



DUOPHARMA BIOTECH BERHAD

Registration No. 200001021664 (524271-W)

SUSTAINABILITY FRAMEWORK

EFFECTIVE DATE: 31 DECEMBER 2024

REVISION NO: 00

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1.0 INTRODUCTION

1.1 STATEMENT

1. Duopharma Biotech Berhad (“Duopharma Biotech” or the “Company”) is deeply committed to its responsibility of fostering healthier lives and driving sustained, long-term value for our stakeholders. We strive not only to provide equitable access to medicine, but also to uplift communities and protect the environment.

1.2 OBJECTIVE

1. Duopharma Biotech’s vision on sustainability is to become a responsible pharmaceutical company by achieving a leading ESG Rating, raising awareness among employees and ensuring that our ESG strategies are fully aligned with our business objectives and strategies.
2. The objective of this Sustainability Framework (“Framework”) is to guide the integration of sustainable practices across Duopharma Biotech, providing a structured approach to incorporating Environmental, Social and Governance (“ESG”) considerations. This Sustainability Framework should be viewed alongside the Group Sustainability Policy, which guide the efforts to promote responsible and sustainable practices across Company’s operations.

Please refer to Duopharma Biotech’s website (available at <https://duopharmabiotech.com/esg/governance-and-policies/>) for the details of the Group Sustainability Policy.

1.3 SCOPE AND APPLICATION

1. This Group Sustainability Framework applies to all Directors, Officers and Employees (permanent and temporary) of Duopharma Biotech, subsidiaries and affiliated companies, regardless of the location of employment. This frameworks’ general principles and prohibitions also apply to suppliers, vendors, agents, distributors, consultants and any other third parties acting on Duopharma Biotech’s behalf, regardless of citizenship or where they conduct business.

2. The Sustainability Framework shall be read together with the Group Sustainability Policy and may be supplemented by other internal reference documents, but not limited to the following:

<ul style="list-style-type: none"> • Sustainability Policy • Environmental Policy • Safety & Health (SHE) Policy • Biodiversity Policy • Diversity, Anti-Discrimination & Anti-Harassment Policy • Labour Rights Policy • Corporate Social Responsibility (CSR) Policy • Anti Bribery & Anti-Corruption Policy • Anti Money Laundering & Counter-Financing Terrorism Policy • Business Ethics Policy • Integrity Pact Policy • Whistle-Blowing Policy • Halal Policy • Quality Policy • Declaration of Interest Policy • Gift & Hospitality Policy • Sponsorship Policy • Grant, Charitable Donations and External Sponsorship Policy 	<ul style="list-style-type: none"> • Risk Management Manual & Guidelines • Shareholders and Investors Communication Policy • Corporate Disclosure Policies & Procedures • Record Retention Policy • Security Policy • Electronics Signature Policy & Guidelines • Personal Data Protection Compliance Policy & Manual • Policy on Beneficial Ownership Reporting • Remuneration Policy and Procedures for Directors and Senior Management • Policy on External Auditor • Diversity Policy for the Board of Directors and Senior Management • Diversity Policy for the Board of Directors and Senior Management
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3. This Framework aims to establish alignment with the applicable laws in Malaysia, as well as other countries where the Company carries out its business.

2.0 SUSTAINABILITY COMMITMENTS

- 2.1** As part of our ongoing commitment to sustainability and our responsibility to future generations, we have established transformative targets aimed at reducing our environmental impact and driving positive change:
- To achieve carbon neutral by 2030;
 - To achieve net zero carbon emissions by 2050; and
 - To replace 50% of single-use plastics in our operations with biodegradable alternatives by 2026.
- 2.2** To achieve our emission goals, we are committed to improving our energy efficiency, exploring innovative technologies to reduce emissions more effectively, stepping up circular economy initiatives and balancing remaining emissions through the purchase of carbon offset credits.

3.0 SUSTAINABILITY GOVERNANCE FRAMEWORK

- 3.1** Our Sustainability Governance Framework is designed to drive accountability and ensure that ESG principles are deeply integrated into all levels of our operations and decision-making processes.



Figure 1: Duopharma Biotech's Sustainability Governance Framework

- 3.2** In the context of the Sustainability Governance Framework, the following terms are ascribed with the following definitions:

Terms	Definition
Board of Directors	A group of Executive and Non-Executive Directors elected to oversee a company's overall direction, strategy, and governance, ensuring accountability to shareholders and stakeholders.
Halal and Sustainability Committee	A Board committee responsible for guiding and monitoring the company's adherence to halal standards and sustainability practices, ensuring alignment with ethical, environmental, and social principles.
Group Management Committee (Senior Management Level)	Employees of the Group of Job Grade 19 (and above) and who are also C-suite officers and members of the Group Management Committee (GMC) of the Company.
Sustainability Management Council	A governance body within the Company comprises of representatives from key departments, responsible with coordinating and driving the integration of sustainability initiatives across the organization and ensuring alignment with strategic goals.
Group Sustainability Department	A dedicated department that develops, implements, and monitors sustainability programs, policies, and strategies across the company to meet environmental, social, and governance (ESG) objectives.
Operational Unit	A specific department or subsidiary within the Company that is responsible for carrying out a particular set of tasks or functions related to the company's operations.

- 3.3** Sustainability at Duopharma Biotech is governed by the highest body in the Group, the Board of Directors of Duopharma Biotech ("the Board"). The Board plays a pivotal role in integrating sustainability into the Company's strategic direction, overseeing the implementation of sustainability initiatives, and ensuring the Company has the resources and capability to fulfil its sustainability commitments.

- 3.4** Sustainability matters are also deliberated at the Board Committee level, i.e., by the Halal and Sustainability Committee ("HSC"). Discussion includes reviewing, overseeing and monitoring the progress updates or proposals related to the sustainability strategy and initiatives for the HSC's endorsement and recommendation to the Board for notation or approval.
- 3.5** At the senior management level, the Group Management Committee ("GMC") reviews and deliberates on the progress of our ESG Strategy every month. Meanwhile, a management-level Sustainability Management Council oversees the implementation and progress of sustainability programmes, providing guidance to the Group Sustainability Department of the Company and other key departments driving the ESG Strategy who, in turn, work closely with individual operational units in implementing all the necessary initiatives.

4.0 SUSTAINABILITY STRATEGY

- 4.1** To balance economic performance with positive environmental and social outcomes, the Company has established a 5-Year ESG Strategy (2022-2026) which is built around the following five (5) key focus areas that drive Duopharma Biotech's sustainability initiatives: -
1. Climate Performance;
 2. Sustainable Supply Chain;
 3. Access to Medicine;
 4. Diversity and Inclusion; and
 5. Governance
- 4.2** Each key focus area addresses material sustainability matters, ensuring we mitigate risks associated with ESG factors. In pursuing internal business objectives, the Company also aligns with the global agenda through the United Nations Sustainable Development Goals ("UN SDGs").

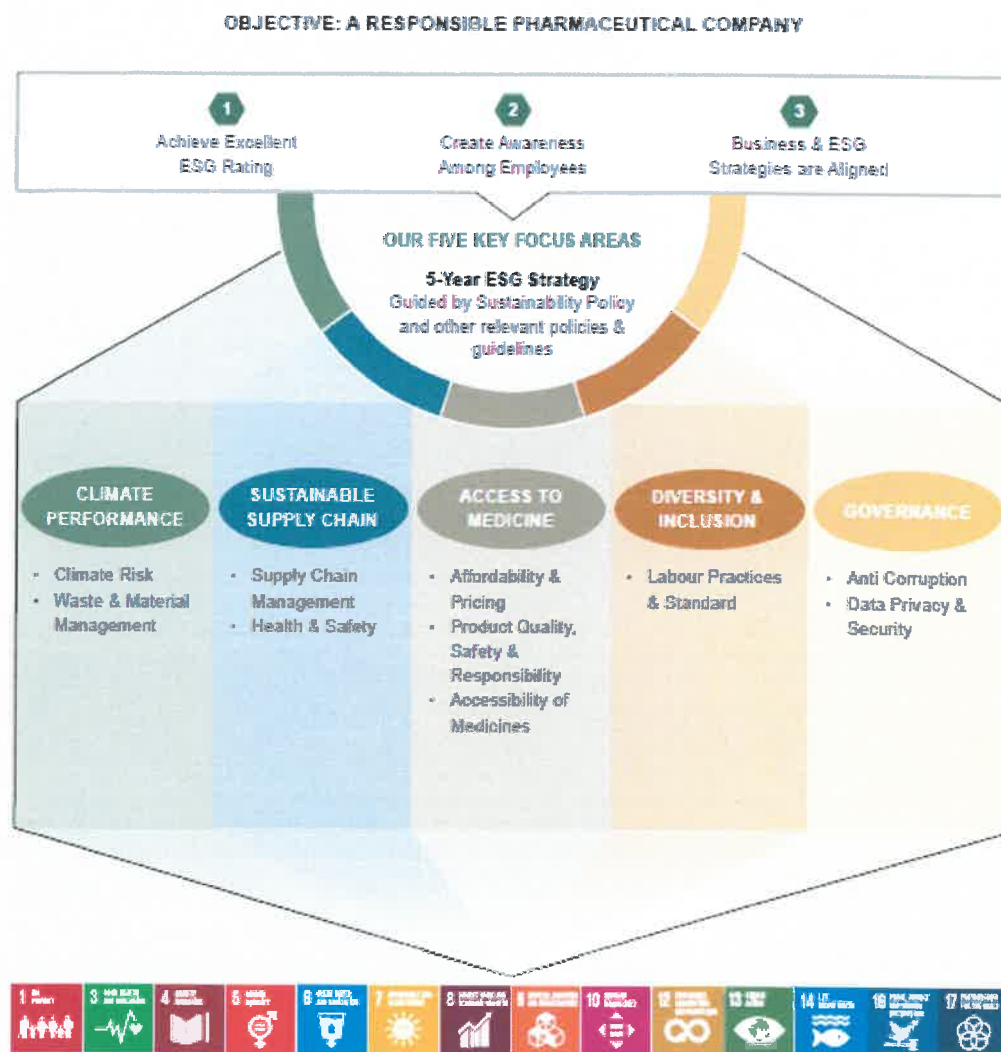


Figure 2: Duopharma Biotech's alignment with the global agenda through United Nation Sustainable Development Goals ("UN SDGs").

5.0 REVIEW OF FRAMEWORK

- 5.1** The Group Sustainability Department as the custodian of the Sustainability Framework, shall ensure that this Sustainability Framework is reviewed and amended if necessary, for consideration by the HSC and the Board.

Revision No.	Summary of Changes		Effective Date
	Section	Details	
00	N/A	N/A	31 December 2024