system, Megalith Biopharma focuses on cutting-edge areas such as antibody drugs, ADC, and mRNA vaccines, and has built a complete R&D–manufacturing–commercialization industrial chain covering oncology, autoimmune diseases, and major infectious diseases. Through smart manufacturing and digital system development, it was also recognized as a provincial-level advanced smart factory. With innovation and digital intelligence as dual growth drivers, the Company plays a demonstrative role as a backbone enterprise and supports the regional biopharmaceutical cluster in moving toward higher-end and more integrated development.

Table: Awards and Honors in 2025

April 2025

First Prize of the 2024 Hebei Provincial Science and Technology Progress Award – Research on Key Technologies and Industrialization of Nintedanib Esilate APIs and Soft Capsules, a New Drug for Pulmonary Fibrosis

Awarded Company

CSPC NBP Pharmaceutical Co., Ltd.
CSPC Zhongqi Pharmaceutical Technology (Shijiazhuang) Co., Ltd.

April 2025

Third Prize of the 2024 Hebei Provincial Science and Technology Progress Award – Research on Key Technologies and Industrialization of APIs and Formulations of Pentoxifylline

Awarded Company

CSPC Ouyi Pharmaceutical Co., Ltd.
CSPC Innovative Pharmaceutical Co., Ltd.

March 2025

2024 Science and Technology Innovation Award of the China Industry-University-Research Cooperation Promotion Association (Innovation Achievement Award) – Key Technologies and Industrial Application of New High-end Excipients for Formulations

Awarded Company

CSPC Pharmaceutical Group Limited
CSPC Zhongqi Pharmaceutical Technology (Shijiazhuang) Co., Ltd.
CSPC NBP Pharmaceutical Co., Ltd.
CSPC Ouyi Pharmaceutical Co., Ltd.

September 2025

Chinese Pharmaceutical Association Science and Technology Award –Research on Key Technologies for Dronedarone Hydrochloride and Its Industrialization

Awarded Company

CSPC Zhongqi Pharmaceutical Technology (Shijiazhuang) Co., Ltd.
CSPC Ouyi Pharmaceutical Co., Ltd.

- Antimicrobial Resistance

The Group is fully aware that antimicrobial resistance has become a serious threat to global human health and regards it as a major public health risk issue. To effectively address this challenge, the Group takes proactive action in innovative drug R&D by continuously advancing the research and development of novel antibacterial drugs and anti-resistance-related projects through both in-house R&D and external technology collaboration, with the aim of reducing the risk of antimicrobial resistance at the source and overcoming resistance challenges through innovation.

In terms of clinical application and life-cycle management, the Group places strong emphasis on the rational use of antibiotics. We strictly comply with national regulations and clinical guidelines, including the *Administrative Measures for the Clinical Use of Antibacterial Drug*s and the *Notice on Further Strengthening Antimicrobial Drug Management to Curb Resistance*, and strengthen prescription drug management in a comprehensive manner in conjunction with the graded management catalogues issued by provinces and municipalities. The Group actively supports medical institutions in implementing the grading management of antibacterial drugs and physician prescribing authority management. In addition to providing professional guidance on dosage and preparation methods, we proactively provide healthcare professionals with training on antimicrobial resistance control and the optimization of treatment regimens for drug-resistant infections through academic annual meetings and other forums across various fields. Furthermore, leveraging our comprehensive pharmacovigilance plan, the Group monitors safety data in real time, updates product instructions in a timely manner, and continues to provide scientific medication consultation services to the public and healthcare professionals. Through these combined efforts, we seek to improve the clinical use of antibacterial drugs and comprehensively curb antibiotic misuse.



2.2.1.4 R&D Training

The Group places great emphasis on the skill empowerment and capability development of its research personnel and has established a regular internal and external training mechanism. In 2025, the Group organized one to two technical training sessions per month for all R&D personnel, covering core areas such as drug registration regulations, interpretation of regulatory guidelines, process development, and quality control.

For clinical researchers, the Group conducted 103 R&D capability enhancement training sessions over the course of the year, including internal project experience-sharing sessions and a range of external professional courses, such as *Training on Common Methods for Tumor Molecular Pathology Diagnosis* and the *DIA Capability Development Academy Course on Pharmacovigilance and Risk Management*. This training series was aimed primarily at junior- and mid-level employees. Through an average of four to five internal and external sharing sessions per month, it continuously strengthened the team's professional breadth and practical capabilities.

2.2.2 Intellectual Property and Patent Protection

Intellectual property is a core strategic resource of the enterprise and an important indicator of overall corporate strength and core competitiveness. The Group strictly complies with intellectual property laws and regulations in China and other jurisdictions, including the *Patent Law of the People's Republic of China*, the *Implementing Regulations of the Patent Law of the People's Republic of China*, the *Enterprise Intellectual Property Management Specification*, the *Patent Cooperation Treaty, and the Paris Convention*. Within this legal framework, the Group actively develops its patent portfolio and protects R&D innovation. The Group has established a dedicated department for intellectual property management and, leveraging its own R&D resource advantages, continues to refine a pharmaceutical R&D system that integrates generic and innovative development, with the goal of using its intellectual property strategy to drive high-quality corporate growth.

2.2.2.1 Intellectual Property Protection and Risk Management

Guided by the management policy of "encouraging innovation, controlling risks, effectively utilizing intellectual property, and enhancing the Group's core competitiveness and strategic advantage in IP," the Group has established a patent protection system suited to its operations and new-drug R&D activities. We protect core R&D achievements from multiple angles and in a comprehensive manner, and we have formulated robust patent filing, protection, and risk-avoidance strategies for key products. In generic drug development, the Group flexibly uses patent design-around strategies, patent challenges, and patent licensing to address market-launch compliance issues. The Group has also established a full-cycle patent early-warning analysis and risk-control mechanism covering the entire period from project initiation to product launch. It conducts regular diagnostic analyses so that, while avoiding infringement risks, it can also make appropriate use of legal means to safeguard the Group's lawful rights and interests. In 2025, the Group obtained recertification of its intellectual property management system and has now successfully passed seven on-site certification audits in total.

Risk Identification

Regularly track and analyze the products, technologies, and patents of major competitors. Promptly report any discovered infringement of the Group's intellectual property rights by others, as well as any potential infringement risks involving the Group.

Lawful Rights Protection

Use legal measures, including administrative and judicial means, to protect the Group's intellectual property rights, while safeguarding the Group's legitimate interests on the premise of respecting the intellectual property rights of others.

Risk Mitigation

Properly resolve intellectual property disputes by assessing and selecting appropriate dispute resolution methods, such as administrative rulings, litigation, arbitration, and settlement.



2.2.2 Intellectual Property Capability Building and Exchange

Through a systematic and normalized training mechanism, the Group continuously strengthens the foundation of its intellectual property management. During new employee training, we provide dedicated courses covering basic concepts, patent utilization, and management systems, helping employees develop an end-to-end awareness of "creation-protection-utilization." During the reporting period, the Group's intellectual property department organized more than 10 internal and external training sessions through a combination of online and offline formats. Topics covered professional areas such as patent examination practice and protection of experimental data, ensuring that employees' patent-related expertise and compliance awareness remain aligned with industry standards.

While continuing to enhance internal capabilities, the Group also actively promotes the commercialization of intellectual property and international cooperation. In 2025, we expanded our management perspective with an open-innovation mindset by participating in external professional seminars and forums such as the 4th Intellectual Property Industry Forum, the 10th Frontier Pharmaceutical Intellectual Property Forum, the 2025 Exchange Event for Innovative Entities Organized by the Reexamination and Invalidation Department, and the Interpretation of the Top Ten Patent Reexamination and Invalidation Cases of 2024, ensuring that the Group's intellectual property management practices remain aligned with leading-edge developments.

Case Study: CSPC and Madrigal Enter into an Exclusive Licensing Agreement for SYH2086

In July 2025, CSPC and Madrigal Pharmaceuticals, Inc entered into an exclusive licensing agreement covering the global development, manufacturing, and commercialization of SYH2086, a self-developed oral small-molecule glucagon-like peptide-1 (GLP-1) receptor agonist. Under the agreement, the Group will receive an upfront payment of US$120 million and is entitled to potential milestone payments of up to US$1.955 billion, as well as royalties based on annual net sales.

SYH2086 is an innovative drug with wholly independent intellectual property rights owned by the Group and has demonstrated excellent preclinical performance in glucose lowering, weight reduction, and safety. This collaboration marks strong recognition of the Group's innovative R&D achievements in the international market and highlights the important supporting role of intellectual property in advancing its globalization strategy.

- Intellectual Property Performance

  The Group also places a high priority on intellectual property protection and actively files patent applications for its R&D projects. In 2025, the Group filed 471 patent applications, including 256 domestic applications and 215 overseas applications, all for invention patents. It also obtained authorization for 76 patents, including 26 domestic authorizations and 50 overseas authorizations, all of which were invention patents.

Table: Invention Patent Performance[4]

Item	Category	2021	2022	2023	2024	2025
Patent Applications	Domestic Applications	140	148	143	171	256
	Overseas Applications	64	66	95	120	215
	Total	204	214	238	291	471
Patent Grants	Domestic Grants	64	36	38	39	26
	Overseas Grants	24	22	43	40	50
	Total	88	58	81	79	76

4. Includes only domestic and overseas invention patents, excludes PCT applications.



2.2.3 Clinical Ethics

CSPC regards "participants' rights first, ethics before science" as an unwavering core principle in clinical R&D, making it explicit that under all circumstances, the protection of participants' dignity, safety, rights, and well-being takes precedence over scientific exploration and social benefit. Every clinical study we conduct strictly follows international and domestic ethical and quality standards, including but not limited to the World Medical Association Declaration of Helsinki, ICH GCP, the *Good Clinical Practice for Pharmaceutical Products (GCP 2020)*, the *Civil Code of the People's Republic of China*, the *Drug Administration Law of the People's Republic of China*, the *Vaccine Administration Law of the People's Republic of China*, and the *Measures for the Administration of Drug Registration*. Meanwhile, the Group fulfills its corporate responsibilities by strictly implementing the requirements on ethical submission and reporting set out in ICH GCP E6(R3), the CIOMS Guidelines, and the Measures for the Ethical Review of Life Science and Medical Research Involving Humans, ensuring that research is conducted within a compliant, scientific, and ethical framework.

2.2.3.1 Ethics Governance and Informed Consent

The Group's ethics governance covers the full life cycle of clinical research, including study design, execution, oversight, and closeout. At the protocol design stage, we communicate with ethics committees in advance and solicit views on key ethical issues so that study protocols better reflect best ethical principles. Before any study begins, it must be reviewed and approved by an independent ethics committee (IEC/IRB), and participants' right to be informed is fully protected throughout implementation. We explain the study objectives, methods, possible risks, and potential benefits to participants in detail, ensuring that they voluntarily sign informed consent forms on the basis of a full understanding of the relevant information. If protocol amendments occur during the study, or if any new information arises that could affect a participant's decision to continue, the Group promptly reports the matter to the ethics committee and communicates it to participants simultaneously, ensuring that they remain fully informed on an ongoing basis.

2.2.3.2 Ethical Reporting, Oversight, and Data Compliance

Throughout the clinical research process, the Group strictly complies with domestic and international requirements for ethical submissions and reporting. All study data are collected, managed, and analyzed within a stringent oversight framework to ensure authenticity and reliability while fully protecting participant privacy. All of our clinical studies are registered concurrently on ClinicalTrials.gov or the Drug Clinical Trial Registration and Information Disclosure Platform of China. After study completion, results are published through authoritative domestic and international journals, academic conferences, and other channels to enhance the transparency of clinical research. In addition, the Group has an independent quality assurance department responsible for maintaining the clinical quality management system (cQMS) and auditing trial quality, ensuring through rigorous internal audits that ethical standards are effectively implemented.

2.2.3.3 Protection of Clinical Trial Participants' Safety and Rights

The Group consistently places participant safety and rights at the center of every stage of clinical research and embeds this requirement into the work of every clinical staff member. We require employees to keep strictly confidential any trial participant privacy or sensitive information they encounter in the course of their work and to prevent any leakage of information. To address possible risks and unexpected situations, the Group purchases adequate insurance for every clinical trial to ensure full protection of trail participants' rights and interests. We regard the protection of participants' safety and well-being as the lifeline of our corporate social responsibility and, by building a sound safety assurance mechanism, ensure that the entire clinical research process remains safe and ethical.

2.2.4 Animal Protection

CSPC upholds the principle of harmony between humans and nature and is committed to the scientific, reasonable, and humane use of laboratory animals. We strictly comply with national and local laws and regulations, including the *National Standards for the Environment* and *Facilities for Laboratory Animals of the People's Republic of China*, the *Guidelines for the Ethical Review of Laboratory Animal Welfare of the People's Republic of China*, the *Measures for the Administration of Laboratory Animals of Hebei Province*, and the *Regulations on the Administration of Laboratory Animals*, to ensure that animal experiments are lawful and compliant.

The Group has established a Laboratory Animal Welfare Ethics Committee and has formulated and implemented systems such as the *Provisions on the Ethical Welfare Management of Laboratory Animals* and the *Standard Operating Procedures for Ethical Review of Laboratory Animals*. We have built a professional breeding and husbandry management system and a veterinary health care team to ensure that laboratory animals enjoy their basic rights, including freedom from hunger and thirst, comfort, freedom from pain, injury, and disease, freedom from fear, and the freedom to express natural behaviors. All animal laboratories under the Group have obtained Laboratory Animal Use Licenses and successfully pass annual license inspections and special animal welfare reviews each year.

In practice, the Group has deeply embedded the widely recognized "3R Principles" (Replace, Reduce, and Refine) into its management system. In routine research, we improve the comfort of laboratory animals by optimizing experimental design and installing advanced sanitary facilities, while reducing animal use to the extent possible without compromising scientific validity. Meanwhile, in supplier cooperation, we explicitly require suppliers to comply with standards related to laboratory animal protection.

To ensure that all personnel, including part-time staff and contractors, understand their ethical and legal responsibilities related to welfare, we regularly conduct internal technical compliance training and external professional skills training. During the reporting period, the Group recorded no misconduct related to animal welfare and no penalties resulting from non-compliance in animal experimentation.

2.3 Quality Services

CSPC consistently adheres to "customer first" as a core behavioral principle and is committed to building a high-quality service system covering the entire product life cycle. By establishing in-depth customer communication mechanisms, we convert market demand into momentum for management improvement and, while ensuring high-quality service, we strictly safeguard customer information security and protect customer rights and interests in all respects.

2.3.1 Customer Service System

The Group has established a dedicated customer service department within the marketing decision-making center to systematically classify customer needs and effectively translate them into R&D directions, key technical requirements, and service improvement targets, ensuring implementation throughout the full process from R&D, procurement, and production to sales. In 2025, in response to customer feedback on logistics improvements, the Group optimized targeted services by improving bidding procedures, raising admission standards, and strengthening process oversight.

2.3.2 Customer Satisfaction and Communication Mechanisms

Through regular client satisfaction surveys and quality management reviews, we assess the soundness of complaint investigation procedures and capture changes in market demand in real time. During the 2025 Quality Month, the Group collected 245 customer satisfaction questionnaires, and the results showed both product satisfaction and service satisfaction at 98.8%. Through ongoing analysis of feedback and root-cause tracing, the Group continues to improve its operating performance and ensure that service quality consistently exceeds customer expectations.

2.3.3 Customer Complaint Mechanism

The Group has established a sound Client Complaint Management System and effective communication and feedback mechanisms. To ensure that client needs are effectively addressed throughout R&D, procurement, production, and sales, we systematically classify the information collected and accurately translate it into R&D directions, key technical requirements, and service improvement targets. Each member enterprise conducts regular annual quality management reviews to scientifically evaluate the scope and procedures of complaint investigations and continuously optimize improvements in conjunction with client satisfaction surveys. To strengthen market product quality monitoring, business personnel proactively conduct frontline visits and sampling, using dual quality confirmation through both retained company samples and marketed products to ensure the safety and robustness of products placed on the market.

In terms of complaint handling effectiveness, the Group has established strict tiered response standards and conducts annual summaries and evaluations of quality complaints. In 2025, the Company received a total of 172 complaints, of which the quality complaint rate was 0.18%. All complaints were closed out strictly in accordance with the applicable requirements, and both the complaint handling rate and complaint resolution rate reached 100%.

Major quality issue	General quality issue	Inquiry-type complaint
Preliminary investigation must be completed within 10 working days; final investigation approval must not exceed 30 working days.	Investigation approval must be completed within 10 working days.	Feedback must be provided within 5 working days.

Figure: Tiered Response Standards for Complaints

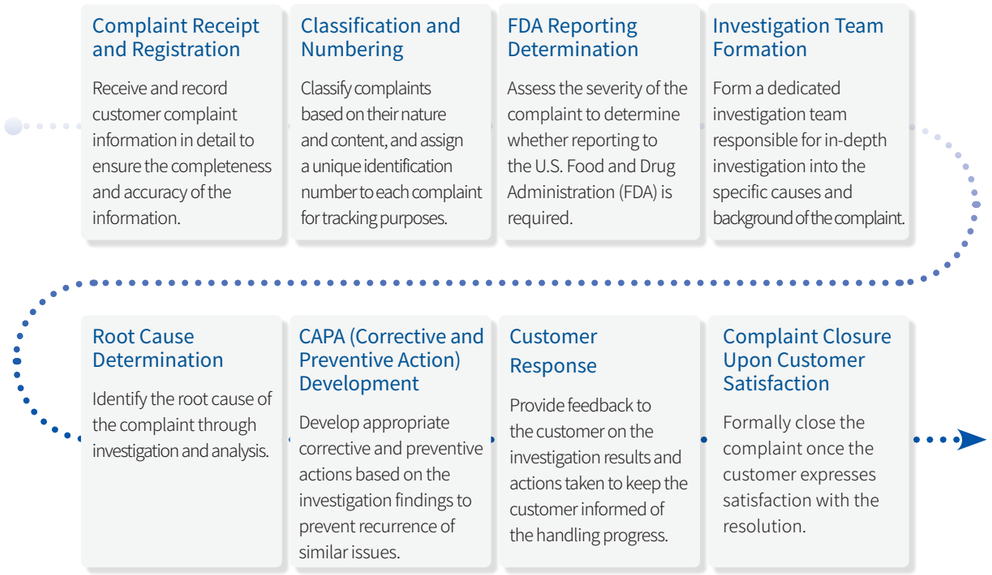


Figure: Customer Complaint Handling Process

2.3.4 Responsible Marketing

CSPC places great importance on compliant operations and has officially released its Responsible Marketing Policy, which explicitly prohibits false advertising, concealment of information, and unfair competition. To ensure the effective implementation of this policy, the Group provides dedicated responsible marketing training to all employees (including full-time, part-time, and outsourced personnel), embedding compliance principles deeply into daily business activities. In addition, the Group has established a rigorous supervision and accountability framework. Led by the Supervision and Audit Department together with the Sales Committee, special audits and compliance assessments of marketing activities and policy implementation are conducted regularly across the Group. These efforts are supported by well-developed multi-channel whistleblowing mechanisms and a zero-tolerance accountability approach, ensuring tangible protection of customers' legitimate rights and interests and promoting fair market competition.

2.3.5 Privacy Protection and Information Security

The Group has established a four-tier management structure consisting of the decision-making level, management level, execution level, and supervision level to ensure that information security work is covered and effectively implemented.

Table: Organization for Cyber and Information Security Management

Decision-making level	Composed of the Group's Informatization Working Group. Responsible for the strategic planning of the Group's cyber and information security system, overall coordination and management, resource allocation, and the review and approval of major matters.
Management level	Composed of the heads of the Group's departments, business divisions, and subsidiaries. Responsible for establishing security systems and frameworks for each unit, leading research on security-related topics, exercising overall risk control, and deploying phased work plans.
Execution level	Composed of personnel in cyber and information security management positions at the Group's Process and Information Center, as well as information security officers in the Group's departments, business divisions, and subsidiaries. Responsible for the specific execution of security requirements, implementation of standards and strategies, and on-site handling of various security incidents.
Supervision level	Composed of relevant personnel from the Supervision and Audit Department, Legal Affairs Center, and other units. Responsible for security audits, execution oversight, compliance reviews, and the handling of related reports and complaints.

The Group strictly implements customer privacy protection and has formulated and put into practice internal systems such as the *Information and Network Security Management System*, the *Provisions on Customer Master Data Maintenance Management*, the *Emergency Response Plan for Network and Information Security Incidents*, the *Confidentiality Management System*, the *Management Specification for Penetration Testing of Application Systems*, and the *Service Quality Security Management Specification*. By establishing rigorous permission controls within information systems, the Group ensures that customer information is not disclosed during sales and follow-up service processes. In 2025, the Group recorded no incidents involving infringement of customer privacy rights or loss of customer information.

To further strengthen bottom-line awareness, the Group regularly carries out targeted educational activities. In December 2025, the Group organized a special company-wide training program on information leakage prevention titled "Building a Strong Data Security Barrier and Strictly Safeguarding the Bottom Line of Corporate Confidentiality," covering all employees of the Group headquarters and all subordinate units.

2.4 Supply Management

CSPC continues to deepen its centralized group procurement and control model. While ensuring supply stability and efficiency, it deeply integrates sustainability dimensions such as environmental protection, labor rights, and business ethics into supplier life-cycle management. By strengthening risk early-warning mechanisms, driving digital transformation, and promoting the development of a green industrial chain, we aim to work with global partners to build a resilient, green, and transparent sustainable supply chain ecosystem.

2.4.1 Supplier Management System

The Group has formulated institutional documents such as the *Supplier Management System and the Materials Procurement Management System*. Under the overall coordination of the Group's centralized procurement center, key aspects including supplier admission, classification, evaluation, auditing, quality control, risk management, and integrity management are managed, and the supplier life-cycle management system is continuously improved. In 2025, the Group systematically optimized its management systems around supplier quality control, collaborative auditing, ESG management, and other areas, while continuing to enhance supply chain transparency and resilience through the electronic procurement platform (SRM). The Group also dynamically updated its supplier comparison survey form to further increase the weighting of price advantage, supply capability, and quality and R&D capability, while reducing the influence of scale-related factors.

2.4.1.1 Supplier Admission

At the admission stage, the Group implements strict qualification review and compliance control, conducting comprehensive assessments of suppliers covering qualifications, product quality, supply capability, and social responsibility. On the premise of meeting quality standards, enhancing supply assurance, and maintaining price advantages, the Group gives priority to suppliers with stronger ESG performance.

For materials where the number of qualified suppliers exceeds the prescribed upper limit, the Group implements a dynamic "one in, one out" optimization mechanism. Based on performance, quality records, and compliance status, underperforming suppliers are simultaneously phased out so as to maintain healthy competition and continuous optimization in the supply structure.

2.4.1.2 Supplier Classification

Based on material characteristics and supplier attributes, the Group classifies suppliers into strategic suppliers, bottleneck suppliers, leverage suppliers, and routine suppliers. Based on business attributes, suppliers are also categorized as production-material suppliers, non-production-material suppliers, and R&D service suppliers. Through refined management, long-term agreements, annual bidding, and multi-source supply arrangements, the Group strengthens supply assurance for critical materials and ensures stable production, reliable quality, and controllable costs.

Table: Supplier Classification

Supplier Category	Characteristics	Management Focus
Strategic Suppliers	• Typically provide strategic materials • Critical to product quality, cost, and delivery assurance • Make a significant contribution to company profitability	• Build mutually beneficial partnerships • Pursue long-term, close cooperation
Bottleneck Suppliers	• Non-standard materials • Customized • Monopolistic	• Focus on reducing supply risk • Ensure supply security
Leverage Suppliers	• Standard materials • Homogeneous • Competitive	• Maximize leverage • Strive to reduce procurement prices
Routine Suppliers	• Alternative resources are relatively easy to find • Replacement costs are relatively low • Procurement is dispersed and purchase amounts are small	• Simplify internal procurement processes • Reduce management costs

In 2025, the Group had 1,522 qualified suppliers. The share accounted for by the single largest region declined moderately, and the overall regional distribution became more balanced.

Table: Quantitative Supplier Indicators

Total Number of Suppliers 1,522

Region	Count	Region	Count	Region	Count
Hebei	343	Shaanxi	30	Xinjiang	6
Shandong	242	Sichuan	27	Yunnan	5
Jiangsu	159	Inner Mongolia	24	Guizhou	3
Zhejiang	112	Jiangxi	21	Gansu	2
Shanghai	105	Liaoning	20	Guangxi	2
Guangdong	69	Chongqing	20	Qinghai	2
Henan	60	Hunan	17	Taiwan	2
Hubei	46	Jilin	9	Hong Kong	1
Shanxi	45	Ningxia	9	Belgium	2
Beijing	40	Heilongjiang	8	India	1
Tianjin	40	Fujian	6	United States	1
Anhui	37	Hainan	6		

2.4.1.3 Supplier Evaluation

The Group has formed a supplier evaluation team composed of the quality management department, user departments, and the procurement department. Each year, the team conducts comprehensive evaluations and scoring of suppliers based on price, operating performance, financial condition, contract fulfillment capability, and ESG performance. Evaluation results are classified as excellent, good, qualified, or unqualified.

- Classification Management and Audit Requirements

  Implement tiered management for materials, utilizing methods such as on-site audits, questionnaires, or video audits accordingly. The audit cycle is 2 years in principle, which may be extended based on material quality reviews and supplier reputation assessments, but shall not exceed 5 years. The core objective of the audit is to verify qualification certificates and inspection conditions, as well as to conduct a comprehensive evaluation of the production quality management system.

- Incentive mechanism

  Suppliers with excellent annual evaluation results and significant support for the Group may receive incentives such as priority procurement and increased delivery allocation. Suppliers rated as qualified but ranking relatively low may have their procurement share adjusted based on category and competitive conditions.

- Rectification mechanism

  Suppliers rated as unqualified are required to rectify within a specified period or will have their qualification revoked. Suppliers that engage in improper conduct, such as refusing to sign a contract after confirming a negotiated price on site, may be suspended from quotation for six months based on business needs; in serious cases, they may be eliminated or blacklisted.

In 2025, the Group completed audits of 728 suppliers, including 279 on-site audits and 449 document-based audits, achieving a 100% completion rate of annual supplier audit plan.



2.4.1.4 Supplier Risk Management

The Group conducts systematic risk identification at the admission stage, focusing on financial stability, production and supply capability, quality and process standards, and industry reputation. The Group has formulated the *Supplier Management Policy*, which stipulates that, in principle, the number of suppliers for raw and auxiliary materials shall be limited to two to three in order to ensure supply stability. In the event that there is only a single supplier, the Group will initiate the onboarding process for an additional supplier in accordance with the *Change Management Policy and the Supplier Management Policy*, carry out the corresponding quality studies, and, after completing the required filing procedures with the drug regulatory authorities in compliance with applicable regulations, include the supplier in the list of qualified suppliers, thereby eliminating the risks associated with reliance on a single supplier.

To ensure continuity of supply, the Group has implemented the Procurement Emergency *Response Plan Management System*, which clearly defines responsibilities, information reporting requirements, and response measures for various emergency events. In response to factors such as climate, policy, quality, EHS, logistics, and funding, the Group adopts multi-level management, information sharing, and business continuity planning measures. The Group regularly provides emergency response plan training to procurement personnel and reinforces implementation through reward and penalty rules.

2.4.1.5 Supplier Empowerment

The Group regularly conducts audits and exchanges with key suppliers on quality and supply chain stability. During on-site audits, it also provides concurrent training to suppliers covering the latest industry quality standards, environmental regulations, and related ESG core topics, thereby strengthening suppliers' capabilities in accident prevention and traceability.

2.4.2 Supplier ESG Management

CSPC is committed to building a sustainable supply chain, deeply embedding ESG factors into supplier life-cycle management and working to create a green, clean, and socially responsible supplier ecosystem.

2.4.2.1 Supplier ESG Screening Standards

At the supplier admission stage, the Group promotes the ESG concept and, while ensuring quality standards, supply assurance, and price competitiveness, treats ESG performance as a core weighting factor in supplier screening.

- Admission evaluation

The Group gives priority to suppliers that have passed assessments relating to the environment, labor, ethics, carbon emissions, and similar factors, and that meet the Group's environmental protection and safety management requirements. All new suppliers must sign a *Quality Assurance Agreement* and commit to cooperating with the Group's integrity-building efforts.

- Qualification requirements

At the supplier onboarding stage, the Group actively recommends that suppliers provide supporting documents meeting green procurement control requirements. We encourage suppliers to obtain certifications such as ISO 14001 Environmental Management System certification and ISO 45001 Occupational Health and Safety Management System certification, and we treat certification status and social responsibility performance as preferred factors in supplier selection.

Supplier Management System Certification Status

Number of suppliers certified to ISO 14001 Environmental Management System	Number of suppliers certified to ISO 45001 Occupational Health and Safety Management System	Number of suppliers certified to ISO 9001 Quality Management System
87	66	154

2.4.2.2 Green Supply Chain Management System

In accordance with standards including GB/T 39257-2020 *Evaluation Specification for Green Supply Chain Management of Green Manufacturing Enterprises and GB/T 43902-2024 Implementation Guidelines for Green Supply Chain Management of Green Manufacturing Enterprises*, the Group has established and implemented the *Green Supply Chain Management Operating Procedures*. It integrates product life-cycle and circular economy concepts throughout the entire chain, from supplier admission to waste recycling. Meanwhile, the Group has built a green supply chain management system that centrally stores product environmental data, test reports, and supplier performance evaluations. Through homepage announcements and publication of institutional documents, green information is made visible and traceable throughout the chain.

Led by the Group's centralized procurement center and supported by a dedicated task force composed of procurement, EHS, and quality departments, the Group regularly convenes green supply chain promotion meetings to ensure that ESG assessment is deeply embedded in the supplier evaluation system.

- Carbon footprint monitoring

The Group proactively collects data from major material suppliers on carbon reduction plans, energy-saving and consumption-reduction projects, and Scope 1, 2, and 3 carbon footprint figures. For partners demonstrating significant emissions reduction results, the Group appropriately increases their delivery allocation under equivalent conditions, thereby encouraging collaborative decarbonization across the supply chain.

- Categorized management and prioritization

In line with the Group's overall ESG strategy, the centralized procurement center ranks suppliers according to Scope 3 carbon emissions and gives priority to ESG-focused governance for suppliers of key fossil energy and non-renewable resources, helping ensure the steady achievement of the Group's overall carbon neutrality goals.

2.4.2.3 Supplier Quality Management

In supplier quality monitoring, the Group sets indicators such as first-pass incoming acceptance rate and procurement factor deviation, and conducts regular supervision and assessment. In 2025, the first-pass incoming acceptance rate for production materials reached 99.59%.

In terms of quality monitoring and audit certification, the Group has established a comprehensive audit system covering multiple tiers of the supply chain. This system covers not only most Tier-1 suppliers that directly provide products and services, but also extends to selected Tier-2 suppliers in order to strengthen whole-chain quality control. For upstream Tier-3 suppliers (raw materials), the Group regularly conducts stringent quality inspections and supervisory assessments of incoming raw materials and core components, and sets key indicators such as first-pass incoming acceptance rate and procurement factor deviation.For suppliers with potential risks in materials and quality, we initiate prompt communication to identify specific risk factors and key risk areas, and provide relevant training.

2.4.2.4 Supplier Integrity Management

The Group is committed to building clean and honest cooperative relationships and strengthens supply chain integrity through both institutional constraints and system-based controls. In 2025, the Group carried out 71 anti-corruption training sessions for suppliers, with a total of 152 suppliers participating.

- Signing of integrity agreements

The Group requires all suppliers, at the outset of cooperation, to sign documents such as the CSPC Business Customer Notice on Clean Transactions, the Sunshine Cooperation Agreement, and the CSPC Co., Ltd. Notice and Commitment on Clean Cooperation. Before each online quotation, suppliers must reconfirm the Notice on Clean Transactions. As of the end of the reporting period, the signing rate for the Sunshine Cooperation Agreement among all suppliers conducting business with the Group had reached 100%.

- Audit and blacklist system

The Group has formulated and implemented the Management System for the Blacklist of Dishonest Parties, continuously monitors supplier compliance performance, and conducts annual anti-corruption audits of key material suppliers and major suppliers. In addition to pursuing liability for breach of contract, the Group places suppliers that engage in non-compliant operations, together with their affiliated companies, on the blacklist of dishonest parties and restricts new project cooperation across the entire Group. By promptly identifying and correcting non-compliant conduct, the Group ensures that the supply chain consistently meets its business ethics standards.

2.4.2.5 Equal Treatment of Small and Medium-Sized Enterprises

In supply chain management, the Group upholds the principle of equal treatment and, through multi-level measures, eliminates bias related to company size while promoting coordinated development and stronger supply chain resilience.

Table: Multi-Level Measures for the Equal Treatment of Small and Medium-Sized Enterprises

Stage	Measure
Supplier Admission Stage	Using registered capital, revenue, and similar indicators as hard admission criteria is prohibited. The supplier comparison survey form was updated to increase the weighting of price advantage, supply capability, quality, and R&D capability, thereby reducing the weight of size-related factors at the admission stage.
Bidding Process	The digital platform (SRM system) conceals supplier size information and displays only key basic information such as qualifications, ensuring that evaluation focuses on supply capability and cost performance and enabling fair participation by SMEs.
Routine Management	The Group regularly surveys certain SMEs to collect information on obstacles encountered during bidding and optimizes procurement system message prompts and interface design based on the feedback. Through case analysis, regular training, and the sharing of selected company quality management standards, it guides and supports SMEs in strengthening compliance capability and quality and R&D capability. For some suppliers, one-to-one assistance is provided to interpret the Company's ESG requirements, discuss emissions reduction plans, and track progress in reducing emissions, ensuring that they meet the Company's requirements and standards.



Rooted in Green Safeguarding the Future 03

Adhering to the core philosophy of "All for Good Medicine, All for Mankind's Health," CSPC practices the concept of "Green Development for a Better Life." It integrates environmental protection into its development strategy and continuously optimizes its environmental management system through green manufacturing, energy conservation and emissions reduction, and cleaner production. The Group actively implements green engineering and smart upgrading projects, significantly improves resource utilization efficiency, reduces carbon emissions, and is committed to building an environmentally friendly pharmaceutical enterprise.

3.1 Climate Change Response

CSPC actively implements the national "dual carbon" strategy and empowers the transformation and upgrading of the pharmaceutical industry through a green and low-carbon development pathway. The Company continues to enhance its climate resilience, improve its climate governance structure, systematically identify climate-related risks and opportunities and formulate response strategies, and advance the smart and green transformation of its production system, thereby building an environmentally friendly pharmaceutical industry ecosystem.

3.1.1 Governance

CSPC has built a three-tier climate governance structure under which the Board of Directors makes strategic decisions, the ESG Working Group provides overall management and coordination, and each subsidiary is responsible for concrete implementation, thereby systematically advancing the achievement of climate goals. Each year, when reviewing the progress of annual ESG management work and the ESG report, the Board systematically reviews the management progress of climate-related issues.

At the same time, the Company regularly organizes specialized training for the Board and key departments across subsidiaries to continuously enhance awareness of climate-related risks, opportunities, and international frameworks at all levels, thereby systematically strengthening strategic decision-making and execution capabilities in climate governance.

Table: CSPC Climate Change Response Framework

Level	Members	Main Responsibilities
Decision-making Level	Board of Directors	• Approve carbon neutrality strategic goals, the climate risk management framework, and major investment decisions • Incorporate climate performance into the Company's long-term development planning
Management Level	ESG Working Group	• Coordinate the development of the low-carbon transition roadmap, promote innovation in green pharmaceutical technologies and supply chain carbon footprint management • Regularly assess climate-related risks and opportunities
Execution Level	Subsidiaries	• Implement specific measures such as carbon emissions monitoring, cleaner production upgrades, and climate resilience enhancement • Conduct climate-related capacity building training

3.1.2 Strategy

CSPC is steadily advancing the identification and assessment of climate-related risks and opportunities and has adopted targeted response measures to proactively address climate challenges and strengthen its resilience amid the accelerating global transition to a low-carbon economy.

Risks and Opportunities

The Group has identified climate-related risks and opportunities that may have operational and financial impacts on the Company over the short, medium, and long term, as shown in the table below.



Table: Climate-Related Risks and Opportunities

Risk / Opportunity Category			Time Horizon	Impact on the Company's Value Chain	Impact Description	Potential Financial Impact	Response Measures
Physical Risk	Acute Risk	Extreme Weather	Short, Medium, and Long Term	Upstream - Raw Material Procurement	• Extreme weather such as heavy precipitation, typhoons, and snowstorms may affect logistics efficiency and thereby disrupt the warehousing of raw materials.	• Decrease in revenue; Increase in operating costs; increase in capital expenditures	• Diversify the geographic locations of supply for critical materials • Develop business continuity plans and emergency response plans for production and warehousing • Upgrade temperature-control systems to improve energy efficiency under extreme temperatures • Dynamically adjust downstream shipping routes to avoid extreme weather
				Midstream - Administration and Production	• Extreme weather such as heavy precipitation, typhoons, and snowstorms may damage production bases and warehousing facilities, causing production interruptions, material losses, and leading to a decrease in revenue and an increase in repair costs. Extreme heat and extreme cold may also increase energy consumption at production bases, thereby increasing operating costs.		
				Downstream - Transportation and Sales	• Extreme weather such as heavy precipitation, typhoons, and snowstorms may affect logistics efficiency, leading to transportation disruptions and delays in delivery.Extreme heat may increase cold-chain logistics costs. Both effects may lead to higher logistics costs and potential sales losses.		
	Chronic Risk	Water Scarcity	Medium and Long Term	Midstream - Administration and Production	• Water scarcity may limit water use in production, affect key pharmaceutical processes such as cleaning and cooling, increase operating costs, or constrain production capacity,	• Decrease in revenue; increase in operating costs	• Set water-use targets for sites in high water-stress areas and promote water-saving technologies and water recycling solutions in key process links such as cleaning and cooling
		Sea-level Rise	Long Term	Midstream - Administration and Production	• Sea-level rise may create long-term erosion risks for production or warehousing facilities located in coastal areas, increasing uncertainty regarding infrastructure maintenance, retrofitting, or relocation.	• Increase in capital expenditures	• Regularly assess the physical safety boundaries of existing coastal production bases; pre-emptively avoid sea-level-rise areas when selecting future sites for new warehousing or production bases
		Global Warming/ Rising Average Temperatures	Long Term	Midstream - Administration and Production	• Global warming and rising average temperatures may increase long-term energy demand, impose stricter requirements on drug production and storage conditions, and increase operating costs and management complexity.	• Increase in operating costs	• Phase out old air-conditioning systems and chillers, introduce new high-efficiency energy-saving temperature-control equipment, and optimize energy consumption management for pharmaceutical production and storage environments • Select cold-chain logistics carriers with higher energy efficiency and better insulation performance
				Downstream - Transportation and Sales	• Global warming and rising average temperatures may increase long-term energy demand and impose stricter requirements on cold-chain management during pharmaceutical transportation and sales, thereby increasing logistics costs.		

Risk / Opportunity Category			Time Horizon	Impact on the Company's Value Chain	Impact Description	Potential Financial Impact	Response Measures
Transition Risk	Policy and Regulatory Risk	Rising Carbon Pricing	Medium and Long Term	Midstream - Administration and Production	• As carbon pricing mechanisms and carbon emissions constraints become increasingly stringent, the Company's energy use- and emissions-related costs may rise, affecting overall operating costs and profitability.	• Increase in operating costs	• Continue carbon inventory work to identify emissions sources and potential reduction points • Steadily advance energy-saving and emissions-reduction projects at production bases to lower the overall emissions baseline • Give preference to logistics service providers with lower carbon emissions
				Downstream - Transportation and Sales	• The logistics and transportation industry may face higher operating costs as a result of carbon pricing mechanisms, and part of these higher costs may be passed on to upstream enterprises.		
		Policy Supervision	Short, Medium, and Long Term	Midstream - Administration and Production	• Environmental protection and climate-related regulations are becoming increasingly stringent, which may impose higher compliance requirements on the Company in areas such as emissions control, energy use, and information disclosure, thereby increasing management and compliance costs.	• Increase in operating costs	• Closely track regulatory developments and standardize internal data collection processes to ensure compliant and transparent information disclosure
	Market Risk	Changes in Consumer Preferences	Medium and Long Term	Downstream - Transportation and Sales	• As customers and healthcare institutions pay greater attention to low-carbon and sustainable development, failure to meet expectations regarding environmental and climate performance may adversely affect the Company's market competitiveness.	• Decrease in revenue	• Actively promote low-carbon transition across the value chain and explore the use of renewable or reusable green pharmaceutical packaging materials
		Rising Raw Material Costs	Medium and Long Term	Upstream - Raw Material Procurement	• Climate change and related policies may cause fluctuations or increases in the prices of energy, chemical raw materials, and packaging materials, thereby increasing raw material procurement costs.	• Increase in operating costs	• Establish flexible strategic inventories and broaden procurement channels for low-carbon chemicals and packaging materials
	Reputational Risk		Short, Medium, and Long Term	Midstream - Administration and Production	• If the Company's performance in climate change response and environmental management fails to meet stakeholder expectations, its brand image and social reputation may be adversely affected.	• Increase in financing costs; decrease in revenue	• Establish a robust climate governance structure and demonstrate decarbonization commitment and results to capital markets through high-quality disclosure
	Technology Risk		Medium and Long Term	Midstream - Administration and Production	• During the transition to low-carbon or new technologies, immature or unsuitable technologies may create uncertainty in production stability, product quality, or cost control.	• Increase in capital expenditures; increase in cost of sales	• Conduct thorough validation before applying new technologies in key pharmaceutical processes; prioritize mature energy-saving equipment with stable performance and peer validation

Risk / Opportunity Category		Time Horizon	Impact on the Company's Value Chain	Impact Description	Potential Financial Impact	Response Measures
Opportunity	Use of Renewable Energy	Short, Medium, and Long Term	Midstream - Administration and Production	• Increasing the proportion of renewable energy used can help reduce long-term exposure to energy cost volatility, lower carbon emissions, and enhance the Company's sustainable development image.	• Reduction in operating costs	• Develop distributed solar PV and other renewable energy projects at production bases where feasible and explore green electricity procurement
	Green Products and Services	Medium and Long Term	Downstream - Transportation and Sales	• Developing and promoting green, low-carbon products and packaging can help meet customer and market demand for sustainable healthcare products and strengthen market competitiveness.	• Increase in revenue	• Integrate life cycle assessment (LCA) concepts into new drug R&D and accelerate the market promotion of low-carbon healthcare products and environmentally friendly packaging materials
	Emerging Technologies	Short, Medium, and Long Term	Midstream - Administration and Production	• Applying energy-saving, carbon-reducing, and digital technologies can improve production efficiency, optimize resource utilization, and reduce long-term operating costs.	• Reduction in operating costs	• Use an energy management platform to centrally manage energy-consuming equipment and optimize equipment start-stop timing and operating parameters
	Increase in Market Demand	Medium and Long Term	Downstream - Transportation and Sales	• Relevant WHO research indicates that more frequent extreme heat events caused by climate change will increase the incidence and mortality risk of cardiovascular disease, thereby raising social demand for therapeutic drugs for cardiovascular diseases.	• Increase in revenue	• Expand capacity planning and the R&D pipeline for cardiovascular disease drugs and other medicines related to extreme climate events, in light of research on climate-health nexus

Climate Resilience Assessment[5]

To verify the adaptability of the Group's existing business strategy under different climate futures, the Group conducted in-depth physical-risk climate scenario analyses for its major operating locations across China, including Hebei, Heilongjiang, Inner Mongolia, Guangdong, and Jiangsu, and simultaneously performed qualitative stress testing for transition risks.

Physical-risk Resilience

For physical risks, the Group used the SSP1-2.6 and SSP5-8.5 scenarios published by the Intergovernmental Panel on Climate Change (IPCC) and carried out scenario analysis based on the geographic locations of its principal assets. The main findings are as follows:

- Extreme precipitation

Operating sites in Taizhou, and Guangzhou face relatively high extreme-precipitation risk across all scenarios and time horizons. Sites in Yuncheng and Shijiazhuang face comparatively lower risk under SSP1-2.6, but the risk rises to a relatively high level under SSP5-8.5.

- Typhoons

Coastal and near-coastal operating sites in Yantai, Taizhou, and Guangzhou continue to face relatively high typhoon risk across all scenarios and time horizons, while inland and northern locations remain at relatively low risk.

- Extreme cold

Operating sites in Harbin and Hohhot face relatively high extreme-cold risk across all scenarios and time horizons, whereas other locations face lower risk. The assessment also indicates that under SSP5-8.5, the frequency and intensity of extreme-cold events decline across the Group's operating locations.

5. The resilience assessment is based on currently available data and selected scenario parameters. Given the long-term nature of climate change, the dynamic adjustment of macro low-carbon policies and carbon pricing, and the current limitations of scenario-analysis data, the assessment results are subject to uncertainty.

- Extreme heat

The Guangzhou operating site faces the most severe extreme-heat risk. Sites in Shijiazhuang, Xingtai, Yuncheng, Jiujiang, and Xuancheng also face significant challenges from extreme heat. The assessment shows that under the medium- and long-term SSP5-8.5 scenario, the frequency and intensity of extreme-heat events in these regions will rise further, imposing higher requirements on plant temperature control and cold-chain logistics.

- Water scarcity

Operating sites in Hohhot, Yuncheng, Yantai, and Taizhou face pronounced water-scarcity risk under all scenarios, while Shijiazhuang also face considerable water stress. Northern China and certain coastal areas may experience increasingly persistent water constraints over the long term.

Through scenario analysis of physical risks, we have clearly identified material climate-risk exposures in each region, which supports more forward-looking preparedness. Within the scope of our assessment, we believe the Group overall has relatively strong climate resilience. Under the selected scenarios and time horizons, the physical climate risks identified above are not expected to have a material adverse impact on the Group's overall business continuity or core financial position. Benefiting from the Group's diversified production layout, adequate safety-stock management, and continually improving business continuity plans, we are able to flexibly allocate resources during extreme-weather events. Going forward, we will continue to monitor high-risk regions and adopt further response measures where necessary.

Transition Risk and Opportunity Resilience

For transition risks, the Group referenced the International Energy Agency (IEA) Stated Policies Scenario (STEPS) and Net Zero Emissions by 2050 Scenario (NZE), and conducted climate-resilience stress testing across its core businesses and full value chain over the short, medium, and long term.

The assessment shows that under the STEPS scenario, current climate policies advance broadly as expected, resulting in relatively moderate increases in compliance and operating costs that remain manageable within normal operations. Under the stricter NZE scenario, characterized by aggressive decarbonization, carbon-pricing mechanisms spread rapidly worldwide, and the Group may face rising carbon-compliance costs in the medium and long term. Meanwhile, upstream suppliers, such as those providing chemical raw materials and packaging materials, may pass through carbon costs, increasing the Group's procurement prices.

Although the Group is not currently included in a mandatory carbon emissions trading market and has not yet experienced a material financial impact from transition risks, there remains substantial uncertainty over the medium to long term regarding whether it may be brought into scope, as well as the timing of policy implementation and future carbon-pricing levels. Under such an aggressive scenario, the Group may not only face a direct rise in its own carbon-compliance costs, but also an upward shift in its overall procurement cost base as upstream suppliers in high-carbon sectors pass their carbon costs downstream.

In response to policy uncertainty over the medium and long term, the Group is moving proactively rather than reactively, steadily advancing decarbonization across the value chain while actively seizing opportunities created by the transition to a low-carbon economy. The Group expects to continue energy-efficiency upgrades at production sites and explore the use of renewable energy and environmentally friendly packaging, thereby effectively hedging long-term risks of rising energy and compliance costs while enhancing overall supply-chain resilience.

Financial Impact

During the reporting period, climate-related risks did not have a significant adverse impact on the Group's working capital, carrying value of assets, or overall profitability. All impacts remained within the controllable range of routine operating budgets. The Group does not currently identify any material risk in the next reporting year that is expected to cause a significant adjustment to the carrying amounts of assets and liabilities.

Guided by a Prevention Foremost strategy, the Group proactively incurred targeted capital expenditures and operating expenditures during the current period to strengthen climate resilience and steadily advance the low-carbon transition. During the reporting period, more than RMB 30 million was invested in energy-efficiency retrofits and the introduction of new high-efficiency energy-saving equipment; in addition, more than RMB 1 million was invested in water-saving and water-recycling projects.

During the reporting period

invested in energy-efficiency retrofits and the introduction of new high-efficiency energy-saving equipment

RMB 30 million

invested in water-saving and water-recycling projects

RMB 1 million



3.1.3 Risk Management

The Group has established a closed-loop management process of "identification-assessment-response-monitoring and reporting," integrating the identification, response, and monitoring of climate-related risks and opportunities into the Company's overall risk management system to enhance adaptability and response capability in relation to climate change.

Risk Identification	Identify potential uncertainties arising from climate-related transition risks and physical risks across business processes. Through scenario analysis, stakeholder interviews, industry benchmarking, policy tracking, and data screening, develop a preliminary list of climate-related risks and opportunities.
Risk Assessment	Conduct qualitative and quantitative analysis of identified risks. • Risk analysis: The Group assesses each risk's potential impact on finance, operations, and strategy, together with likelihood and time horizon, and uses scenario analysis to quantify potential financial impacts. • Risk evaluation: The Group classifies and prioritizes risks based on established criteria, forming a company-level conclusion on climate-change risks and clarifying the key risk areas requiring priority attention and their pathways of impact on the business.
Risk Response	Based on the priorities resulting from the risk assessment, formulate and implement response measures. • Strategy implementation and execution: Within the framework of the Company's overall risk management and business strategy, business and functional departments develop specific action plans, allocate resources, and execute them. • Integration and optimization: Climate-risk response measures are integrated into existing risk management processes, investment decisions, operational management, and financial planning to ensure effectiveness and strengthen business resilience.
Monitoring and Reporting	Establish an ongoing closed-loop management mechanism to ensure the effectiveness and adaptability of risk-management activities. • Monitoring: The Group establishes Key Risk Indicators (KRIs) and performance indicators to regularly monitor changes in the status of identified risks, as well as the implementation progress and effectiveness of response measures. • Review and Update: The Group regularly reviews and optimizes the overall climate risk management process, risk assessment results, and response strategies, or when significant changes occur. • Internal and External Reporting: The Group regularly reports to the board of directors on the status of climate risk management, material risk exposures, and response effectiveness. We also disclose information on governance, strategy, risk management, and metrics and targets externally in accordance with frameworks such as the TCFD recommendations.

3.1.4 Metrics and Targets

CSPC focuses on improving energy efficiency in production and optimizing its energy mix to systematically reduce greenhouse gas emissions. Through green process upgrades, clean-energy substitution, and intelligent energy-efficiency management, the Group continues to reduce GHG emissions intensity per unit of output and has established a value-chain-wide emissions monitoring and evaluation mechanism to support phased reduction targets.

Greenhouse gas reduction target of CSPC:

By 2030, the Group aims to reduce greenhouse gas emissions per unit of revenue by 50% relative to 2017, the baseline year.

Table: GHG Emission of CSPC

Indicator	Unit	2025
Scope 1 greenhouse gas emissions	tCO_2e	201,265.70
Scope 2 greenhouse gas emissions	tCO_2e	853,794.57
Scope 3 greenhouse gas emissions [6]	tCO_2e	1,419,320.40
Total greenhouse gas emissions (Scope 1+Scope 2+Scope 3)	tCO_2e	2,474,380.67
GHG emissions intensity (Scope 1+Scope 2)	tCO_2e / RMB 10,000 revenue	0.41

3.2 Environmental Management

CSPC regards environmental protection as a core component of high-quality corporate development. The Group continues to deepen the development of its environmental management system, improve management mechanisms and processes, advance green transformation in a practical manner, and actively contribute to ecological and environmental protection.

6. Scope 3 includes value chain emissions, covering Category 1- Purchased goods and services, Category 2 - Capital goods, Category 3 -Fuel- and energy-related activities, Category 4- Upstream transportation and distribution, Category 5 - Waste generated in operations, Category 6 – Business travel, Category 7 – Employee commuting, Category 8 -Upstream leased assets, Category 9 - Downstream transportation and distribution, and Category 12 - End-of-life treatment of sold products.

3.2.1 Environmental Management System

The Group strictly complies with environmental laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Pollutant Discharge Permit Regulation*, and the *Energy Conservation Law of the People's Republic of China*. It has formulated internal management systems including the *Environmental Protection Responsibility System*, *Environmental Management Manual*, and *Environment, Health and Safety (EHS) Policy*, and established a top-down environmental management structure that clearly defines the environmental responsibilities of each department and assigns accountability level by level, ensuring orderly and effective implementation of environmental protection work and providing strong support for a green, low-carbon, and environmentally friendly operating system. As of the end of the reporting period, the Group had not incurred any major environmental penalties.

In addition, in line with internal systems such as the *CSPC EHS Assessment, Rewards and Penalties System and the CSPC EHS Incident/Event Reporting, Investigation and Handling Management System*, the Group evaluates employees on environmental performance. Environmental indicators such as administrative penalties for safety and environmental matters, negative media exposure related to safety and environment, pollutant leaks, chemical management, and pollutant-discharge control targets form an important part of ESG performance and are incorporated into the performance appraisal system for employees and senior management. Failure to meet the relevant targets directly affects performance results and may reduce compensation, ensuring full implementation of environmental responsibilities. Meanwhile, the Group has established a positive incentive mechanism to recognize and reward individuals and teams who demonstrate outstanding performance in EHS work.

Table: CSPC Environmental Governance Structure

Level	Members	Main Responsibilities
Decision-making level	Board of Directors	• Bear ultimate responsibility for the Company's environmental management strategy; • Supervise implementation of environmental policies and continuous improvement in environmental performance.
Management level	Group Environmental Protection Committee and functional departments	• Coordinate Group-wide environmental work; • Approve Group-level environmental targets, indicators, and major projects; • Coordinate environmental matters across departments and business units; • Supervise subsidiaries' environmental management systems; • Organize the investigation and remediation of major environmental incidents.
Execution level	Subsidiaries and production workshops	• Strictly implement environmental operating procedures and control significant environmental aspects; • Carry out cleaner production, energy-saving, and emission-reduction measures; • Ensure stable operation of environmental protection facilities; • Participate in environmental training, emergency drills, inspection, and rectification.

CSPC continues to strengthen the development of its environmental management system. In accordance with the requirements of the ISO 14001 environmental management system standard, it dynamically tracks and evaluates performance against environmental indicators, driving environmental management toward greater standardization and systematization. By 2025, 11 sites of the Group had obtained ISO 14001 certification, providing strong support for the Group's green, low-carbon, and sustainable development.

In addition, the Group has established a comprehensive environmental impact compliance audit mechanism and regularly conducts both internal and external audits of its environmental management systems in accordance with unified requirements, culminating in the preparation of detailed internal audit reports. During the reporting period, 11 sites completed internal environmental management system audits.



Figure: CSPC Environmental Compliance Audit Flow

CSPC actively responds to the national call for green development and continues to advance green-factory construction. At present, the Group has 5 national-level green factories, 2 provincial-level green factories, and 2 municipal-level green factories. These factories widely apply advanced environmental technologies and high-efficiency equipment, significantly improving energy and resource utilization efficiency while promoting cleaner production and the adoption of low-carbon technologies, thereby supporting the Group's green transformation and building benchmarks for environmentally friendly, resource-efficient, and well-governed green manufacturing.

Case Study: Zhongnuo Recognized as a Municipal Green Factory

Zhongnuo was recognized as a "Municipal Green Factory," demonstrating its strength in green manufacturing. The Company follows a cradle-to-cradle philosophy throughout the full product life cycle, promoting green design, cleaner production, and recycling. Through green processes and supply-chain collaboration, it has achieved energy savings, carbon reduction, and efficient resource utilization, establishing a new benchmark for sustainable development in the pharmaceutical industry.

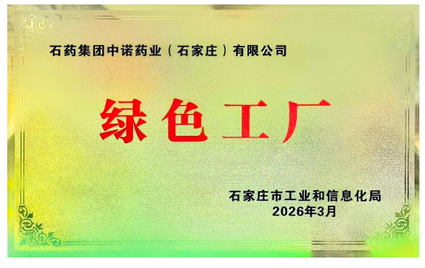


Figure: Zhongnuo Green Factory Certificate

Case Study: Yinhu Selected as a National Green Factory

Yinhu has continued to advance the development of its green manufacturing system and was successfully selected as a 2024 "National Green Factory," gaining another authoritative recognition after previously being named a "Shanxi Provincial Green Factory." By introducing advanced production equipment, optimizing its energy management system, and strengthening the concept of cleaner production, the Company has realized cleaner manufacturing processes, more efficient resource utilization, and more standardized environmental management. Going forward, it will continue to deepen its green transition and use technological innovation to drive high-quality development in pharmaceutical manufacturing.



Figure: Yinhu Green Factory

- Environmental Management of Related Parties

  The Group has formulated systems such as the *Related Party Management Procedure* and the *Supplier Management Procedure* to identify and control the environmental impacts that suppliers may generate during procurement, transportation, loading, unloading, and other activities.

  During supplier onboarding, the Group requires suppliers to provide environmental management system certification and undergo safety and environmental reviews to assess environmental risks. In addition, the Group specifies environmental management requirements for suppliers, such as the absence of hazardous & toxic waste, dust, toxic emission, radioactive materials, and other diffuse pollution sources within plant areas.

  To evaluate suppliers' environmental management capability in a scientific manner, the Group has established a multidimensional assessment index system focusing on the soundness of environmental management systems, implementation of pollution prevention and control measures, deployment of online environmental monitoring systems, and environmental compliance records.

Table: Supplier Environmental Assessment Index

Assessment Index	Specific Assessment Content	Assessment Method / Basis
Environmental Management System	Whether a sound environmental management structure and accountability mechanism have been established, with clear responsibilities and processes.	Review management-system documents, job descriptions, and environmental management ledgers.
Pollution Prevention and Control Measures	Whether pollution prevention and control measures are implemented in compliance with laws and whether treatment facilities operate properly and maintenance records are complete.	Inspect facility operation on site and review maintenance and repair records.
Online Monitoring System	Whether an online environmental monitoring system is in place, such as waste-gas or wastewater online monitoring equipment, and whether data are uploaded in real time and are traceable.	Check network connection status, data-platform access records, and completeness of historical data.
Environmental Compliance Record	Whether there have been environmental administrative penalties, environmental complaint petitions, major environmental incidents, or emergencies.	Check publicly available information from ecology and environment authorities, corporate self-disclosure reports, and third-party audit records.

In 2025, the Group's subsidiaries implemented tiered management of suppliers according to material categories and conducted on-site or desk audits with environmental compliance, carbon footprint, and pollutant emissions integrated into the evaluation criteria. Audit cycles of two to three years were established according to material criticality, thereby continuously advancing green supply-chain development. For detailed information on supplier audits, please refer to 2.4.1 Supplier Management System.

3.2.2 Environmental Risk Management

CSPC attaches great importance to identifying and managing environmental risks. Adhering to the management principle of "prioritizing in-process control over post control, prior control over in-process control, and whole-process control over prior control.", the Group has established internal systems such as the *Management System for Identification, Evaluation and Control of Hazard Sources and Environmental Factors*, the *Environmental Protection Responsibility System*, and the *Environmental Protection Management System*, thereby building an environmental risk prevention and control framework covering the full business process.

The Group regularly organizes environmental aspect identification and assessment covering major business processes such as R&D, production, and sales, ensuring that environmental management runs through the entire course of corporate operations. For identified significant environmental aspects, the Group continuously optimizes control measures and focuses on rectifying and improving issues found in routine inspections, thereby constantly strengthening its environmental risk prevention and control capability.

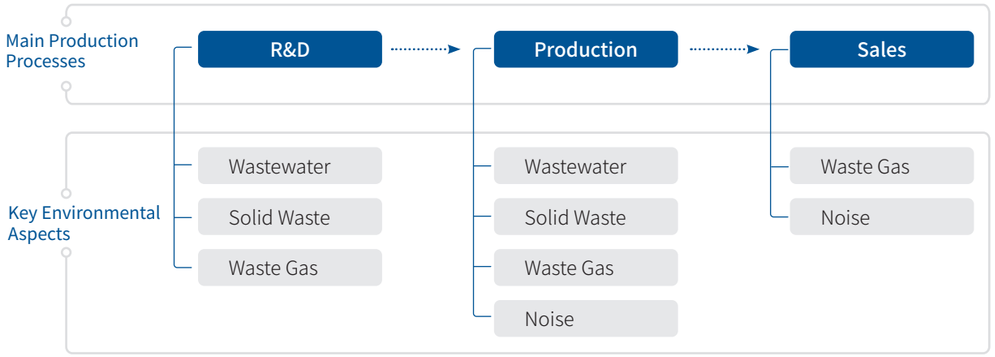


Figure: Significant Environmental Aspects in the Main Production Process of CSPC

Table: Environmental Aspects Summary Table for CSPC Group Subsidiaries

Subsidiary	2024 Environmental Aspects	2025 Environmental Aspects	Significant Environmental Aspects	Change
Ouyi	3,223	3,230	236	7
Zhongnuo	1,086	1,507	56	421
NBP	699	737	26	38
Yinhu	145	145	6	-
Zhongnuo Taizhou	218	220	10	2
Zhongrun	1,347	1,360	46	13
Baike	224	192	12	-32
Mingfule	38	52	11	14
Shengxue	1,033	1,696	14	63
CSPC Innovation	1,823	1,844	494	21
Weisheng	501	505	8	4
R&D	51	57	-	6
Total	In 2025, the Company identified 11,545 environmental aspects, an increase of 557 over 2024; total significant environmental aspects amounted to 919 items.			

In addition, each subsidiary has formulated an *Emergency Response Plan for Environmental Emergencies* to ensure that in the event of a sudden environmental incident, emergency response work can be activated rapidly, efficiently, and in an orderly manner, minimizing impacts on the environment and disruptions to normal business operations while effectively safeguarding environmental safety and business continuity. In 2025, the Company conducted 44 emergency drills for environmental emergencies.

Case Study: Zhongnuo Organized an Emergency Drill for Environmental Emergencies

In June 2025, Zhongnuo organized an emergency drill for an ethanol leak and fire. The scenario simulated a valve leak during production that caused ethanol to spill and ignite. Each emergency-response team reacted promptly and handled the situation in an orderly manner, effectively testing the practicality of the emergency plan and the coordination mechanism and enhancing the Company's ability to respond to hazardous-chemical incidents.



Figure: the Emergency Drill

3.2.3 Biodiversity Protection

CSPC integrates biodiversity protection into its operations. During project siting, it strictly observes ecological protection red lines; during production and operation, it prioritizes environmentally friendly materials and strictly controls pollutant emissions, thereby systematically advancing the coordinated development of ecological protection and industrial growth.

Table: CSPC Group's Biodiversity Protection Measures

Type	Specific Measures
Project Compliance Control	• Project siting strictly complies with ecological red-line requirements and other planning requirements, and projects are prohibited from being located in nature reserves and other sensitive areas. Chemical active pharmaceutical ingredient projects are all located in compliant industrial parks.
Ecological Survey and Protection	• During early planning, native vegetation, water sources, and key species habitats are identified and protected. During construction, measures such as tree transplantation and buffer zones are adopted.
Enriching Site Greening	• Site greening adopts a multi-layer configuration of trees, shrubs, and herbaceous plants, with multiple plant species used to create a diverse ecological environment.
Sustainable Maintenance	• Professional teams are engaged to carry out eco-friendly maintenance; soil monitoring is conducted annually; and ecological emergency plans for extreme weather and other events are developed.
Pollution Control	• Strict treatment measures are adopted for waste gas, wastewater, noise, and solid waste generated by projects to ensure compliant discharge.

3.3 Resource Conservation

CSPC adheres to a green development philosophy and systematically promotes energy conservation, consumption reduction, and efficient resource utilization. By establishing an energy management system, building an intelligent energy management center, and increasing the proportion of green electricity used, the Group continues to optimize its energy structure. Meanwhile, it actively implements water-saving upgrades and recycling, and strengthens full-process control over packaging-material use, thereby improving resource efficiency and supporting the Company's green and low-carbon transformation.

3.3.1 Energy Management

CSPC has improved its energy management system, clarified responsibility allocation, and strengthened full-process control over energy use together with performance appraisal. By promoting energy conservation and consumption reduction and increasing the share of cleaner energy and resource efficiency, the Company continues to enhance energy-management effectiveness, with notable green-development results.

3.3.1.1 Energy Management System

In strict accordance with the *Energy Conservation Law of the People's Republic of China*, CSPC has formulated management systems such as the *Energy Use Management System* and the *Operational Control Procedure for the Energy Management System*. These systems cover energy-use management, energy-saving technological upgrades, energy statistics and analysis, energy targets and indicators, and energy metering, thereby standardizing production energy use.

Meanwhile, in line with international standards such as ISO 50001, we have established and improved an energy management mechanism covering the entire Group. In 2025, 7 subsidiaries had obtained ISO 50001 energy management system certification.



3.3.1.2 Energy Management Measures

In pursuit of its energy-saving and consumption-reduction goals, the subsidiaries of CSPC have actively advanced a range of energy-efficiency projects, covering process optimization, equipment upgrades, system retrofits, and energy recovery and reuse, thereby effectively reducing overall energy consumption.

Table: Energy-Saving and Emission-Reduction Measures Adopted by CSPC Subsidiaries

Type of Measures	Specific Measures
Process Optimization	• Improvements to refined solution preparation equipment. Modification of the influent water supply mode for the micro-oxygen system. Optimization of purified-water system parameters. Recovery of residual heat from rectification for use in concentration processes.
Equipment Upgrades	• Replacement of pumps with energy-efficient models. Installation of thermo-compression distilled-water units to replace multi-effect distilled-water units. Replacement of coal-fired boilers with natural-gas boilers.
System Retrofits	• Interconnection retrofit of the compressed-air system. Addition of phase-change energy savers to the air-conditioning system. Economical operation of refrigeration systems. Combined operation of utility systems.
Management Optimization	• Introduction of direct power-purchase transactions. Improvement of the power factor. Optimization of air-conditioning operation and temperature control.

The Group has continued to drive the digital and intelligent transformation of energy management, significantly improving management efficiency. At present, we have established three intelligent energy management centers with data analysis and management capabilities, enabling the real-time collection and transmission of energy-use data. Key high-energy-consuming subsidiaries have now largely completed data integration.

Case Study: Automation Upgrade at the No.1 Manufacturing Center

In 2025, the No.1 Manufacturing Center carried out an automation upgrade of the utility system in Zone A. By installing automatic control modules, the center enabled automatic start-stop control, variable-frequency operation, and intelligent matching of equipment, allowing dynamic adjustment of energy supply and improved operating efficiency. Over the year, the project reduced electricity consumption by 900,000 kWh and saved RMB 594,000 in electricity costs, effectively advancing both green energy conservation and intelligent development.

The Group has also actively promoted the use of clean energy. Based on actual conditions at each plant, subsidiaries have made full use of idle rooftop space to develop photovoltaic power generation projects. In addition, solar street lighting has been fully adopted at multiple sites, further reducing reliance on conventional energy and supporting the achievement of energy-saving and emissions-reduction goals. In 2025, the Group used a total of 177,823.51 MWh of green electricity.

Table: CSPC Photovoltaic Projects

Subsidiary	Overview of Photovoltaic Project
Zhongnuo Taizhou	• Phase I generated 1.2 million kWh in its first year. The photovoltaic panels are distributed across the roofs of the formulation workshop, warehouses, and office building, covering an area of approximately 13,000 square meters. • Phase II generated 300,000 kWh in its first year. The photovoltaic panels are installed on the roof of a newly built workshop, covering an area of approximately 4,000 square meters. • The system is currently operating stably, with annual photovoltaic power generation of about 1.5 million kWh and annual electricity cost savings of RMB 107,500.
Weisheng	• Photovoltaic facilities have been installed on the unused rooftop area of the office building, and the project generated 168,000 kWh during the year.

3.3.1.3 Energy Use Performance

CSPC has continued to optimize its revenue structure while advancing improvements in the efficiency of energy and resource utilization, innovation in product technology R&D, smart-manufacturing upgrades, and the application of advanced process technologies and equipment, thereby continuously strengthening the foundation for green development. In 2025, multiple indicators for the Group's energy consumption and emissions declined significantly compared with the 2017 baseline, and energy-use efficiency continued to improve.

CSPC energy-use target: By 2030, the Group's comprehensive energy consumption per unit of revenue will decrease by 64% compared with 2017, the baseline year.

Table: 2025 Energy Use Performance

Indicator			
6,915.17 10,000 m³	96,059.85 10,000 kWh	821,080.00 tons	12.12 tons
Natural gas	Purchased electricity	Purchased steam	Gasoline
20.14 tons	279,682.11 tons of standard coal	0.11 tons of standard coal / RMB 10,000 revenue	
Diesel	Comprehensive energy consumption	Comprehensive energy consumption intensity	

3.3.2 Water Resource Management

CSPC strictly complies with applicable laws and regulations, including the *Water Law of the People's Republic of China*, the *Law of the People's Republic of China on Prevention and Control of Water Pollution*, the *Administrative Measures for Industrial Water Conservation*, and the *Regulations on Water Conservation*, while continuously optimizing its water resource management system. The Group actively promotes water-saving technologies and equipment, advances water-saving process upgrades, improves the reuse rate of water resources, reduces water consumption per unit of product, and builds a water-efficient production model.

CSPC water-use target: By 2030, the Group's water consumption per unit of revenue will decrease by 46% compared with 2017, the baseline year.

Table: CSPC Water Resource Management Measures

Management Type	Specific Measures
Process optimization for water saving	Optimization of purified-water system parameters and air-conditioning operating settings to reduce water consumption.
Water system recovery and reuse	Recovery of condensate from air-conditioning steam for use as boiler make-up water, thereby improving water circulation efficiency.
Reuse of concentrate water	Use of concentrate water generated by the reverse-osmosis system as make-up water for the circulating-water system, enabling cascade utilization of water resources.
Recovery of steam condensate	Recovery of steam condensate to replace fresh raw water as cooling-tower make-up water, thereby reducing fresh-water consumption.

Case Study: Water Recovery and Reuse Project at the No.1 Manufacturing Center

In 2025, the No.1 Manufacturing Center advanced a water recovery and reuse project. Through measures such as reusing fine-rinse water for coarse rinsing, replacing potable water with concentrate water, extending the backwash cycle of purified-water filters, reusing reject water and bottle-washing water, and optimizing domestic water management, the center achieved highly efficient water recycling. Annual water savings reached 238,800 tons, significantly improving water-conservation performance.

Table: 2025 CSPC Water-Use Performance

Indicator	
329,560,203.70 tons Total water use	13,792,781.60 tons Freshwater intake
315,767,422.10 tons Circulating water use	126.72 tons / RMB 10,000 revenue Water consumption intensity

3.3.3 Packaging Material Management

CSPC has continued to strengthen the green management of packaging materials, optimizing their use and management through lightweight design, green recycling, and technological innovation.

In terms of lightweighting, the Group has optimized the materials and structures of glass bottles, outer cartons, and other packaging items, reducing the weight of each unit while enhancing performance, thereby saving raw materials and reducing transportation-related emissions. In terms of recycling and reuse, the Group has established a classified recycling system covering major packaging materials such as glass bottles and aluminum-plastic blister packaging, and entrusts compliant suppliers with professional treatment. The Group continues to promote the transformation of packaging-material use toward reduction, circularity, and lower carbon intensity.

Table: 2025 CSPC Packaging Material Use Performance

Indicator	
25,764.45 tons Packaging material use	0.01 tons / RMB 10,000 revenue Packaging material use intensity

3.4 Green Operations

CSPC strictly follows national environmental protection laws and regulations, and has continued to strengthen the identification and management of risks related to waste gas, wastewater, and solid waste. The Group actively promotes pollutant reduction and the comprehensive utilization of resources, continuously improving the compliance and transparency of environmental management to support green transformation and sustainable development.

3.4.1 Pollution Prevention and Control

CSPC has established a full-process prevention and control system covering waste gas, wastewater, and solid waste. The Group continues to strengthen environmental risk control, promote coordinated development between pollution prevention and resource conservation, and continuously enhance its level of green operations.

3.4.1.1 Waste Gas Management

CSPC strictly complies with relevant laws and regulations such as the *Air Pollution Prevention and Control Law of the People's Republic of China*, has formulated a Waste Gas Emissions Management System, and continues to improve its waste gas control framework. Guided by the principle of "reducing emissions at the source and operating treatment facilities economically," the Group has continuously advanced the technical upgrading and operational optimization of waste gas treatment facilities, strengthened whole-process waste gas management capabilities, and ensured stable, compliant emissions. In 2025, the Group's compliant treatment rate for waste gas was 100%.

Table: Group Measures for Waste Gas Management

Type of Measure	Specific Measures
Optimization of waste gas treatment facilities	• Further retrofit and optimization of each set of waste gas treatment facilities, such as increasing circulation-pump flow, enhancing gas-liquid absorption effects, and improving waste gas treatment capacity.
Source prevention and control	• Installation of breather valves on storage tanks used for long-term storage of organic solvents. • Replacement of the "vacuum transfer" process with "diaphragm-pump transfer," effectively reducing waste gas concentration.
Categorized treatment and processing technologies	• Process organic waste gas is treated through brine condensation, water absorption, and biological trickling filtration. • Before newly added waste gas treatment facilities come into operation, two-stage scrubbing plus activated-carbon adsorption is used. • Fermentation waste gas is discharged after filtration through high-efficiency filters and alkali absorption, while laboratory waste gas is discharged after activated-carbon adsorption.
Management of fugitive emissions	• A comprehensive review of fugitive-emission generation points has been conducted, and waste gas from key diffuse sources such as centrifuges, water-ring pumps, and reactor ports has been isolated and connected to the fugitive-emissions treatment system.

Case Study: Yinhu Improves Waste Gas Treatment Through Multiple Measures

To improve waste gas treatment performance, Yinhu purchased and installed four sets of tail-gas treatment equipment to centrally collect harmful waste gas generated by the extraction workshop, QC, the environmental protection station, and R&D operations, using activated-carbon adsorption for treatment. In addition, the company installed low-nitrogen combustion devices on two natural-gas boilers to control nitrogen oxide emissions at the source. These measures significantly improved treatment efficiency. In 2025, the actual nitrogen oxide emission level was 0.12 kg/h, far below the target value of 5.3548 kg/h, demonstrating outstanding emission-reduction results.



Figure: Yinhu tail-gas treatment equipment

3.4.1.2 Wastewater Management

CSPC strictly complies with laws and regulations including the *Law of the People's Republic of China on Prevention and Control of Water Pollution* and the *Water Law of the People's Republic of China*. It has formulated and implemented a Wastewater Discharge Management System, continuously improved its wastewater discharge management framework, and promoted compliant and controllable wastewater treatment throughout the full process. The Company has continued to introduce advanced treatment technologies, upgrade and retrofit wastewater treatment facilities, optimize treatment processes, and enhance wastewater management capabilities. In 2025, the Group's compliant wastewater treatment rate was 100%.

Table: Group Measures for Wastewater Management

Type of Measure	Specific Measures
Optimization of wastewater treatment facilities	• Upgrading and retrofitting of wastewater treatment facilities.
Source prevention and control	• By optimizing the operation of the water-production system, concentrate water from the water-making process is reused as make-up water for tail-gas scrubbers, and wash water is recycled. • Steam condensate is also reused in the circulating system, reducing fresh-water intake and wastewater discharge at the source.
Categorized treatment and processing technologies	• A comprehensive treatment approach is adopted, centered on biodegradation and supplemented by physical and chemical treatment methods.
Compliant discharge and monitoring	• Sewage treatment centers or treatment stations have been established and equipped with real-time monitoring systems to ensure stable discharge in compliance with standards.



Case Study: CSPC Innovation Continues Wastewater Treatment and System Optimization to Improve Treatment Efficiency

CSPC Innovation formulates an annual wastewater reduction plan and continues to reduce wastewater pollutants through clean-production projects to ensure annual reduction targets are achieved. In 2025, the Environmental Protection Center carried out capacity restoration work on wastewater treatment facilities and completed maintenance on the Phase I and Phase II VNL[7] facilities, ensuring the stable and efficient operation of the wastewater treatment system. The company also launched an intelligent upgrade project for wastewater operations, enabling online monitoring of operating data and refined management, further improving facility operating efficiency. Throughout the year, all production and domestic wastewater was treated through the treatment system and discharged in compliance with applicable standards, with a compliant treatment rate of 100%.

In addition, the Company's power-system cooling process uses circulating water for cooling, enabling the repeated use of water resources and effectively improving overall water-use efficiency.



Figure: CSPC Innovation Wastewater Treatment Facilities

7. Verdunstungs-Nitrogen-Leaching

3.4.1.3 Waste Management

CSPC strictly follows the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and the *Circular Economy Promotion Law of the People's Republic of China*. It has established internal management systems such as the *Solid Waste Management System*, clearly defined departmental responsibilities, standardized procedures for classified collection, zoned storage, and safe disposal, and ensured compliant management of solid waste throughout the full process.

For hazardous waste, the Group strictly implements whole-process management requirements. Each subsidiary has established hazardous-waste reduction plans covering key links such as source reduction, classified storage, and compliant disposal. In 2025, the compliant treatment rate for hazardous waste across the Group was 100%.

CSPC waste-management target: By 2030, the Group's hazardous waste emissions per unit of revenue will decrease by 80% compared with 2017, the baseline year, and non-hazardous waste emissions per unit of revenue will decrease by 32% compared with 2017.

Table: CSPC Hazardous-Waste Management Measures

Stage	Specific Measures
Source Reduction	• Annual hazardous-waste management plans are formulated with reduction targets, and some companies have achieved year-on-year declines in hazardous-waste generation. • Clean production is promoted; harmless raw and auxiliary materials are used; utilization rates of raw and auxiliary materials are improved; and product pass rates are increased. • Packaging materials are replaced where appropriate, such as changing from cartons to bulk bags, and tools such as anticoagulant tubes are reused to reduce hazardous waste. • Equipment cleaning cycles are extended and operating procedures are optimized to reduce waste generation.
Storage Management	• Dedicated hazardous-waste storage depots have been established with classified and zoned storage, and a "two-person, two-lock" management system is implemented. • Protective measures such as seepage prevention and leak prevention are in place, supported by complete management records.
Compliant Disposal	• All hazardous waste is entrusted to qualified third-party entities for harmless disposal. • Hazardous-waste transfers are carried out on a regular basis, with complete transfer manifests and full traceability throughout the process.

For non-hazardous waste, the Group actively promotes classified recycling and resource recovery. A full-process classified management system has been established for non-hazardous waste such as waste paper and discarded packaging materials, with standardized collection facilities and complete management records to ensure traceability and controllability. Through measures such as optimizing production processes, improving automation, and refining material-mixing ratios, the Group reduces scrap and defective products at the source. Meanwhile, it promotes green procurement and design, prioritizing recyclable and easy-to-recover raw materials and packaging materials to reduce resource waste.

In terms of circular utilization, the Group has established a closed-loop mechanism of "issue–recover–reuse"for packaging materials, promotes the unified collection of office and domestic waste, and entrusts professional institutions with resource recovery and treatment. In 2025, the compliant treatment rate for non-hazardous waste across the Group was 100%.

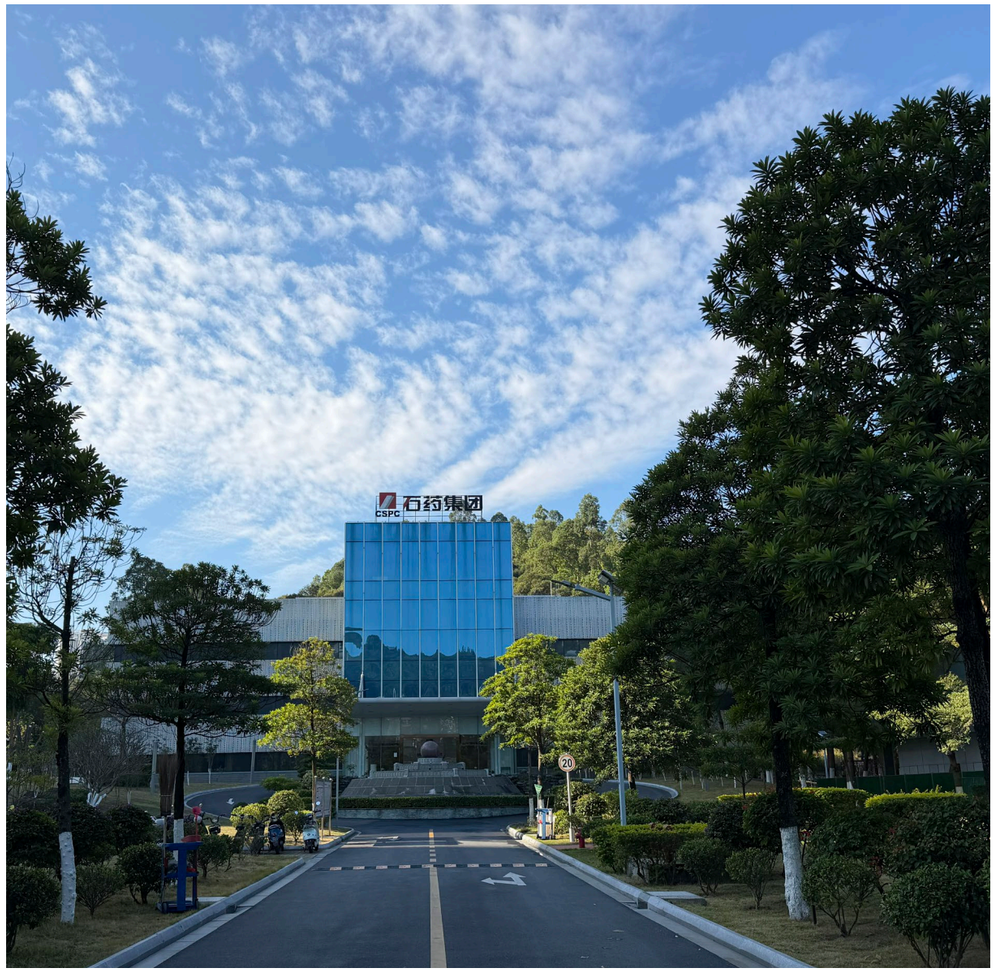
Table: Performance Data for CSPC Wastewater, Waste Gas, and Waste Management

Category	Indicator	Unit	2025
Waste gas	Total air pollutant emissions	tons	87.98
	Sulfur dioxide	tons	6.97
	Nitrogen oxides	tons	30.97
	Particulate matter	tons	3.38
	Volatile organic compounds (VOCs)	tons	46.66
Wastewater	Total wastewater discharge	tons	9,568,166.51
	Total wastewater pollutant discharge	tons	2,056.32
	COD in discharged wastewater	tons	1,908.86
	Ammonia nitrogen in discharged wastewater	tons	147.45
Hazardous waste	Total hazardous-waste discharge	tons	38,075.72
	Hazardous-waste discharge intensity	tons / RMB 10,000 revenue	0.0146
Non-hazardous waste	Total non-hazardous-waste discharge	tons	19,051.88
	Non-hazardous-waste discharge intensity	tons / RMB 10,000 revenue	0.0073

3.4.2 Green Office

CSPC actively promotes the concept of green office operations and is committed to building a resource-efficient and environmentally friendly workplace. Through waste sorting, paperless office initiatives, and the implementation of energy-saving and water-saving measures, the Group effectively consumes fewer resources and generates less waste, thereby advancing the green transformation of office operations.

In addition, the Group continues to carry out green dining initiatives such as the "Clean Plate Campaign," enhancing employees' awareness of conservation and environmental responsibility. Through a combination of institutional guidance and culture-building, the Group is gradually fostering a green office culture in which all employees participate and practice sustainability together.



People-Oriented Growing Together 04

At a critical stage when the pharmaceutical industry is accelerating its transition toward innovation and internationalization, CSPC regards talent development as a core strategic investment. Upholding the talent philosophy of "valuing the capable, embracing diversity, and helping people achieve success," we are committed to building a sustainable talent management system that provides solid human-capital support for the Group's ongoing transformation and high-quality development.

4.1 Talent Attraction

Talent is the core driving force behind the Group's sustainable development and an important foundation for fulfilling our social responsibilities and creating diverse value. Through compliant employment practices and diversity policies, we attract outstanding talent broadly; through a competitive compensation and benefits system, we protect employee rights and interests; and through open communication channels, we promote organizational collaboration.

4.1.1 Compliant Employment and Diversity

CSPC has always regarded lawful employment and humane offboarding management as core elements of ESG governance. We publicly commit to complying with the *United Nations Global Compact (UNGC)* and the core conventions of the International Labour Organization (ILO), and strictly observe national laws and regulations such as the *Labor Law of the People's Republic of China,* the *Labor Contract Law of the People's Republic of China*, and the *Special Provisions on Labor Protection for Female Employees*. We have established systems including the *Labor Relations Management System*, *Attendance and Leave Management System*, *Employee Separation Management System*, *Anti-Discrimination and Anti-Harassment Management Procedures*, *Anti-Forced Labor*, *Anti-Discrimination*, *Anti-Harassment and Anti-Abuse Management Procedures*, and the *Anti-Discrimination Management Syste*m. These form a full-lifecycle employment management framework supported by a digital human resources information system, safeguarding employees' lawful rights and interests at every stage from onboarding to departure. In 2025, the labor-contract signing rate, social-insurance coverage rate, and additional group accidental-insurance coverage rate for employees all reached 100%, and labor relations remained harmonious and stable.

The Group and its subsidiaries firmly follow the spirit of the *United Nations Convention on the Rights of the Child* and regulations such as the *Provisions on the Prohibition of Child Labor*. We have established rules and procedures including the *Child Labor and Underage Worker Protection Management Procedure*, *Regulations on the Prohibition of Child Labor*, and the *Procedure for Prohibiting Forced Labor*, and categorically prohibit any form of child labor or forced labor. Specific measures are taken to prevent such incidents. During recruitment, we strictly verify candidates' basic information and age, and, with their authorization, conduct background checks to assess their eligibility for employment, ensuring the authenticity and validity of employee identities and preventing child labor and forced labor at the source. During the reporting period, there were no violations involving forced labor or child labor.

The Group places great importance on internationally recognized labor and human-rights standards and actively accepts external assessments. We successfully passed the PSCI social responsibility audit, which reviewed our human-rights and labor practices, including labor protection, occupational health and safety, freedom of employment choice, non-discrimination, compensation and benefits, working hours, and working conditions. The final audit result was positive, with no major non-conformities.

We firmly believe that a diverse, equitable, and inclusive team is a core driver of innovation and sustainable development. Accordingly, we have established the *CSPC Diversity, Equity and Inclusion (DEI) Policy*. In talent recruitment and selection, we strictly follow the principle of non-discrimination and do not differentiate among candidates on the basis of education, religion, nationality, work background, marital status, gender, ethnicity, or race. During the initial résumé-screening stage, we also implement an anonymized screening mechanism that removes personal information such as ethnicity, ensuring that evaluation focuses on individual capability and potential. In internal promotion and compensation systems, we strictly prohibit any discrimination based on gender, age, or race.

Case Study: "Taima Business War" Simulation Training Promotes Diverse Communication and Exchange

To deepen the concept of diversity, we organized diversity-themed training across multiple organizational systems, aiming to break down professional silos and strengthen cross-department collaboration. For example, in the "Taima Business War"simulation training for senior managers, management personnel from R&D, production, marketing, and functional departments were mixed into teams to jointly address complex challenges involving market competition, product development, and operations management. Through scenario-based simulation, participants from different functions gained a deeper understanding of one another's responsibilities and needs, effectively enhancing mutual trust and collaborative efficiency, and laying a practical foundation for stronger overall organizational collaboration.





Figure: "Taima Business War" Simulation Training

We promote gender equality through institutional safeguards, dedicated resources, and cultural initiatives such as the *Female Employee Protection Management Procedure*, empowering the career development of female employees and continuously contributing to gender equality in society. In 2025, the Group had 9,514 female employees, accounting for 48% of all employees, while 1,002 women served in mid- to senior-management positions, representing 59% of that cohort. In addition, we actively implemented the "Women's Leadership Acceleration Program" to ensure equal access for women to promotion pathways, and the proportion of women in mid- and senior-management positions has shown a year-on-year upward trend.

Diversity Target: By 2025, maintain a proportion of women in mid- to senior-management positions of no less than 40%.

Progress: In 2025, women held 59% of mid- to senior-management positions, successfully achieving the target.

We continue to promote equal employment opportunities, with particular attention to the workplace inclusion of persons with disabilities and ethnic minority groups. From 2023 to 2025, the Group provided a cumulative total of 239 jobs for persons with disabilities (57 in 2023, 95 in 2024, and 87 in 2025). In addition, we actively attract graduates from ethnic minority groups through channels such as campus recruitment. Over the past three years, we have hired 90 such graduates, accounting for about 5% of total hires during the same period, and we provide targeted practical opportunities and career-development support for ethnic minority students. In this way, we strive to build a diverse talent pool and foster an organizational culture characterized by equality, inclusion, and openness.

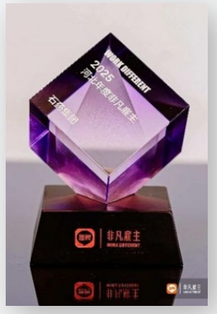
Table: Employment Data

Indicator			Unit	2025
Employee Employment	Total Number of Employees		persons	19,693
	Number of Employees by Job Type	Blue-collar	persons	15,258
		White-collar	persons	4,435
	Number of Employees by Gender	Male	persons	10,179
		Female	persons	9,514
	Number of Employees by Age	Under 30	persons	5,302
		30–50	persons	13,591
		Over 50	persons	800
	Number of Employees by Education	Doctorate	persons	260
		Master's	persons	1,744
		Bachelor's	persons	7,761
		Associate degree and below	persons	9,928
	Number of Employees by Region	Chinese Mainland	persons	19,645
		Hong Kong, Macao, Taiwan, and overseas	persons	48
	Number of Employees by Job Level	Senior management	persons	169
		Middle management	persons	1,543
		Frontline managers	persons	2,723
		Frontline employees	persons	15,258
Employee Turnover	Number of Employee Turnovers		persons	1,686
	Number of Employee Turnovers	Blue-collar	persons	1,145
		White-collar	persons	541
	Number of Employee Turnovers by Gender	Male	persons	875
		Female	persons	811
	Number of Employee Turnovers by Age	Under 30	persons	707
		30–50	persons	875
		Over 50	persons	104
	Number of Employee Turnovers by Region	Chinese Mainland	persons	1,684
		Hong Kong, Macao, Taiwan, and overseas	persons	2
	Employee Turnover Rate		%	8.56
	Employee Turnover Rate by Job Type	Blue-collar	%	7.50
		White-collar	%	12.20
	Employee Turnover Rate by Gender	Male	%	8.60
		Female	%	8.52
	Employee Turnover Rate by Age	Under 30	%	13.33
		30–50	%	6.44
		Over 50	%	13.00
	Employee Turnover Rate by Region	Chinese Mainland	%	8.57
		Hong Kong, Macao, Taiwan, and overseas	%	4.17

Employer Brand Development

Our sustained investment and innovative practices in talent management have received broad social recognition. The Group received multiple honors, including Zhaopin's "2025 China Best Employer," Liepin's "2025 Extraordinary Employer," and BOSS Zhipin's "Most Loved Talent Employer Award."

Table: Honors received



Liepin — 2025 Extraordinary Employer



Zhaopin — 2025 China Best Employer



BOSS Zhipin — Most Loved Talent Employer

4.1.2 Employee Compensation and Benefits

Building a fair, transparent, and competitive compensation and benefits system is an important safeguard for stimulating organizational vitality and realizing talent value. We have established systems including the *Compensation and Benefits Management Provisions*, *Benefits and Allowances Management Provisions*, *Reward Measures for Outstanding Talent Referrals*, *Employee Assignment Management Measures* and *Employee Rights Policy*, fully protecting employees' rights and interests in career development and aiming to attract, motivate, and retain excellent talent.

4.1.2.1 Performance and Compensation

The Group is committed to providing employees with a total rewards package that remains competitive in the market and to building a compensation system that is scientific, fair, and strongly incentive-oriented. We regularly conduct industry and regional compensation surveys to ensure that compensation levels are dynamically benchmarked against the market. The salary structure is clear and transparent, consisting of base salary, performance bonuses, and allowances and subsidies. In salary determination and payment, we consistently adhere to the principles of compliance, fairness, and motivation, ensuring that employees receive reasonable compensation for their work and strengthening their sense of belonging and loyalty.

Table: Employee Compensation Structure

Compensation Component	Description
Base Salary	• Base salary is determined reasonably based on job value and individual qualifications.
Performance Bonus	• We conduct performance appraisals for all employees, and performance bonuses are closely linked to work results. Multi-dimensional assessments are conducted on a monthly, quarterly, semi-annual, and annual basis to evaluate employee performance systematically and in a timely manner. Differentiated assessment indicators are set for different functional sequences such as sales and R&D, including sales volume and technological innovation achievements, enabling precise incentives.
Allowances and Subsidies	• These cover items such as transportation and communications, effectively helping to ease employees' day-to-day expenses.

To strengthen the attraction and retention of young talent, the Group has implemented targeted incentive measures. We provide reserve talent and management trainees with special onboarding subsidies that are competitive within the industry, and actively assist them in connecting with local government talent-introduction policies such as talent green cards and housing subsidies. We continue to increase investment in the long-term development of talent and provide employees with comprehensive support from the start of their careers through long-term growth.

The Group values long-term development and benefit-sharing with core talent. Jiancheng Limited, the shareholder of the company, launched an equity incentive plan in 2022, covering more than 200 key employees in management, technology, and business roles, and completed the first phase of vesting in 2025. On January 23, 2026, the compamy announced that, under the plan, it had conditionally granted a total of 46,462,500 restricted shares free of charge to 727 selected employees of the group, subject to acceptance by the grantees and the fulfillment of certain vesting conditions and performance targets.Going forward, we plan to introduce a dedicated employee shareholding plan for outstanding younger employees with high potential, further building a talent-development ecosystem characterized by innovation, growth, and sustainability.

- Performance Improvement Feedback

  While strengthening incentives for high-performing employees, high-potential employees, and employees in key positions, we also pay close attention to employees whose performance needs improvement and provide them with coaching and support. In this way, we promote a performance culture of continuous improvement and shared growth, realize coordinated enhancement of individual and organizational performance, and foster a virtuous cycle linking value creation with value distribution.

4.1.2.2 Benefits and Care

The Group strives to create a work environment in which employees feel secure, cared for, and a strong sense of belonging. We strictly comply with national and local laws and regulations to ensure that all employees enjoy comprehensive statutory leave benefits, including annual leave, marriage leave, maternity leave, childcare leave, and breastfeeding leave. We stipulate that before an employee's child reaches the age of three, all employees are entitled to childcare leave each year, with the number of leave days implemented in accordance with the policy in force for that year.

In addition, based on employees' multi-level needs, we have tailored a systematic and diversified set of dedicated benefits policies covering all types of positions across the Group. Through digital tools such as mobile application platforms, we continuously optimize the delivery, inquiry, and communication of benefits information, enabling employees to understand and enjoy various rights and benefits conveniently and promptly, and truly putting into practice the workplace philosophy of "live seriously, work happily."



Table: Benefits Framework

Comprehensive Health Protection	• In accordance with national and local requirements, employees are enrolled in the "five insurances and one housing fund," and additional group accidental injury insurance and traffic accident insurance are provided, creating a sound basic protection system. • Regular health checkups are organized for all employees, with attention to physical well-being and a focus on prevention, reflecting a long-term investment in employee health. • Major illness insurance and commercial insurance cover all employees.
Comfortable Living Support	• Heating subsidies are provided during the heating season. • Facilities such as staff canteens, medical stations, gyms, and mother-and-baby rooms are available in office parks and are open to employees free of charge or at low cost, offering practical support for work and daily life.
Warm Holiday Care	• The Group holds themed activities during major holidays—such as handicraft exhibitions and prize quizzes on International Women's Day—and distributes gifts or red envelopes. Birthday wishes and birthday red envelopes are also provided, enhancing employees' sense of happiness and cultural identity.
Rich Sports and Cultural Activities	• The Group issued the Guiding Opinions on the *Development of CSPC Sports and Cultural Associations in 2025*. Headquarters departments, business divisions, and subsidiaries actively responded by establishing a diverse range of sports and cultural clubs, including yoga, cycling, badminton, basketball, reading, and photography, thereby enhancing employee well-being and team cohesion. • As of December 2025, the number of sports and cultural associations had increased to 47, covering more than 2,200 employees.

Workforce eligible for non-pay benefits: Comprehensive Health Protection, Comfortable Living Support, Warm Holiday Care and Rich Sports and Cultural Activities cover all employees





Figure: Benefits and care

Case Study: "Sprint with Strength, Embark on a New Journey with Glory" All-Staff Fitness Campaign

In October 2025, the group organized the "Sprint with Strength, Embark on a New Journey with Glory" all-staff fitness campaign, attracting the active participation of more than 7,000 employees. With broad coverage and a high participation rate, the event effectively fostered a healthy, upbeat, united, and enterprising corporate culture.



Figure: "Sprint with Strength, Embark on a New Journey with Glory" All-staff Fitness Campaign

Case Study: Youth Networking Events Add Warmth to Employees' Personal Lives

The group actively supports the growth and well-being of its young employees. We have carefully planned and continuously organized social and networking events for single employees. Through quarterly, themed activities, we successfully held four dedicated events and attracted nearly 300 participants in total. Through this series of activities, we aim to help young employees expand their social circles and bring greater warmth and care to their personal lives.



Figure: Social and Networking Event for Single Young Employees

4.1.3 Employee Communication and Engagement

We believe that effective employee communication and engagement form an essential foundation for building trust, aligning understanding, and unlocking vitality across the organization. Through employee satisfaction surveys, employee representative congresses, and other channels, we listen carefully to employee feedback, improve two-way dialogue mechanisms, and strengthen organizational cohesion and alignment.

4.1.3.1 Employee Satisfaction Survey

To evaluate organizational health and continuously improve the employee experience, the Group conducts an anonymous online satisfaction survey for all employees each year. The survey covers seven core dimensions: working conditions, career development, corporate culture, leadership and management, teamwork, compensation and benefits, and overall satisfaction. In 2025, the Group's overall average satisfaction score reached 86.76 out of 100. For the areas that employees highlighted most strongly and expected to see improved, we formulated and began implementing targeted improvement plans.

Table: Targeted Improvement Plans Arising from the Employee Satisfaction Survey

Dimension	Action Plan
Leadership and management	• Encourage managers to provide timely recognition and positive reinforcement for strong employee performance, strengthening employees' sense of value and motivation at work.
Compensation and performance	• Strengthen the link between promotion and compensation incentives through talent review and related mechanisms, improve the transparency of performance evaluations, and enhance employees' sense of fairness and reward.
Attendance and leave	• Optimize attendance and leave policies so that, while ensuring business continuity, employees' leave rights are better protected.
Communication and feedback	• Use channels such as satisfaction surveys to openly hear employees' voices, incorporate feedback into management decisions and policy optimization, and foster a positive, transparent, and trust-based organizational environment.

4.1.3.2 Employee Representative Congress

We strictly follow the employee representative congress system and convene meetings on schedule each year to review the annual operating report and draft major policies that materially affect employees' interests. Resolutions are reviewed and voted on by employee representatives and then disclosed to all employees. To deepen democratic participation, the labor union regularly organizes the collection of employee proposals and coordinates the study, implementation, and feedback of those proposals with relevant departments to ensure that reasonable employee concerns receive effective responses. In addition, the labor union has established a labor dispute mediation committee to provide employees with a formal consultation and mediation channel and further protect their labor rights.



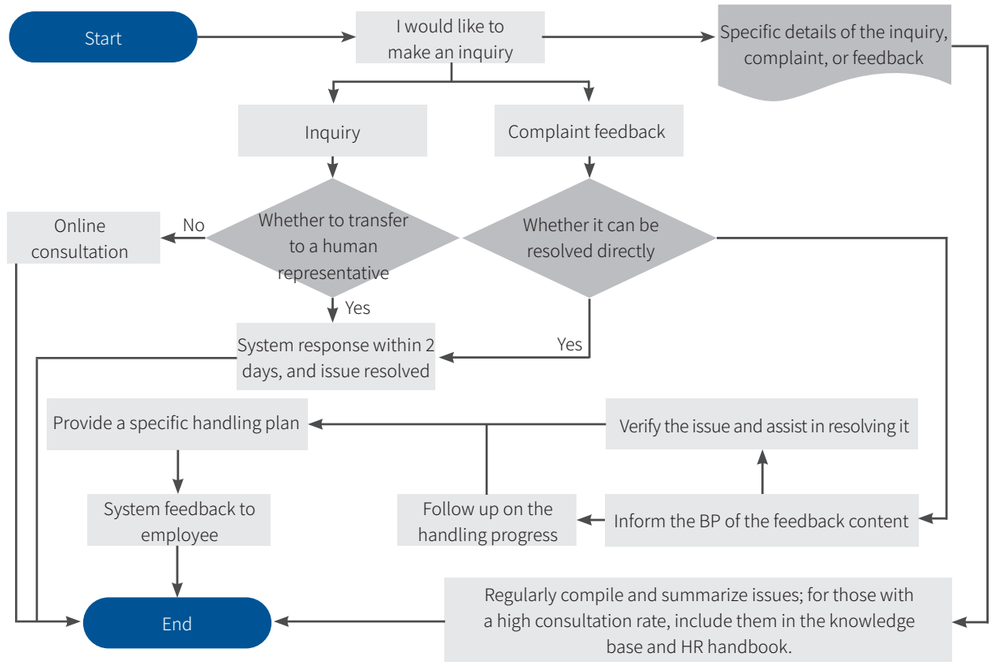
Figure: Employee Representative Congress

4.1.3.3 Consultation and Complaints

We have established and maintain a formal, strictly confidential human resources grievance and reporting procedure. Any complaint involving discrimination, harassment, violations of fairness and justice, or other improper conduct is handled through a formal process that triggers a timely, thorough, and impartial investigation, while ensuring the strict confidentiality of complainant information. Relevant handling departments and managers are required to perform their duties objectively and are accountable for the investigation outcomes. We prohibit retaliation in any form, and any substantiated retaliatory behavior is dealt with seriously to safeguard workplace fairness and employees' legitimate rights and interests. In addition, we have built an intelligent Q&A platform that allows employees to obtain information efficiently through self-service inquiries, thereby improving internal communication efficiency.

Table: Formal Process for Handling Employee Inquiries, Complaints, and Feedback

Employee	• Employees submit inquiries or complaint feedback through the "I Want to Consult" module in the shared services portal. • For inquiries, employees may consult online by selecting a question category and a specific question, or they may transfer to manual input and enter the question directly. • For complaints and feedback, employees select the feedback type and enter the specific issue.
Function/ Segment Leaders	• When the system receives an employee inquiry, it automatically assigns a responder, who must respond and address the issue within two days. • When the system receives an employee complaint or feedback submission, the operations lead handles it based on the reported content. • Depending on the type and substance of the complaint, cases are divided into two categories: direct resolution and coordinated resolution. • For directly resolvable matters, the relevant responsible person may be assigned to reply. For matters requiring coordination, the next step is to contact the HR function of the employee's company for coordinated resolution.
BP (business partner) at Each Subsidiary	• The subsidiary BP (business partner) verifies the employee's feedback, coordinates resolution, and proposes a handling plan.
Operations Lead	• The operations lead informs the BP (business partner) of the relevant subsidiary about the employee's feedback and communicates with them. • Track handling progress in a timely manner. • Communicate with the subsidiary BP (business partner) and reach agreement on the final solution. • Reply through the employee feedback response interface in the EHR system. • Analyze employee inquiries and consider incorporating frequently asked questions into the knowledge base and HR handbook.



Employee Self-Service Q&A

To build an efficient and transparent internal communication mechanism, we officially launched the "Employee Self-Service Q&A" module in the EHR system, using digital tools to create an intelligent platform that integrates knowledge-base management, inquiry handling, and feedback follow-up. The platform enables 100% closed-loop resolution of employee inquiries. Based on high-frequency inquiry needs, we sorted and built 41 standard FAQ entries, established a keyword-based automatic matching and instant response mechanism, and improved inquiry handling efficiency. For issues not already covered, the system automatically routes the case to the appropriate responsible person based on the employee's business unit, ensuring precise assignment and timely response. In 2025, the platform handled 64 employee inquiries, all of which received effective feedback and resolution. We also review inquiry data regularly, synchronize high-frequency issues into the knowledge base, and continuously optimize service content to help employees obtain information efficiently and create a smoother, more convenient internal communication environment.

4.2 Talent Development

To achieve the Company's long-term strategic objectives, we uphold a forward-looking human resources philosophy and focus on internal talent cultivation, assessment, and development-oriented training, providing a steady stream of endogenous momentum for the organization's sustainable development.

4.2.1 Formal Talent Pipeline Development Strategy

To ensure the sustained development of the Group's business and preserve its innovative vitality, we conduct early-stage position assessments and talent research, clarify role requirements, establish talent reserve and development plans for different business types, accurately identify high-potential talent, expand the pipeline for key positions, and strengthen succession preparation.

We have built a comprehensive and diversified recruitment system that broadly attracts outstanding talent aligned with our corporate culture and development needs. Our main recruitment channels are as follows:

Table: Talent Recruitment Channels

Campus Recruitment	• As a core initiative for building the talent pipeline, we regularly visit leading universities across China each year, using campus presentations and job fairs to build close connections with students and attract and select high-potential graduates.
Social Recruitment	• We continuously post job openings on mainstream recruitment platforms such as 51job, Zhaopin, and Liepin to ensure fair access to information, reach experienced professionals, and meet our immediate demand for mature talent.
Internal Referral	• We implement the Measures for Rewarding Outstanding Talent Referrals and have established an internal referral incentive mechanism covering all positions, encouraging employees to act as talent scouts and fostering an organizational climate in which everyone pays attention to and recommends talent.
Internal Competition	• In accordance with the Internal Competition Management Measures, we open internal opportunities for competitive selection, providing current employees with clear career paths and lateral mobility opportunities, prioritizing internal selection, and invigorating the organization.
New Media Platforms	• We actively operate official new media channels such as CSPC Recruitment Online, releasing job information and showcasing corporate culture and employee stories in a more vivid and direct way to attract the attention of younger generations and passive job seekers.

To achieve our strategic goals and sustain innovation, we attract outstanding talent broadly, open a green channel for urgently needed talent, and bring in high-end industry professionals, closely integrating external intellectual resources with internal development needs and injecting strong, continuous momentum into the Group's long-term development.

Table: Talent Introduction Initiatives

Green Channel for Urgently Needed Talent	• We implement the Management Measures for Recruiting Talent for Special-Need Positions and have established a green channel for urgently needed talent. • While adhering to the Group's core hiring standards, we conduct comprehensive evaluations focused on key dimensions such as a candidate's ability to break strategic bottlenecks and potential to tackle core technical challenges, and we match these hires with market-competitive compensation and incentive packages. • This ensures that key talent with a major impact on the Group's development can be recruited, utilized effectively, and retained, providing strong talent support for strategic breakthroughs.
Targeted Recruitment of High-End Talent	• Focusing on strategic fields such as innovative drug R&D and high-end commercial markets, we launched a dedicated search initiative for core talent and established deep cooperation with 12 top executive search firms, successfully bringing in a group of senior professionals with deep industry experience and strong expertise. • In 2025, the Group recruited 59 full-time PhDs, providing strong support for breakthroughs and innovation in key business lines.

The Group is committed to providing every employee with a clear and diversified growth path. Through a multi-track, cross-functional career development system, we support employees in continuing to develop both professional depth and managerial breadth so that personal value and organizational goals can grow together. Through multiple and flexible development paths, we seek to ensure that all kinds of talent can find a growth path within the Group that matches their aspirations and makes the best use of their abilities.

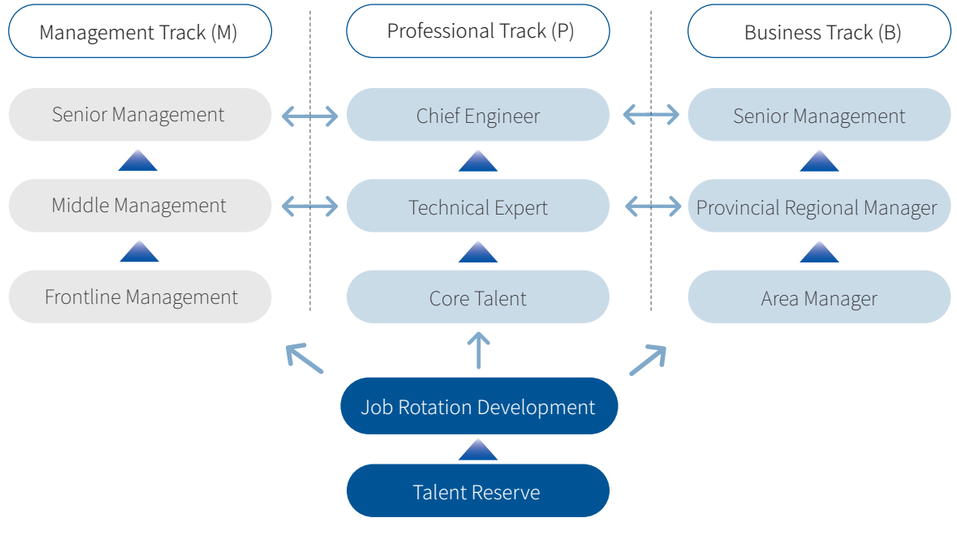


Figure: Multi-track Development Paths

To foster coordinated growth between talent and the organization, we have built a diversified and multidimensional internal development platform. We design development paths for cross-functional talent, create secondment programs, advance succession planning for key roles, and implement rotational mechanisms for mid-level managers, thereby activating employee potential, broadening career paths, and ensuring fair growth opportunities and broad development space for all categories of talent within the Group.

Table: Talent Development Programs

Cross-Functional Talent Development Program	• To break down traditional departmental barriers and optimize the talent structure, we innovatively designed and implemented a production-sales rotational development path for newly hired graduates. • The program enables employees with technical backgrounds to gain a deep understanding of market demand while helping market-facing staff master product technology fundamentals, thereby systematically developing cross-functional talent with both technical insight and market sensitivity and enhancing organizational collaborative innovation and responsiveness.
Secondment Management Program	• To support business expansion and regional development while promoting the flow and transfer of internal knowledge and experience, we formulated the Employee Secondment Management Measures. • The program mainly applies to core areas such as R&D and production. By assigning key employees to newly established entities or critical projects, it accelerates the sharing of skills and best practices, strengthens the capabilities of receiving units, and provides secondees with highly valuable development opportunities as well as clear return-to-post or promotion mechanisms, delivering both individual growth and organizational effectiveness.
Key Position Successor Program	• We regularly review key positions and, for roles expected to become vacant within the next five years, identify successor candidates in advance and launch successor development programs to ensure continuity in key roles and reduce succession risk.
Mid-level Manager Rotation Program	• We implement the "2+2+N" rotation program for mid-level managers, selecting 2 to 4 high-potential talents each year for full-time rotations across functions, organizations, and regions, with the goal of broadening their strategic perspective and developing versatile leadership.

Case Study: Youth Talent Foundation Program

To sustain the vitality of our R&D and business operations, we launched the "Excellence Program"and the "Foundation Strengthening Program" to develop management trainees and reserve talent. In 2025, we deepened school-enterprise cooperation and recruited 291 management trainees and reserve trainees in a targeted way, covering core disciplines such as pharmaceutical R&D, bioengineering, chemical process engineering, and management. For each new hire, we customized a development system that combines rotational practice with a business mentor, accelerating their transition from campus to the workplace and building a strong foundation of young talent.

Case Study: "Shiyao Camp" —Campus Recruitment Reserve Talent Program

To cultivate young reserve talent, we designed the "Shiyao Camp" reserve program specifically for new hires graduating in 2025 across R&D, production, marketing, and functional systems. The program includes a dedicated onboarding curriculum centered on cultural integration and career growth, helping reserve trainees smoothly complete the transition from campus to the workplace and adapt to their new roles. After the centralized onboarding phase, we continue a one-year follow-up development program that combines online and offline methods, closely tracks rotational practice and mentor coaching, and incorporates two rounds of structured performance assessment to continuously unlock participants' growth potential and professional performance. This closed-loop development system helps reserve trainees adapt quickly and steadily build capability, while also supplying the organization with new talent that combines cultural alignment and job readiness, thereby improving both talent investment and development outcomes.



Figure: Shiyao Camp—Campus Recruitment Reserve Talent Program

Case Study: Collaborative Innovation Integrating Industry, Academia, Research, and Application

We actively promote deep integration with higher education institutions and have jointly established postgraduate training bases with three leading domestic universities. Under our dual-mentor school-enterprise system, we not only provide research funding, laboratory platforms, and living support, but also appoint enterprise mentors to participate throughout students' research and practical training, promoting the integration of cutting-edge theoretical exploration with practical industrial needs and accelerating the commercialization of research results. In addition, we cooperate with local colleges and universities to establish customized classes and internship bases, creating stable and long-term channels for talent supply and collaboration and continuously optimizing our talent structure. During the reporting year, we hosted a total of 20 jointly trained postgraduate students.

4.2.2 Talent Training and Empowerment

At a critical stage when the pharmaceutical industry is accelerating its transformation toward innovation and internationalization, we regards talent development as a core strategic investment. We have established a training management system featuring unified Group-level planning and detailed implementation by subsidiaries. At the Group level, the Training Department under the Organizational Talent Development Department coordinates overall training planning and resource management, while each subsidiary appoints part-time learning coordinators responsible for supporting Group initiatives and advancing internal training implementation.

At the Group level, we have formulated and continuously improved a series of systems, including the Training Management System, clarifying the respective training responsibilities of the Group and its subsidiaries and standardizing training plan development, project execution, platform operation and maintenance, and examination procedures. This ensures that training work remains aligned with the Group's strategic direction and operates in a standardized and well-regulated manner. On this basis, each subsidiary further refines implementation rules in light of its actual business conditions.

In 2025, our training work remained tightly aligned with the Group's strategic objectives and focused on industry challenges. We initially established a tiered, progressive, full-lifecycle training framework covering new employee onboarding, on-the-job capability enhancement, management development, and reserve-cadre development, with the goal of cultivating highly qualified talent with innovative spirit, professional competence, and an international outlook.

Employee Training System

- Senior Executives

Senior executives are the critical engine of innovation and transformation. To strengthen their leadership and strategic capabilities in strategic transformation, organizational governance, and integrated management, we launched the Shanze Business School program.

For senior executives in R&D, production, marketing, and functional units, we developed courses such as Change Management, Financial and Operational Thinking for Managers, and Belbin Team Roles for Improving Collaborative Performance. Drawing on real industry cases and compliance requirements, the program guides participants to discuss and practice around business pain points, thereby promoting coordinated improvements in business innovation, team integration, and financial/operational capability.



Shanze Business School Program

Employee Training System

- Mid-Level Managers

Mid-level managers are the critical link connecting strategy and execution. Focusing on the management needs and business scenarios of different levels, we comprehensively strengthen team leadership and business problem-solving capabilities and build a high-performing management pipeline to support the Group's steady development amid industry competition.

For third-line management sales directors, we offered training such as Building a Systematic Marketing Mindset to Drive a New Chapter of Business Growth and Six Thinking Hats, helping them innovate in business management and improve performance through shifts in market thinking.



Leadership Program: Sales Director Training Program

For second-line provincial managers in the marketing system, we offered courses such as *Role Transition*, *Regional Management*, and *Situational Leadership* to help newly promoted managers complete their role transition, master regional management methods, and enhance team coaching and management capability.



Excellence Manager Program: Newly Promoted Provincial Manager Training Program

For mid-level managers in R&D, production, and functional systems, we designed advanced training covering topics such as situational leadership and building high-performance teams, enhancing managers' ability to coach employees, motivate teams, and drive performance.



Lean Management Program: Mid-Level Manager Training Program

Employee Training System

- Front-Line Managers

Front-line managers are the core force for executing strategy and leading teams. We provide targeted empowerment for newly promoted managers to help them quickly adapt to their new roles, while also going deep into key business regions to standardize management practices and strengthen practical coaching skills.

For newly promoted front-line managers in R&D, production, marketing, and functional systems, we delivered training on Role Transition and Employee Coaching to support their managerial transition. For the marketing system, we also offered Regional Planning training to strengthen sales management capability and accelerate professional product promotion.



New Manager Program

To address the fact that first- and second-line managers in the marketing system still rely heavily on experience and need more systematic capability in team management and business coaching, we launched targeted management capability reinforcement training focused on key regions and key positions. Professional trainers were sent into the field to provide on-site instruction and one-to-one coaching, helping managers systematically master standardized management methods and practical business guidance skills, promoting the standardization of management behavior, the practical conversion of skills, and the sustained improvement of overall team performance.



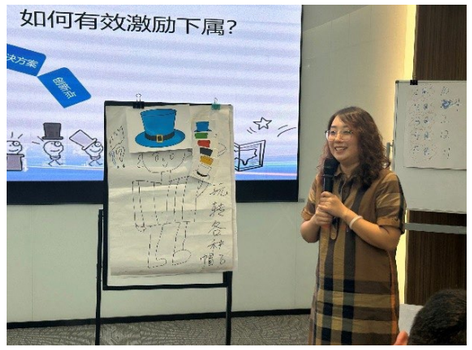
Standardizing management behavior to improve performance

Employee Training System

- Potential Reserve Talent

To respond to intensifying industry competition and upgraded talent needs, we launched dedicated training for high-potential and reserve talent to strengthen professional capability and overall quality, build a high-quality talent pipeline, and reserve future leadership for the Company's long-term development.

Outstanding mid-level managers from R&D, production, marketing, and functional systems are selected as executive reserve talent for systematic development. In the first stage, structured-thinking tools are introduced to help participants establish a comprehensive and innovative thinking framework. The second stage focuses on team leadership development and strengthens the ability to improve team performance in diverse environments. This stage also emphasizes strategic vision and whole-picture thinking, laying a solid foundation for future promotion and development.



Obsidian Program - Reserve Cadre Development Program

High-potential employees in the production system are selected for training. The program is supported by a strong faculty, including well-known professors from Hebei Medical University, Hebei University of Science and Technology, and other institutions, as well as seasoned experts from regulatory authorities who provide practical guidance. Participants systematically study advanced production processes, quality management methods, and relevant regulatory and compliance requirements, and then apply what they learn to optimize production processes and quality control, effectively improving production efficiency and product quality and further strengthening the Group's core competitiveness in manufacturing.



Lean Production Program - Production Skill Enhancement Training for High-Potential Talent

Employee Training System

- Front-Line Employees

To match the capability requirements of positions across R&D, production, marketing, and other professional systems, we actively organize skills enhancement training for front-line employees. The training combines general knowledge, professional theory, and practical job skills to improve technical capability and overall work effectiveness.

- R&D

focuses on standard laboratory operations, data management, end-to-end project control, and relevant regulations and policies.

- Production

combines classroom teaching, drills, and competitions to effectively implement legal and regulatory requirements and management concepts related to quality, safety, production, and equipment.

- Marketing

while strengthening product knowledge and regional management skills, it also emphasizes on-site joint visits and coaching to promote real-world application of what employees learn.



Front-Line Employees

- New Employee Training

To help new employees quickly integrate into our culture and meet job requirements, we use diversified training formats and targeted course design to promote capability development and cultural alignment, laying a solid talent foundation for the Group's high-quality development.

- Campus Reserve Trainee Onboarding Training

For new members of the 2025 Shiyao Camp cohort, we designed a dedicated onboarding training program centered on cultural integration and career growth. Through four modules, namely Team Building and Icebreaking, Role Transition and Cultural Integration, Exploring CSPC and Pursuing Excellence, and Shared Brilliance, Co-Creating the Future, the program supports cultural integration and professional transition.

- Social Recruitment Onboarding Training

For newly hired employees with prior work experience, the Group organizes system-specific online and offline training tailored to the business needs of R&D, production, marketing, and other systems, helping new hires quickly adapt to the new environment, meet role requirements, and effectively connect their professional experience with the Group's business needs.

Employee Training System

- Continuous Learning for All Employees

To enhance professional competence and overall capability across the workforce and build a learning organization, we launched a series of continuous learning initiatives for all employees, stimulating learning enthusiasm and initiative while strengthening both professional capability and overall quality.

- Xuanxing Learning Management Initiative: Tiered Learning and Precise Empowerment

Built on an online platform, the initiative pushes learning content by employee level and job requirements:

- Senior management: strategic and industry-trend reading to support macro-level decision-making.
- Mid-level management: greater focus on team management and project execution.
- Grassroots employees: emphasis on job skills and deeper professional knowledge.

This precise tiering improves learning relevance and effectiveness, while progress-tracking functions support both self-directed learning and organizational supervision, ensuring that training objectives are achieved and driving stepwise capability growth across the workforce.

We support employees in continuous learning and on-the-job advancement, promoting the enhancement of their professional capabilities, and encourage them to obtain official certifications such as professional degrees and certificates. In 2025, four senior executives successfully graduated from the MBA program at CEIBS. In addition, the Group actively organized and supported all employees in participating in professional technical title appraisal, with a total of 282 employees successfully passing the evaluation. Among them, 84 received senior professional titles and now play a leading role in technical R&D and management; 132 received intermediate professional titles and serve as the backbone across business fields; and 66 received junior professional titles, bringing fresh vitality to their teams. Professional title evaluation not only provides authoritative recognition of employees' expertise, but also effectively inspires continuous learning and professional improvement across the workforce, accumulating deep talent capital for the organization.



Case Study: Enterprise New Apprenticeship Training For the Development of Skilled Talent

To implement national requirements for building the industrial workforce, we systematically carried out the enterprise new apprenticeship training program. The program adopts a school-enterprise cooperation model combining work and study, with the aim of improving the professional quality and practical capabilities of skilled talent and strengthening the talent foundation for the Group's sustainable development. In 2025, CSPC organized a total of 1,352 newly hired and transferred front-line production employees in skilled roles from multiple subsidiaries, including Ouyi, Zhongnuo, CSPC NBP, CSPC Innovation, and CSPC Shengxue, to participate in the program. Using a deeply integrated 'theory plus practice' model, the program provided 160 class hours of theoretical learning and 240 class hours of on-the-job practical training, effectively improving participants' theoretical knowledge and vocational skills. After the program, 1,071 participants passed vocational skill level assessments and obtained national vocational skill certificates such as Senior Pharmaceutical Preparation Worker, Pharmaceutical Preparation Technician, and Senior Organic Synthesis Worker.



Figure: Enterprise New Apprenticeship Training



While building the training system and advancing key projects, we have actively introduced cutting-edge technologies, leveraged digital and intelligent means to enhance the accuracy and sustainability of training, and empowered the growth of employees.

Case Study: "Shi Xiaoxun" Intelligent Agent Empowers Front-line Pharmaceutical Sales and Drives Performance Improvement

To improve the effectiveness of front-line business teams, we innovatively developed and applied "Shi Xiaoxun," an AI intelligent agent for pharmaceutical sales. Powered by artificial intelligence, the agent provides sales representatives with round-the-clock business support, answers questions in real time, and offers personalized sales strategy recommendations for different customer scenarios. Shi Xiaoxun helps teams continuously optimize sales behavior, improve professional capability, and support performance achievement, representing an important practical example of the Group's deep integration of AI with business training.



Figure: Shi Xiaoxun Intelligent Agent

Table: Employee Training Performance

Indicator		Unit	2025
Average Training Hours per Employee		hours	97.91
Average Training Hours per Employee, by Gender	Male	hours	94.56
	Female	hours	101.49
Average Training Hours per Employee, by Employee Level	Senior management	hours	98.04
	Mid-level management	hours	104.48
	Grassroots managers	hours	102.18
	Grassroots employees	hours	96.48
Training Coverage		%	100.00
Training Coverage, by Gender	Male	%	100.00
	Female	%	100.00
Training Coverage, by Employee Level	Senior management	%	100.00
	Mid-level management	%	100.00
	Grassroots managers	%	100.00
	Grassroots employees	%	100.00

4.3 Health and Safety

We attaches great importance to employee health and safety. We consistently adhere to the workplace safety principle of "Safety first, Prevention Foremost and Comprehensive Management," and we provide employees with a healthy and safe working environment.

4.3.1 Safety Production Management

The Group strictly follows standards including *ISO 45001 Occupational Health and Safety Management Systems - Requirements with Guidance for Use and GB/T 33000-2016 Basic Specifications for Work Safety Standardization in Enterprises*. We have formulated the *CSPC Environment, Health and Safety (EHS) Policy* and continue to advance environment, occupational health, and safety management.

Safety Policy

- "Safety first" policy highlights that safeguarding employee safety is the prerequisite for all of our business activities.

Safety Commitment

- People-oriented, pursuing the goal of zero personal injury;
- Firmly believing that every accident is preventable;
- Encouraging all employees to participate in a healthy and safe culture;
- Creating a safe operating environment, reducing economic losses, maintaining normal operations, and protecting the Group's overall interests and reputation.



The Group fully implements laws and regulations such as the *Work Safety Law of the People's Republic of China* and the *Fire Protection Law of the People's Republic of China*, and has established and continuously improved a unified EHS management system supported by dedicated safety management functions and full-time safety personnel. At the Group level, we have established an EHS and On-Site Management Department staffed by a Safety Director (a registered safety engineer), safety managers, and safety specialists. Across subsidiaries, occupational safety departments have been established with a total of 117 full-time safety management personnel, including 32 registered safety engineers. Among other professional managers, 228 hold intermediate engineering and technical professional titles and 44 hold senior titles; four are recognized provincial or municipal workplace safety experts.

Nine subsidiaries of the Group have obtained ISO 45001 occupational health and safety management system certification.

117
full-time safety management personnel

32
registered safety engineers

228
intermediate engineering and technical professional titles

44
senior titles

4
provincial or municipal workplace safety experts

9
subsidiaries of the Group have obtained ISO 45001 occupational health and safety management system certification



Figure: Occupational Health and Safety Certification Certificates

Safety Risk Management

The Group organized its subsidiaries to continue carrying out risk identification activities and identified a total of 23,609 risks, including 17 major risks and 51 relatively significant risks. We classify all risks according to severity, formulate targeted control measures, establish regular review and inspection mechanisms, and implement closed-loop risk management.

Emergency Response Drills

The Group continued strengthening its emergency response capabilities by organizing emergency drills. We have established a four-tier emergency management system and regularly conduct comprehensive drills, specialized drills, and firefighting drills, effectively improving all employees' risk response and emergency disposal capabilities and preventing or mitigating the impact of accidents.



Figure: Safety Emergency Drill

Safety Management of Business Partners and Contractors

Through dedicated policies such as the Measures for the Safety Management of Related Parties and External Workers and the Safety Management Procedures for Outsourced Construction, we have established a full-process management system covering admission, operations, and evaluation. This system clearly defines qualification review requirements, safety training, process supervision, and evaluation standards for related parties, extending the Company's safety requirements to every stage of the value chain and ensuring that on-site risks remain under control.

4.3.2 Occupational Health Management

In accordance with laws and regulations including the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, the *Measures for the Supervision and Administration of Employers'Occupational Health Monitoring*, the *Technical Specifications for Occupational Health Monitoring*, the *Provisions on Occupational Health Management in Workplaces*, and the *Measures for the Reporting of Occupational Hazard Projects*, the Group requires all member companies to comply with applicable occupational health requirements in their places of operation and to formulate and implement the *Occupational Health Management System* and the *Occupational Health Examination and Testing Plan*, with regular monitoring of occupational hazard factors in the workplace.

We have fully integrated occupational health and safety management into the core of our production and operations, and have defined the "Five Zeros and One Low" occupational health and safety management targets.

CSPC Occupational Health and Safety Management Targets

No.	Safety Target	Target Indicator
1	Fire and Explosion Incidents	0
2	Class B or Above Accidents	0
3	Occupational Diseases	0
4	Administrative Penalties Related to Safety or Environmental Protection	0
5	Negative Safety or Environmental Media Exposure (prefecture-level city or above)	0
6	Incident Rate per Million Working Hours	≤0.4

- All occupational health and safety management targets for the year have been fully achieved.

To achieve these occupational health and safety objectives, the Group has advanced the implementation of the production safety accountability system by requiring all employees to sign safety responsibility statements and by incorporating safety performance into the evaluation system, thereby reinforcing accountability at every level. In addition, we have established a routine advancement mechanism consisting of quarterly meetings, weekly self-inspections, and special rectification actions. We also integrate internal and external supervision resources to carry out regular inspections and targeted supervisory reviews, improving the effectiveness of safety management.

Measures for Occupational Health and Safety Management

Upgrading of Safety Facilities	• Strictly comply with the "three simultaneous" requirements for occupational hygiene to ensure that protective facilities for new, modified, and expanded projects are designed, constructed, and put into operation at the same time as the principal works. The Group has continuously optimized and upgraded safety facilities by installing upgraded safety guardrails on production lines, adding emergency shower devices in key areas, and improving access routes for high-risk operations, while strengthening routine maintenance management to improve workplace safety from both the source and operational-detail levels.
Monitoring of Occupational Disease Hazard Factors	• Comprehensively identify occupational disease hazard factors and risk positions in the workplace, and regularly conduct testing of occupational disease hazard factors.
Occupational Health Protection and Care	• Promote occupational health management by equipping and updating specialized protective gear for positions exposed to high dust, high noise, and similar risks, and optimize work scheduling to reduce the risk of occupational fatigue. • Strictly implement pre-job, on-the-job, and post-job occupational health examinations; establish and maintain employee health monitoring files; and, together with systematic risk identification and graded control, carry out targeted protection training to fully safeguard employee health rights and interests.

4.3.3 Building a Safety Culture

In strict accordance with the *Work Safety Law of the People's Republic of China* and the *Administrative Provisions on Safety Training for Production and Business Operation Entities*, the Group has established and continuously improved the *EHS Education and Training Management System* and formulated and implemented an annual *EHS Training Plan*. Through a model that combines online learning, offline practical training, and position-specific drills, we provide comprehensive coverage of both fundamental safety knowledge and advanced professional skills. Leveraging the "Xuanxing" training platform, we provide online courses and video training and organize in-person training sessions, workplace safety knowledge competitions, and thematic lectures for safety personnel, thereby enhancing employees' safety awareness and emergency response capabilities. In addition, during Fire Safety Month, we organize company-wide emergency evacuation drills and conduct multiple on-site emergency response drills in critical areas such as confined spaces, hazardous chemicals, electric shock, mechanical injury, and special equipment, strengthening practical emergency response capabilities and reinforcing the foundation for safe production.

Case Study: Megalith Biopharma Special Firefighting Practical Training for New Employees

In June 2025, Megalith Biopharma organized a specialized practical firefighting training program for new employees. The training included systematic drills in key areas such as hose target practice, live firefighting exercises, and operation of fire alarm devices, strengthening participants' emergency response and self- and mutual-rescue capabilities and improving overall fire safety literacy.



Figure: Megalith Biopharma Special Firefighting Practical Training for New Employees

Case Study: Layered and Targeted Training to Build a Comprehensive Safety Defense Line

All subsidiaries of the Group strictly implemented the comprehensive employee safety training plan. Among them, closely aligning with the theme of the Workplace Safety Month, Liangcun Zhongrun Company organized a safety speech event for front-line employees. Staff from various workshops and departments delivered speeches focusing on operational risks in their respective positions, the implementation of the safety responsibility system, and case studies of incidents, providing in-depth insights into safety management practices. This initiative not only broadened perspectives on safety governance but also effectively identified and cultivated a group of excellent safety trainers, promoting the widespread dissemination of safety knowledge and skills. In addition, CSPC Innovation simultaneously advanced its annual company-wide safety training, placing special emphasis on targeted education for critical roles and routinely implementing three-level safety education for external contractors, thereby continuously strengthening the foundation of workplace safety.



Figure: Zhongrun Company carried out occupational health and safety training



Table: Occupational Health and Safety Data

Indicator	Unit	2025	2024	2023
Investment in Work Safety	RMB 10,000	9,038.57	6,509.00	6,764.20
Work-Related Fatalities	persons	0	0	0
Work-Related Fatality Rate	%	0	0	0
Serious Injuries	persons	0	0	0
Lost Workdays Due to Work-Related Injury	days	165	401	110
Total Working Hours	hours	31,759,856	30,690,000	34,580,000
Minor Injury Rate per Million Working Hours	%	0.19	0.20	0.23
Lost-time Injury Rate per Million Working Hours	%	41.56	81.3	64.8
Recordable Incident Rate per Million Working Hours	%	0.16	0.26	0.29
Confirmed Occupational Disease Cases	persons	0	0	0
Occupational Hazard Factor Testing Rate	%	100	100	100
Total OHS Training Hours	hours	95,848	/	/
Total OHS Training Sessions	sessions	143	/	/

Social Co-Building 05

Guided by its mission of "All for Good Medicine, All for Mankind's Health," CSPC deeply integrates social responsibility into its corporate strategy. By strengthening industry collaboration, improving inclusive healthcare, and participating in social welfare initiatives, we actively build mutually beneficial relationships with patients, partners, and society and, are committed to contributing to the global healthcare ecosystem.

5.1 Industry Collaboration

CSPC actively deepens strategic cooperation with the global biopharmaceutical ecosystem through business development (BD) and industry-university-research collaboration. We pursue both independent innovation and open collaboration, and have established long-term cooperative relationships with more than 100 renowned universities, research institutes, and innovative enterprises around the world.

5.1.1 Global Commercial Licensing and Strategic R&D

In 2025, leveraging its in-house R&D capabilities and technology platforms, the Group signed four major out-licensing and cooperation agreements in ADCs, complex formulations, AI drug discovery, and metabolism, continuously advancing the internationalization of its innovations.

Table: Out-licensing and Cooperation Agreements in 2025

Partner	Cooperation Time	Product/Technology	Territory and Scope
Radiance Biopharma, Inc.	February 2025	Antibody-drug conjugate (ADC) SYS6005	Development and commercialization rights in the United States, the European Union, the United Kingdom, Switzerland, Australia, and multiple other countries and regions.
Cipla USA, Inc.	May 2025	Irinotecan Liposome Injection	Commercialization rights for the U.S. market.
AstraZeneca	June 2025	AI-driven high-efficiency drug discovery platform	Use of the Group's AI platform to discover novel oral small-molecule preclinical candidate drugs (PCCs) for multiple targets selected by AstraZeneca, including targets in immunological diseases.
Madrigal Pharmaceuticals	July 2025	Oral small-molecule GLP-1 receptor agonist SYH2086	Global development, manufacturing, and commercialization rights, while the Group retains the rights in China for development and commercialization of other oral small-molecule GLP-1 products.

5.1.2 Industry-University-Research Collaboration and Commercialization of Results

The Group actively integrates global innovation resources and accelerates commercialization through joint applications for national scientific research projects, in-licensing, and technology cooperation. It has established cooperation with more than 100 top domestic and international universities and research institutes, including Peking University, Columbia University, Sichuan University, and the Chinese Academy of Sciences, and has worked closely with well-known companies such as AstraZeneca, WuXi AppTec, and Keymed in areas such as in-licensing of Class 1 innovative drugs and licensing of advanced formulation technologies. By building an integrated industry-university-research ecosystem, the Group expands the boundaries of innovation and is committed to promoting the efficient transformation and application of global pharmaceutical R&D.

Case Study: CSPC Wins Award for Industry-University-Research Innovation Achievements and Is Selected as One of the Top Ten Cases of Deep Integration

In March 2025, CSPC's project "Key Technologies and Industrial Application of New Excipients for High-end Formulations" won the Second Prize of the 2024 China Industry-University-Research Cooperation Promotion Association Science and Technology Innovation Award (Innovation Achievement Award). In addition, CSPC was selected as one of the "Top Ten Best Cases of Deep Industry-University-Research Integration in 2024." The project solved industrialization challenges for poorly soluble drugs and liposomal excipients, and achieved multiple first approvals in China and even globally for new excipients. The related achievements have already been successfully applied to key products such as butylphthalide and doxorubicin liposome.


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项目名称：高端制剂用新型辅料关键技术及产业化应用
奖项等级：二等奖
完成单位：石药控股集团有限公司
石药集团中奇制药技术（石家庄）有限公司
石药集团巨石生物制药有限公司
石药集团欧意药业有限公司
沈阳药科大学
主要完成人：[illegible]
中国产学研合作促进会
2025年3月
证书号：20242080


中国产学研深度融合十大好案例(2024)
中国产学研合作促进会
2025年3月

Figure: Award Certificate

Case Study: Hosting a Multidisciplinary Respiratory Forum to Strengthen the Academic Influence of Innovative Drugs

In May 2025, during the "Nanshan Respiratory Health Forum," CSPC hosted a multidisciplinary symposium that brought together 26 leading respiratory experts from across China. The meeting focused on frontier fields such as lung cancer and severe asthma and highlighted the clinical value and evidence base of the Group's three innovative drugs—Haiyitan, Enyitan, and Yiluoda. By establishing high-level academic exchange platforms of this kind, the Group not only promotes the dissemination of cutting-edge diagnostic and treatment concepts, but also provides strong academic support and practical guidance for the clinical promotion of its respiratory and oncology pipeline products.



Figure: Highlights from the Multidisciplinary Symposium

Case Study: CSPC Successfully Hosts the "Expert Talks on Immunity— Standardized Diagnosis and Treatment Roadshow on Allergic Diseases"

In August 2025, CSPC hosted a roadshow on standardized diagnosis and treatment of allergic diseases, gathering top domestic allergy experts. The experts focused on the Group's core product omalizumab and discussed its clinical advantages in upgraded treatment for allergic diseases, pollinosis, and allergic comorbidities. This academic meeting not only strengthened the evidence-based medical foundation for omalizumab's therapeutic efficacy, but also provided authoritative reference for the standardized clinical application of cutting-edge biologics.

Case Study: CSPC and AstraZeneca Sign Strategic R&D Cooperation and Licensing Agreement for Innovative Long-acting Peptide Drugs

In January 2026, CSPC and AstraZeneca signed a strategic R&D cooperation and licensing agreement for innovative long-acting peptide drugs. Relying on the Group's proprietary sustained-release delivery platform and peptide medicine discovery platform, the two parties will jointly advance the development of eight long-acting weight management and innovation projects including SYH2082. The Group will grant AstraZeneca exclusive global rights outside Greater China and has the right to receive an upfront payment of USD 1.2 billion, with total milestone payments of up to USD 17.3 billion plus double-digit sales royalties. This cooperation not only set a new industry record for overseas expansion, but also strongly validated the power of the Group's innovative technology platforms in driving its globalization strategy.

5.2 Inclusive Healthcare

Guided by its corporate mission of "All for Good Medicine, All for Mankind's Health,"CSPC is committed to improving the accessibility and affordability of quality medicines. In 2025, through innovative R&D to fill unmet clinical needs, active participation in the national medical insurance and volume-based procurement systems, deeper penetration into primary healthcare markets, and expansion of overseas channels, the Group built a fair, efficient, and sustainable support system for healthcare access.

5.2.1 Pharmaceutical Accessibility

The Group continues to advance its international footprint and actively expand its business and access planning in low- and middle-income countries. It established a Southeast Asia regional company to develop the Southeast Asian market and completed local registration in Thailand. It also operates through agency sales models in countries such as Malaysia and Indonesia, while actively developing sales channels in Latin America, Africa, the Middle East, and Southeast Asia. The Group has achieved market launches in previously uncovered areas such as South Africa, Jordan, and Ghana, and completed overseas licensing in Brazil, Saudi Arabia, and South Africa. On the basis of consolidating existing markets, the Group is further evaluating and advancing expansion plans into other developing countries, continuously broadening the reach of its products and services.

The Group recognizes and explicitly supports the core principles established by the *TRIPS Agreement and Public Health Doha Declaration*, and understands its important role in balancing intellectual property protection with public health needs and in enhancing access to medicines. In its business operations, the Group, in principle, follows and supports the spirit of the Doha Declaration and, in certain special circumstances, makes prudent, lawful, and compliant arrangements based on applicable laws, regulatory requirements, and the business environment.

The Group focuses on six key therapeutic areas: oncology, anti-infectives, psychiatry and neurology, cardiovascular disease, immunology and respiratory disease, and gastrointestinal and metabolic disease. It uses a diversified product pipeline to meet a wide range of clinical needs.

Table: Commercialized Products and R&D Pipeline Across Six Major Areas

Areas	Commercialized Products (Selected)	R&D Pipeline (Selected)
Oncology	• Pegylated Recombinant Human Granulocyte Colony-Stimulating Factor Injection • Paclitaxel for Injection (Albumin-Bound) • Irinotecan Hydrochloride Liposome Injection	• KN026 Injection • JMT101 Injection • SYS6010 for Injection
Anti-infectives	• Amphotericin B Cholesteryl Sulfate Complex for Injection • Liposomal Amphotericin B for Injection • Meropenem for Injection	• SYS6017 Injection (VZV mRNA Vaccine) • SYS6016 Injection (RSV mRNA Vaccine) • SYH2066
Neuropsychiatry	• Butylphthalide and Sodium Chloride Injection • Venlafaxine Succinate Sustained-Release Tablets • Paliperidone Sustained-Release Tablets	• Atomoxetine Hydrochloride Enteric-Coated Tablets • Paliperidone Palmitate Injection • Dextromethorphan and Bupropion Sustained-Release Tablets
Cardiovascular	• Levamlodipine Malate Tablets • Dronedarone Hydrochloride Tablets • Sacubitril/Valsartan Sodium Tablets	• Valsartan and Levamlodipine Malate Tablets • SYH2053 Injection • SYH2068 Injection
Immunology and Respiratory	• Omalizumab for Injection • Nintedanib Esylate Soft Capsules • Tacrolimus Sustained-Release Capsules	• Tiotropium Bromide Inhalation Powder • Secukinumab Injection • SYHX1901 Tablets
Gastroenterology and Metabolism	• Prusogliptin Tablets • Esomeprazole Magnesium Enteric-Coated Capsules • Roxadustat Capsules	• Semaglutide Injection • TG103 Injection • Prusogliptin/Dapagliflozin/Metformin Sustained-Release Tablets

As of the end of 2025, the number of specifications of products on sale had continued to grow, with extensive coverage across all 31 provinces and municipalities in China. In terms of market penetration, the Group's products reached more than 35,000 healthcare institutions nationwide, with coverage of tertiary hospitals remaining above 90% and that of secondary hospitals exceeding 70%. In addition, in response to the national call to reform and improve the coordinated management mechanism for primary-level medicines, the Group established a dedicated task force to deepen its presence in county-level and grassroots healthcare markets. It reviewed and implemented access policies in 31 provinces, significantly improving access to medicines for chronic and common diseases at the primary-care level. Globally, the Group's sales network now covers more than 50 countries. In 2025, it focused on expanding into emerging markets in Latin America, Africa, the Middle East, and Southeast Asia, and set reasonable pricing strategies with reference to local economic conditions so that CSPC's high-quality, cost-effective products can benefit more patients worldwide.

The Group continues to increase R&D investment to improve drug accessibility and reduce the financial burden on patients. For nanomedicines that face high technical barriers and high prices, the Group took the lead in China in successfully developing products such as albumin-bound paclitaxel and Amphotericin B Liposome, breaking foreign monopolies. In addition, the Group actively advanced generic drug development. The Group supports the entry of generic drugs into the market to improve drug affordability, and actively promotes the research and development of generic drugs. In 2025, nine generic products, including Peramivir Injection and Regorafenib Tablets, obtained registration approvals, making a positive contribution to meeting domestic patient demand and promoting substitution with domestically produced medicines.

5.2.2 Medical Insurance Inclusion and Volume-Based Procurement

CSPC actively aligns with national medical insurance and volume-based procurement policies, reducing the financial burden on patients and the pressure on medical insurance funds through price concessions and catalog inclusion. In 2025, the Company improved patient access to medicines through medical insurance, centralized procurement, and essential medicines-related initiatives.

The Group is committed to providing medicines at reasonable prices and fully takes into account local economic development levels and patient affordability. In 2025, it formulated and publicly disclosed the *Fair Pricing Policy* to regulate product pricing behavior. By targeting the general local population and determining prices through a comprehensive assessment of comparable drug market prices, local regulations, and regional consumption levels, CSPC Pharmaceutical Group not only broadens the accessibility of its products but also provides local patients with high-quality, high-efficacy, and affordable treatment options.

Table: Group Medical Insurance and Centralized Procurement

Medical Insurance	• In 2025, the National Healthcare Security Administration and the Ministry of Human Resources and Social Security issued the *National Drug List for Basic Medical Insurance, Maternity Insurance and Work-related Injury Insurance (2025)* and the *Innovative Drug List for Commercial Health Insurance (2025)*. Among them, CSPC's Irinotecan Hydrochloride Liposome Injection was successfully included in the national reimbursement drug list through price negotiation, filling a gap in pancreatic cancer treatment within the list. Its price was reduced substantially from RMB 3,650 per vial to RMB 1,050 per vial. In addition, the reimbursement restrictions on Amphotericin B Cholesteryl Sulfate Complex for Injection were removed.

Centralized Procurement	• The selected results of the tenth round of national centralized procurement were fully implemented nationwide in April 2025, delivering tangible benefits to patients. The 15 selected products of the Group recorded an average price reduction of 85.4% compared with their listed prices before centralized procurement, including two newly approved products that directly participated and won selection at low prices. • The eleventh round of national centralized procurement was launched and results announced in the fourth quarter of 2025. The six selected products of CSPC recorded an average price reduction of 83.5% versus their pre-procurement prices.
National Essential Medicines	• Established a dynamic tracking mechanism for revisions to the national essential medicines list, monitored relevant policies throughout the year, and maintained close coordination with regional pharmaceutical administration policies. After evaluating the Group's full product portfolio, two key medicines with high clinical value and urgent patient need were selected for efforts to gain inclusion in the essential medicines list, so that more basic medicines can become available to patients.
Primary-Care Medicine Linkage	• In accordance with the core requirements of the *Opinions on Reforming and Improving the Linkage Management Mechanism for Primary-level Medicines*, the Group promoted essential medicine access and downward penetration, significantly improving the availability of its chronic disease and common disease medicines at primary healthcare institutions. • CSPC established a special task force to synchronize key information, set up communication channels for real-time information sharing, clarify work lists, risks, and opportunities, build a dynamic tracking mechanism for primary-care medicine linkage policies, and sort out key information in the guiding documents of 31 provinces, thereby providing precise policy support for access to grassroots medicine sinking.

Table: Initiatives to Improve Medicine Access in Low- and Middle-Income Countries

Generic Medicine Sales	• The Group markets a variety of products in low- and middle-income countries to enhance patient access to medicines, including Amoxicillin Capsules, Ceftriaxone Sodium for Injection, Ampicillin Capsules, Procaine Benzylpenicillin Fortified Sodium for Injection, Benzylpenicillin Sodium for Injection, Meropenem for Injection, and Azithromycin Film-Coated Tablets.
Pharmaco-vigilance System Development	• The Group has established a comprehensive monitoring and reporting mechanism for adverse drug reactions (ADRs) overseas. When adverse reactions occur outside China, the Group collaborates with local agents and customers to report to the local regulatory authorities in accordance with local regulations, and simultaneously notifies other customers marketing the same batch of products to submit reports. For serious adverse reactions occurring overseas, the Group ensures reporting to the National Center for Adverse Drug Reaction Monitoring within 15 days upon notification. If a drug is suspended from sale, use, or withdrawn from the market overseas due to adverse reactions, a written report will be submitted to the National Medical Products Administration and the National Center for Adverse Drug Reaction Monitoring within 24 hours. All other adverse reaction information is incorporated into the Periodic Safety Update Report (PSUR) system for medicines.
Medical Personnel Training	• The Group actively dispatches personnel to provide guidance to local medical staff, and regularly organizes experts to conduct on-site exchanges and training to continuously strengthen the local medication safety system. In 2025, the Group organized 9 exchanges between hospitals in China and Southeast Asian countries, introducing the advantages and administration methods of TNK to overseas physicians, and disseminating product information on NBP and TNK to experts in Southeast Asian countries.

5.2.3 Rare Disease Drug R&D and Investment

CSPC has been deeply engaged in the field of rare diseases (orphan drugs) and is committed to improving the current shortage of clinical treatment options for rare diseases. Through independent R&D and technological innovation, the Group now has nine products that have obtained orphan drug designation from the U.S. FDA. For marketed products, Narusobimab Injection and Nintedanib Ethanesulfonate Soft Capsules have been successfully approved for marketing, effectively filling treatment gaps in the relevant fields.

In 2025, the Group continued to increase R&D investment and focused on rare malignant tumors, autoimmune diseases, and metabolic disorders. A total of 11 products in development made major progress during the clinical development stage. We not only focus on clinical value, but also improve ease of use through technological enhancement and are committed to developing high-value biosimilars to reduce the financial burden on patients.

Table: Key Rare Disease Pipeline Projects in 2025

Disease Area	Key Pipeline Project	Major 2025 Progress and Clinical Value
Rare Malignant Tumors	SYHA1813 (high-grade meningioma)	Phase I enrollment has been completed, and the data show clear antitumor activity. A randomized controlled Phase II study is currently underway, and a Phase III clinical communication submission was made in October 2025, with the potential to fill a global clinical gap.
Rare Malignant Tumors	Narusobimab (giant cell tumor of bone)	Phase III clinical study enrollment has been completed. Compared with imported drugs, it has a faster onset and more controllable quality, and it is expected to receive full approval in 2028 for adult and adolescent patients.
Ultra-Rare Tumors	Albumin-bound sirolimus (malignant perivascular epithelioid cell tumor)	The Phase Ib/III trial has shown outstanding efficacy and good safety. Phase III enrollment is basically complete, and an NDA submission for marketing is planned for early 2026.
Rare Malignant Tumors	SYS6090 (melanoma)	SYS6090 Injection is a recombinant fully human bifunctional fusion protein. It received clinical approval in China and the United States in March and April 2025, respectively, and will soon start Phase I/II studies for unresectable or metastatic melanoma.
Rare Malignant Tumors	SYHX2008 (neuroendocrine tumor)	A prefilled long-acting octreotide injection. Phase II results showed good efficacy. The CDE has agreed to a pivotal Phase III study for adjuvant treatment after surgery for pancreatic neuroendocrine tumors (pNET).
Respiratory System	SYH2059 / SYH9061 (pulmonary fibrosis)	SYH2059 tablets are in the MAD stage, the inhalation dry powder formulation is planned to file an IND by the end of 2025, and nintedanib inhalation (SYH9061) filed its first IND in October.

Disease Area	Key Pipeline Project	Major 2025 Progress and Clinical Value
Hematologic System	SYS6053 (hemophilia A)	A biosimilar of emicizumab. An IND application was submitted in 2025, aiming to break the price monopoly of imported drugs and improve the affordability of preventive treatment for hemophilia.
Central Nervous System	Mitoxantrone Hydrochloride Liposome (neuromyelitis optica spectrum disorder)	Phase II clinical study in NMOSD has been completed. Preclinical data confirm lower toxicity than conventional mitoxantrone, offering the prospect of a safer option for highly disabling patients.
Autoimmune System	LNP-mRNA CAR-T (myasthenia gravis)	The world's second and China's first mRNA CAR-T cell therapy for MG. It is currently in clinical trials and is expected to offer patients with refractory MG a therapy with rapid onset and good safety.
Endocrine System	SYHX2008 (acromegaly)	A prefilled long-acting octreotide injection. Compared with microsphere formulations, exposure is 4–5 times higher. Phase III clinical communication was completed in November 2025, and patients can self-administer it, greatly facilitating long-term treatment.
Metabolic System	Hydroxocobalamin Hydrochloride (SYH9097) (MMA)	China's first high-concentration formulation (20 mg/mL) developed for methylmalonic acidemia. It is currently in Phase III clinical development and aims to solve the risks associated with overseas purchasing and the urgent clinical need for pediatric patients.



5.3 Social Welfare

CSPC actively fulfills its corporate social responsibility, focusing on industrial assistance and educational support, participating deeply in rural revitalization, and continuously carrying out public welfare projects in areas such as education support and healthcare. In 2025, the Group's total charitable donations amounted to RMB 61.5464 million, benefiting 105,880 person-times, with 95,469 service hours devoted to public welfare.

In 2015, CSPC initiated the establishment of the Hebei CSPC Puen Charity Foundation, focusing on livelihood-related areas such as poverty relief, elderly care, support for the sick, and education assistance. The Foundation was rated a 5A social organization in both 2019 and 2024, and during the reporting period it was also awarded the title of "National Advanced Social Organization."

5.3.1 Rural Revitalization

CSPC actively supports the rural revitalization strategy. Leveraging its pharmaceutical expertise, it focuses on building healthy rural communities, improving primary healthcare capacity, cultivating local health talent, and promoting the sustainable development of medicinal resources, thereby effectively safeguarding farmers' health and fulfilling corporate social responsibility. In 2025, the "Light Spring Rain" rural revitalization support project donated RMB 1.9526 million, with volunteer service totaling 160 hours.

Table: Rural Revitalization Projects in 2025

- Established an oncology research project to promote the development of China's medical and pharmaceutical sectors and improve the capabilities of Chinese medical professionals; donations in 2025 totaled RMB 1.8 million.
- Donated RMB 66,000 worth of Recombinant Human TNK Tissue-type Plasminogen Activator for Injection to the Health Commission of Hainan Tibetan Autonomous Prefecture, Qinghai Province.
- Donated 25 cases of Guoweikang products for the "Culture, Science and Healthcare to the Countryside"Welfare Initiative in Renze District, Xingtai City, with a donation value of RMB 35,800.
- Jointly carried out poverty alleviation activities in Majiaying Village, Julu County, together with the Hebei Branch of the State Administration of Foreign Exchange, with total donations of RMB 25,700.



Figure: Donation to the Health Commission of Hainan Tibetan Autonomous Prefecture, Qinghai Province



Figure: "Culture, Science and Healthcare to the Countryside" Welfare Initiative in Renze District, Xingtai City

5.3.2 Educational Support

CSPC adheres to the core philosophy of fostering virtue through education and has built a long-term education support system. Through dedicated funding and school-enterprise cooperation, it continuously cultivates talent for the pharmaceutical and healthcare sectors. Since 2016, the CSPC Puen Charity Foundation has continuously implemented the "Morning Light Initiative" education assistance program, with the goal of improving growth conditions for students from disadvantaged backgrounds and injecting talent momentum into society's long-term development.

Case Study: "Morning Light Initiative" Education Assistance Program

In 2025, CSPC carried out the "Morning Light Initiative" education assistance program and established "CSPC Scholarships" at multiple educational institutions to support financially disadvantaged students with strong academic and moral performance, helping them complete their studies successfully. During the year, a total of RMB 4.495 million in assistance funds was distributed, benefiting 900 university students and contributing a cumulative 5,880 volunteer service hours to foster reserve talent for the pharmaceutical and healthcare field.



Figure: Educational Assistance Activities

5.3.3 Earthquake Relief and Disaster Response

CSPC has established an action system characterized by rapid response, professional support, and sustained care. When disasters occur, the Group provides medicine donations and medical support at the earliest possible stage, while also paying attention to the long-term recovery of affected populations. It is committed to building a strong "health shield" for disaster-stricken areas through its end-to-end healthcare support capabilities.

Case Study: CSPC Assists Victims of the Wang Fuk Court Fire in the New Territories, Hong Kong

On November 26, 2025, the major fire at Wang Fuk Court in Tai Po District, New Territories, Hong Kong touched the hearts of people across China. CSPC actively communicated with government departments and donated HKD 10 million for the emergency resettlement of affected residents and for basic living support during the transitional period, effectively fulfilling its corporate social responsibility and demonstrating deep patriotic commitment



Case Study: CSPC Rushes Emergency Medicine Donations to Flood-hit Chengde, Hebei

In July 2025, Chengde City in Hebei Province experienced rare torrential rainfall that triggered severe flooding. In some areas, transport links were cut off, homes were damaged, and daily life was seriously affected. CSPC responded quickly, contacted relevant Chengde authorities to learn what supplies were urgently needed, and extended assistance to affected residents by donating urgently needed medicines (4,000 boxes of amoxicillin capsules and 4,000 boxes of ibuprofen granules), thereby putting into practice the social responsibility of a pharmaceutical enterprise.



Figure: Donation to Chengde

5.3.4 Support for Patients with Major Illnesses

As a core platform through which CSPC implements the Healthy China strategy, the CSPC Puen Charity Foundation has long participated in charitable medical assistance for severe and major diseases. Through programs such as the Assistance for Tumor Patients in Difficult Circumstances, the Medical Assistance for Patients in Difficult Circumstances, and the Patient Assistance Program for patients from minimum-living-guarantee households, extremely poor households, low-income families, and families pushed into poverty by illness, the Foundation further advances the Healthy China development strategy. In these areas of major disease medical assistance, the Group donated 235,000 boxes of medicines and assisted 104,590 person-times.

Case Study: "Assistance for Tumor Patients in Difficult Circumstances" Program

Launched in 2022, the "Assistance for Tumor Patients in Difficult Circumstances" program aims to reduce the medical burden on severely ill patients from low-income and other disadvantaged households through direct financial assistance, thereby providing meaningful support to more families facing hardship caused by serious illness. In 2025, the program entered five prefecture-level cities in three provinces and carried out 75 patient support and care activities. Program expenditures reached RMB 3.605 million, benefiting 468 disadvantaged patients from minimum-living-guarantee and similar households, with volunteer service totaling 8,988 hours.



Figure: Activities under the "Assistance for Tumor Patients in Difficult Circumstances" Program

Case Study: "Medical Assistance for Patients in Difficult Circumstances" Program

Congenital heart diseases such as atrial septal defect, ventricular septal defect, patent ductus arteriosus, and pulmonary artery stenosis, as well as acquired heart diseases such as coronary heart disease, hypertensive heart disease, and rheumatic heart disease, pose severe challenges for many families in difficult circumstances. To alleviate this hardship, the Group officially launched the "Medical Assistance for Patients in Difficult Circumstances" program in 2024, aiming to sustain life and restore hope to every heart awaiting treatment. In 2025, the program spent RMB 947,200, organized 30 patient support and care activities, assisted 90 patients in difficult circumstances, and contributed 1,290 volunteer service hours.



Figure: Patient Assistance

Case Study: Patient Assistance Programs

The Group works with leading public-interest organizations to support the implementation of patient assistance programs, reduce patients' medication burdens, improve their chances of survival, and enhance quality of life.

- "Peace and Ease"—Doxil Patient Assistance Program

  Since June 2023, we have launched the "Peace and Ease—Doxil Patient Assistance Program." For patients who meet the enrollment criteria, donated Doxil® is provided free of charge in accordance with the assistance protocol, helping patients receive standardized treatment and reducing their financial burden. In 2025, the program supported a cumulative total of 14,931 patient-visits.



Figure: Peace and Ease—Doxil Patient Assistance Program

Case Study: Patient Assistance Programs

- A New Beginning on the Road to Recovery—Duoenyi Patient Assistance Program

Since December 2023, we have launched the "A New Beginning on the Road to Recovery—Duoenyi Patient Assistance Program". For patients who meet the enrollment criteria, donated Duoenyi® is provided free of charge in accordance with the assistance protocol. In 2025, the program supported a cumulative total of 9,158 patient-visits.



Figure: A New Beginning on the Road to Recovery—Duoenyi Patient Assistance Program

- Breathe Freely—Yiluoda Patient Assistance Program

Since January 2024, we have launched the "Breathe Freely—Yiluoda Patient Assistance Program." For patients who meet the enrollment criteria, donated Yiluoda® is provided free of charge in accordance with the assistance protocol. In 2025, the program supported a cumulative total of 22,425 patient-visits.



Figure: Breathe Freely—Yiluoda Patient Assistance Program

- A New Life with Haiyitan—Haiyitan Patient Assistance Program

Since August 2023, we have launched the "A New Life with Haiyitan - Haiyitan Patient Assistance Program." For patients who meet the enrollment criteria, donated Haiyitan® (aumolertinib tablets) is provided free of charge in accordance with the assistance protocol. In 2025, the program supported a cumulative total of 7,318 patient-visits.



Figure: A New Life with Haiyitan—Haiyitan Patient Assistance Program

Case Study: Patient Assistance Programs

- Second to None—Jinyouli Patient Assistance Program

Since April 2023, we have launched the "Second to None - Jinyouli Patient Assistance Program." For patients who meet the enrollment criteria, donated Jinyouli® (pegylated recombinant human granulocyte colony-stimulating factor injection) is provided free of charge in accordance with the assistance protocol. In 2025, the program supported a cumulative total of 12,260 patient-visits.



Figure: Second to None—Jinyouli Patient Assistance Program

- Comfort and Relief—Enyitan Patient Assistance Program

Since December 2024, we have launched the "Comfort and Relief—Enyitan Patient Assistance Program." For patients who meet the enrollment criteria, donated Enyitan® (omalizumab for injection) is provided free of charge in accordance with the assistance protocol. In 2025, the program supported a cumulative total of 8,280 patient-visits.



Figure: Comfort and Relief—Enyitan Patient Assistance Program

Public Welfare and Charitable Investment

RMB 61.5464 million
Total Investment Amount

18,000 persons
Total Number of Employees Participating in Public Welfare

95,469 hours
Total Employee Hours Devoted to Public Welfare

105,880 person-visits
Number of Beneficiary Visits

235 times
Total Number of Public Welfare Activities

Appendix

Key Performance Table

Environmental

Indicator		Unit	2025	2024
GHG Emissions-Related Indicators	Scope 1 Greenhouse Gas Emissions [8]	tCO_2e	201,265.70	474,567.04
	Scope 2 Greenhouse Gas Emissions [9]	tCO_2e	853,794.57	493,310.00
	Scope 3 Greenhouse Gas Emissions	tCO_2e	1,419,320.40	/
	Scope 3 - Purchased goods and services (Category 1)	tCO_2e	514,532.91	/
	Scope 3 - Capital goods (Category 2)	tCO_2e	63,525.68	/
	Scope 3 - Fuel- and energy-related activities (Category 3)	tCO_2e	231,224.52	/
	Scope 3 - Upstream transportation and distribution (Category 4)	tCO_2e	559,914.86	/
	Scope 3 - Waste generated in operations (Category 5)	tCO_2e	23,513.05	/
	Scope 3 - Business travel (Category 6)	tCO_2e	10,759.75	/
	Scope 3 - Employee commuting (Category 7)	tCO_2e	962.74	/
	Scope 3 - Upstream leased assets(Category 8)	tCO_2e	190.04	/
	Scope 3 - Downstream transportation and distribution (Category 9)	tCO_2e	2,580.01	/
	Scope 3 - End-of-life treatment of sold products (Category 12)	tCO_2e	12,116.86	/
	Total Greenhouse Gas Emissions (Scope 1+Scope 2+Scope 3) [10]	tCO_2e	2,474,380.67	/
	Total Greenhouse Gas Emissions (Scope 1+Scope 2)	tCO_2e	1,055,060.27	967,877.04
	Greenhouse Gas Emission Intensity (Scope 1+Scope 2)	tCO_2e / RMB 10,000 revenue	0.41	0.33
Energy Use-related Indicators	Natural Gas	10,000 cubic meters	6,915.17	5,353.49
	Purchased Electricity	10,000 kWh	96,059.85	83,728.64
	Purchased Steam	tons	821,080.00	720,051.00
	Gasoline	tons	12.12	/
	Diesel	tons	20.14	/
	Comprehensive Energy Consumption	tons of standard coal	279,682.11	/
	Comprehensive Energy Consumption Intensity	tons of standard coal / RMB 10,000 revenue	0.11	/
	Green Electricity Used	MWh	177,823.51	/
Water Resource Use-related Indicators[11]	Total Water Consumption	tons	329,560,203.70	331,421,301.70
	Recycled Water Volume	tons	315,767,422.10	320,201,822.30
	Water Consumption Intensity	tons / RMB 10,000 revenue	126.72	/

8. Scope 1 GHG emissions come from fixed-source fuel use (natural gas, diesel), mobile-source combustion (gasoline and diesel), process emissions (raw-material decomposition), and fugitive emissions (refrigerants, fire extinguishers, and SF6 circuit breakers).

9. Scope 2 GHG emissions come from purchased electricity and purchased steam.

10. The Group's carbon emission factors and calculation methodologies refer to domestic and international standards and methodological documents such as the *2006 IPCC Guidelines for National Greenhouse Gas Inventories, the GHG Protocol Corporate Accounting and Reporting Standard*, the *Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions for Industrial Enterprises in Other Industries (Trial)*, and the *Announcement on the Release of 2023 Electricity CO2 Emission Factors.*

11. This year,the statistical scope of water resources data was clearly defined, and the data for 2024 were retrospectively adjusted.

Indicator		Unit	2025	2024
Packaging Materials Use-related Indicators	Packaging Materials Used	tons	25,764.45	43,471.00
	Packaging Materials Use Intensity	tons / RMB 10,000 revenue	0.01	0.01
Air Emissions-Related Indicators	Total Air Pollutant Emissions[12]	tons	98.80	136.09
	Sulfur Dioxide	tons	6.97	10.93
	Nitrogen Oxides	tons	30.97	56.69
	Particulate Matter	tons	14.20	19.81
	Volatile Organic Compounds (VOCs)	tons	46.66	48.67
Wastewater Discharge-Related Indicators	Total Wastewater Discharge	tons	9,568,166.51	8,530,900
	Total Wastewater Pollutant Discharge	tons	2,056.32	987.04
	COD in Discharged Wastewater	tons	1,908.86	906.23
	Ammonia Nitrogen in Discharged Wastewater	tons	147.45	80.81
Waste-Related Indicators	Total Hazardous Waste Generated	tons	38,075.72	12,428.72
	Hazardous Waste Intensity	tons / RMB 10,000 revenue	0.0146	0.0043
	Total Non-hazardous Waste Generated	tons	19,051.88	23,352
	Non-hazardous Waste Intensity	tons / RMB 10,000 revenue	0.0073	0.0081

12. This year, the statistical scope of air pollutant data was clearly defined, and the data for 2024 were retrospectively adjusted.

Social

Indicator			Unit	2025	2024
Product Quality	Product Recall Incidents		times	0	0
	Quality Training	Training Sessions	times	708	/
		Employee Coverage Rate	%	100	100
		Average Training Hours per Employee	hours	92	/
R&D Innovation	R&D Investment		RMB million	5,809	5,191
	Number of Invention Patent Applications		cases	471	291
	Number of Invention Patents Granted		cases	76	79
	Number of Complaints		cases	172	/
	Complaint Resolution Rate		%	100	/
Supplier Management	Total Number of Suppliers		suppliers	1,522	1,738
Employee Employment	Total Number of Employees		persons	19,693	21,379
	Number of Employees by Job Type	Blue-collar	persons	15,258	/
		White-collar	persons	4,435	/
	Number of Employees by Gender	Male	persons	10,179	11,094
		Female	persons	9,514	10,285
	Number of Employees by Age	Under 30	persons	5,302	6,627
		30–50	persons	13,591	13,997
		Over 50	persons	800	755

Indicator			Unit	2025	2024
Employee Employment	Number of Employees by Education	Doctorate	persons	260	264
		Master's	persons	1,744	1,813
		Bachelor's	persons	7,761	8,249
		Associate Degree or Below	persons	9,928	11,053
	Number of Employees by Region	Chinese Mainland	persons	19,645	/
		Hong Kong, Macao, Taiwan, and Overseas	persons	48	/
	Number of Employees by Job Level	Senior Management	persons	169	168
		Middle Management	persons	1,543	1,567
		Frontline Managers	persons	2,723	2,748
		Frontline Employees	persons	15,258	16,896
Employee Turnover	Number of Employee Turnovers		persons	1,686	4,563
	Number of Employee Turnovers	Blue-collar	persons	1,145	/
		White-collar	persons	541	/
	Number of Employee Turnovers by Gender	Male	persons	875	2,470
		Female	persons	811	2,093
	Number of Employee Turnovers by Age	Under 30	persons	707	2,163
		30–50	persons	875	2,311
		Over 50	persons	104	89
	Number of Employee Turnovers by Region	Chinese Mainland	persons	1,684	4,530
		Hong Kong, Macao, Taiwan, and Overseas	persons	2	33

Indicator			Unit	2025	2024
Employee Turnover	Employee Turnover Rate		%	8.56	17.59
	Employee Turnover Rate by Job Type	Blue-collar	%	7.50	/
		White-collar	%	12.20	/
	Employee Turnover Rate by Gender	Male	%	8.60	9.52
		Female	%	8.52	8.07
	Employee Turnover Rate by Age	Under 30	%	13.33	8.34
		30–50	%	6.44	8.91
		Over 50	%	13.00	0.34
	Employee Turnover Rate by Region	Chinese Mainland	%	8.57	17.46
		Hong Kong, Macao, Taiwan, and Overseas	%	4.17	0.13
Employee Training	Average Training Hours per Employee		hours	97.91	97.90
	Average Training Hours per Employee, by Gender	Male	hours	94.56	97.53
		Female	hours	101.49	98.30
	Average Training Hours per Employee, by Employee Level	Senior management	hours	98.04	78.50
		Mid-level management	hours	104.48	89.80
		Grassroots managers	hours	102.18	97.56
		Grassroots employees	hours	96.48	98.90

Indicator			Unit	2025	2024
Employee Training	Training Coverage		%	100.00	100.00
	Training Coverage, by Gender	Male	%	100.00	100.00
		Female	%	100.00	100.00
	Training Coverage, by Employee Level	Senior management	%	100.00	100.00
		Mid-level management	%	100.00	100.00
		Grassroots managers	%	100.00	100.00
		Grassroots employees	%	100.00	100.00
Occupational Health and Safety	Investment in Work Safety		RMB 10,000	9,038.57	6,509.00
	Work-Related Fatalities		persons	0	0
	Work-Related Fatality Rate		%	0	0
	Serious Injuries		persons	0	0
	Lost Workdays Due to Work-Related Injury		days	165	401
	Total Working Hours		hours	31,759,856	30,690,000
	Minor Injury Rate per Million Working Hours		%	0.19	0.20
Occupational Health and Safety	Lost-time Injury Rate per Million Working Hours		%	41.56	81.3
	Recordable Incident Rate per Million Working Hours		%	0.16	0.26
	Confirmed Occupational Disease Cases		persons	0	0
	Occupational Hazard Factor Testing Rate		%	100	100
	Total OHS Training Hours		hours	95,848	/
	Total OHS Training Sessions		sessions	143	/
Rural Revitalization	Total Investment in Rural Revitalization Support		RMB 10,000	195.26	/
Community Development and Public Welfare	Total Investment Amount		RMB 10,000	6,154.64	7,828
	Total Number of Employees Participating in Public Welfare Activities		persons	18,000	/
	Total Hours Employees Spent on Public Welfare Activities		hours	95,469	122,597.8
	Number of Beneficiaries Assisted		Person-times	105,880	129,389
	Total Number of Public Welfare Activities		times	235	/

Governance

Indicator		Unit	2025	2024
Board Effectiveness	Number of Directors Serving on Other Listed Companies' Boards	persons	5	/
	Board Attendance Rate	%	1	/
	Number of Executive Directors	persons	11	9
	Number of Independent Non-Executive Directors	persons	6	6
Board Diversity Composition	Number of Female Board Members	persons	1	1
	Number of Male Board Members	persons	16	14
	Number of Directors with a Master's Degree or Above	persons	12	10
	Number of Directors with a Bachelor's Degree	persons	5	5
Business Ethics Training	Anti-Corruption Training Coverage Rate	%	100	100
	Integrity Training Sessions	times	72	81
	Average Anti-Corruption Training Hours per Employee	hours	17.9	15.65
	Average Anti-Corruption Training Hours per Director	hours	17	/
	Average Anti-Corruption Training Hours for Senior Management	hours	17	16.05
	Number of Employees Trained in Anti-Corruption	persons	19,693	/
	Employee Anti-Corruption Training Coverage Rate	%	100	100
	Number of Directors Trained in Anti-Corruption	persons	17	/
	Director Anti-Corruption Training Coverage Rate	%	100	100
	Number of Senior Management Personnel Trained in Anti-Corruption	persons	168	/
	Senior Management Anti-Corruption Training Coverage Rate	%	100	100
Corruption-Related Incidents	Concluded Litigation Cases Related to Corruption	cases	0	0
	Total Monetary Losses Resulting from Corruption-Related Incidents	RMB 10,000	0	0
Anti-Unfair Competition Incidents	Litigation Cases or Major Administrative Penalties Resulting from the Company's Unfair Competition Conduct	cases	0	/
	Amount Involved in Litigation Cases or Major Administrative Penalties Resulting from the Company's Unfair Competition Conduct	RMB 10,000	0	/

HK-ESG INDEX

Subject Areas, Aspects, General Disclosures and KPIs		Location in the ESG Report
A. Environmental		
A1: Emissions		
General Disclosure Information on: • the policies; and • compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.		3.4.1 Pollution Prevention and Control
A1.1	The types of emissions and respective emissions data.	3.4.1 Pollution Prevention and Control
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	3.4.1 Pollution Prevention and Control
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	3.4.1 Pollution Prevention and Control
A1.5	Description of emissions target(s) set and steps taken to achieve them.	3.4.1 Pollution Prevention and Control
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	3.4.1 Pollution Prevention and Control
A2: Use of Resources		
General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.		3.3.1 Energy Management 3.3.2 Water Resource Management 3.3.3 Packaging Material Management
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).	3.3.1 Energy Management
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	3.3.2 Water Resource Management
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	3.3.1 Energy Management
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	3.3.2 Water Resource Management
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	3.3.3 Packaging Material Management
A3: The Environment and Natural Resources		
General Disclosure Policies on minimizing the issuer's significant impacts on the environment and natural resources.		3.2.1 Environmental Management System
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	3.2.2 Environmental Risk Management 3.2.3 Biodiversity Protection
B. Social		
B1: Employment		
General Disclosure Information on: • the policies; and • 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.		4.1.1 Compliant Employment and Diversity 4.1.2 Employee Compensation and Benefits 4.1.3 Employee Communication and Engagement
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	4.1.1 Compliant Employment and Diversity
B1.2	Employee turnover rate by gender, age group and geographical region.	4.1.1 Compliant Employment and Diversity

Subject Areas, Aspects, General Disclosures and KPIs		Location in the ESG Report
B2: Health and Safety		
General Disclosure Information on: • the policies; and • 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.		4.3.1 Safety Production Management 4.3.2 Occupational Health Management 4.3.3 Building a Safety Culture
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	4.3.3 Building a Safety Culture
B2.2	Lost days due to work injury.	4.3.3 Building a Safety Culture
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	4.3.1 Safety Production Management 4.3.2 Occupational Health Management 4.3.3 Building a Safety Culture
B3: Development and Training		
General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.		4.2.1 Formal Talent Pipeline Development Strategy 4.2.2 Talent Training and Empowerment
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	4.2.2 Talent Training and Empowerment
B3.2	The average training hours completed per employee by gender and employee category.	4.2.2 Talent Training and Empowerment
B4: Labor Standards		
General Disclosure Information on: • the policies; and • compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.		4.1.1 Compliant Employment and Diversity

Subject Areas, Aspects, General Disclosures and KPIs		Location in the ESG Report
B4.1	Description of measures to review employment practices to avoid child and forced labor.	4.1.1 Compliant Employment and Diversity
B4.2	Description of steps taken to eliminate such practices when discovered.	4.1.1 Compliant Employment and Diversity
B5: Supply Chain Management		
General Disclosure Policies on managing environmental and social risks of the supply chain.		2.4.1 Supplier Management System 2.4.2 Supplier ESG Management
B5.1	Number of suppliers by geographical region.	2.4.1 Supplier Management System
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.	2.4.1 Supplier Management System
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	2.4.2 Supplier ESG Management
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	2.4.2 Supplier ESG Management
B6: Product Responsibility		
General Disclosure Information on: • the policies; and • compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.		2.1.1 Product Quality Management System 2.1.4 Quality and Safety Management 2.3.4 Responsible Marketing 2.3.5 Privacy Protection and Information Security
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	2.1.4 Quality and Safety Management
B6.2	Number of products and service related complaints received and how they are dealt with.	2.3.3 Customer Complaint Mechanism

Subject Areas, Aspects, General Disclosures and KPIs		Location in the ESG Report
B6.3	Description of practices relating to observing and protecting intellectual property rights.	2.2.2 Intellectual Property and Patent Protection
B6.4	Description of quality assurance process and recall procedures.	2.1.4 Quality and Safety Management
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	2.3.5 Privacy Protection and Information Security
B7: Anti-corruption		
General Disclosure Information on: • the policies; and • compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.		1.3.1 Business Ethics System Development
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.	1.3.1 Business Ethics System Development
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	1.3.1 Business Ethics System Development 1.3.2 Building a Culture of Integrity 1.3.4 Whistleblower Protection
B7.3	Description of anti-corruption training provided to directors and staff.	1.3.2 Building a Culture of Integrity
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.		5.2.1 Pharmaceutical Accessibility 5.2.2 Medical Insurance Inclusion and Volume-Based Procurement 5.2.3 Rare Disease Drug R&D and Investment 5.3.1 Rural Revitalization 5.3.2 Educational Support 5.3.3 Earthquake Relief and Disaster Response 5.3.4 Support for Patients with Major Illnesses

Subject Areas, Aspects, General Disclosures and KPIs		Location in the ESG Report
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	5.2.1 Pharmaceutical Accessibility 5.2.2 Medical Insurance Inclusion and Volume-Based Procurement 5.2.3 Rare Disease Drug R&D and Investment 5.3.1 Rural Revitalization 5.3.2 Educational Support 5.3.3 Earthquake Relief and Disaster Response 5.3.4 Support for Patients with Major Illnesses
B8.2	Resources contributed (e.g. money or time) to the focus area.	5.2.1 Pharmaceutical Accessibility 5.2.2 Medical Insurance Inclusion and Volume-Based Procurement 5.2.3 Rare Disease Drug R&D and Investment 5.3.1 Rural Revitalization 5.3.2 Educational Support 5.3.3 Earthquake Relief and Disaster Response 5.3.4 Support for Patients with Major Illnesses
Climate-related Disclosure		
Governance		
Skills and Capabilities		3.1.1 Governance
Approach and Frequency		3.1.1 Governance
Role and Responsibilities of the Board		3.1.1 Governance
Monitoring Progress		3.1.1 Governance
Role and Responsibilities of Management		3.1.1 Governance

Subject Areas, Aspects, General Disclosures and KPIs	Location in the ESG Report
Strategy	
Climate-related Risks and Opportunities	3.1.2 Strategy
Business Model and Value Chain	3.1.2 Strategy
Climate Resilience	3.1.2 Strategy
Financial Condition, Financial Performance and Cash Flows	3.1.2 Strategy
Strategy and Role	3.1.2 Strategy
Risk Management	
Risk Identification	3.1.3 Risk Management
Risk Assessment	3.1.3 Risk Management
Risk Prioritization	3.1.3 Risk Management
Risk Management	3.1.3 Risk Management
Risk Integration	3.1.3 Risk Management
Metrics and Targets	
Greenhouse Gas Emissions	3.1.4 Metrics and Targets
Cross-industry Metrics	3.1.2 Strategy
Internal Carbon Pricing	Internal carbon pricing not yet implemented
Remuneration	3.1.1 Governance
Industry-specific Metrics	3.1.4 Metrics and Targets
Climate-related Targets	3.1.4 Metrics and Targets

Glossary

Full Names	Abbreviations
CSPC Ouyi Pharmaceutical Co., Ltd.	Ouyi
CSPC Zhongnuo Pharmaceutical (Shijiazhuang) Co., Ltd.	Zhongnuo
CSPC NBP Pharmaceutical Co., Ltd.	CSPC NBP
CSPC Baike (Shandong) Biopharmaceutical Co., Ltd.	Baike
CSPC Weisheng Pharmaceutical (Shijiazhuang) Co., Ltd.	Weisheng
CSPC Yinhu Pharmaceutical Co., Ltd.	Yinhu
CSPC Zhongnuo Pharmaceutical (Taizhou) Co., Ltd.	Zhongnuo Taizhou
CSPC Shengxue Glucose Co., Ltd.	CSPC Shengxue
CSPC Innovative Pharmaceutical Co., Ltd.	CSPC Innovation
Megalith. Biopharmaceutical Co., Ltd.	Megalith Biopharma

Feedback

Dear Reader,

Thank you for taking the time to read this report. We sincerely welcome your comments and suggestions regarding the report and our work. You may return the completed questionnaire by mail, email (after scanning), or fax, or share your valuable feedback directly by phone. Thank you!

1.Which of CSPC's stakeholder group does your organization belong to?

☐ Shareholder ☐ Employee ☐ Supplier ☐ Consumer

☐ Government ☐ Media ☐ Other (please specify)

2.Your overall evaluation of this report:

・Readability (clearly expressed, well designed, engaging, easy to find needed information)

☐ 3 (Excellent) ☐ 2 (Average) ☐ 1 (Below Average)

・ Credibility (information is truthful and reliable)

☐ 3 (Excellent) ☐ 2 (Average) ☐ 1 (Below Average)

・ Completeness of information (covers both positive and negative performance, and meets your information needs)

☐ 3 (Excellent) ☐ 2 (Average) ☐ 1 (Below Average)

Apart from what has been disclosed in the report, what other information would you like to see? Your comments and suggestions are highly appreciated.

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