

Sino Biopharmaceutical Limited

Anti- Fraud, Bribery and Corruption Policy

1. Purpose

Sino Biopharmaceutical Limited together with its subsidiaries (hereinafter referred to as "Sino Biopharmaceutical", "the Group") has always respected and complied with the laws and regulations of the People's Republic of China and other countries or regions where the operators are located, and has always operated its business legally, and has required all employees of all its directly-held and indirectly-held companies to be honest and law-abiding, and not to engage in any corruption or commercial bribery.

The purpose of the policy is to require the senior management and all other employees (including full-time, part-time employees and contractors, etc.) of the Group (collectively referred to as the "Employees") to comply with the applicable anti-commercial bribery and anti-corruption laws.

2. Applicability

The policy applies to all employees of the Group and all "business partners" (including but not limited to customers, suppliers, agents, distributors, service providers, third-party intermediaries, etc.) with whom the Group conducts business.

3. Definition

Fraud: means the employees' behavior of intentionally seeking improper personal benefits by cheating and other illegal and non-compliant acts, which damages the economic benefits of the Group, or the behavior of seeking improper economic benefits of the Group, which may bring improper personal benefits. Fraud may include, but is not limited to:

- Taking bribes or kickbacks;
- Offering bribes to others for the purpose of seeking improper benefits;
- Illegally using, embezzling, misappropriating or stealing the Group's assets;
- Abusing the power or neglecting the duty, resulting in damage to the interests of the Group;
- Transferring to others transactions which would normally benefit the Group;
- Intentionally concealing or misstating information, resulting in false records, misleading statements or major omissions in information disclosure;
- Falsifying or altering accounting records or vouchers, or providing false financial reports;
- Divulging business or technical secrets of the Group;
- Other acts that harm the economic benefits of the Group or seek improper benefits;

- Other misconduct contrary to the principle of integrity.

Bribery: means the use of property or other means to bribe entities or individuals in order to obtain trading opportunities or competitive advantages. Bribery may include, but is not limited to:

- Direct bribery (including payment, offering, promise, use, acceptance) of property. Property means "anything of value", including but not limited to: cash, cash equivalents (gift cards, tickets, electronic red envelopes, shopping cards, various types of tickets that can be used as a deductible for consumption, etc.), gifts, travel, entertainment, hospitality, charitable contributions (cash or other forms of sponsorship), real estate, valuables such as vehicles (or free use of vehicles), accommodation or valuable benefits (education and work, internship opportunities and free conference services).
- Secretly giving or accepting kickbacks or intermediary fees or commissions outside the accounts.
- Bribing or accepting bribes through gambling, or under the guise of marketing, publicity, advertising, training, consultants, consultants, technical services, research, clinical, conference, sponsorship, commission, etc.;
- Unpaid services, large amounts of interest-free or low interest loans or loans, debt forgiveness, etc..

4. Anti-Fraud, Bribery and Corruption Operation Mechanism

Scientific and systematic anti-commercial bribery and anti-corruption risk assessment procedures shall be established to identify, analyze, evaluate and dispose of risks, and the effectiveness of the risk assessment procedures and the results of the assessments shall be regularly reviewed. A comprehensive risk assessment should be conducted at least once a year.

The Group has a strict and well-established whistleblowing mechanism, which is directly supervised by the Group's management.

(1) Violation Reporting and Process

The Group accepts real-name or anonymous reports. If any bribery, embezzlement, corruption, and other malpractices are found, the whistleblower can report them directly to the compliance department and provide relevant clues and materials or send an email to Sbox@sino-biopharm.com.

When reporting the facts of violations, the whistleblower shall provide corresponding evidentiary materials (including but not limited to documentary evidence, physical evidence, witness testimony, audio-visual materials, etc.) or other clues that can prove the facts of violations and violations. If the content of the report or the material provided is

unclear, the responsible department should suggest the whistleblower supplement the content or relevant materials.

After accepting the report, the responsible department shall accurately and completely record the information in writing. The staff shall not provide the whistleblower information or relevant evidence materials to any department or individual without authorization. If the staff really needs to consult the informant due to work needs, they shall obtain the consent of the whistleblower and register it. For the reported cases, according to the different posts of the person be reported, the investigation subject of different levels is carried out. Based on the principle of avoidance, the whistleblower may not participate in the investigation of him as an investigator.

Anti-Fraud , Bribery and Corruption measures:

- All departments and subsidiaries must cooperate with the staff for a specific investigation.
- In the course of the investigation, the staff shall form a written investigation record of the existing problems and analyze the results of the investigation.
- The staff shall verify the investigation records and submit them to the department in charge for approval.
- The staff shall deal with the verified fraud or immoral behavior in strict accordance with the Group's evaluation results, and notify through the Group's.

(2) Protection of Whistleblowers

The Group will keep the whistleblower's information confidential and protect he/she's personal rights, property rights, work rights, reputation rights and other legitimate rights and interests.

After reporting, the whistleblower has the right to inquire about the handling of the report, and the responsible department shall give a timely reply in accordance with the working procedure.

For the reported cases that have been investigated, the whistleblower is encouraged to be rewarded accordingly according to the nature of the case, and the internal control loopholes found in the investigation are rectified in a timely manner.

The Group has zero tolerance for retaliation. It is strictly prohibited to take various forms of retaliation against whistleblowers and witnesses, and it is strictly prohibited to infringe upon the legitimate rights and interests of whistleblowers and witnesses.

More information about the reporting process and whistleblower protection can be found in the *Policy for Whistleblowing and Whistleblower Protection*.

(3) Responsibility Investigation

The responsible staff shall perform their duties with diligence and honesty when exercising their reporting management functions and prohibit the following acts:

- Racketeering, soliciting or accepting bribes by using reporting clues;
- Abusing the power to handle reporting clues without authorization;
- Facilitating the retaliation and injustice against the Whistleblower;
- Other violations of this Policy or the *Policy for Whistleblowing and Whistleblower Protection*.

For employees who are proven to have committed fraud, the Group shall have the right, depending on the seriousness of the circumstances, to take punishment including but not limited to impacting on performance ratings, demotions, reductions in salary, warning, demerit, termination of labor relations, etc. If the circumstances are serious and a criminal offense is suspected, the case shall be transferred to a judicial organ for handling.

(4) Anti-Fraud Remedies

After the occurrence of fraud cases, the Group shall take timely remedies and evaluate and improve the internal control of the affected business

5. Business Partner Control

Anti-commercial bribery agreements should be signed with third-party business partners or relevant provisions should be included in business agreements.

The occurrence of fraud, bribery, exchange of benefits and other behaviors to seek improper benefits is strictly prohibited, different treatment measures for defaulting suppliers depending on the severity of the situation are clarified, and relevant reporting channels are also clarified.

6. Audit and Monitoring

The Audit and Supervision Center of the Group is responsible for the internal audit of the Group, including business ethics and anti-fraud, bribery and corruption audits.

The Group has formulated the “The Furnace Rules” as its ethical standards and systematically developed audit plan to conduct audit covering all operational locations of the Group at least every two years to ensure that the behavior of all employees complies with the ethical standards.

7. Training and Consultation

All employees shall carry out business ethics training during the induction training.

All employees of the Group (including full-time, part-time employees and contractors, etc.) shall participate in business ethics training on the online training platform at least once a year.

If there is any question about any content of this policy or other anti-fraud provisions of the Group, or if there is any doubt about whether relevant acts may constitute fraud or commercial bribery during the performance of duties, you can consult the department responsible for compliance, and reply after internal communication and discussion.

8. Supplementary Provisions

Anything not covered in this policy, or contrary to the relevant laws, regulations, or normative documents of the People's Republic of China, should be implemented in accordance with the relevant laws, regulations, or normative documents of the People's Republic of China.