

# 利益冲突管理

## THE CONFLICT OF INTEREST POLICY

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\*For identification purpose only

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# 1 GENERAL PROVISIONS

## 1.1 Purpose

The Conflict of Interest Policy (hereinafter referred to as the “Policy”) is designed to protect the interests of WuXi Biologics (Cayman) Inc., (hereinafter referred to as “the Company”) and shareholders from conflict of interests between the Company and directors, officers, and employees (hereinafter referred to as “the employees”), and promote healthy development of Company.

## 1.2 Definitions

### 1.2.1

The following are considered Covered Persons for the purposes of this Policy who have an Interest in a Transaction:

- Each member of the Board of Directors of the Company (“Board”).
- Each member of senior management of the Company as disclosed in Annual Report.
- , CEO VP  
VP CEO

Each key employee shall mean employees designated by CEO as a “Key Employee”. The key employees usually include people of VP level and above and all functional heads below VP level, or other employees designated by CEO. Such key employee name list shall be provided to the Internal Audit Department by HR Department every year before the launch of Annual Conflict of Interest Declaration.

### 1.2.2

Interest” means any commitment, investment, relationship, obligation, or involvement, financial or otherwise, direct or indirect, that is

Compensation that may influence a person's judgment, including but not limited to:

- 
- A compensation arrangement with any entity or individual with which the Company has a Transaction;
- 
- A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Company is negotiating a Transaction.

#### 1.2.3

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial, or conveniences related to casual, business and travel in nature of benefits for the employees, their close relatives or third parties designated by the employees.

#### 1.2.4

A Conflict of Interest arises when, in the judgment of the Board:

a Covered Person is in a position of authority over the Company—such as an officer, director, or Key Employee—and may benefit financially from a decision such person could make in such capacity or made by other department under his/her influence inappropriately (including indirect benefits such as to close relatives or other related person or businesses with which the Covered Person is closely associated), and as such reduces the likelihood that the Covered Person's influence can be exercised impartially in the best interests of the Company.

Close relatives” refer to an employee's spouse, parents, children aged 18 years and above and their spouses, siblings and their spouses, parents-in-law, spouse's siblings and the children's parents-in-law, in accordance with Article 71 of Administrative Measures on Information Disclosure by Listed Companies, China Securities Regulatory Commission Order No. 40.

Other Related Person” refer to the person who, based on special identity relationship, may become interest-related party with the Covered Person and influence judgment or decision of the Covered Person.

#### 1.2.5

Transaction means any transaction, agreement, or arrangement between a Covered Person and the Company, or between the Company and any third party where a Covered Person has an Interest in the transaction or any party to it.

### 1.3 Applicable Scope

WuXi Biologics (Cayman) Inc. “ ” “ ”

This Management Policy shall be applicable to WuXi Biologics (Cayman) Inc. (“WuXi Biologics” or “The Company”) and its worldwide holding subsidiaries and affiliated companies.”

## 2 PROCEDURES

### 2.1 Organization and Responsibility

The Board shall lead the management of conflicts of interest and determine the objects of conflicts of interest investigation.

For the determination of conflicts of interest that need to be reported to the Board, the Board shall review the conflicts of interest in the declaration and determining whether the Transaction could be carried out. The Board Secretary Office and the Internal Audit Department are jointly responsible for the declaration of conflicts of interest of “Covered Person”, issuing the “Conflict of Interests Declaration Form”, and summarizing the results and archiving documents. The Board Secretary Office is responsible for the declaration, summarizing and archiving of conflicts of interest of directors and senior managements, and the Internal Audit Department is responsible for the declaration, summarizing and archiving of conflicts of interest of Key Employees. Moreover, the department/functional head is responsible for daily publicity, training, information collection, reaction measures and other management work to ensure the Policy’s effective implementation. The Internal Audit Department is the centralized management department for the investigation of conflicts of interest.

## 2.2 Declaration Methods

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The Board Secretary Office and Internal Audit Department shall organize and complete the declaration of conflicts of interest of “Covered Person” by March 31st every year for the just completed fiscal year ended December 31st. The directors and senior managements shall submit the signed “Conflict of Interests Declaration Form” to the Board Secretary Office, other Key Employees who have or may have conflicts of interest shall submit the signed “Conflict of Interests Declaration Form” to the Internal Audit Department. All the declared “Conflict

of Interests Declaration Form” will be summarized to the Board Secretary Office, and finally get ready for the review by the Board.

Audit Committee will identify the other respondents, and perform the Conflict of interest investigation according to the specific investigation plan of Internal Audit Department.

#### 2.3 Declaration Time

### 5

For any actual or potential conflict of interest occurred before the effective date of this policy, a declaration must be made to the Board Secretary Office or the Internal Audit Department within two months from the effective date of this Policy, including the ongoing action(s) or transaction(s) during the Policy issuing process. If any other actual or potential conflict of interest is known or should be known, the employee shall report it to the Board Secretary Office or the Internal Audit Department within 5 working days.

#### 2.4 Conflict of Interest Consultation

If any person (director, senior management, Key Employee or other employee) is not sure whether there is a conflict of interest under a specific circumstance, such person shall have the responsibility to consult the Board Secretary Office or the Internal Audit Department, and report all the information about the undetermined situation to the Board Secretary Office or the Internal Audit Department.

#### 2.5 Duty of Disclosure

In connection with any actual or potential Conflict of Interest, a Covered Person must disclose the existence of the Interest and be given the opportunity to disclose all material facts to the Management Group, Board and Audit Committee.





of the conflict of interest and to decide whether to proceed with the Transaction and, if so, to ensure that the terms of the Transaction comply with the Company's rules and without causing harm to the interests of Company. The fact that a Transaction has a conflict of interest does not necessarily mean that the board will terminate the Transaction.

### **3 REVIEW BY THE BOARD**

The Board may ask questions of and receive presentation(s) from the Covered Person(s) and any other relevant person(s), but shall deliberate and vote on the Transaction in their absence. The Board shall ascertain that all material facts regarding the Transaction and the Covered Person's Conflict of Interest have been disclosed to the Board and shall compile appropriate data, such as comparability studies, to determine fair terms for the Transaction.

After exercising due diligence, which may include investigating alternatives that present no Conflict of Interest, the Board shall determine whether the Transaction is in the Company's best interest, for its own benefit, and whether it is fair and reasonable to the Company; the majority of disinterested members of the Board attending the meeting of the Board then in office may approve the Transaction.

### **4 RECORDS OF PROCEEDINGS**

The minutes of any meeting of the Board pursuant to this Policy shall contain the following information:

#### **4.1**

The name of each Covered Person who disclosed or was otherwise determined to have an Interest in a Transaction;

#### **4.2**

The nature of the Interest and whether it was determined to constitute a Conflict of

Interest

4.3

Any alternative transactions considered

4.4

The members of the Board who were present during the deliberations on the Transaction, those who voted on it, and to what extent the Covered Persons were excluded from the deliberations;

4.5

Any comparability data or other information obtained and relied upon by the Board and how the information was obtained;

4.6

And the result of the vote, including, if applicable, the terms of the Transaction that was approved and the date it was approved.

## **5 IMPLEMENTATION AND RECTIFICATION**

### **5.1 Approval and Feedback**

The Board of the company shall review the “Declaration Form for Conflicts of Interests” submitted by the employee(s). If further investigation is required, the Board shall request the applicant(s) to provide additional explanations. The relevant investigation shall be performed by the Internal Audit Department, and the relevant departments and individuals shall cooperate actively. The Board Secretary Office or the Internal Audit Department shall feedback the rectification requirement to the applicant(s).

### **5.2 Implementation and Supervision**

After receiving the feedback, the applicant(s) shall rectify the conflict of interest according to the rectification requirement within the prescribed time. The Internal

Audit Department shall track and supervise the implementation of the applicant, form the implementation report(s) and report it to the Audit Committee. The Company has the right to take measures to enforce the applicant(s) who refuse to comply with the rectification requirement.

## **6 MANAGEMENT REQUIREMENTS**

In order to reduce the potential impact on the Company from conflict of interest, the Company has set up the following requirements which are applicable to ALL employees.

### **6.1**

Without the Company's approval, employees are not allowed to be employed by a competitor or serve as part-time employees, consultants and members of board of directors or provide services or disclose information to a competitor in any other form.

### **6.2**

During their employment by the Company, the Company's employees shall not sell any products or services that are competitive with the Company's existing or potential business activities.

### **6.3**

Without the Company's approval, employees are not allowed to work for or provide services to other enterprises or institutions (including but not limited to serving as member of board of directors, supervisors or senior management in other enterprises or institutions).

### **6.4**

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Without the Company's approval, employees may not serve as the Company's suppliers or customers, or representatives of the Company's suppliers/customers,

or serve as employees, consultants, directors or shareholders, etc. of Company's suppliers/customers. Employees shall not accept cash or benefits in any form for providing suggestions or services relating to the Company's business.

6.5

Employees may not hold any ownership interests in non-listed enterprises that have a competitive relationship with the Company.

6.10 1%

Employees may not hold more than 1% of the net issued shares in any listed companies which have a competitive relationship with the Company.

6.11

Employees may not obtain capital gains from the suppliers or other partners of the Company by means of joint-venture, buy-in, dividends or purchases of shares (including indirect investments through other people).

The "Company's approval" stated above means approval from the Chairman of WuXi Biologics (Cayman) Inc.

## **7 VIOLATIONS AND DISCIPLINARY ACTIONS**

### **7.1 Violations**

If the Board has reasonable cause to believe that a Covered Person of the Company has failed to disclose actual or potential conflicts of interest, including those arising from a Transaction with a related person, it shall inform such Covered Person of the basis for this belief and afford the Covered Person an opportunity to explain the alleged failure to disclose. If, after hearing the Covered Person response and making further investigation as warranted by the circumstances, the Board determines that the Covered Person has failed to disclose an actual or potential conflict of interest, the Board shall take appropriate disciplinary and corrective actions.

### **7.2 Disciplinary Actions**

#### **7.2.1**

With regards to conflicts of interest, employee(s) who does not actively report or avoid such conflicts of interest, disciplinary actions will be taken up to including retain post on probation or above depending on the severity of the violation upon discovery; if the violation is serious and has caused losses, the disciplinary action will be taken up to terminate the employment contract(s) with such employee(s);

#### 7.2.2

If employee(s) commit a violation of this policy and harm to the interest of Company, the Company may demand the employee(s) to compensate for the losses or bring legal actions against such employees depending on the severity of the violation;

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[IA\\_Biologics@wuxibiologics.com](mailto:IA_Biologics@wuxibiologics.com);

[Compliance\\_Biologics@wuxibiologics.com](mailto:Compliance_Biologics@wuxibiologics.com)

Any violation or perceived violation of this Policy can be reported through the email box:

[IA\\_Biologics@wuxibiologicsc.com](mailto:IA_Biologics@wuxibiologicsc.com);

[Compliance\\_Biologics@wuxibiologics.com](mailto:Compliance_Biologics@wuxibiologics.com);

the receiver(s) shall keep confidential the relevant information. No individual shall retaliate against a reporter. For problems reported by employees, Internal Audit Department shall conduct appropriate investigations and provide feedback.

## 8

### ANNUAL REVIEWS

The review may be written or oral. The review shall consider the level of compliance with the Policy, the continuing suitability of the Policy, and whether the Policy should be modified and improved.

When conducting the periodic reviews as provided for in Article 8, the Company may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.