Sino Biopharmaceutical Limited

Climate Risk Management Policy

1. Outline

Sino Biopharmaceutical Limited together with its subsidiaries (hereinafter referred to as "SBP Group", "the Group") has always adhered to the strategy of responsible development and integrated "green and low-carbon" into its corporate genes. By referring to the guidelines of the Task Force on Climate-Related Financial Disclosures (TCFD) and the Climate Information Disclosure Guidelines of the Hong Kong Stock Exchange, and combining with the characteristics of our own business and operations, the Group establishes a climate change governance system, proactively identify and respond to various risks faced by the Group due to climate change, formulate special measures to deal with climate risks, and plan the low carbon development path.

2. Applicability

The policy applies to the Group.

3. Climate Risk Governance

SBP Group's climate risk governance structure is based on the ESG work organization structure of the Group, which establishes a comprehensive governance system from the board of directors to member companies to promote the implementation of the Group's climate strategy, public policy engagement and climate risk management-related affairs.

- The Board of Directors: take the highest responsibility for the Group's response to climate change, and approve the Group's climate change strategy and objectives.
- ESG Work Management Committee: Comprehensively lead and manage the climate risk management work of the Group and member companies, regularly discuss climate change related issues and monitor climate risks, supervise and review the company's climate change response and the achievement of climate targets, formulate implementation plans for climate-related public policy

collaboration and industry association participation, and ensure alignment with the Paris Agreement and the Group’ s internal climate commitments. regularly report to the board of directors and make suggestions to support the board's oversight and decision-making on climate change related issues.

- Member companies: responsible for coordinating the daily climate risk management and implementation of the company.

4. Climate Risk Identification and Management

SBP Group regularly collects and identifies climate physical and transformation risks/opportunities that are affected by climate change on production and operation of the group, evaluate the causes and impact degree of risks/opportunities, prepares identification lists of climate risks/opportunities, carries out qualitative and quantitative analysis of various risks according to the list of risks/opportunities, carries out significant assessment and prioritization, and on this basis, formulates corresponding countermeasures and strategies for climate risks and opportunities. Based on the results of regular risk assessment, SBP Group has integrated climate risk management into the Group’ s overall risk management system to systematically and scientifically manage climate risk.

5. Climate Action

Based on the results of risk identification and assessment, the Group takes actions across all regions of operation, including planned new assets, through both mitigation and adaptation measures to fully address the impacts of climate change.

Mitigation

- In compliance with the " SBP Group Carbon Neutrality Goals Roadmap, SBP Group Carbon Neutrality Action Framework and Phase I Carbon Neutrality Action Plan, the Group pursues its carbon neutrality targets across five core priorities: improving carbon neutrality management mechanisms, optimizing energy structures, energy-saving and carbon reduction in production and operations, low-carbon supply chain development, and fostering a low-carbon culture.

- The Group maintains close collaboration with upstream suppliers, downstream customers and diverse business partners to mitigate environmental footprints and carbon emissions throughout the value chain.
- The Group proactively seeks climate cooperation opportunities with industry associations and global institutions, and regularly evaluates the alignment of its cooperative projects with the Paris Agreement. Where discrepancies arise between the Group' s climate stance and those of relevant industry associations, the Group conducts constructive dialogue based on practical project requirements, or reassesses its membership status with such associations. Where necessary, the Group shall report its engagement in public policies as well as climate policy stances and related activities of industry associations.

Adaptation

- The Group strengthens infrastructure resilience and emergency management systems to sustain and upgrade overall operational stability amid climate-related risks on a long-term basis.
- The Group facilitates employee participation in climate governance initiatives. Through systematic training and internal advocacy, it strengthens employees' capabilities in climate risk identification and response, and raises overall awareness of energy conservation and carbon reduction.

6. 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.