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SINO BIOPHARMACEUTICAL LIMITED
中國生物製藥有限公司

(Incorporated in the Cayman Islands with limited liability)

Website: www.sinobiopharm.com

(Stock code: 1177)

VOLUNTARY ANNOUNCEMENT
SINO BIOPHARMACEUTICAL MSCI ESG RATING UPGRADED TO “A”

The board of directors (the “**Board**”) of Sino Biopharmaceutical Limited (the “**Company**” or “**Sino Biopharmaceutical**”, together with its subsidiaries, the “**Group**”) announces that, according to the latest announcement on the 2023 environmental, social and governance (“**ESG**”) rating results by MSCI (Morgan Stanley Capital International), an authoritative international indexing agency, Sino Biopharmaceutical received a rating of “A” on the basis of its continuous efforts and outstanding performance in the ESG field. This is the third consecutive year that Sino Biopharmaceutical has achieved a rating upgrade, reaching a leading level in the rating among enterprises in Chinese pharmaceutical industry.

MSCI is currently one of the best known and recognised ESG index rating agencies in the global capital market, and its ratings have become the mainstream investment benchmarks in the international capital market. Since 2021, the MSCI ESG rating of Sino Biopharmaceutical has been rising steadily from “BB” to “A” in 3 consecutive years. Such results provide effective feedback on the deep implementation of ESG strategies by Sino Biopharmaceutical and objectively reflect the effectiveness of its ESG governance, and also show a direct recognition by the capital market of the Company’s long-term value.

The MSCI rating report shows that Sino Biopharmaceutical was in a leading position for its management performance in two key issues, namely Product Safety & Quality and Access to Healthcare, and had a dynamic performance in issues such as Toxic Emissions & Waste, Human Capital Development, and Governance, with its scoring in all those issues higher than the industrial average.

Sino Biopharmaceutical always adheres to the concept of sustainable development, establishes and implements the “three-tier ESG management system” comprising “decision-making level of the Board – senior management of the Group – executive level of the enterprise”, and continuously promotes the “CARE” ESG governance strategy centered on “Cure”, “Accessible”, “Relationship” and “Environmental”. It aims to promote the organic integration of ESG management into the Group’s overall development strategy, facilitate the harmonious development of the enterprise, employees, society and the environment, and provide strong support for the sustainable development of the enterprise and its partners from different businesses and trades.

In the field of disease treatment, Sino Biopharmaceutical is dedicated to putting innovative research and development into its core driver to provide more effective treatment options for more patients. During 2020-2022, the compound annual growth rate of its investment in research and development reached 25.2%. Currently, the Group has 6 innovative drugs approved and marketed domestically, with more than 90 other proprietary innovative products in clinical development and more than 130 innovative drugs under clinical trials conducted both domestically and internationally, and its research and development achievements have steadily ranked a leading position in the industry.

In the field of expansion of accessibility of medical drugs, Sino Biopharmaceutical always insists on safeguarding the equality of patients in their health rights. While focusing on the core therapeutic areas of oncology, liver diseases, respiratory diseases, and surgery/analgesia, the Group has been deeply engaged in the development of drugs for rare diseases, the fight against antibiotic resistance, and the dissemination of health concepts and culture and expansion of other healthcare accessibility efforts. According to internal statistics, the accumulative number of patients treated by the Group’s key products has reached more than 150 million. Up to the end of 2022, Sino Biopharmaceutical has launched a total of 3 rare disease drugs and 5 rare disease drug programs were under examination and research.

In the field of building win-win relationships, Sino Biopharmaceutical has always adhered to the philosophy of transparency and honesty in cooperation, and is committed to building win-win relationships both internally and externally for diversity, equality and mutual progress. The Group fully encourages the career development of women in the workplace. Currently, 46.66% of the Group’s employees are female, and females hold 42.9% of the Group’s senior management positions and 33.3% of the members of the Board. Meanwhile, the Group provides adequate career development planning and support for all employees, and the average training hours per employee in 2022 were 45.83 hours.

As for environmental initiatives, Sino Biopharmaceutical has continued to increase investment in environmental protection, promote the construction of green manufacturing structure and green product chain, and invested approximately RMB100 million on environmental protection for three consecutive years. Major subsidiaries of the Group, namely Chia Tai Tianqing Pharmaceutical Group Co., Ltd. and Jiangsu Chia Tai Qingjiang Pharmaceutical Co., Ltd., have been awarded the title of national “Green Factory” and the honorary title of “Jiangsu Green Factory 2022”, respectively. Meanwhile, Sino Biopharmaceutical attaches great importance to and proactively copes against the risk of climate change, and practically carries out its carbon neutral pathway and construction of carbon neutral pilot factories.

In the future, Sino Biopharmaceutical will adhere to the concept of sustainable development, and practically fulfill the Group's mission of "Enhancing the quality of life and preserving the dignity of life" through high-quality ESG management, so as to maintain the health and well-being of more patients and offer treatment for more diseases. At the same time, it will promote the harmonious development of the enterprise, employees, society and the environment, provide strong support for the sustainable development of the enterprise, and create long-term value for itself and partners from different businesses and trades.

By order of the Board
Sino Biopharmaceutical Limited
Tse, Theresa Y Y
Chairwoman

Hong Kong, 1 November 2023

As at the date of this announcement, the Board of the Company comprises seven executive directors, namely Ms. Tse, Theresa Y Y, Mr. Tse Ping, Ms. Cheng Cheung Ling, Mr. Tse, Eric S Y, Mr. Tse Hsin, Mr. Tian Zhoushan and Ms. Li Mingqin and five independent non-executive directors, namely Mr. Lu Zhengfei, Mr. Li Dakui, Ms. Lu Hong, Mr. Zhang Lu Fu and Dr. Li Kwok Tung Donald.