



微創醫療科學有限公司

MicroPort Scientific Corporation

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00853)



**2022**

Environmental, Social  
and Governance Report













## A BETTER ENVIRONMENT

We actively practice the concept of “promoting a green lifestyle and conducting energy-saving production”, striving to protect the environment and reduce climate impact. Accordingly, we have incorporated the green development concept into our entire business operations. This ensured low carbon consumption, environmental protection, energy saving, and emission reduction, thereby creating an eco-friendly business management model and achieving our environmental management objectives in water efficiency, energy efficiency, waste management and carbon emissions. We also set annual environmental management targets and clarified the responsibilities of each subsidiary, implementing the environmental policy of “protect the environment, conserve resources”. In 2022:

- We carried out a special campaign for “Green Energy Efficiency”, which effectively improved energy efficiency savings.
- Our intensity of greenhouse gas emissions was reduced by 6% year on year.
- Our non-hazardous waste generated decreased by 6% year on year.

## A BETTER COMMUNITY

We aim to create a better society and bring health and longevity to patients who live in every corner, community and family around the world. We adhere to the concept of people-orientation and invest in fields such as employee cultivation, supply chain management and community development, striving to become an excellent group. We focus on cultivating workforce excellence, protecting our employees’ rights and interests, and creating a safe and healthy working environment and an inclusive and diverse culture for our employees. We make every effort to attract and retain talent by listening to our employees’ voices and caring for them. Meanwhile, we attach great importance to communication, cooperation, reciprocity and sharing with the industry and the supply chain. We continue to strengthen our supply chain management system to help our suppliers grow and develop. We hope that our value and influence will bring positive changes to the development of the industrial chain. We insist on giving back to society. The development of the Company cannot be separated from the nourishment of society, we have a responsibility to contribute to the well-being of society and give back to the community in fields such as accessible medical care healthcare, rural revitalization, education improvement, community volunteerism, and medical knowledge dissemination. In 2022:

- We won the Best Practice Award for Digitalization of Human Resources of Moka, the 2022 Global Attractive Employer of LinkedIn China, the 2022 NFuture Best Practice Employer for Digital Intelligence Innovation of Niuke, and the 2022 Extraordinary Employer of Liepin.
- We encourage employees to associate freely. Employees can participate in our 19 associations (“Horizontal Organizations”) according to their specialties and interests.
- We signed the *Supplier Social Responsibility Commitment* with our suppliers, conveying ESG concepts and building a responsible supply chain.
- We accomplished the targets of employee occupational health and safety. During the Reporting Period, there were no serious injuries or occupational disease accidents at MicroPort.
- Our Swallow Program has treated more than 210,000 patients in total, expanding its footprint to 28 provinces, more than 300 cities and 1,300 counties across China.

The aging population and people’s aspiration for a better life are always the unchanging themes. In the post-epidemic era, although we still face uncertainties in the economic and competitive landscape, we will uphold our faith, forge ahead and seek opinions and suggestions from our stakeholders. We will put our ESG principles into practice and work with all parties, enabling quality healthcare solutions to benefit more people.

*Chairman*  
Dr. Zhaohua Chang







# About MicroPort

## COMPANY PROFILE

MicroPort, together with its subsidiaries, is a leading medical device company focusing on innovating, manufacturing and marketing high-end medical devices worldwide. With a diversified product portfolio now being used in over 20,000\* hospitals around the world, the Group operates a broad range of business segments including cardiovascular devices business, orthopedic devices business, cardiac rhythm management business, endovascular and peripheral vascular devices business, neurovascular devices business, heart valve business, surgical robot business, surgical devices business and others. Every six seconds, one of MicroPort’s products is worldwide used to save a life, improve life quality, or help create a new life. The Group is committed to becoming a patient-oriented global group that provides inclusive truth, goodness and state-of-art solutions that prolong and reshape lives through continuous innovation.

Company Name: MicroPort Scientific Corporation

Stock Code: 00853

Headquarter Address: Zhangjiang Hi-Tech Park, Shanghai, The People’s Republic of China

Operating Sites: MicroPort has established main production (R&D) bases in Shanghai, Suzhou, Jiaxing and Shenzhen in China, Memphis in the United States (the “US”), the suburb of Paris in France, the suburb of Milan in Italy and the Dominican Republic, among others.



\* Including associated companies of the Group

Business Segments	Product Category	Some Core Products
<b>Cardiovascular Devices Business</b>	Coronary stents and the related delivery systems	Firehawk® Rapamycin Target Eluting Coronary Stent System Firehawk Pro™ Coronary Rapamycin Target-eluting Stent System FireCondor™ Rapamycin Target Eluting Coronary Stent System Firebird2® Rapamycin-Eluting CoCr Coronary Stent System Firekingfisher™ Coronary Rapamycin-Eluting CoCr Coronary Stent
	Balloon catheters and accessories	Pioneer® Balloon Catheter FOXTROT® NC PTCA Balloon Catheter Firefighter™ PTCA Balloon Catheter
<b>Orthopedics Devices Business</b>	Reconstructive joints, spine trauma, and other professional implants and instruments	Profemur® Z Hip Stem Dynasty® Series Acetabular Hip System Prime® Series Acetabular Hip System SoSuperior™ Medial-Pivot Knee System Evolution® Medial-Pivot Knee System Advance® Medial-Pivot Knee System and Revision Knee System Trailwalker™ Intramedullary Nail Piscis™ Horacolumbar Interbody Fusion
<b>Cardiac Rhythm Management Business</b>	Pacemakers, defibrillators and cardiac resynchronization therapy devices	Alizea™ and Borea™ series Bluetooth® Implantable Pacemakers and SmartView Connect™ Home Monitor ENO/OTO/TEO series Implantable Pacemakers 心悦™ Rega®、心蘭™Orchidee®、心韵™ Trefle® series Implantable Pacemakers MRI-compatible Implantable Cardiac Defibrillators (ICDs) Ulys™ & Edis™, and Cardiac Resynchronization Therapy and Defibrillation (CRT-Ds) Gali™ Platinum™ Implantable Cardiac Defibrillators (ICDs) Reply™ CRT-P NAVIGO™ Left Ventricular Pacing Lead EasyFinder™ 3D Steerable Curve Mapping Catheter Easyloop® Circular Mapping Catheter Firemagic® Cool 3D Irrigated Ablation Catheter



Business Segments	Product Category	Some Core Products
<b>Endovascular and Peripheral Vascular Devices Business</b>	Products for the interventional treatment of thoracic and abdominal aortic aneurysm, peripheral vascular disease, aortic dissection, and other endovascular related diseases	Castor® Branched Aortic Stent Graft System Hercules® Low Profile Aneurysm and Delivery System Talos® Thoracic Stent Graft System Minos® Abdominal Aortic Stent Graft System Aegis® Abdominal Aortic Stent Graft System Reewarm® PTX Drug Balloon Dilation Catheter Fontus® Branch Surgical Stent System CRONUS® Intraoperative Stent System Ryflumen® Peripheral High-Pressure Balloon Dilatation Catheter
<b>Neurovascular Devices Business</b>	Neuro-interventional therapeutic and access medical devices for neurovascular diseases	Tubridge® Flow-Diverting Stent Willis® Intracranial Stent Graft System APOLLO™ Intracranial Stent System NUMEN® Coil Embolization System NUMEN Silk® 3D Electronically Detachable Coil Bridge® Rapamycin Target Eluting Vertebral Artery Stent System Neurohawk® Stent Thrombectomy Device Diveer® Intracranial Balloon Dilatation Catheter
<b>Heart Valve Business</b>	Heart valve product	VitaFlow® Transcatheter Aortic Valve (“TAVI”) and Delivery System VitaFlow Liberty™ Transcatheter Aortic Valve (“TAVI”) and Retrieval System Alwide® Plus Balloon Catheter Alpass™ Introducer Set

Business Segments	Product Category	Some Core Products
<b>Surgical Robot Business</b>	Surgical robot	Toumai® Laparoscopic Surgical Robot DFVision® 3D Electronic Laparoscope Skywalker™ Orthopedic Surgical Robot
<b>Surgical Devices Business</b>	Extracorporeal circulation series consumable products such as Oxygenation System (artificial lungs), occlusion series products and general surgical polypropylene herniorrhaphy series products	Membrane Oxygenation System Vitasprings® Integrated Membrane Oxygenator Arterial and Venous Cannulas MOBYBOX Extracorporeal Membrane Oxygenation (ECMO) System
<b>Emerging Business Segments</b>	Medical devices for endocrinology, rehabilitation treatment, sports medicine, assisted reproduction	La Fenice® Insulin Pump Hypophyseal Hormone Infusion Pump AutoEx® Chemotherapy Pump TherMotion® Cryo-Thermo Compression Device Single-use Flexible Ureteropelvic Electronic Endoscopic Catheter Single-Use Hemostatic Clip Device (the Ruyi Clip) Orkid® Intrauterine Insemination Catheter Lotus® Ovum Aspiration Needle Daylily® Embryo Transfer Catheter







## 2022 ESG HIGHLIGHTS



# 2022 Story: Fighting the Covid-19 Pandemic, Protecting Lives

In March 2022, Shanghai faced a large-scale outbreak of COVID-19. In response to mounting challenges, MicroPort rapidly initiated emergency response procedures. Internally, we took various preventive measures to protect the physical and mental safety of our staff. Externally, we leveraged our professional advantages, ensuring the production, delivery and adequate supply of medical devices. To give back to the community, we assumed our social responsibilities and joined hands with society to get through the difficulties.

## MANAGEMENT OF PANDEMIC PREVENTION

During the outbreak, MicroPort set up an emergency response team and gave each team member clearly defined roles and responsibilities, ensuring that pandemic prevention and control were carried out in an orderly manner. We developed and dynamically improved our contingency plan, closed-loop control program and nucleic acid testing program. Resources were rapidly deployed to contain the spread of the outbreak. To ensure a safe campus, a set of detailed pandemic prevention measures were put in place, including the security protection requirements, disinfection standards for the campus and accommodation management policy for closed-loop staff.

To return to normal production as early as possible, we developed resumption plan for resuming work and production, and arranged employees to get back to work group by group. We also carried out safety education for all staff, ensuring their safety and health during production and pandemic prevention.

## CARING FOR STAFF

During the outbreak, the concept of “MicroPort: One Big Family” was adhered to. We cared about our employees’ work and life and made significant efforts to help them solve any issues they may have faced.

- For the staff who stayed at work, we provided sufficient daily necessities and subsidies
- We added anti-pandemic special grants, totaling approximately RMB 2.5 million
- We operated a mental health hotline, helping to alleviate staff anxiety and panic due to prolonged closure
- We launched the MicroPort Mutual Trust Fund, a fund set up through staff donations, to provide financial support for infected staff

Upon resumption of operations, we set up an in-house nucleic acid sampling site on our campus to facilitate nucleic acid testing for employees. To maintain the safety and sanitation of our workplace, we adopted a strict disinfection policy for the interior of the campus, including door handles, rubbish bin areas, etc. To avoid cross-contamination and ensure the health and safety of our staff, we took protective measures such as having staff in the same work area dining at the same time, setting up separate access routes and partitioning the dining tables.



## SUPPORT TO COMMUNITY

As a socially responsible medical device company, MicroPort continued to stay true to its mission during the pandemic and provided an adequate supply of medical products, whilst also being active in supporting the community and guarding the health of all residents.

“Life Cannot Wait”. In view of the possible shortage of medical devices for emergency surgeries during the outbreak, MicroPort NeuroTech developed a comprehensive service program. Medical products were delivered to hospitals in batches, including Tubridge® Flow-Diverting Stent, Bridge® Vertebral Drug-Eluting Stent and NUMEN® Coil Embolization System, to ensure that clinical needs were met. MicroPort NeuroTech also participated in some emergency stroke surgeries in various hospitals including Zhongshan Hospital affiliated to Fudan University and provided online instructional services for surgeries on the use of medical devices, working together with doctors to protect patients’ lives.



MicroPort NeuroTech Provided Instructional Services for Surgeries

Many of our staff members selflessly stayed at work during the outbreak. The staff at many of our production lines stayed at their stations to maintain the normal running of lines and ensure product delivery. After a rigorous screening process, MicroPort Endovascular arranged two groups of employees from the production, quality assurance and R&D departments to return to posts in an orderly manner, so as to guarantee the timely delivery of MicroPort Endovascular products.



The Production Site during the Outbreak

Our volunteer team was on the frontline fighting against the pandemic, offering help in any way they could to the communities. During the outbreak, over 30 employees of MicroPort participated in volunteer activities, contributing a total of over 4,500 hours of service.





# ESG Governance

“By setting up and continuously improving the ESG governance structure, MicroPort has integrated ESG concepts into our daily management. We actively communicate with relevant internal and external stakeholders to promote the integration of ESG management into our operations, thus promoting the high-quality development of the Company.”



## ESG GOVERNANCE STRUCTURE

MicroPort has set up a three-level ESG governance structure, where the Board is the highest responsible body and directs the integration of ESG strategies into daily operations from the top down.

The Board evaluates ESG-related risks to ensure that appropriate and effective risk management and internal control systems are in place for the Group’s risk assessment.

The ESG Standing Committee has been established to lead the ESG Working Group in advancing ESG-related work, including setting ESG-related strategy, targets, and management approach, coordinating ESG resources deployment and promoting the implementation of specific sustainable development work plans at the operational level.

The ESG Working Group, under the leadership of the ESG Standing Committee, is responsible for the communication and implementation of the specific ESG work.

## COMMUNICATION WITH STAKEHOLDERS

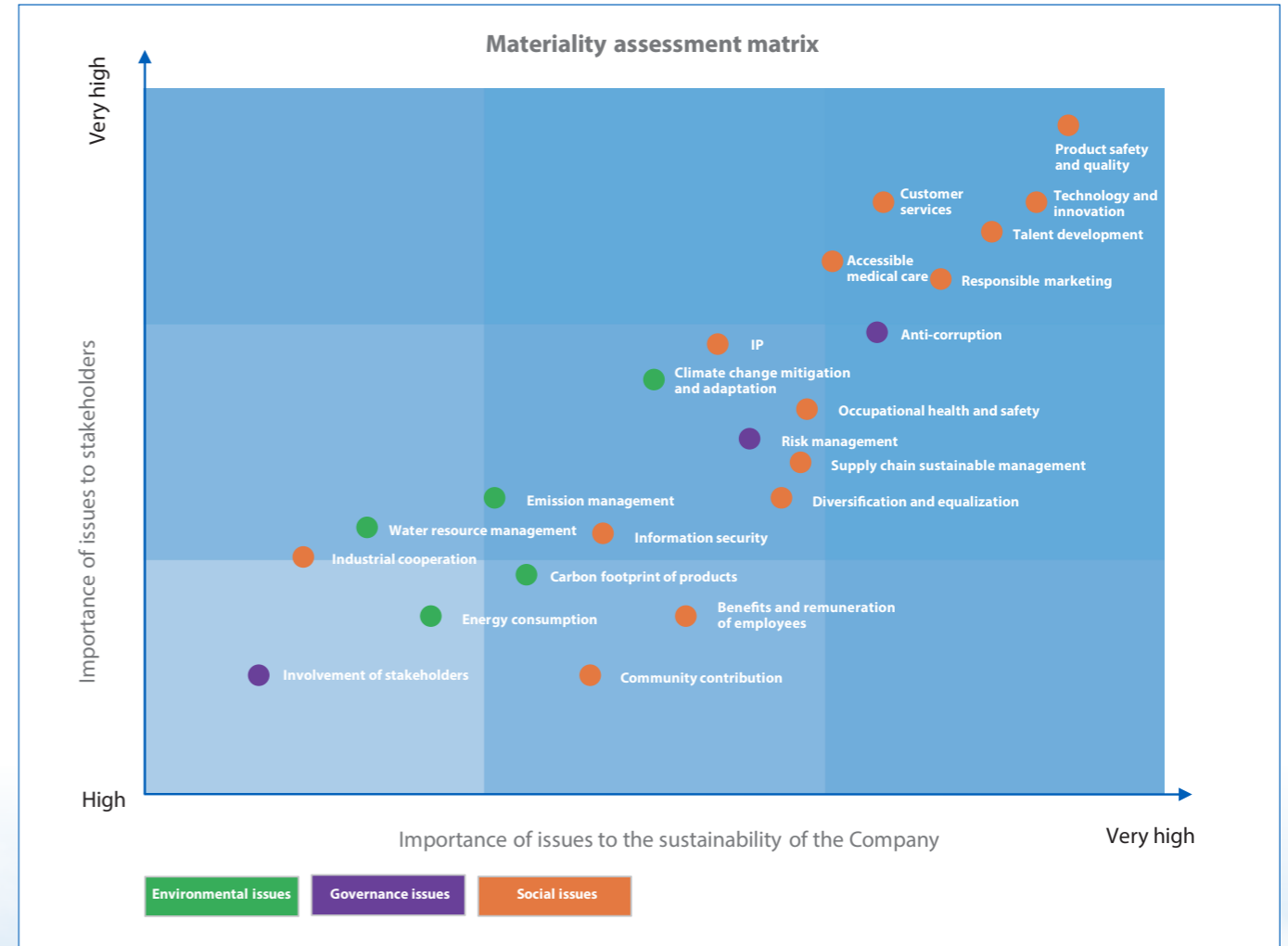
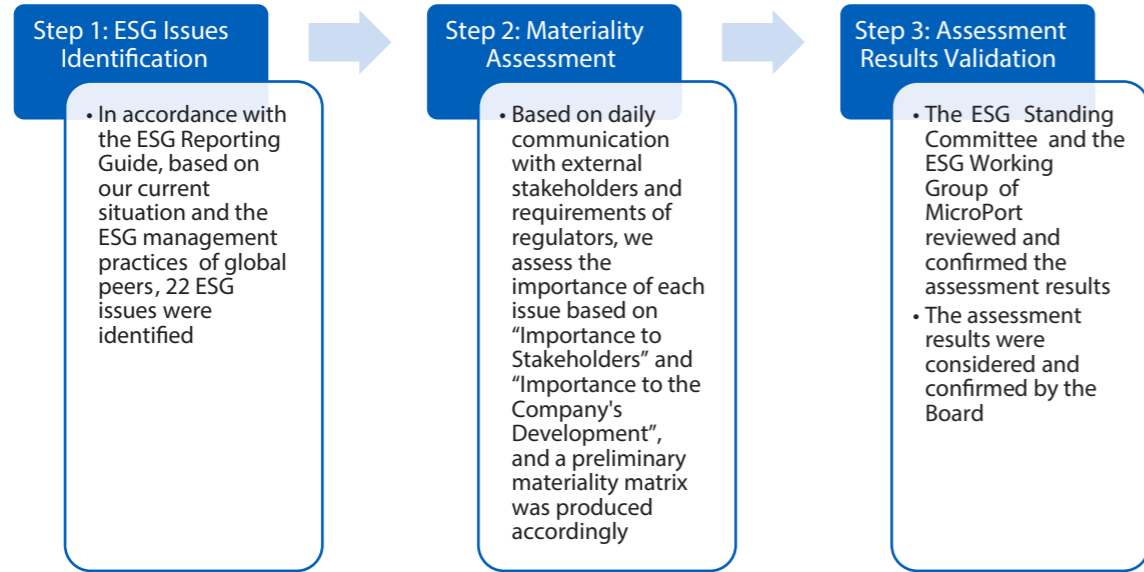
Stakeholder Type	Stakeholders	Concerned Topics	Communication Channels of the Company
<b>Governments and regulators</b>	National and local governments, market regulators, tax authorities, environmental and industry regulators	Risk management Environmental management Anti-corruption measures Product safety and quality	On-site investigations Exchange of official documents Policy implementation Information disclosure
<b>Shareholders and investors</b>	Equity and debt investors of the Company	Technology and innovation Product safety and quality Talent incentives Intellectual property	Investor relations website <sup>1</sup> Shareholder meetings Information disclosure Correspondence Teleconferences On-site visits Roadshows
<b>Customers/Users</b>	Global distributors, hospitals, physicians, surgeons, and patients	Information security Product safety and quality Customer (user) service Responsible marketing	Distributor meetings Customer surveys Technical seminars Customer service hotlines Customer satisfaction surveys
<b>Employees</b>	Employees of the Group	Talent development Remuneration and benefits Diversity and Equality Occupational health and safety	Employee training Employee activities Employee surveys Team building Horizontal communication Internal publications
<b>Suppliers</b>	Raw material suppliers	Product safety and quality Responsible supply chain	Supplier evaluation Communication with suppliers and training for suppliers
<b>Communities and the media</b>	Local communities, the public, the media, etc.	Community contributions Product safety and quality	Volunteer services Community activities Media communication and interviews

<sup>1</sup> <https://microport.com/investors-relations>



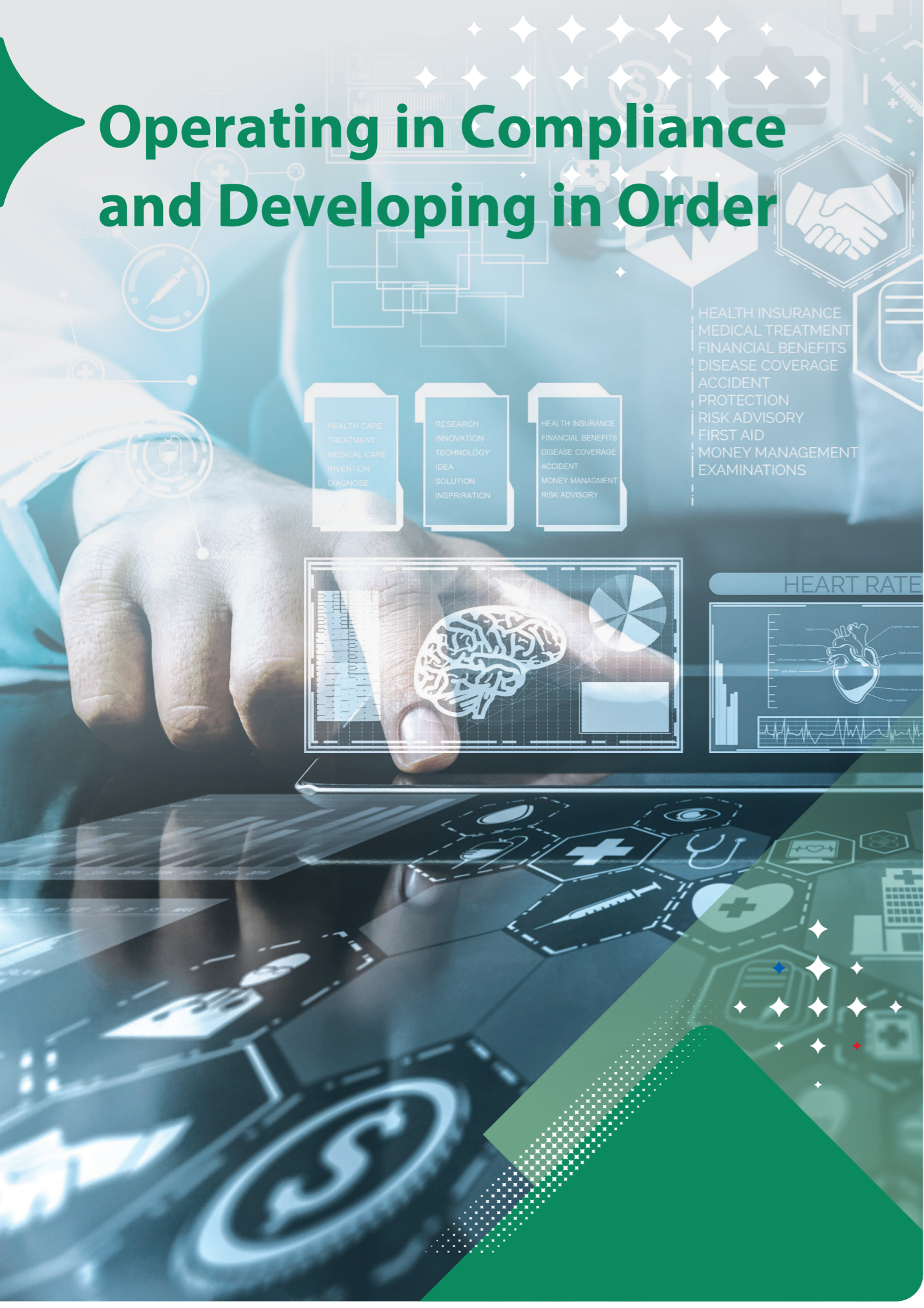
# MATERIALITY ANALYSIS

In 2022, based on our current situation, characteristics of the medical device industry and the ESG management practices of global peers, we proactively communicated with internal and external stakeholders and conducted an ESG materiality analysis. To identify material ESG issues relevant to MicroPort, a materiality assessment was conducted through the following steps. In the process, we identified 22 ESG issues and ranked the importance of these issues.





# Operating in Compliance and Developing in Order



## OPERATING IN COMPLIANCE AND DEVELOPING IN ORDER

“Integrity, commitment and legal compliance” are the cornerstone of MicroPort’s corporate culture, and also the key to our sustainable and successful operations. Strictly complying with the laws and regulations of the locations where our business operates, we are fully committed to maintaining corporate governance from aspects of governance structure, policy development and daily engagement so as to safeguard the long-term and sustainable development of the Company.

### KEY PERFORMANCE INDICATORS

- Proportion of females in middle and top management reached 39% and 26% respectively
- Conducted ethical audits 5 times
- Held 8,726\* patents (including under application)

\* Including associated companies of the Group

#### Contribution to the UN SDGs



### Diversity Governance

MicroPort focuses on continually improving its governance structure to maintain high standards of corporate governance. As the highest executive body, the Board reserves for its decision all major matters of the Company, in terms of approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve a conflict of interests), financial information and other significant financial and operational matters.

The Board has established four committees, namely, the Strategic Committee, Audit Committee, Nomination Committee, and Remuneration Committee for overseeing particular aspects of the Company’s affairs.





The Board comprises seven members, including one Executive Director, three Non-executive Directors and three Independent Non-executive Directors. We focus on the diversity of composition of the Board that the Nomination Committee takes factors such as the candidate’s character and integrity, professional qualifications, skills, knowledge, industry experience, gender, age, cultural and educational background in the selection process. Among them, the Board members have industry experience in medical devices, public healthcare, finance, accounting, law, and investment, and have educational backgrounds in biological science, economics, medicinal chemistry, business administration, law, and health economics. The Company recognizes and acknowledges the importance of gender diversity and has taken measures to promote and enhance gender diversity at all levels of the Company. As of the end of the Reporting Period, the proportion of women in the middle and top management reached 39% and 26% respectively.

Name	Gender	Position	Major	Educational Background	Knowledge			
Zhaohua Chang	Male	Chairperson of the Board	Engineering and Biological Sciences	Doctoral Degree	Medical Devices	Engineering	Management	Biological Sciences
Norihiro Ashida	Male	Non-Executive Director	Economics	Bachelor’s Degree	Economics	Strategy	Finance	
Yasuhisa Kurogi	Male	Non-Executive Director	Medicinal Chemistry	Doctoral Degree	Pharmaceutics	Strategy	Medicinal Chemistry	
Hongliang Yu	Male	Non-Executive Director	Engineering	Master’s Degree	Investment	Accounting	Economics	Management
Jonathan H. Chou	Male	Independent Non-Executive Director	Finance	Master’s Degree	Management	Finance	Accounting	
Guoen Liu	Male	Independent Non-Executive Director	Health and pharmaceutical economics	Doctoral Degree	Health Economics	Mathematics and statistics		
Chunyang Shao	Male	Independent Non-Executive Director	Law	Master’s Degree	Law	Finance		

Please refer to the Company’s website for the resume of the Directors (<https://microport.com/about-us/leadership-team/global-leadership-team>)

## Risk Management

MicroPort attaches great importance to building capabilities in risk management. The Company has formulated the Risk Management System and the Internal Audit System, in which risk organizational structure, division of responsibilities, risk assessment process, and risk response strategy are clearly defined, promoting the construction of the Company’s risk culture.

The Audit Committee is responsible for overseeing risk management and internal control mechanism. The Internal Audit and Risk Control Department conducts independent and objective supervision, inspection, evaluation and reporting on the implementation of risk management policies and procedures, as well as the effectiveness of risk management. Each business department incorporates risk management into daily operations related to the function and reports timely to the Internal Audit and Risk Control Department on operational and management issues affecting risks. We have established a risk management system in three aspects including prevention, control, and monitoring, which applies to the whole process of decision-making, execution, and supervision covering all business functions.



Risk Management Process

Based on the Risk Management System, the Company has built a comprehensive and effective risk management process. In the risk assessment stage, each department and subsidiary continuously collect internal and external historical data and forecast information relating to the Company’s risks comprehensively and systematically. The risks are then analyzed and prioritized based on possibility of occurrence, resilience, impact and urgency. Taking its own conditions and external environment into account, the Company determines its risk preference and tolerance based on strategic development, and selects response strategies such as risk aversion, risk minimization, risk sharing, and risk tolerance to ensure comprehensive and targeted risk management and control.

During the Reporting Period, the Company conducted 7 internal control audits and 9 special audits, which cover the Company and our subsidiaries. Accordingly, matters found in the audits have been rectified. To raise the risk management awareness and capability of our employees, and enhance our ability regarding risk control, we have conducted various training on risk management to establish a sound risk management culture across the Company.

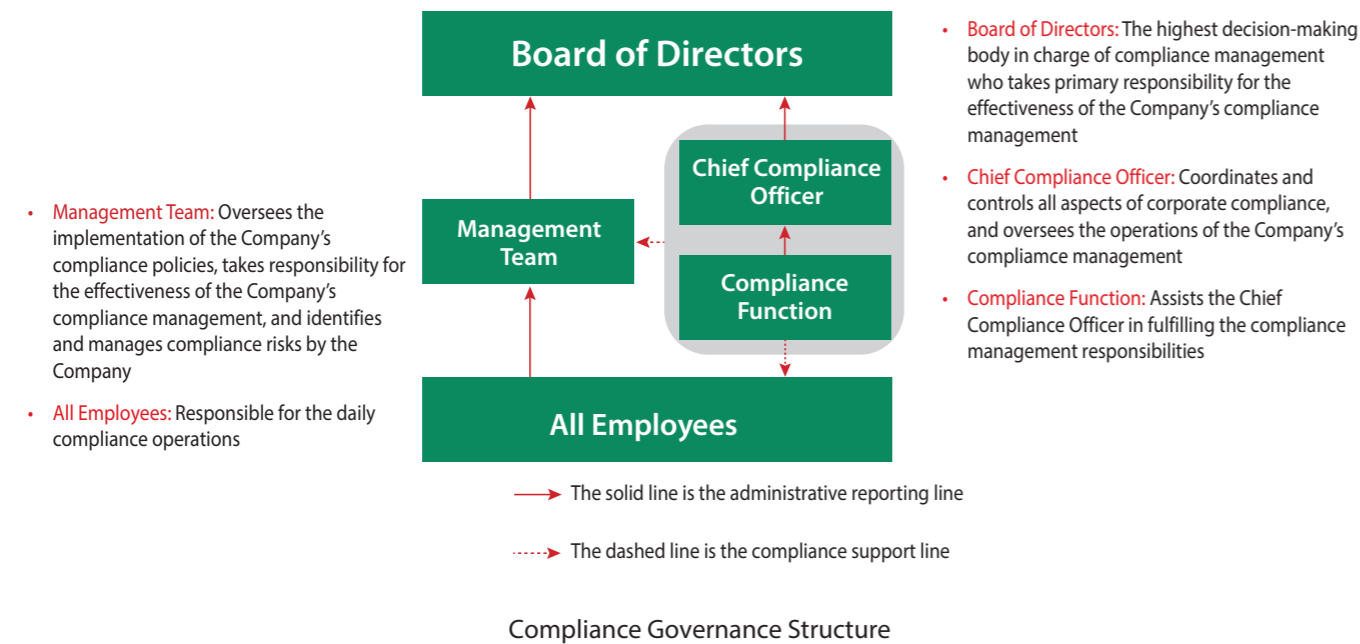


## Business Integrity

We always uphold the value of “integrity”, follow relevant laws for all our activities, live up to our commitments and take responsibilities for our actions.

### Compliance Governance

We are committed to conducting our business legally and strictly complying with the laws and regulations of the locations where we operate. We have built a compliance governance structure consisting of the Board of Directors, the Management Team, the Chief Compliance Officer, the Compliance Function and all employees.



We have developed the Compliance Manual, which clearly stipulates the compliance requirements for the operations and activities of the Company. In 2022, we formulated the Anti-Bribery and Anti-Corruption Policy, which clearly defines “bribery”, “corruption” and “prohibition of facilitation payments”. In addition, MPO has established a separate Compliance Manual applicable to the laws and regulations of the regions where they operate (including Asia, Latin America, Europe, the Middle East, Africa and North America), and has proactively participated in local regulatory and compliance organizations to promote industry compliance. CRM has established the Code of Conduct that sets out the requirements for employees in anti-bribery and anti-corruption.

During the Reporting Period, we conducted compliance training for marketing and sales employees from global business units in Turkey, Egypt, Malaysia, Pakistan, Colombia and other countries to provide the code of conduct and practical guidelines on activities such as engaging Health Care Professionals (HCPs) to provide services, conducting self-organized events, sponsoring or participating in third-party academic activities.

## Business Ethics

We aspire to create a work environment that promotes responsible corporate behavior and conveys the concept of business ethics management. We comply with the laws and regulations of the locations where our business operates, and we have formulated the Code of Business Conduct and Ethics and the Employee Integrity Code which clearly defined our ethical business standards. The Code of Business Conduct and Ethics strictly prohibits the use of the Group's funds, facilities and properties for any illegal or unethical purposes. For instance, employees shall not provide, give or procure others to give anything of value in order to obtain or keep business or to secure any improper advantage, and employees shall not solicit or accept kickbacks or bribes in any form or reason. Meanwhile, the Code of Business Conduct and Ethics defines “conflict of interest” as an actual or potential conflict between MicroPort's interest and employee's interest. The policy further sets out the prohibited matters in business activities with customers, suppliers, government agencies, and government officials, and clarifies that acceptable behavior must be carried out on the premise that law and custom permit.

The Code of Business Conduct and Ethics not only applies to our employees, corporate managers and directors, but is also applicable to distributors, contractors and suppliers. In order to strengthen employees' awareness of business ethics, we require all employees to sign the Code of Business Conduct and Ethics annually, and all sales and marketing employees are additionally required to sign the Anti-Bribery and Anti-Corruption Policy.

Regular online and offline training sessions related to business ethics are organized to promote employees' understanding of and compliance with the Company's ethical standards. After training, employees are required to pass a relevant test. In order to ensure the effectiveness and compliance of our policies, we actively conduct business ethics audits every year, covering all important business lines every three years.

### During the Reporting Period

- Training on business conduct and ethics, anti-bribery and anti-corruption was organized for all employees of the Group, and the training pass rate was 100%.
- For Board members, we conducted special training on business ethics and the code of conduct to reinforce the core value of “integrity” among Board members and raise their awareness of business ethics.
- We conducted 5 business ethics audits to review activities regarding engaging HCPs to provide services, conducting self-organized events, sponsoring or participating in third-party academic activities, and making donations. We have accordingly issued compliance recommendations and implemented corrective actions.
- Percentage of personnel that have signed the Code of Business Conduct and Ethics 100%
- Percentage of sales and marketing employees that have signed the Anti-Bribery and Anti-Corruption Policy 100%
- Percentage of employees participated anti-corruption training 100%

During the Reporting Period, there were no legal cases involving bribery, monopoly, extortion, blackmail, fraud and money laundering that had a significant impact on the Company, nor any legal cases related to corrupt practices by the Group or its employees.



### Whistle-Blowing System

The Company takes a zero-tolerance approach to misconduct such as corruption and bribery, and created a variety of open channels such as Integrity Mailbox, Integrity Email and Compliance Hotline, formulating an honest, open and transparent monitoring mechanism. We accept reports in Mandarin and English. The Integrity Mailbox and Integrity Email receive reports 24 hours per day, and the Compliance Hotline receives reports from 9 a.m. to 6 p.m. on weekdays.

Case assessment and investigation procedures are initiated within 24 hours of the receipt of a complaint, and all relevant personnel who may affect the impartiality of the case investigation are excluded from participating, while protecting the privacy of the informants. We have set up an informant protection mechanism, pledging to protect the information of informants and prohibit any retaliation or retribution against any informants. In the case of any retaliation or retribution behaviours, sanctions and punishment will be exercised accordingly, and we also request supervision from the higher-level departments, which are liable for their negligence under this circumstance. During the Reporting Period, we received a total of 10 reports, and investigated all reports according to our procedures, and took remediation actions according to investigation results.

#### Compliance Reporting Channels

- Integrity Mailbox: Integrity mailbox, No.1601, Zhangdong Road, Zhangjiang Hi-Tech Park, Pudong New Area, Shanghai
- Integrity Email: [compliance@microport.com](mailto:compliance@microport.com)
- Compliance Hotline: (021)38954600-1111

### Responsible Marketing

MicroPort always conducts responsible marketing of our products. We strictly adhere to the Advertising Law of the People’s Republic of China, the Law of the People’s Republic of China on the Protection of Consumer Rights and Interests, and other laws and regulations of the locations where its business operates. We have formulated the Subsidiary Logo System, the External Information Release Management Process, the Social Media Account Application Management System and other related policies. We require that any advertising and promotion of our products must be truthful and appropriate, and have a reasonable basis. To effectively manage the WeChat public accounts of subsidiaries, we have established a hierarchical control system and assessment standards for the operation of the subsidiaries’ advocacy platforms to properly guide and regulate the compliance operations of business-related self-media platforms.

We have set up strict internal review mechanisms and control processes for advertising, packaging and product labelling to ensure that the promotional content is true, accurate and legally compliant, and that exaggerated, deceptive and false promotional content is strictly prohibited.


**Advertisement**


- Legal and Compliance Department is involved in reviewing and controlling the content of external releases
- Add risk alerts in the advertisement, through which our consumers are noticed clearly with the potential problems, so that their decision making won't be influenced by inaccurate information

**Packaging and Product Labelling**

- Standards on the Management of Packaging and Design is developed to clearly specify the responsibilities of relevant departments to ensure compliance
- Control the printing processes and inspect the product labels to ensure accuracy and legality

In order to ensure the compliance of our marketing activities, the Group conducted a total of 7 ethical marketing trainings in 2022, covering all business lines to enhance our employees’ awareness of responsible marketing and to further implement responsible marketing in our daily activities.

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# PURSUING HIGH QUALITY AND DRIVING CONSTANT INNOVATION

## PURSUING HIGH QUALITY AND DRIVING CONSTANT INNOVATION

As a global leading and innovative medical device group, MicroPort is committed to building “a brand belonging to patients”. Putting patients as the top priority, we practice the corporate mission of “providing trustworthy and universal access to state-of-the-art solutions of prolonging and reshaping lives”, underpinned by strict quality control, continuous product innovation and attentive customer service to safeguard human life and health.

### KEY PERFORMANCE INDICATORS

- 3 subsidiaries obtained ISO 9001 Quality Management System Certification
- 0 recall at Chinese mainland locations
- 9,468 complaints or enquires received, decreased by 14% year-on-year

#### Contribution to the UN SDGs



### Quality Approach

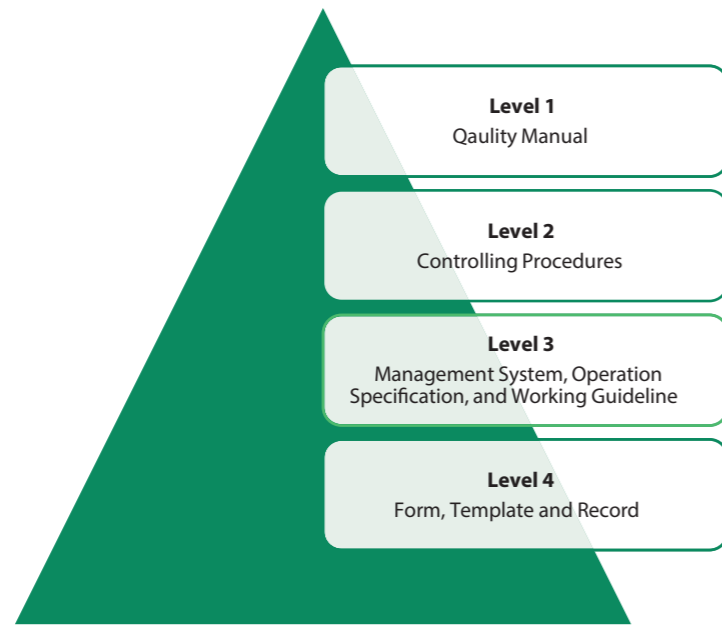
We recognize that every product manufactured can make a difference to the life of a patient and in turn, the well-being of their entire family, thus embedding “quality” into our core values. As of the end of the Reporting Period, our products have penetrated over 20,000\* hospitals in more than 100 countries and regions. The Group also offered over 600\* medical solutions to patients worldwide, covering the circulatory system, nervous system, exercise system, endocrine system, urinary system and reproductive system.

\* Including associated companies of the Group



### Quality Management System

We have formulated a series of documents, including Quality Manual, Product Risk Management Process, and Hazard Analysis Management Regulations to guide and standardize the design, development, procurement, production, delivery and other activities of products. In 2022, we continued to enhance the quality management system and set up a four-level quality management system to give clearer instructions on quality management, ensuring systematic quality management.



Document Classification Composition of Quality Management System

We have established six quality management teams with clearly specified responsibilities to establish and maintain our quality management system, control product quality from R&D to post-market, a whole life-cycle of our products.

### Quality Management Teams

General quality management leader based on the Company's development goals

<p><b>Quality Assurance</b> Control the quality of products regarding R&amp;D and production to ensure that the products used meet the required standards</p>	<p><b>Quality Management System</b> Establish and maintain a quality management system, monitor the operation of the quality management system, and respond to external audits</p>	<p><b>Test Center</b> Respond to the needs of R&amp;D testing, as well as biochemical and environmental testing needs required by the production process under the laboratory quality management system</p>
<p><b>Quality Control</b> Perform product quality inspections in various stages such as sourcing, processing, delivery, etc.</p>	<p><b>Post-market Surveillance</b> Handle quality feedback of product market in accordance with the product quality alert process as required by regulations</p>	<p><b>Continuous Quality Improvement</b> Continuously improve the work of the quality department and provide business support to the departments</p>

### Quality Certifications

Our quality management objective is to formulate and implement a compliant, appropriate and effective quality management system that aligns with the value of MicroPort. The coverage of quality system certification is based on the different development stages of each business. As of the end of the Reporting Period, 3 subsidiaries of us have obtained ISO 9001 Quality Management System Certification, 19 have obtained ISO 13485 Quality Management System Certification for Medical Devices, and 1 have obtained ISO 11135 Sterilization of Health Care Products-Ethylene Oxide Certification.

Quality Management System Related Certifications	
<b>19 subsidiaries</b>	ISO 13485 Quality Management System Certification for Medical Devices
<b>1 subsidiary</b>	ISO 11135 Sterilization of Health Care Products-Ethylene Oxide Certification
<b>3 subsidiaries</b>	ISO 9001 Quality Management System Certification

Product testing is an important stage for medical device companies to evaluate product quality. Professional laboratory testing and analysis can be performed to help comprehensively evaluate the quality performance of products and identify any weaknesses. Targeted quality improvement activities can be taken accordingly. During the Reporting Period, a number of our testing centers complying with ISO/IEC 17025:2017 General Requirements for the Competence of Testing and Calibration Laboratories have obtained the China National Accreditation Service for Conformity Assessment (CNAS) certification.



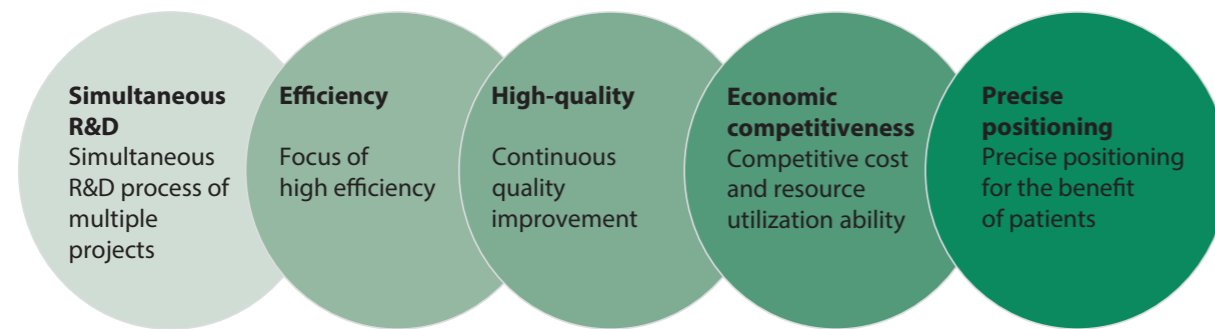
The CNAS Certification

## Product Design and Development

MicroPort is committed to providing first-class medical technologies as well as trustworthy and universal access to state-of-art solutions. That's why we're designing new products to maximize access to new technologies and products, increase our positive impact on the world.

### Product Innovation

Based on the "Management Model of Technological Innovation and Industrialization Integration", and the requirements of relevant policies and regulations in China and other countries and regions, we continued to update and optimize the innovative R&D management system of MicroPort during the Reporting Period. With a core focus on four major mechanisms, Innovation Reactor, Project Management Mechanism, Hardware Resource Allocation and Talent Incentive Mechanism, we uphold the five principles of "Simultaneous R&D, Efficiency, High-Quality, Economic Competitiveness, Precise Positioning" in the provision of expected products and medical solutions to more patients.



In order to stimulate innovation, we have created the MicroPort knowledge-sharing program by establishing knowledge connections and sharing mechanisms among employees, customers, and partners. The Company's independent innovation capabilities are integrated throughout the value chain of the entire medical device industry, ensuring synergies among activities in the value chain while stimulating innovative medical solutions, and efficiently implementing the Company's medical solutions through digitalization.

Regarding quality as our core value, MicroPort adheres to the concept of full lifecycle product development, employing scientific project management and risk management mechanisms to continuously refine the R&D design process and implement product quality control into all aspects of R&D design. Meanwhile, we have established a strict project development review process, with review checks and review meetings at each review node for each R&D project, ensuring that the final product fully meets patient needs through technical reviews at all stages of R&D.

During the Reporting Period, some of our innovative products received a number of awards and recognitions from global organizations and institutions.

- CRM's self-developed Platinum™ ICD was approved by the NMPA for launching to the market.
- CRM's Alizea™ Bluetooth Pacemaker received approval in Japan, and has been widely recognized by clinicians and patients for its convenient remote monitoring capabilities.
- MicroPort Endovascular's self-developed the Fontus® Branched Surgical Stent Graft System was selected into the 2021 Important Medical Progress in China, successfully being recognized as one of the important pieces of progress in the field of biomedical engineering and information.
- Results of the Pre-Market Clinical Trial "CATCH" for Numen® Coil Embolization System (NUMEN®) developed by MicroPort NeuroTech (Shanghai) Co., Ltd. was published in World Neurosurgery. The CATCH study showed that the clinical efficacy of NUMEN® has reached an internationally advanced level comparable to that of top-tier products. NUMEN® has also been recognized by surgeons for its performance, traceability, and detachability.
- MicroPort MedBot's self-developed Toumai® Laparoscopic Surgical Robot has been approved by NMPA and has shown high clinical application value in the pre-market clinical trials, which is a major breakthrough in the field of surgical robots.
- MicroPort MedBot's Skywalker™ Orthopedic Surgical Robot has obtained the CE certification of the European Union, becoming the first Chinese-made surgical robot successfully listed in China, the United States and the European Union, which is of great significance to the global layout of MicroPort.
- The self-developed Vitasprings® integrated membrane oxygenator developed by Dongguan Kewei Medical Instrument Co., Ltd. was approved by the NMPA for launch to the market. This product is also the first integrated membrane oxygenator admitted into the "Green Path" in China.
- The commercialization of the MicroPort Argus™ intravascular optical coherence tomography system developed by Suzhou Argus Medical Technology Co., Ltd., the only purge-free disposable imaging catheter in China, achieved a breakthrough.
- Results of the Pre-Market Clinical Trial "CAPTURE" for Neurohawk® Stent Thrombectomy Device developed by MicroPort NeuroTech (Shanghai) Co., Ltd. (MicroPort Neuro) was published in Frontiers in Neurology, an authoritative journal in the neuro-interventional field, its safety and efficacy have been authoritatively recognized.



## Animal Welfare

MicroPort is committed to animal protection and strictly abides by all applicable regulatory guidelines for the use of animals in experiments. We have also formulated a series of institutional documents such as Animal Welfare and Use Management Control Procedures and Laboratory Animal First Aid Operation Procedures, and established the Institutional Animal Care and Use Committee (IACUC) to regulate and provide the relevant requirements for animal experiments in terms of system and management.

Our laboratory animals are entitled to welfare in five aspects:

- Physiological welfare: Ensure that animals are provided with the food and water they need to maintain good health and energy.
- Environmental welfare: Provide appropriate housing or habitats where animals can sleep and rest comfortably.
- Health welfare: Ensure that animals do not suffer from additional pains, help them prevent diseases and provide prompt treatment for sick animals.
- Psychological welfare: Ensure that animals do not suffer from mental anguish by creating suitable conditions and treatments.
- Behavioral welfare: Provide adequate space, proper facilities, and allow animals of the same species to live together.

We commit that if laboratory animals must be used, we will consider reducing the number of animals used or obtaining more laboratory data with the same number of animals. We commit to optimizing experimental schemes to minimize harm to the animals. We commit to replacing animal experiments with non-animal experiments, such as using vitro biological systems.

## Product Manufacturing

Product quality and safety are paramount to us that we embed high level of governance throughout the product life chain, striving to build a culture of quality to improve quality management.

### Production Quality Control

MicroPort has established a quality management system based on international standards such as ISO 13485, and is constantly improving the risk management of the entire life cycle of product design and development, manufacturing and post-surveillance, including:

- Relying on a comprehensive design control system, incorporating advanced design concepts to control product risks from the design side, and building a digital manufacturing platform to automate and informatise the production process;
- Strictly guarding the quality inspection gate, developing a scientific and reasonable layout of inspection points, and using intelligent testing platform technology as a means to achieve continuous dynamic monitoring and analysis and early warning of quality data through incoming inspection, process inspection and factory inspection to ensure the effectiveness of high-quality medical device products.

We always focus on the core concept of product safety and efficacy, and respond to customer needs with a patient-centric approach while complying with relevant laws and regulations, and integrate risk management into all stages of the product lifecycle to achieve comprehensive risk control, quality performance improvement, product renewal and iteration, and ultimately improve customer satisfaction.

### Quality Audits

To ensure the effectiveness of the quality system, MicroPort takes Medical Device Supervision and Administration Regulations and ISO 13485:2016 Medical devices – Quality management systems – Requirements for regulatory purposes as the basis for internal audit inspections, and regularly conducts internal quality audits.

During the Reporting Period, we implemented supervision and inspection on 27 subsidiaries that have been granted product registration certificates, and carried out special verification of adverse events for 9 subsidiaries that produces Class III medical devices.

### Post-Market Surveillance

Once products are launched, we monitor the performance and feedback to further improve product designs. Through product alerts and recalls, patient communication and patient education, we strive to enhance patient experiences.

### Product Alerts and Recalls

MicroPort strictly abides by laws and regulations including the Provisions for Medical Device Adverse Event Monitoring and Re-evaluation, and continuously supervises the use of products post launching, achieving risk management covering the entire life cycle of products. In addition, MicroPort has formulated regulations on product warning system according to the laws and regulations of the locations where our business operates, including monitoring, complaints handling, reporting, data analysis, processing, risk management procedures of adverse events as well as safety corrective measures in order for the Company to perform continuous monitoring of product quality, achieve timely control and minimize potential product safety risks. During the Reporting Period, we upgraded the Management Rules for Adverse Event Reporting and Control System for the Domestic Adverse Event Monitoring and Re-evaluation to further ensure the standardized handling of adverse events.

We conducted adverse events training irregularly to standardize employees' responses to adverse events and understanding of relevant laws. In February 2022, MicroPort carried out adverse events training for all subsidiaries of the Group, focusing on the requirements of adverse events regulations, practical explanations and risk assessments, thereby raising employees' awareness of legal requirements and practices related to adverse events.

The Company has formulated the Product Recall Management Rules to investigate and evaluate medical devices that may have defects, and recall defective medical devices promptly, ensuring the safety of the product to users, patients, etc.

We have formulated different tiered recall procedures to perform targeted recalls according to the requirements of the locations where our business operates, and reported to relevant departments in accordance with regulatory requirements of different markets to minimize the impact of recalled products. During the Reporting Period, there has been no product recalls for safety and health reasons in MicroPort's Chinese mainland operations.

### Patient Communication

MicroPort is committed to adhering to its brand philosophy where “a brand belonging to patients”. The Company accordingly has formulated a series of policies such as the Feedback Control Procedures, Complaint Investigation Management Process and After-sales Service Control Procedure, and have implemented standardized management regulations of the complaint handling process in accordance with the actual situation of each location where we have operations. In addition, various safety precautions are taken to protect patient’s personal information.

Our complaints and feedback channels include hotlines, applets, etc. Upon receiving feedback or complaint, the service center will immediately identify the complaint type and circle back to relevant departments indicating clear response time to prevent customers from prolonged reply waiting.

During the Reporting Period, MicroPort received a total number of 9,468 complaint or enquires on products and services, representing a decrease of 14% year-on-year, all of which were handled and resolved in strict accordance with the customer complaint handling process of the Company. We strive to continuously improve the customer experience and strengthen our interactions with customers, so as to increase customer satisfaction.

### Patient Education

Regarding patients’ needs as our top priority, we have realized digitalization by introducing cutting-edge technologies, which assist doctors in providing continuous health services to patients while also bringing us closer to our patients.

- **Integrated Platform**

We have built an integrated platform for doctors and patients to solve the pain points of different roles in the industry. Regarding patients, the integrated platform provides them with postoperative information notifications, postoperative rehabilitation plan formulation, online consultation and other contents. For doctors, the integrated platform provides them with content such as treatment plan introduction and sharing, case sharing, live surgical broadcasts, etc. The platform reshapes the relationship between patient and doctor and realizes digital and intelligent communication in the medical industry.

- **Implant Card**

To improve rehabilitation services for patients, we have introduced the implant card program. An implant card is used for product information entry and queries after the patient is implanted with our product. The platform provides corresponding rehabilitation services for patients based on the product type and data input by users, which allows a closed-loop process to be implemented, from patient implantation information input to platform rehabilitation services and guidance from hospital doctors. As of the end of the Reporting Period, there are over 100,000 registered users of our implant cards.

- **Action Camp**

We provide rehabilitation support and management for postoperative and post-illness patients to help them recover in a scientific, effective and efficient way. The Action Camp project launched in 2022 not only provides patients with routine educational information and answers their inquiries about interventional products and treatments, but also provides 24-hour assistance to patients and caregivers. During the Reporting Period, we have successfully held 7 Action Camp sessions.

- **Conscience Care Public WeChat Account**

The Conscience Care public WeChat account focuses on education and support for patients by providing educational information about minimally invasive interventional products, answering their inquiries about interventional products and treatments, and providing 24-hour assistance for patients and caregivers. The public WeChat account pushes a weekly popular science article, which also covers other contents of the Action Camp project, providing all-around health assistance.

## Quality Culture and Training

Product quality is the core of the medical device industry. Therefore, delivering high-quality and safe products is the priority of us. MicroPort is fully committed to promoting and fostering its quality culture, which is considered one of the key factors for its quality management.

### Quality Training

We regularly conduct internal trainings and external communication and sharing activities to strengthen quality management and develop high-quality products. In 2022, we held sessions of quality experience sharing and training, topics covering quality communication, regulation training, internal quality management innovation competition, quality inspection, etc.

### Communication and Experience Sharing



#### External Quality Management Experience Communication

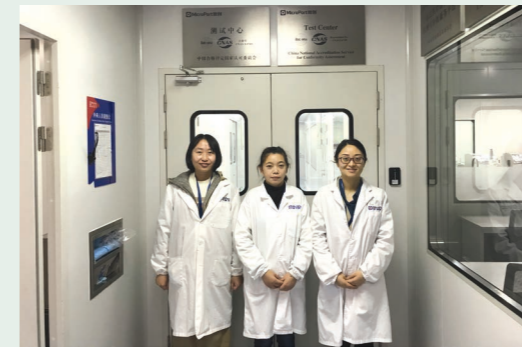
The quality benchmarking open day event through on-site visits invited peer companies to communicate on topics such as the advanced practices of quality management, the promotion of quality culture, collectivized quality management mechanism and quality management group standards.





### Internal Quality Experience Sharing

The quality management salon invited representatives of MicroPort to share the topics including Software R&D Process Management and Tool Application, Infinite Loop Management of Laboratory Materials, and Changes and Practice of Medical Device Production License under the New Approaches, Communication and Sharing of Risk Management Issues and Post-Market Surveillance. The event fostered in-depth exchange and cooperation among various functions and effectively solved quality problems.



### Quality Inspection Evaluation

An evaluation team, led by headquarter of MicroPort and composing of professionals of each subsidiary, was formed to perform flight inspections on work sites of production, inspection and warehousing. The results were summarized and evaluated, and professional guidance on 6S management was provided to the production, inspection and storage sites in the Group.

## Quality Training & Commendation



### Quality Regulation Training

This activity aims to disseminate medical device regulations and policies, promote experience exchange and learning of medical device regulatory regulations and technical specifications among employees, and improve the scientific, logical and overall level of registration filings.



### Theme Sharing and Quality Commendation

A total of 187 employees of MicroPort and its subsidiaries gathered in the event, focusing on internal difficulties and hot spots issues. Meanwhile, 6 sharing sessions were carried out and 53 outstanding achievements were commended in the activity.



### MicroPort Quality Management Innovation Competition

The event was conducted in an evaluation method on the improvement and innovation applications of tools and methods, promoting the exchange of experience in the application of innovation tools among the subsidiaries of the Group.

# HIGHLIGHTING PARTNERSHIP INTEGRITY AND FACILITATING MUTUAL BENEFITS



## HIGHLIGHTING PARTNERSHIP INTEGRITY AND FACILITATING MUTUAL BENEFITS

With integrity rooted in our operation, MicroPort continues to improve the global supply chain system. We have established supplier management policies and supply chain databases and regularly conduct supplier communication activities to jointly create a sustainable supply chain. We have also strengthened regulations for distributor management, actively participated in industry communication and talent training, and promoted the prosperity and development of the medical device industry.

### KEY PERFORMANCE INDICATORS

- 2,938 suppliers
- Zero material shortage in material supply
- The pass rate of distributor anti-corruption and anti-bribery training is 100%
- 5 industry standards involved have been implemented

#### Contribution to the UN SDGs



### Supply Chain Management

Sound and orderly supply chain management is the key to ensuring smooth operation of enterprises. We follow the relevant regulations on supply chain management, standardize the selection of suppliers, strictly control the quality of raw and auxiliary materials, and constantly improve the global supply chain system to establish a responsible supply chain.

### Supplier Management

MicroPort regards suppliers as important partners and has formulated internal systems such as the Supplier Management Rules and the Procurement Management Guide. We have also established a Supplier Management Committee and a Procurement Management Leading Group to ensure the legal compliance of supplier management.













# Operating More Eco-friendly and Protecting Our Environment



## OPERATING MORE ECO-FRIENDLY AND PROTECTING OUR ENVIRONMENT

MicroPort upholds the concept of green management, and closely monitors the environmental impacts of the Company's operations and production, integrating green management into business. The concept of green development is merged into the entire process of our business operations, and we actively practice energy conservation, emissions reduction, and low-carbon environmental protection. We are committed to building an eco-friendly company, striving to promote the harmonious development of business, society and the environment.

### KEY PERFORMANCE INDICATORS

- Total greenhouse gas emissions 40,953 tons of CO<sub>2</sub>-eq
- Total water consumption 350,991 tons
- Total amount of hazardous waste generated 366.74 tons

#### Contribution to the UN SDGs



### Environmental Management

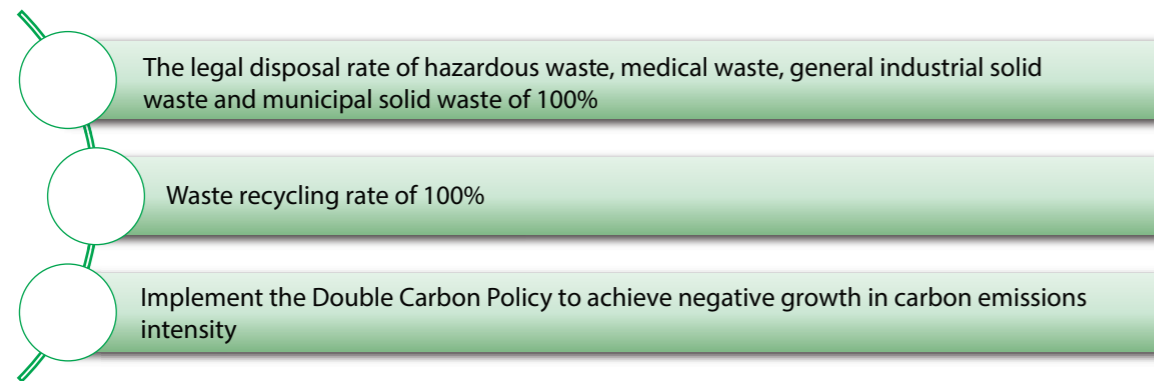
MicroPort strictly complies with applicable environmental laws and regulations in all locations where it conducts business worldwide. An Environment, Health and Safety (EHS) Management Committee of MicroPort was set up to implement environmental management in our daily work for coordinating, guiding and supervising environmental protection work and strengthening environmental protection. Our environmental policy has been approved by the chairman of the Responsibility & Safety Operation Committee. We regulate environmental protection in our production operations and effectively manage the environmental impact arising from our operations. We continue to formulate and improve environmental protection systems, including the *Administration Procedures for Clean Production*, the *Requirement Procedures for Organizational Environment and Interested Parties*, and *Procedures for the Identification, Evaluation and Control of Environmental Factors*, to strictly regulate and standardize environmental protection work at all production sites.

In 2022, some subsidiaries of the Company including MicroPort Endovascular, Shanghai MicroPort, MicroPort MedBot and MicroPort NeuroTech have obtained ISO 14001 Environmental Management certifications.

In 2021, we have set targets on four major issues, namely water efficiency, energy efficiency, waste management and carbon emission for the next three years. To implement MicroPort's environmental policy of "protecting the environment and cherishing resources" and help achieve three-year targets on our four major issues, we have set annual targets for environmental management in 2022 and decentralized responsibilities to each subsidiary. The signing rate of the *Environmental Responsibility Letter* of the Group and its subsidiaries reached 99.5%.



**MicroPort Environment Goals for 2022**



MicroPort strives to be a promoter and practitioner of the concept of green development. We are committed to improving awareness of environmental protection among all employees, and regularly organize environmental protection education and training. We advocate for an eco-friendly workplace and constantly strengthen our employees' energy-saving awareness, for example, we put up energy-saving tip posters and signs in the offices. We also actively practice the concept of "promoting a green lifestyle and conducting energy-saving production".

Energy Saving	Water Saving	Paper Saving
<ul style="list-style-type: none"> <li>Use energy-saving lamps in office and sensor lights in stairwells</li> <li>Only switch on equipments such as computers when needed and turn off after work</li> <li>Set the air conditioner temperature to no less than 26°C in the summer, close the windows when using it, and turn it off timely after use</li> </ul>	<ul style="list-style-type: none"> <li>Put up water-saving notices to remind people of water saving awareness</li> <li>Check up regularly to avoid leakages, drip, and waste water</li> <li>Increase water-saving equipment in production base to reduce waste of water resources</li> </ul>	<ul style="list-style-type: none"> <li>Use electronic documents, and advocate paperless office</li> <li>Reduce paper use and print on both sides of paper as much as possible</li> </ul>

Eco-friendly Office Initiatives

**Green Operation**

We actively promote green and low-carbon development. Starting from our business production and operations, we vigorously encourage energy saving and emissions reduction, integrating the concept of green development into all aspects of our development. Shanghai MicroPort has been awarded the fifth batch of green factories by the Ministry of Industry and Information Technology and the first batch of Shanghai green manufacturing system demonstration units.

**Energy Management**

We strictly comply with the laws and regulations in all operation sites, formulated *Procedures for the Management of Energy Conservation Design and Procedures for Energy-Saving Procurement*, continue to strengthen our internal energy management capabilities to ensure compliance and conservation of energy utilization. We optimize energy use and combine the management concept of "Eyes for Greatness, Hands on Details" into our energy management. An online energy monitoring management platform has also been established to help MicroPort and its subsidiaries achieve more efficient energy management. We actively reinforce our energy management system, and Shanghai MicroPort has obtained certification for ISO 50001 energy management system.

Indicator	Unit	2022	2021
<b>Energy Consumption</b>			
Direct energy consumption	kWh	6,488,501	6,382,539
Gasoline	kWh	210,585	410,989
Diesel	kWh	411,543	168,612
Natural gas	kWh	5,866,372	5,802,938
Indirect energy consumption	kWh	97,755,516	85,409,104
Purchased electricity	kWh	93,282,482	75,823,709
Purchased steam	kWh	4,473,034	9,585,395
Total energy consumption <sup>1</sup>	kWh	104,244,017	91,791,643
Intensity of total energy consumption	kWh/million USD	123,977	117,887
<b>GHG Emissions<sup>2</sup></b>			
Scope 1 GHG emissions	Tons CO <sub>2</sub> -eq	1,580	1,556
Scope 2 GHG emissions	Tons CO <sub>2</sub> -eq	39,373	38,588
Total GHG emissions	Tons CO <sub>2</sub> -eq	40,953	40,144
Intensity of GHG emissions	Tons CO <sub>2</sub> -eq/million USD	48.71	51.56

Note:

- The calculation of total energy consumption is prepared with reference to the standard GB/T 2589-2020 General rules for Calculation of the "Comprehensive Energy Consumption" promulgated by the State Administration for Market Regulation and the Standardization Administration of the People's Republic of China.
- The emission factors of greenhouse gases are prepared with reference to the "Greenhouse Gas Emission Accounting Methods Reporting Guidelines for Enterprises in Other Industries (Trial)" issued by the National Development and Reform Commission in 2015, grid emission standards issued by the U.S. Environmental Protection Agency (EPA) and database issued by the International Energy Agency (IEA). The emissions of electricity consumption are prepared with reference to the emission factors of each region. To achieve leaner energy management and data statistics, we revised the data of energy consumption and GHG emissions in 2021.





### Emissions Management

MicroPort strictly abides by the laws and regulations and emission requirements of the locations where its business operates. A series of policies have been established to strictly regulate and manage the emissions arising from business operations. In addition, using measures such as technological innovation and equipment upgrades, we dispose of and reduce the emissions of exhaust gases, wastewater, hazardous and non-hazardous waste, and noise in an appropriate manner.

Indicator	Unit	2022	2021
<b>Air Emissions</b>			
Volatile organic compounds (VOCs)	tons	2.93	2.80
<b>Wastewater</b>			
Amount of chemical oxygen demand (COD)	tons	20.04	23.66
Ammonia-nitrogen discharged	tons	1.34	4.53
<b>Waste</b>			
Total amount of hazardous waste generated	tons	366.74	354.98
Total hazardous waste disposed	tons	366.74	354.98
Intensity of hazardous waste disposed	tons/million USD	0.44	0.46
Total amount of non-hazardous waste generated	tons	959.96	1,022.13
Total amount of non-hazardous waste recycled	tons	369.94	94.18
Intensity of non-hazardous waste disposed	tons/million USD	1.14	1.31

- Air Emissions Management

MicroPort has formulated the *Procedures for the Prevention and Control of Air Pollution* to strictly control the gas emissions of the production operations of the Company, which mainly include volatile organic compounds (VOCs) which are generated in the processes of pickling, electrolytic polishing, chemical reagent purification and drug spraying.

<b>Installation of Prevention and Control Facilities</b>	<b>Strict Chemical Control</b>	<b>Regular Gas Monitoring</b>
Install activated carbon absorption devices at each of our production sites and continuously improve gas absorption efficiency	Strictly control chemicals which are prone to VOCs and constantly seek opportunities to reduce and recycle such chemicals to minimize the VOCs generated by the use of chemicals	Hire qualified third parties to conduct gas emissions testing to ensure the air emission concentration meets national standards on an annual basis, and strictly control air emissions

### Case: Ethanol Reduction Plan

We continued to carry out the ethanol reduction plan and optimized the cleaning process of stents in order to minimize consumption and VOC emissions, saving around 30.9 tons of ethanol consumption annually with a benefit of approximately RMB 495,000 per year.

- Wastewater Management

We actively implement internal management systems such as *Procedures for the Prevention and Control of Water Pollution*. The source of our wastewater mainly includes water baths in the production process, high-pressure steam sterilization, R&D without contact with reagents, and consumption for pure water preparation as well as domestic sewage. We utilize unified wastewater treatment facilities to handle wastewater generated in the production process and domestic sewage, which will be discharged into municipal wastewater pipes subsequent to meeting relevant discharge requirements.

MPO continues to monitor pH and flow weekly as well as testing quarterly to minimize the negative impacts of wastewater pollutant discharge on its surrounding environment and the health of people.

- Waste Management

We have established the *Solid Waste Pollution Control Procedures, Hazardous Chemical Management System, and Hazardous Chemical Control Processes and Responsibilities* to clearly specify our waste management goals that meet the requirements of operating locations and review the achievement of the targets annually. We minimize waste generation wherever possible on the basis of compliant waste disposal.

The waste generated by us is divided into hazardous waste (medical waste and liquid chemical waste) and non-hazardous waste (general industrial solid waste and municipal waste generated from office operations), etc. In China, we have developed different management methods and strategies for different types of waste.

### Hazardous Waste

- The waste is collected and sorted separately by production department to transfer to the hazardous waste warehouse as required, classified and placed in specified garbage bags or containers at designated areas then the waste will be centralized and sent to qualified third parties for harmless treatment on regular basis. Meanwhile, in hazardous waste transfer process, we also continuously strengthen the joint management of hazardous waste to ensure its traceability.

### Non-Hazardous Waste

- For the recyclable industrial solid waste, we improve the recycling rate of solid waste wherever possible to reduce the amount of waste generated.
- For the non-recyclable industrial solid waste, it is regularly transferred to and handled by third parties.
- For municipal waste generated from office, it is regularly removed, landfilled or incinerated by the environmental sanitation department.

### Case: Drying Bottles Recycling

We continued to implement the drying bottles recycling to reduce the generation and amount of solid waste. We cleaned and reused the drying bottles in the production process of bare metal stents along with those in the installation of the scrapped bare metal stents, thus reducing the procurement of 619,000 drying bottles annually, enabling us to save approximately RMB 272,000 on procurement costs.

#### Noise Management

As regards noise management, we have established the *Procedures for the Prevention and Control of Noise Pollution*. For production site, we ensure the production site is sufficiently distanced from residential areas, regular noise testing is conducted, working hours are strictly regulated and night shift production arrangements are lessened. Meanwhile, we add rock wool panels to fill partition walls next to noisy equipment such that the noise pollution generated by certain equipment is absorbed and the sound insulation effect of the walls is improved. In addition, following the *Environmental Impact Management Procedures for New Projects*, we identify environmental factors and develop corresponding noise reduction and prevention plans for projects or equipment which may generate noise in new construction, expansion or reconstruction projects or equipment.

### Packaging Material Management

During the process of production and operations, we continue to seek opportunities for reducing the quantity of packaging materials used and recycling packaging materials to eliminate the negative impact on the ecological environment. In 2022, we optimized the structure of connectors of coronary products and discontinue the use of connector retainers (plastic products), which could save 1.09 million pieces of fixing brackets per year and save materials cost about RMB 763,000 per year.

Indicator	Unit	2022	2021
Total packaging material consumption of finished products	tons	573.59	498.95
Intensity of packaging material consumption of finished products	tons/million USD	0.68	0.64
Total recycling of packaging materials of finished products	tons	8.75	12.15

Note:

1. The data on packaging material consumption of finished products in 2021 were revised.

### Climate Change

Climate change is one of the greatest threats in the world at present, and its global impact has become increasingly apparent. MicroPort keeps a close eye on the risks and opportunities brought by climate change, pays close attention to the relevant climate change policies and action plans of the locations where its business operates, and actively acts in accordance with “peaking carbon emissions by 2030 and becoming carbon neutral by 2060” in China. We also incorporate climate change into ESG management, and actively explore new models of low-carbon development to reduce greenhouse gas emissions and negative impacts on the environment.

Based on the classification of climate change risks of the Task Force on Climate-related Financial Disclosures (TCFD) guidelines and taking into account the transition risks in terms of policy and legal, technology, market, and reputation aspects, as well as the acute and chronic physical risks, we had identified the potential risks which climate change might pose to the operations of MicroPort’s business and formed a preliminary list of risks on climate change during the Reporting Period. In addition, we systematically analyzed the identified list of risks of climate change and determined the possibility of occurrence, the results of which are as follows:



MicroPort Climate Change Risk and Opportunity Identification Results		Potential Impact	Probability of Occurrence	
Risks	Transition risk	Policy and legal	Increase in compliance costs to meet regulatory requirements	Low
		Technology	Increase in operating costs owing to enhanced exploration of new technologies and research investments to meet low carbon emission requirements, as well as modifications to existing R&D projects and production equipment	Relatively High
			Market	Increase in production costs due to changes in raw material prices (e.g., energy, water) and emission and disposal requirements (e.g., waste disposal)
		Reputation	Potential reputational impact arising from response to stakeholder expectations for proactive action and increased transparency in disclosure on climate action	Low
	Physical risk	Acute	Extreme weather events disrupt daily production operations and supply chain disruptions resulting in reduced or disrupted production capacity	Low
		Chronic	Persistent hot weather due to climate change may result in unstable power supply	Low

MicroPort Climate Change Risk and Opportunity Identification Results		Potential Impact	Probability of Occurrence
Opportunities	Products and services	Improvement on execution efficiency and profitability of outstanding products and reduction of product costs	Relatively High
	Resource efficiency	Improvement on utilization efficiency including energy and water resources, and reduction of operating costs	Relatively High
	Energy source	Increase in utilization of low emission energy/clean energy to reduce the risk of rising energy prices in the future	Low

At the same time, we have formulated the *Special Severe Weather Emergency Plan for MicroPort Campus* and the corresponding reporting process to improve the emergency response capability of the campus in dealing with emergencies under severe weather, effectively lowering and controlling the occurrence of safety incidents caused by climate change. During the Reporting Period, we organized drills to deal with severe weather, and improved the staff's emergency response capability.

# Fostering Inclusive Culture and Growing with Talents



## FOSTERING INCLUSIVE CULTURE AND GROWING WITH TALENTS

MicroPort believes that a diversified, equal and inclusive corporate culture can motivate employees' innovation, promote career development, and enhance corporate competitiveness. We have embedded this culture into the whole process of our employee career development, including recruitment, daily work, communication, training and promotion. We treat all employees equally, fully respect and protect their rights and interests. We also value the development of their knowledge and skills, encourage free association, create a healthy and safe working environment, hoping to build a harmonious, friendly, diverse, inclusive "MicroPort: One Big Family" to achieve mutual development.

### KEY PERFORMANCE INDICATORS

- Total number of employees 9,435
- Percentage of female employees 48.19%
- Average training hours per employee 27.04 hours, 38% increase compared to last year
- Labor work injury rate 0.48‰

#### Contribution to the UN SDGs



### Talent Attraction

As a global leading medical device company, MicroPort strives to build a global talent pool, therefore we recruit a diverse workforce worldwide through multiple channels. In MicroPort, all employees are equal, well-respected and valued regardless of race, gender, age, nationality, etc.

### Talent Recruitment

Adhering to the stipulation of the International Labor Organization (ILO) and the principle of "Compliance and Equal Employment", MicroPort commits to developing fair and equitable hiring practices. We are committed to treating candidates equally regardless of nationality, ethnicity, gender, or religion. We also make sure that employees are treated fairly in all situations, including promotion and welfare. We have set up diversified recruitment channels, including internal reference, social recruitment, campus recruitment, and university-enterprise co-training, to absorb diverse talents from different backgrounds. We have also developed varieties of talent development strategies to support the diversification of our talent pool. As of the end of the Reporting Period, MicroPort has formed a diverse talent structure. Our employees come from different countries and regions, including China, the U.S., Europe, etc. In China, there are a total of more than 300 employees from 22 minorities, among which Zhuang and Manchu account for a large amount.



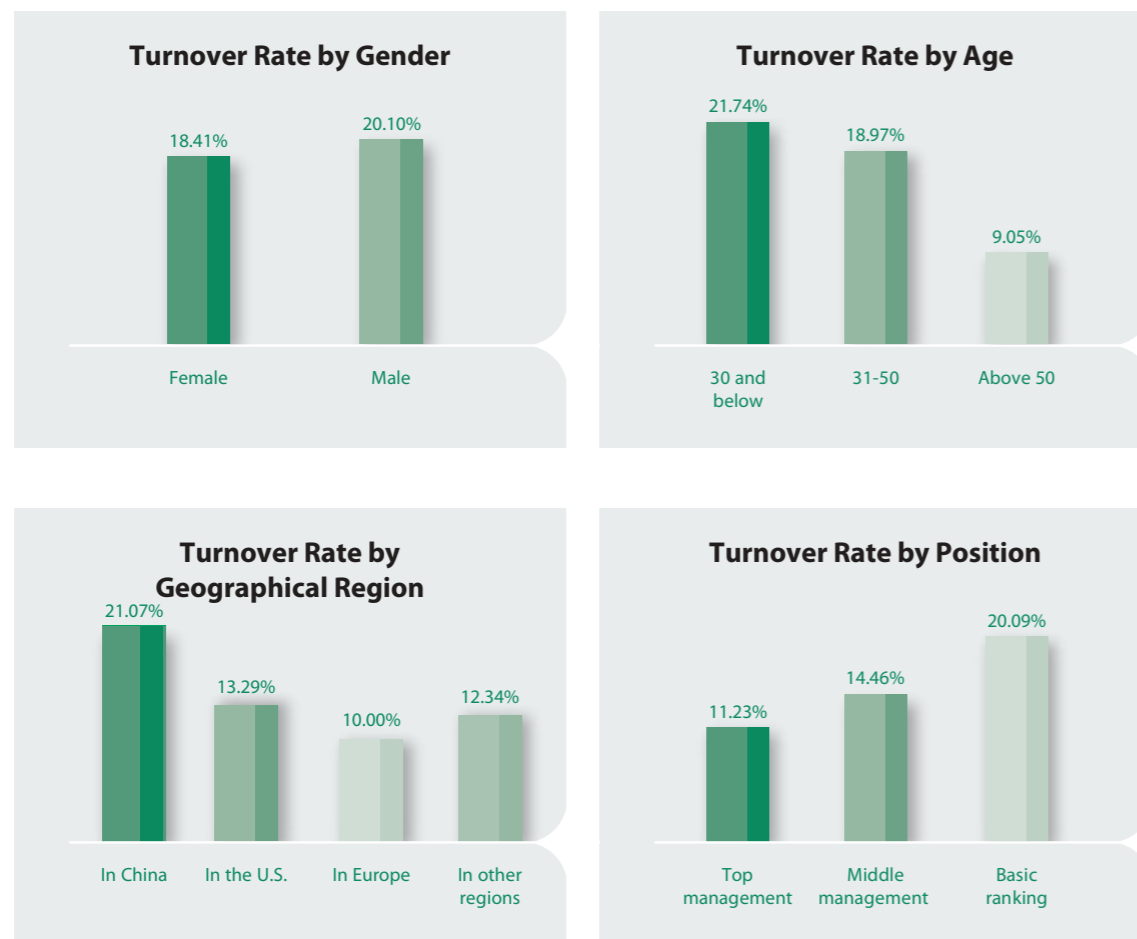




### Remuneration and Benefits

MicroPort is committed to ensuring non-discrimination and gender pay equity. We believe that a fair and scientific incentive system and an equitable, reasonable and generous compensation package can better help employees realize self-value. MicroPort has formulated *Salary Management Measures*, *Welfare Management Measures*, and *Leave Management Measures*. We have also developed an industry-competitive remuneration package and provided well-established welfare benefits to our employees. Moreover, we conduct annual collective wage negotiations and sign agreements with the Labor Union to protect the rights and interests of employees in accordance with the law and to ensure fair and equal treatment of employees.

During the Reporting Period, the employee turnover rate of MicroPort was 19.30%, basically in line with peer companies. The distribution is as shown below:



Based on the characteristics of different functions, we have established a salary scale benchmarking system that specifies different salary and incentive structures for different positions, such as monthly performance bonuses, technical subsidies and talent subsidies, etc. During the Reporting Period, we optimized the salary structure and further increased the salary ranges to attract outstanding talents. We have also established a long-term incentive mechanism, including pension funds, to retain core employees.

On top of statutory benefits, MicroPort has offered several additional employee benefits, such as supplementary housing funds, rental subsidy, employee physical examination, commercial insurance, wedding gift, and newborn welfare. To ensure the work-life balance of employees, we adopt flexible working hours for some positions. Employees are guaranteed to enjoy various holidays, paid leave, maternity leave and other holidays which are stipulated by national laws and regulations and the Company's policy. In addition, we provide employees with a comfortable and convenient leisure service environment and facilities to improve the work experience, including staff canteens, coffee bars, gymnasiums, etc.



Staff Canteen



Barber Shop



Gymnasium



Coffee Bar





Grocery Store



Shuttle Bus



Library



Starbucks Coffee

Welfare Facilities

### Employee Communication

MicroPort emphasizes employees' communication and broadens communication channels and platforms to obtain feedback from employees. We have built several communication channels, including the employee hotline, meeting with top management, and the Woodpecker Platform, to guarantee mutual communication and information sharing. Employees are encouraged to make suggestions for the continuous improvement and optimization of the Company's management.

### Talent Development

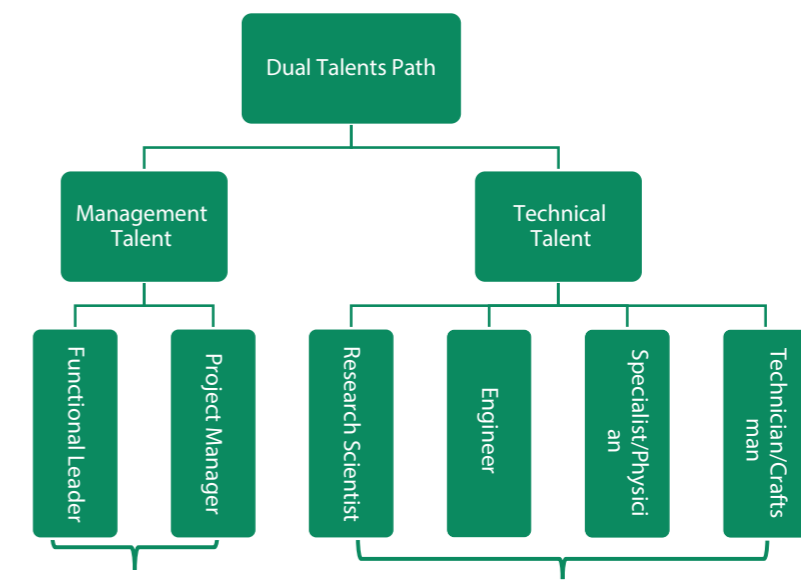
We firmly believe that talent is the core driver of corporate development. We emphasize talent development and continuously deliver new talents to the medical device industry. MicroPort has built a comprehensive talent development system and developed a talent strategy of "One Check, Two Paths, Three Programs" to effectively cultivate talents in the industry, helping them achieve career aspirations.



Talent Strategy of MicroPort

### Promotion and Development

MicroPort has established a "Two Career Paths and Eighteen Ranks" career development system to satisfy the career development needs of employees and build a high-quality talent echelon. We designed dual talent paths, namely, management talent and technical talent, conducting the principle of equal treatment to provide equal development opportunities for management personnel and professional technicians. There are six career categories with three levels (basic, middle and top). We also clearly state the job requirements for each career category and the promotion qualifications at each level. Employees can also switch to other development channels depending on their own personal development goals and the business needs of the Company.



Leadership Management Type

Professional Technology Type

MicroPort Two Career Paths and Eighteen Ranks Career Development System



### Talent Training

MicroPort is committed to establishing a sound talent training system and building a learning-based organization. We have established a training system that embodies MicroPort's characteristics. In conformance with future business development, we have established four MicroPort training schools. We provide customized courses for all employees to help them improve their professional competencies.

#### • Earth-Down Leadership Academy (稷下企業領導力學院)

Earth-Down Leadership Academy aims to develop future leaders and build up the leadership pipeline of MicroPort. The CXO Classes, programs targeting middle and top managers of MicroPort's various functions, were launched to train and develop reserve cadres. The second Earth-Down Leadership Academy set up 10 CXO classes in 2022. Lecturers were composed of internal and external experts, covering all functions. In total, over 360 managers attended the classes.



Training of Earth-Down Leadership Academy

#### • Training of Innovation Qualification & Competency Institute (創新資質與能力學堂)

Innovation Qualification & Competency Institute focuses on enhancing employee's competence and talent development. The program is committed to building an all-around training base for specialized talents and a variety of promising junior management talents. It offers learning and development programs including new employee training, C-999 induction certificate, management channel promotion training and executive lectures.



Training of Innovation Qualification & Competency Institute

#### • Emerging Technology Knowledge & Action Institute(新興科技知行講習所)

Emerging Technology Knowledge & Action Institute is a multi-regional, cross-disciplinary academic exchange and medical solution promotion platform. Conforming concept of integrated knowledge and action, the Institute provide training and guidance to external doctors and internal staff on cutting-edge technology products and emerging services of the Company. In 2022, Emerging Technology Knowledge & Action Institute built a digital and professional education platform to further improve communication efficiency between clinical workers and engineers.



Training of Emerging Technology Knowledge & Action Institute

#### • Culture & Philosophy Academy (文化&哲學講堂)

Culture & Philosophy Academy is a platform for brainstorming and sharing the corporate culture of MicroPort. Employees' empathy and resonance with corporate culture can be well promoted through in-depth analysis of diverse culture, so that employees and the Company can develop and make progress together.



Training of Culture & Philosophy Academy

MicroPort's Four Training Schools











Sports League



Poetry & Wine Club

### Case: The Labor Union Protects Employees' Rights and Interests

Adhering to the initial intention of "promoting the Company's development and safeguarding employees' interests", the Labor Union of MicroPort actively practices the Company's values and "MicroPort: One Big Family", with a total of more than 6,500 members in Shanghai. The Labor Union devotes to caring for employees and promoting the sustainable and harmonious development of MicroPort. The Labor Union guarantees the basic rights and interests of employees in accordance with the law, engages in collective wage negotiations and signs agreements with MicroPort every year. Moreover, a range of employee care and team building activities are carried out by the Labor Union, such as greetings to employees who work on holidays.

### Colorful Employee Activities

We hold a variety of employee activities such as sports activities and holiday events, which are suitable for employees of all levels and ages, to enhance communication among colleagues and improve team cohesion.



Chinese New Year activity



Outdoor farm activity



Making dumplings



Street dance competition

### Case: Care for Female Employees

We pay attention to the physical and mental health of female employees and offer them special care. For breastfeeding employees, we have set up nursing rooms at the workplace, along with a flexible working system to meet the living needs of female employees. In addition, MicroPort established the Women's Federation Organization in 2019. There are more than 4,600 members. The Women's Federation Organization safeguards the rights and interests of female employees and has held various special activities such as psychological lectures for career women, skincare and life storage skills training. The Women's Federation Organization hopes to guide women in MicroPort to promote the spirit of self-respect, self-confidence, self-reliance and self-improvement.



Nursing Room

### Health and Safety

Strictly abides by relevant laws and regulations of each business operation location, MicroPort always puts employees' health and safety first, and constantly improves the safety management system. We have established a series of policies including the *Policy for Production Safety Responsibility*, *Safety Management Policy for Chemicals* and *Policy for Occupational Disease Prevention Responsibility* to specify the requirements for safety management, implementing work of occupational health and safety. We also pay attention to the health and safety of women employees and have established the *Protection Policy for Female Employees*, which requires the Company to adjust workloads according to female employees' physiological characteristics. It is forbidden to engage female workers in labor with Grade III or above physical labor intensity as stipulated by the Policy.

A Safety Management Committee has also been established to ensure full implementation of safety and health management policies, monitoring and continuous improvement of safety management policies and operational procedures. During the Reporting Period, both the Company's China operation and the overseas operation of CRM received certifications for ISO 45001 Occupational Health and Safety System. In addition, the China operation has been accredited as the Class 2 or Class 3 Enterprise of National Production Safety Standardization.

### Safety Management

We attach great importance to the health and safety of our campus and employees, and have developed policies such as *Management Policy for Production Safety Targets*, *Assessment Method for Production Safety Indicators*, etc. During the Reporting Period, we fully implemented safety management to provide a secure working environment for our employees.

Management System	Risk Control and Contingency Plan	Identification and Rectification of Potential Risks	Training and Drills
<ul style="list-style-type: none"> <li>Develop annual EHS (Environment, Health, Safety ) plans, targets and performance indicators.</li> <li>Each department and subsidiary sign the EHS Target Responsibility Letter and implement EHS responsibilities.</li> </ul>	<ul style="list-style-type: none"> <li>Formulate the <i>Security Risk Classified Management and Control Assessment Report</i> , graded manage and control security risks, formulate risk analysis and commitment announcement procedures.</li> <li>Develop emergency plans on safety incidents, including the <i>Comprehensive Emergency Plan for Safety Incidents and Emergency Rescue Site Handling Plan</i>, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Establish annual safety inspection plan, including daily inspection, comprehensive inspection and special inspection.</li> </ul>	<ul style="list-style-type: none"> <li>Actively carry out various safety training and drills to reduce safety risks.</li> </ul>

In 2022

Over **250** safety inspections were carried out, with a rectification rate of **98.7%**



### Case: Shanghai MicroPort Identifies Potential Charging Risks

Shanghai MicroPort has identified major risks of charging devices through a secure and standardized self-assessment. After detecting the potential risks, the person in charge immediately organized a meeting with relevant parties, put forward the transformation plan, and conducted immediate rectification, eventually moved the charging device to other safe areas. In addition, we have strengthened the management of electric vehicles on campus to effectively control the risks.







# Undertaking Social Responsibilities and Building Harmonious Society



## UNDERTAKING SOCIAL RESPONSIBILITIES AND BUILDING HARMONIOUS SOCIETY

MicroPort sticks to the concept of “Small Beginnings Lead to Great Miracles” and actively participates in various social welfare activities while pursuing commercial value. In 2022, MicroPort continued to invest in public welfare areas such as access and affordable healthcare, educational assistance, rural revitalization and community contributions, giving back to society with practical actions.

### KEY PERFORMANCE INDICATORS

- Donations about USD 8.1 million
- Total time spent on voluntary work exceeded 383.50 hours
- The Swallow Program covered more than 1,300 county-level hospitals

#### Contribution to the UN SDGs



### Access and Affordable Healthcare

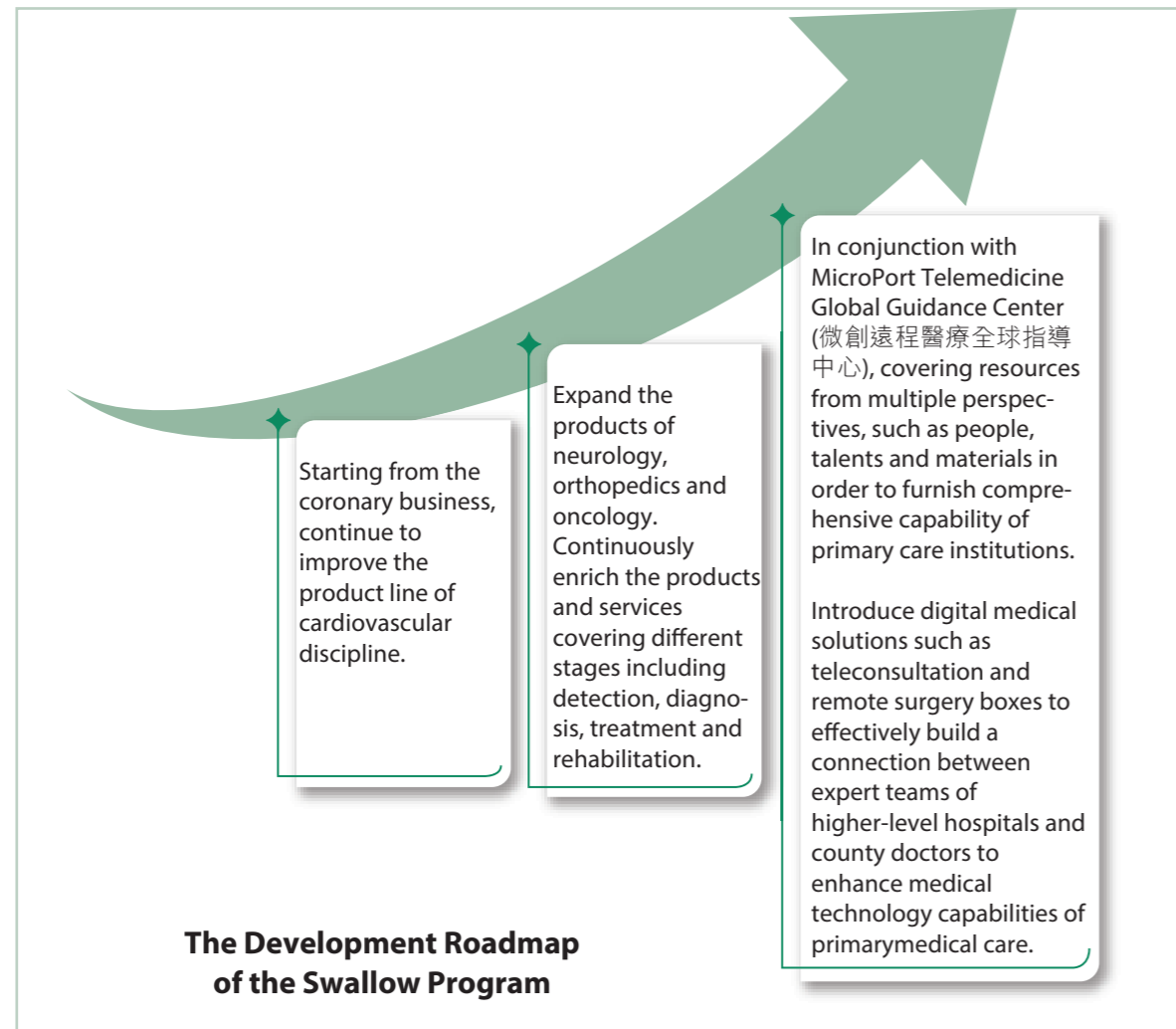
Staying true to its original aspiration, MicroPort strives to provide high-quality medical devices and services to more patients, leveraging its professional advantages to give back to the society. During the Reporting Period, we developed affordable healthcare programs, including the Swallow Program (飛燕計劃) and Liangzhi Medical Care Support Platform(良知良助平台), providing high-quality and affordable medical solutions for more patients worldwide. Meanwhile, we have strengthened the penetration of our products in overseas markets, striving to let more people benefit from our quality products and services.

#### o Swallow Program

In order to improve patients' accessibility and availability of high-end medical devices with excellent quality and reasonable prices when they are seeking medical treatment in lower-tier hospitals, and achieve the vision of “Breaking Barriers to Help County Patients to Live Beyond 115 Years”, the Group launched the Swallow Program in 2017 to help build a “Healthy China”. The Swallow Program targets the majority of lower-tier county medical institutions and solidly develops the lower-tier county medical market, improves the accessibility and availability of medical device products in county regions and solves the difficulties of county patients “difficult” and “expensive” medical care, so that our goal of “where there is a family, there is a flying Swallow” can be ultimately realized.








**In 2022, the Swallow Program**

- Covered more than **1,300** county-level hospitals in the PRC
- Expanded footprint to **28** provinces, more than **300** cities and **1,000** counties across the PRC
- Saved more than **210,000** patients' lives



The Swallow Program has leaped from treating 10,000 patients per year to treating 100,000 patients per year. Since 2021, we have implemented the "Swallow Heart Valve Action" plan, helping hospitals in county regions to build "Structural Heart Disease Diagnosis and Rehabilitation Centers", and helping nearly 100 patients to successfully transfer to tertiary hospitals and complete Vitaflow implantation. The Swallow Program has been awarded with the Shanghai Enterprise Management Innovation Award and China County Health Development Contribution Award for its contribution to primary medical institutions, practicing the brand concept of the Company – "A brand belonging to patients".

**Liangzhi Medical Care Support**

To improve the overall medical standard of county hospitals and carry out medical communication and mutual assistance programs, we have developed the online learning platform of Liangzhi Medical Care Support (良知良助). Through Liangzhi Medical Care Support, the online courses produced by high-level doctors in higher-tier hospitals are delivered to doctors in county hospitals, through multi-dimensional and multi-level linked teaching such as online training, advanced training guidance, on-site teaching and remote diagnosis to county hospitals, helping primary care doctors to systematically learn the relevant knowledge of disease diagnosis and treatment. At the same time, the Liangzhi Medical Care Support could integrate medical technology resources, promote the connection of upper and lower levels of high-quality medical resources, and achieve the technical sinking and empowerment of the tertiary hospitals. As of the end of the Reporting Period, we have completed more than 110 online courses and arranged more than 30 doctors in county hospitals for further study through the Liangzhi Medical Care Support Platform, and we have also completed more than 50 offline on-site outpatient, surgery and other teaching activities.

We actively promote the application of medical device products in less developed regions overseas. In that way, patients around the world can use high-end medical devices to enhance their happiness and well-being. As of the end of the Reporting Period, the sales of coronary stent products have covered 69 overseas markets, among which, Morocco, Sudan, Saudi Arabia and other overseas markets are entered for the first time. Our balloon products had obtained 10 initial registrations in 6 countries or regions during the Reporting Period, and have been certified for commercialisation in 35 countries or regions accumulatively.

**Case: The NUMEN® Coil Embolization System successfully completed first clinical implantations in Brazil**

In October 2022, the first two clinical implantations of the NUMEN® Coil Embolization System, developed by MicroPort NeuroTech, were successfully completed in Brazil. After surgery, both patients showed significant improvement in symptom and quality of life. The NUMEN® Coil Embolization System impressed the patients with its excellent drilling ability and softness. Meanwhile, its excellent pushing and reliable release performance were highly appreciated by the doctors.



The NUMEN® Coil Embolization System completed the first clinical implantations in Brazil







Environmental Renovation Activities of Establishment of the National Civilized City in Zhangjiang Town



Road Guidance



**Case: Emerging Technology Knowledge & Action Institute(新興科技知行講習所) and the MicroPort volunteer service team conducted public welfare lectures for residents**

During the Reporting Period, the first aid squad jointly established by the Emerging Technology Knowledge & Action Institute and the MicroPort volunteer service team conducted public welfare first aid training lectures for community residents to teach first aid. The training adopted a combination of theory and practical operations to help the residents gain a deep understanding of the essentials of CPR and learn first aid skills.



First Aid Public Welfare Lecture

**Community Caring**

MicroPort preserves the excellent tradition of respecting and honoring the elderly, cares for the underprivileged and actively practices social responsibility, constantly giving back to society. During the Reporting Period, we organized activities in nursing homes for the elderly, and care for sanitation workers.

**Elderly Care at Double Ninth Festival**

On the Double Ninth Festival, MicroPort staff organized an Elderly Care activity to nursing homes for the elderly, accompanying and chatting with the residents, and gifting them items such as rice, noodles, oil, epidemic prevention materials, etc. We passed on knowledge on the prevention and treatment of cerebrovascular diseases to the nursing home residents, helping them to prevent cerebrovascular diseases in the future.

**Caring for Sanitation Workers**

In 2022, when Shanghai was unusually hot in the summer, the volunteer service team donated a batch of salt soda water for Zhangjiang · Dongfang “people-caring station”, which was distributed to the nearby sanitation workers, providing the sanitation workers with welcome relief from the summer heat.



Visited the elderly on the Double Ninth Festival



Soda donation for sanitation workers

# Appendix

## Appendix I: HKEX ESG Reporting Guide Index

Subject Areas, Aspects, General Disclosures and KPIs		Disclosed in
<b>A. Environmental</b>		
<b>Aspect A1: Emissions</b>		
General Disclosure	Information on: (a) The policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer. relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Green Operation
A1.1	The types of emissions and respective emissions data.	Green Operation
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Green Operation
A1.3	Total hazardous waste produced and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Green Operation
A1.4	Total non-hazardous waste produced and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Green Operation
A1.5	Description of emission target(s) set and steps taken to achieve them (e.g. per unit of production volume, per facility).	Environmental Management Green Operation
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Environmental Management Green Operation
<b>Aspect A2: Use of Resources</b>		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Environmental Management
	Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Green Operation

Subject Areas, Aspects, General Disclosures and KPIs		Disclosed in
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Green Operation
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Green Operation
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environmental Management Green Operation
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Green Operations
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Green Operations
<b>Aspect A3: The Environment and Natural Resources</b>		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environmental Management Green Operation
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Management Green Operation
<b>Aspect A4: The Climate change</b>		
General Disclosure	Description of the significant impacts of climate-related issues that have and may affect the stakeholders and the actions taken to manage them.	Climate Change
A4.1	Description of the significant impacts of climate-related issues that have and may affect the stakeholders and the actions taken to manage them.	Climate Change



Subject Areas, Aspects, General Disclosures and KPIs		Disclosed in
<b>Aspect B1: Employment</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti discrimination, and other benefits and welfare.	Talent Attraction
B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	Talent Attraction
B1.2	Employee turnover rate by gender, age group and geographical region.	Talent Attraction
<b>Aspect B2: Health and Safety</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety
B2.2	Lost days due to work injury.	Health and Safety
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety
<b>Aspect B3: Development and Training</b>		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Training refers to vocational training. It may include internal and external courses paid by the employer.	Talent Development
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Talent Development
B3.2	The average training hours completed per employee by gender and employee category.	Talent Development

Subject Areas, Aspects, General Disclosures and KPIs		Disclosed in
<b>Aspect B4: Labour Standards</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Talent Attraction
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Talent Attraction
B4.2	Description of steps taken to eliminate such practices when discovered.	Talent Attraction
<b>Aspect B5: Supply Chain Management</b>		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
B5.1	Number of suppliers by geographical region.	Supply Chain Management
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management Distributor Management
<b>Aspect B6: Product Responsibility</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Responsible Marketing
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Post-Market Surveillance
B6.2	Number of products and service related complaints received and how they are dealt with.	Post-Market Surveillance
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Properties and Trade Secrets
B6.4	Description of quality assurance process and recall procedures.	Quality Approach Post-Market Surveillance

Subject Areas, Aspects, General Disclosures and KPIs		Disclosed in
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Information Security and Privacy Protection
<b>Aspect B7: Anticorruption</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Business Integrity
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Business Integrity
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Business Integrity
B7.3	Description of anti-corruption training provided to directors and staff.	Business Integrity
<b>Aspect B8: Community Investment</b>		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Access and Affordable Healthcare  Rural revitalization  Community Contributions
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Access and Affordable Healthcare  Rural revitalization  Community Contributions
B8.2	Resources contributed (e.g. money or time) to the focus area.	Access and Affordable Healthcare  Rural revitalization  Community Contributions

## Appendix II: Reference of Applicable Laws, Regulations and Policies

### Laws and Regulations

Location	Chapter	Name of laws and regulations
Mainland China	Operating in Compliance and Developing in Order-Business Integrity	Law of the People's Republic of China Against Unfair Competition
		Criminal Law of the People's Republic of China
		Anti-monopoly Law of the People's Republic of China
	Operating in Compliance and Developing in Order-Responsible Marketing	Advertising Law of the People's Republic of China
		Consumer Rights Protection Law of the People's Republic of China
	Operating in Compliance and Developing in Order-Information Security and Privacy Protection	Cybersecurity Law of the People's Republic of China
		Data Security Law of the People's Republic of China
		Personal Information Protection Law of the People's Republic of China
	Operating in Compliance and Developing in Order-Intellectual Properties and Trade Secrets	Management Regulations on Protection of Information Security Level
		Trademark Law of the People's Republic of China
		Patent Law of the People's Republic of China
	Operating More Eco-friendly and Protecting Our Environment-Environmental Management	Law of the People's Republic of China Against Unfair Competition
Environmental Protection Law of the People's Republic of China		
Law of the People's Republic of China on Environmental Impact Assessment		
Operating More Eco-friendly and Protecting Our Environment-Green Operations	Environmental Protection Tax Law of the People's Republic of China	
	Law of the People's Republic of China on Energy Conservation and the Energy Policy	
	GB/T 2589-2020 General Principles for the Calculation of Integrated Energy Consumption	
		Greenhouse Gas Emissions Accounting Methodology and Reporting Guidelines for Enterprises in Other Sectors of Industry (Trial)



Location	Chapter	Name of laws and regulations
Mainland China	Operating More Eco-friendly and Protecting Our Environment-Green Operations	Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution
		Law of the People's Republic of China on the Prevention and Control of Air Pollution
		Law of the People's Republic of China on the Prevention and Control of Noise Pollution
	Fostering Inclusive Culture and Growing with Talents-Talent Attraction	Labour Law of the People's Republic of China
		Labour Contract Law of the People's Republic of China
		Regulations on Prohibition of Child Labour
Fostering Inclusive Culture and Growing with Talents-Health and Safety	Production Safety Law of the People's Republic of China	
	Law of the People's Republic of China on Prevention and Control of Occupational Diseases	
Other places	Operating in Compliance and Developing in Order-Business Integrity	Foreign Corrupt Practices Act (FCPA) of the US
		the Bribery Act of the UK
Other places	Operating in Compliance and Developing in Order-Information Security and Privacy Protection	Safety General Data Protection Regulation (GDPR) of the EU
		The Health Insurance Portability and Accountability Act HIPAA of the US

Location	Chapter	Name of laws and regulations
Other places	Operating in Compliance and Developing in Order-Intellectual Properties and Trade Secrets	Defend Trade Secrets Act 2016 of the US
		Economic Espionage Act 1996 of the US
		Uniform Trade Secrets Act of the US
		The Directive on the Protection of Trade Secrets of the EU
	Operating More Eco-friendly and Protecting Our Environment-Green Operations	The American Energy Policy and Conservation Act of 1975
		The Clean Water Act of the US
Operating More Eco-friendly and Protecting Our Environment-Green Operations	The Hazardous Waste Management Act of the US	
	The Clean Air Act of the US	
Other places	Fostering Inclusive Culture and Growing with Talents-Talent Attraction	The Fair Labor Standards Act of the US
		The Occupational Safety and Health Act of the US
	Fostering Inclusive Culture and Growing with Talents-Health and Safety	The Tennessee Occupational Safety and Health Law of the US
		Article 153 of Treaty on the Operation of the EU
		EU Council Directive 89/391 in EU
		The fourth section concerning occupational health and safety of the French Labor Code
	The fifth part of the Italian Civil Code No. 81/2008	





Location	Chapter	Name of laws and regulations
Mainland China	Operating More Eco-friendly and Protecting Our Environment-Green Operations	Procedures for the Management of Energy Conservation Design
		Procedures for Energy-Saving Procurement Management
	Operating More Eco-friendly and Protecting Our Environment-Green Operations	Regulations on Water Use Management
		Solid Waste Pollution Control Procedures
	Operating More Eco-friendly and Protecting Our Environment-Green Operations	Hazardous Chemicals Management System
		Hazardous Chemicals Control Process and Responsibilities
		Procedures for the Prevention and Control of Water Pollution
	Operating More Eco-friendly and Protecting Our Environment-Climate Change	Noise Pollution Prevention and Control Procedures
		Special Severe Weather Emergency Response Plan for MicroPort
	Fostering Inclusive Culture and Growing with Talents-Talent Attraction	Emergency Plan for Typhoon and Flood Control
Employee Handbook		
Remuneration Management System		
Welfare Management Regulations		
		Leave Management Regulations

Location	Chapter	Name of laws and regulations
Mainland China	Fostering Inclusive Culture and Growing with Talents-Health and Safety	System for Reporting and Investigation of Safety and Production Accidents
		Security Risk Classified Management and Control Assessment Report
		Safety Production Objective Management System
		Chemical Safety Management System
		Management Measures for Industrial Injury
		Protection System for Women Workers
		Occupational Disease Prevention Responsibility System
		Management System for Occupational Health
		Prevention and Control of Occupational Disease and Implementation Plan
		Special Emergency Plan for Safety Incidents
Personal Protective Equipment Management System		
		Occupational Health Education and Training System