

InnoCare Pharma Limited
諾誠健華醫藥有限公司
(incorporated in Cayman Islands with limited liability)
(the “**Company**”)

ANTI-CORRUPTION AND ANTI-BRIBERY POLICY
(the “Policy”)
*(Adopted by the Company at a meeting of
the board of directors of the Company on October 12 2022)*

1 PURPOSE

- 1.1 The Company and its subsidiaries (the “**Group**”) is committed to conduct all of its business in an honest and ethical manner. The Group takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all of its business dealings and relationships wherever the Group operates and implementing and enforcing effective systems to counter bribery and corruption.
- 1.2 This Policy aims to:
- i. set out the Group’s responsibilities and of those working for and on the Group’s behalf, in observing and upholding the Group’s position; and
 - ii. provide information and guidance on how to recognise and deal with bribery and corruption issues.
- 1.3 This Policy applies to all employees (including secondees), officers and directors of the Group (together, the “**Relevant Persons**”) and external third parties who deal with the Group (including but not limited to customers and suppliers) (“**External Parties**”).
- 1.4 All Relevant Persons are required to adhere to this Policy, as well as any additional requirements set by their employing companies or by local law (which may be stricter than those set out in this Policy), the breach of which may lead to disciplinary action that might ultimately result in termination of employment and/or personal civil or criminal sanctions.
- 1.5 Any questions in relation to this Policy should be directed to the Compliance Department of the Company.

2 PREVENTION OF BRIBERY

- 2.1 The Group prohibits all forms of bribery and corruption. All Relevant Persons are prohibited from soliciting, accepting or offering any bribe in conducting the Group’s business or affairs. In conducting all business or affairs of the Group, they must comply with all the applicable laws and regulations including but not limited to the Anti-Unfair Competition Law of the People’s Republic of China, the Prevention of Bribery Ordinance (Cap. 201) of the Laws of Hong Kong (the “**POBO**”) and must not:

- i. solicit or accept any advantage from others as a reward for or inducement to doing any act or showing favour in relation to the Group's business or affairs, or offer any advantage to an agent of another as a reward for or inducement to doing any act or showing favour in relation to his/her principal's business or affairs;
- ii. offer any advantage to any public servant (including any government or public body employee) as a reward for or inducement to his/her performing any act in his/her official capacity or his/her showing any favour or providing any assistance in business dealing with the government or a public body; or
- iii. offer any advantage to any staff of a government department or public body with whom the Group have dealings.

2.2 Advantage as interpreted under the POBO includes:

- (i) any gift, loan, fee, reward or commission consisting of money or any valuable security or of other property or interest in property of any description;
- (ii) any office, employment or contract;
- (iii) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
- (iv) any other service, or favour (other than entertainment), including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted;
- (v) the exercise or forbearance from exercise of any right or any power or duty; and
- (vi) any offer, undertaking or promise, whether conditional or unconditional, of any advantage within the meaning of any of the preceding paragraphs (i), (ii), (iii), (iv) and (v).

3 OFFER OF ADVANTAGE

- 3.1 Relevant Persons are prohibited from offering advantages to any director, staff member or agent of another company or organisation, for the purpose of influencing such person in any dealing, or any public official, whether directly or indirectly through a third party, when conducting the Group's business. Even when an offer of advantage carries no intention of improper influence, it should be ascertained that the intended recipient is permitted by his/her employer/principal to accept it under the relevant circumstance before the advantage is offered.

4 ENTERTAINMENT AND SOUVENIRS

- 4.1 Relevant Persons are prohibited from soliciting or accepting any form of cash and cash equivalents (including through intermediaries) for themselves or others, from any person, company or organisation having business dealings with the Group.
- 4.2 According to the POBO, “entertainment” means the provision of food or drink, for consumption on the occasion when it is provided, and of any other entertainment connected with or provided at the same time as the provision of food or drink.
- 4.3 Although entertainment is an acceptable form of business and social behaviour, a Relevant Person should avoid accepting lavish or frequent entertainment from persons with whom the Group has business dealings (e.g. suppliers, distributors, carriers or contractors etc.) or from his/her subordinates, or offering lavish or frequent entertainment to the above-mentioned persons to avoid placing himself/herself in a position of obligation or the violation of the relevant provisions of this Policy. In general, the Group allows the following forms of entertainment to be offered or accepted by a Relevant Person:
- i. Reasonable invitations to small, medium or large business-related meetings such as training seminars, business lunches or dinners;
 - ii. Invitations to social, sporting or other events that may be made or accepted for a reasonable fee and for a legitimate business purpose (e.g., socializing).

A Relevant Person should decline an offer of entertainment if acceptance of which could affect his/her objectivity in conducting the Group’s business or induce him/her to act against the interest of the Group, or acceptance of such entertainment will likely lead to perception or allegation of impropriety.

- 4.4 In addition, the offer of entertainment or souvenirs (excluding promotional materials or items of the Group) by a Relevant Person to any person with whom the Group has business dealings shall also comply with the following principles:
- i. such act will not make the recipient feel liable or be deemed as a liability;
 - ii. such act shall observe the local generally-accepted business practices;
 - iii. such act cannot be deemed as committing a bribe;
 - iv. such act does not violate the relevant policies and standards of the company where the recipient served.
- 4.5 Prior to offering entertainment or souvenirs, the Relevant Persons should obtain relevant approvals in accordance with the procedures applicable to the Group from time to time.

5 CHARITABLE CONTRIBUTIONS AND SPONSORSHIP

- 5.1 Charitable donations and sponsorships may in some circumstances constitute a

disguised form of bribery. The Compliance Department of the Group (the “**Compliance Team**”) is responsible for the daily management of social charity activities.

- 5.2 The Compliance Team must ensure relevant policies of the Group are complied with, including but not limited to the Guidelines for Interacting with External Stakeholders of the Company.

6 CONFLICT OF INTEREST

6.1 All Relevant Persons should avoid any conflict of interest situation (i.e. situation where their private interest conflicts with the interest of the Group) or the perception of such conflicts. When actual or potential conflict of interest arises, the Relevant Persons should make declarations in accordance with the procedures applicable to the Group from time to time.

6.2 Some common examples of conflict of interest are described below but they are by no means exhaustive:

- i. a Relevant Person involved in a procurement exercise is closely related to or has financial interest in the business of a supplier who is being considered for selection by the Group;
- ii. one of the candidates under consideration in a recruitment or promotion exercise is a family member, a relative or a close personal friend of the Relevant Person involved in the process;
- iii. a director of the Company has financial interest in a company whose quotation or tender is under consideration by the board of directors of the Company;
- iv. a Relevant Person (full-time or part-time) undertaking part-time work with a supplier or contractor whom he/she is responsible for monitoring.

7 RECORDS, ACCOUNTS AND OTHER DOCUMENTS

7.1 All Relevant Persons should ensure that all records, receipts, accounts or other documents they submit to the Group give a true representation of the facts, events or business transactions as shown in the documents. Intentional use of documents containing false information to deceive or mislead the Group, regardless of whether there is any gain or advantage involved, may constitute an offence under any applicable laws and regulations.

8 REPORTING OF BRIBERY AND SUSPICIOUS ACTIVITY

8.1 If any Relevant Person becomes aware of any actual or suspected breach of this Policy, he/she must report such incidents in accordance with Whistleblowing Policy which provides a mechanism for Relevant Persons and External Parties to raise concerns on any suspected impropriety, misconduct or malpractice through confidential reporting channels.

9 TRAINING AND COMMUNICATION

- 9.1 Regular trainings relating to the corruption and bribery risks faced by the Group, as well as compliance with laws, regulations and standards of conduct, which are relevant for their field of business shall be conducted on regular basis. It is every Relevant Person's responsibility to counter corruption and bribery by adhering to this Policy.
- 9.2 The Group's zero-tolerance approach to bribery and corruption must be communicated to the External Parties at the outset of the business relationship with them and as appropriate thereafter.

10 COMPLIANCE WITH THIS POLICY

- 10.1 Any Relevant Person who breaches this Policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct.
- 10.2 The Group may terminate the relationship with the External Parties working on the Group's behalf if they breach this Policy.

11 RESPONSIBILITY AND REVIEW OF THE POLICY

- 11.1 This Policy has been approved by the board of directors of the Company (the "**Board**") on 19 August 2022 and is subject to review by the Board from time to time to ensure it remains relevant to the Group's needs and reflects the then current regulatory requirement.
- 11.2 The Group's business is mainly located in Mainland China and it also have business dealings with External Parties from all over the world. Accordingly, members of the Group may put in place specific policies on anti-corruption and anti-bribery based on the laws, regulations, rules, directives or guidelines of any regulatory bodies of any jurisdictions applicable to such members.
- 11.3 This Policy shall be read in conjunction with and subject to any relevant laws, regulations, rules, directives or guidelines that The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") or any other regulatory bodies may from time to time prescribe or issue on the matters governed by this Policy.
- 11.4 In the event that any procedures herein are inconsistent or in conflict with any relevant laws, regulations, rules, directives or guidelines as prescribed by the Stock Exchange or any other regulatory bodies or any part thereof (the "**Legal Requirements**"), the latter shall prevail to the extent of such inconsistency or conflict unless the procedures herein comply with the Legal Requirement and are more stringent than the Legal Requirements.

12 DISCLOSURE OF THE POLICY

- 12.1 This Policy or its summary is required to be published on the Company's website (www.innocarepharma.com) in the section of Investor Relations - Corporate Governance.

NOTE: This document has been translated into Chinese. In case of discrepancies between the English version and Chinese version, the English version shall prevail.