



微創醫療科學有限公司
MicroPort Scientific Corporation

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 00853)



2023

Environmental, Social
and Governance Report

About the Report

OVERVIEW

MicroPort Scientific Corporation (hereinafter referred to as "MicroPort", "we" or the "Company") has released the 2023 Environmental, Social, and Governance (ESG) Report. This report mainly discloses information concerning the ESG performance of the Company and its subsidiaries (collectively referred to as the "Group") from 1 January 2023 to 31 December 2023 (hereinafter referred to as the "Reporting Period").

BASIS OF COMPILATION OF THE REPORT

This Report has been prepared in accordance with all the provisions set out in *Appendix C2 Environmental, Social and Governance Reporting Guide (the ESG Reporting Guide)* to the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* issued by the Stock Exchange of Hong Kong limited (**HKEx**). In addition, this report has been prepared with appropriate reference to the MSCI Index and Sustainalytics ESG Rating.

REPORTING PRINCIPLE

In preparation for this report, the following principles of the *Environmental, Social and Governance Reporting Guide* were adopted:

Materiality Principle: This report identified and ranked ESG issues that were important or relevant to stakeholders and the Company through stakeholder communication and materiality assessment.

Quantitative Principle: This report disclosed, with reference to the applicable quantitative standards, the information relating to the standards, methods, assumptions and/or calculation tools used for emissions/energy consumption (where applicable), and the sources of conversion factors.

Balance Principle: This report followed the balance principle and reflected the ESG management status of MicroPort objectively.

Consistency Principle: This report was prepared consistent with the methodologies of previous years. Where there are changes (if any) or any other relevant factors which may affect meaningful comparison with previous reports, these changes were described in the corresponding sections.

Scope and Boundary of the Report

The policies and data disclosed in this report covered the Group, and the reporting scope was consistent with the annual report. All historical data from previous years cited in this report are final, and all financial data in this report are in U.S. dollars unless otherwise indicated.

Abbreviations of subsidiaries involved in this report are referred to as follows:

MicroPort CardioFlow Medtech Corporation	MicroPort CardioFlow
Shanghai MicroPort MedBot (Group) Co., Ltd.	MicroPort MedBot
MicroPort NeuroTech Limited	MicroPort NeuroTech
Shanghai MicroPort Endovascular MedTech (Group) Co., Ltd.	MicroPort Endovascular
Shanghai MicroPort Medical (Group) Co., Ltd.	Shanghai MicroPort
MicroPort Cardiac Rhythm Management Business	CRM
MicroPort Orthopedics Business	MPO

AVAILABLE VERSIONS

This report is available in both Chinese and English. For environmental protection, we recommend perusing the electronic version. This report can be downloaded from the HKEx website, or the Company's website.

DATA RELIABILITY ASSURANCE

The data and cases cited herein mainly come from statistical reports and relevant documents of the Group. The board (the "Board") of directors (the "Director(s)") of the Company pledges that the report does not contain any false records or misleading statements, and is responsible for the truthfulness, accuracy and completeness of the report.

REPORT CONFIRMATION AND APPROVAL

This report was approved by the Board upon confirmation from the management on 28 March 2024.



GREEN DEVELOPMENT

We are committed to upholding our environmental policy of “protecting the environment and cherishing resources” and strive to promote environmental sustainability in all our business operations. Our approach to green development enables us to minimize our negative impact on the environment. We actively encourage “green living and energy-saving production” and have embedded the concept of green development into our corporate operations. By actively practicing low-carbon and environmentally friendly operations, conserving energy and reducing emissions, we strive to establish an eco-friendly management model. Starting from 2021, we set three-year goals in four key areas: water efficiency, energy efficiency, waste management and carbon emissions. By setting precise annual environmental management targets and cascading them down to our subsidiaries, we had successfully achieved our three-year goals by 2023.

In 2023, Shanghai MicroPort transitioned from using paper production flow cards to paperless ones, resulting in a reduction of approximately 200,000 papers. MicroPort Endovascular has been recognized as one of the seventh batch of green factories by the Ministry of Industry and Information Technology. It is noteworthy that this is the second green factory in the MicroPort Group, following Shanghai MicroPort. In response to the national strategy of achieving “carbon peak and carbon neutrality”, MicroPort has made significant improvements in its energy efficiency through management and technological reforms, which have resulted in a 10.76% year-on-year reduction in the intensity of greenhouse gas emissions.

PEOPLE-ORIENTED APPROACH

As a responsible corporate citizen, we aim to bring positive impacts to our employees, industry, and society. We prioritize a people-oriented approach and continually provide employee training, manage our supply chain, and contribute to community development to foster a diverse and inclusive society.

The Group is committed to provide employees with more diverse development opportunities, we focus on employee growth and development, foster an inclusive and diverse cultural atmosphere, and establish dual channels for employee career development.

We encourage employees to associate freely, breaking the boundaries of departments and levels. Employees can voluntarily participate in or leave any of our associations (“Horizontal Organizations”) based on their interests and hobbies. As of the end of 2023, we have set up 20 associations.

We place great importance on collaborating and communicating with the industry and supply chain for mutual benefit. We will create a strong and durable supply chain through our effective supply chain management system. While supporting the growth and development of suppliers, we also extend our environmental and social responsibilities to the supply chain by signing the *Supplier Social Responsibility Commitment*. Through this approach, we aim to promote positive development within the industry chain.

We have a strong focus on grassroots markets and strive to bring our products and disease solutions to regions with limited medical standards or underdeveloped countries. This will meet the growing demand for improved health and quality of life among a larger global patient population. Our “Swallow Program” has successfully made medical devices accessible and affordable in county-level regions through collaboration with grassroots medical institutions. This has helped alleviate the challenges of difficult and expensive medical treatment for people. By the end of 2023, the “Swallow Program” had provided medical treatment for over 300,000 instances of patient in total, covering 1,745 county-level hospitals in China.

In the future, we will remain true to our initial goals and actively fulfill our corporate mission by addressing clinical pain points and bridging medical gaps. In addition, we highly value the needs of our stakeholders and are committed to steady development. We aim to create long-term, shared value for all our stakeholders while delivering cutting-edge medical solutions to patients around the world.

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. 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. We are committed to becoming a patient-oriented global group and accelerating access to life-changing technologies through continuous innovation, so patients everywhere can enjoy better and longer lives.

Company Name: MicroPort Scientific Corporation

Stock Code: 00853

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

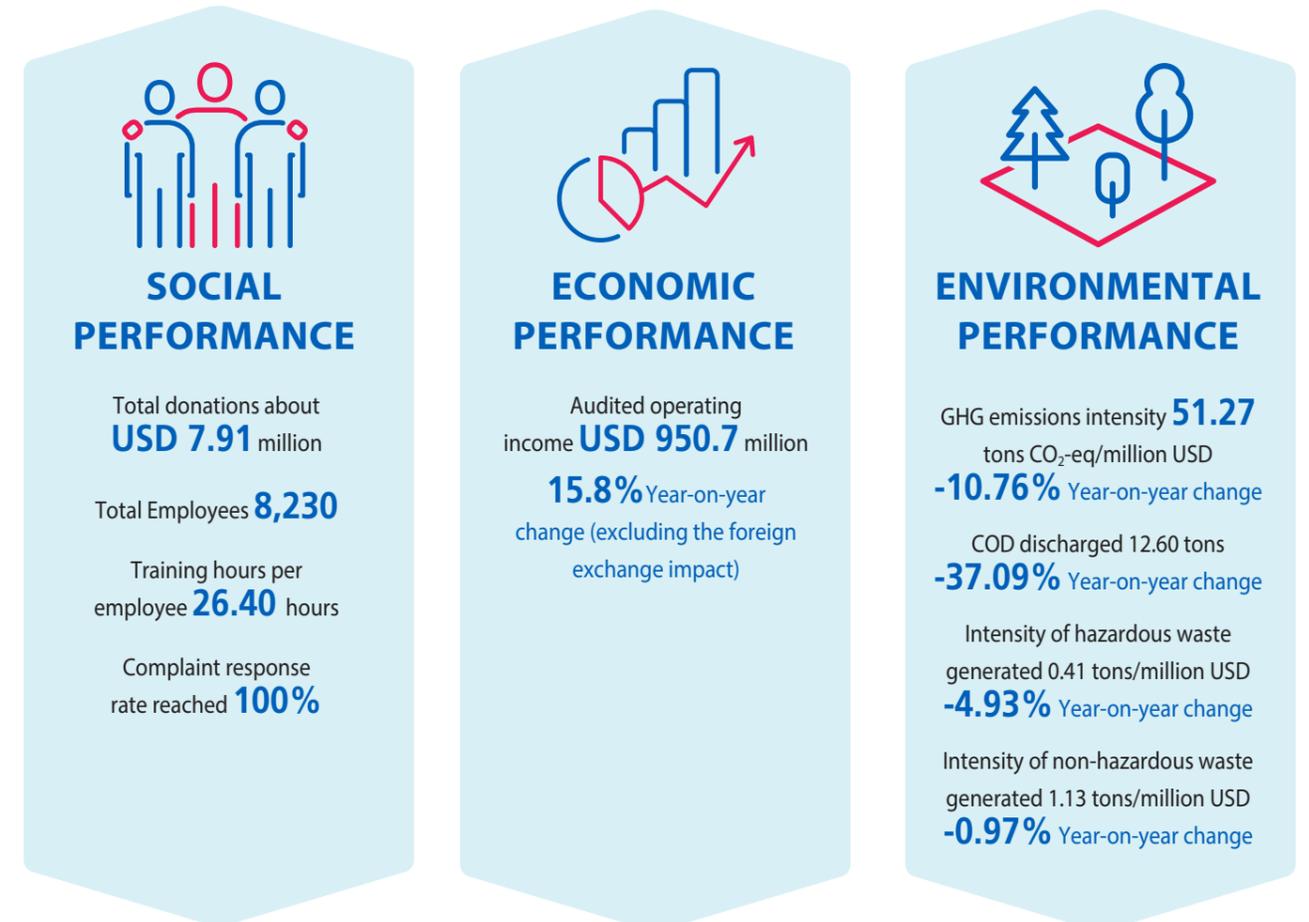
Operating Sites: MicroPort has established main production (R&D) bases in Shanghai, Suzhou, Jiaxing and Shenzhen in China, Memphis in the United States (the "US"), the suburb of Paris in France, the suburb of Milan in Italy and the Dominican Republic, among others.



Business Segments	Product Category	Some Core Products
Cardiovascular Devices Business	Coronary stents and the related delivery systems	Firehawk® Rapamycin Target Eluting Coronary Stent System Firehawk Liberty™ Rapamycin Target Eluting Coronary Stent System FIREBIRD2 Rapamycin Eluting Coronary CoCr Stent System
	Balloon catheters	Firefighter™ PTCA Balloon Catheter Firefighter™ NC PTCA Balloon Catheter Foxtrot™ Pro PTCA Balloon Catheter Foxtrot™ NC PTCA Balloon Catheter
	PCI Accessories	Beyond Prefer™ Guide Wire Interline™ Guide Catheter AncherV™ Anchor Balloon Interlumos™ Microcatheter Bilumos® Dual-lumen Microcatheter
Orthopedics Devices Business	Reconstructive joints, spine trauma, and other professional implants and instruments	Evolution® Primary Medial-Pivot Knee Systems Evolution® Revision Medial-Pivot Knee Systems Procotyl® Acetabular Hip Systems Profemur® Femoral Hip Stems
Cardiac Rhythm Management Business	Pacemakers, defibrillators and cardiac resynchronization therapy devices	Alizea™, Borea™ and Celea™ series Bluetooth® Implantable Pacemakers Eno™, Teo™ and Oto™ MRI Conditional Pacemakers 心悦™ Rega®、心蘭™Orchidee®、心韵™ Trefle® series Implantable Pacemakers Reply™ CRT-P Ulys™ and Edis™ MRI Compatible Implantable Cardiac Defibrillators (ICDs) Gali™ and Gali SonR™ MRI Compatible Cardiac Resynchronization Therapy and Defibrillation (CRT-Ds) Platinum™ Implantable Cardiac Defibrillators (ICDs) Platinum™ and Platinum SonR™ Cardiac Resynchronization Therapy and Defibrillation (CRT-Ds) Invicta™ defibrillation lead NAVIGO™ Left Ventricular Pacing Lead Vega™ Pacing Lead with Active Fixation SonRtip™ Pacing Lead with Sensor BEFLEX™ MRI Compatible Pacing Lead with Active Fixation XFINE™ Pacing Lead with Passive Fixation SmartView Connect™ Home Monitor SmartTouch™ Programmer

Business Segments	Product Category	Some Core Products
Endovascular and Peripheral Vascular Devices Business	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 Minos® Abdominal Stent Graft System Reewarm® PTX Drug Balloon Dilation Catheter Talos® Thoracic Stent Graft System Fontus® Branch Surgical Stent System Hercules® Low Profile Bifurcated Stent-graft system CRONUS® Intraoperative Stent System Aegis® Bifurcated Abdominal Aortic Stent Graft System Hercules B Bifurcated Stent Graft System
Neurovascular Devices Business	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
Heart Valve Business	Heart valve product	VitaFlow® Transcatheter Aortic Valve Implantation (“TAVI”) System VitaFlow Liberty® Transcatheter Aortic Valve Implantation (“TAVI”) and Retrieval System Alwide® Plus Balloon Catheter
Surgical Robot Business	Surgical robot	Toumai® Laparoscopic Surgical Robot DFVision® 3D Electronic Laparoscope SkyWalker™ Orthopedic Surgical Robot
Surgical Devices Business	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
Emerging Business Segments	Medical devices and consumables covering multiple segments, including Medical Imaging, Urinary, Gynecological, Digestive & Respiratory, etc.	Argus™ OCT System Soul-Man™ DSA System Argus NOPURGE™ OCT Catheter VitaSpring™ Membrane Oxygenation System La Fenice® Insulin Pump AutoEx® Chemotherapy Pump TherMotion® Cryo-Thermo Compression Device Ruyi Clip Single-Use Hemostatic Clip Device Single-use Digital Ureteroscopy Catheter Single-use Digital Cholangioscopy Catheter

2023 ESG HIGHLIGHTS



ESG Governance

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.



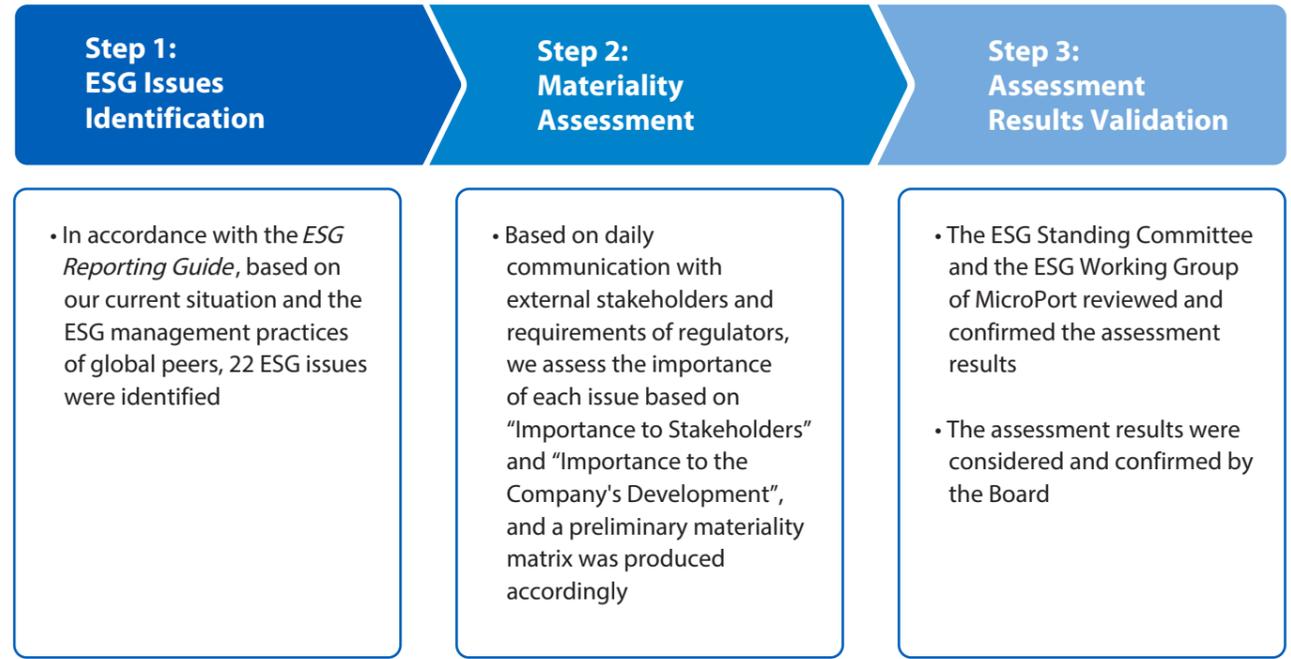
COMMUNICATION WITH STAKEHOLDERS

Stakeholder Type	Stakeholders	Concerned Topics	Communication Channels of the Company
Governments and regulators	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
Shareholders and investors	Equity and debt investors of the Company	Technology and innovation Product safety and quality Talent incentives Intellectual property	Investor relations website ¹ Shareholder meetings Information disclosure Correspondence Teleconferences On-site visits Roadshows
Customers/Users	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
Employees	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
Suppliers	Raw material suppliers	Product safety and quality Responsible supply chain	Supplier evaluation Communication with suppliers and training for suppliers
Communities and the media	Local communities, the public, the media, etc.	Community contributions Product safety and quality	Volunteer services Community activities Media communication and interviews

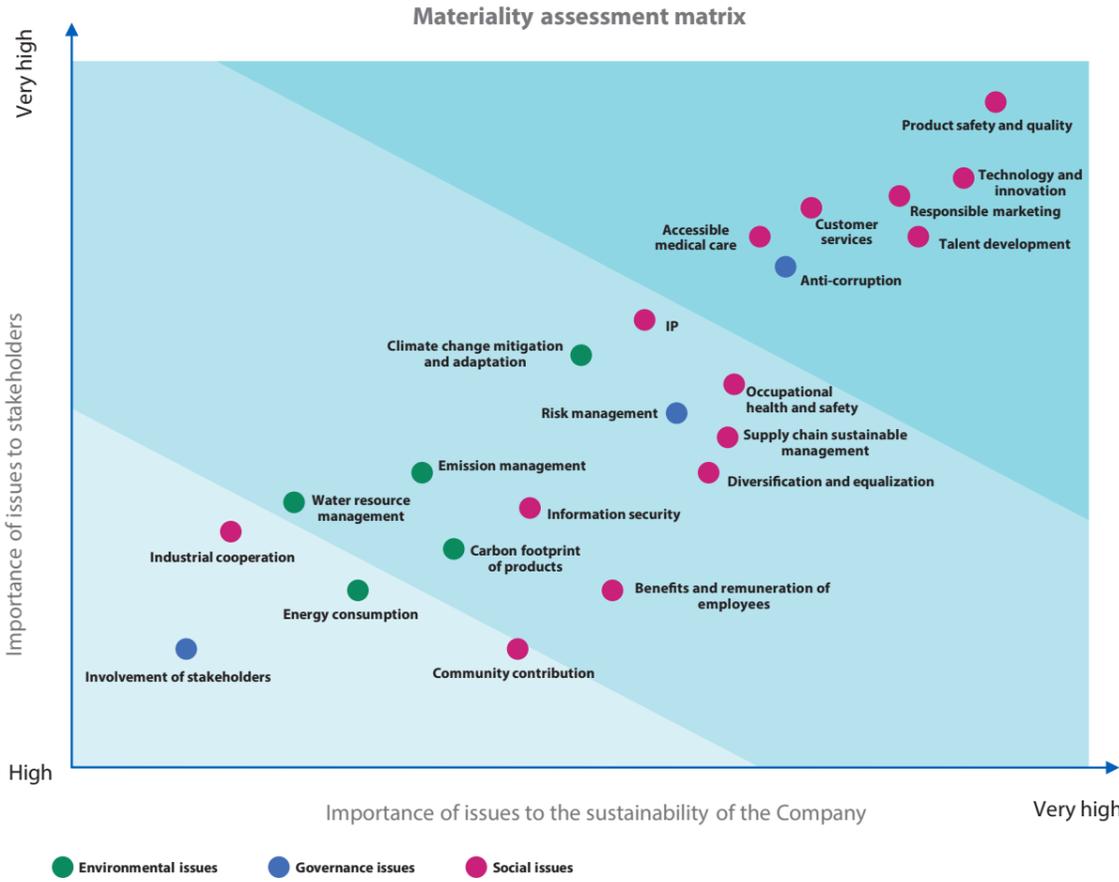
¹ <https://microport.com/investors-relations>

MATERIALITY ANALYSIS

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:



In 2023, the Group conducted a thorough review of ESG issues and substantial assessments. As there were no significant changes to the Group's business operations, the specific ESG substantive matrix is outlined as follows:



Operating in Compliance and Developing with Sustainability



OPERATING IN COMPLIANCE AND DEVELOPING WITH SUSTAINABILITY

Sound corporate governance is the foundation for achieving compliant operations and efficient management. We are fully committed to the corporate culture of “integrity, commitment and legal compliance”. Our strict adherence to the laws and regulations of the locations where we operate, coupled with our governance mechanism for compliant operations and high standards of business ethics, ensures the long-term and sustainable development of the Company.

KEY PERFORMANCE INDICATORS

- Proportion of female directors on the board 11.11%
- Proportion of women in the middle and top management reached 41.02% and 25.31% respectively
- Compliance training coverage rate 100%
- Conducted ethical audits for 7 key business lines or subsidiaries

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 9 members, including 1 Executive Director, 5 Non-executive Directors and 3 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, and the Board includes one female director. As of the end of the Reporting Period, the proportion of women in the middle and top management reached 41.02% and 25.31% 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
Hiroshi Shirafuji	Male	Non-Executive Director	Economics	Bachelor's degree	Economics	Medical Devices	Management	
Norihiro Ashida	Male	Non-Executive Director	Economics	Bachelor's degree	Economics	Strategy	Finance	
Weiqin Sun	Female	Non-Executive Director	Business Administration	Master's Degree	Business Administration	Industry Investment	Literature	
Qiyi Luo	Male	Non-Executive Director	Biomedical engineering	Doctoral Degree	Biomedical engineering	Applied science		
Bo Peng	Male	Non-Executive Director	Business Administration	Master's Degree	Business Administration	Marketing	Computer science	
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		

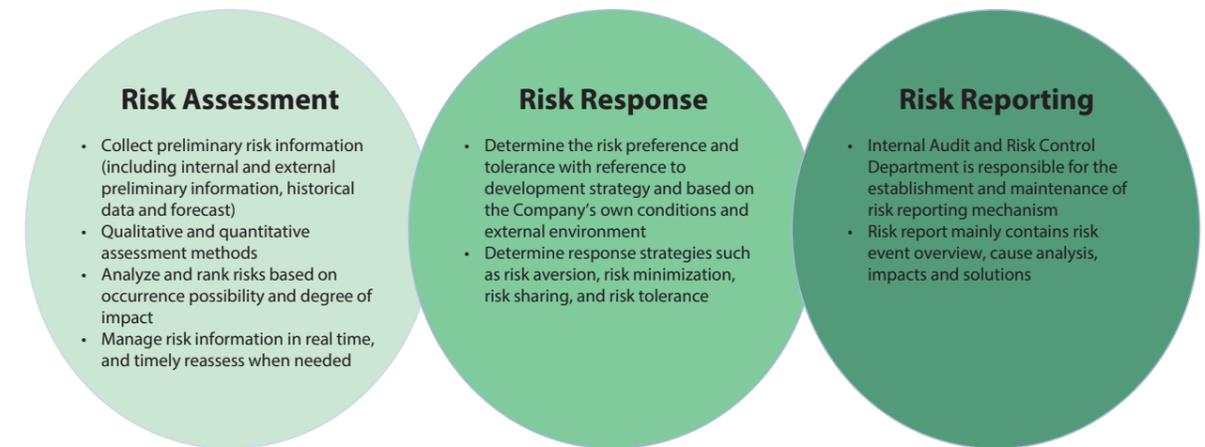
Please refer to the Company’s website for the resume of the Directors (<https://microport.com/investors-relations/corporate-governance>)

Risk Management

MicroPort attaches great importance to building capabilities in risk management. The Company has formulated the *Internal Audit Rules*, *Internal Control Review Process*, *Risk Assessment Management Process*, 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.

MicroPort strictly implements the *Risk Assessment Management Process* to carry out risk identification, assessing, monitoring and management. At the beginning of each year, the Company conducts a comprehensive evaluation of the risk pool through interviews and questionnaires to form a risk assessment report, which can identify potential risks in key businesses. 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.



Risk Management Process

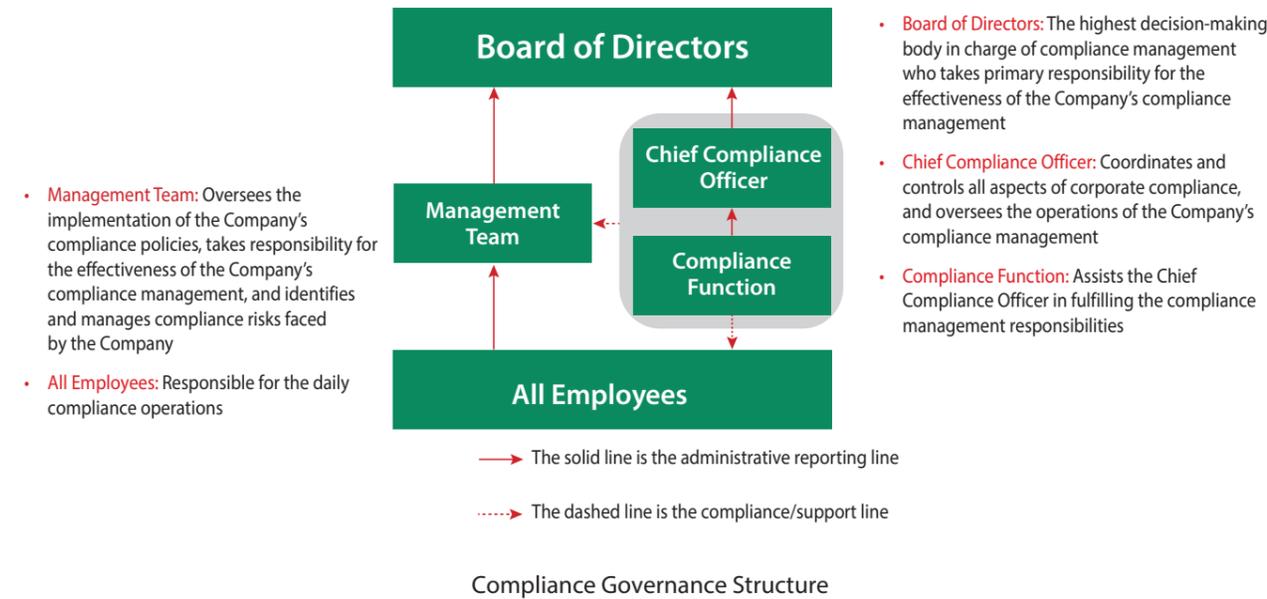
During the Reporting Period, the Company conducted over 13 internal control reviews and special audits throughout the year, which cover the Company and our subsidiaries. Accordingly, matters found in the audits have been rectified. To raise the risk management awareness and capability of our employees, 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”, and comply with relevant laws in our operations, 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, Anti-Bribery and Anti-Corruption Policy*, which clearly stipulates the compliance requirements for the operations and activities of the Company and clearly defines “bribery”, “corruption” and “prohibition of facilitation payments”. In addition, MPO has established a separate *Compliance Manual* or *Code of Conduct* 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. Adhering to the philosophy of “doing the right thing”, the Group has established policies and programs for compliance training based on the principles of comprehensive coverage, ongoing normalization, maintaining focus, and continuous reinforcement. Our employees’ compliance awareness has been enhanced through online and offline means.

During the Reporting Period, we organized 20 special compliance training sessions offline, involving employees from various business lines such as marketing, sales, procurement and finance, as well as our distributors. Furthermore, we developed online compliance training programs for executives, non-frontline employees, and frontline employees, covering anti-bribery and anti-corruption, sanctions and export controls, and data compliance. It is worth noting that the pass rate for all training sessions was 100%.

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 define 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. To ensure a comprehensive understanding of business ethics, it is mandatory for all employees to sign the *Code of Business Conduct and Ethics* and the *Anti-Bribery and Anti-Corruption Policy* annually. Non-frontline employees are additionally required to sign the *Compliance Manual*. Moreover, our tier 1 distributors are obligated to sign both the *Code of Business Conduct and Ethics* and the *Anti-Bribery and Anti-Corruption Policy*. These policies entail an acknowledgment that they have received, read, understood, and complied with the relevant policies. It is crucial to note that any breach of these policies may lead to the termination of the partnership.

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. In 2023, we conducted business ethics audits for 7 key business lines or subsidiaries, covering regular business entertainment, engaging healthcare professionals (HCPs) to provide services, sponsoring/participating in third-party academic activities, etc. We continuously monitored the identified issues and implemented rectification measures accordingly.

During the Reporting Period, no major violations of business ethics have been found.

The Group places great importance on promoting business ethics awareness among our employees and the Board of Directors, and conducts training on relevant topics every year. During the Reporting Period, we provided special compliance training on anti-bribery and anti-corruption to all Board members. By sharing law enforcement cases, the Company was able to confidently elaborate on its stance, define bribery, discuss cooperation with third parties, outline books and records policies, and clarify other compliance principles. This approach helped the Board members make informed decisions in their business activities and uphold the Company’s long-term commitment to compliance and integrity in a diplomatic manner. We organized 6 offline compliance training sessions for new employees to facilitate their integration into the Company, enhance their understanding of our compliance culture, policies, and regulations, and raise their compliance awareness.

During the Reporting Period

- Percentage of personnel that have signed the *Code of Business Conduct and Ethics* **100%**
- Percentage of personnel 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 maintains a variety of open channels such as Integrity Mailbox, Integrity Email and Compliance Hotline, formulating an honest, open and transparent monitoring mechanism. CRM and MPO can also report non-compliant behavior through NAVEX, an independent third-party reporting hotline. Reports can be submitted in Chinese, English, and the official languages of the locations where our business operates. 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 6 reports, and investigated all reports according to our procedures, and took remediation actions according to investigation results.

Compliance Reporting Channels

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

Responsible Marketing

MicroPort always conducts responsible marketing of our products. We strictly adhere to the laws and regulations of the locations where our business operates including 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*, etc. We have formulated policies such as the *External Information Release Management Process*, the *Social Media Account Application Management System*, comprehensively standardize marketing and publicity work, ensure that the Company's marketing behavior always complies with legal and regulatory requirements, and provide consumers with safe and reliable products and services. 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.

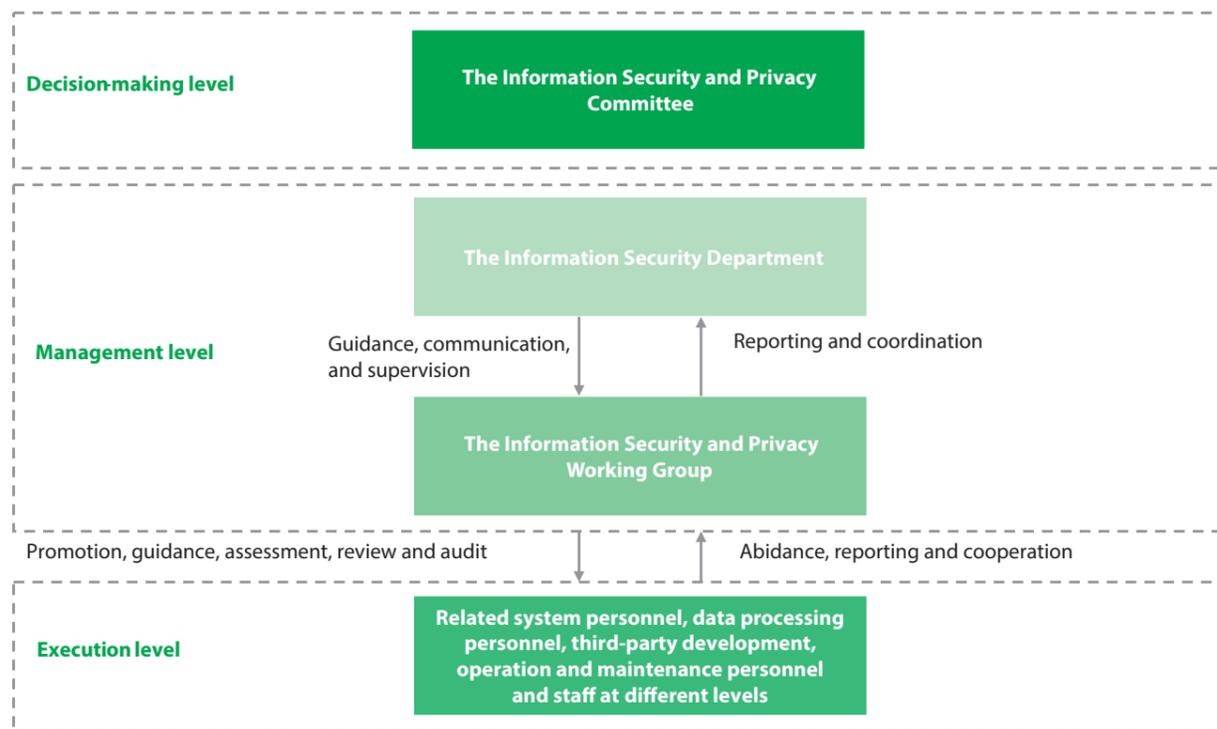
<p>Advertisement</p>	<ul style="list-style-type: none"> • Legal and Compliance Department is involved in reviewing and controlling the content of external releases • Add risk alerts in the advertisement, through which our consumers are noticed clearly with the potential problems, so that their decision making won't be influenced by inaccurate information
<p>Packaging and Product Labelling</p>	<ul style="list-style-type: none"> • 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 advertising activities, the Group carried out a total of 4 training sessions. We also actively participated in advertising compliance training held by external organizations in 2023, covering all business lines. This was to enhance our employees' awareness of responsible marketing so that they could implement responsible marketing in daily activities, regulate marketing activities and maintain corporate integrity and reputation.

Information Security and Privacy Protection

MicroPort has always attached great importance to information security and data privacy and fully abides by relevant laws and regulations of the locations where its business operates. We have formulated and implemented internal policies such as *Information Security Management Policy*, *Privacy Information Management Policy*, *Personal Information Protection and Management Process*, and *the Employee Information Security Code*. We have set up a three-level information security and privacy management structure of “decision-making level – management level – execution level” to perform information security and privacy management regular operational and communication. As of the reporting date, we have obtained the certification of ISO 27001 (Information Security Management System) and ISO 27701 (Privacy Information Management System).

To ensure security of business information and personal data (especially sensitive data), information is classified into five categories, namely public data, internal-use-only data, confidential data, secret data and top-secret data, with differing levels of access requirements. We also implement various technical, managerial and compliance measures to keep that business information security and protect customer data privacy.



The Management Structure of Information Security and Privacy Committee

Compliance Risk Control	Management	Technology
<ul style="list-style-type: none"> Externally, the Company meets regulatory and statutory requirements Internally, the Company conducts regular risk assessment and remediation as well as supplier risk control 	<ul style="list-style-type: none"> Maintenance across functional organizations, maintenance of system processes, training, fishing test, assistance with business needs such as information security level protection evaluation 	<ul style="list-style-type: none"> Vulnerability scanning of systems, penetration testing, privacy assessment, data security measures, cyber security measures, etc.

We regularly assess, update, and respond to risks regarding information assets in accordance with ISO 27001, ISO 27701, NIST Cybersecurity Framework, HITRUST, GB, and various new legal and regulatory requirements for security and privacy. During the Reporting Period, we carried out our first cyber security drill and evaluated our technical defense capabilities to strengthen the weaknesses in our defense system. In order to improve the compliance of the Group’s outbound data transfer activities, we have completed the sorting of outbound data transfer scenarios for each business line and worked on outbound data transfer in accordance with the relevant regulations of China, the EU, the U.S. and other locations.

We also regularly conduct information security and privacy management training as well as test to enhance employees’ information security and personal data protection awareness or capabilities. During the Reporting Period, we conducted information security and privacy awareness training for all employees in China. In addition to training, we strictly require employees to comply with information security-related laws and regulations and internal policies. If employees have any queries regarding information security, cyber security, or data privacy, they can send an email to InformationSecurity@microport.com or contact the Information Security Department for feedback. Meanwhile, we regularly conduct internal and external information security audits to ensure effectiveness, availability and integrity of the information security defence system.

During the Reporting Period, we carried out internal and external information security audits for MicroPort and its subsidiaries, covering all major business units at headquarters in Shanghai and 11 subsidiaries in China.

Intellectual Properties and Trade Secrets

Intellectual properties (IP) and trade secrets are key assets in the medical device industry. MicroPort has formulated a comprehensive management system and operation specifications to protect and manage IP and trade secrets.

IP Protection

As a National Intellectual Property Demonstration Enterprise, MicroPort strictly complies with the laws and regulations of the locations where we operate, and has formulated and implemented *Intellectual Property Handbook*, which provides standardized rules and procedures for managing intellectual property in an orderly manner.

We have fully integrated the concept of intellectual property protection into the whole process of R&D to reduce the intellectual property risks involved in R&D process and to protect the R&D achievements.

In order to improve intellectual property management, protection and operation, we regularly conduct IP-related publicity and training to strengthen legal compliance and awareness. During the Reporting Period, we have carried out a total of 16 IP training sessions and internal sharing sessions for our employees, covering the introduction of basic knowledge, interpretation of cases, and assessment of the value of patent achievements. In addition, we have launched online IP training courses. In 2023, a total of 5,177 participants completed the relevant courses.



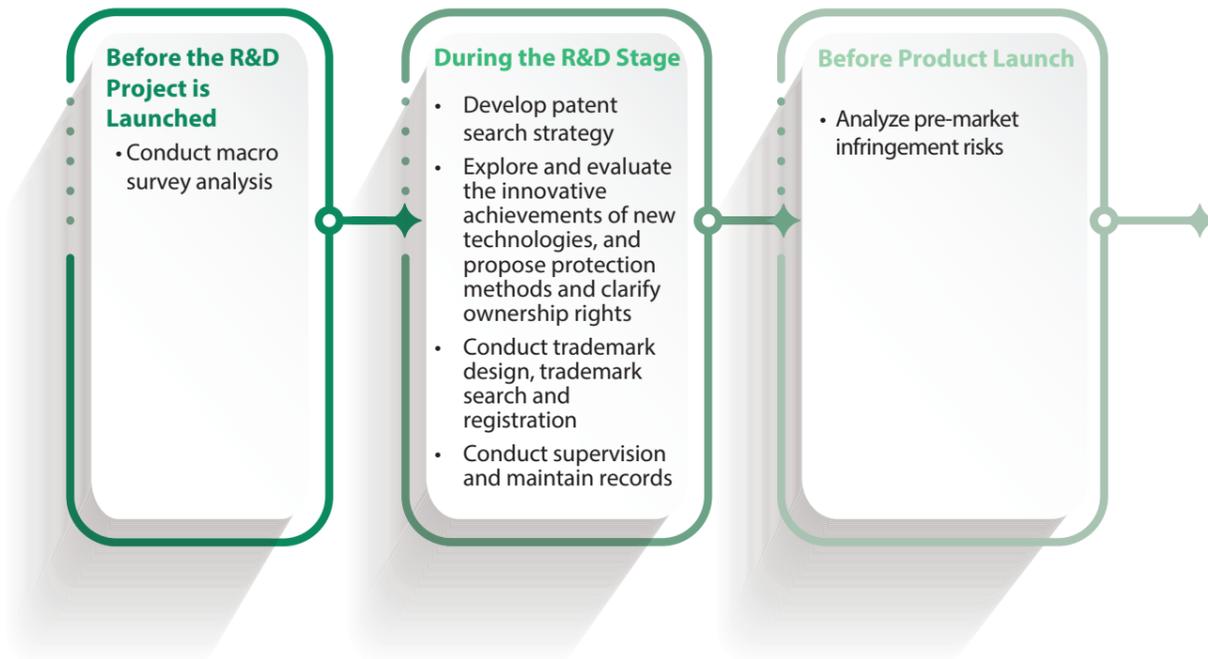
Intellectual Property Training

Trade Secret Management

The Company has set up a trade secret working group and has formulated the *Trade Secret Management Regulations*, and several trade secret management measures have been taken to prevent trade secrets from being illegally stolen, used and leaked.

Trade Secret Management Measures

- Define the scope of trade secrets as well as set up information access authorization and approval procedures
- Sign the *Confidentiality and Intellectual Property Ownership Agreement* with new employees to avoid leakage of confidential information
- Adopt protection measures for the management of carriers of confidential information, access authorization restrictions, secrets-related personnel management and external contact management
- Prohibit employees from unlawful use and acquisition of others' trade secrets



As of the end of the Reporting Period, MicroPort held 10,004* patents (including under application), and 4,813* trademarks (including under application). In 2023, 11 subsidiaries or affiliated companies of MicroPort have been certified by the GB/T 29490-2013 Intellectual Property Management System.

* Including associated companies of the Group

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”. With a focus on putting patients first, we are continuously improving the management of the whole life cycle of product design and development, manufacturing and post-market surveillance. We practice the corporate mission of “providing trustworthy and universal access to state-of-the-art solutions of prolonging and reshaping lives” and continue to safeguard human life and health.

KEY PERFORMANCE INDICATORS

- 31 subsidiaries obtained ISO 13485 Quality Management System Certification for Medical Devices
- 0 recall at Chinese mainland locations
- Complaint response rate and handling rate have both reached 100%

Contribution to the UN SDGs

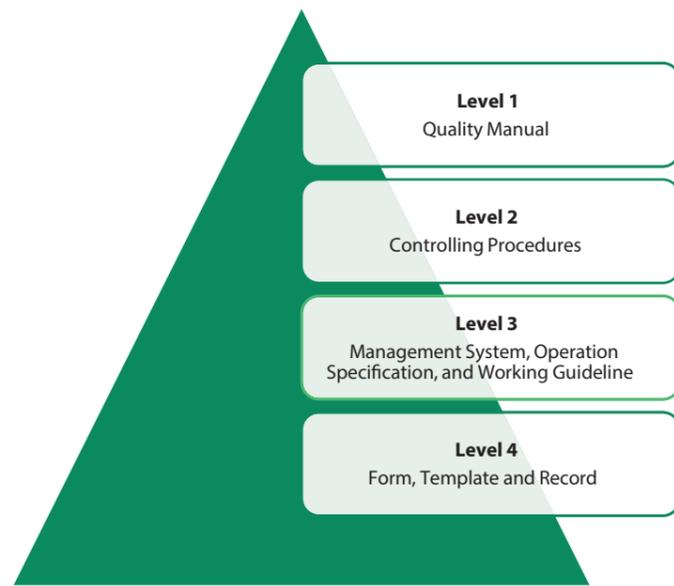


Quality Assurance

MicroPort deeply understand our products are directly related to patients’ lives, and even the slightest deviation could cause significant impact. Because of this, we work to relentlessly master every detail of our medical technologies so that patients everywhere can enjoy better and longer lives. We relentlessly pursue excellence and are uncompromising where quality is concerned. In all aspects of our businesses, we are passionate in our pursuit of the highest standards and the implementation of a continuous improvement strategy, to ensure that our products and services remain at the forefront of the industry.

Quality Management System

In view of the whole life cycle of medical device products and the multiple characteristics of the Group’s platform operation, we have established a four-level quality management system document in compliance with regulations in target markets worldwide, such as China, the EU, the U.S., Japan, and Brazil, as well as the ISO 13485 standard. We have established and maintained a series of documents, including *Quality Manual, Risk Management Procedure, Design and Development Control Procedure, Product Realization Control Procedure, etc.* to guide and standardize the design, development, procurement, production, delivery and other activities of products. In 2023, we formulated *MicroPort Quality Information Management Measures (Trial)* to standardize the Group’s management of quality information, identify, collect, report, and dispose of important quality information in a timely manner, and enhance the overall quality management efficiency of the Group.



Four Level of Quality Management System Document

With product safety and effectiveness as the core, MicroPort has established medium and long-term quality goals:

- Pass on-site verification in target markets
- Improve product qualification rate and service satisfaction year by year
- Reduce complaint rate of product quality year by year

The senior director of quality supervises the operation of the Group’s quality management system and reports to the senior executive vice president of the Group. The executive management reviews and communicates with each of the Group’s business quality system operations by conducting regular bi-monthly meetings on the Group’s quality management, and adopts the management form of “regular collection + dynamic reporting” to enhance the overall efficiency of the Group’s quality management.

Meanwhile, 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

Quality Assurance Responsible for ensuring that products or services meet quality standards and customer requirements during production	Quality Management System Establish and maintain a quality management system, monitor and optimize the operation of the quality management system, and follow up internal and external audits and rectification	Test Center Provide testing/calibration services related to medical devices according to international/national/industry standards such as ISO, ASTM, GB, YY, JJG and JJF
Quality Control Monitor and inspect the production process of products or services to ensure that the quality of products or services meets the requirements	Post-market Supervision Responsible for receiving and analyzing customer complaints, as well as adverse event reporting, analysis and improvement	Continuous Quality Improvement Seek quality improvements through data collection and analysis, exception handling and summarization, annual risk management, etc., lead or cooperate in product quality improvement

Quality Certifications

Our quality management objective is to establish 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.

Quality Management System Related Certifications	
31 subsidiaries	ISO 13485 Quality Management System Certification for Medical Devices
2 subsidiaries	ISO 11135 Sterilization of Health Care Products – Ethylene Oxide Certification
8 subsidiaries	ISO 9001 Quality Management System Certification
3 subsidiaries	ISO/IEC 17025:2017 General Requirements for the Competence of Testing and Calibration Laboratories

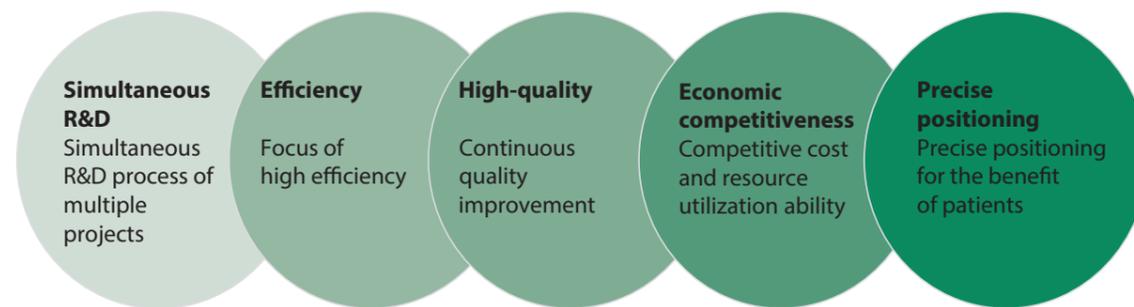
Product testing is an important stage for medical device companies to evaluate product quality. Professional laboratory testing and analysis can be performed to help comprehensively evaluate the quality performance of products and identify any weaknesses. Targeted quality improvement activities can be taken accordingly. 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.

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. Therefore, we continue to promote product R&D and design new products, enhancing accessibility to new technologies and products. This effort aims to 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 whole 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 whole life cycle 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.

- Five high-end access products obtained NMPA approval, including Beyond Prefer™ guide wire, InterLumos™ micro catheter, AncherV™ anchor balloon, Interline™ guide catheter, and Bilumos® dual-lumen micro catheter.
- Firefighter™ NC Pro Balloon Dilation Catheter Receives Approval in the USA.
- CRM's two Implantable Bluetooth Pacemakers, Alizea™ and Celea™ and their supporting products, were approved for launch by the US FDA. The estimated service life of these two pacemakers is up to 13 years, which is longer than that of comparable products currently on the market.
- Castor® (custom-made) obtained market approval in China, became the first customized Aortic Stent-Graft System to obtain NMPA approval.
- A total of 7 products of MicroPort and our associated companies were selected into the *2023 Shanghai Innovative Products Recommended Catalogue*, demonstrating their innovation capabilities and receiving recognition from all sectors of society.
- The research results of the NUMEN® Coil Embolization System developed by MicroPort NeuroTech (Shanghai) Co., Ltd. applied to microaneurysms were published in BMC Surgery. The research results verified the safety and effectiveness of NUMEN® coil in aneurysms < 5mm, and its clinical effect is comparable to that of first-line products, which places it at the international advanced level.
- The Skywalker® Orthopedic Surgical Robot of MicroPort MedBot was approved for launch by the Therapeutic Goods Administration of Australia (TGA), and is the first and only domestic surgical robot that has been certified for marketing by the China NMPA, the U.S. FDA, the EU's CE marking, Brazilian Health Supervision Administration (ANVISA) and TGA.
- The Skywalker® Hip and Knee Joint Replacement Robot of MicroPort MedBot was approved for launch by the NMPA, marking the approval of the first domestically produced hip and knee one-piece orthopedic surgical robot equipped with a self-developed robotic arm.
- VitaFlow Liberty® of MicroPort CardioFlow obtained approval in Thailand, Russia, Indonesia and HKSAR, and CE marking entered final approving process, further proceeding its internalization process.
- As of April 29, 2024, the Bridge-MAX clinical research project of Bridge® Rapamycin Target Eluting Vertebral Artery Stent System which was independently developed by MicroPort NeuroTech (Shanghai) Co., Ltd. has completed all the patients enrollment enrollment, filling the gap in clinical practice with 4.5/5.0mm large-sized stents.
- Two flagship products of MicroPort Endovascular, Castor® Branched Aortic Stent Graft System and Reewarm® PTX Drug Balloon Dilation Catheter, were approved for launch in Colombia.

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*, *Laboratory Animal First Aid Operation Procedures*, and *Operating Rules on Anesthesia and Analgesia of Laboratory Animals*. We also 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.

Production and Manufacturing

We prioritize product quality and safety, embedding a high level of governance throughout the product life cycle to improve quality management and enhance product quality.

Production Quality Control

MicroPort always focuses on the core concept of product safety and efficacy, and ensures product quality from all aspects of product design, production and inspection, including:

- Relying on a comprehensive design control system, incorporating advanced design concepts to control product risks from the design side.
- 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 tool 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.

Quality Audits

Focusing on the brand concept of “a brand belonging to patients”, MicroPort Group takes the *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 and inspections, and puts all licensed subsidiaries/sub-groups of its entity business under hierarchical supervision and management, and carries out quality internal audit work on a regular basis to ensure the effectiveness of the quality system. Furthermore, it is our goal to ensure that the requirements for quality system operation are in line with the available resources for quality management system operation. This will be achieved by improving the supervision of high-risk companies.

During the Reporting Period, we implemented internal supervision and inspection on 29 subsidiaries.

By the end of the Reporting Period, a total of 36 subsidiaries of the Group had successfully passed 171 external audits without any failures. Among them, a total of 25 products passed the national sampling, provincial sampling and other sampling methods, and all of them were qualified.

Post-Market Surveillance

MicroPort continuously monitor the performance and gather feedback after products are launched. We have also developed product alert and recall procedures to ensure product safety. Meanwhile, we are committed to enhancing patient satisfaction through effective communication and education.

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 whole life cycle of products. MicroPort has formulated the *Management Rules for Adverse Event Reporting, Control System for the Domestic Adverse Event Monitoring and Re-evaluation* and other relevant regulations on product alert system management 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. These measures allow the Company to perform continuous monitoring of product quality, achieve timely control and minimize potential product safety risks. In addition, we offer specialized training on adverse events irregularly to ensure consistency in employees’ comprehension and adherence to applicable regulations.

During the Reporting Period, we launched a quality management information platform to facilitate the automated management and processing of post-market surveillance data. The platform is capable of analyzing, managing and reporting online customer complaints and adverse events, as well as establishing an online recall management process. This helps to improve the promptness of customer complaint feedback and the accuracy of information and data.

In the aspect of product recall, 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. We strictly follow the Company’s customer complaint handling process to address complaints and resolve issues.

During the Reporting Period, MicroPort received a total number of 11,878 complaint or enquires on products and services, and the complaint response rate and handling rate have both reached 100%. We will continue to improve customer experience, strengthen interaction with customers, and further improve 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

- An integrated online service support platform for doctors and patients
- Provide patients with content such as postoperative information notifications, postoperative rehabilitation plan formulation, online consultation, etc.
- Provide doctors with content such as treatment plan introduction and sharing, case sharing, live surgical broadcasts, etc.
- Reshape the relationship between patient and doctor and realize digital and intelligent communication in the medical industry

Implant Card

- Used for product information entry and queries after the patient is implanted with our product
- Provide corresponding rehabilitation services for patients based on the product type and data input by users
- Achieve a closed-loop process from patient implantation information input to platform rehabilitation services and guidance from hospital doctors

Conscience Care Public WeChat Account

- Focus on patient education and patient support for minimally invasive trauma intervention
- Provide 24-hour assistance for patients and caregivers by pushing a weekly popular science article, providing educational information about minimally invasive interventional products, answering their inquiries about interventional products and treatment

Quality Culture and Training

MicroPort is fully committed to promoting and fostering its quality culture, which is considered one of the key factors for our quality management. In 2023, MicroPort conducted quality communication and training activities to promote quality awareness among all employees and foster a robust quality culture and atmosphere.

Quality Training

We regularly conduct internal trainings and external communication and sharing activities to strengthen quality management and develop quality culture. In 2023, we held sessions of quality experience sharing and training. The topics covered included quality awareness training, regulation training, quality knowledge, quality improvement, quality inspection, etc.

Communication and Experience Sharing

Quality and Regulatory Forum

The 2023 Quality and Regulatory Forum confidently addressed quality management pain points and difficulties through the launch of eight sharing sessions. These sessions aimed to deepen employees’ understanding of quality and regulations, further enhance their expertise, and ensure that the quality of products in the Group’s business segments meet regulatory requirements.



Quality Knowledge Competition

In 2023, 8 teams from 8 subsidiaries of MicroPort participated in the Group’s quality knowledge competition, topics covering quality regulations, quality system, quality methods, quality tools, etc. The competition aimed to encourage employees to participate in quality activities, further enhance their enthusiasm in recognizing, learning about and promoting quality, and create an atmosphere in which everyone highly values quality.



Test Center Skill Competition

The test center skill competition covers 6 major segments, namely, physics, chemistry, microbiology, polymer, active medical devices, and business operations. More than 60 laboratory technicians from various business lines participated in the competition, demonstrating their expertise in standard interpretation, experimental operation and record integrity. The competition establishes communication channels for technicians, promotes discussion and summarizes key points in daily experiments, improving the professional testing capabilities of the Group's business test centers.



Quality Benchmarking Open Day

During the Quality Benchmarking Open Day, three enterprise visits were organized under the theme of "Quality Benchmarking." Through on-site visits and salon activities, we engaged in profound discussions with middle and senior quality management professionals from advanced manufacturing enterprises. This exchange provided new ideas and valuable methods for the participants to implement in their subsequent work.



Internal Quality Experience Sharing

In 2023, the theme salon activity was conducted both online and offline, focusing on 6 major themes of "Key Concerns on Medical Device Flight Inspection and Audit", "6S Site Management Sharing", "Six Sigma Theme Sharing", "Medical Device Availability Engineering", "Registrant Rule Practical Experiences Sharing" and "Device-drug Combination Products Special Sharing". The event was attended by over 500 participants from more than 40 enterprises.



Quality Training & Commendation

Quality Awareness Training for All Employees

In 2023, MicroPort conducted quality awareness training for all employees in China for the first time. This training covers more than 9,000 employees across the Group's domestic operations, and the Group focused on training and assessment of employees in positions related to the quality management system.

Quality Risk Awareness Training for Legal Representatives/General Managers

The person in charge of the enterprise plays a crucial role in ensuring the quality and safety of medical devices as the main responsible person. In 2023, the Group provided quality risk awareness training for legal representatives and general managers of subsidiaries to clarify the regulatory requirements, emphasize the responsibility for quality and safety, and raise the quality risk awareness for the person in charge of quality.



Remarkable Improvement and Innovation Tools and Methods Application Competition

The event demonstrated the Group's commitment to continuous improvement projects and innovation tools and methods, encouraging their implementation throughout the organization.

6S Site Management Demonstration Evaluation

An evaluation team, comprised of inspectors from each business line of MicroPort, conducted unannounced on-site inspections of production, test and warehousing. The results were summarized and evaluated, and professional guidance on 6S management was provided.



Highlighting Partnership Integrity and Facilitating Mutual Benefits

Quality Training Camp

Focusing on the pain points, difficulties and hot spot issues of quality management, the event included 5 sharing sessions and commended 85 outstanding achievements. In addition, winning enterprises were invited to share their best practices to raise the quality management standard of MicroPort Group.

Quality Awards

In 2023, the Group received several quality awards, and the product quality was fully recognized by the public.

Quality Awards	Awards Unit
Shanghai Quality Benchmark	Shanghai MicroPort
Shanghai Quality Technology Progress Award	Shanghai MicroPort
Typical Cases of Quality Reform and Innovation of Chief Quality Officers of Jiangsu, Zhejiang, Anhui, Jiangxi and Shanghai Enterprises in National "Quality Month"	MicroPort Endovascular
Shanghai "Site Management Innovation Achievements"	MicroPort Endovascular MicroPort NeuroTech (Shanghai) Co., Ltd.
Shanghai Excellent Quality Management Innovation Practice (Single Item) Benchmark Level	MicroPort Endovascular
Shanghai "Quality Management Group Activity Achievements"	MicroPort Endovascular MicroPort CardioFlow MicroPort MedBot MicroPort NeuroTech (Shanghai) Co., Ltd.



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

- 4,788 suppliers
- The pass rate of distributor anti-corruption and anti-bribery training is 100%
- 6 national standards, 7 group standard, 1 joint enterprise standard and 18 industry standards in China involved have been officially issued

Contribution to the UN SDGs



Supply Chain Management

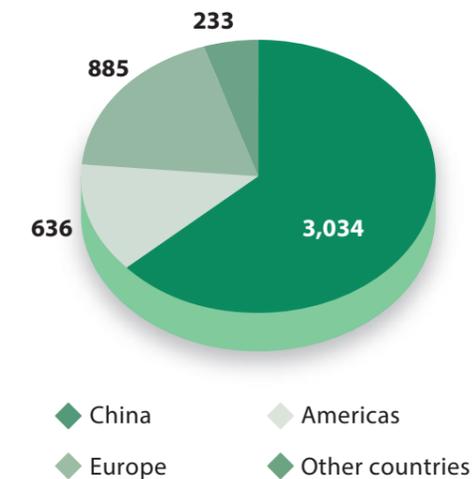
A healthy and resilient supply chain is crucial for ensuring the smooth operation of enterprises. MicroPort strictly controls the quality of raw and auxiliary materials and maintains the stable and sustainable development of the supply chain by adhering to the supply chain management regulations and verifying the admission and cooperation of suppliers. Our aim is to establish a responsible supply chain.

Supplier Management

MicroPort has formulated internal rules such as the *Procurement Management Guide* and the *Supplier Management Rules*, which specify and strictly implement supplier admission procedures, quality evaluation, quality audit and rectification. Considering the security of MicroPort and the interests of suppliers, we have also established a Supplier Management Committee and a Procurement Management Leadership Group to ensure legal compliance in supplying activities.

As at the end of the Reporting Period, MicroPort had a total number of 4,788 suppliers, and the number of suppliers by geographical region is shown as follows:

Number of Suppliers by Geographical Region



We have set up a supplier access mechanism that includes supplier self-assessment, qualification review, on-site review, sample review and other processes. Only after suppliers have completed admission audits can they enter partnerships. The admission mechanism ensures that only qualified and competent suppliers are selected, providing us with stable and high-quality products.

When selecting suppliers, we adhere to the principles of fairness, impartiality, and openness. We conduct a comprehensive evaluation of suppliers based on various factors, including quality control, price, operating conditions, R&D capabilities, delivery time, and social responsibility. Meanwhile, we have set different admission requirements for suppliers of various raw material categories.

During the Reporting Period, 42 suppliers were certified by ISO 9001, and 30 suppliers were certified by ISO 13485.

To improve the management efficiency of existing suppliers, we classify and manage suppliers based on raw material categories and product risk levels. We adhere to a strict supplier audit mechanism that includes system certification, second-tier supplier management, production environment, manufacturing process, and key process control. Additionally, we require suppliers to rectify any nonconforming items.

During the reporting period, we audited 46 suppliers, and the pass rate of the completed audit suppliers is 100%.

We strive to raise the awareness of our suppliers about their environmental and social responsibilities and continue to convey the concept of adhering to business ethics and building a sustainable supply chain. During the Reporting Period, the suppliers are required to sign the *Supplier Social Responsibility Commitment Letter* and follow the principle of honesty and integrity throughout cooperation. ESG-related requirements shall be met in our supplier selection and management, including green procurement and prohibition of discrimination, child labor, and forced labor to ensure employee health and safety. In addition, CRM has formulated the *Code of Conduct* that adheres to the laws and regulations of the regions where they operate (including Asia, Latin America, Europe, the Middle East, Africa and North America). This stipulates the principles of business ethics for suppliers. The *Supplier Certification Statement* that the MPO requires suppliers to sign, also includes requirements for equal employment opportunities and opposition to forced labor.

Supply Chain Resilience

We continue to improve the stability of the supply chain, identify potential risks of the supply chain, and adjust the procurement strategy promptly. Guided by annual procurement forecasts, the Company locks in the capacity of existing suppliers and develops backup suppliers simultaneously. During the Reporting Period, we enhanced risk analysis of procurement, and graded the supplier risk level based on the replacement difficulty, political risk and reserve difficulty, and combined with supply source analysis, targeted inventory strategies were adopted, ensuring sustainability of supply.

Communication and Training

Through technical exchanges as well as training and sharing, we share information with suppliers, which effectively improves the integrated capabilities of suppliers. During the Reporting Period, we organized several rounds of supplier training on supplier relationship management systems, product quality standard inspections and other themes, which improved the collaboration efficiency with suppliers, conducted annual supplier training sessions 120 times. Additionally, our subsidiaries maintain regular communication with suppliers. For example, CRM conducts business reviews with our top 20 suppliers every half month and quarterly to ensure effective communication.



Supplier Training

Distributor Management

We regard our distributors as important partners and strive to develop a well-established distributor management system. We request that our distributors abide by the laws or regulations of the place where they operate, comply with the business ethics and the compliance standards and requirements for distributors specified in the Compliance Manual, and sign the *Code of Business Conduct and Ethics* and the *Anti-Bribery and Anti-Corruption Policy*.

Before any substantial operation initiates, the compliance management team would engage a third-party professional institution to do the due diligence on the background of the prospective distributor, including but not limited to, business registration information, industry information, adverse events, litigation-related cases and administrative penalties, to help the Company identify compliance risks before cooperation. During the Reporting Period, we conducted due diligence on over 400 distributors.

All of tier 1 distributors have signed the *Code of Business Conduct and Ethics* and the *Anti-Bribery and Anti-Corruption Policy*. During the Reporting Period, we provided online anti-corruption and anti-bribery training for all our tier 1 distributors to make sure they comply with our business ethics, and the training pass rate was 100%. In addition, we have conducted compliance training to more than 440 agents.

Win-Win Partnership

MicroPort recognizes that industrial collaboration is crucial for promoting high-quality development of medical devices and achieving sustained breakthroughs in medical technologies. We actively participate in the formulation of industry standards and academic exchanges and seminars. We adopt various measures to nurture future talent for the industry, and in doing so, boost the growth and development of the medical device industry by virtue of our influence and contributions to the industry.

Leading the Industry

MicroPort insists on the concept of “setting the international and national standards, leading the medical device industry” and continues to advance the standardization of the industry. During the Reporting Period, the Company and our subsidiaries participated in the research of regulations, production standards and scientific regulatory systems conducted by the Shanghai Medical Products Administration, GHWP, the Inspection Center of National Medical Products Administration and multiple industry associations. In addition, the Company and subsidiaries led the revision of the *GB/T 19973.1-2023 Sterilization of Health Care Products – Microbiological Methods – Part 1: Determination of the Total Number of Microorganisms on Products* (ISO 11737-1).

As of the end of the Reporting Period, MicroPort has drafted and verified 6 national standards, 7 group standard, 1 joint enterprise standard and 18 industry standards in China, which were officially issued.

Industry Communication and Cooperation

Industry communication and cooperation are critical for MicroPort to further industry innovation and growth. We collaborated closely with companies and organizations that share our vision, working together to enhance the industry’s innovation capabilities and foster a healthy industry ecosystem.

Case: MicroPort CardioFlow Attended PCR-CIT China Chengdu Valves 2023

In November 2023, MicroPort CardioFlow presented three recent evidence-based medical data on the PCR-CIT China Chengdu Valves. The 7-year follow-up results of the VitaFlow® were released, making it the first domestically developed transcatheter aortic valve system with 7-year long-term follow-up data.

Case: MicroPort NeuroTech Hosted a Seminar on Bleeding Solutions

In June 2023, “TWINS Shanghai – a Seminar on Bleeding Solutions of MicroPort NeuroTech” hosted by MicroPort NeuroTech, was successfully held in Shanghai. The seminar featured over 10 speakers from East China, Hubei, Henan, and other locations who shared their latest treatment experiences in the field of hemorrhagic cerebrovascular diseases related to clinical research, clinical practice, operation techniques, and complication management.

Case: MicroPort MedBot Presented at the Sixth China International Import Expo

In November 2023, MicroPort MedBot, a domestic innovator in medical robotics, participated in the China International Import Expo for the second time alongside Toumai Laparoscopic Surgical Robot. At the exhibition, Toumai Robot showcased its mature technologies in performing multi-disciplinary and extraordinarily difficult operations as well as 5G telerobotic surgeries.



Toumai Robot was exhibited at the China International Import Expo

Industry Talent Cultivation

MicroPort attaches great importance to industry talent cultivation and offers job opportunities and professional education solutions to those who have ambition and perseverance in the medical device industry and recognize MicroPort's value. In addition, we have fostered collaboration between industry, universities, research institutions, and medical device companies. We have connected experts in advanced technology and talent in the medical device industry to discuss and explore clinical needs with commercial value. We have also invited professors and experts from universities and medical institutions to participate in these discussions. Our commitment is to facilitate the disruptive technology transformation in the medical field. We aim to implement medical solutions that can extend and reshape life for the benefit of the public. To encourage effective communications between doctors and engineers, and promote medical-engineering collaboration on projects, programs or patents, we undertook multiple medical-engineering collaboration projects, including medical-engineering training, activities to tackle pain points, fund projects, creativity workshops and dual summits. In doing so, we can break down the barriers between the clinical application and engineering design, develop a full course service system for early innovative results from the clinical idea to industrial transformation. During the Reporting Period, our digital professional education platforms to provide professional training to internal staff, suppliers, customers and external doctors to share cutting-edge knowledge with the industry.

Operating More Eco-friendly and Protecting Our Environment



Case: The Eighth China Innovation Challenge (Shanghai) and Fourth MicroPort Special Miracle Point® Disruptive Innovation and Entrepreneurship Competition were held

The Eighth China Innovation Challenge (Shanghai) and Fourth MicroPort Special Miracle Point® Disruptive Innovation and Entrepreneurship Competition were held in 2023. The competition offers incubation and enabling services for innovations and start-ups with commercial value, providing a full-process and "lifelong companion" support.



The Fourth MicroPort Miracle Point Disruptive Innovation and Entrepreneurship Competition

Case: "Emerging MedTech Knowledge & Practice Platform" External Doctors Training

In 2023, we provided training for external doctors through 2 CCI China Trips and 88 training videos from the "Emerging MedTech Knowledge & Practice Platform" (a WeChat mini program). Over 300 external doctors were introduced to the latest industry trends, clinical training videos, and knowledge-sharing. We hope to facilitate the exchange of industry knowledge and share high-quality clinical experiences with external doctors, ultimately benefiting more patients.

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. We respond to energy conservation and carbon reduction initiatives by practicing low-carbon environmental protection. Our commitment is to build an eco-friendly business management model that facilitates the harmonious development of businesses, society and the environment.

KEY PERFORMANCE INDICATORS

- Intensity of greenhouse gas emissions 51.27 tons CO₂-eq/million USD, 10.76% year-on-year decrease
- Purchase green electricity of 13,823.17 MWh
- COD discharged of 12.60 tons, 37.09% year-on-year decrease

Contribution to the UN SDGs

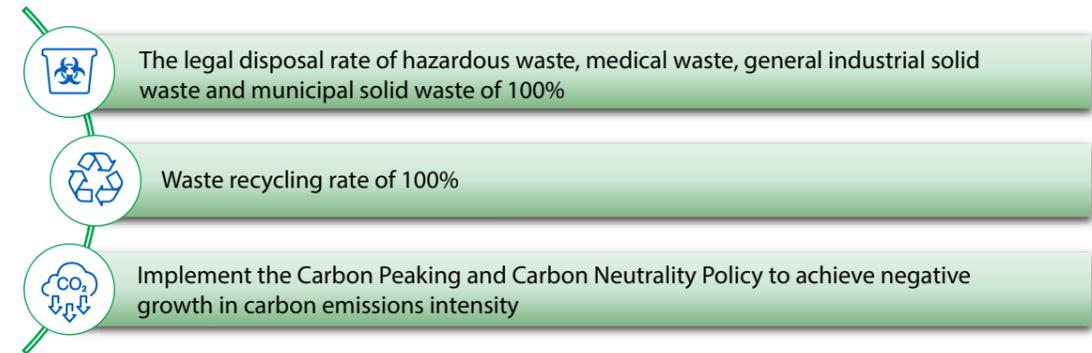


Environmental Management

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. Meanwhile, we formulate polices such as 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, continue to improve environmental protection systems. As of the end of Reporting Period, 7 subsidiaries of the Company including MicroPort Endovascular, Shanghai MicroPort, MicroPort MedBot, MicroPort NeuroTech and CRM 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 help achieve three-year targets on our four major issues, we have set annual targets for environmental management in 2023, and decentralized responsibilities to each subsidiary by *Environmental Responsibility Letter*. The signing rate of the *Environmental Responsibility Letter* of the Group and its subsidiaries reached 100%.

MicroPort Environment Goals for 2023



We actively conduct environmental internal and external audits to ensure the effective operation of our environmental management system. Each year, external certification bodies conduct external audits of subsidiaries that have obtained ISO 14001 Environmental Management certifications. Moreover, the Group performs environmental inspections through internal cross-checks periodically and regularly publishes environmental testing data on the government website to ensure effective implementation of environmental protection.

During the Reporting Period, the Group's subsidiaries with Environmental Management certifications passed external audits, and met the requirements of the management system. Any issues identified during internal audits were promptly rectified.

In addition, we place great importance on promoting environmental protection awareness. We have implemented various methods to promote a green office and increase environmental awareness among all employees. These methods include posting energy-saving signs in the workplace and providing regular environmental protection training, 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"> • Use energy-saving lamps in office and sensor lights in stairwells • Only switch on equipments such as computers when needed and turn off after work • 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 	<ul style="list-style-type: none"> • Put up water-saving notices to remind people of water saving awareness • Check up regularly to avoid leakages, drip, and waste water • Increase water-saving equipment in production base to reduce waste of water resources 	<ul style="list-style-type: none"> • Use electronic documents, and advocate paperless office • Reduce paper use and print on both sides of paper as much as possible

Eco-friendly Office Initiatives

Case: Paperless Production Flow Cards

In 2023, Shanghai MicroPort made production flow cards for all production processes paperless. Real-time data, such as materials, equipment, operators, and working hours, are recorded to the MES system by scanning the work orders of each process. This has fully replaced manual data filling for paper cards. Moreover, Shanghai MicroPort has realized paperless equipment management and digital spot-inspection, reducing around 200,000 papers in total, saving around 1 ton of paper weight.

Green Operation

MicroPort is committed to environmentally-friendly, low-carbon development. We strive to improve our energy and water management, promote energy efficiency, reduce emissions, and advance resource recycling. In 2023, MicroPort Endovascular was awarded the seventh batch of “Green Factory” by the Ministry of Industry and Information Technology, making it the second green factory of the Group after Shanghai MicroPort.



MicroPort Endovascular was Recognized as One of the Seventh Batch of “Green Factories” by the Ministry of Industry and Information Technology

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 and optimize energy use, combining 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 our subsidiaries achieve more efficient energy management. The Group actively reinforces our energy management system, among which Shanghai MicroPort and MicroPort Endovascular have obtained certification for ISO 50001 energy management system.

Indicator	Unit	2023	2022 ³
Energy Consumption			
Direct energy consumption	kWh	13,055,730	6,488,501
Gasoline	kWh	247,378	210,585
Diesel	kWh	478,427	411,543
Natural gas	kWh	12,329,926	5,866,372
Indirect energy consumption	kWh	123,772,952	108,212,955
Purchased electricity	kWh	106,296,077	103,739,921
Purchased green electricity	kWh	13,823,169	/
Purchased steam	kWh	3,653,706	4,473,034
Total energy consumption ¹	kWh	136,828,682	114,701,456
Intensity of total energy consumption	kWh/million USD	143,920	136,414
GHG Emissions²			
Scope 1 GHG emissions	Tons CO ₂ -eq	3,168	1,580
Scope 2 GHG emissions	Tons CO ₂ -eq	45,579	46,730
Total GHG emissions	Tons CO ₂ -eq	48,747	48,310
Intensity of GHG emissions	Tons CO ₂ -eq/million USD	51.27	57.45

Note:

1. 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.
2. 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.
3. In order to disclose more accurately, we have conducted a retrospective analysis of the data on purchased electricity in 2022, and there have been changes in energy consumption and GHG emissions data in 2022.

In response to the national strategic goals of “Carbon Peak and Carbon Neutrality”, MicroPort has introduced management and technological reforms to achieve higher energy efficiency and lower operating costs while ensuring the economy, reliability, practicality and safety of electricity consumption. The rooftop solar water heaters cover an area of about 350 square meters and can save 100,000 kWh of electricity per year.

During the Reporting Period, we reduced greenhouse gas emissions by purchasing green power and advancing energy transition. We purchased 13,823.17 MWh of green electricity, reducing greenhouse gas emissions by 7,883.35 tons.

Energy Saving through Management

- On/off time control: Strictly control the on/off time for street lights, air conditioners, fountains, logo, canteens, and other equipment.
- Daily management of energy saving: Intensify the frequency and efforts of daily inspections to prevent leakage and dripping.
- Personal awareness of energy saving: post energy-saving guide signs in public, strengthen energy saving awareness.

Energy Saving through Technological Reform

- Energy saving through technological management: Contracted power load (MD) control, regular check on equipment, installation of remote time control equipment, installation of electric valves for air conditioners, etc.
- Energy saving through equipment renovation: Use or replace with energy-saving lamps, purchase or replace with higher-efficiency equipment, replace with infrared energysaving control systems, install motion sensors and promote the use of solar photovoltaic panels for energy saving.

Water Management

MicroPort strictly complies with the *Clean Water Act* and relevant laws and regulations concerning water conservation in places where we operate worldwide, formulate *Water Management System* and integrate the concept of sustainable water resources into our production operations.

Municipal tap water is the water resource used in our production and operations process. We continuously monitor the use of water resources to prevent from water resource wastage such as leaks and seepage caused by equipment failure, and enhance the efficiency of water utilization by recycling cooling water for production. Meanwhile, we are actively building rainwater collection, treatment and reuse systems to effectively reduce water consumption. In 2023, CRM's branch in the Dominican Republic was able to reduce water consumption by 19% compared to the previous year. This was achieved through various initiatives, including utilizing the leftover water extracted by the air handlers, generating a positive environmental impact.



Water tank of CRM's branch in the Dominican Republic for water recycling

Indicator	Unit	2023	2022
Total water consumption	tons	570,061	350,991
Intensity of water consumption	tons/million USD	599.61	417.43

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	2023	2022
Air Emissions			
Volatile organic compounds (VOCs)	tons	3.24	2.93
Wastewater			
Amount of chemical oxygen demand (COD)	tons	12.60	20.04
Ammonia-nitrogen discharged	tons	1.94	1.34
Waste			
Total amount of hazardous waste generated	tons	394.25	366.74
Total hazardous waste disposed	tons	394.25	366.74
Intensity of hazardous waste generated	tons/million USD	0.41	0.44
Total amount of non-hazardous waste generated	tons	1,074.88	959.96
Total amount of non-hazardous waste recycled	tons	605.48	369.94
Intensity of non-hazardous waste generated	tons/million USD	1.13	1.14

• 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, to reduce air pollution. We continued to carry out the ethanol reduction plan by optimizing stent cleaning process ethanol reuse, and other methods to minimize unnecessary consumption. Compared to 2022, the total ethanol consumption in 2023 declined by approximately 11%, effectively reducing VOCs emissions.

Installation of Prevention and Control Facilities	Strict Chemical Control	Regular Gas Monitoring
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 ensure the compliant emission of exhaust gases

• 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 abroad 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.
- 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. The usage of drying bottles in 2023 decreased by 51% compared to 2022, saving approximately RMB 270,000 on procurement costs.

• Noise Management

Regarding 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 actively seek opportunities for reducing the quantity of packaging materials used and recycling packaging materials to eliminate the negative impact on the ecological environment. We optimized the structure of connectors of coronary products and discontinued the use of connector retainers (plastic products), by using fewer fixing brackets to save costs. In 2023, the frequency of using sterile transport boxes was reduced, resulting in a 75% decrease in their usage compared to 2022. This initiative led to savings of approximately RMB 50,000 in costs.

Indicator	Unit	2023	2022
Total packaging material consumption of finished products	tons	713.82	573.59
Intensity of packaging material consumption of finished products	tons/million USD	0.75	0.68
Total recycling of packaging materials of finished products	tons	11.81	8.75

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 considering 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. 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

MicroPort Climate Change Risk and Opportunity Identification Results			Potential Impact	Probability of Occurrence
Opportunities	Physical risk	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)	Relatively High
		Reputation	Potential reputational impact arising from response to stakeholder expectations for proactive action and increased transparency in disclosure on climate action	Low
		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
	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

To address climate change, 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. The overseas companies of CRM decreased their carbon footprint and greenhouse gas emissions by choosing local catering suppliers, utilizing eco-friendly products for grounds maintenance, and advocating for alternative transportation solutions. For example, they have established bicycle repair stations and charging stations for low-carbon vehicles, in addition to initiating carpooling services.

Fostering Inclusive Culture and Growing with Talents



FOSTERING INCLUSIVE CULTURE AND GROWING WITH TALENTS

At MicroPort, we are committed to fostering a corporate culture that is diverse, equitable, and inclusive. We have taken steps to ensure that this principle is reflected in all aspects of our employees' career development, from recruitment and daily work to 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 8,230
- Percentage of female employees 49.91%
- Average training hours per employee 26.40 hours
- Labor work injury rate 1.15‰

Contribution to the UN SDGs



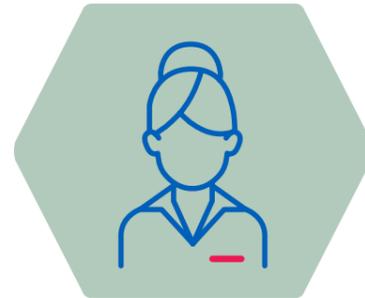
Talent Attraction

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

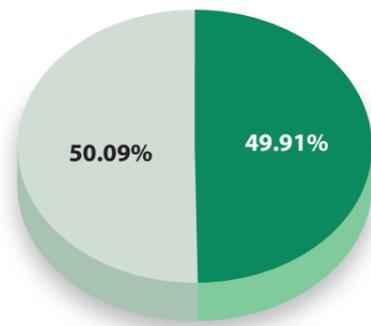
Adhering to the stipulation of the International Labor Organization (ILO) and the principle of "Compliance and Equal Employment", MicroPort commits to developing fair and equitable hiring practices. We are committed to treating candidates equally regardless of nationality, ethnicity, gender, or religion. 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, our employees come from different countries and regions, including China, the U.S., Europe, etc. In China, we have employees from 22 minorities, among which Zhuang and Manchu account for a large amount.

Female talent in middle management **41.02%**
 Female talent in top management **25.31%**



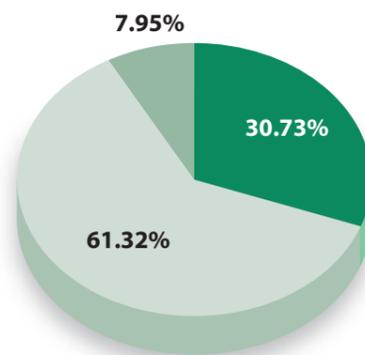
As of the end of the Reporting Period, MicroPort had a total of 8,230 employees, and the composition can be found as follows:

Employees by Gender



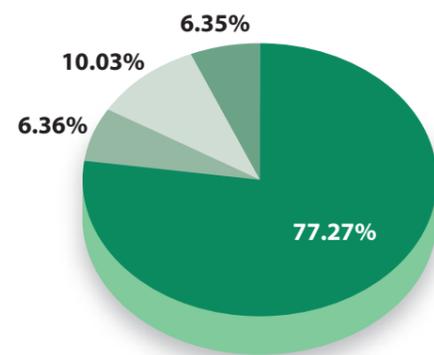
◆ Female ◆ Male

Employees by Age



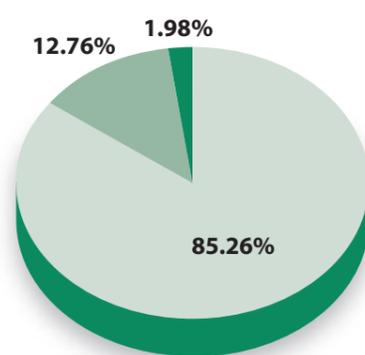
◆ 30 and below ◆ 31-50 ◆ Above 50

Employees by Geographical Region



◆ In China ◆ In Europe
 ◆ In the U.S. ◆ In other regions

Employees by Position



◆ Top management ◆ Basic ranking
 ◆ Middle management

We strictly abide by relevant applicable laws and regulations of the locations where our business operates and have policies in place to protect the rights and interests of employees, including *the Employee Handbook*. We do not tolerate any form of forced or child labor. Once identified and verified, the Company will promptly report to local authorities and terminate the employment contract with the person concerned. Additionally, we place a high priority on safeguarding the personal information of our employees. We have taken measures to ensure the protection of personal information, including the implementation of strict policies and systems. Guidelines for safeguarding employees' personal information have been included into *the Employee Handbook* around our global operations.

Case: 115 Training Camp Thousand Talents Program

To select outstanding talents from enthusiastic graduates who have potential and are determined to succeed, we have carried out the 115 Training Camp Thousand Talents Program for five years, which is a featured campus recruitment program. Via the program, management trainees are provided with opportunities to achieve career goals in MicroPort through intensive training and immersed program-based learning, at the same time, we select outstanding talents from enthusiastic graduates who have potential and are determined to succeed. In addition, we actively recruit talents from overseas universities and endeavor to turn "115 Training Camp" into a global talent development platform. In 2023, we recruited 37 management trainees, including 8 doctoral students, 28 master students, and 21 overseas returnees.



115 Training Camp Thousand Talents Program

Case: University-Enterprise Co-Training Postgraduate Program

We carried out University-Enterprise Co-Training Postgraduate Program to integrates technical research with industrial engineering. During the Reporting Period, we carried out university-enterprise co-trainings with the University of Shanghai for Science and Technology and Shanghai Jiao Tong University, providing graduates with opportunities to receive coaching and mentoring from both universities and enterprises.



University-Enterprise Co-Training Postgraduate Program

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. Based on these ideas, MicroPort has formulated *Salary Management Measures*, *Welfare Management Measures*, and *Leave Management Measures*, and 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 ensure fair and equal treatment of employees, and to protect the rights and interests of employees in accordance with the law.

During the Reporting Period, the employee voluntary turnover rate of MicroPort was 17.48%. In order to build an organizational capability system that is both flexible and resilient, and to achieve overall organizational efficiency in response to the increasing uncertainty of the external market, some projects and positions were streamlined in 2023, resulting in an overall employee turnover rate of 24.50%. The distribution is as shown below:



For different functions and positions, we have established a salary scale benchmarking system that specifies different salary and incentive structures, 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.

Besides 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.

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. We will also host the annual Global One MicroPort Summit, inviting MicroPort employees from around the world to share ideas, experiences, and perspectives, and to reach a consensus at the conference. We respect and encourage employees to put forward opinions and suggestions, absorb excellent suggestions, and constantly improve the management ability of the company.



Annual Global One MicroPort Summit

Talent Development

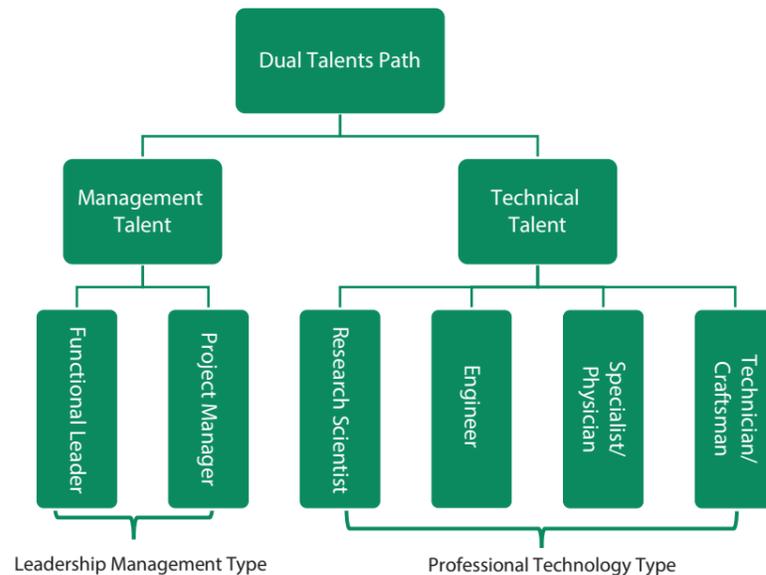
We are continuously enhancing our talent reserve capacity and improving the talent development system, delivering new talent to the medical device industry. We have developed a talent strategy of “One Check, Two Paths, Three Programs” to provide appropriate conditions for employees at various levels and positions. The strategy is designed to “Provide opportunities for those who wish to work, platforms for those who are capable, and promotion for those who excel”.

One Check Managerial Talent Check	Two Paths Dual-path of career development	Three Programs Three talents plans
MicroPort carries out an annual management talent check, uses multidimensional methods to conduct a diverse talent assessment of the Group's core personnel, and identifies managerial talents at different stages.	MicroPort has designed a dual-path of career development of management talents and technical talents to encourage and guide employees on selecting the suitable path for their development based on career goals and interests.	MicroPort has designed a dual-path of career development of management talents and technical talents to encourage and guide employees on selecting the suitable path for their development based on career goals and interests.

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. Two career paths have been created, one in management and the other in technical fields. There are six career categories, each with three levels (basic, middle, and top). Clear promotion qualifications have been established for each level, providing staff in different positions with clear paths for advancement. At the same time, we also support the personal choice of employees, employees can also switch to other development channels depending on their own personal development goals and the business needs of the Company.



MicroPort Two Career Paths and Eighteen Ranks Career Development System

Talent Training

MicroPort is committed to establishing a sound talent training system. We have established four MicroPort training schools including Earth-Down Leadership Academy, Innovation Qualification & Competency Institute, Emerging Technology Knowledge & Action Institute and Culture & Philosophy Academy. In 2023, We improved the training system of the platform, launched more customized and specialized courses to improve the comprehensive strength of employees across-the-board.

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

The Earth-Down Leadership Academy is committed to building a training base for corporate leaders of global leading enterprises. To foster the development of executives with a broad range of skills, the Group has implemented a reserve cadre training and development program for senior and middle management in functional departments. In 2023, we set up 14 CXO classes with a total of 77 hours and 1,878 participants.



Training of Earth-Down Leadership Academy

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

Our Innovation Qualification & Competency Institute is committed to cultivating specialized talent and junior management talent. It offers learning and development programs including new employee training, C-999 induction certificate, management channel promotion training and executive lectures. In 2023, a total of 121 C-999 offline training sessions were conducted, 362 online learning plans were released and more than 65,000 C-999 induction certifications were issued.



Training of Innovation Qualification & Competency Institute

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

Conforming concept of integrated knowledge and action, we set up the Emerging Technology Knowledge & Action Institute, and make it to be a multi-regional, cross-disciplinary academic exchange and medical solution promotion platform.

Our Emerging Technology Knowledge & Action Institute has established a comprehensive clinical training system and treatment protocol extension system, and provides training and guidance to external doctors and internal staff on cutting-edge technology products and emerging services of the Company.



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

Case: Manager Promotion Training

At MicroPort, we strive to foster a culture that "values the skills and abilities of our employees". To this end, we offer dual career development channels: the "Management Channel", and the "Technical Channel", and provide the Manager Promotion Training courses. In 2023, the Manager Promotion Training set up courses on "Role Recognition", "Performance Management", "Team Management" and "Corporate Culture", with a total of 535 person-times of participation. The training aimed to provide employees with a better understanding of management and leadership concepts, as well as the recognition and transformation of roles in the dual channels.

Case: Clinical Training System

We have developed a range of 12 certificates of competence, categorized into three major themes: disease knowledge, treatment protocols, and product knowledge, and provided differentiated training courses for new and old employees to build a sound, comprehensive clinical training system. In 2023, we organized 6 general clinical training courses both online and offline, covering a total of 1,384 times of participation.



Clinical Training System

We want our employees to keep learning, so we encourage employees to take external qualifications and continuing education. We provide learning resources, building examination fee reimbursement mechanism and training on professional certificate examinations to employees.

MicroPort's Four Training Schools



Sports Union



Nomadic Tribe



Back Bar



Volunteer Service Team

Part of the Associations ("Horizontal Organizations") of MicroPort

Colorful Employee Activities

During the Reporting Period, 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.



Tug-of-war



Outdoor Farm Activity



Family Day Activity



Mother's Day Activity

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 6,200 members in Shanghai. 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. The Labor Union provides support to employees facing difficulties, including those who are hospitalized, and offers practical assistance to those in need. Moreover, the Labor Union periodically organizes team-building activities for employees. The Labor Union devotes to caring for employees and promoting the sustainable and harmonious development of MicroPort.

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. The Women's Federation Organization safeguards the rights and interests of female employees and various thematic activities closely related to women's health and life in 2023. The Women's Federation Organization invited female managers from the Group to share their experiences on balancing work and life, in order to support women's career growth aiming to encourage female employees to develop a more coordinated approach to their work and personal lives. During the Reporting Period, the Chairwoman of the Women's Federation participated in the Shanghai Dandelion Women's Leadership Program, in which she communicated with outstanding women from across various industries. This experience has helped guide the Women's Federation in carrying out related activities more effectively.



The Chairwoman of MicroPort Women's Federation participated in the Shanghai Dandelion Women's Leadership Program

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.

An Environment, Health and Safety Management (EHS) 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. As of the end of the Reporting Period, 7 subsidiaries of the Group have obtained ISO 45001 Occupational Health and Safety System, 4 subsidiaries have obtained Class 2 Enterprise of National Production Safety Standardization, and 5 subsidiaries have obtained Class 3 Enterprise of National Production Safety Standardization. In addition, MicroPort won the Third Prize of Excellent Case of Corporate Health Promotion in Pudong New Area.

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"> Develop annual EHS (Environment, Health, Safety) plans, targets and performance indicators. Each department and subsidiary sign the EHS Target Responsibility Letter and implement EHS responsibilities. 	<ul style="list-style-type: none"> 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. Develop emergency plans on safety incidents, including the <i>Comprehensive Emergency Plan for Safety Incidents and Emergency Rescue Site Handling Plan</i>, etc. 	<ul style="list-style-type: none"> Establish annual safety inspection plan, including daily inspection, comprehensive inspection and special inspection. Conducted self inspection of work safety standardization to prevent accidents. 	<ul style="list-style-type: none"> Developed annual EHS training plan and organized internal and external safety training. Conducted emergency drills in accordance with the comprehensive emergency plan.

During the Reporting Period

Over **200** safety inspections were carried out, with a rectification rate of **96.4%**



Occupational Disease Prevention

In order to protect the *occupational* health of employees, MicroPort has set up an occupational disease prevention team to update the management system for occupational disease prevention regularly and carry out the work of occupational disease prevention.

During the Reporting Period, there were no occupational disease cases or suspected occupational disease cases in MicroPort, and the labor work injury rate was 1.15‰ which achieved the target of no more than 2‰.

Professional Surveillance on Occupational Hazards	Occupational Disease Prevention	Occupational Safety Training
<ul style="list-style-type: none"> Carry out internal occupational health examinations regularly in compliance with relevant standards of occupational health Invite a third-party company to detect occupational hazards every year. Identify the occupational hazards existing in the course of work according to the occupational disease evaluation report 	<ul style="list-style-type: none"> Inform relevant personnel of the identified occupational hazards, and equip them with appropriate labor protection supplies Set up an occupational disease prevention team to update the management system for occupational disease prevention regularly Conduct pre-job, on-the-job and post-job occupational health examinations and set up occupational health monitoring files for employees in hazardous positions Post warning signs at the places where occupational hazards may occur 	<ul style="list-style-type: none"> Organize occupational health and safety training regularly All of the safety directors, the management staff for product safety as well as the personnel for dangerous goods operation and special operation are required to complete the safety certificate collection and training for certification renewal

Safety Training and Drills

During the Reporting Period, we carried out several training sessions on safety for all employees, including new employee safety training, fire safety training, safety laws and regulations training and traffic safety training. We organized more than 20 training sessions on AED first aid, enabling each employee to be equipped with the first aid knowledge of the “golden four minutes”. For employees in special positions, we carried out training on chemical and hazardous waste management, annual training on safety for on-site construction personnel, etc. In addition, we also conducted safety publicity activities, covering production safety, occupational disease prevention, and hazard report, enhancing our employees’ awareness of health and safety in all respects.



Occupational Disease Publicity and Training of MicroPort Endovascular

KEY PERFORMANCE INDICATORS

During the Reporting Period

The Group conducted more than 200 internal and external safety trainings, with over 8,000 person-times of participation

During the Reporting Period, MicroPort has organized several emergency drills, including fire drills, chemical and hazardous waste spill accident treatment drills, typhoon and flood control drills, elevator fault drills, etc., to improve the ability of employees to respond to emergencies. In the past three years, there were no work-related fatal accidents recorded at MicroPort.

During the Reporting Period, there were 17 work-related accidents, and the total number of working days lost due to work-related injuries was 850 days.



AED First Aid Training



Fire Drills



Chemical and Hazardous Waste Spill Accident Treatment Drills



Typhoon and Flood Prevention Drills



Elevator Failure Drill

Promoting Inclusive Healthcare and Embracing Social Responsibilities



PROMOTING INCLUSIVE HEALTHCARE AND EMBRACING SOCIAL RESPONSIBILITIES

MicroPort sticks to the concept of “Small Beginnings Lead to Great Miracles” and takes practical actions to promote public welfare and accessible healthcare. In 2023, MicroPort continued to use professional advantages 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 USD7.91 million
- Total time spent on voluntary work exceeded 1,110 hours
- The Swallow Program covered more than 1,745 county-level hospitals

Contribution to the UN SDGs

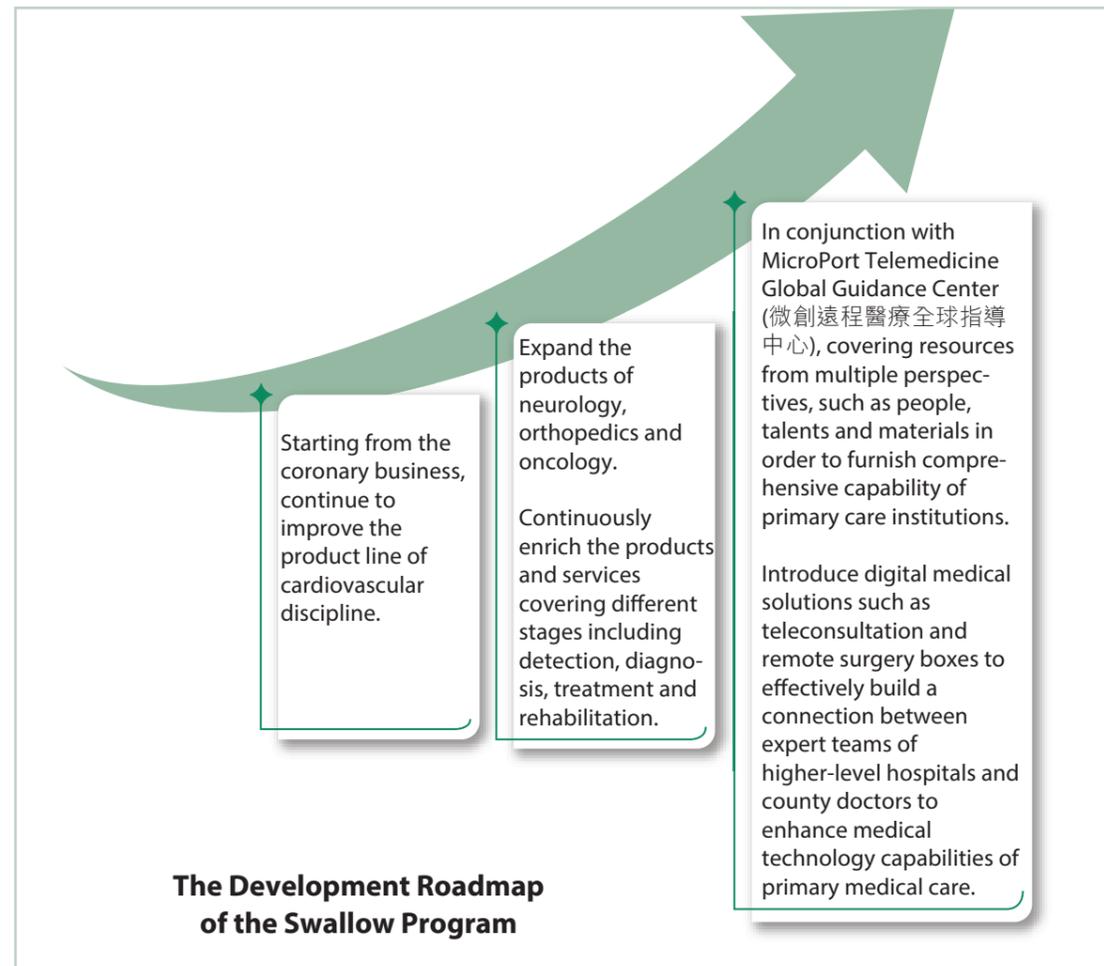


Access and Affordable Healthcare

Staying true to its original aspiration, MicroPort leverages its professional advantages to provide high-quality medical devices and services to more patients. To provide more patients around the world with quality and accessible medical solutions, 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). Meanwhile, we have strengthened the penetration of our products in overseas markets, striving to let more people benefit from our quality products and services as soon as possible.

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, the Group launched the Swallow Program in 2017 to help build a “Healthy China”. The Swallow Program cooperates with the majority of lower-tier county medical institutions to solidly develop the lower-tier county medical market and improves the accessibility and availability of medical device products in county regions, which can help solve the issue of "difficult" and "expensive" medical care. In these ways, our long-term plan of “Breaking Barriers to Help County Patients to Live Beyond 115 Years and Where there is a family, there is a flying Swallow” can be ultimately realized.



In 2023, the Swallow Program in China

- Covered more than **1,745** county-level hospitals
- Expanded footprint to **30** provinces, **296** cities and **1,047** counties
- Saved more than **300,000** patients' lives

The Swallow Program has leaped from treating 10,000 patients per year to treating 100,000 patients per year. Since 2021, we initiated the “Swallow Heart Valve Action” program to promote the screening and diagnosis of structural heart disease in county hospitals. This program ensures that patients suffering from this disease receive timely and effective treatment. As of 2023, the “Swallow Heart Valve Action” program has identified a total of 3,110 patients who need TAVR surgery, and 116 related surgeries have been successfully completed. The Swallow Program has contributed to the improvement of medical standards in county hospitals, resulting in timely diagnosis and treatment for many patients. This has garnered recognition and support from doctors in county hospitals.

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), which includes three modules: ward rounds of famous doctors, medical version of the Belt and Road, and huge numbers of villages and households. Liangzhi Medical Care Support enables doctors in county hospitals to access courses produced by high-level doctors in higher-tier hospitals. They can also interact with these doctors through multi-dimensional and multi-level training, including online training, advanced training guidance, on-site teaching, and remote diagnosis. This approach allows them to systematically acquire knowledge related to disease diagnosis and treatment.

Ward Rounds of Famous Doctors	Medical Version of the Belt and Road	Huge Numbers of Villages and Households
<ul style="list-style-type: none"> In 2023, we organized a total of 11 on-site teaching activities in county regions to provide treatment for patients in difficult and critical cases and to promote precision treatment for coronary diseases. The number of participants directly involved in the discussion of these activities amounted to 43. 	<ul style="list-style-type: none"> In 2023, we held 2 events at medical institutions in county regions to popularize the treatment plans for structural heart disease and tumor. 	<ul style="list-style-type: none"> Through the training of village doctors and the joint and free medical services, we have established a network of village doctors and achieved patient triage, screening and referral at the lower tier. In 2023, more than 600 patients were served on site.

Liangzhi Medical Care Support

As of the end of the Reporting Period, the Liangzhi Medical Care Support has provided medical support to county hospitals in various forms, involving 98 personnel. Additionally, more than 2,000 medical personnel in county regions have directly benefited from this program.

Case: "MicroPort Endovascular Public Welfare Action" Relief Program for Needy Patients with Aortic Diseases

In 2021, MicroPort Endovascular and Shanghai Shangshan Foundation jointly set up the "MicroPort Endovascular Public Welfare Action" Special Fund for Poor Patients with Aortic Diseases, to provide charitable medical assistance to underprivileged patients with aortic diseases throughout society. As of 2023, this program has been implemented in 21 hospitals across China, and 107 patients have received surgical treatment. The financial burden of the patients has been reduced, and their quality of life has improved.



Group Photo of the "MicroPort Endovascular Public Welfare Action" Relief Program for Needy Patients with Aortic Disease



Donation Signing Ceremony for the "MicroPort Endovascular Public Welfare Action" Program

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 Castor® Branched Stent had been introduced to over 1,000 hospitals in China and had been clinically applied in 15 countries worldwide, saving the lives of almost 20,000 patients with aortic diseases. Two generations of balloon catheters of MicroPort CardioFlow, Alwide® and Alwide® Plus, have also been introduced to more than 500 hospitals in China and more than 80 hospitals overseas.

Case: MicroPort Endovascular Completed its First Clinical Implantation of Minos® Abdominal Aortic Stent in Turkey

In November 2023, MicroPort Endovascular completed the first clinical implantation of the Minos® Abdominal Aortic Stent Graft and Delivery System in Turkey. Turkey is the 16th overseas country where the product has been introduced, following the UK, Italy, Spain, Poland, Argentina and Brazil. It has demonstrated a low complication rate, low risk of long-term secondary intervention, and unique advantages in cases of twisted and narrowed arteries. Local doctors in Turkey have recognized that MicroPort Endovascular aims to improve the well-being of patients with blood circulation diseases worldwide.



MicroPort Endovascular Completed its First Clinical Implantation of Minos® Abdominal Aortic Stent in Turkey

Community Contributions

In 2023, the MicroPort volunteer service team continued to carry out volunteer activities, such as citizen convenience services, environmental remediation, public welfare lectures, caring for disadvantaged groups, etc. And we have gone to campuses and businesses many times to disseminate medical knowledge.

To cultivate the volunteer service spirit of "Dedication, Friendship, Mutual Assistance and Progress" among employees, MicroPort established the MicroPort volunteer service team in 2008. The MicroPort volunteer service team has been actively involved in organizing and participating in voluntary community activities. Their principles of "participating voluntarily, acting within your competence, emphasizing effectiveness, and acting with perseverance" have been instrumental in their success.

During the Reporting Period, the volunteer service team had more than 184 members and the team has a cumulative service time of 915 hours. In 2023, the volunteer service team won the honor of 2023 Pudong New Era Civilization Practice Outstanding Volunteer Service Project and the "Public Welfare Partner Certificate" issued by Shanghai Adream Charitable Foundation.



In April 2023, the volunteer service team participated in a national reading activity with the theme of "Literary Zhangjiang • World Book Day", which was organized by Zhangjiang Library



In August 2023, the volunteer service team organized a social practice activity – an exploration trip named "Wonderful Human Body" in Shanghai MicroPort Medical Experience Center



In October 2023, the volunteer service team organized an elderly care activity on the theme of "MicroPort's Contribution to Facilitating Civilization" on Double Ninth Festival



In October 2023, the volunteer service team carried out a publicity activity called "Focus on Prevention • World Stroke Day" at Zhangjiang • Dongfang "people caring station"

Case: "First Aid Around Us" Voluntary Service Program of MicroPort

Relying on the abundant resources of MicroPort, the volunteer service team of the "First Aid Around Us" Program disseminated medical knowledge to the public through the "five visits" approach, such as the "visit to campuses" and the "visit to parks". In 2023, we organized and received more than 100 visitors from diverse communities, primary and secondary schools, colleges and universities, as well as enterprises and public institutions for educational exchanges. We provided support to the public in learning the "golden four minutes" for CPR and shared first aid knowledge with the residents of Zhangjiang Town in a more efficient and extensive way.



"First Aid Around Us" Program of MicroPort – Campuses



"First Aid Around Us" Program of MicroPort – Enterprises

Rural Revitalization

We focus strongly on rural revitalization. We have engaged in various public welfare activities such as education assistance and rural pairing support to promote rural construction and contribute to the development of rural revitalization and rural education.

In 2023, the Company provided scholarships to outstanding students of two MicroPort's Hope Primary Schools in Shandong and Guizhou. We have provided a subsidy of RMB289,200 to in-service teachers of a Hope Primary School in Guizhou. The progress of students who have graduated from MicroPort's Hope Primary Schools is regularly monitored. Additionally, one-time scholarships totaling RMB127,500 have been provided to all graduates who were admitted to universities in 2023.

Since 2021, we have signed five-year pairing support agreements with five poverty-stricken villages, including Nujiang in Yunnan, Rikaze in Tibet and Kashgar in Xinjiang, to help realize rural revitalization in aspects such as industry, society, education, and medical care and health and actively respond to the national call.



Awarded Scholarships to Outstanding Students of MicroPort's Hope Primary Schools

Case: Voluntary Services for Zhangjiang · Dongfang "People Caring Station"

Since 2017, MicroPort volunteers have dedicated their weekends and holidays to carrying out voluntary service activities for the public convenience. In 2023, a total of 94 volunteers spent 388 hours serving at Dongfang "people caring station". In the summer of 2023, 20 boxes of salt soda were donated to the nearby sanitation workers, benefiting over 400 individuals.



Donations of Salt Soda to Sanitation Workers

Appendix

Appendix I: HKEX ESG Reporting Guide Index

Subject Areas, Aspects, General Disclosures and KPIs		Disclosed in
A. Environmental		
Aspect A1:	Emissions	
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
Aspect A2:	Use of Resources	
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Environmental Management Green Operation
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

Subject Areas, Aspects, General Disclosures and KPIs		Disclosed in
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 Operation
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Green Operation
Aspect A3 The Environment and Natural Resources		
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
Aspect A4 The Climate change		
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
Aspect B1 Employment		
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

Subject Areas, Aspects, General Disclosures and KPIs		Disclosed in
Aspect B2	Health and Safety	
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
Aspect B3	Development and Training	
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
Aspect B4:	Labour Standards	
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
Aspect B5	Supply Chain Management	
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management

Subject Areas, Aspects, General Disclosures and KPIs		Disclosed in
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 Distributor 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
Aspect B6	Product Responsibility	
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.	Production and Manufacturing Post-Market Surveillance
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Information Security and Privacy Protection

Subject Areas, Aspects, General Disclosures and KPIs		Disclosed in
Aspect B7	Anticorruption	
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
Aspect B8	Community Investment	
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 Community Contributions Rural revitalization
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Access and Affordable Healthcare Community Contributions Rural revitalization
B8.2	Resources contributed (e.g. money or time) to the focus area.	Access and Affordable Healthcare Community Contributions Rural revitalization

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 with Sustainability - 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 with Sustainability - 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 with Sustainability - 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 with Sustainability - 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	
Operating More Eco-friendly and Protecting Our Environment - Green Operations	Law of the People's Republic of China on Environmental Impact Assessment	
	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 with Sustainability - Business Integrity	Foreign Corrupt Practices Act (FCPA) of the US
		the Bribery Act of the UK
	Operating in Compliance and Developing with Sustainability - 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
	Operating in Compliance and Developing with Sustainability - 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	
Operating More Eco-friendly and Protecting Our Environment - Green Operations	The Clean Water Act of the US	

Location	Chapter	Name of laws and regulations
Other places	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
	Fostering Inclusive Culture and Growing with Talents - Talent Attraction	The Fair Labor Standards Act of the US
	Fostering Inclusive Culture and Growing with Talents - Health and Safety	The Occupational Safety and Health Act of the US
		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	

Internal Policy

Location	Chapter	Name of laws and policies
Mainland China	Operating in Compliance and Developing with Sustainability - Risk Management	Risk Management System
		Risk Assessment Management Process
		Internal Audit System
	Operating in Compliance and Developing with Sustainability - Business Integrity	Code of Business Conduct and Ethics
		Compliance Manual
		Administrative Regulations on the Honest Practices of Employees
		Guidelines for Communication between Companies and National Public Officials
	Operating in Compliance and Developing with Sustainability - Responsible Marketing	Subsidiary Logo System
		External Information Release Management Process
		Social Media Account Application Management System
	Standards on the Management of Packaging Design	

Location	Chapter	Name of laws and policies
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		