

FOSUN PHARMA

复星医药

**Fair Pricing Policy of
Shanghai Fosun Pharmaceutical (Group)
Co., Ltd.**

(Revised in 2025)

[ESG Working Group]

Fosun Pharma Group
March 14, 2025

Chapter I General Provisions

Article 1 Shanghai Fosun Pharmaceutical (Group) Co., Ltd. (hereinafter referred to as "Fosun Pharma") and its holding subsidiaries/units (hereinafter referred to as "the Group") uphold the quality policy of "Respecting life, putting quality first, striving for perfection, and pursuing excellence" and are committed to providing quality and accessible products and services to patients and clients. This policy has been formulated to further promote pharmaceutical innovation for the benefit of patients and customers.

Article 2 This policy applies to all products in the Group.

Chapter II Principle of Fair Pricing

Article 3 Fair pricing shall adhere to the following principles:

(I) Legality and compliance principle. Fair pricing shall comply with laws, regulations, and other stipulations, strictly following internal and external approval procedures, and shall not harm public interests or the legitimate rights of other citizens.

(II) Fairness and transparency principle. Fair pricing shall align with the Group's mission of "Better Health for Families Worldwide" and the values of "Care for Life, Continuous Innovation, Pursuit of Excellence, Sustainable Partnership". Product pricing shall be established fairly and disclosed transparently.

Chapter III Fair Pricing Measures

Article 4 The Group adopts a value-based and transparent pricing strategy, including:

(I) Adhering to the World Health Organization's definition of "fair pricing" by implementing a value-based pricing strategy to ensure that drug pricing reflects its value to patients, to the healthcare system, and to the local community as a whole.

(II) Value-based pricing serves as the foundation for the Group's development of customized pricing models for healthcare systems, incentivizing continuous investment in complex and high-risk pharmaceutical research and development.

Article 5 The Group fairly determines product prices domestically and internationally based on the concept of affordability. Recognizing that countries differ in healthcare demands, drug payment mechanisms, and affordability of financial systems, the Group adopts a differentiated pricing strategy. When setting prices in different countries or regions, factors such as GDP levels, the United Nations Human Development Index, and public healthcare investment will be considered to ensure price consistency across markets of similar levels within and across countries. Additionally, the Group will establish more accessible drug pricing strategies tailored to the needs and payment capabilities of patients in different regions to serve a broader global population.

Chapter IV Employee Training

Article 6 The Group shall conduct annual training for all employees.

Employees are required to participate in such training to understand, master, and comply with the provisions of this policy. After training, relevant training records, including but not limited to training content, schedule, attendance sheets, or participant lists, must be properly archived.

Chapter V Supervision

Article 7 The management of Fosun Pharma is responsible for organizing and overseeing the daily implementation of this policy within the Group to ensure the effectiveness of the supervision. The Board of Directors of Fosun Pharma shall supervise the execution of the Group's fair pricing policy.

Chapter VI Supplementary Provisions

Article 8 Anything not covered in this policy, or conflict with relevant laws, regulations, or normative documents, such law, regulations, and normative documents shall prevail.

Article 9 This policy is formulated, revised, and interpreted by the ESG Management Committee of Fosun Pharma, and shall take effect upon publication.

Shanghai Fosun Pharmaceutical (Group) Co., Ltd.

March 14, 2025