



**HUTCHMED (CHINA) LIMITED**

**ENVIRONMENTAL POLICY**

Adopted by the board of directors on May 12, 2022

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## 1. Policy Statement

HUTCHMED (China) Limited, its subsidiaries and controlled affiliates (collectively, the “Group”) is conscious of the environmental impact associated with its operations. It is committed to protecting the environment and supporting sustainable development by managing its environmental footprint across its network of operating markets.

This Policy applies across the Group’s operations and represents a key part of the Group’s ongoing efforts to achieve efficient processes across its operations and manage its environmental impact. The Group also encourages its suppliers, business partners, and where applicable, its customers, to respect the practices outlined in this Policy, with a goal of furthering their own efforts at environmental stewardship.

This Policy will be reviewed regularly or as required to ensure its relevance and effectiveness.

## 2. Approach

To reduce any adverse environmental impact arising from day-to-day operations, the Group strives to adopt behavioral change as well as the use of innovative and efficient technology, processes and systems to drive and monitor reduction initiatives. Central to these efforts are:

- Complying with relevant environmental legislations and regulations in all markets where the Group operates.
- Handling environmental complaints and responding to environmental inquiries in a timely manner, taking necessary actions to resolve any problems or concerns as soon as possible, and adopting preventive measures to avoid the recurrence of similar incidents.
- Implementing environmental management systems to embed and standardize good practices to both managing and reducing the environmental impact arising from its operations.
- Promoting and stimulating behavioral change amongst existing and potential employees through internal communication, training, and other means.
- Cultivating a greater internal awareness on environmental issues to spearhead the reduction of energy consumption.
- Reporting on the Group’s environmental impact and performance through platforms such as the corporate website and, on an annual basis, the Company’s Sustainability Reports.
- Continuing to engage with and consult the Group’s stakeholders to improve its environmental performance and mitigate any adverse environmental impact from its operations.

## 2.1 Managing Direct Impact

The Group strives to further strengthen its resilience to climate change by identifying and addressing the challenges presented by climate change and the opportunities to resolve those challenges, as well as by developing strategies in line with global best practices with a view to adapting to and mitigating the impact of climate change on its operations. It assesses climate change and its associated risks and opportunities from time to time in order to ensure appropriate strategies and responsible actions are taken to address the causes and effects of climate change on its operations.

The Group also endeavors to implement measures to protect natural resources and adopt circular business model approaches.

The following outlines the Group's global position on managing its direct environmental impact:

### 2.1.1 Take Action on Climate Change

- Address climate change risks as part of the Group's risk management process.
- Set medium and long-term targets to reduce carbon emissions as appropriate, while enacting processes and systems to monitor the Group's carbon footprint.
- Incorporate climate change considerations into its business strategies.
- Establish appropriate procedures and processes to prevent or minimize the damage that climate change may cause and make use of the opportunities that may arise.
- Reduce, where feasible, the production of greenhouse gases, ozone depleting emissions and other air pollutants within the Group's operations.
- Increase the usage of innovative and energy efficient technology in the Group's operations to reduce energy consumption arising from day-to-day operations, such as the use of video conferencing technology to minimize the need for business travel.
- Track and monitor the use of energy across the Group's operations.

### 2.1.2 Protect Natural Resources

- Streamline procedures and processes to increase efficiency and reduce consumption of day-to-day operational inputs such as paper, electronic equipment and the like.

- Minimize the Group's waste footprint (hazardous and non-hazardous) by recycling and reusing materials where possible, and setting waste reduction and/or recycling targets where viable.
- Implement water conservation measures.
- Implement initiatives to manage or reduce effluents.
- Reduce non-greenhouse gas emissions and Volatile Organic Compounds.
- Protect, conserve and restore local biodiversity and undertake biodiversity assessments where relevant to operations.

### 2.1.3 Promote a Circular Economy

- Integrate circular thinking into business strategies through responsible raw material sourcing, efficient production processes and product design, and inspiring sustainable consumer behaviors.

## 2.2 Managing Indirect Impact

### 2.2.1 Supplier and Community Engagement

The Group is also aware of the indirect impact arising from its ability to influence environmental performance within its value chain and through its investments. The Group endeavors to embed sustainability considerations in how it engages with suppliers and communities. These include:

- Influencing its suppliers by raising awareness on environmental issues and adopting the considerations as outlined in this Policy, as well as the Group's Supplier Management Procedures. Suppliers should also be engaged to improve their environmental performance wherever possible.
- Continuing to raise awareness of environmental issues and promote environmentally sustainable practices among the communities the Group operates in by partnering with industry groups and environmental organizations as appropriate.

### 2.2.2 Green Procurement

The Group is committed to green procurement. It supports and promotes environmental practices in the supply chain by implementing the following guidelines during the procurement process. Where suitable options exist, it:

- Reduces the use of virgin material.
- Avoids single-use disposable items and replaces them with durable and reusable and/or recyclable alternatives.
- Minimizes the use of packaging.
- Reduces the use of hazardous substances.
- Adopts specifications for greater energy efficiency, water efficiency and clean technology.
- Regarding office-related products: Opts for recyclable toner and ink cartridges and procures paper from responsibly managed forests including post-consumer recycled content as demonstrated through sustainability certifications.