上海昊海生物科技股份有限公司
Shanghai Haohai Biological Technology Co., Ltd.



Environmental, Social and Governance Report

2025

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ABOUT THIS REPORT

This report is the tenth environmental, social and corporate governance ("ESG") report released by Shanghai Haohai Biological Technology Co., Ltd. (the "Company" or "Haohai Biological"). It focuses on the disclosure of concepts, practices and performance regarding the economic, social, environmental and governance aspects of the Group. We look forward to enhancing communication with stakeholders, building consensus and promoting sustainable development through the release of the ESG report.

Reporting Period

1 January 2025 to 31 December 2025, part of which involves information prior to 2025 for the integrity of this report.

Scope of the Report

The scope of this report is consistent with that of the 2025 annual report of the Group. In light of the significance of research and development ("R&D") and production activities to environmental impact, unless otherwise stated herein, environmental KPIs specified in this report mainly cover the Company and its major domestic subsidiaries which are mainly engaged in R&D and production business (the "Major Domestic Subsidiaries").

Reporting Principles

This report follows the following reporting principles:

"Materiality" principle: The Group identifies significant ESG issues through stakeholder engagement and materiality matrix analysis.

"Quantitative" principle: The Group reports key performance indicators in quantitative measurement units where feasible.

"Consistency" principle: This report adopts a consistent methodology from previous years to make meaningful comparisons and to mark changes in statistical methods and key performance indicators.

ABOUT THIS REPORT



Basis for Compilation of the Report

This report is prepared in accordance with the ESG Reporting Code of the Hong Kong Stock Exchange and the SSE Sustainability Report Guidelines.

Data Collection and Reliability Assurance

The data and cases contained in this report are mainly derived from the Group's statistical reports and related documents. Unless otherwise stated herein, the financial data contained in this report is derived from the financial statements for the year 2025 prepared by the Company in accordance with the Accounting Standards for Business Enterprises of the PRC.

To the best knowledge of the Board, this report does not contain any false records, misleading statements or material omissions.

Confirmation and Approval

This report was considered and approved by the Board on 24 April 2026.

Access to the Report

The electronic version of this report is available for download at the website of the Hong Kong Stock Exchange (www.hkexnews.hk), the SSE's website (www.sse.com.cn) and the Company's website (www.3healthcare.com).

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ABOUT THE COMPANY

The Company is a technology-driven innovative company specialized in R&D, production, and sales of medical devices and pharmaceuticals. Since its establishment in 2007, the Company and its subsidiaries have been focusing on four fast-developing therapeutic areas of ophthalmology, medical aesthetics and wound care, orthopedics and surgery, and have continued to improve the industrial layout in these four areas through independent R&D and merger and acquisition integration.

The Group is committed to continuously improving the quality of life for Chinese people and promoting patient rehabilitation, with a focus on a differentiated development strategy. Dedicated to technological innovation and transformation, global resource integration and scale production, we aim to provide innovative medical products to the market and gradually achieve import substitution for related pharmaceutical products.

As of the end of the Reporting Period, the Group's market share for ophthalmic viscoelastics and surgical anti-adhesion products in China have each ranked first in the market for 18 consecutive years; the market share of orthopedic intra-articular viscoelastic supplements in China has ranked first in the market for 11 consecutive years; and the domestic market share of human epidermal growth factor for external use products has also remained the second in the market for many consecutive years. The Company has been listed among the "Shanghai Top 100 Manufacturing Enterprises" and "Shanghai Top 100 Private Manufacturing Enterprises" for six consecutive years, the "Shanghai Top 100 Emerging Industrial" for five consecutive years, and the "Shanghai TOP 100 Hardcore Science and Technology Enterprises" for three consecutive years.



For details of the Company's corporate governance during the Reporting Period, please refer to Section IV "Corporate Governance, Environmental and Social" of the Company's 2025 Annual Report published on the SSE on 21 March 2026, and the section headed "Corporate Governance Report" of the Company's 2025 Annual Report published on the Hong Kong Stock Exchange on 24 April 2026.

KEY HONORS AND PERFORMANCE HIGHLIGHTS DURING THE YEAR

Key Honors of the Year

In March 2025, the Company was awarded the title of "Shanghai Innovative Enterprise Headquarters"

In July 2025, the sinusoidal posterior chamber refractive intraocular lens developed by Hangzhou Aijinglun, a subsidiary of the Company, was admitted to the "Innovative Medical Device" special review channel of the National Medical Products Administration ("NMPA")

In September 2025, the Company was listed among the "2025 Shanghai Top 100 Manufacturing Enterprises", "2025 Shanghai Top 100 Private Manufacturing Enterprises", "2025 Shanghai Top 100 Emerging Industrial", and "2025 Shanghai TOP 100 Hardcore Science and Technology Enterprises"

In September 2025, "Hyalumatrix MoonWhite", an amino acid cross-linked sodium hyaluronate gel for injection independently developed by Shanghai Qisheng, a subsidiary of the Company, was selected for the 4th batch of the "2025 Shanghai New and Advanced Technology Transformation Project List", and in December of the same year, the product was included in the "Shanghai Biomedical 'New and Excellent Pharmaceuticals and Devices' Product List"

In September 2025, the orthokeratological rigid gas permeable contact lenses (overnight wear) of NIMO, a subsidiary of the Company, were included in the "Shenzhen Innovative Product Promotion and Application Catalogue (2025)"

In October 2025, the "R&D and Application of Animal Fibrin Hemostatic Drugs" project led by Shanghai Likangrui, a subsidiary of the Company, won the "2025 Shanghai Outstanding Industry-University-Research Cooperation Project Award"

In October 2025, the "Polyester-Polyethylene Glycol Copolymer" of Shanghai Qisheng and "High-purity Acrylate Monomer Materials" of Henan Simedice were shortlisted for the "Biomedical Materials Innovation Task Competition" organized by the Ministry of Industry and Information Technology ("MIIT") and the NMPA

In November 2025, NIMO was accredited as a national SRDI "Little Giant" enterprise by the MIIT

In November 2025, Shanghai Likangrui's "Key Technologies and Applications for High-value Development of Marine Biological Collagen" project won the second prize of the Natural Resources Science and Technology Progress Award

In December 2025, the injectable modified sodium hyaluronate gel independently developed by Shanghai Jianhua, a subsidiary of the Company, was selected for the 6th batch of the "2025 Shanghai New and Advanced Technology Transformation Project List"

KEY HONORS AND PERFORMANCE HIGHLIGHTS DURING THE YEAR

ESG Performance Highlights

In 2025, the comprehensive energy consumption intensity (total comprehensive energy consumption/revenue) decreased by 25% compared to 2021

In 2025, the Scope 1 and Scope 2 carbon emission intensity (total Scope 1 and Scope 2 greenhouse gas emissions/revenue) decreased by 39% compared to 2021

In 2025, 42 patents were granted, including 20 invention patents

In 2025, the total R&D investment amounted to approximately RMB197.778 million, accounting for approximately 8% of operating revenue

Two enterprises were accredited as national SRDI "Little Giant" enterprise

Three enterprises were rated as national or local-level "Enterprise Technology Centers"

One enterprise was rated as a "National Intellectual Property Rights Demonstration Enterprise"

One enterprise was rated as a "National Intellectual Property Rights Advantageous Enterprise"

Five enterprises were rated as "Specialized and Sophisticated 'Little Giants' Enterprises" at the provincial level

Nine enterprises were recognized as the "National High-tech Enterprises"

Five enterprises were rated as national "Science and Technology-based SMEs"

Four enterprises obtained the "Intellectual Property Management System Certification"

Two enterprises obtained the "Environmental Management System Certification"

Two enterprises obtained the "Occupational Health and Safety Management System Certification"

Participated in the drafting and formulation of a total of 16 industry and group standards

No workplace fatalities occurred

The total amount of public welfare and charitable investment was approximately RMB737,900

Grade A in Sino-Securities Index ESG Rating



01 ESG GOVERNANCE

The Group deeply recognizes the significance of corporate sustainable development and has integrated ESG concepts into its corporate management framework by establishing and continuously refining its ESG governance structure. We maintain close communication with stakeholders to fully understand the expectations and needs of various parties, conduct double materiality assessments, and identify core ESG issues, providing a critical basis for optimizing resource allocation and creating long-term value.

ESG GOVERNANCE

ESG Governance Structure

The Group's ESG governance structure is organized from the top down, comprising the Board of Directors, the Strategy and Sustainable Development Committee, and the ESG Working Group. The *Terms of Reference of the Strategy and Sustainable Development Committee* approved by the Board explicitly stipulates that the Strategy and Sustainable Development Committee is responsible for assisting the Board in managing the Company's long-term development strategies, major investment decisions, sustainable development, and matters related to environmental, social, and governance (ESG). The Company has also established an ESG Working Group, composed of heads of ESG-related functional departments and major subsidiaries, which is responsible for the practical execution and implementation of specific ESG initiatives.

The Board

- Acts as the highest responsible and decision-making body for ESG matters
- Authorizes, supervises, and receives progress reports from the Strategy and Sustainable Development Committee regarding ESG-related work
- Review and approve ESG reports

The Strategy and Sustainable Development Committee

- Formulates ESG strategies and targets based on its mandate, supervises the ESG governance mechanism, and evaluates the effectiveness of ESG management
- Reviews the Company's annual ESG work plans, supervises the implementation of such plans and the achievement of the Company's ESG targets, and provides recommendations to the Board
- Reviews and monitors ESG-related impacts, risks, and opportunities, and assesses their potential impact on the Company

The ESG Working Group

- Responsible for drafting and preparing ESG reports
- Responsible for advancing daily ESG operations, including data and information collection, and communication on related matters
- Reports ESG progress to the Strategy and Sustainable Development Committee on a regular basis

ESG Governance Structure and Management Responsibilities at Each Level

Statement of the Board

As the highest decision-making body for ESG governance of the Group, the Board is fully responsible for supervising, guiding and auditing ESG-related matters and ensuring the effective implementation of ESG strategies in the daily operation of the Company. The Board is responsible for formulating and overseeing the ESG strategies and targets of the Group, receiving reports and recommendations on the ESG work of the Strategy and Sustainable Development Committee, regularly assessing the implementation and achievement of ESG targets, and making necessary optimization and adjustments in accordance with the actual situation of the Group.

In the course of its daily operations, the Group actively maintains communication with internal and external stakeholders, and in accordance with ESG regulatory requirements and the characteristics of the industry, follows the principle of "double materiality" to identify and evaluate ESG issues of significant effect to the Group and rank them in order of importance. The Group has conducted systemic discussions on the identified material ESG issues and formulated corresponding management strategies and policies accordingly. Meanwhile, the Group will continuously monitor the domestic and international trends relating to sustainable development, the latest changes in the macro policies of the countries in which it operates and the policies and regulations relating to the industries, as well as the performance of industry peers, and periodically review its own sustainable development status, and continuously examine the applicability of material ESG issues.

The Board is responsible for overseeing the Company's overall risk management and internal control matters, including ESG-related risks. The Strategy and Sustainable Development Committee is authorized by the Board to review and oversee the ESG-related impacts, risks and opportunities of the Company and to assess the extent of the impact of such risks and opportunities on the Company; the Audit Committee is responsible for assisting the Board in overseeing the effectiveness of the risk management and internal control system, including ESG-related risks, and to provide decision-making support to the Board on risk management and internal control matters.

ESG GOVERNANCE

Stakeholder Engagement

The Group has established a regular stakeholder engagement system, through which we maintain stable and smooth communication with all stakeholders to fully understand their opinions and suggestions on the sustainable development strategy, relevant work and performance of the Company, and to carry out targeted exchanges and responses, which will serve as a reference basis for us to optimize the management of sustainable development. Based on its business and operational characteristics, and taking into account the practices and experience of industry peers at home and abroad, the Group has identified our major stakeholders, including shareholders and investors, governmental and regulatory authorities, employees, suppliers, customers and the community.

Stakeholders	Issues of Concern	Major Communication Methods
Shareholders and Investors	Construction of innovation capabilities, anti-commercial bribery and anti-corruption, supply chain safety	Information disclosure, research and reception, investor hotline, shareholders' general meeting
Government and Regulators	Safety and quality of products and services, anti-unfair competition, responding to climate change, pollutant emission, environmental compliance management	Regulatory compliance, information reporting, participation in government projects, on-site research/inspections
Employees	Employees development, communication with the stakeholders	Performance appraisal, diversified training, employee appeal and feedback channels, employee activities
Suppliers	Supply chain safety, equal treatment to SMEs	Fair and transparent procurement, suppliers' assessment and evaluation, supplier meetings
Customers	Innovation-driven, safety and quality of products and services, data security and customer privacy protection, responsible marketing	Customer satisfaction surveys, regular visits, adverse reaction hotline
Community	Protection of ecosystem and biodiversity, social contributions, health accessibility and universality, rural revitalization	Public welfare activities and donations, participation in industry conferences

Double Materiality Issues Assessment

During the Reporting Period, the Group comprehensively analyzed the requirements of policies and regulations, industry development trends and stakeholders' concerns, etc., and identified the substantive issues of sustainable development. On this basis, the Group followed the principle of "Double Materiality" to systemically examine the significant financial impacts (i.e. "Financial Materiality") of these substantive issues may have on the business model, operations and strategic planning of the Company in the short, medium and long term, and assessed the possible significant impacts of the Company's performance on relevant issues on the economic, social and environment (i.e. "Impact Materiality").

01 Identifying and establishing a list of material issues

Incorporate relevant domestic and international standards, industry policies, and regulatory requirements into the scope of analysis, clarify the evaluation framework and assessment criteria, and identify sustainable development issues with potential significance to the Company through methods such as industry benchmarking analysis and stakeholder interviews.

02 Conducting double importance assessment

Impact Materiality: Through internal and external stakeholder questionnaires, a comprehensive assessment of the economic, social, and environmental impacts of each issue is conducted from dimensions including the scale, scope, irremediability, and likelihood of occurrence.

Financial Materiality: The Company's senior management comprehensively analyzes the potential financial impacts of each issue from aspects including the likelihood of risks and opportunities, the continuity of resource utilization, and the degree of reliance for continued production and operations.

03 Analysis of results and enhancement of targeted disclosure

The Board of Directors authorizes the Strategy and Sustainable Development Committee to review and confirm the analysis results of the material issues. Guided by the assessment results of the material issues, the Group continuously optimizes relevant management practices, and carries out targeted information disclosures and continuous improvements.

The Double Materiality Assessment Process

ESG GOVERNANCE

Through the above analysis process, the Group has identified 24 material issues, of which innovation-driven issue is of double materiality and eight issues are of high impact materiality.

No.	Category	Issues	Double Materiality Assessment	
			Impact Materiality	Financial Materiality
1	Social	Innovation-driven	●●●	●●●
2	Governance	Anti-commercial bribery and anti-corruption	●●●	●●○
3	Social	Supply chain safety	●●●	●●○
4	Social	Safety and quality of products and services	●●●	●●○
5	Social	Employees	●●●	●●○
6	Social	Intellectual property rights protection	●●●	●●○
7	Environmental	Waste disposal	●●●	●○○
8	Social	Data security and customer privacy protection	●●●	●○○
9	Social	Responsible marketing	●●○	●○○
10	Governance	Anti-unfair competition	●●○	●○○
11	Environmental	Pollutant Emission	●●○	●○○
12	Environmental	Environmental compliance management	●●○	●○○
13	Environmental	Use of energy	●○○	●○○
14	Social	Social contributions	●○○	●○○
15	Governance	Communications with the stakeholders	●○○	●○○
16	Social	Scientific and technological ethics	●○○	●○○
17	Social	Health accessibility and universality	●○○	●○○
18	Governance	Due diligence	●○○	●○○
19	Environmental	Circular economy	●○○	●○○
20	Environmental	Use of water resources	●○○	●○○
21	Social	Rural revitalization	●○○	●○○
22	Social	Equal treatment to SMEs	●○○	●○○
23	Environmental	Responding to climate change	●○○	●○○
24	Environmental	Protection of ecosystem and biodiversity	●○○	●○○



02 COMPLIANT OPERATION

A reliable risk management and internal control mechanism serves as the safeguard for an enterprise to achieve continuous, stable, and healthy development. We continuously improve our risk management system, further enhance the development of internal control mechanisms, promote the implementation of a culture of integrity and compliance, strengthen data security and privacy protection capabilities, and strictly adhere to technological and scientific ethical standards, thereby ensuring compliant operations and risk controllability, and genuinely safeguarding the rights and interests of our stakeholders.

COMPLIANT OPERATION

Risk Management and Internal Control

The Board acknowledges its ultimate responsibility for the design, implementation, and effective operation of the Group's risk management and internal control systems; and continuously oversees the Group's risk management and internal control systems, ensuring that a review of the effectiveness of the Group's risk management and internal control systems is conducted at least annually.

The Company has formulated the *Risk Assessment Management System* and, in accordance with this system, identifies, assesses, and manages the Group's material risks (including but not limited to material ESG-related risks). Each department and subsidiary of the Company serves as the first line of defense for the Group's risk management, taking responsibility for risk identification, analysis, and response in day-to-day operations. They conduct their respective risk assessment and management tasks, designate dedicated personnel to communicate information with the Company's Risk Assessment Management Working Group, and report on risks that emerge during their operational processes as well as potential risk mitigation plans.

The Board	• Acts as the ultimate responsible body for the effective operation of the Group's risk management and internal control systems • Presides over and supervises the operation of the risk management and internal control systems with the assistance of the Audit Committee • Authorizes the Strategy and Sustainable Development Committee to carry out work related to ESG-related (including climate-related) impacts, risks, and opportunities, providing supervision and guidance
The Audit Committee	• Responsible for assisting the Board in reviewing the effectiveness of the Group's risk management and internal control systems • Responsible for initiating investigations into events relating to risk management and internal control and reporting to the Board
The Strategy and Sustainable Development Committee	• Responsible for reviewing and supervising the Company's ESG-related (including climate-related) impacts, risks, and opportunities, and assessing their potential magnitude of impact on the Company
The Risk Assessment Management Working Group	• Serves as the leading body for day-to-day risk assessment and management work, responsible for reviewing the risk registers and mitigation plans submitted by various departments and subsidiaries • Discusses and approves material risk events and their mitigation plans, prepares the Company's risk management report, submits it to the General Manager for approval, and ultimately reports it to the Board for review

Risk Management Structure of Haohai Biological

The Company has established an Audit Department, which acts as the executive body of the Audit Committee. It is responsible for inspecting and evaluating the completeness, rationality, and implementation effectiveness of the internal control systems of the Company and its subsidiaries. It also conducts regular or ad-hoc inspections on the implementation and rectification of risk control measures across the Company's departments and subsidiaries. Any risks identified during internal audit procedures shall be promptly reported to the management.

During the Reporting Period, the Audit Department collaborated closely with various departments of the Company and its subsidiaries. In accordance with the *Basic Standard for Enterprise Internal Control* and its application guidelines, and taking into account the Group's actual operational conditions, the Audit Department conducted a systematic evaluation of internal audits related to risk management and the effectiveness of internal control, centering on the core theme of "risk-oriented, full coverage, and closed-loop management." The evaluation scope covered the Company and its major subsidiaries, spanning business areas such as organizational governance, strategy and risk management, social responsibility, internal information communication, human resources, research and development, procurement management, sales management, asset management, capital activities, financial reporting, engineering management, and external investment. By comprehensively self-inspecting the execution of internal control systems and processes, an internal control self-evaluation report was formulated and presented to the Board. Additionally, pursuant to the resolutions of the Board, the Audit Department organized and executed special audit investigation projects during the Reporting Period, including service procurement management, Shanghai Qisheng's R&D management, Shanghai Likangrui's material management, Shanghai Haoleyuan's business processes, NIMO's internal control, and Qingdao Huayuan's internal control.

On March 20, 2026, the Audit Committee and the Board reviewed and approved the Company's 2025 Annual Internal Control Self-Evaluation Report, and the Board assessed the effectiveness of internal controls for the year 2025. The Board considers that no material or significant deficiencies in the Company's internal control system have been identified, and that the Group has maintained effective internal controls in all material aspects. Relying on an effective risk management and internal control system, the Group promptly identifies various risks it may encounter during its operations, and after assessing such risks, formulates targeted mitigation plans and response strategies. In the future, we will continue to strengthen risk management and internal control, continuously optimize management processes, and enhance supervision and inspection, so as to prevent various risks and promote the steady development of the Group.

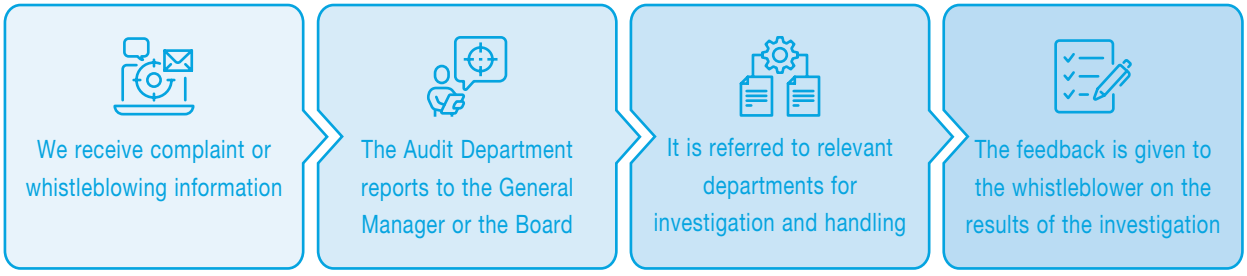
COMPLIANT OPERATION

Business Ethics

The Group attaches great importance to integrity and compliant operations, continuously cultivates a corporate culture of integrity, transparency, and statutory compliance, and promotes professional ethics of self-discipline, honesty, trustworthiness, dedication, and responsibility. We strictly abide by the requirements of laws and regulations relating to anti-corruption, anti-unfair competition, anti-monopoly, and anti-money laundering in the places where we operate, including the *Criminal Law of the PRC*, the *Civil Code of the PRC*, the *Anti-Unfair Competition Law of the PRC*, and the *Anti-Monopoly Law of the PRC*, and have adopted the following primary measures to prevent unfair competition practices:

Continuously improving the anti-corruption, anti-unfair competition, and business ethics management systems: We have formulated and implemented multiple internal policies, such as the *Code of Conduct for Integrity in Sales*, the *Anti-Fraud and Whistleblowing System*, the *Conflict of Interest Declaration System*, and the *Employee Handbook*. We have clearly defined the red lines and prohibited behaviors for integrity in practice, standardized criteria for business entertainment and gift exchanges, established mechanisms for fraud whistleblowing, investigation, penalization, rectification, and remediation, and refined the processes for the identification, declaration, and management of conflicts of interest, thereby continuously strengthening risk prevention and process control.

Establishing a complaint and whistleblowing handling mechanism and setting up a dedicated supervision, complaint, and whistleblowing hotline: In accordance with the *Anti-Fraud and Whistleblowing System*, we have formulated a fraud risk management system and whistleblowing mechanism covering the acceptance of reports, hierarchical investigations, information confidentiality, whistleblower protection, as well as rectification and accountability. Employees at levels, partners with direct or indirect economic transactions with the Company, and the public can lodge complaints and report actual or suspected fraudulent behaviors by the Company and related personnel, as well as violations of professional ethics, through the whistleblowing hotline, email, and written correspondence. Concurrently, the Company strictly implements protection measures for whistleblowers, strictly prohibits any form of retaliation or discrimination, and requires staff involved in the acceptance and investigation of reports not to disclose the whistleblower's information or the content of the report without authorization.



Process for Handling Reports

Emphasizing compliance management and cooperation during business engagements: The Group incorporates business ethics and integrity compliance requirements into its supply chain governance and customer management systems, continuously driving the extension of compliance responsibilities across the value chain. We focus on maintaining long-term cooperative relationships and typically embed anti-unfair competition clauses in the business contracts signed with major suppliers and customers, explicitly requiring them to adhere to the principle of good faith in their business activities and strictly prohibit unfair competition practices. We regularly communicate with and solicit feedback from customers to promptly resolve issues arising during cooperation, ensuring that the interests of both parties are safeguarded.

Leveraging internal audit functions to conduct specialized compliance risk inspections on anti-corruption and trade secret protection: Internal audit serves as a crucial line of defense for the Group against commercial bribery and corruption. During the annual internal audit, the Audit Department incorporates elements such as business ethics and professional ethics into the scope of business cycles for internal control evaluation, with focused attention on high-risk areas such as sales, procurement, and research and development.

Strengthening training on anti-unfair competition, anti-monopoly, and professional ethics: The Group attaches great importance to fostering compliance awareness and building a culture of integrity. Through normalized training and awareness promotion, we reinforce the compliance and integrity awareness among all employees and management, providing a solid ideological foundation and moral safeguard for the high-quality development of the Group.

During the Reporting Period, the Company organized compliance training for new employees, with courses covering topics such as anti-corruption, compliant marketing, and trade secret protection. The training involved 88 new employees, with a total duration of 30 training hours. Meanwhile, the coverage rate of anti-corruption training for the members of the Board of the Company has reached 100%.



Compliance Training for New Employees

In September 2025, NIMO was awarded the "Guangdong Province Enterprise of Observing Contract and Valuing Credit" and "Good Faith Operation Enterprise of Guangdong Province" credit certificates by the Guangdong Market Association.

During the Reporting Period, the Group did not experience any material non-compliance incidents or related legal proceedings arising from corruption or unfair competition.

COMPLIANT OPERATION

Information Security and Privacy Protection

The Group continuously improves its information security management system and strengthens technical protection measures to effectively safeguard the personal information and privacy of employees, customers, and patients. We strictly comply with laws and regulations such as the *Personal Information Protection Law of the PRC* and the *Cyber Security Law of the PRC*, and have formulated internal policies including the *Employee Handbook*, *Archives Management System*, *Emergency Plan for Loss and Leakage Incidents*, and *Information System Security Policy and Management Procedures*, implementing classified confidentiality requirements based on job roles and business characteristics.

In our daily operations, the Company implements hierarchical and classified management of sensitive information, setting differentiated access permissions and confidentiality periods. We have appointed dedicated information technology and security management personnel to strengthen software and hardware protection. The Company conducts regular information security and privacy protection training and clearly defines confidentiality obligations in cooperation agreements with suppliers and customers. We utilize data centers meeting international T3+ standards and cloud services that have passed the National Level 3 Cybersecurity Classified Protection Assessment, implementing an information security management mechanism covering monitoring, protection, and disaster recovery. Furthermore, we require online system suppliers to obtain ISO 27001 Information Security Management System certification to continuously enhance supply chain security.

We attach great importance to the privacy protection of clinical trial subjects, strictly following the *Good Clinical Practice for Drugs* (GCP) and the *Good Clinical Practice for Medical Devices*, and strengthen data control through measures such as pseudonymization, access control, and authorized access to effectively safeguard subject privacy.

During the Reporting Period, the Group did not experience any data security breaches or customer privacy leakage incidents.

Technology Ethics

The Group attaches great importance to technology ethics during the R&D process, continuously strengthening animal welfare protection and clinical trial ethical norms to ensure that scientific research activities are conducted in a legal and standardized manner.

In terms of animal welfare, we strictly follow regulations such as the *Regulations on the Administration of Laboratory Animals of the PRC* and the *Guidelines for Ethical Review of Laboratory Animal Welfare*. R&D bases that conduct internal animal experiments have established Animal Experiment Ethics Committees in accordance with the law, creating management systems and Standard Operating Procedures (SOPs) covering welfare supervision, environmental management, euthanasia, and emergency response. When commissioning third parties for animal experiments, we strictly select qualified institutions and ensure all activities pass ethical reviews and comply with management norms. All animal testing projects follow the "3R" principles (Replacement, Reduction, Refinement). Based on a full assessment of experimental necessity, we minimize the number of animals used, actively explore alternative methods, and reduce animal suffering through process optimization and anesthesia/analgesia measures. We also guarantee laboratory animal welfare through standardized management of housing, drinking water, and feed.

In terms of clinical trials, we comply with the *Personal Information Protection Law of the PRC*, the *Good Clinical Practice for Drugs*, and the *Good Clinical Practice for Medical Devices*, strictly performing ethical review procedures and legally submitting materials such as clinical trial protocols, investigator's brochures, and informed consent forms. We safeguard the rights and interests of subjects through informed consent and data protection measures. For subject privacy protection, please refer to the "Information Security and Privacy Protection" section of this report.



03 PRODUCT RESPONSIBILITY

Quality builds the foundation for development, while innovation drives long-term growth. Haohai Biological insists on giving equal importance to independent R&D and life-cycle quality management, continuously enhancing product performance, safety, and service levels to lead industry progress through innovation.

PRODUCT RESPONSIBILITY

R&D and Innovation

The Group deeply focuses on R&D and innovation in four major therapeutic segments: medical aesthetics and wound care, ophthalmology, orthopedics, and surgery, accelerating the layout and technological transformation of key products. In medical aesthetics and wound care, we have built a business matrix covering hyaluronic acid, genetic engineering preparations for epidermal repair, and radiofrequency/laser equipment, spanning medical beauty, professional beauty, and home beauty scenarios to meet the comprehensive needs of end consumers for epidermal, dermal, and subcutaneous tissues. In ophthalmology, the Company has established a full-scenario product system covering cataract treatment, myopia prevention and control, refractive correction, ocular surface medication, and fundus disease treatment.

Governance

The Group has established an integrated R&D decision-making and achievement transformation management system, forming a top-down organizational structure with clear roles and responsibilities. The Board serves as the highest decision-making body for the Group's R&D and innovation governance, determining development strategies, supervising R&D work, and regularly receiving reports from management on the progress of major projects and the fulfillment of innovation goals.

Additionally, the Company has established a Science and Technology Committee comprising the General Manager, senior management, and R&D heads of various business lines. With each R&D center as the executive body, the Committee collaborates with professional teams in clinical trials, industrialization, and compliance to ensure the standardized and efficient advancement of R&D activities.

Level	Governance Entity	Function
Decision-making Level	Board of Directors	• The highest decision-making body for R&D and innovation governance • Determines the Group's R&D and innovation development strategies • Supervises R&D and innovation work
Management Level	Science and Technology Committee	• Coordinates the direction of new product development, construction of technology platforms, and R&D pipeline layout • Responsible for the feasibility demonstration and approval of scientific and technological projects • Implements overall decision-making and supervision over the Group's R&D activities
Executive Level	R&D Centers	• Responsible for establishing project task forces and advancing specific R&D work • The heads of each R&D center are specifically responsible for technical capability building, talent cultivation, experimental platform maintenance, and daily operational management of their respective R&D teams
	Relevant departments such as clinical trials, industrialization, and compliance	• Provide cross-departmental collaborative support • Ensure the standardized and efficient advancement of R&D activities • Promote the accelerated transformation and implementation of innovation achievements

Haohai Biological R&D Management Structure

Strategy

The Group actively identifies risks related to R&D across various dimensions, including R&D planning, application of new technologies, project management capabilities, human resources, and protection of achievements, and conducts analysis and assessment to adopt targeted strategies for effective response.

Risk	Risk Description	Impact Timeframe	Remarks
Failure to formulate reasonable short, medium, and long-term R&D plans	• May lead to insufficient innovation and waste of resources, and failure to develop new products in a timely manner • May lead to a decline in operating income and an increase in R&D costs	Medium to long-term	Short-term refers to 2 years or less; medium-term refers to 3-5 years; long-term refers to more than 5 years.
Failure to establish a management system covering the entire R&D life cycle, or poor management of the R&D process	• May lead to fraudulent behavior, low R&D efficiency, or R&D failure • May lead to excessively high R&D costs	Short, medium, and long-term	
Insufficient transformation and utilization of research achievements, or inadequate protection measures	• May result in research achievements failing to reach their due economic and social benefits, leading to a waste of resources • May lead to the loss of intellectual property rights or restricted usage, resulting in economic losses	Short, medium, and long-term	

Leveraging our advantages in integrated industrial chain and core technical expertise in intraocular lenses (IOLs) and optometric materials, medical chitosan, medical sodium hyaluronate, human epidermal growth factor (hEGF) for external use, and protein-based technologies, we are committed to providing patients with safer, more effective, and more valuable healthcare products through continuous technological innovation and excellent quality management. The Group adheres to a "Triple-Generation" product development strategy—"Marketing one generation, Developing one generation, and Reserving one generation"—focusing on core fields such as innovative mid-to-high-end IOLs, myopia prevention and correction, medical aesthetics, and intra-articular viscosupplementation. We utilize internal funds to drive product iterations and upgrades while actively positioning ourselves in frontier technologies. We select high-quality technological achievements and innovative products to constantly enrich our pipeline through technology licensing, strategic cooperation, and mergers and acquisitions (M&A).

In accordance with internal policies such as the *R&D Management System*, *Standard Management Procedures for Project Research Protocols*, *Standard Management Procedures for R&D Project Tracking*, and *Management Procedures for CRO Service Provider Selection*, Haohai Biological remains committed to building a standardized full-lifecycle management system that spans project feasibility research, approval, implementation, phase reviews, change control, and final acceptance. Furthermore, we have implemented a three-tier R&D transformation system covering technical cultivation, product R&D, and achievement transformation to continuously drive core technology upgrades and intellectual property (IP) positioning, thereby consolidating our technological leadership.

PRODUCT RESPONSIBILITY

Impacts, risks and opportunities

The Group has integrated R&D and innovation risk management into its overall risk management and internal control framework. By maintaining the effective operation of these mechanisms, we identify, analyze, and assess risks associated with R&D and innovation. Meanwhile, we actively seek innovation opportunities while mitigating risks by building a "talent-platform" dual-driven innovation system, strengthening IP management and protection, and promoting collaborative "Industry-University-Research" development.

R&D Platform Construction

The Group continues to strengthen its innovation infrastructure through national-level platforms, including the National Enterprise Technology Center and the National Postdoctoral Research Workstation, as well as various provincial and ministerial-level technical platforms and the Shanghai Academician Expert Workstation. By establishing medical-engineering collaborative innovation platforms and deepening university-enterprise cooperation, we enhance clinical demand insights and the application of evidence-based research. These efforts expand product application scenarios and improve overall innovation and transformation efficiency from the source, thereby enhancing the Group's market competitiveness and risk resilience.

During the Reporting Period:

- The project "Indications Expansion Study of Porcine Fibrin Sealant for Preventing Air Leakage after Thoracic Surgery: A Multicenter, Randomized, Controlled Phase III Clinical Trial," a collaboration between Shanghai Likangrui and Shanghai Pulmonary Hospital (Shanghai Occupational Disease Prevention and Treatment Hospital), was selected for the "Innovative Medical Device Product Application Demonstration" list under the 2025 Shanghai Science and Technology Industry High-Quality Development Program
- The project "Research on the Preparation and Hemostatic Air-sealing Application of Multi-configuration High-efficiency Sealing Gels for Complex Soft Tissue Traumatic Environments," a collaboration between Shanghai Qisheng and the East China University of Science and Technology, was selected for the "Advanced Materials" project list under the 2025 Shanghai Key Technology R&D Program
- The project "R&D and Application of Animal Fibrin Hemostatic Drugs," a collaboration between Shanghai Likangrui, the Second Affiliated Hospital of Naval Medical University, and Donghua University, received a nomination for the 2025 Shanghai Outstanding Industry-University-Research Cooperation Project Award.

Additionally, we implemented automated measurement solutions to enable automatic data population, replacing manual entry. This has improved data processing efficiency and precision, providing robust support for rapid product iteration and quality optimization.

R&D Team Building

We continue to bolster our R&D teams, establishing a research and operational management team composed of experts from diverse fields. Our core members possess extensive experience in R&D and regulatory registration, providing solid support for innovation and the commercialization of achievements. The Group builds its professional R&D workforce through a dual-track "recruitment + cultivation" model.

The Group continuously refines its incentive mechanisms for R&D talent and emphasizes innovation-oriented management. We implement an incentive model that combines performance appraisals with rewards for project milestones. We encourage our subsidiaries, R&D teams, and individual researchers to participate in professional and talent selection awards to enhance collective honor and innovative drive. Furthermore, we provide R&D personnel with opportunities to exchange knowledge and track industry frontiers through various training courses and seminars, thereby enhancing their research capabilities, professional expertise, and team collaboration.

Participating in the "Maritime Forum: Development and Trends of Joint Surgery" Academic Conference

In October 2025, we organized personnel to participate in the "Maritime Forum: Development and Trends of Joint Surgery" academic conference hosted by the Shanghai Pharmaceutical Profession Association. This prestigious event gathered domestic and international experts and scholars in joint surgery and various related fields to conduct in-depth and extensive discussions on industry frontiers, including the strategic significance and conceptual pathways of joint surgery development, AI-assisted diagnosis and treatment, and the application of new biomaterials. At the conference, the Company shared a specialized report titled "Research on the Progress and Transformation of Cell Therapy in Orthopaedic Diseases," which systematically expounded on the mechanisms of action, clinical efficacy, and application value of cellular drugs in the treatment of orthopaedic diseases.

National SRDI "Little Giant" Enterprise Increased to Two

During the Reporting Period, NIMO was recognized as a national SRDI "Little Giant" enterprise, increasing the number of such national-level "Little Giant" enterprises under the Group to two. In addition, as of the end of the Reporting Period, a total of five enterprises under the Group had been recognized as provincial-level "Specialized and Sophisticated 'Little Giants' Enterprises," and five enterprises had been designated as national-level "Science and Technology-based SMEs". During the Reporting Period, NIMO was also recognized as an Innovative Small and Medium-sized Enterprise under the "First Tier of Specialized, Sophisticated, Distinctive and Novel Gradient Cultivation" in Shenzhen, and Henan Simedice was awarded the title of "Innovative Small and Medium-sized Enterprise" by the Industry and Information Technology Department of Henan Province.

PRODUCT RESPONSIBILITY

Intellectual Property Protection

The Group strictly abides by relevant laws and regulations, such as the *Civil Code of the PRC* and the *Patent Law of the PRC*. We continuously strengthen intellectual property (IP) compliance management and have formulated and implemented internal policies, including the *Enterprise Intellectual Property Management System*, *Intellectual Property Management Manual*, and *Intellectual Property Operation Archives Management System*, which systematically cover the application, protection, and utilization of patents, trademarks, and copyrights.

We continue to refine our standardized IP management system, with the General Manager serving as the primary person responsible for IP work. Senior management oversees the implementation of strategic planning, policy formulation, and resource allocation, while making decisions on and supervising major matters. Furthermore, we are accelerating the centralized management of IP information to achieve unified registration, tracking, and maintenance, and are gradually building a visual information management system to enhance management efficiency and digitalization. Each subsidiary and relevant department has designated personnel responsible for the specific execution of IP application, maintenance, utilization, and protection. As of the end of the Reporting Period, the Company has been recognized as a "National Intellectual Property Rights Demonstration Enterprise," and Shanghai Qisheng has been recognized as a "National Intellectual Property Rights Advantageous Enterprise." The Company and its subsidiaries, Shanghai Qisheng, Shanghai Jianhua, and Shanghai Likangrui, have all obtained IP management system certifications and undergo regular third-party audits. In January 2026, Shanghai Qisheng was further successfully selected as a cultivation entity for the National Intellectual Property Rights Demonstration Enterprise program.

In 2025, aligned with our strategic IP goals, the Company focused on cultivating high-value IP and implementing risk prevention and control through a series of targeted protection measures.

During the Reporting Period, the Group was not involved in any IP infringement disputes or incidents, nor were there any IP-related lawsuits filed against us.

Core Work Priorities

- Systematically conduct patent mining and portfolio mapping in core technical fields to build a market-competitive patent reserve
- Perform infringement risk analysis and compliance assessments prior to product launches; implement continuous monitoring and anti-infringement searches for marketed products to strengthen life-cycle risk control
- In alignment with the "going overseas" strategy, advance IP risk assessments and contingency planning in target markets to safeguard the steady expansion of overseas business

Cross-departmental Collaboration Mechanism

- Led by the IP Management Representative, a normalized collaboration mechanism has been established involving R&D, technology, regulatory affairs, legal, and marketing departments. Through regular discussions and information sharing, IP management is integrated into the early stages of R&D and product planning
- For complex technical issues or high-risk projects, third-party professional institutions are engaged to provide independent validation and consultancy, enhancing the scientific and professional nature of decision-making

Internal Management & External Exchange

- Internally, hold IP management review meetings and specialized internal audits to comprehensively evaluate the effectiveness of IP management and drive continuous improvement
- Externally, actively participate in industry forums and professional conferences to learn advanced practices and strengthen cooperation with industry peers. During the Reporting Period, we attended the "Roundtable Forum on Current Status and Response Strategies for Foreign-related Trade Secret Protection in Shanghai" to gain insights into cutting-edge trends; we also attended the "Academic and Work Meeting of the Pharmaceutical Professional Committee of the China Patent Protection Association" to exchange IP protection practices and trends in the pharmaceutical field

Intellectual Property Risk Management Measures

PRODUCT RESPONSIBILITY

The results of the intellectual property rights of the Group during the Reporting Period are as follows:

	New applications during the Reporting Period		As at the end of the Reporting Period	
	Number of applications (pieces)	Number of applications approved (pieces)	Number of applications (pieces)	Number of applications approved (pieces)
Invention Patent	33	20	153	169
Utility Model Patent	13	16	19	241
Design Patents	6	6	4	71
Copyright and others	4	4	0	49
Total	56	46	176	530

Targets and metrics

As of the end of the Reporting Period, the Group had a total of 386 R&D personnel located in China, the United States, the United Kingdom, France, and Israel. R&D personnel accounted for 18.29% of the Group's total workforce, including 136 individuals with a master's degree or above. During the Reporting Period, the Group's R&D expenditure amounted to RMB197.778 million, representing 8.00% of the Group's total annual revenue.

As of the end of the Reporting Period

the Group had a total of

386 R&D personnel

During the Reporting Period, the Group's hydrophobic moulded toric aspheric IOL and preloaded hydrophobic moulded toric aspheric IOL were approved for marketing in January 2025 and February 2025, respectively. The porcine fibrin sealant obtained approval for a new specification in November 2025. The Group's first cross-linked injectable sodium hyaluronate gel with lidocaine (HA Dermal Filler) and a collagen composite solution for skin care (Class II medical device) were approved for marketing in December 2025. The hydrophilic aspheric multifocal IOL has successfully completed technical review and moved into the administrative approval stage.

As of the date of this report, clinical trials have been completed and registration applications have been submitted for the Group's hydrophobic moulded aspheric trifocal IOL, hydrophobic moulded EDOF IOL, aqueous-permeable phakic posterior chamber IOL, high gas permeable scleral lens, Extended-depth-of-focus IOL, enhanced HA hydro-dermabrasion injection, cross-linked sodium hyaluronate gel for correction of temporal depression, and sodium hyaluronate gel for endoscopic submucosal injection.

In addition, LBM801, a Class 1 innovative drug independently developed by the Group, obtained clinical trial approvals (IND) for articular cartilage injury and osteoarthritis indications in October 2025 and December 2025, respectively.

Over the next two to three years, we will strive to maintain the proportion of R&D personnel at no less than 15% and R&D expenditure at no less than 8% of the Group's annual revenue to support continuous innovation.

Product Safety and Quality

Product safety and quality are the cornerstones of Haohai Biological's stable operations and sustainable development. Adhering to our "Me Too, Me Better, Me Only" R&D philosophy, we systematically ensure product safety and quality through full-lifecycle management, laying a solid foundation for the Company's sustainable development.

Quality control measures

Embracing the "full-lifecycle management" concept, the Group strictly complies with laws and regulations such as the *Drug Administration Law*, the *Regulations on the Supervision and Administration of Medical Devices*, the *Measures for the Administration of Drug Registration*, *Good Manufacturing Practice (GMP)*, the *Measures for the Supervision and Administration of Drug Production*, *Good Supply Practice (GSP)*, and *Good Pharmacovigilance Practice (GVP)*, continuously strengthening the foundation of compliant operations. Each R&D, production, and sales entity has established supporting quality management systems and standard operating procedures (SOPs) based on their specific business characteristics and local regulatory requirements to ensure all business activities are conducted legally and standardly. During the Reporting Period, following the official implementation of the 2025 edition of the *Pharmacopoeia of the PRC* on 1 October, Haohai Biological and Shanghai Likangrui comprehensively updated their quality management system documentation to ensure continued compliance.

The Company, its manufacturing subsidiaries, and major distribution subsidiaries have obtained ISO 13485 (Medical Devices Quality Management Systems) and/or ISO 9001 (Quality Management Systems) certifications, establishing standardized quality management structures accordingly. Additionally, each pharmaceutical production base has established a comprehensive quality management system in accordance with GMP requirements, with organizational structures and responsibilities clearly defined in their respective *Quality Manuals*.

Pharmaceutical production base	GMP-compliant scope
Haohai Biological	Active pharmaceutical ingredients (sodium hyaluronate), ophthalmic preparations, small-volume injections, therapeutic biological products (human epidermal growth factor for external use) and supporting diluents
Shanghai Jianhua	Small-volume injection (sodium hyaluronate injection)
Shanghai Likangrui	Therapeutic biological products (porcine fibrin sealant), active pharmaceutical ingredients (sodium hyaluronate)

PRODUCT RESPONSIBILITY

Highest Person in Charge	General Manager	• The General Manager serves as the highest person in charge of quality management and assumes ultimate responsibility for product quality • Organizes regular Group quality management meetings to discuss and approve the annual production quality work plan
Daily Management	Person in Charge of Quality	• Serves as the management representative to assist the highest person in charge in the daily operation of the quality management system • Supervises and regularly reports on the production quality status to the General Manager
Inspection and Testing	Quality Management Department	• The Quality Management Department is responsible for specific tasks such as inspection and testing, system self-inspections, handling of customer complaints and feedback, and adverse event monitoring. It establishes QA and QC positions to respectively undertake the responsibilities of in-process quality monitoring and routine testing, forming a quality assurance mechanism with clear roles and responsibilities and a coordinated division of labor

Quality Management Structure of Haohai Biological

In strict accordance with the GMP requirements for pharmaceuticals and medical devices, the Company has established a full-process quality management system covering "pre-production preparation, process control, finished product release, and post-sales traceability," systematically identifying and implementing key controls on critical quality control points in production. Quality management personnel conduct on-site supervision over key procedures such as material release, critical production operations, process parameter verification, label and packaging review, and finished product release, to ensure that the production process remains safe and controllable, records are true and complete, and operations comply with relevant specifications. Furthermore, we regularly organize internal quality system audits and simulated flight inspections to continuously verify the compliance and effectiveness of the quality management system. During the Reporting Period, we primarily adopted the following control measures for product quality:

PRODUCT RESPONSIBILITY

Material Control

- The quality department of each production base participates in the evaluation and onsite audits of qualified suppliers to ensure that the quality of materials meets the requirements
- After the materials are purchased, the quality assurance department ("QA") is responsible for the entry check, release inspection and storage management of materials, the laboratory is responsible for sampling inspection and issuing inspection reports

Production Process Control

- Strictly follow the proven production process, operating procedures and inspection methods for production, operation and inspection release
- The quality of the products produced is reviewed and analyzed annually to confirm the stability and reliability of the process and the applicability of the current quality standards. This helps identify the adverse trends in a timely manner and thus determine the product and process improvement
- Formulate production process regulations, identify key control nodes in product production, and supervise the production process by QA
- Truthfully and completely record the quality supervision of the production process to ensure the traceability of product quality

Quality Inspection

- Formulate inspection operation procedures for materials, intermediate products, semi-finished products and samples, etc. Products are sampled and submitted for inspection according to the specified quantity. Intermediate products and semi-finished products that are not inspected or fail to pass the inspection are not allowed to enter the next process. Products may be released after inspection and review and signed by the quality authorized person
- Formulate control procedures for unqualified products. Timely isolate and control unqualified products that have been tested with clear labelling and uniform treatment to avoid misuse, confusion, and loss

Production Environment Testing

- Establish clean area environmental monitoring and management procedures, and monitor and manage the clean area environment to ensure that the clean area environment meets the requirements of production and inspection environment

Warehousing and Logistics

- Store and transport products in strict accordance with product packaging, quality characteristics, temperature control and other requirements, and establish computer information management system that meets the requirements of the GSP to ensure that the production, warehousing, storage and sale of products are recorded and traceable
- Appoint a third-party logistics company that meets the GSP requirements to transport pharmaceutical products, sign an agreement with it to stipulate the quality responsibility, and conduct regular audits on its quality assurance capability

PRODUCT RESPONSIBILITY

We have formulated standard operating procedures for quality self-inspections. In accordance with GMP, ISO 13485, ISO 9001, and the requirements of drug regulatory authorities, we conduct regular inspections on items such as materials and products, qualification and validation, document management, production management, quality control and quality assurance, contract manufacturing and contract testing, as well as product distribution and recalls, subsequent to which self-inspection reports are generated. For any non-conformities discovered during self-inspections, identified by drug regulatory authorities, or found during other certification inspections, we forward them to the relevant departments for rectification and require an analysis of the root causes during the rectification process.

Pharmacovigilance and product recall

We strictly comply with relevant national laws and regulations, such as the *Drug Administration Law*, the *Measures for the Administration of Reporting and Monitoring of Adverse Drug Reactions*, *Good Pharmacovigilance Practice*, and the *Guidelines for Pharmacovigilance Inspections*, and continuously improve the construction of our pharmacovigilance system to ensure the standardized monitoring and management of post-market safety risks. During the Reporting Period, there were no major updates to pharmacovigilance-related laws and regulations. In accordance with regulatory requirements, the Company conducted its annual revision and maintenance of institutional documents such as the *Pharmacovigilance System Master File*. The pharmacovigilance monitoring and reporting processes maintained stable operations without any major changes.

Meanwhile, the Company has formulated and implemented a pharmacovigilance training program, continuously enhancing the drug safety awareness of all employees and the professional capabilities of dedicated personnel, and strengthening our capability in adverse reaction monitoring, risk identification, and compliance handling, thereby ensuring that pharmacovigilance work is carried out in a standardized and efficient manner.



Strengthening Internal Awareness and Promotion

During the Reporting Period, the Company and its manufacturing bases organized multiple internal thematic training sessions covering adverse reaction monitoring, information collection, reporting processes, division of responsibilities, and laws and regulations related to pharmacovigilance. Approximately 700 attendees participated in the training, achieving extensive coverage of personnel in key positions and effectively enhancing employees' understanding of pharmacovigilance responsibilities and standardized operational procedures.



Practical Experience Sharing for Dedicated Personnel

In November 2025, the Company designated specific personnel to participate in an online training course for dedicated corporate pharmacovigilance personnel organized by the National Medical Products Administration (NMPA) Institute of Executive Development. The participants systematically studied interpretations of the *Good Pharmacovigilance Practice* and instances of practical experience sharing in pharmacovigilance. By combining regulatory analysis with practical case studies, this training further enhanced the risk identification, assessment, and handling capabilities of dedicated personnel.

Pharmacovigilance Training

PRODUCT RESPONSIBILITY

Based on the principles of "Rapid response, Controllable risks, Full-process traceability, and Closed-loop management," the Group strictly abides by regulatory requirements such as the *Administrative Measures for Drug Recalls*, the *Regulations on the Supervision and Administration of Medical Devices*, and the *Administrative Measures for Medical Device Recalls*. We have established a product recall management mechanism that clearly defines full-process operational specifications, including the identification of recall conditions, publication of announcements, delivery of notifications, regulatory filings, and effectiveness evaluations. This ensures that we can respond promptly and handle matters effectively in the event of any quality or safety risks, thereby effectively safeguarding patient safety and the Company's compliant operations. Meanwhile, we regularly conduct evaluations and drills on the operational effectiveness of our recall system to continuously enhance our risk prevention and control, as well as emergency response capabilities.

During the Reporting Period, an overseas subsidiary of the Company conducted a voluntary recall of a contact lens care solution product in the United States due to a potential contamination issue. In response to this recall incident, the relevant subsidiary and the contract manufacturer jointly analyzed the root cause of the issue to prevent its recurrence.

Investigation and Evaluation

- When potential quality issues or other safety hazards with marketed products are identified during complaint management, pharmacovigilance, or production quality management, or upon receipt of a mandatory recall notice from regulatory authorities, the Quality Assurance Department immediately initiates the investigation mechanism. It coordinates with relevant departments to conduct risk screening and issues the *Product Quality Issue and Safety Hazard Investigation and Evaluation Record*. In accordance with their respective responsibilities, relevant departments conduct root cause analyses and risk assessments on the affected products to systematically identify the potential scope of impact

Recall Decision

- The relevant departments feed back the investigation results to the Quality Assurance Department, which compiles the *Product Quality Issue and Safety Hazard Investigation and Evaluation Report* and submits it to the Recall Working Group for review. Based on the evaluation conclusions, the Recall Working Group determines whether to initiate a recall or conduct further investigation, and formulates a *Recall Plan* specifying the recall classification, scope, and handling measures. The recall is officially initiated upon the approval of the person in charge of the enterprise and the person in charge of the recall

Recall Implementation

- Once a recall decision is made, the person in charge of the recall immediately organizes the implementation of recall actions. According to the plan, they carry out the delivery of notifications, product recovery, and subsequent disposal to ensure that products at risk are promptly brought under control and that full-process tracking management is completed

Product Recall Process

PRODUCT RESPONSIBILITY

Product quality training

The Group has established and implemented training management regulations to promote the normalization of training activities, ensuring that employees receive timely and effective support to improve their professional capabilities, thereby continuously strengthening our product quality and safety assurance capabilities as well as our GMP compliance standards. Currently, all production and quality control personnel are required to undergo professional training matching their job responsibilities, and frontline operators must complete training on safe operations and protective knowledge and pass relevant assessments before they are permitted to work independently.

Meanwhile, for the operation of specialized equipment, the handling of hazardous chemicals, and other special positions stipulated by national regulations, we strictly implement the requirements for working with valid certifications and undergoing retraining. This ensures that relevant personnel only commence work after obtaining statutory qualifications, continuously enhancing the level of safety and compliance management in key positions.

During the Reporting Period, the Group conducted training sessions related to quality management and product safety, recording 6,949 employee attendances and a total of 12,128.4 training hours.

Furthermore, we encourage our employees to actively participate in various competitions and evaluations regarding professional knowledge of production quality and operational skills. By competing alongside industry peers, we drive the enhancement of our employees' capabilities in problem analysis, team collaboration, and innovative practice.

Haohai Biological Awarded the Third Prize for Achievements in Key Product Quality Improvement Projects in 2025

During the Reporting Period, the Company's project "Quality Improvement of Recombinant Human Epidermal Growth Factor for External Use" was awarded the Third Prize for Achievements in Key Product Quality Improvement Projects in 2025. This award was jointly organized by the Shanghai Municipal Administration for Market Regulation and the Shanghai Municipal Commission of Economy and Informatization. By participating in this selection procedure, the Company continues to foster a strong internal atmosphere dedicated to improving quality management and continuously elevating quality standards.

Shanghai Qisheng Won the First Prize in the Minhang District Chief Quality Officer Reform and Innovation Meritorious Competition

During the Reporting Period, Shanghai Qisheng won the First Prize in the "Minhang District Chief Quality Officer Reform and Innovation Meritorious Competition". Jointly organized by the Shanghai Minhang District Federation of Trade Unions and the Minhang District Administration for Market Regulation, the competition aims to provide a platform for chief quality officers from various enterprises to showcase their talents, exchange experiences, and share insights. By participating in this competition, Shanghai Qisheng exchanged valuable experiences with outstanding industry representatives, continuously enhancing its internal quality efficiency and corporate competitiveness.



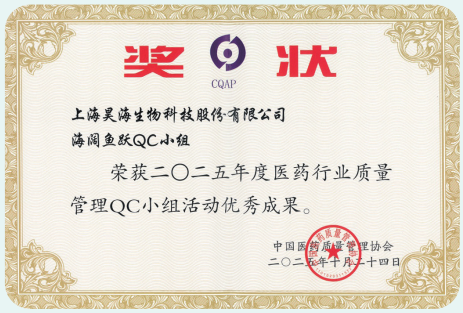
Secured Seven National and Shanghai Municipal Awards for Pharmaceutical Industry Quality Control (QC) Group Achievements

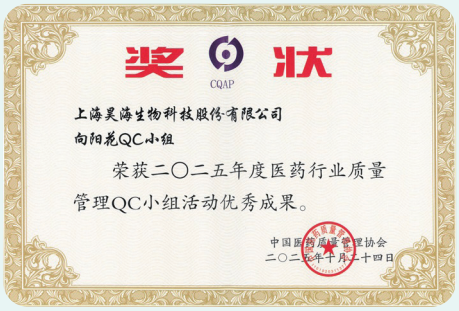
- In June 2025, the Group organized its quality management personnel to participate in the 2025 Shanghai Pharmaceutical Industry Quality Control (QC) Group Achievement Presentation and Exchange Conference hosted by the Shanghai Pharmaceutical Quality Association. Following expert evaluation, the projects submitted by the Company and Shanghai Likangrui were honored with two "Shanghai Pharmaceutical Industry Excellent QC Group Innovation Awards", one "Shanghai Pharmaceutical Industry Excellent QC Group On-site Award", and one "Shanghai Pharmaceutical Industry Excellent QC Group Key Breakthrough Award".

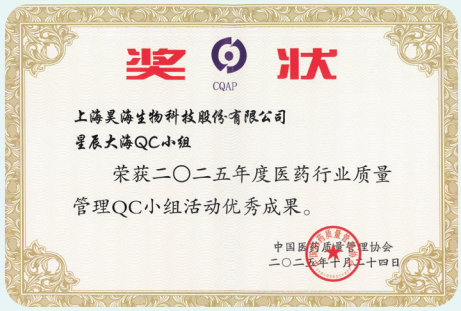
- In October 2025, at the 46th National Pharmaceutical Industry Quality Control (QC) Group Achievement Presentation and Exchange Conference, the projects submitted by the Company garnered three "Excellent Achievement Awards for Pharmaceutical Industry Quality Control QC Group Activities".

- The award-winning projects covered areas such as technical process optimization and energy consumption control, demonstrating the tangible results of the Group's QC teams in their persistent commitment to "Improving quality and efficiency, Conserving energy and Reducing consumption".


荣誉证书
HONORARY CREDENTIAL
上海利康瑞生物工程有限公司 四叶草QC小组：
荣获"二〇二五年上海市医药行业优秀QC小组"
创新奖
上海市医药质量协会
二〇二五年六月


奖状
CQAP
上海昊海生物科技股份有限公司
海阔鱼跃QC小组
荣获二〇二五年度医药行业质量管理QC小组活动优秀成果。
中国医药质量管理协会
二〇二五年十月二十四日


奖状
CQAP
上海昊海生物科技股份有限公司
向阳花QC小组
荣获二〇二五年度医药行业质量管理QC小组活动优秀成果。
中国医药质量管理协会
二〇二五年十月二十四日


奖状
CQAP
上海昊海生物科技股份有限公司
星辰大海QC小组
荣获二〇二五年度医药行业质量管理QC小组活动优秀成果。
中国医药质量管理协会
二〇二五年十月二十四日

PRODUCT RESPONSIBILITY

Supply Chain Management

Haohai Biological continuously refines its supply chain governance system and strengthens collaborative cooperation with suppliers. While safeguarding the rights and interests of suppliers, we actively seek and guide our partners to jointly fulfill environmental and social responsibilities, thereby promoting the high-quality and sustainable transformation and upgrading of the supply chain.

Supplier admission

In accordance with relevant national laws and regulations, and in light of its actual operational conditions, the Group continuously improves its internal supplier management system. We have established supplier management systems and operating procedures, such as the *Procurement Management System*, the *Supplier Management Procedures*, and the *Raw Material Supplier Audit System*, to manage the entire lifecycle of suppliers from admission, audit, and assessment to exit.

In terms of supplier screening and admission, we identify potential suppliers through the collection and analysis of industry chain information. Suppliers are required to meet requirements regarding operating qualifications, quality standards, and other aspects. For potential suppliers that meet the criteria, we will organize personnel from relevant departments, such as R&D, production, quality, and procurement, to conduct further evaluations across dimensions including quality systems, plant and equipment, production management, material standards, occupational health and environment, after-sales service, and pricing factors. For key material suppliers, we also conduct sample testing and on-site inspections, and sign quality assurance agreements. Suppliers that pass the evaluation will ultimately be included in the directory of qualified suppliers. Furthermore, we have formulated rules and regulations prohibiting employees from engaging in commercial bribery and fraudulent behaviors, and require procurement personnel to sign the *Integrity Practice Commitment Letter*, creating a fair and just environment for supplier admission.

During the Reporting Period, the Group had a total of 340 suppliers, including 295 in mainland China and 45 in overseas regions, Hong Kong, Macao, and Taiwan.

During the Reporting Period

the Group had a total of **340** suppliers

including **295** in mainland China

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Supplier assessment

For qualified suppliers, we conduct continuous tracking and evaluation in aspects such as product quality, price, and contract performance, and implement hierarchical management for suppliers. We conduct annual performance reviews of suppliers, and those who pass the review will be retained as qualified suppliers. Should any problems or defects be identified during the review process, we will immediately communicate with the supplier, explicitly requiring them to take corrective actions within a specified timeframe, and we will continuously track their rectification progress. If a supplier fails the re-evaluation and shows no significant improvement, it will be removed from the directory of qualified suppliers.

In addition, the Group adopts two different audit methods – on-site audits and documentary reviews – for suppliers of different tiers. Specifically, we organize on-site audits for key material (Class A material) suppliers at least once every five years, conducting comprehensive on-site audits covering over 80 audit items across seven dimensions: personnel and organization, environment and plant, equipment and facilities, material management, production management, quality management, and product transportation and change control.

During the Reporting Period

we conducted on-site audits on

47 suppliers

During the Reporting Period, we conducted on-site audits on 47 suppliers.

Supply chain assurance

The Group continuously refines its supply chain assurance and risk prevention and control mechanisms. We have established a procurement center to coordinate the centralized procurement management of important materials and key equipment across the entire Group, and to uniformly carry out supplier selection, evaluation, and on-site audits. Through economies of scale in procurement, we enhance operational efficiency, reduce procurement costs, and establish long-term and stable cooperative relationships with core suppliers.

Centering on our production and R&D needs, the Group has established annual holistic and monthly rolling procurement plans, concurrently setting up coordination and advance stocking mechanisms as well as implementing dynamic safety inventory management to ensure the stable supply of key materials. For critical materials with a limited number of suppliers or those affected by international dynamics, the Group continuously conducts market monitoring and potential supplier development. We drive domestic substitution and customized joint R&D, prioritizing resources from within the Group and domestic suppliers to mitigate the risks of external reliance. Meanwhile, we implement differentiated supplier selection strategies based on the criticality of the materials, prioritizing local supporting networks to improve communication efficiency and response speed, thereby collaboratively building a supply chain ecosystem that is stable, secure, and resilient.

PRODUCT RESPONSIBILITY

Supply chain collaboration

We continuously deepen our communication and collaboration mechanisms with suppliers. Through supplier conferences, thematic seminars, routine communications, and on-site visits, we enhance information sharing and synergistic improvements in areas such as quality management, safe production, customer complaint handling, and capability enhancement. We also conduct customized training programs for different categories of suppliers, joining hands to elevate the overall operational standards of the supply chain.

Building upon this foundation, the Company actively extends green and low-carbon concepts to the supply chain, collaborating with partners to promote packaging reduction, the use of eco-friendly materials, energy-efficient transportation, and high-efficiency equipment upgrades. For instance, by upgrading to eco-friendly packaging materials, optimizing the internal and external packaging structures of our products, utilizing insulated boxes instead of energy-intensive cold chain transports, prioritizing direct flights and new energy logistics methods, and giving precedence to products with high energy efficiency ratings during equipment procurement, we effectively reduce resource consumption and achieve coordinated progress in cost reduction, efficiency enhancement, and carbon emission reduction. Haohai Biological is committed to working with our suppliers to forge a sustainable supply chain ecosystem that is stable, efficient, green, low-carbon, and mutually beneficial.

During the reporting period, the balance of the Company's accounts payable (including notes payable) did not meet the disclosure threshold stipulated in Article 46 of the SSE Sustainability Report Guidelines. Therefore, the issue of "Equal treatment to SMEs" is not applicable.

Responsible Marketing

While continuously strengthening our product quality and safety management, we attach high importance to safeguarding the rights and interests of our clients and consumers, positioning the enhancement of user satisfaction as a pivotal direction for our service management. The Group standardizes its marketing and promotional behaviors to ensure the accurate transmission of product information and avoid misleading publicity. Furthermore, we leverage multi-channel communication mechanisms to collect customer feedback, driving continuous service optimization and experience upgrades.

Customer service

The Group has established multi-channel mechanisms for customer communication and feedback. Through regular customer visits, satisfaction surveys, and service hotlines, we continuously collect customer needs, opinions, and complaints. Such efforts prompt our production and sales subsidiaries to formulate standardized complaint handling procedures, specifying the closed-loop management requirements for acceptance, allocation, investigation, rectification, and feedback.

To address customer feedback issues, the Company implements a cross-departmental collaborative handling mechanism, in which relevant functional departments conduct root cause analyses and implement rectifications to provide timely solutions for clients. Matters involving product quality are subject to specialized follow-up processing by the quality management department. For verified cases of quality defects or safety hazards, we strictly organize and execute operations in accordance with recall procedures, fully safeguarding the safety and lawful rights and interests of consumers.

Meanwhile, the Group continues to advance the digitalization and refined management of customer relations. Under the premise of strictly ensuring customer information security and system compliance, we rely on the CRM (Customer Relationship Management) system to collect, manage, and analyze customer data, realizing rapid responses to issues and personalized service support.

During the Reporting Period, the Group received a total of 45 product-related complaints. Except for those cases that the complaint information was verified to be incorrect, all other complaints have been duly resolved.

Marketing

The Group strictly complies with the requirements of relevant national laws and regulations in designing product instruction manuals and labels, thereby protecting patients' right to know about product information. We strictly adhere to the *Advertising Law of the PRC* and other laws and regulations related to the advertising and promotion of pharmaceutical products. We submit the content of pharmaceutical product advertisements to drug regulatory authorities for review and publish them only upon approval, thereby preventing any false or misleading publicity.

We have established a multi-departmental collaborative review mechanism for promotional materials. The product marketing, medical, and legal departments, among others, review and gatekeep brand advertisements and external communication materials from dimensions such as medical scientificity, advertising compliance, and the standardization of information disclosure, respectively. When necessary, the Company's management conducts further compliance reviews of critical or sensitive content to ensure that all disseminated information complies with regulatory requirements and corporate governance standards.

Furthermore, we continuously advance capability building in responsible marketing, elevating employees' compliance awareness and risk prevention capabilities through normalized training. We conduct specialized training focused on product knowledge, standardized promotion, and new media communication to bolster the professional literacy and prudent disclosure awareness of our marketing personnel, thus advancing the standardized and orderly development of our marketing activities.



04 ENVIRONMENTAL PROTECTION

The Group incorporates environmental issues into its corporate governance and operational management system. Centering on key directions such as addressing climate change, pollution prevention and ecological protection, and resource management and the circular economy, we systematically advance the development of relevant management mechanisms and the implementation of measures, thereby driving the coordinated development of business operations and environmental protection.

Responding to Climate Change

Climate change is a long-term challenge jointly faced by the global community. The Group attaches great importance to climate change issues and systematically incorporates them into its corporate governance and risk management systems. We continuously identify and assess the potential risks and opportunities brought about by climate change and, in conjunction with our actual business operations, formulate corresponding response measures to mitigate the potential impacts of climate change on the Company's operations and business development. Concurrently, the Group actively explores low-carbon transition pathways in daily operations and drives the sustainable optimization of its business model, contributing corporate efforts to address global climate change.

Governance

The Group fully recognizes the impact of climate change on stable operations and long-term development. We continuously enhance our climate change management system and integrate relevant issues into our ESG governance framework. We have established a climate change governance structure comprising the Board of Directors, the Strategy and Sustainability Committee, and the ESG Working Group. This structure clarifies the division of responsibilities at each governance level and strengthens overall coordination and supervisory management, thereby ensuring the systematic and effective management of climate change-related risks.

Climate Change Governance Structure and Corresponding Responsibilities

Board (Climate Change Related Work)

- As the highest decision-making and supervision body for climate change related work, fully performs governance responsibilities
- Authorises the the Strategy and Sustainable Development Committee, supervises its performance, and regularly receives reports on related work

Strategy and Sustainable Development Committee

- Formulates and reviews climate change-related goals and strategies
- Reviews and monitors the progress and achievement of climate change related goals
- Reviews and monitors climate change-related risks and opportunities, assesses the potential impact on the Company
- Regularly reports relevant work to the Board and makes recommendations on the identification and response strategy of climate change risks

ESG Working Group

- Responsible for organizing the identification and assessment of climate change-related risks
- Coordinates various functional departments to promote the formulation and implementation of climate change responses, supporting the execution of relevant management requirements in daily operations

ENVIRONMENTAL PROTECTION

Strategy

Addressing climate change has become a global consensus. Following the TCFD recommendations, the Group employs various scientific methods to conduct climate scenario analyses to systematically evaluate the potential impacts of climate change on the Company's operations and business development. Regarding physical risks, we reference the Representative Concentration Pathways (RCP2.6 and RCP8.5) proposed by the Intergovernmental Panel on Climate Change (IPCC) to analyze future greenhouse gas emission trends and associated climate impacts. Regarding transition risks, the Group references the Announced Pledges Scenario (APS) and the Net Zero Emissions by 2050 Scenario (NZE) modeled by the International Energy Agency (IEA) to assess the potential impacts brought about by policy, technological, and market changes.

Based on the results of our climate risk identification and scenario analyses, and in consideration of the Group's current operational status, strategic planning, and industry development trends, we systematically compile and formulate a list of climate change-related physical risks, transition risks, and opportunities. Accordingly, we continuously optimize our response strategies to enhance our adaptability and operational resilience to internal and external environmental changes.

Types of Climate Change Risks/Opportunities		Description of Relevant Impacts	Response Measures
Physical Risks	Frequent extreme weather	Climate change may lead to an increased frequency of events such as typhoons, floods, and extreme high temperatures. Certain subsidiaries and production facilities of the Group are located in Shanghai and Guangdong Province, which have a relatively high probability of being affected by extreme weather in the future. Such events may cause damage to plants, equipment, and infrastructure in these regions, and disrupt logistics, transportation, and normal production operations. Meanwhile, extreme high temperatures may alter the performance of raw materials, making storage and production conditions more stringent, which in turn could impact the Group's operating revenue and push up overall operational costs.	– Monitor weather trends, acquire climate-related information, assess the potential impact of weather changes on production and operations, and deploy corresponding disaster prevention and emergency measures in advance. – Formulate and implement the *Special Emergency Plan for Natural Disasters* to effectively prevent and respond to the impacts of extreme weather on production facilities, and enhance emergency response capabilities through annual emergency drills. – Implement dual power supply guarantee measures at production facilities to cope with emergency situations such as power outages potentially triggered by extreme weather; equip temperature-adjustable cold storage facilities to ensure products are stored under constant temperatures, mitigating the impact of climatic factors on product quality. – During the construction and renovation of plants, incorporate extreme weather factors into preliminary planning, and select building materials with suitable properties such as high-temperature resistance and fire retardancy to bolster defensive capabilities against extreme climate events.

Types of Climate Change Risks/Opportunities		Description of Relevant Impacts	Response Measures
Transition Risks	Carbon pricing	With the gradual expansion of the carbon market's coverage, there is a possibility that some of the Group's pharmaceutical enterprises located in Shanghai will be incorporated into the carbon emission allowance management system in the future. Should carbon emissions exceed the verified allowance levels, the Group may incur additional compliance costs, thereby impacting operating costs.	– Closely monitor updates regarding relevant laws, regulations, and policies; conduct annual greenhouse gas emission statistics to prepare for and promptly respond to the potential inclusion into the carbon emission allowance management system. – Proactively set carbon emission management targets; reduce per-unit product energy consumption through equipment retrofitting and process optimization, curtail greenhouse gas emissions, and progressively lower carbon emission intensity.
	Transformation costs for low-carbon emission technologies	In the short-to-medium term, national policy requirements regarding the application of green technologies in the pharmaceutical industry will continue to elevate. Whether compelled by policies and regulations or to meet the expectations of customers and the public, the Group's efforts to promote the use of clean energy, enhance the energy efficiency of production equipment, or introduce new low-carbon technologies may result in increased operational costs over a certain period due to related investments.	– Prior to advancing the transformation towards low-carbon technologies, conduct systematic evaluations of relevant projects, comprehensively consider the return-on-investment periods and technological feasibility, and select appropriate technological pathways. – Ensure a smooth transition and integration between new technologies and existing processes to minimize operational risks during implementation. – Leverage the benefits of low-carbon product technologies as a developmental opportunity to enhance product competitiveness and market appeal.
	Rising raw material and energy prices	The Group's upstream raw material and energy suppliers may similarly be exposed to climate change risks, which could trigger price fluctuations and hikes in raw materials and energy. This would increase production costs and impose pressure on the Group's operational cost control.	– Continually monitor dynamics in the raw material market, stay abreast of raw material price trends and energy policy shifts in a timely manner, and enhance response capabilities. – Lower energy consumption intensity by optimizing production processes and sustainably driving technological innovation. – Strengthen supplier management, regularly evaluate raw material supply risks, and bolster supply chain stability.

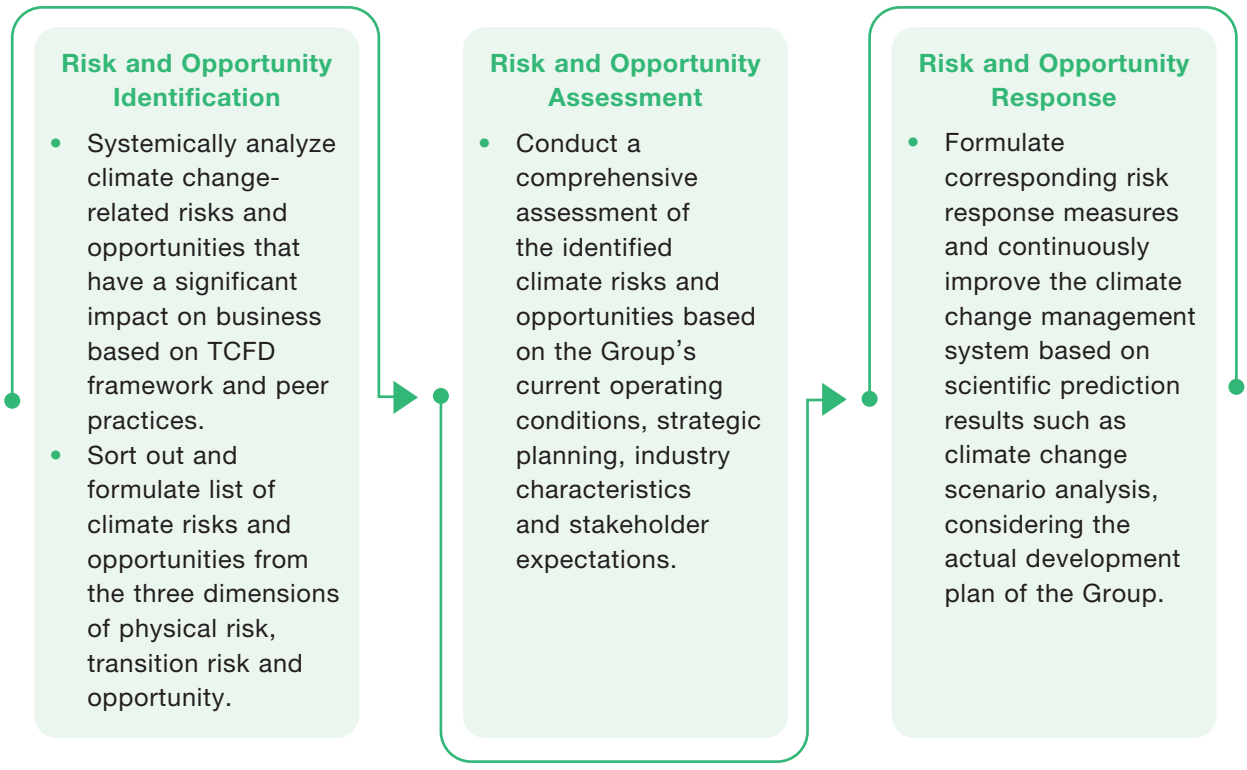
Types of Climate Change Risks/Opportunities		Description of Relevant Impacts	Response Measures
Transition Risks	Stakeholder expectations and concerns	As a company listed on both the Stock Exchange of Hong Kong and the STAR Market, the Group's climate change-related policies, actions, and information disclosures are under constant and intense scrutiny from investors and other stakeholders. Should such disclosures be deemed insufficient or fall short of stakeholder expectations, it could adversely affect the Company's reputation and investor decision-making. This may trigger a ripple effect, including weakened demand for products and services, reduced investor interest, and diminished government support, consequently impacting the Group's operating revenue across multiple dimensions.	– Adopt diverse energy-saving and carbon-reduction measures to continually mitigate the environmental impact of the Group's operational activities, while actively participating in and supporting global actions against climate change. – Strengthen communication and engagement with all types of stakeholders through the publication of ESG reports and the execution of investor relations activities.
Opportunities	Resource efficiency	Through structural design optimization, process enhancements, and equipment upgrades, the Group persistently improves the utilization efficiency of energy and resources. Meanwhile, the progressive refinement of policies and incentive mechanisms related to renewable energy has created developmental opportunities for enterprises to drive the transformation of their energy structures and optimize operational models.	– Enhance energy utilization efficiency in product R&D and production processes through equipment retrofitting, technological upgrades, and process optimization, thereby lowering energy consumption intensity and operational costs. – Endlessly refine production processes to reduce resource inputs (e.g., water resources, packaging materials), improve resource utilization efficiency, and cut operational costs. – Further elevate the level of water resource recycling to minimize the consumption and wastage of water resources.
	Product competitiveness	Driven by intensifying global climate change trends, customers are increasingly focusing on environmentally friendly products and services. The Group's practices and accomplishments within the low-carbon sphere help bolster product competitiveness and elevate brand image and market recognition.	– Progressively reduce the product carbon footprint starting from material procurement, production, and packaging stages to cater to customer demands for low-carbon products. – Advance the application of low-carbon technologies to strengthen product competitiveness and market appeal.
	Adaptability	The identification of and response to climate change risks have injected renewed momentum into the capacity building of the Group's governance system, facilitating the refinement of risk management and decision-making mechanisms and consistently elevating overall governance standards.	– Systematically identify and evaluate climate change-related risks, devise and implement corresponding response measures, and continually enhance the Group's adaptability and resilience to climate change.

The risks and opportunities brought about by climate change are increasingly becoming pivotal considerations in our business operations and strategic decision-making. Based on the results of this year's climate scenario analysis, we have conducted a quantitative assessment of the relevant climate risks and opportunities that could substantially affect the Group's financial position. Incorporating the Group's actual operating conditions, we have carried out a preliminary assessment of the potential impacts of climate change-related risks and opportunities on the Group's business operations. By collating relevant operational data and leveraging management's judgment, we performed a comprehensive analysis of these potential impacts. Following this comprehensive evaluation, physical risks, transition risks, and opportunities do not constitute a significant financial impact on the Group for the current period.

Impact, risk and opportunity management

In order to enhance the resilience to climate change and effectively identify, grasp and manage climate-related risks and opportunities, the Group has systemically incorporated climate change into its overall risk management system and continued to strengthen its relevant management capabilities. We have established climate change risk and opportunity identification, assessment and response mechanisms, and regularly report to the Board on the progress and achievement of relevant works and goals, to mitigate the potential impact of climate change on business operations, and promote the Group to achieve long-term sustainable development goals.

Climate Change Risk and Opportunity Management Mechanism



ENVIRONMENTAL PROTECTION

Metrics and targets

The Group actively responds to the national "Dual Carbon" strategic goals, driving the reduction of greenhouse gas emission intensity through practical measures such as the continuous enhancement of energy utilization efficiency.

Furthermore, the Group continually refines its greenhouse gas emission data management system. During the Reporting Period, we progressively initiated Scope 3 greenhouse gas emissions accounting, covering categories including purchased goods and services, fuel and energy-related activities, waste generated in operations, business travel and end-of-life treatment of sold products, thus providing data support for subsequent carbon emission management. We have established carbon emission targets and continuously trace their completion status:



Carbon Emission Targets

- By 2025, the target of reducing greenhouse gas emission intensity (total Scope 1 and Scope 2 greenhouse gas emissions/operating revenue) by 10% compared to 2021 has been successfully achieved
- Starting from 2026, using 2025 as the base year, maintaining the existing greenhouse gas (Scope 1 and Scope 2) emission intensity for the next 3 years, and progressively expanding the accounting efforts for Scope 3 carbon emissions

During the Reporting Period, the Group's Scope 1 and Scope 2 greenhouse gas emissions metrics are as follows:

Metric	Unit	2025	2024	2023
Greenhouse gas emissions[1]				
Greenhouse gas (Scope 1)[2]	Tonnes of standard CO_2e	4,585	4,554	4,689
Greenhouse gas (Scope 2)[3]	Tonnes of standard CO_2e	19,662	20,865	19,689
Total greenhouse gas (Scope 3)[4]	Tonnes of standard CO_2e	20,131	/	/
Total greenhouse gas emissions (Scope 1&2)	Tonnes of standard CO_2e	24,247	25,418	24,378
Greenhouse gas intensity (Scope 1&2)	Tonnes of standard CO_2e/ RMB10,000 of revenue[5]	0.12	0.11	0.11

1 *The accounting of greenhouse gas was based on the Guidelines on Greenhouse Gas Emission Accounting Methods and Reporting of Enterprises in Other Industrial Sectors (Trial) issued by the National Development and Reform Commission.*

2 *Greenhouse gas (Scope 1) are generated from the combustion of unleaded gasoline, diesel and natural gas.*

3 *Greenhouse gas (Scope 2) are generated from the use of externally purchased electricity and steam, and accounted and prepared in accordance with the Announcement on the Release of the 2023 Electricity CO_2 Emission Factors issued by the Ministry of Ecology and Environment.*

4 *The classification of greenhouse gas (Scope 3) emissions within the Group is based on the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard, 2011.*

5 *"Revenue" in this report refers to the operating revenue of the Company and its Major Domestic Subsidiaries during the Reporting Period.*

Pollution Prevention and Ecosystem Protection

The Group adheres to the concept of green development, regards pollution prevention and control and ecological environmental protection as key focuses of environmental management, and continues to strengthen environmental risk management and pollutant emission management throughout the entire production and operations process. At the same time, the Group adheres to the principle of ecological protection, pays attention to the impact on ecosystems and biodiversity in project planning and operation management, and promotes the coordinated development of corporate operations and environmental protection.

Environmental Management System

The Company has established and continuously improved its environmental management system, constantly promoting the standardized operation of environmental management. By formulating and implementing relevant environmental management regulations and operating procedures, combined with external regulatory inspections and third-party audits, we gradually optimize and improve our capabilities in environmental risk prevention and emergency management to ensure the continuous and effective operation of the environmental management system.

Environmental Management

The Group strictly complies with the *Environmental Protection Law of the PRC,* the *Solid Wastes Prevention and Control Law of the PRC,* the *Water Pollution Prevention and Control Law of the PRC,* and the *Atmospheric Pollution Prevention and Control Law of the PRC*, and other environmental protection-related laws and regulations in places of operation. We have formulated internal regulations such as the *Environmental Impact Control Management System for New, Alteration and Expanded Projects*, the *Solid Waste Management Regulations*, the *Domestic and Production Wastewater Control Management System*, the *Exhaust Emission Control Operation Management System*, and the *Noise Control Management System* to continuously improve its environmental management system.

We have established a resource management and environmental pollution prevention group, led by the general manager and comprising the heads of various departments. This group is responsible for overall decision-making, supervision, and coordination of environmental protection matters such as resource management and pollutant discharge in daily operations. At the same time, the Group has equipped EHS (Environment, Health and Safety) specialists at each major production base, who are responsible for supervising and guiding environmental management work in the production and operation process to ensure the effective implementation of relevant laws, regulations, and internal systems.

We continuously optimize the environmental management system in accordance with relevant management system certification standards, actively accept supervision, inspections, and audits from regulatory authorities and third-party institutions, and timely improve administrative systems and measures to ensure the effective operation of the environmental management system. During the Reporting Period, the Company and its subsidiary NIMO obtained ISO 14001 Environmental Management System Certification.

ENVIRONMENTAL PROTECTION


环境管理体系认证证书

深圳市新产业眼科新技术有限公司

环境管理体系符合GB/T24001-2016/ISO14001:2015标准


环境管理体系认证证书

上海昊海生物科技股份有限公司

GB/T 24001-2016/ISO 14001:2015

上海质量体系审核中心

ISO 14001 Environmental Management System Certification

Environmental Risk Prevention and Response

The Group has established an environmental risk identification, prevention, and emergency management mechanism. We regularly identify and conduct impact assessments on potential environmental risks in production and operation processes, and formulate corresponding emergency plans and management measures based on these assessments to enhance our ability to prevent and respond to environmental risks, thereby ensuring the standardized management of environmental risks.

In addition, we adhere to the principles of ecological protection and biodiversity. During the engineering planning and construction stages, we strictly comply with the requirements of ecological protection red lines, select sites for production and business operations located away from nature reserves, conduct environmental impact assessments for construction projects in accordance with relevant laws, regulations, and standards, take necessary measures to reduce the impact on ecosystems and biodiversity, and promote the coordinated development of economic growth and environmental protection.

During the Reporting Period, the Group is not involved any major administrative penalty or criminal liability for pollutant discharge.

Pollutant Discharge Management

We continuously strengthen pollutant discharge management to ensure that all emissions comply with relevant laws and regulations while minimizing the negative impact of business activities on the environment. We formulate and implement operating procedures for pollutant treatment systems such as solid waste, wastewater, and waste gas in accordance with the law, standardize the operation and management of environmental protection facilities, maintain operation records, and conduct regular equipment maintenance. During the Reporting Period, each production base of the Group conducted self-monitoring or commissioned third-party institutions to monitor waste gas, wastewater, solid waste, and noise.

The Company and its subsidiary Shanghai Likangrui are identified as key pollutant-discharging units by the local ecological and environmental authorities. Therefore, they must continuously comply with the *Measures for the Administration of Lawful Disclosure of Enterprise Environmental Information* and disclose environmental information in accordance with the law. In addition to the pollutant management disclosed in this report, the main pollutants, pollutant treatment technologies, and facilities of the two companies during the Reporting Period are as follows:

Company	Main Pollutants	Treatment Technologies and Methods
Key Air Pollutant Discharging Units		
Haohai Biological	VOCs, sulfur dioxide, nitrogen oxides, particulate matter	Treatment measures such as spray towers, activated carbon adsorption, low-nitrogen combustion direct discharge, and bag dust removal
Key Water Pollutant Discharging Units		
Haohai Biological	Chemical oxygen demand, ammonia nitrogen, total nitrogen	Sewage treatment station with the following sewage treatment process: air flotation + hydrolysis acidification + contact oxidation + sedimentation + disinfection
Shanghai Likangrui		

ENVIRONMENTAL PROTECTION

Air emission management

The Group strictly complies with the laws, regulations and standards of operation locations, such as the *Atmospheric Pollution Prevention and Control Law of the PRC*, the *Emission Standard of Air Pollutants for Boilers*, the *Pollutant Emission Standard for the Biopharmaceutical Industry*, and the *Integrated Emission Standard of Air Pollutants*. During the Reporting Period, we updated internal documents such as the *Exhaust Gas Emission Control Operation Management System* and revised systems such as the *Exhaust Gas Treatment System Operating Procedures*, continuously standardizes exhaust gas emission management, and ensures the compliance of air emissions.



Air emission management target

- Air emission compliance rate reaching 100%

The Group's waste gas mainly comes from boiler operations, production processes, and laboratory activities. Relevant waste gas is uniformly collected and purified before being discharged at a high altitude in accordance with regulatory requirements. We continuously strengthen the construction of waste gas pollution prevention facilities to effectively reduce the fugitive emissions of waste gas pollutants; some production bases have installed online waste gas monitoring systems, using digital means to dynamically monitor pollutant discharge, further improving the level of waste gas discharge management. In addition, for key pollutants, we have mainly adopted the following specific control measures to ensure compliance with emission requirements:

- A VOCs odor spray facility is built at the sewage treatment station, and activated carbon adsorption devices are installed in workshops such as the quality inspection room and production workshop to absorb VOCs
- An ethanol recovery device is installed in the production process to reduce ethanol volatiles during production
- Low-nitrogen burners are installed in all modified boilers to reduce nitrogen oxide and sulfur dioxide emissions
- Waste gas is collected through closed pipelines and hood bag filters, and particulate matter is removed through electrostatic precipitators

During the Reporting Period, the air emission metrics during the production and operation of the Group are as follows:

Metric	Unit	2025	2024	2023
Total air emissions	Million cubic meters	316.26	289.18	327.35
Sulfur dioxide (SO_2) emissions	Tonnes	0.06	0.06	0.09
Nitrogen oxide (NO_x) emissions	Tonnes	0.97	1.08	0.79
Volatile organic compounds (VOCs) emissions	Tonnes	0.49	0.46	0.57

Wastewater management

The Group strictly complies with the requirements of laws, regulations and standards of the operating locations, such as the *Water Pollution Prevention and Control Law of the PRC*, the *Pollutant Emission Standards for the Biopharmaceutical Industry*, and the *Comprehensive Standards for Wastewater Discharge*. During the Reporting Period, we updated internal management systems and operating procedures such as the *Domestic and Production Wastewater Control Management System*, the *Sewage Treatment Station Operation Manual*, and the *Sewage Treatment System Operation Procedures*, continuously improving the wastewater discharge management system, and effectively controls the level of wastewater pollutant discharge.

Wastewater management target

- Wastewater discharge compliance rate reaching 100%

The Group's wastewater mainly comes from domestic wastewater, R&D and production wastewater, and drainage from circulating cooling systems. To reduce environmental impact, we have implemented multiple measures including strengthening the construction and maintenance of wastewater treatment facilities, standardizing wastewater treatment processes, and enhancing monitoring and management to ensure the stable discharge of various pollutants in compliance with standards.

ENVIRONMENTAL PROTECTION

Strengthening facility construction and maintenance

- Through measures such as adopting impermeable and leak-proof containers and secondary containment facilities, laying impermeable hardened flooring, and installing rainwater shut-off valves and emergency holding pools, we effectively prevent the leakage risks of liquid chemicals and hazardous wastes.

Standardizing treatment methods

- Adopting the combined industrial wastewater treatment process of "deproteinization/air flotation + hydrolysis + contact oxidation + disinfection" to treat the main pollutants in the wastewater.
- Centrally collecting production and domestic wastewater to the on-site wastewater treatment station for treatment, and discharging them into the municipal sewage pipeline network upon meeting the discharge standards.
- For partial acid and alkali wastewater from process cleaning, we implement retention management within the CIP cleaning system. Upon testing and confirming that the pH value meets discharge requirements, the wastewater is collectively discharged into the pipeline network.
- Centrally collecting hazardous waste liquids generated during certain production processes and entrusting third-party institutions with corresponding qualifications for standardized disposal.

Improving monitoring and management

- Installing an online wastewater monitoring system to conduct real-time monitoring on relevant indicators of wastewater pollutants, thereby enhancing the timeliness and accuracy of wastewater discharge management.
- Regularly entrusting third-party institutions with relevant qualifications to conduct annual testing and inspections, ensuring that wastewater treatment and discharge continuously comply with regulatory requirements.

Wastewater Pollutant Management Measures

During the Reporting Period, the wastewater discharge metrics during the production and operation of the Group are as follows:

Metric	Unit	2025	2024	2023
Total wastewater discharge	Million cubic meters	0.19	0.18	0.20
Chemical oxygen demand (COD) emissions	Tonnes	8.64	6.64	9.01
Ammonia nitrogen emissions	Tonnes	0.27	0.08	0.11

Waste management

The Group strictly complies with the relevant laws, regulations and standards of the operating locations, such as the *Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Wastes*, the *Standard for Pollution Control on the Storage and Disposal Site for General Industrial Solid Waste* and the *Standard for Pollution Control on Hazardous Waste Storage*, and continuously implemented internal policies and operating procedures such as the *Management System for Storage*, *Use and Disposal of Hazardous Chemicals*, the *Solid Waste Management Regulations*, the *Waste Classification Management Regulations*, and the *Emergency Plan for Hazardous Waste* to clarify the management requirements for the classification, storage, transfer and disposal of solid wastes. During the Reporting Period, the Group revised the *General Industrial Solid Waste Management Process* and the *Hazardous Waste Management System* to further enhance the standardization and controllability of solid waste management.

Waste management target

- 100% compliant disposal of hazardous waste
- Using 2025 as the base year, maintain the existing intensity of hazardous waste (total waste volume/operating revenue) for the next 3 years

The Group's wastes are mainly categorized into non-hazardous wastes and hazardous wastes. The non-hazardous wastes we produce mainly include office wastes, kitchen wastes, and general industrial wastes such as packaging waste papers and plastics. For non-hazardous wastes, the Group has implemented classified collection and regulated storage, established different temporary dumps, and they are regularly recycled and disposed by third-party agencies. Among them, kitchen wastes are disposed by the environmental sanitation supervisory department, and other non-hazardous wastes are recycled and disposed by qualified third-party solid waste treatment units.

The hazardous wastes the Group produces mainly include waste organic solutions, waste vials, harmful sludge produced by water treatment stations, waste activated carbon and substandard products. For hazardous waste, we have established a sound full-process management and disposal mechanism. We have set up a hazardous waste ledger to conduct centralized hazardous waste management, and entrusted third-party contractors with corresponding qualifications to carry out lawful waste clearance at least twice a year. We also make declarations in the hazardous waste system to ensure that hazardous waste is handled in a compliant, safe, and proper manner.

ENVIRONMENTAL PROTECTION

During the Reporting Period, the Group has realized 100% compliant disposal of hazardous waste. The waste discharge-related metrics in the production and operation process are as follows:

Metric	Unit	2025	2024	2023
Total hazardous waste produced	Tonnes	94.29	88.19	74.83
Intensity of hazardous waste produced	Kilograms/RMB10,000 of revenue	0.45	0.39	0.34
Total non-hazardous waste produced	Tonnes	514.22	483.94	471.82
Intensity of non-hazardous waste produced	Kilograms/RMB10,000 of revenue	2.47	2.12	2.11

Noise management

The Group strictly complies with relevant laws and regulations such as the *Law of the PRC on Prevention and Control of Pollution from Environmental Noise* and the *Emission Standard for Industrial Enterprises Noise at Boundary*, and implements noise control management systems applicable to each production base. During the Reporting Period, the Group revised the *Noise Control Management System* to continuously mitigate the impact of noise on operating personnel and the surrounding environment. In accordance with relevant laws and regulations and the management systems of each production base, we have formulated the following management measures:

01 Prior to the commencement of engineering construction projects, declare the environmental noise that may be generated during construction to the local ecological and environmental authorities in accordance with the law

02 Each production base adopts measures such as exhaust muffling, foundation vibration isolation, and building sound insulation in light of its actual conditions to minimize the impact of noise on the surrounding environment

03 Provide employees who may be exposed to noise hazards with personal protective equipment such as earplugs and earmuffs to reduce occupational health risks

04 Regularly entrust third-party institutions to monitor noise at the factory boundaries and in workplaces to ensure that noise levels comply with relevant standard requirements. The testing report results show that noise emission indicators meet the relevant standard requirements

Noise Management Measures

Resource Management and Circular Economy

The Group actively practices the concept of green and low-carbon development, integrating resource management and circular economy philosophies into daily operations and management. Meanwhile, we continue to explore low-carbon transformation pathways based on our business characteristics, promoting the synergistic realization of resource conservation, cost optimization, and sustainable development.

Energy utilization

We strictly abide by the *Energy Conservation Law of the PRC* and other relevant laws, regulations, and standards, continuously improving our internal energy management systems and steadily upgrading our energy management standards and levels. The types of energy used by the Group primarily include unleaded gasoline, natural gas, purchased electricity, and steam. We reduce unit energy consumption through continuous process transformation, upgrades, and the optimization of production workflows. Additionally, the Group regularly conducts energy-saving diagnostics to systematically count and analyze energy consumption data, identifying abnormal consumption and tapping into energy-saving potential to further enhance energy management effectiveness.

The Group has set specific targets for energy use, and continues to follow up on the progress of the targets to promote sustainable development transition.

Energy use targets

- In 2025, the target of reducing comprehensive energy consumption intensity (total comprehensive energy consumption/revenue) by 10% compared to 2021 was successfully achieved
- From 2026 onwards, using 2025 as the base year, we aim to maintain the existing comprehensive energy consumption intensity for the next three years, while continuing to explore ways to improve energy efficiency and discover opportunities for clean energy use

Optimizing production processes to reduce energy consumption per unit of product

During the Reporting Period, the Company organized personnel to analyze the impact of ampicillin sodium on process deviations during fermentation production and conducted thorough process validation and testing for its removal. This initiative reduced the fermentation time of human Epidermal Growth Factor (hEGF) products by approximately one hour. Simultaneously, the Company explored and optimized the production capacity of Sodium Hyaluronate Injection products by optimizing the reconstitution process, shortening the product reconstitution time by one day.

The transformation and optimization of production processes significantly reduced the unit energy consumption of relevant products.

ENVIRONMENTAL PROTECTION

During the Reporting Period, the Group's energy consumption metrics are as follows:

Metric	Unit	2025	2024	2023
Energy use				
Unleaded gasoline	Tonnes	29.18	37.07	40.81
Natural gas	Normal cubic meter	2,081,102	2,055,945	2,168,697
Externally purchased electricity	GWh	30.54	32.24	28.13
Externally purchased steam	Tonnes	11,817.20	12,186.74	12,465.04
Total integrated energy consumption[6]	Tonnes of standard coal	7,636.41	7,856.83	7,472.49
Integrated energy consumption intensity	Standard coal (kg)/ RMB10,000 of revenue	36.62	34.42	33.48

Water resource utilization

To reduce water wastage, the Group has formulated scientific and reasonable water resource management targets and conducts continuous supervision and evaluation of their implementation. We also continuously refine our water resource management system to enhance the systematicness and effectiveness of water management.

Water efficiency targets

- The target of reducing water resource utilization intensity (total water consumption/revenue) by 10% by 2025 compared to 2021 was successfully achieved
- From 2026 onwards, using 2025 as the base year, we aim to maintain the existing water resource utilization intensity for the next three years and further improve water use efficiency

6 The conversion coefficients chosen for the calculation of comprehensive energy consumption refer to the *General Rules for Calculating Comprehensive Energy Consumption (GBT2589-2020)*.

The Group's water for production and operations is mainly sourced from municipal supplies, and there are no significant risks regarding water sourcing and usage. The Company entrusts third-party institutions to regularly conduct water balance tests to systematically understand current water usage, analyze the relationship between water volume balance and the rationality of usage, providing a basis for formulating and optimizing water-saving measures. Meanwhile, the Group employs RO (reverse osmosis) systems and regularly replaces RO membrane modules to improve water utilization efficiency and reduce water consumption levels. During the Reporting Period, we mainly adopted the following water-saving measures:

Overall Water Resource Management	• Formulate policies, conduct training, establish water consumption statistics and accounting mechanisms, promote intelligent metering facilities, and ensure water-saving facilities are integrated into new construction projects.
Water Intake	• Implement total volume control and quota management, extract water according to plans in accordance with the law, and strengthen the standardized management of purchased water and self-built water supply systems.
Water Supply, Storage and Usage	• Improve pipeline and equipment maintenance systems, promote water-saving processes such as quality-based water supply, circulating water use, and wastewater reuse, and continuously recycle cooling water, condensate, and rainwater to enhance the water reuse rate.

During the Reporting Period, the Group's water consumption metrics are as follows:

Metric	Unit	2025	2024	2023
Water consumption	Tonnes	305,327.55	310,287	309,367
Water consumption intensity	Tonnes/RMB10,000 of revenue	1.46	1.36	1.39

Circular Economy

The Group continues to practice circular economy principles by managing packaging materials, continuously promoting their optimization and recycling, and striving to reduce packaging waste generation. We reduce the usage of packaging materials at the source through equipment upgrades, standardization of packaging specifications, and simplified packaging designs. Meanwhile, provided that pharmaceutical quality and safety requirements are met, we are gradually replacing traditional packaging with recyclable materials and prioritizing internal recycling and reuse. Packaging materials that cannot be recycled internally or replaced are classified and handed over to qualified third-party institutions for centralized recovery and disposal, achieving the reduction and recycling of packaging materials.

ENVIRONMENTAL PROTECTION

Practices in Packaging Material Optimization and Circular Utilization

To reduce packaging material usage and enhance resource efficiency, during the Reporting Period, the Group coordinated its subsidiaries to advance packaging material optimization and recycling management based on product characteristics and regional operations.

At Brighten Vision, we upgraded the packaging for our eye drops product "Eyesucom", adopting imported bacteria-blocking bottles with a triple-protection system. This allows preservative-free eye drops to remain sterile during multiple uses. Compared to single-use independent packaging, the new packaging is more economical and practical while ensuring product safety and user experience, contributing to the reduction of packaging waste.

At Henan Universe, we are gradually implementing packaging changes for foldable intraocular lenses, planning to adjust the original "glass bottle + silicone stopper + aluminum-plastic cap + plastic tray" format to a "plastic PP box + aluminum foil sealing film" combination. This optimization project is expected to be completed in the first half of 2026, achieving an approximately 46% reduction in packaging costs while ensuring product quality and safety.

Through these differentiated optimization and recycling measures across production bases, the Group promotes the reduction, recyclability, and circular use of packaging materials while balancing product safety, convenience, and cost efficiency, contributing to resource conservation and environment-friendly operations.



New Packaging of Brighten Vision Eyesucom (15ml) Product

Packaging materials used by the Group in the production and operation process are mainly paper, plastic and glass. During the Reporting Period, the Group's packaging material consumption metrics are as follows:

Metric	Unit	2025	2024	2023
Total consumption of packaging materials	Tonnes	1,033.85	737.99	809.11
Packaging material consumption intensity	Kilograms/RMB10,000 of revenue	4.96	3.23	3.63



05 EMPLOYEE DEVELOPMENT

We firmly believe that talent is the vital cornerstone and driving force for the long-term development of an enterprise, and we regard it as a strategic resource for the Group's steady growth. We are committed to fostering an equal, diverse, and mutually respectful work environment while fully safeguarding the legitimate rights and interests of our employees. We provide clear promotion pathways and diverse, comprehensive training to organically integrate personal growth with the Group's development, allowing every employee to excel and realize their value.

EMPLOYEE DEVELOPMENT

Recruitment and Development

The Group strictly complies with the *Labor Law of the PRC*, the *Labor Contract Law of the PRC*, and other laws and regulations in the locations where we operate, adhering to lawful employment and effectively protecting employees' legitimate rights and interests. Meanwhile, using the *Employee Handbook* and relevant internal policies as a foundation, we have systematically established a full-cycle management framework covering talent introduction, job allocation, training empowerment, performance evaluation, and promotion development. This aims to provide employees with clear career paths and institutional safeguards, continuously building a fair, transparent, and sustainable talent development mechanism.

We adhere to compliant employment and prioritize human rights as the core mission of our human resources management. The Group has established a mature compliant employment management process, strictly controlling the recruitment process to ensure it is scientific, standardized, open, and transparent. We review every candidate's information and conduct background checks for prospective hires, covering educational background and work experience to ensure information reliability. We closely monitor all stages of employment management; any signals of child labor or forced labor violations are treated with the utmost seriousness, triggering independent and impartial investigations. Results are handled strictly in accordance with regulations based on the nature of the act, severity, and responsibilities. During the Reporting Period, no incidents of child labor or forced labor occurred within the Group.

The Group upholds principles of inclusion, equality, and openness, focusing on employee diversity and respecting the individuality of every job seeker and employee. During the Reporting Period, we established an *Employee Diversity Policy*, advocating for diversity and inclusion across recruitment, promotion, training, and development. We do not set restrictive conditions based on gender, age, ethnicity, region, cultural background, or educational experience, and we eliminate discrimination and differential treatment. We encourage the exchange and integration of different perspectives and are committed to building a fair, inclusive, and mutually respectful work environment.

Talent recruitment

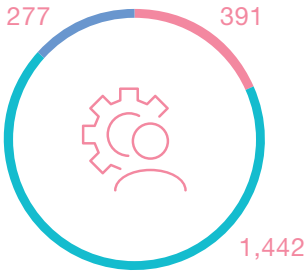
The Group adheres to an open and inclusive talent philosophy, recruiting outstanding talent from all regions without prejudice. We have established a normalized talent structure evaluation mechanism to regularly review the alignment between existing human resources and business development needs while systematically analyzing recruitment trends and scales. Through these evaluations, we can timely identify gaps in team knowledge, skills, and experience, targetedly expanding and optimizing our talent pool to provide high-quality support for the Group's sustainable development.

The Group expands its talent supply through campus recruitment, social recruitment, internal referrals, and online platforms. We value long-term partnerships with universities. During the Reporting Period, we actively organized or participated in campus recruitment events, such as the "Songjiang Seven Schools Recruitment Fair "and the "Shanghai Vocational College of Agriculture and Forestry Job Fair," while actively running internship programs to attract local graduates and offer permanent positions.

As of the end of the Reporting Period, the Group had 2,110 employees. The employee structure is as follows:

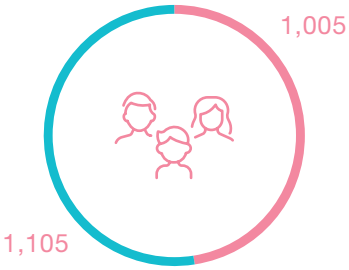
Number of employees by age

- Below 30 (excluding 30) (Person)
- 30-49 (Person)
- 50 and above (Person)



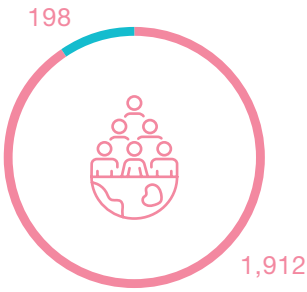
Number of employees by gender

- Male (Person)
- Female (Person)



Number of employees by location

- Chinese Mainland (Person)
- Hong Kong, Macao, Taiwan and overseas (Person)



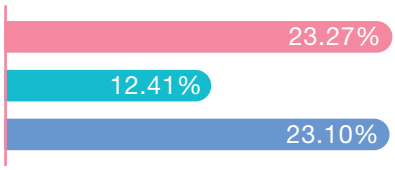
Talent retention

The Group effectively transforms organizational strategic goals into individual and team development momentum through a systematic performance and incentive system, injecting internal drive into sustainable value creation. Centered on overall strategies and key performance targets, we have established a results-oriented performance appraisal system. At the start of each year, employees and supervisors confirm annual performance targets based on job responsibilities, integrating quantitative and qualitative indicators to ensure targets are clear, reasonable, and measurable. During execution, we regularly review target completion, analyze gaps, and implement improvements. Appraisal results serve as key references for promotion and salary adjustments and are used to identify development needs, coach employees on efficiency, and clarify career directions, thereby enhancing overall team performance while achieving personal growth.

During the Reporting Period, 334 employees left the Group, including 54 who reached retirement age. The employee turnover rate was 13.27% (excluding those reaching retirement age). Turnover rates by category are as follows:

Turnover rate of employee by age

- Below 30 (excluding 30)
- 30-49
- 50 and above



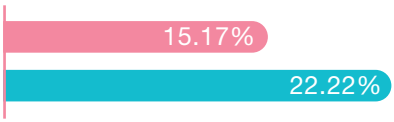
Turnover rate of employee by gender

- Male
- Female



Turnover rate of employee by location

- Chinese Mainland
- Hong Kong, Macao, Taiwan and overseas



"Turnover" refers to the total number of employees who terminated their labor relationship and employment relationship with the Group due to various reasons during the Reporting Period;

"turnover rate" = total number of employee turnovers during the Reporting Period/total number of employees at the end of the Reporting Period *100%

EMPLOYEE DEVELOPMENT

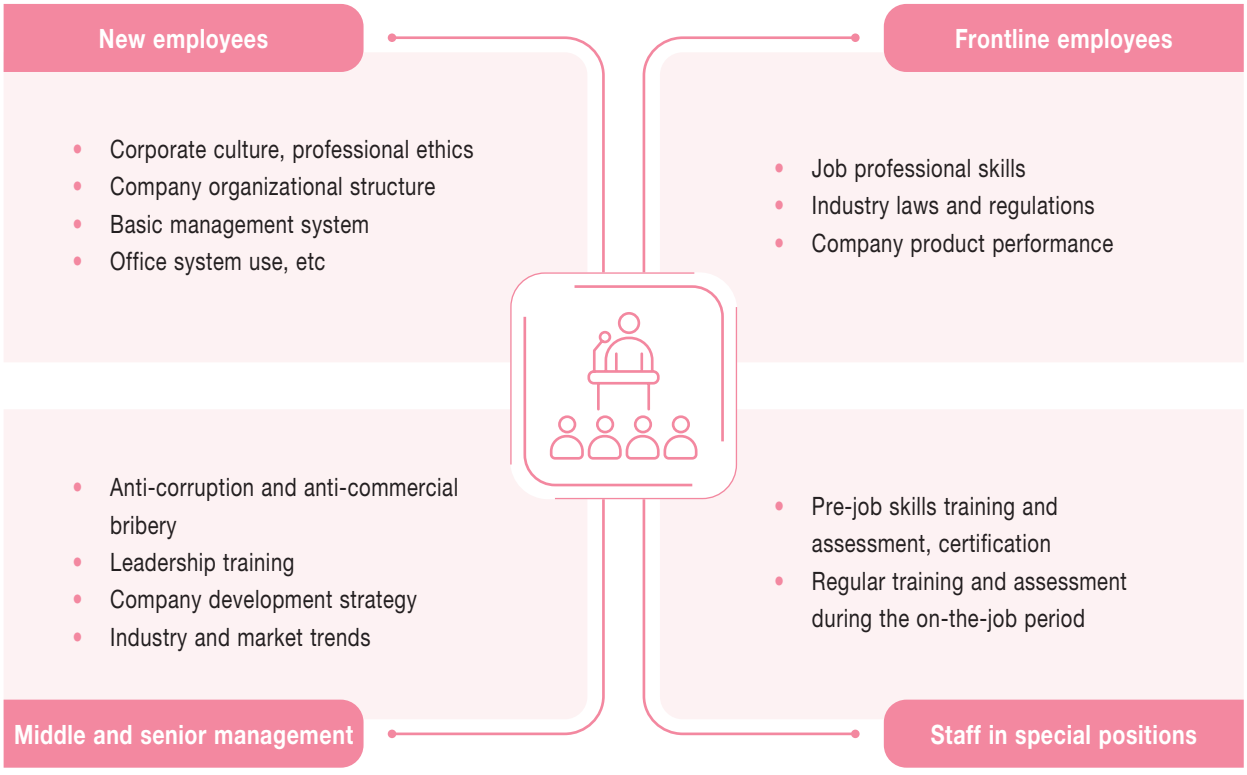
The Group values employee voices, establishing diverse online and offline communication channels including WeChat, the corporate website, HR emails, HRBP point-to-point communication, and the internal OA platform. We extensively collect opinions and suggestions, ensuring feedback is promptly addressed, analyzed, and implemented, allowing employees to participate in driving the Company's progress.

Shanghai Likangrui Employee Satisfaction Survey

In August 2025, Shanghai Likangrui conducted an employee satisfaction survey and found concentrated feedback regarding canteen services. Consequently, Shanghai Likangrui analyzed and rectified these issues. In November 2025, a follow-up special satisfaction survey was conducted. Over 80% of employees participated online, and results showed a general improvement in canteen satisfaction levels.

Talent cultivation

The Group respects the personal choices of each employee in their career development paths, establishes internal systems such as the *Training Management System*, and fully supports employees in achieving capacity growth and self-worth relying on the Group's platform and resources. We have built a systematic and multi-level employee training system, designing and implementing differentiated and diversified specialized training according to different business needs, job characteristics, and career development stages. This systematically enhances employees' capabilities in professional skills, management abilities, and comprehensive qualities, supports their continuous growth, and promotes the collaborative development of individuals and the organization.



Employee Training System

Keeping pace with the times to enhance employees' digital office skills

With the continuous development of artificial intelligence (AI) technology and its popularization in daily life, the Group attaches importance to the ability of employees to understand and use AI, recognizing its significance in improving office efficiency and further stimulating employee creativity. To enhance employees' digital skills, the Group invited external experts to provide AI office skills training for employees during the Reporting Period. In addition, the subsidiary Juva Medical actively mobilized the intrinsic creativity of each employee in AI applications by appointing an employee as a "Skill Sharing Officer" every month to independently design courses, systematically sort out, and share practical AI skills and ingenious ideas in daily life. This has formed an interactive learning atmosphere where "everyone can participate and everyone can share". This practice not only enhances employees' technical application abilities and confidence in expression but also strengthens team cohesion and the motivation for continuous learning.

Empowering pharmaceutical talent development in Shanghai by relying on industry associations

The Group actively responds to the national call for cultivating highly skilled talents, leveraging the training platforms of industry associations to supply a large number of talents to the pharmaceutical industry in Shanghai. In December 2025, at the "2025 Shanghai Biomedical Industry Talent Development Forum" hosted by the Shanghai Pharmaceutical Profession Association, a colleague from the Company's human resources department was awarded the title of "Outstanding Talent Cultivation Worker" in the Shanghai pharmaceutical industry due to her excellent performance in matching talent cultivation among employees, enterprises, and associations. Another employee of the Company was awarded the title of "Outstanding Trainee" in the Shanghai pharmaceutical industry.

Group ESG Training: Driving responsible practices through knowledge empowerment

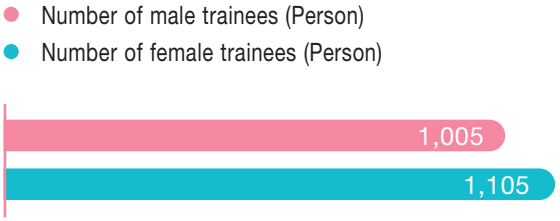
To internalize the concept of sustainable development into organizational capabilities, the Group conducts ESG training covering multiple aspects such as basic ESG awareness, report preparation and interpretation, and industry best practices. Through a combination of online and offline sessions, as well as parallel case studies and discussions, we are gradually establishing a common language and cultural atmosphere internally that focuses on, understands, and practices ESG, laying the cognitive foundation and action consensus for continuously advancing responsible operations.



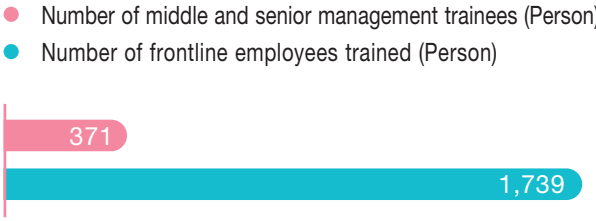
EMPLOYEE DEVELOPMENT

As at the end of the Reporting Period, the Group's training coverage rate reached 100%, with total training hours reaching 20,377.9 hours and average training duration per employee of approximately 9.66 hours. The annual training expenditure amounted to approximately RMB186,900. The following chart shows the breakdown of our trained employees by proportion:

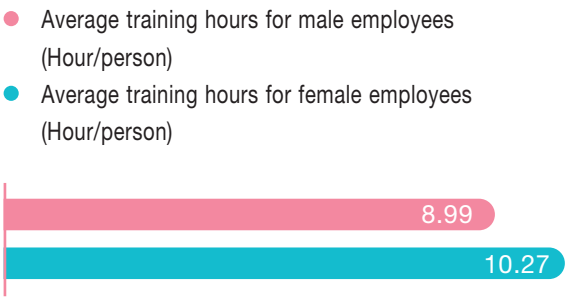
Total number of trained employees by gender



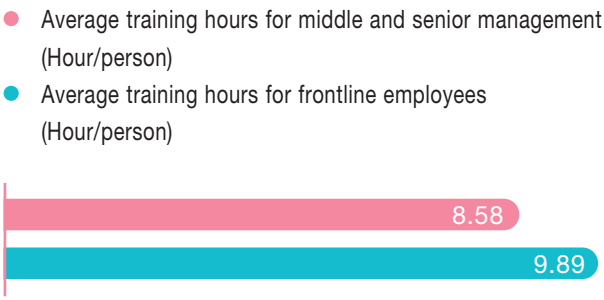
Total number of trained employees by job grade



Average training hours by gender



Average training hours by job grade



We support employees in systematically enhancing their professional competence and academic background through on-the-job postgraduate studies, continuing education, and other channels. By establishing long-term cooperation with third-party institutions, we provide employees with continuing education resources such as accounting and quality system internal auditor training, thereby consolidating the enterprise's long-term talent reserve and achieving the collaborative development of individuals and the organization. In addition, the Group actively promotes outstanding employees to participate in various honor selections, fully leveraging the demonstrative and leading roles of advanced role models, and striving to create a team atmosphere of benchmarking against the advanced and continuous learning.

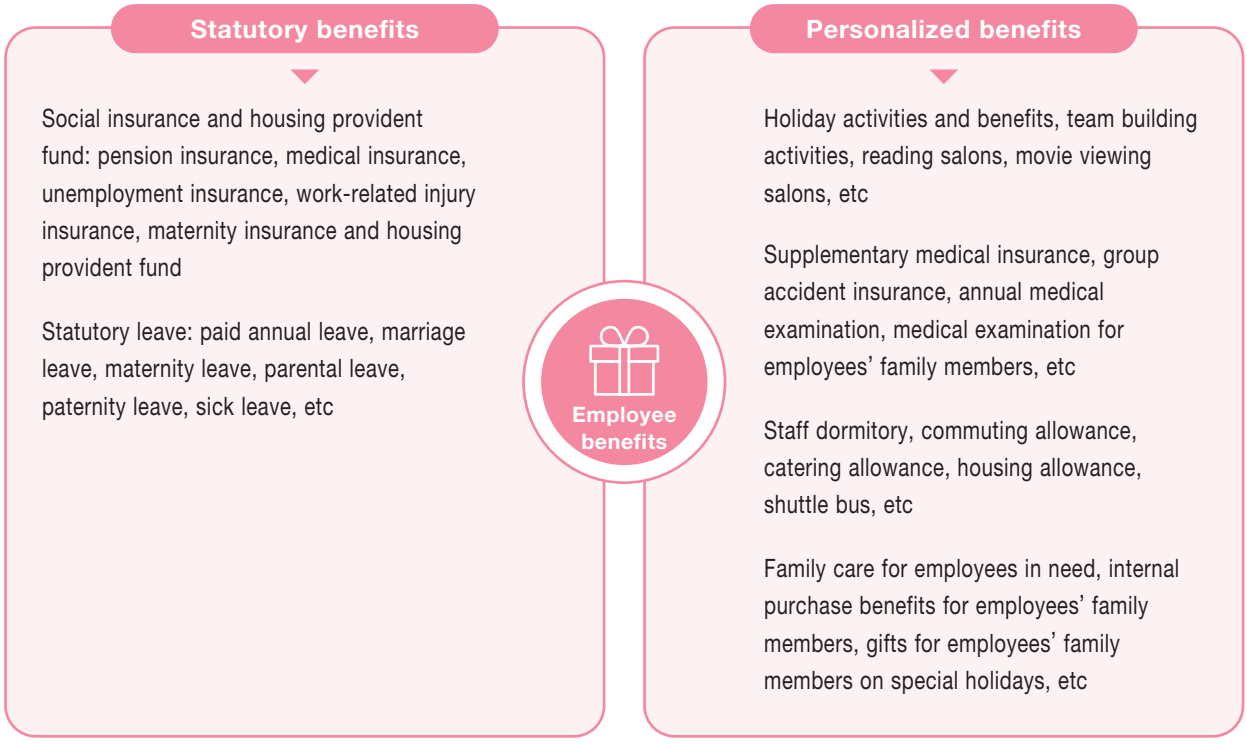
In April 2025, Ms. Xia Jiemin, the Quality Director of the Company, was awarded the honorary title of "National Model Worker". The innovation studio named after her has continuously focused on the needs of the production frontline since 2017, actively promoted the research and development of new products and processes, and enhanced product safety, stability, and production efficiency through technological innovation. At the same time, the studio leverages the "mentoring" mechanism. Under her leadership, the studio has cultivated a group of talents with a strong sense of innovation and excellent professional skills. Up to now, numerous individuals have passed the advanced skill level assessment for drug inspectors, obtained the honorary titles of "Xinbang Craftsman" and "Songjiang Craftsman", and won awards in city-wide skill competitions.

In January 2026, Mr. Wu Jianying, Executive Director and General Manager of the Company, was successfully selected for the 2025 national "Manufacturing Talent Support Program – Innovative Entrepreneurs" project in recognition of his outstanding industry-leading role and innovative practices. As of now, employees of the Group have received national, municipal, and district-level honors such as "Shanghai Leading Talent", "Minhang District Leading Talent", "Shanghai Craftsman", "Songjiang Craftsman", "National Model Worker", and the district "May 1st Labor Medal". These employees play an exemplary and leading role in their respective positions, stimulating the endogenous motivation of all staff for upward advancement.

Salary and Benefits

The Group regards the remuneration and benefits system as an important bond connecting employees with organizational development, and is committed to building a scientific, reasonable, and competitive reward mechanism. Based on the principle of distribution according to work, we dynamically adjust the remuneration structure by combining job value, performance, corporate operations, and industry levels, while legally paying social insurance premiums and implementing statutory benefits such as paid annual leave for employees. In addition, the Group provides diversified supplementary benefits and care programs, and through a rich variety of employee activities, helps balance work and life, fostering a warm and positive workplace atmosphere.

During the Reporting Period, we actively created development conditions for employees, providing settlement support services in Shanghai for 20 employees, covering talent introduction and household registration conversion, among others. We also provided supporting employee dormitories at some production bases to ensure the stability of employees working across regions.



EMPLOYEE DEVELOPMENT

Employee activities



Zhoushan tour of Songjiang production base



Taizhou tour of Shanghai Qisheng



Mogan Mountain Tour of Shanghai Likangrui



Xiqiao Mountain Tour of NIMO

Occupational Health and Safety

We strictly abide by laws and regulations such as the *Work Safety Law of the PRC*, the *Law of the PRC on the Prevention and Control of Occupational Diseases* and the *Regulations on the Administration of Occupational Health in Workplaces*. We have established internal systems including the *Work Safety Management Regime*, the *Safety Education and Training Plan*, the *Emergency Response Plan for Sudden Production Safety Accidents*, the *Occupational Health Monitoring Management System*, and the *Testing and Evaluation Management System*. Through these measures, we standardize the management of EHS-related work and strive to build a safe and healthy workplace environment.

The Company has established a safety production management committee led by the General Manager, which is fully responsible for the organization, implementation, and supervision of work related to production safety and occupational health. The management representative of the production bases is authorized by the General Manager to approve relevant internal operating procedures and coordinate the daily safety and health management work of various departments. During the Reporting Period, the Group continued to promote the construction of its occupational health and safety management system, with the number of its subsidiaries obtaining ISO 45001 certification increasing to two. By regularly conducting internal audits and accepting third-party external audits, we continuously improve the system to ensure its effective operation, providing employees with a safer and healthier working environment.

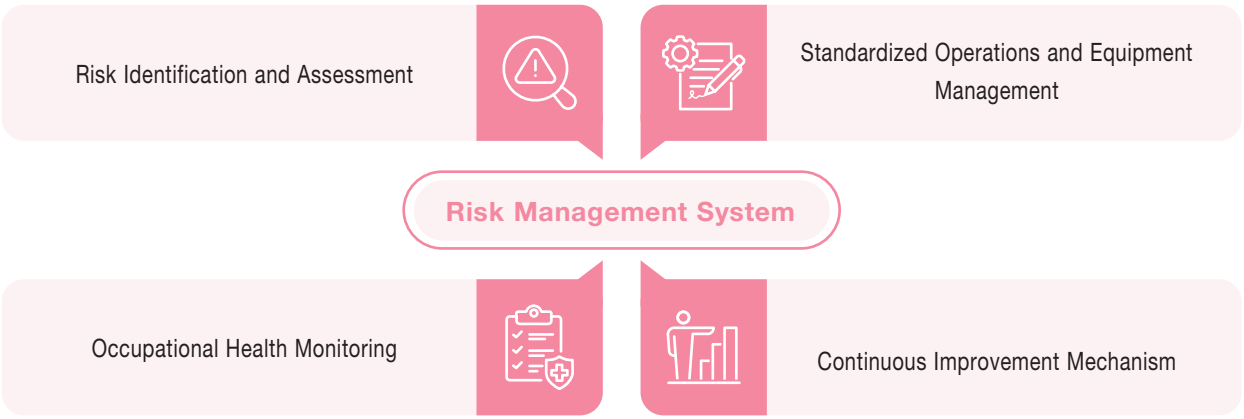

职业健康安全管理体系认证证书
深圳市新产业眼科新技术有限公司
职业健康安全管理体系符合GB/T45001-2020/ISO45001:2018标准
IAF
CNAS


职业健康安全管理体系认证证书
上海昊海生物科技股份有限公司
GB/T 45001-2020/ISO 45001:2018
2023 年 04 月 07 日
IAF
CNAS
上海质量体系审核中心

ISO 45001 System Certification

In 2025, we carried out hazard identification and risk assessment work, formulating targeted control plans based on the assessment results. During the production process, we strictly adhere to standardized operating procedures and have established a comprehensive equipment ledger for regular maintenance and servicing of equipment. For workplaces with occupational hazards such as dust and noise, we strictly conduct regular monitoring in accordance with standard requirements (e.g., annual noise monitoring at a minimum) to protect employee health. Through mechanisms such as internal audits and safety standard reviews, the Group systematically identifies management issues and follows the PDCA (Plan-Do-Check-Act) cycle for continuous improvement. Through regular audits and timely corrective actions, we promote the dynamic optimization and continuous enhancement of the effectiveness of the EHS management system.

EMPLOYEE DEVELOPMENT



In terms of hazardous chemicals management, the Group has established a systematic management mechanism that is grounded in institutional frameworks, centered on personnel, and focused on process control. We have formulated and strictly enforce regulations such as Management System for Storage, Use and Disposal of Hazardous Chemicals and the Standard Operating Procedures for the Use and Disposal of Hazardous Chemicals, Precursor Chemicals and Hypertoxic Chemicals, implementing standardized management across the entire lifecycle of hazardous chemicals – from procurement and storage to issuance, use, and disposal. We arrange annual occupational health examinations for employees exposed to occupational hazards and ensure that pre-employment physical examinations are conducted. Meanwhile, we regularly provide relevant positions with standard-compliant personal protective equipment, such as earplugs, safety goggles, and protective clothing, and instruct employees on how to wear and use them properly. Every three years, we commission a professional organization to conduct testing for occupational hazard factors throughout the entire facility, and the results are made public to all employees.

The Group actively fosters a safety culture centered on health, the value of life, and proactive prevention, placing the physical and mental well-being of our employees at the forefront of our development. Through systematic training, drills, and continuous risk management, we have established a comprehensive safety management system that encompasses awareness, capabilities, policies, and implementation. During the Reporting Period, we conducted various EHS-related training sessions, with a total of 684 participants and a total training duration of 64 hours.

We encourage employees to proactively identify and promptly report potential hazards and non-conformities in their daily work. Upon receiving such reports, the relevant supervisors respond immediately and drive corrective actions, thereby establishing a closed-loop management mechanism of “identify – report – address – feedback”. We regularly conduct specialized drills, including chemical spill response and fire evacuation drills, to effectively enhance our employees’ ability to protect themselves and respond to emergencies.

Over the past three years, the Group had not experienced any accident of work-related deaths. During the Reporting Period, the loss of working hours of the Group due to work-related injuries was 1,621 hours, with total expenditures on workers’ compensation insurance amounting to approximately RMB1,136,300. The workers’ compensation insurance coverage rate stood at 97.68%, and the remaining employees were covered through the purchase of employer’s liability insurance and other relevant policies.



06 SOCIAL CONTRIBUTION

Haohai Biological balances its economic benefits with its social impact during its development. Guided by the concept of sustainable development, the Company internalizes social responsibility within its development practices. We continuously explore public welfare pathways that align with our corporate expertise and respond to social needs, committing to achieving a harmonious integration of commercial value and social contribution.

SOCIAL CONTRIBUTION

Community Care

The Group actively fulfills its corporate social responsibility, giving back its operating achievements to society, and effectively participates in community development through various forms such as charitable donations and public welfare projects. Concurrently, leveraging our professional capabilities in the medical field, we are devoted to improving the accessibility and affordability of pharmaceuticals and medical devices, benefiting the general public with higher-quality and more inclusive products and services. During the Reporting Period, we cumulatively invested RMB737,900 in public welfare and assistance funds, fulfilling our corporate commitments through concrete actions and supporting community inclusion and development.

During the Reporting Period

we cumulatively invested RMB**737,900** in public welfare and assistance funds

Health science popularization

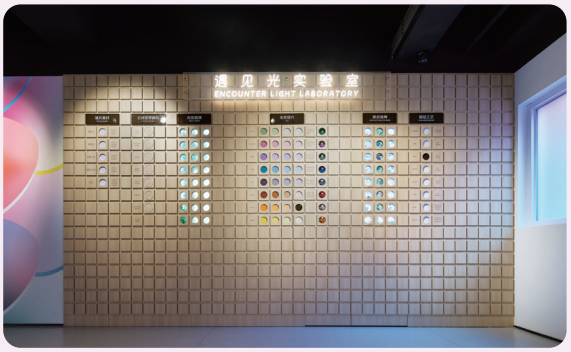
We actively engage in public health science popularization. Leveraging our professional expertise, we carry out in-depth education on ophthalmology and related health knowledge, assisting in raising the public's health awareness and contributing to the building of a healthy society through concrete actions.

Special Lecture on "Crafting and Guarding the 'Bright' World"

In March 2025, coinciding with the National Myopia Prevention and Control Publicity and Education Month, Shanghai Qisheng, at the invitation of Jiwang School in Minhang District, Shanghai, dispatched technical core members who had been awarded "Minhang Craftsman" and "Minhang Leading Talent" to deliver a special lecture entitled "Crafting and Guarding the 'Bright' World" to teachers and students. Integrating their professional expertise with the spirit of craftsmanship, the speakers vividly explained knowledge on myopia prevention and control and promoted healthy eye care concepts, demonstrating the concrete actions of our employees in engaging in social public welfare and fulfilling social responsibilities.

Digital Integration to Protect Eye Health

Haohai Biological established the "Vision + Health" Eye Care Pavilion, fully utilizing digital technology to vividly illustrate the multi-dimensional connections between visual health and medicine, optics, and aesthetics, thereby constructing an immersive space for health popularization and interactive experiences. The pavilion not only offers intuitive visual science exhibits but also generates personalized digital visual health management plans for every visitor, achieving an organic integration of science popularization, experience, and personalized services. In 2025, the Eye Care Pavilion hosted nearly 400 visits and exchanges by domestic and foreign guests, becoming an essential platform for conveying the concept of eye health and practicing corporate social responsibility.



Product accessibility

The Group continually strives to enhance the accessibility of innovative drugs and high-end medical materials, aiding in the construction of a more inclusive medical security system and a fairer, more sustainable health support network. Currently, several of the Group's products have been included in national and local medical insurance catalogs, covering key therapeutic areas such as ophthalmology, orthopedics, surgery, and wound care. This provides clinical practice with accessible and affordable treatment options, effectively alleviating the burden on patients.

SOCIAL CONTRIBUTION

Among the four pharmaceutical products included in the national reimbursement drug list

Human Epidermal Growth Factor Product

Demonstrate excellent clinical efficacy in wound care for conditions such as burn wound repair, donor site skin repair, and diabetic foot ulcers

Sodium Hyaluronate Eye Drops

Used to treat and alleviate conjunctival epithelial injuries caused by endogenous diseases such as dry eye syndrome, as well as exogenous factors including surgery, medications, trauma, and contact lens wear

Moxifloxacin Hydrochloride Eye Drops

Belong to the fourth generation of fluoroquinolones and one of the mainstream medications for treating bacterial conjunctivitis

Sodium Hyaluronate Injection

Primarily indicated for degenerative osteoarthritis, a common and frequently-occurring disease among middle-aged and elderly populations

We will continue to advocate for the inclusion of our products in the medical insurance payment system to reduce the financial burden of treatment on patients, enabling a broader patient population to access safe and effective treatments, thereby genuinely enhancing their rehabilitation quality and living standards, and fulfilling our corporate social responsibility in advancing healthcare accessibility.

Supporting rural revitalization

The Group actively responds to the national rural revitalization strategy. For consecutive years, we have engaged in consumption-driven assistance by targetedly purchasing agricultural products from impoverished regions, assisting farmers in increasing their income. Additionally, capitalizing on our industry characteristics, we enthusiastically participate in medical charity projects such as cataract vision restoration in remote and impoverished regions.

During the Reporting Period, our subsidiaries Henan Universe and Henan Simedice participated in the "Lighting Ten Thousand Lamps Action" and "Kashgar Bright Tour "charity projects, respectively, donating over 400 sets of intraocular lenses essential for cataract surgeries, bringing sight back to cataract patients in Baiyu County, Garze Prefecture, and Kashgar Prefecture, Xinjiang. During the Reporting Period, the Group's donations towards rural revitalization and poverty alleviation amounted to approximately RMB366,700.

During the Reporting Period —

the Group's donations towards poverty alleviation amounted to approximately

RMB**366,700**

Industry Contributions

Adhering to the principles of open innovation and win-win cooperation, the Group persistently promotes industry collaboration and development with a steadfast stance. Joining hands with various forces, we consistently provide technical support and innovative solutions to China's biomedical field. Moving forward, we will continually explore sustainable industry practice pathways, working with all partners to construct a healthier, more resilient industrial ecosystem, ultimately achieving a harmonious unity of economic benefits, social value, and environmental friendliness.

Industry exchange

The Group places high importance on interactive exchanges within the industry, actively participating in industry associations, standard setting forums, academic symposia, and industry summits. We maintain open, normalized communication with peer companies, universities, research institutes, and professional organizations, engaging in dialogue and cooperation covering policy discussion, technological trends, industry standards, and sustainable development. By sharing best practices and learning from exemplary experiences, we drive the construction of a benign industry ecosystem, boost the overall standards of the industry, and accomplish synergistic development and mutual progress.

2025 "Shanghai Outstanding Industry-University-Research Cooperation Project Award"

In October 2025, the project "R&D and Application of Animal Fibrin Hemostatic Drugs ", completed by Shanghai Likangrui as the leading unit, was successfully selected for the 2025 "Shanghai Outstanding Industry-University-Research Cooperation Project Award".

This project was jointly conducted by Shanghai Likangrui in collaboration with the Second Affiliated Hospital of Naval Medical University and Donghua University. Through collaborative industry-university-research innovation, it successfully developed and translated a series of hemostatic products with independent intellectual property rights. The relevant achievements have been listed in catalogs such as "New and Excellent Pharmaceuticals and Devices" and "Innovative Products", and are widely applied across multiple clinical departments, including general surgery, orthopedics, gynecology, cardiothoracic surgery, neurosurgery, thoracic surgery, hepatobiliary surgery, and urology. This provides a safe and effective solution for surgical hemostasis, reflecting the prominent results of the Group in industry-university-research cooperation and the commercialization of scientific and technological achievements.

SOCIAL CONTRIBUTION

The 25th International Congress of Ophthalmology and Optometry

From April 11 to 12, 2025, the 25th International Congress of Ophthalmology and Optometry (COOC 2025) was held in Shanghai. As a key participant in the industry, the Group showcased its full suite of optometry and ocular surface products, discussing frontier trends with experts nationwide.

During the congress, Henan Simedice launched China's first preloaded astigmatism-correcting intraocular lens featuring an innovative "small-step large C-loop" design. Its market debut heralds a more precise new phase in the treatment of cataract astigmatism. Meanwhile, the Group officially rolled out the "Optoshare Assistant" mini-program, a digital tool designed to help doctors formulate treatment plans more scientifically and conveniently, further elevating the efficiency and accuracy of optometry services.

This congress showcased the Group's two-pronged breakthrough in product innovation and digital services, continually propelling ophthalmic diagnosis and treatment towards precision and intelligence.

2025 Corneal Disease Academic Exchange Conference, the 24th Academic Conference on Corneal and Ocular Surface Diseases, and the 17th Annual Conference of Corneal Refractive Surgery

From May 15 to 18, 2025, the 2025 Corneal Disease Academic Exchange Conference, the 24th Academic Conference on Corneal and Ocular Surface Diseases, and the 17th Annual Conference of Corneal Refractive Surgery (CCCRS 2025) were grandly held in Dalian. The Group presented its star product, the CS scleral lens, exploring the latest advancements in ocular surface disease diagnosis and treatment with over a thousand experts and scholars.

Scleral lenses, as large-diameter rigid gas-permeable contact lenses, offer an effective improvement solution for complex ocular issues such as irregular corneas or severe dry eye that are difficult to address using conventional vision correction methods. As the only scleral lens brand in China certified by the U.S. FDA, the CS scleral lens, backed by its standardized trial lens system and intelligent fitting process, delivers the dual clinical value of "protecting ocular surface tissues" and "enhancing patients' quality of life".



CS Scleral Lens Product

Breaking Boundaries through Innovation, Leaping Forward with New Quality — 2025 Ophthalmology Medical-Engineering Translation Innovation Summit

On September 4, 2025, the "Breaking Boundaries through Innovation, Leaping Forward with New Quality — 2025 Ophthalmology Medical-Engineering Translation Innovation Summit", hosted by the Shanghai Yangtze River Delta Medical Device Industry Development Promotion Association and co-organized by Haohai Biological, was held in Hangzhou. As the first specialized summit in China focused on ophthalmology medical-engineering translation, it convened diverse experts from regulatory bodies, clinical settings, and industry. Dialogues centered on the trends, challenges, and pathways for the commercialization of medical advancements, aimed at fostering a synergistic "clinic-R&D-industry" ecosystem to accelerate the practical application of ophthalmic technologies.

Relying on the National Key R&D Programs we undertook, the Company has established an end-to-end innovation system encompassing "clinical unmet needs – technological R&D – product commercialization", becoming one of the premier ophthalmic medical-engineering translation incubation platforms in China. During the summit, the "Medical-Engineering Integration Innovation Alliance and Expert Advisory Board" was also inaugurated, propelling a batch of projects with promising clinical translation value into a new phase of large-scale commercialization, thus bolstering the development of China's ophthalmic innovation framework.

The 1st Global (Pan-Asian) Medical Aesthetics and Grand Health Industry Conference and the 5th Yangtze River Delta Medical Device Industry High-Quality Development Conference

From November 14 to 16, 2025, the 1st Global (Pan-Asian) Medical Aesthetics and Grand Health Industry Conference and the 5th Yangtze River Delta Medical Device Industry High-Quality Development Conference were convened in Songjiang, drawing over 3,000 delegates. Haohai Biological, acting as a leading anchor enterprise of the biomedical industry cluster in Songjiang District, participated in organizing the event. Centered on industrial transformation, the conference aimed to connect international resources and facilitate technology transfer in the medical aesthetics and grand health sectors.

The event also featured 20 thematic sessions covering core technologies and frontier directions within the medical aesthetics, consumer healthcare, and grand health industries. Spanning from technical breakthroughs to clinical applications, and from corporate management innovations to regional synergic breakthroughs, it established a multi-dimensional, multi-element, and multi-disciplinary dialogue network. Aided by the 2nd Yangtze River Delta International Advanced Medical Device Exhibition concurrently hosted by the conference, participating exhibitors and experts were provided with an effective platform to exchange insights on innovative products.

SOCIAL CONTRIBUTION

Standard setting

The Group actively engages in drafting and revising national standards, industry standards, and clinical expert consensuses, translating technological innovations and hands-on experience into technical specifications and quality standards of industry-level guiding significance. This renders robust support for medical product innovation, quality enhancement, and sound industry development, further fostering an orderly and sustainable industrial ecosystem. As of the end of the Reporting Period, we had cumulatively participated in drafting and revising 16 industry and group standards and contributed to or supported the compilation of approximately 40 clinical expert consensuses.

As of the end of the Reporting Period

Revised **16** industry and group standards

Supported approximately **40** clinical expert consensuses

During the Reporting Period, our subsidiary NIMO, serving as a primary drafting entity, took part in formulating the national standards Semi-Finished Spectacle Lens Blanks – Part 1: Single-Vision and Multifocal (GB/T 27995.1-2025) and Ophthalmic Optics – Spectacle Lenses – Part 1: Single-Vision and Multifocal Lenses (GB/T 10810.1-2025). These two national standards were published by the State Administration for Market Regulation (Standardization Administration of China) on February 25, 2025, and will be officially enacted on March 1, 2026.

APPENDIX: ABBREVIATION AND EXPLANATION OF TERMS

For the convenience of presentation and reading, unless the context otherwise requires, the following abbreviations are used in this report.

"Board"	the board of Directors of the Company
"Brighten Vision"	Shanghai Brighten Vision Technology Co., Ltd. (上海亨泰視覺科技有限公司)
"Company" or "Haohai Biological"	Shanghai Haohai Biological Technology Co., Ltd. (上海昊海生物科技股份有限公司)
"ESG Reporting Code of the Hong Kong Stock Exchange"	Environmental, Social and Governance Reporting Code under Appendix C2 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
"GMP"	Good Manufacturing Practice
"Group", "our Group", "we", or "us"	our Company and its subsidiaries
"GSP"	Good Supplying Practice
"Hangzhou Aijinglun"	Hangzhou Aijinglun Technology Co., Ltd. (杭州愛晶倫科技有限公司)
"Haoleyuan"	Shanghai Haoleyuan Biotechnology Co., Ltd.
"Henan Simedice"	Henan Simedice Biotechnologies Co. Ltd. (河南賽美視生物科技有限公司)
"Henan Universe"	Henan Universe Intraocular Lens Research and Manufacture Company, Ltd. (河南宇宙人工晶狀體研製有限公司)
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Juva Medical"	OHMK (TianJin) Medical Technology Co. Ltd. (歐華美科(天津)醫學科技有限公司) and its subsidiaries
"Laserconn"	Sanhe Leike Optoelectronics Technology Co., Ltd. (三河市鐳科光電科技有限公司)
"Nanpeng Optics"	Xiamen Nanpeng Optical Company Limited (廈門南鵬光學有限公司)
"NIMO"	Shenzhen New Industries Material of Ophthalmology Co., Ltd. (深圳市新產業眼科新技術有限公司)
"NMPA"	The National Medical Products Administration of the PRC
"RCP2.6"	in global greenhouse gas emissions by the end of this century, the global average temperature under this scenario will rise by 1℃ above pre-industrial levels
"RCP8.5"	assuming that global greenhouse gas emissions continue to increase by the end of this century, the global average temperature under this scenario will rise by more than 4℃ above pre-industrial levels
"Shanghai Jianhua"	Shanghai Jianhua Fine Biological Products Company Limited (上海建華精細生物製品有限公司)
"Shanghai Likangrui"	Shanghai Likangrui Biological Engineering Company Limited (上海利康瑞生物工程有限公司)
"Shanghai Qisheng"	Shanghai Qisheng Biologics Company Limited (上海其勝生物製劑有限公司)
"SSE"	the Shanghai Stock Exchange
"SSE Sustainability Report Guidelines"	the Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies – Sustainability Report (Trial)
"TCFD"	Task Force on Climate-related Financial Disclosures
"VOCs"	volatile organic compounds

APPENDIX: CONTENT INDEX OF THE ESG REPORTING CODE OF THE HONG KONG STOCK EXCHANGE

Subject Areas, Aspects, General Disclosures and KPIs			Index
A. Environmental			
Aspect A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	4.2 Pollution Prevention and Ecosystem Protection
	KPI A1.1	The types of emissions and respective emissions data.	4.2 Pollution Prevention and Ecosystem Protection
	KPI A1.2	Repealed 1 January 2025	/
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.2 Pollution Prevention and Ecosystem Protection
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.2 Pollution Prevention and Ecosystem Protection
	KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	4.2 Pollution Prevention and Ecosystem Protection
	KPI 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.	4.2 Pollution Prevention and Ecosystem Protection
Aspect A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	4.3 Resource Management and Circular Economy
	KPI 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).	4.3 Resource Management and Circular Economy
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	4.3 Resource Management and Circular Economy
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	4.3 Resource Management and Circular Economy
	KPI 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.	4.3 Resource Management and Circular Economy
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	4.3 Resource Management and Circular Economy

APPENDIX: CONTENT INDEX OF THE ESG REPORTING CODE OF THE HONG KONG STOCK EXCHANGE

Subject Areas, Aspects, General Disclosures and KPIs			Index
Aspect A3: The Environment and Natural Resources	General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	4 Environmental Protection
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	4 Environmental Protection
Aspect A4: Climate Change		Repealed 1 January 2025	/
B. Social			
Aspect B1: Employment	General Disclosure	Information on: (a) the policies; and (b) 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.	5.1 Recruitment and Development
	KPI B1.1	Total workforce by gender, employment type (for example, full – or part-time), age group and geographical region.	5.1 Recruitment and Development
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	5.1 Recruitment and Development
Aspect B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) 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.	5.3 Occupational Health and Safety
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	5.3 Occupational Health and Safety
	KPI B2.2	Lost days due to work injury.	5.3 Occupational Health and Safety
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	5.3 Occupational Health and Safety
Aspect B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	5.1.3 Talent cultivation
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	5.1.3 Talent cultivation
	KPI B3.2	The average training hours completed per employee by gender and employee category.	5.1.3 Talent cultivation

APPENDIX: CONTENT INDEX OF THE ESG REPORTING CODE OF THE HONG KONG STOCK EXCHANGE

Subject Areas, Aspects, General Disclosures and KPIs			Index
Aspect B4: Labor Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	5.1 Recruitment and Development
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labor.	5.1 Recruitment and Development
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	5.1 Recruitment and Development
Aspect B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	3.3 Supply Chain Management
	KPI B5.1	Number of suppliers by geographical region.	3.3 Supply Chain Management
	KPI 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.	3.3 Supply Chain Management
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	3.3 Supply Chain Management
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	3.3 Supply Chain Management
Aspect B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	3.2 Product Safety and Quality 3.4 Responsible Marketing
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	3.2 Product Safety and Quality
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	3.2 Product Safety and Quality
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	3.1 R&D and Innovation
	KPI B6.4	Description of quality assurance process and recall procedures.	3.2 Product Safety and Quality
	KPI B6.5	Description of consumer information protection and privacy policies, and how they are implemented and monitored.	2.3 Information Security and Privacy Protection 2.4 Technology Ethics

APPENDIX: CONTENT INDEX OF THE ESG REPORTING CODE OF THE HONG KONG STOCK EXCHANGE

Subject Areas, Aspects, General Disclosures and KPIs			Index
Aspect B7: Anti-corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	2.2 Business Ethics
	KPI 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.	2.2 Business Ethics
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	2.2 Business Ethics
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	2.2 Business Ethics
Aspect 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.	6 Social Contributions
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	6 Social Contributions
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	6 Social Contributions

APPENDIX: CONTENT INDEX OF THE ESG REPORTING CODE OF THE HONG KONG STOCK EXCHANGE

Part D: Climate-related Disclosures		Index
Governance	19(a) the governance body(s) or individual(s) responsible for oversight of climate-related risks and opportunities;	4.1 Responding to Climate Change
	19(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities	
Strategy	20 Climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term	4.1 Responding to Climate Change
	21 The current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain	4.1 Responding to Climate Change
	22 The effects of climate-related risks and opportunities on its issuer's strategy and decision-making.	4.1 Responding to Climate Change
	23 The progress of plans disclosed in previous reporting periods in accordance with paragraph 22	4.1 Responding to Climate Change
	24 Qualitative and quantitative data on the current financial impact of climate-related risks and opportunities	4.1 Responding to Climate Change
	25 Qualitative and quantitative data on the expected financial impact of climate-related risks and opportunities	4.1 Responding to Climate Change
	26 The resilience of the strategy and business model to climate-related changes, developments and uncertainties and how and when issuers use climate-related scenario analysis to assess its climate resilience	4.1 Responding to Climate Change
Risk Management	27(a)(b) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks and opportunities	4.1 Responding to Climate Change
	27(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform overall risk management process	4.1 Responding to Climate Change

APPENDIX: CONTENT INDEX OF THE ESG REPORTING CODE OF THE HONG KONG STOCK EXCHANGE

Part D: Climate-related Disclosures		Index
Metrics and targets	28 Gross greenhouse gas emissions generated during the reporting period, classified as: Scope 1, Scope 2 and Scope 3	4.1 Responding to Climate Change
	29 Standards, methods and other information for measuring greenhouse gas emissions	4.1 Responding to Climate Change
	30 The amount and percentage of assets or business activities vulnerable to climate-related transition risks	4.1 Responding to Climate Change
	31 The amount and percentage of assets or business activities vulnerable to climate-related physical risks	4.1 Responding to Climate Change
	32 The amount and percentage of assets or business activities aligned with climate-related opportunities	4.1 Responding to Climate Change
	33 The amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities	4.1 Responding to Climate Change
	34 Whether and how the issuer is applying a carbon price in decision-making and the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions	An internal carbon pricing mechanism has not yet been adopted and will be evaluated in due course
	35 Whether and how climate-related considerations are factored into remuneration policy	Climate performance compensation has not yet been adopted and will be evaluated in due course
	36 Industry-based metrics that are associated with business models, activities or other common features that characterise participation in an industry	Without reference to industry indicators, this matter is not applicable
	37 The qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals and any targets the issuer is required to meet by law or regulation	4.1 Responding to Climate Change
	38 Information about its approach to setting and reviewing each target, and how it monitors progress against each target	4.1 Responding to Climate Change
	39 To disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance	4.1 Responding to Climate Change
	40 For each greenhouse gas emission target disclosed, the type of target, coverage, setting method, and use of carbon credits	/
	41 Applicability of cross-industry metrics and industry-based metrics	Without reference to industry indicators, this matter is not applicable

APPENDIX: CONTENT INDEX OF THE SSE SUSTAINABILITY REPORT GUIDELINES

Aspect	No.	Topic	Article	Disclosed in
Environmental	1	Responding to climate change	Article 21 to Article 28	4.1 Responding to Climate Change
	2	Pollutant emission	Article 30	4.2 Pollution Prevention and Ecosystem Protection
	3	Waste disposal	Article 31	4.2 Pollution Prevention and Ecosystem Protection
	4	Protection of ecosystem and biodiversity	Article 32	4.2 Pollution Prevention and Ecosystem Protection
	5	Environmental compliance management	Article 33	4.2 Pollution Prevention and Ecosystem Protection
	6	Use of energy	Article 35	4.3 Resource Management and Circular Economy
	7	Use of water resources	Article 36	4.3 Resource Management and Circular Economy
	8	Circular economy	Article 37	4.3 Resource Management and Circular Economy
Social	9	Rural revitalization	Article 39	6 Social Contributions
	10	Social contributions	Article 40	6 Social Contributions
	11	Innovation-driven	Article 42	3.1 R&D and Innovation
	12	Scientific and technological ethics	Article 43	2 Compliant Operation
	13	Supply chain safety	Article 45	3.3 Supply Chain Management
	14	Equal treatment to SMEs	Article 46	Not applicable
	15	Safety and quality of products and services	Article 47	3.2 Product Safety and Quality
	16	Data security and customer privacy protection	Article 48	2. Compliant Operation
	17	Employees	Article 50	5. Employee Development
Sustainability Governance	18	Due diligence	Article 52	3. Product Responsibility
	19	Communications with the stakeholders	Article 53	1.3 Stakeholder Engagement
	20	Anti-commercial bribery and anti-corruption	Article 55	2.2 Business Ethics
	21	Anti-unfair competition	Article 56	2.2 Business Ethics



上海昊海生物科技股份有限公司

Shanghai Haohai Biological Technology Co., Ltd.