



微創醫療科學有限公司

MicroPort Scientific Corporation

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00853)

2024

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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ABOUT THIS REPORT

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OVERVIEW

MicroPort Scientific Corporation (hereinafter referred to as “MicroPort”, “we” or the “Company”) has released the 2024 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 2024 to 31 December 2024 (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 (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 the Sustainalytics ESG Rating.

REPORTING PRINCIPLE

In preparation for this report, the following principles of the *ESG 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 NeuroScientific Corporation	MicroPort NeuroScientific
Shanghai MicroPort Endovascular MedTech (Group) Co., Ltd.	MicroPort Endovascular
Shanghai MicroPort Medical (Group) Co., Ltd.	Shanghai MicroPort
MicroPort NeuroTech (Shanghai) Co., Ltd.	MicroPort NeuroTech
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 March 28, 2025.



Dr. Zhaohua Chang
Chairperson

Dear stakeholders,

It is my pleasure to share the 2024 MicroPort Environmental, Social and Governance (ESG) Report with you.

We adhere to the firm belief of “breaking barriers to help billions of people to live beyond 115 years”, actively fulfill the sacred mission of “providing society with accessible, trustworthy and universal access to state-of-the-art solutions that can prolong and reshape lives”, and are committed to promoting our medical device products and disease solutions on a global scale. In 2024, we are delighted to announce that the Group has achieved solid growth in our business globally, with a 10% year-on-year revenue increase (excluding the foreign exchange impact). This achievement was made possible by the dedication of our employees and the support of our global partners. We are committed to upholding our vision and continuing to innovate to contribute to the development of the global healthcare industry.

Compliant Governance

We recognize that effective ESG management is essential for the long-term success of enterprises and their harmonious integration with society. As such, we actively engage with both internal and external stakeholders. In light of the Company’s current circumstances, industry characteristics, and the ESG practices of domestic and international peers, we have conducted a thorough analysis of key ESG issues. MicroPort is committed to the principles of transparency and fairness, continually refining its corporate governance structure to ensure the compliance and scientific rigor of decision-making. Furthermore, the Company has established a robust risk management and internal control system to enhance its risk mitigation capabilities and ensure stable operations.

Excellent Quality

MicroPort has always been dedicated to delivering high-quality, innovative products and solutions to patients worldwide. We recognize that our products are directly linked to the lives and well-being of patients, which is why we hold ourselves to the highest standards. From product design and production to market supply, we strive for

excellence at every stage to ensure that each product is safe, reliable, and effective. In 2024, we achieved a 100% pass rate in external audits of our quality system. During the Reporting Period and as at the date of the approval of this report by the Board, the Group had a total of 58 Class III medical devices initial registration certificates from the National Medical Products Administration of China (“NMPA”), and 9 innovative medical devices were admitted in the “Green Path”, reaching a total of 39 “Green Path” innovative medical devices, ranking first in the medical device industry for ten consecutive years; we obtained 249 initial registration certificates in 43 overseas markets (countries and regions), including 18 products that obtained CE Mark and 4 products obtained FDA registration license*. These accomplishments not only demonstrate our excellence in quality management but also underscore our strong commitment to the lives and health of our patients.

Green Ecology

MicroPort regards environmental protection as a core responsibility of corporate development and is dedicated to advancing the integration of green ecology with sustainable growth. We understand that a company’s success is closely tied to the harmony and coexistence with the natural environment. As such, we are actively embracing green management practices, embedding environmental protection measures into every facet of our operations, and striving to minimize our environmental footprint. In response to the global challenge of climate change, we have aligned with China’s carbon peaking and carbon neutrality goals, developing short-, medium-, and long-term strategies. Through optimizing equipment operation, installing energy storage devices, and other initiatives, we have significantly reduced energy consumption and greenhouse gas emissions. In 2024, our intensity of greenhouse gas emissions was 42.44 tonnes CO₂-eq/million USD, marking a year-on-year reduction of 17.22%, demonstrating our steady progress on the path to low-carbon development.

Inclusive Growth

At MicroPort, we recognize the pivotal role our employees play in our success. We are committed to ensuring that our employees have the opportunity to thrive in a just, fair, harmonious, and inclusive work environment. This commitment is supported by a comprehensive career development system, robust training programs, and employee benefits. In addition, we are also actively fulfilling our social responsibility by promoting access to healthcare and engaging in philanthropic programs around the world, contributing to the well-being of our communities and helping more people enjoy a healthy life.

Looking ahead, we will remain true to our vision, focusing on addressing clinical needs and bridging medical gaps as we actively pursue our corporate mission. At the same time, we will remain attentive to the expectations of our stakeholders, maintain steady growth, provide more advanced and better medical solutions for patients worldwide, and create lasting shared value for all stakeholders.

* Include the numbers of equity-accounted investees of the Group.

COMPANY PROFILE

MicroPort, along with its subsidiaries, is a leading medical device company that focuses on innovating, manufacturing, and marketing high-end medical devices worldwide. The Group’s operations span a wide range of business segments, including cardiovascular devices, orthopedic devices, cardiac rhythm management, endovascular and peripheral vascular devices, neurovascular devices, structural heart disease business, surgical robot, surgical devices, and others. We are committed to becoming a patient-oriented global group and accelerating access to life-changing technologies through continuous innovation, so that patients everywhere can enjoy better and longer lives.

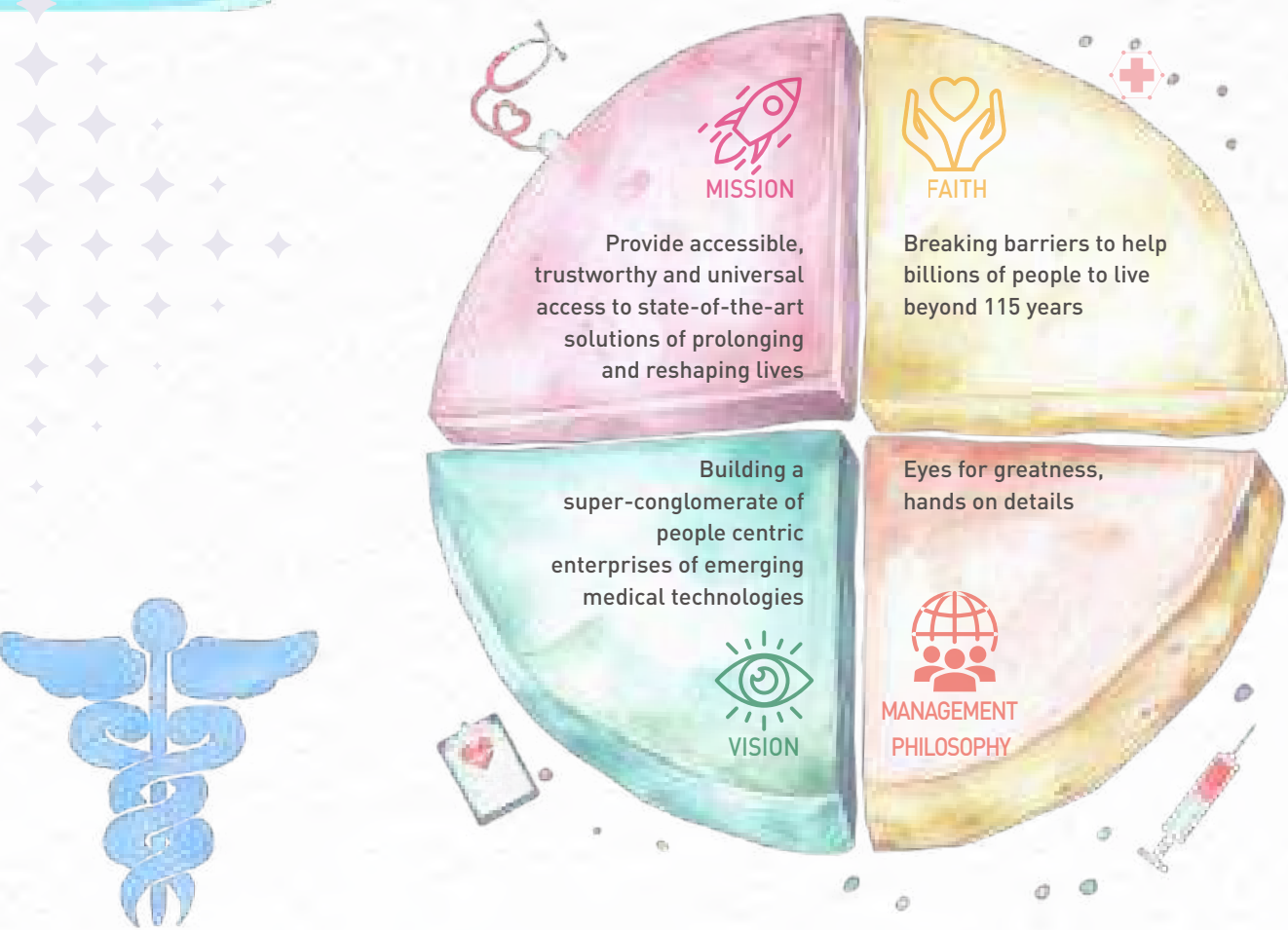
Company Name: MicroPort Scientific Corporation

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 Santo Domingo in the Dominican Republic.

CORPORATE CULTURE



Business Segments	Product Category	Some of the Core Products
Cardiovascular Devices Business	Coronary stents and the related delivery systems, balloon catheters, PCI accessories, active devices, medical imaging	<ul style="list-style-type: none">• FIREBIRD2 Rapamycin Eluting Coronary CoCr Stent System• Firehawk® Rapamycin Target Eluting Coronary Stent System• Firehawk Liberty™ Rapamycin Target Eluting Coronary Stent System• Firesorb® Bioresorbable Rapamycin Eluting Coronary Scaffold System• Firelimus® Rapamycin Drug-coating Balloon• Firefighter™ PTCA Balloon catheters• Firefighter™ NC PTCA Balloon Catheter• Foxtrot® Pro PTCA Balloon Catheter• Foxtrot® NC PTCA Balloon Catheter• AnchorV™ Anchor Balloon• Beyond Prefer™ Guide Wire• Interline™ Guide Catheter• Interlumos® Microcatheter• Bilumos® Dual-lumen Microcatheter• FireRaptor® Coronary Atherectomy System• TomaHawk® Coronary Intravascular Lithotripsy (IVL) system• Argus® OCT System• Argus NOPURGE™ OCT Catheter• Decypher® Intravascular Ultrasound Imaging System• Outsight® Intravascular Ultrasound Imaging Catheter
	Reconstructive joints, spine trauma, and other professional implants and instruments	<ul style="list-style-type: none">• Evolution MPX™ Total Knee System• UniNavi® Unicompartmental Knee• VenusOne® Acetabular System• Waterbuck® ECO Acetabular System• IMPALA® Zirconium-Niobium Alloy Femoral Head• FemurElite® Femoral Stem• Evolution® Total Knee System (US)• Evolution® CCK Revision Knee System (US)• Profemur® Femoral Stem (US)• Procotyl® L Acetabular System (US)



ABOUT MICROPORT

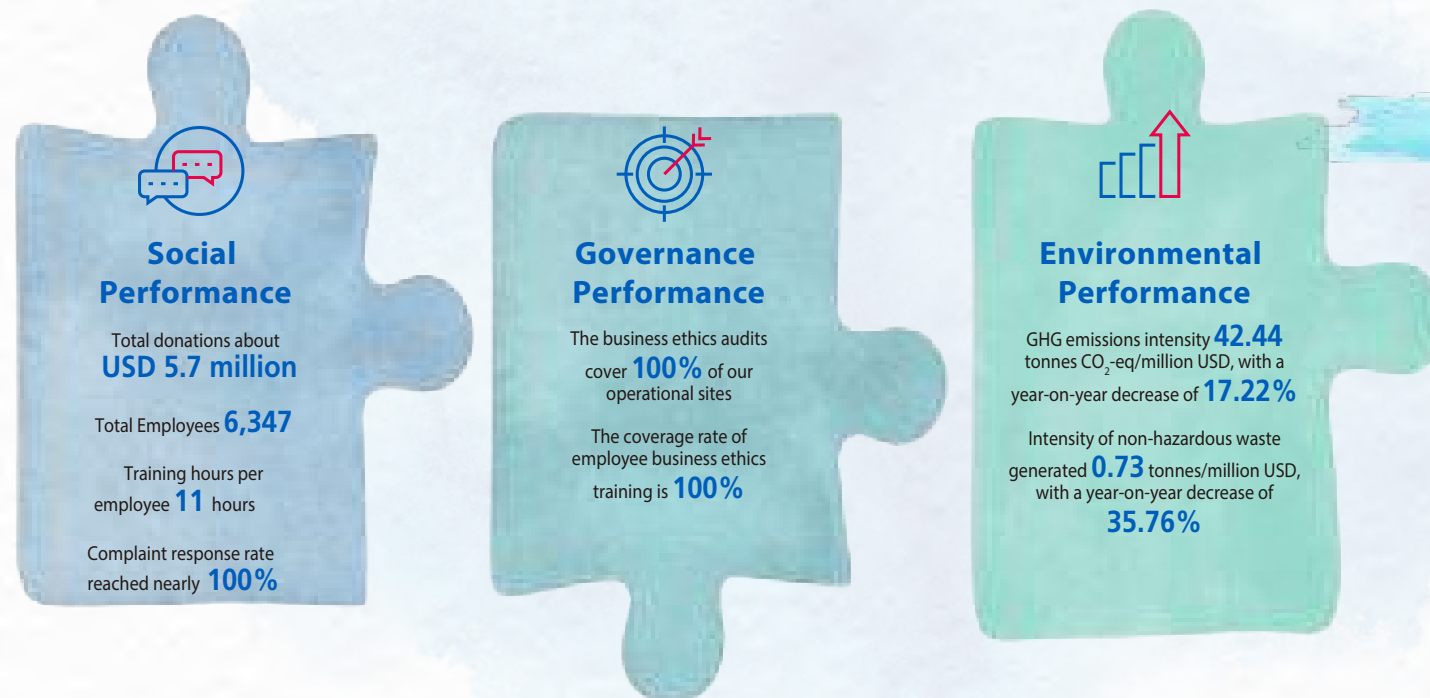
Business Segments	Product Category	Some of the Core Products
Cardiac Rhythm Management Business	Pacemakers, defibrillators and cardiac resynchronization therapy devices	<ul style="list-style-type: none">Alizea™, Borea™ and Celea™ series Bluetooth® Implantable PacemakersEno™, Teo™ and Oto™ MRI Conditional Pacemakers心悦™ Rega®, 心蘭™ Orchidee®, 心韵™ Trefle® series Implantable PacemakersReply™ CRT-PUlys™ and Edis™ MRI Compatible Implantable Cardiac Defibrillators (ICDs)Gali™ and Gali SonR™ MRI Compatible Cardiac ResynchronizationTherapy and Defibrillation (CRTDs)Platinum™ Implantable Cardiac Defibrillators (ICDs)Platinum™ and Platinum SonR™ Cardiac Resynchronization Therapy and Defibrillation (CRTDs)Invicta™ Defibrillation LeadNAVIGO™ Left Ventricular Pacing LeadVega™ Pacing Lead with Active FixationSonRtip™ Pacing Lead with SensorBEFLEX™ MRI Compatible Pacing Lead with Active FixationXFINE™ Pacing Lead with Passive FixationSmartView Connect™ Home MonitorSmartTouch™ Programmer
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	<ul style="list-style-type: none">Castor® Branched Aortic Stent Graft SystemMinos® Abdominal Stent Graft SystemReewarm® PTX Drug Balloon Dilation CatheterTalos® Thoracic Stent Graft SystemFontus® Branch Surgical Stent SystemHercules® Low Profile Bifurcated Stent-graft systemCRONUS® Intraoperative Stent SystemAegis® Bifurcated Abdominal Aortic Stent Graft SystemHercules® Bifurcated Stent Graft SystemVewatch® Vena Cava FilteVepack® Snare Retrieval KitVflower® Venous Stent System

ABOUT MICROPORT

Business Segments	Product Category	Some of the Core Products
Neurovascular Devices Business	Neuro-interventional therapeutic and access medical devices for neurovascular diseases	<ul style="list-style-type: none">Tubridge® Flow-Diverting StentWillis® Intracranial Stent Graft SystemAPOLLO™ Intracranial Stent SystemNUMEN® Coil Embolization SystemNUMEN Silk® 3D Electronically Detachable CoilBridge® Rapamycin Target Eluting Vertebral Artery Stent SystemNeurohawk® Stent Thrombectomy DeviceDiveer® Intracranial Balloon Dilatation Catheter
Structural Heart Disease Business	Structural heart disease product	<ul style="list-style-type: none">VitaFlow® Transcatheter Aortic Valve Implantation ("TAVI") SystemVitaFlow Liberty® Transcatheter Aortic Valve Implantation ("TAVI") and Retrievable Delivery SystemAlwide® Plus Balloon CatheterAnchorMan® LAAC System
Surgical Robot Business	Surgical robot	<ul style="list-style-type: none">Toumai® Laparoscopic Surgical RobotDFVision® 3D Electronic LaparoscopeSkyWalker® Orthopedic Surgical Robot



2024 Highlights



ESG GOVERNANCE

To address the multifaceted challenges posed by the continuous evolution of environmental and social dynamics, MicroPort has integrated sustainable development into its business strategy and operational practices. By establishing a robust governance framework and implementing effective management procedures, the Company continuously strengthens oversight, enhances transparency, and improves management efficiency. We remain committed to creating long-term value for all stakeholders.

ESG GOVERNANCE STRUCTURE

MicroPort has established a three-tier ESG governance structure, which includes the Board of Directors, the ESG Standing Committee, and the ESG Working Group.



MicroPort ESG governance structure

BOARD STATEMENT

Our Board deeply acknowledges the significance of integrating ESG management concepts into the Company's development strategy. The Board closely monitors MicroPort's overall performance in ESG governance and is committed to continuously optimizing the ESG management mechanism. While ensuring the achievement of the Company's business goals, we actively address stakeholder expectations, diligently fulfill our corporate social responsibilities, providing a solid foundation for the sustainable and high-quality development.

Board Responsibilities

The Board, as the highest responsible body on ESG matters, assumes overall responsibility for MicroPort's ESG management approach, strategy, relevant target-setting, and progress review. The Board holds regular meetings to review and approve the Company's ESG development targets, oversee relevant ESG policymaking, administration, performance, and target completion process, and approve public disclosure of ESG-related matters. The Company has established an ESG Standing Committee under the Board of Directors. This committee is responsible for formulating ESG strategies, goals, and policies, coordinating resources, ensuring the successful implementation of ESG initiatives, and reporting to the Board of Directors.

Work Execution

At the operational level, the ESG Standing Committee delegates responsibilities to an ESG Working Group comprising heads of business departments and subsidiaries. The working group assists in developing and implementing ESG strategies, targets, and management approaches, integrating ESG policy into daily operations.

Risk Management

In order to effectively prevent potential risks that may significantly affect the sustainable development of the Company and to establish a sound risk management system, the Audit Committee under the Board of Directors is responsible for identifying, managing, supervising and controlling material risks and providing professional risk analysis and decision-making support to the Board of Directors.

Materiality Analysis

Aligned with our development strategy, MicroPort actively engages with both internal and external stakeholders, closely monitors global ESG trends, and evaluates industry peer performance to identify and assess key ESG issues. Based on the result of the analysis, we develop ESG management strategies, set targets, establish corresponding working plans, and regularly review the progress on ESG-related initiatives.

STAKEHOLDER ENGAGEMENT

MicroPort is dedicated to fostering strong relationships with all stakeholders by engaging in regular dialogue and collaboration. Through effective stakeholder engagement, we strive to enhance the efficiency of ESG management and create long-term value for all 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	<ul style="list-style-type: none"> Risk management Environmental management Anti-corruption measures Product safety and quality 	<ul style="list-style-type: none"> On-site investigations Exchange of official documents Policy implementation Information disclosure
Shareholders and investors	Equity and debt investors of the Company	<ul style="list-style-type: none"> Technology and innovation Product safety and quality Talent incentives Intellectual property 	<ul style="list-style-type: none"> Investor relations website Shareholders' meetings Information disclosure Correspondence Teleconferences On-site visits Roadshows
Customers/Users	Global distributors, hospitals, physicians, surgeons, and patients	<ul style="list-style-type: none"> Information security Product safety and quality Customer (user) service Responsible marketing 	<ul style="list-style-type: none"> Distributor meetings Customer surveys Technical seminars Customer service hotlines Customer satisfaction surveys
Employees	Employees of the Group	<ul style="list-style-type: none"> Talent development Remuneration and benefits Diversity and Equity Occupational health and safety 	<ul style="list-style-type: none"> Employee training Employee activities Employee surveys Team building Association and communication Internal publications
Suppliers	Raw material suppliers	<ul style="list-style-type: none"> Product safety and quality Responsible supply chain 	<ul style="list-style-type: none"> Supplier evaluation Communication with suppliers and training for suppliers
Communities and the media	Local communities, the public, the media, etc.	<ul style="list-style-type: none"> Community contributions Product safety and quality 	<ul style="list-style-type: none"> Volunteer services Community activities Media communication and interviews

MATERIALITY ANALYSIS

During the Reporting Period, we identified 22 key ESG issues and ranked them based on their significance to MicroPort and its stakeholders through a structured materiality assessment process. This comprehensive approach ensures that our ESG priorities are closely aligned with the Company's strategic goals and industry dynamics.

Step 1 ESG Issues Identification

- Following the *ESG Reporting Guide*, referencing regulatory requirements and industry standards, and seeking advice from stakeholders, 22 ESG issues were identified

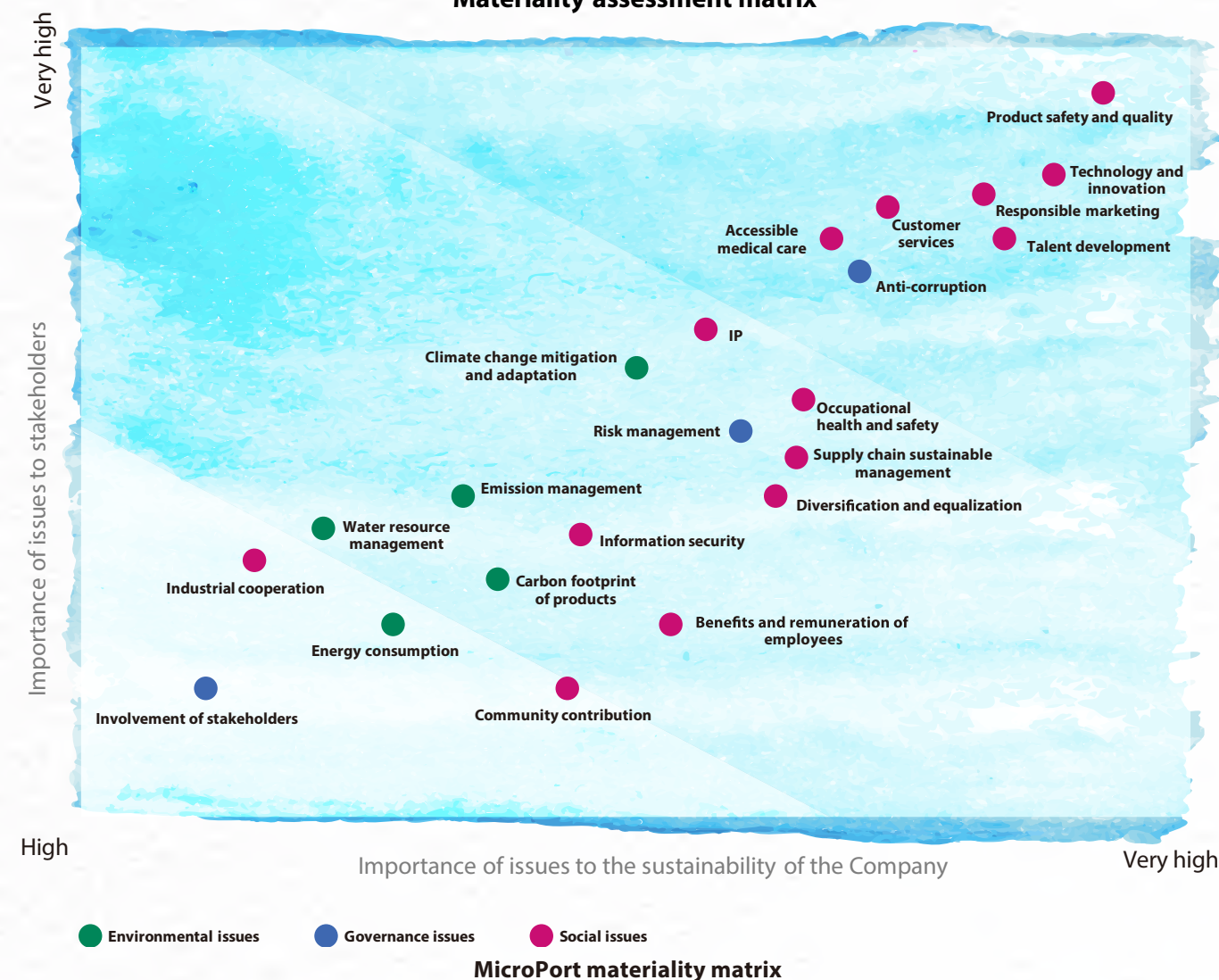
Step 2 Materiality Assessment

- We assess the importance of each issue based on "Importance to Stakeholders" and "Importance to the Company's Development", and a preliminary materiality matrix was produced accordingly

Step 3 Assessment Results Validation

- The ESG Standing Committee and the ESG Working Group review and confirm the assessment results
- The assessment results are then considered and confirmed by the Board

Materiality assessment matrix



GOVERNANCE & ETHICS

Our Position

Robust corporate governance is the cornerstone of compliant operations and effective management. We consistently uphold the core values of honesty, trustworthiness, and law-abiding conduct in our corporate culture. We strictly adhere to local business laws and regulations and are committed to establishing a rigorous compliance management system. By actively promoting high standards of business ethics, we lay a solid foundation for long-term and steady development, ensuring that every step forward is taken with stability.

Our Key Performance

- The percentage of female directors is 14.3%
- The business ethics audits cover 100% of our operational sites.
- The coverage rate of employee business ethics training is 100%



Contribution to the UN SDGs

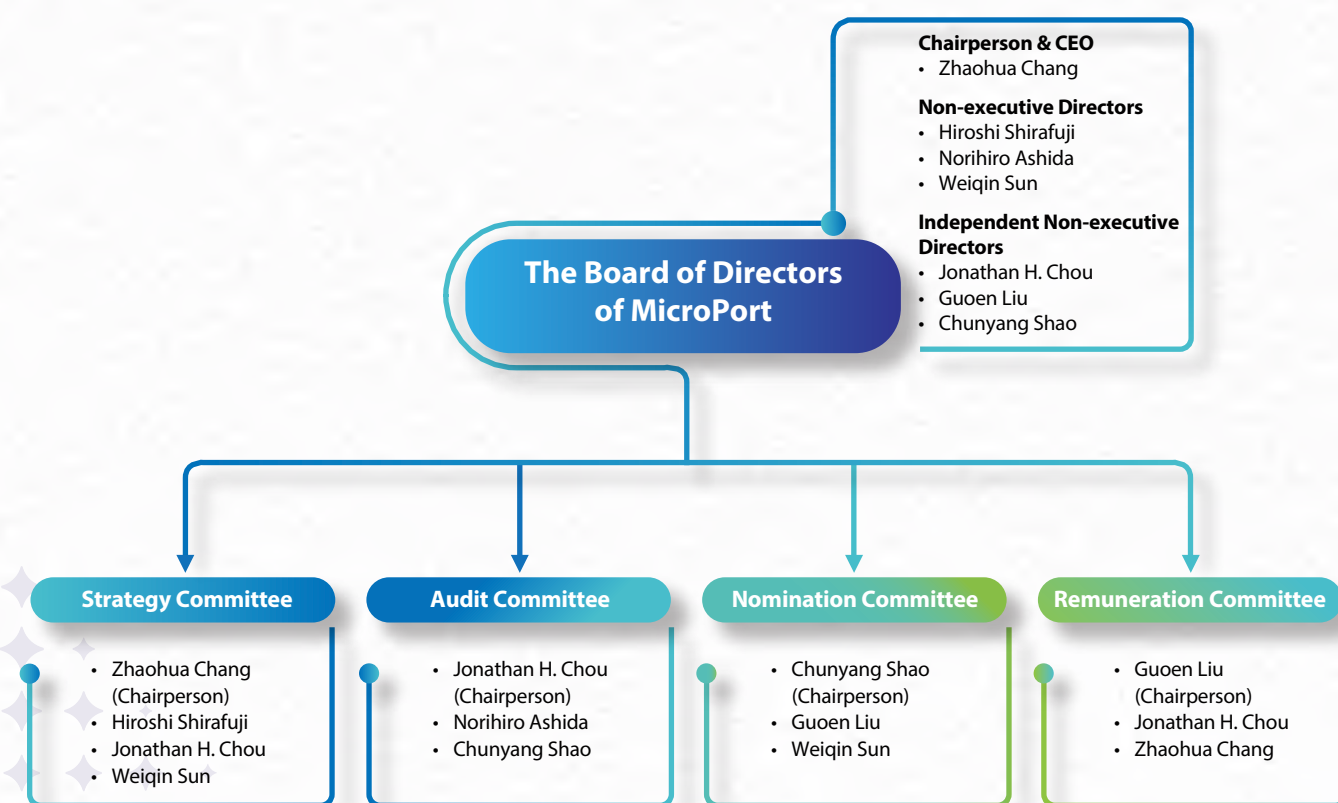


BOARD DIVERSITY

MicroPort has established a diversified Board of Directors, bringing together members from various backgrounds, professional fields, and international perspectives. This diverse governance structure fosters a collaborative environment that encourages innovative thinking and enhances the scientific rigor of decision-making, which contributes to MicroPort's continuous development and competitive position in the global landscape.

Corporate Governance System

The Board of Directors has established four specialized committees, namely the Strategy Committee, the Audit Committee, the Nomination Committee, and the Remuneration Committee, each responsible for overseeing specific areas of the Company's affairs.



Corporate governance structure of MicroPort

Composition of the Board

The Board of Directors is comprised of seven members, including one Executive Director, three Non-executive Directors and three Independent Non-executive Directors. When selecting members, the Nomination Committee attaches great importance to the principle of diversity and comprehensively considers factors such as the candidates' professional background, skills and knowledge, industry experience, gender, age, cultural and educational background. Currently, the Board members have extensive experience across a range of fields, including medical devices, public healthcare, finance, accounting, law, and investment. They also possess a diverse educational background, with degrees in bioscience, economics, medicinal chemistry, business administration, law, and health economics. Our Company acknowledges the significance of diversity and has taken measures to promote diversity at all levels.

Name	Gender	Position	Educational Background	Knowledge
Zhaohua Chang	Male	Chairperson of the Board CEO of the Company	Ph.D	Medical devices Engineering Management Biological Sciences
Hiroshi Shirafuji	Male	Non-executive Director	Bachelor's degree	Economics Medical Devices Management
Norihiro Ashida	Male	Non-executive Director	Bachelor's degree	Economics Finance
Weiqin Sun	Female	Non-executive Director	Master's Degree	Business Administration Industry Investment Literature
Jonathan H. Chou	Male	Independent Non-executive Director	Master's Degree	Management Finance Accounting
Guoen Liu	Male	Independent Non-executive Director	Ph.D	Health Economics Mathematics and Statistics
Chunyang Shao	Male	Independent Non-executive Director	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>).

During the Reporting Period, we provided ESG training on the latest rules and regulations of HKEX for our Board of Directors, demonstrating the Company's deep commitment to sustainable development. The training ensures the Board, as the decision-making core of the Company, align on ESG concepts, strengthening the foundation for company-wide ESG practices. By equipping Board members with knowledge of the latest ESG policies, regulations, and international standards, the training enhances the scientific and strategic approach to policy formulation and investment decisions.

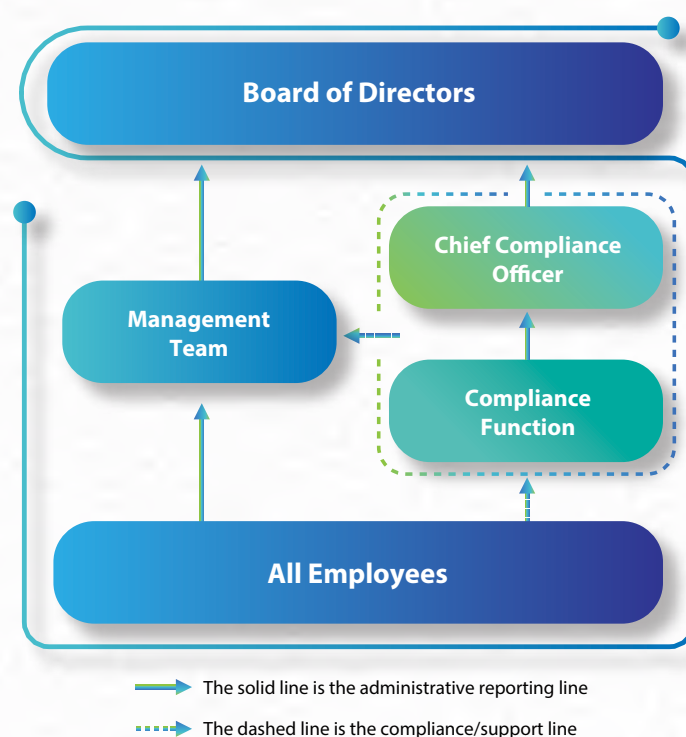
ETHICS AND COMPLIANCE

Our Commitment

MicroPort upholds a strong commitment to ethics and compliance, recognizing honest operations as the cornerstone of its development. Guided by the core value of “integrity”, we ensure that every business activity aligns with the legal requirements and highest ethical standards.

Our Governance

MicroPort has established a comprehensive compliance governance structure led by the Board of Directors, involving the management team, the Chief compliance officer, the Compliance Function, and all employees, to ensure that all our business activities proceed steadily within the legal framework.



- The Board of Directors, as the highest responsible body for ethics and compliance management, holds primary responsibility for the effectiveness of the Company's ethics and compliance management.
- The Management Team oversees the implementation of compliance policies, ensures the effectiveness of compliance management, and identifies and manages potential compliance risks.
- The Chief Compliance Officer coordinates and oversees all corporate compliance matters and ensures the sound operation of the compliance management system, supported by the Compliance Function, which assists in fulfilling compliance management responsibilities.
- All employees are required to embody ethical and compliance requirements in their daily work.

We have formulated a robust framework of ethics and compliance policies, including the *Compliance Manual*, *Conflict of Interest Policy*, and the *Anti-Corruption and Anti-Bribery Policy*, which clearly outline requirements for business operations and work execution. These policies provide clear definitions of key concepts such as “bribery,” “corruption,” and the “prohibition of facilitation payments.” Specifically, MPO has developed region-specific *Compliance Manuals* or *Codes of Conduct* tailored to operating regions including Asia, Latin America, Europe, the Middle East, Africa, and North America, and actively engaged with local regulatory and compliance organizations to drive regional progress. CRM has further detailed specific anti-bribery and anti-corruption standards for employees in its *Code of Conduct*.

Our Management Strategy

We strictly abide by the laws and regulations of the countries and regions in which we operate and are committed to fostering a working environment that encourages responsible business conduct and actively promotes the principles of business ethics management.

Internal Management

We have formulated the *Code of Business Conduct and Ethics* and the *Employee Integrity Code*, which clearly define our business ethics standards. The *Code of Business Conduct and Ethics* strictly prohibits the use of company funds, facilities or properties for any illegal or unethical purposes, such as offering, giving, or inducing others to give money or valuables to secure business or improper benefits. The code also provides a clear definition of “conflict of interest,” detailing prohibited activities in dealings with customers, suppliers, government agencies, or government officials.

We require all employees (including full-time, part-time) and contractors to sign our *Code of Business Conduct and Ethics* and the *Anti-Corruption and Anti-Bribery Policy*, for those non-frontline employees are also required to sign the *Compliance Manual*. We achieved a signing rate of 100% for all these policies.

External Management

We strictly require our partners, such as distributors and suppliers, to adhere to the Company's *Code of Business Conduct and Ethics*. To further enhance the business ethics awareness, our first-level distributors are also required to sign the *Code of Business Conduct and Ethics* and the *Anti-Corruption and Anti-Bribery Policy*, thereby formally confirming that they have received, thoroughly read, fully understood, and are committed to strictly complying with these regulations. Any violation of these policies will lead to the immediate termination of the cooperative relationship with MicroPort.

During the Reporting Period, no legal cases involving bribery, monopoly, extortion, blackmail, fraud, or money laundering affected the Company, nor were there any legal cases pertaining to corrupt practices by the Group or its employees.



Our Action

MicroPort attaches great importance to ethics and compliance management. We have established a comprehensive and efficient ethics and compliance management system and implemented a series of measures to deepen its ethics and compliance culture. The Company has implemented a reporting and investigation mechanism to encourage employees to report violations, ensuring prompt, fair, and confidential handling. We also conduct regular ethics and compliance training to deepen employees' understanding and promote a fair working environment. Additionally, we perform comprehensive audits to assess compliance with ethical standards, identify potential risks, and ensure adherence to high ethical and compliance practices.

Reporting and Investigation Mechanism

MicroPort upholds a zero-tolerance approach to all forms of misconduct. We have established a comprehensive reporting and investigation system, including the Integrity Mailbox, the Integrity Email, and the Compliance Hotline, to build a transparent and open supervision mechanism. Stakeholders of CRM and MPO can also report through the independent third-party reporting hotline NAVEX. The Integrity Mailbox and the Integrity Email are available 24/7. Our reporting channels are available in local languages, ensuring that all stakeholders feel comfortable to raise concerns.



REPORTING CHANNELS OF MICROPORT

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

Reporting Procedure

The Company's Legal and Compliance Department treats both real-name and anonymous reports equally. All report information is documented, and feedback is provided to real-name reporters within 24 hours.

Reporting Investigation and Escalation

Case assessment and investigation procedures are initiated within 24 hours of receiving a report. All stakeholders who may affect the fairness and impartiality of the investigation are excluded. If the incident requires an escalated investigation, the senior management will be involved. If the reported violation is proven to be true, adequate corrective actions and penalties will be taken as necessary.

Whistleblower Protection

We have established a strict whistleblower protection mechanism, ensuring the confidentiality of whistleblowers' information and prohibiting any form of retaliation or retribution. Any retaliation or retribution will result in sanctions and punishment. We require supervision from higher-level departments, which will be held accountable for any negligence in this regard.

Ethics and Compliance Training

Guided by the principle of "doing the right thing," MicroPort follows a policy of comprehensive coverage, continuous improvement, targeted focus, and ongoing reinforcement, supported by the continuous implementation of ethics and compliance training programs. During the Reporting Period, we conducted ethics and compliance training covering our stakeholders around the world.

Online compliance training for all employees

During the Reporting Period, we conducted an online compliance training program, which covered all employees of the Group. Tailored to different employee roles, two specific training programs were designed for non-frontline and frontline employees. The training covered key areas including anti-corruption and anti-bribery, third-party distributor management, conflict of interest handling, and anti-monopoly. We required all employees to take an exam after the training and achieved a 100% pass rate.

Tailored compliance training for special department

The Company organized six specialized compliance training sessions tailored to different business lines, including marketing, sales, and international business. The training sessions covered key topics such as laws and regulations, compliance policy interpretation, case sharing, and resource sharing on compliance. The training enhanced compliance awareness, promoted a strong compliance culture, and equipped employees with the knowledge needed to conduct business with ethics and integrity.

Compliance training for the Board of Directors

We provided a specialized compliance training for the Board of Directors, focusing on anti-corruption and anti-bribery. The training elaborated the definition of bribery, third-party cooperation, and compliance policies and principles. It reinforced the core value of "integrity," helping the Board of Directors make informed decisions in business activities and furthering the Company's long-term commitment to compliant operations.



Business Ethics Audits

MicroPort conducts at least one compliance audit annually at all operational locations and business departments to mitigate compliance risks. The audits evaluate the effectiveness of our policies on business ethics and the ethical conduct of the Board members, all employees (including full-time, part-time, and contractors), distributors, and suppliers. The audits cover key areas including potential conflict of interest, bribery, misappropriation of funds, and the illegal use of company assets.

In 2024, MicroPort conducted a comprehensive business ethics audit across its major business lines and subsidiaries. The year's audit focused on reviewing business hospitality, the process of inviting healthcare professionals (HCPs) to provide services, event organization, sponsorship and participation in third-party academic activities, donations, and other business operations. Through the audit, we identify potential risks and closely monitor the implementation of corrective measures to continuously optimize and improve the compliance management system.

RISK MANAGEMENT

Our Commitment

MicroPort is committed to developing a robust risk management system. Through a comprehensive risk control mechanism and a diverse array of risk management measures, we proactively manage and mitigate both internal and external risks. This strategy highlights our dedication to sustainable development and the creation of long-term value for all stakeholders.

Our Governance

MicroPort attaches great importance to strengthening the Group's overall risk management capabilities and has formulated system documents such as the *Internal Audit Rules*, *Internal Control Review Process* and *Risk Assessment Management Process*, clearly defining the organizational structure, divisions of responsibilities, risk assessment procedures, and risk response strategy.



Three-tier risk management governance structure of MicroPort

Our Management Strategy

MicroPort has established a comprehensive risk management system that integrates prevention, control, and monitoring, ensuring thorough coverage across all aspects of decision-making, implementation, supervision, and business operations. We strictly implement the *Risk Assessment Management Process*, conducting evaluations through interviews and questionnaires at the beginning of each year. This process is followed by detailed risk assessment reports that identify potential risks in key business areas, or conduct risk assessments on the audited entities through a routine risk assessment mechanism. In addition, all departments and subsidiaries systematically and continuously collect internal and external historical data, as well as future forecast information, to accurately analyze and prioritize risks based on factors such as probability of occurrence, level of resilience, and degree of impact.



Risk management process

Our Action

MicroPort's risk management process involves a systematic approach comprising regular review of the risk database and comprehensive analysis. We have added emerging risks such as climate-related risk to our risk assessment questionnaire to further enhance our risk management. In 2024, material risks identified include policy risks, capital and financing risks, profitability risks, human resource risks, and risks arising from changes in the macroeconomic and industry environment. To effectively address these risks, the management team has conducted in-depth discussions and developed targeted short-term and long-term response measures.

We are fully aware that comprehensive training equips employees to identify and mitigate risks, supporting the Company's sustainable growth and long-term success. We conduct regular risk management training to our employees to further increase their risk management awareness.

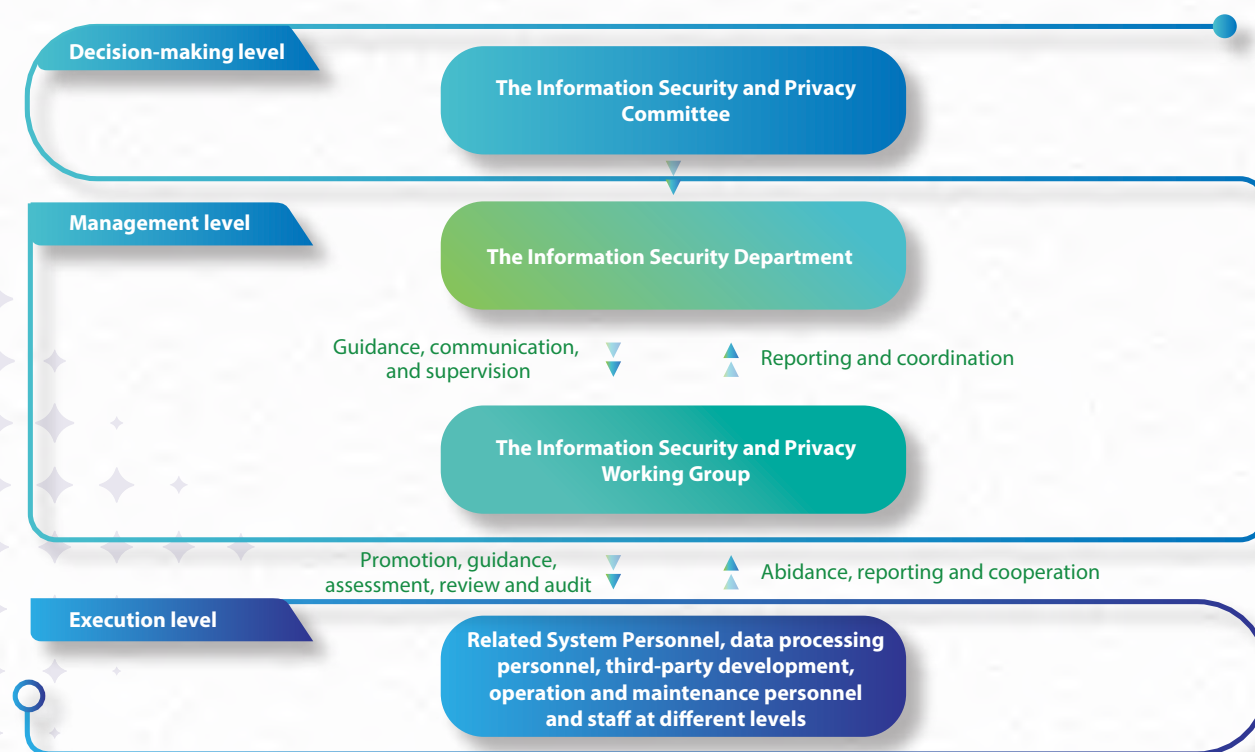
INFORMATION SECURITY

Our Commitment

MicroPort is committed to respecting and protecting data privacy rights across all business activities. To fulfill this commitment, we continuously enhance our information security systems, closely monitor potential information security risks, and ensure the capability to swiftly identify and effectively address security incidents and data breaches. We spare no effort in safeguarding the information and data security of our customers and partners.

Our Governance

We have established and implemented a comprehensive set of internal policies, encompassing the *Information Security Management Policy*, *Privacy Information Management Policy*, *Personal Information Protection and Management Process*, and the *Employee Information Security Code*, to secure the effectiveness of our information security and privacy protection system. We have established a three-tier information security governance framework to ensure effective oversight and execution. At the top level, the Information Security & Privacy Committee is responsible for strategic decision-making and policy approval. The Information Security Department provides guidance and communicates key security matters to the Information Security & Privacy Working Group. When further deliberation is needed, the working group escalates issues to the Information Security Department for coordination. At the execution level, data processing personnel and relevant system staff are tasked with implementing information security and data protection initiatives.



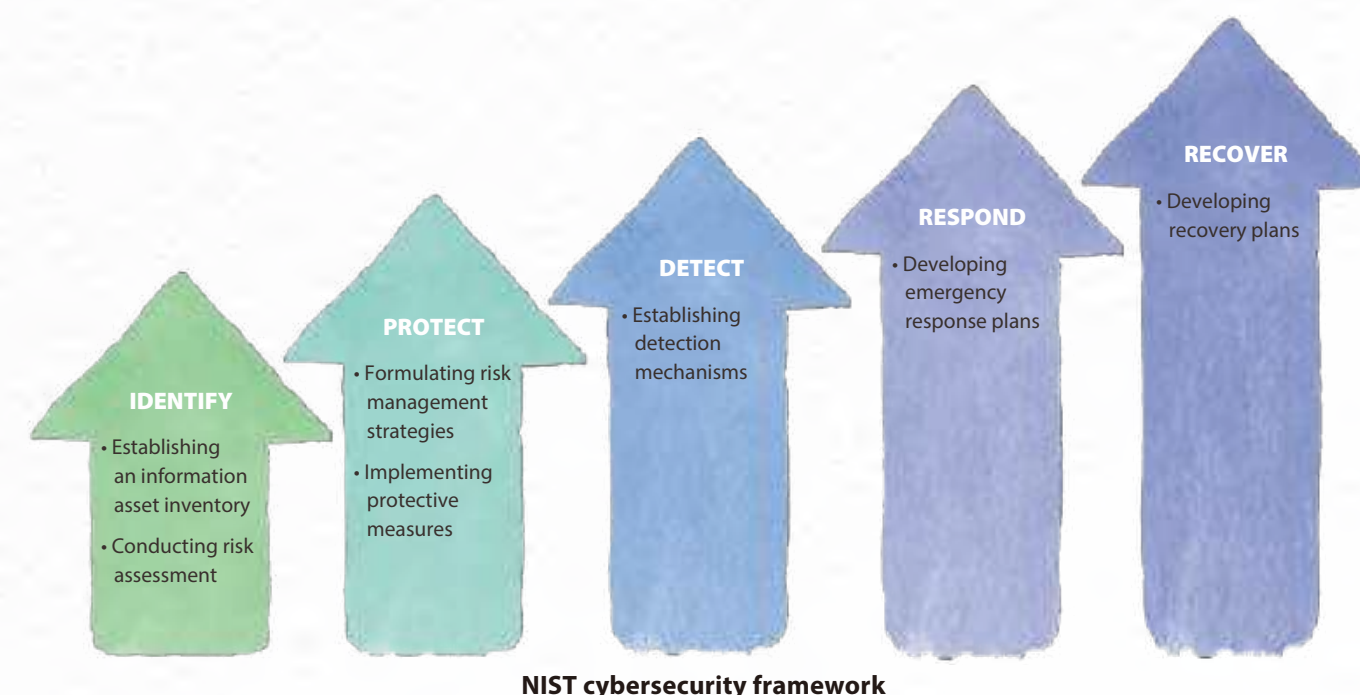
Information security governance structure

Our Management Strategy

We manage our information security system with a risk-based approach, regularly assess, update, and respond to information security risks. We implement comprehensive security measures to ensure compliance and sound protection. These measures include conducting vulnerability scans on all systems, promptly repairing and verifying vulnerabilities, encrypting data storage and transmission, and applying encryption and de-identification for sensitive data in public and hybrid cloud databases. Additionally, we have developed detailed disaster recovery plans for data centers and cloud hosts and conducted successful drills to ensure rapid service restoration and business continuity in case of emergencies. During the Reporting Period, MicroPort has obtained ISO 27001 and ISO 27701 certifications.

Our Action

To further identify and address our potential risks related to information security, during the Reporting Period, we adopted the NIST Cybersecurity Framework, which enables us to strengthen our cybersecurity defense and response capabilities by systematically identifying threats to our business environment and assets and evaluating the likelihood and potential impact of security risks.



We have implemented a series of protective measures to enhance information security. These include deploying Data Loss Prevention (DLP) tools to effectively monitor and prevent the unauthorized leakage of sensitive data, conducting thorough scans of exposed assets across internal and external networks to identify and fix potential security vulnerabilities, and organizing cyber-attack and defense drills to simulate real-world attack scenarios, thereby improving our emergency response and defense capabilities. We also implemented security education initiatives, including phishing tests, to enhance employees' awareness and capacity to identify risks, mitigating cybersecurity risks at the source. During the Reporting Period, we did not find any information security and privacy incidents.

Information security and privacy management training

MicroPort attaches great importance to information security and privacy management, and continuously improves employees' information security awareness and risk prevention skills through a multi-level and multi-dimensional training system. In 2024, we conducted company-wide online training on compliance and information security, including information security and privacy management awareness courses, questionnaire tests, and phishing email tests, achieving a 100% participation rate. For management, we organized the Innovation Academy Business Leader Required Course, which provided offline training on Chinese information security laws and regulations, interpreted key legal provisions and security responsibilities, and included the signing of responsibility commitment letters. Additionally, through the Monday Discovery series of training sessions, we shared the latest knowledge on attack prevention and response techniques with business information security liaisons, covering scenarios such as phishing and ransomware attacks.



INTELLECTUAL PROPERTY AND TRADE SECRETS

Our Commitment

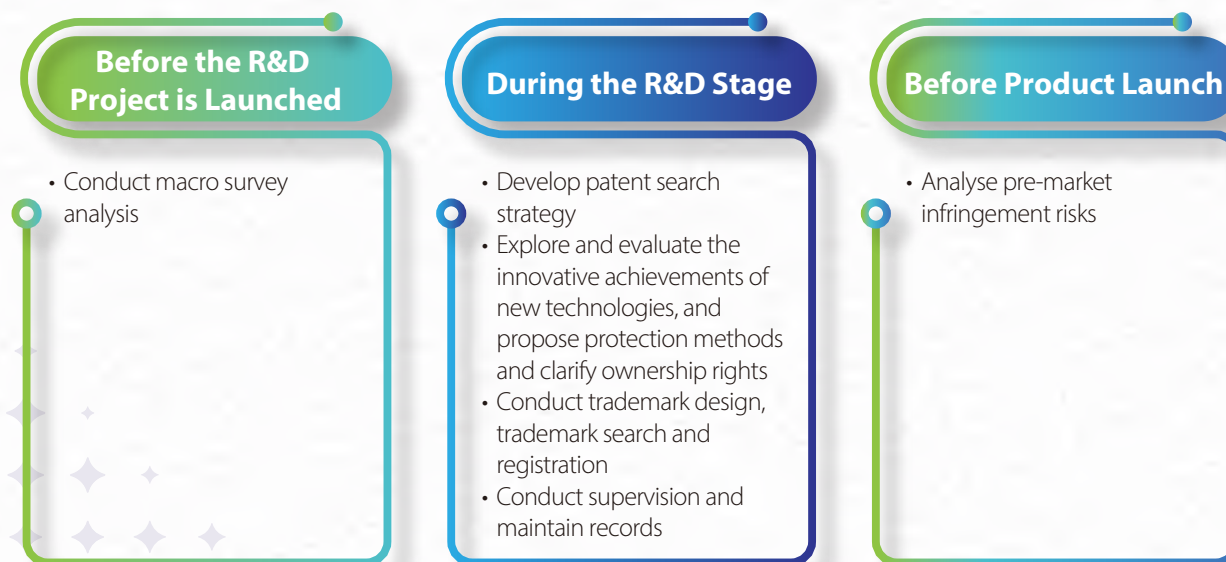
Intellectual property (IP) rights and trade secrets are invaluable assets in the medical device industry and hold a central role at MicroPort. We pledge to uphold the principles of integrity and honesty, adhere to world-class safety standards, and maintain a zero-tolerance policy towards any infringement of IP rights. We are committed to the continuous optimization of IP management, ensuring that every aspect meets the highest standards.

Our Governance

MicroPort is committed to adhering to the legal and regulatory requirements of each business operation location. We have established specialized working group for IP and trade secret protection and implemented the *Intellectual Property Handbook* and the *Trade Secret Management Regulations*, thereby achieving a high degree of standardization in the management system and processes.

Our Management Strategy

We have integrated the concept of IP protection into the entire process of project research and development (R&D) to reduce the IP risks involved in the R&D process and protect the R&D achievements.



R&D IP management process

As of the end of the Reporting Period, 9 subsidiaries of MicroPort have obtained the GB/T 29490-2013 Intellectual Property Management System Certification. MicroPort held 5,256 patents, and 2,445 trademarks.

Our Action

We have implemented a range of initiatives to strengthen IP management in 2024.

Risk prevention

- We rigorously conduct Freedom to Operate (FTO) analysis and perform comprehensive intellectual property reviews prior to overseas exhibition to identify and mitigate risks.

Support for business needs

- We carefully plan the patent layout for core products and systematically expand the scope of trademark registration to safeguard our innovations.
- We fully support intellectual property requirements during the financing stage and prudently evaluate the necessity of maintaining intellectual property rights to optimize resource allocation.

Capacity Building

- We accelerate the certification process for our intellectual property management system to align with global standards.
- We regularly organize specialized training sessions to enhance the professional expertise of our team.


We have conducted multiple training sessions on IP management for our employees. The training topics covered various topics, including patent applications in European countries, core considerations in examination, infringement risks related to medical devices, and sharing of litigation cases. The training further enhancing employees' awareness of IP protection and strengthening their professional knowledge.

Monday Discovery Event

In March 2024, we organized a "Monday Discovery" event themed "Infringement Risks and Safe Harbor Principles in Medical Device Exhibitions and Clinical Trials." The session focused on addressing patent infringement risks encountered during recent overseas exhibitions and clinical trials. It explored the principles of infringement determination, the safe harbor principle, and their practical applications. By analyzing specific cases, the event provided actionable guidance and precautions to help business teams mitigate intellectual property-related risks.



As for trade secret protection, we actively implement confidentiality measures from four dimensions to prevent the leakage of business secrets.



PROTECT BUSINESS SECRETS IN SENSITIVE AREAS

- Physical quarantine
- ID identification
- Security camera with no photography sign
- Network firewall and access control



IDENTIFY AND FILL IN THE GAPS

- Project information desensitization processing
- Employee work file download and upload restrictions



SECRET PROTECTION AWARENESS RAISING

- Conduct secret management training
- Sign confidential agreement



EMERGENCY RESPONSE PLAN FOR INFORMATION LEAKAGE

- Form an emergency response team consisting of IP, IT, and information security experts
- Investigation to secure the evidence
- Employee interviews to prevent further infringement
- Take appropriate emergency response measures for different leakage situations

Trade secret protection measures



ANIMAL WELFARE

Our Commitment

MicroPort is firmly committed to the ethical use of laboratory animals and pledge to take every measure to minimize their use. When the use of animals is necessary, we strive to reduce the number of animals involved or optimize laboratory design to maximize the output of data without increasing animal usage. We are dedicated to continuously improving laboratory protocols to minimize harm to animals and actively exploring alternative methods, such as vitro biological systems and other advanced technologies, to avoid unnecessary animal testing wherever possible.

Our Governance

We are committed to upholding the highest standards of animal welfare. Our animal experiments are conducted in strict accordance with all applicable laws, regulations, and requirements at our operating locations. To ensure the integrity of our practices, we have established the Institutional Animal Care and Use Committee (IACUC) to enforce standards related to animal experimentation, with the objective of safeguarding animal rights.

Our Management Strategy

MicroPort strictly adheres to the 3R principles of “Replacement, Reduction and Refinement,” and is committed to minimizing the use of laboratory animals to the lowest necessary level. On the basis of ensuring that animal experiments comply with ethical and humane standards, we have adopted a series of effective measures to significantly enhance the comfort and health of laboratory animals. We adhere to these principles with the aim of balancing the needs of scientific research and respect for the welfare of laboratory animals.

Our Action

We have implemented a range of measures to protect our laboratory animals, ensuring the physiological, environmental, health, psychological, and behavioral welfare of the animals.

- | | |
|------------------------------|--|
| Physiological welfare | <ul style="list-style-type: none"> Ensure that animals are provided with the food and water they need to maintain good health and energy. |
| Environmental welfare | <ul style="list-style-type: none"> Provide housing or habitats with fresh air, appropriate temperature, and daily cleaning, where animals can sleep and rest comfortably. |
| Health welfare | <ul style="list-style-type: none"> Ensure that animals do not suffer from additional pains, help them prevent diseases and provide prompt treatment for sick animals. |
| Psychological welfare | <ul style="list-style-type: none"> Ensure that animals do not suffer from mental anguish by creating suitable condition, treatments, and entertainment. |
| Behavioral welfare | <ul style="list-style-type: none"> Provide adequate space, proper facilities, and allow animals of the same species to live together and group feeding them. |



QUALITY & SERVICE

QUALITY & SERVICE

Our Position

MicroPort firmly adheres to the corporate mission of “providing accessible, trustworthy and universal access to state-of-the-art solutions of prolonging and reshaping lives” and is deeply committed to providing high-quality and innovative products and services to safeguard human health and well-being. Also, we strive to foster a sustainable supply chain to guarantee the reliability and stability of product supply.

Our Key Performance

- The pass rate of external audits on our quality system is 100%
- During the Reporting Period and as at the date of the approval of this report by the Board, the Group had a total of 58 Class III medical devices initial registration certificates from the NMPA, and 9 innovative medical devices were admitted in the “Green Path”, reaching a total of 39 “Green Path” innovative medical devices, ranking first in the medical device industry for ten consecutive years; we obtained 249 initial registration certificates in 43 overseas markets (countries and regions), including 18 products that obtained CE Mark and 4 products obtained FDA registration license
- The compliant response rate and handling rate have both reached 100%

Contribution to the UN SDGs





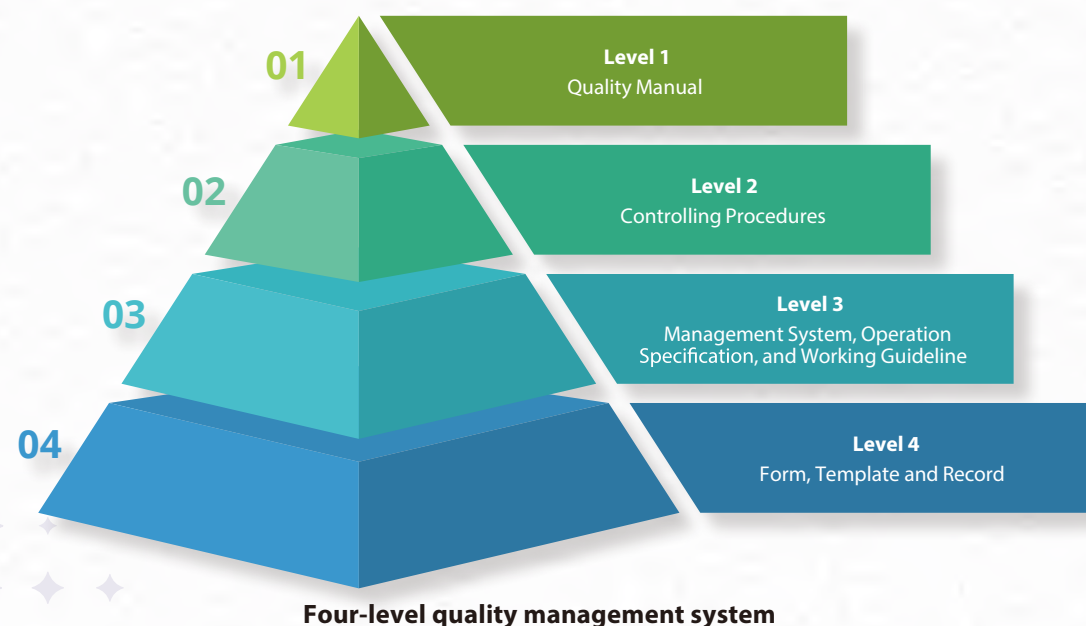
QUALITY MANAGEMENT

Our Commitment

We deeply understand that 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.

Our Governance

MicroPort strictly complies with the *Regulation on the Supervision and Administration of Medical Devices*, the European Union (EU) Medical Devices Regulation (MDR), and other applicable laws and regulations, as well as following internationally recognized standards such as ISO 13485 and ISO 14971. Based on the entire lifecycle of medical device products and the multifaceted characteristics of the Group's platform operation, we have established a four-level quality management system document in compliance with the laws and regulations of our target markets worldwide.

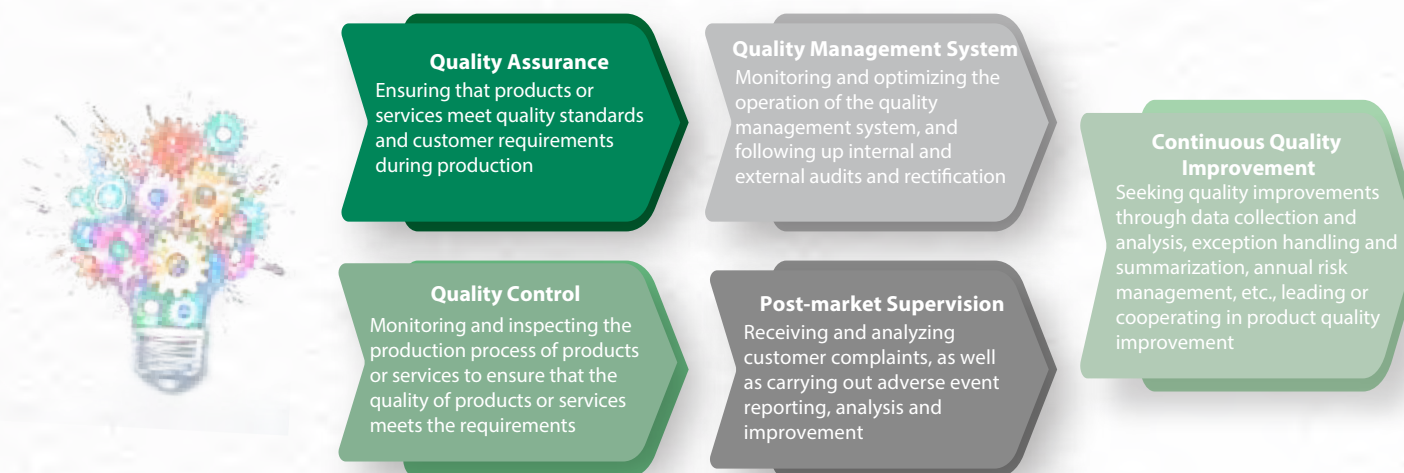


During the Reporting Period, 17 procedural documents and 50 management policies have been formulated or updated in accordance with the latest regulatory requirements and our *Quality Manual*.

We have established a comprehensive quality management structure with clear and distinct responsibilities. The senior director of quality oversees the Group's quality management system and reports to the senior executive vice president. The executive management reviews and discusses the Group's business quality system operations through bi-monthly meetings on quality management and employs a "regular collection + dynamic reporting" approach to boost the overall efficiency of the Group's quality management.

Our Management Strategy

We have clarified quality management responsibilities in five areas, implementing quality management throughout the entire lifecycle of products and services and ensuring excellent quality at every stage.



Quality management areas

To guarantee the excellent quality of our products and services, we have established and consistently strengthened our quality management system. The Group acquires quality management system certifications based on the different development stages of each business. At the end of the Reporting Period, our subsidiaries have obtained quality management system certifications as shown in the table below.

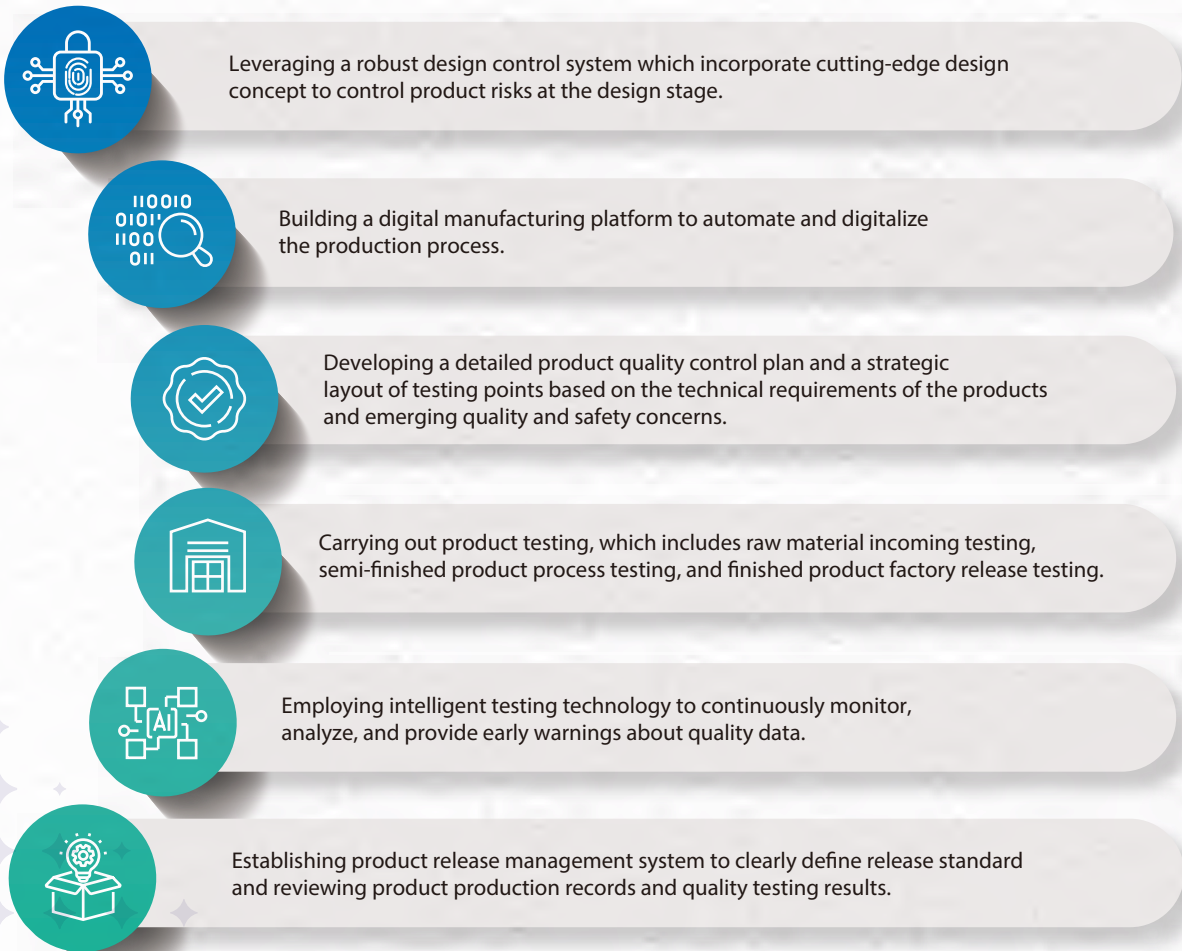
QUALITY MANAGEMENT SYSTEM RELATED CERTIFICATIONS

	28 subsidiaries	ISO 13485 Quality Management System Certification for Medical Devices
	1 subsidiaries	ISO 11135 Sterilization of Health Care Products — Ethylene Oxide Certification
	2 subsidiaries	ISO 9001 Quality Management System Certification
	1 subsidiaries	ISO/IEC 17025:2017 General Requirements for the Competence of Testing and Calibration Laboratories

Our Action

Quality Control

MicroPort places great emphasis on product quality and safety, implementing quality control throughout the design, production, testing, and release processes of products.



Quality control initiatives

Products that meet the requirements can be released after being approved by authorized release personnel. Regarding the entrusted product production under the registrant system, we have also established requirements for production release by the entrusted party and market release by the entrusting party, guaranteeing product quality and safety.

Quality Testing

We have established in-house testing capabilities to conduct internal tests, such as product physical and chemical property tests. We also collaborate with a professional and qualified third party to continuously enhance our product testing capabilities. During the Reporting Period, over 2.028 million products have undergone incoming, semi-finished, and final tests.

To ensure our products meet technical specifications and to support the research and development of ongoing product projects, our product testing covers the entire product lifecycle. These capabilities encompass product testing, purification workshop environment testing, process water and gas testing, among others. Our product testing can be categorized into tests for physical properties, chemical properties, polymer properties, and microbial properties, totaling 296 test methods.

In 2024, we introduced the latest AI modeling technology for automated stent testing, significantly improving the testing efficiency. At the end of the Reporting Period, the stent testing process is equipped with 23 intelligent testing equipment, with a daily testing capacity of 8,500 stents.

Quality Audit

MicroPort carries out regular quality audits to ensure the effectiveness of the quality management system. In 2024, the Group implemented a tiered management approach with a focus on high-risk business areas. Based on compliance with regulations and standard elements of the quality management system, tailored audit plans were developed for various business types. During the Reporting Period, we implemented internal audit on 22 subsidiaries in Chinese mainland, including 21 manufacturing companies and 1 operating company; 15 subsidiaries underwent unannounced inspections, while 7 subsidiaries, which were newly licensed or operational, underwent announced inspections. We have identified several improvement opportunities and actively implement improvement action plans.

We continually undergo external quality audits conducted by regulatory bodies and independent third parties. During the Reporting Period, 39 subsidiaries of the Group in Chinese mainland had successfully passed over 200 external audits, including product registration system verification, daily supervision and inspection, ISO 13485 system certification, and EU MDR audit. In addition, 49 products were selected through national sampling, provincial sampling, and municipal sampling, and all of them have successfully passed the inspection.

For other operational areas, we also conducted internal and external audits, covering the quality management system, ISO 13485 certification, and EU MDR audit, to ensure the effectiveness of quality management.

Product Recall

MicroPort strictly abides by laws and regulations such as the *Regulation of Medical Devices Recall Administration*, and consistently monitor the performance and gather feedback after products are launched to ensure comprehensive risk management throughout the entire lifecycle of products.

According to the laws and regulations of the locations where our business operates, we have formulated and implemented the *Management Rules for Adverse Event Reporting*, the *Domestic Adverse Event Monitoring and Re-evaluation Management Regulations* and other relevant policies on product alert system management, laying a solid foundation for continuous supervision of product quality and timely control of potential safety risks of products.

We have launched a quality management information platform designed to automate the processing and analysis of post-market surveillance data. This platform is capable of efficiently analyzing, managing, and reporting online customer complaints and adverse events, as well as enabling full process closed-loop management and timely tracking of product shipments, returns, and replacements.

We have formulated the *Product Recall Management Rules* to investigate and evaluate potentially defective medical devices, and recall defective medical devices promptly, ensuring the safety of the product to users, patients, etc. A thorough product recall mechanism has been put in place to ensure timely response and recall, minimizing 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.

Quality Culture

MicroPort attaches great importance to fostering a culture of high quality and develops an annual quality training plan that covers all employees in response to issues identified through our daily quality management process, aiming to enhance all employees' awareness and capabilities of quality management through diverse quality trainings. We not only conduct targeted quality training for all employees in each business segment, but also provide quality and regulatory forum, internal auditor training, etc. to further improve every aspect of the Group's quality management. Moreover, we organize quality improvement competitions to motivate our employees to actively engage in quality management, gather and implement outstanding suggestions for quality improvement, and create an environment where all employees are involved in quality management.

Quality and Regulatory Forum

During the 2024 Quality and Regulatory Forum, we held five sharing sessions to convey quality regulations and facilitate discussions. These sharing sessions aimed to deepen our employees' understanding of quality-related regulatory requirements, further enhance their professional competencies, and lay a solid foundation for ensuring compliance with product quality and regulatory standards across the Group's business segments.



Internal auditor training

We organized diverse internal specialized training to ensure our internal auditors possess strong professional expertise and continuously improve their auditing skills. In 2024, a total of 344 auditors who participated in the training courses passed the training exams. In addition, we provided multiple audit practice participation platforms, with a total of 21 senior auditors and auditors, as well as 8 intern auditors participating in audit activities throughout the year, enhancing the overall quality of the audit team and strengthening cross business collaboration capabilities. By combining training with practical operation, the Group has further strengthened the construction of the audit team, better supporting the development of our business.

Specialized training of quality for R&D personnel

In August 2024, the Group organized a specialized training on "Quality Control in Design and Development," in which a design control expert was invited to delve into the principles and relevant guidelines of design control, thereby strengthening the quality management capabilities of the Group's R&D personnel throughout the design and development process.



Industry Development

MicroPort adheres to the concept of “setting the international and national standards, leading the medical device industry” and remains dedicated to advancing industry standardization. In 2024, the Group continued to participate in the research of regulations conducted by the Shanghai Medical Products Administration, the Global Harmonization Working Party (GHWP), the Center for Food and Drug Inspection of NMPA and multiple industry associations. Additionally, we took the lead in organizing feedback, revisions, and research on newly revised regulatory standards and guidelines, based on practical situations and challenges encountered. A total of 84 feedback have been provided.

During the Reporting Period, 12 national standards, 6 industry standards, and 5 group standards that the Group participated in the formulation have been officially published.

Practical trainings for medical device inspectors in Pudong New Area & Zhejiang Province

In 2024, the Group collaborated with relevant regulatory authorities in Pudong New Area and Zhejiang Province to conduct practical training for medical device inspectors. We provide training bases to facilitate knowledge sharing and exchanges on product and process technologies. During the Reporting Period, over 90 inspectors participated in the practical trainings.

In 2024, the Group received several awards for our outstanding quality performance, earning widespread recognition of our product quality.

Quality Awards

Awarded Unit

2023–2024 Shanghai Quality Gold Award	MicroPort Endovascular
Quality Technology Excellence Awards	MicroPort NeuroTech
Third Prize of 2024 Key Product Quality Tackling Project Achievements	MicroPort NeuroTech
Third Prize of Quality Technology Application Innovation Competition	Shanghai MicroPort
Excellent Achievement of 2024 Shanghai Quality Management Team Event	Shanghai MicroPort
	MicroPort Endovascular
	MicroPort Cardioflow Medtech

PRODUCT INNOVATION

Our Commitment

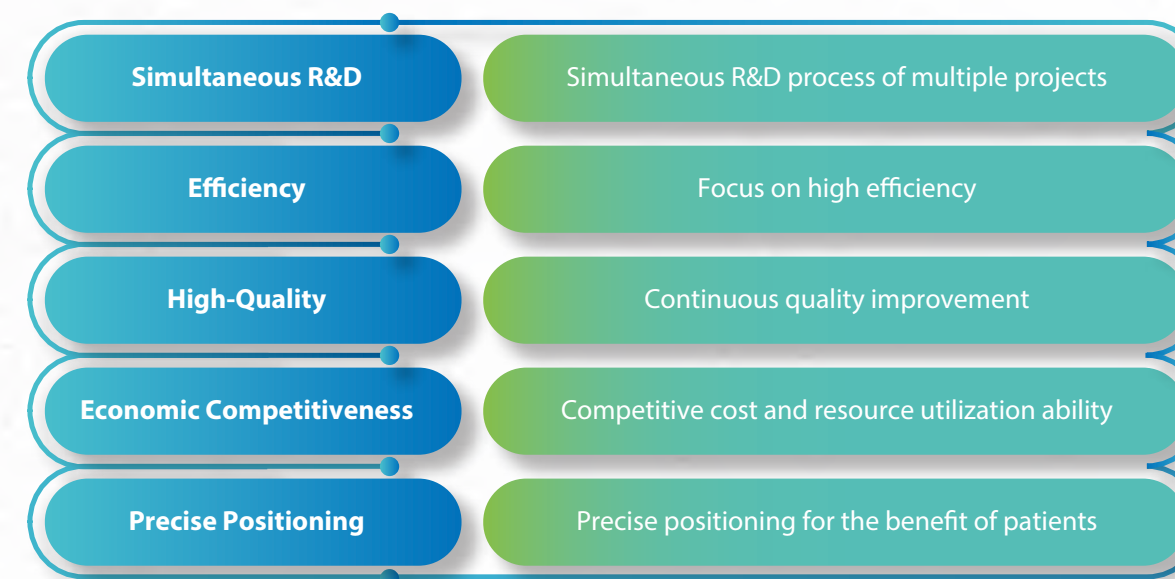
MicroPort is dedicated to carrying out continuous innovation to create a diversified product portfolio and provide accessible, trustworthy and universal access to state-of-the-art solutions of prolonging and reshaping lives.

Our Governance

MicroPort Engineering Institute is the primary R&D institution of the Group, encompassing ten major research centers to advance the innovation and application of our products and technologies.

Our Management Strategy

MicroPort has established a management model of technological innovation and industrialization integration. The Group upholds the five principles of “Simultaneous R&D, Efficiency, High-Quality, Economic Competitiveness, Precise Positioning” to provide more patients with products and medical solutions that meet their expectations.



MicroPort implements a holistic approach to product development that spans the entire lifecycle. We utilize rigorous and scientific project management and risk management mechanisms to continually refine our R&D design processes and integrate quality control into every stage of these processes.

Additionally, we have put in place a stringent project development review process, including evaluations and meetings at every review node for each R&D project, to ensure that our final products fully meet the needs of patient.



Our Action

Driving Innovation

MicroPort has always been dedicated to continuously driving R&D innovation, exploring and practicing diversified innovation-driven initiatives. We actively promote innovation incentive mechanism aimed at stimulating the creativity and enthusiasm of our R&D teams. Meanwhile, we attach great importance to knowledge sharing, fostering synergy effects by establishing knowledge connections and sharing mechanisms. Furthermore, we actively support global innovators by establishing Miracle Point® Incubator Plus, which provides one-stop solutions to incubate ideas and accelerate new product launches.

Innovation Incentive Mechanism

We have established an innovation incentive mechanism, aiming to motivate employees to engage in product innovation and encourage R&D teams to actively apply for the Special Review Procedure for Innovative Medical Devices of the NMPA and the Breakthrough Device designation of the FDA. For projects that meet the criteria of the innovation incentive mechanism, we provide differentiated incentives to the incumbent project leaders, core members, and supporting members in phases based on the extents of their contributions.

Knowledge Connections and Sharing Mechanism

To stimulate innovation, we have launched the Knowledge Connections and Sharing Mechanism, which facilitates knowledge exchange among employees, customers, and partners.

We have set up nearly 20 R&D and supply chain related platforms to empower the Group to exchange and discuss on technologies with commonalities, expand the application scenarios of new technologies, greatly promote cross-business synergies and cooperation, and build a complete medical device innovation ecosystem.

Miracle Point® Incubator Plus

Miracle Point® Incubator Plus is a collection of standardized professional service platforms that provide one-stop solutions to incubate ideas and accelerate new product launches. Each new project is quickly taken through the process starting from a concept all the way to successful commercial launch and public market capitalization or acquisition. The Miracle Point® model also incorporates “closed-loop” feedback that can use MicroPort’s know-how and experience to rapidly provide project-specific troubleshooting to ensure projects are on track to quickly achieve product certification, mass production, and commercial success.

Innovation Achievements

During the Reporting Period and as at the date of the approval of this report by the Board, the Group had a total of 58 Class III medical devices initial registration certificates from the NMPA, and 9 innovative medical devices were admitted in the “Green Path”, reaching a total of 39 “Green Path” innovative medical devices, ranking first in the medical device industry for ten consecutive years; we obtained 249 initial registration certificates in 43 overseas markets (countries and regions), including 18 products that obtained CE Mark and 4 products obtained FDA registration license.

Some of our major innovation achievements include:

- Shanghai MicroPort has received official market approval from the NMPA for Firesorb®, the world’s first next-generation fully bioresorbable cardiac stent.
- MicroPort CardioFlow receives NMPA approval in China for its AnchorMan® LAAC System.
- MicroPort CardioFlow’s VitaFlow Liberty® Transcatheter Aortic Valve and Retrievable Delivery System (“VitaFlow Liberty®”) received the CE Mark
- MicroPort Endovascular’s Vflower® Venous Stent System has been approved by the NMPA.
- MicroPort Endovascular’s Vewatch™ Vena Cava Filte has been approved by the NMPA.
- MicroPort Endovascular’s Vepack™ Snare Retrieval Kit has been approved by the NMPA.
- Microlmaging (Shenzhen) Medical Equipment Co., Ltd has obtained approval from the NMPA for the marketing of its Decypher™ IVUS Diagnostic System and Outsight® Disposable IVUS Diagnostic Catheter.



CUSTOMER ENGAGEMENT

Our Commitment

Guided by the principle of “Put Customer First,” MicroPort is committed to enhancing service quality and practicing responsible marketing. We strive to provide excellent services, ensuring that more patients can access safe and effective medical solutions. Furthermore, we adhere to accurate, truthful, and compliant marketing practices to safeguard the rights and interests of our clients and patients.

Our Governance

MicroPort continuously refines our customer service governance. We have established internal policies such as the *Domestic Customer Complaint Management Regulations*, *Overseas Customer Complaint Management Regulations*, *Feedback Control Procedures*, *Complaint Investigation Management Process* and *After-sales Service Control Procedure*. These policies standardize the complaints handling, safeguard customer privacy, and significantly elevate service quality.

The Company conducts marketing activities based on principles of responsibility, strictly adhering to the laws and regulations of our operational areas, including the *Advertising Law of the People’s Republic of China* and the *Law of the People’s Republic of China on the Protection of Consumer Rights and Interests*, etc. We have formulated internal policies such as the *External Information Release Management Process*, the *Social Media Account Application Management System*, and *Standards on the Management of Packaging and Design* to ensure the compliance of marketing materials, while providing customers with safe and reliable products and services.

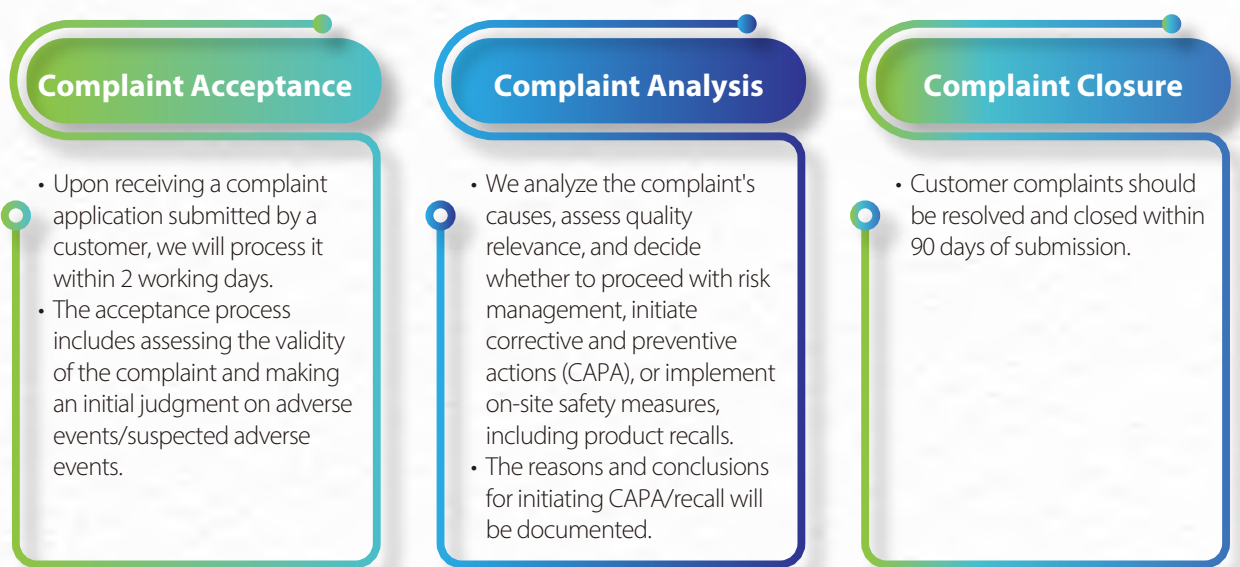
Our Management Strategy

MicroPort consistently bolsters customer loyalty through our comprehensive customer service and customer protection management systems. By expanding customer communication channels, standardizing complaint response and handling mechanisms, conducting satisfaction surveys, and digitally empowering patient education, we deliver high-quality products and efficient services to customers. Additionally, we continuously refine our marketing management, intensify scrutiny of promotional content, and elevate employees’ awareness and implementation of responsible marketing through continuous training.

Our Action

Customer Service

The Company has established multiple channels for customer complaints and feedback, including hotlines, applets and email, along with a robust complaint handling mechanism to ensure timely response and effective resolution of customer needs.



Customer complaint handling mechanism

During the Reporting Period, MicroPort received a total of 10,083 customer complaints related to products and services quality, with both the response rate and handling rate of nearly 100%.

Furthermore, MicroPort is dedicated to leveraging advanced digital management tools to empower doctor and patient education, delivering high-quality health services, and fostering an intelligent healthcare industry ecosystem.



Patient education initiatives



In order to provide customers with better products and services, MicroPort conducted satisfaction surveys among doctors and distributors in 2024, gathering performance feedback on nine products including the Firebird2 Drug Eluting Stent and Pioneer Balloon Catheter, achieving a satisfaction rate of 96.8%. Addressing the concerns raised, we have initiated targeted product improvement measures to consistently elevate customer satisfaction.

Responsible Marketing

MicroPort implements strict internal review and control processes to guarantee compliance in all promotional content, including advertising, packaging and product labelling. Furthermore, we enhance the management of our subsidiaries' marketing and promotional activities by establishing a hierarchical control system and assessment standards for their advocacy platforms, ensuring standardized and responsible marketing practices on business-related media platforms.



ADVERTISEMENT

- All externally released promotional content must be reviewed by the Legal and Compliance Department.
- Advertising includes risk alerts to accurately inform consumers of product risks and avoid misleading information.



PACKAGING AND PRODUCT LABELLING

- Adhering to the *Standards on the Management of Packaging and Design*, responsibilities among relevant departments are clearly delineated.
- Printing and inspection of packaging and product labels are strictly controlled to ensure the truthfulness, accuracy, and compliance of the content.

Responsible marketing measures

To enhance awareness of responsible marketing among employees and ensure compliance, MicroPort regularly organizes internal and external training across all business lines, integrating responsible marketing practices into daily activities to uphold the Company's integrity and reputation. During the Reporting Period, MicroPort conducted 10 training sessions on responsible marketing, with total participation reaching 5,628 person-times.

SUPPLY CHAIN MANAGEMENT

Our Commitment

MicroPort embraces responsible business practices, striving to establish compliant and transparent collaborations and foster a green and resilient supply chain system. In collaboration with our supply chain partners, we are committed to achieving sustainable development goals.

Our Governance

MicroPort continuously refines our governance structure to ensure supply chain compliance and enhance sustainable development management. We have established a Supplier Management Committee and a Procurement Management Leadership Group, with specialized subdivisions for R&D and production procurement, supplier quality management, and import/export customs affairs, to guarantee the stability of the supply chain.

We have formulated the *Procurement Management Guide* to ensure compliance in procurement and supplier management activities across the Group. In 2024, we further refined our *Supplier Management Rules* in accordance with the FDA standards, incorporating detailed evaluation and management criteria for service suppliers, and standardizing the processes for supplier access, evaluation and management.

Our Management Strategy

MicroPort has established a robust supply chain management system, enhancing our capabilities through comprehensive supplier access mechanisms, refined classification management, and rigorous supplier audit program. Furthermore, we integrate ESG factors into our supply chain management to bolster resilience against risks, empowering suppliers to enhance their quality and management practices, thereby fostering a sustainable supply chain.

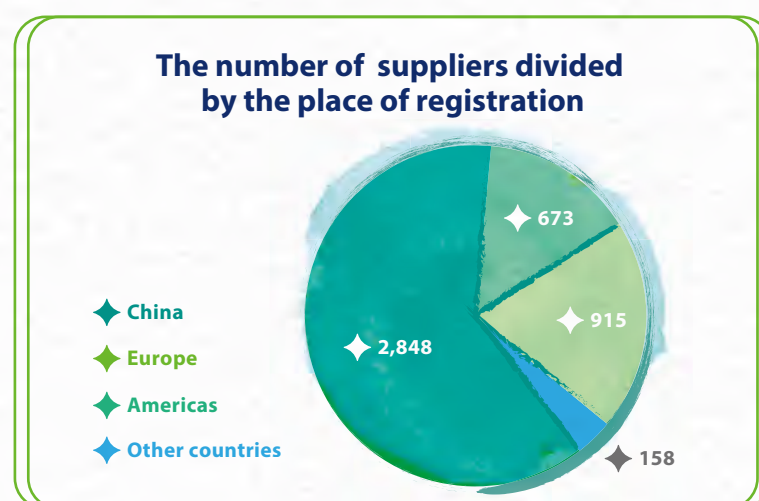
Our Action

Supplier management

MicroPort has established a comprehensive supplier management process that spans from development through verification, transfer, to commercialization, incorporating stages such as supplier self-assessment, qualification review, on-site audits, and sample evaluations. This process rigorously assesses suppliers on quality, cost, delivery, and service, thereby ensuring that approved suppliers can provide high-quality and reliable products and services.

In accordance with the *Supplier Management Rules*, the Company has developed a comprehensive supplier classification mechanism. Suppliers are categorized into three main types, namely product-specific, general, and service-oriented. They are further classified as high-risk, medium-risk, low-risk, or risk-free based on product impact, facilitating differentiated management strategy and enhanced supplier management efficiency.

At the end of the Reporting Period, MicroPort had a total number of 4,594 suppliers, and the number of suppliers by geographical region is shown as follows:



Supplier audits

MicroPort strictly adheres to a supplier audit mechanism, which covers system certification, second-tier supplier management, production environment, manufacturing process, and key process control. Suppliers are required to rectify any nonconformities identified.

The quality management of our suppliers are crucial for delivering high-quality products and services. We emphasize quality in evaluating and auditing suppliers, ensuring they meet our rigorous standards. At the end of the Reporting Period, we have 52 suppliers certified with ISO 9001 and 35 suppliers certified with ISO 13485.

During the Reporting Period, MicroPort conducted annual audits covering 39 key suppliers, with a pass rate of 100%.

Supply chain resilience

MicroPort continually enhances its supply chain risk management mechanisms by adopting diversified strategies to bolster stability. We mitigate or eliminate potential risks through measures such as local procurement, dual sourcing, and inventory management.



Supply chain risk response measures

We integrate ESG-related requirements into our supply chain management, elevating sustainability standards for suppliers and bolstering supply chain resilience. Suppliers are required to sign the *Supplier Social Responsibility Commitment Letter*, which clearly outlines the ESG requirements including environmental protection, labor rights, occupational health and safety, information security, and business ethics. At the end of the Reporting Period, 188 key suppliers have completed the signing of the *Supplier Social Responsibility Commitment Letter*, achieving a coverage rate of 65%.

Supplier empowerment

MicroPort continuously empowers our suppliers in improving quality and enhancing management. Based on audit-identified quality issues and risks, we tailor training and improvement plans to bolster their quality management. During the Reporting Period, MicroPort conducted 12 training sessions for 12 suppliers, achieving a product qualification rate of 99.35%.

Supplier empowerment program

In 2024, MicroPort prioritized the development and upgrading of domestic second-tier suppliers for materials. We implemented a coaching-based approach to promote continuous improvement, addressing issues such as crimping cracks at imaging points and non-compliant inner/outer diameters. By empowering our domestic suppliers, we efficiently tackled prolonged foreign supply cycles and high costs. This not only enhanced our supply chain efficiency but also empowered suppliers for greater competitiveness and growth.



ENVIRONMENT & ECOLOGY



Our Position

MicroPort demonstrates a steadfast dedication to environmental stewardship and the sustainable development of both our business and the natural environment. By actively practicing a range of emission management and resource management measures, we are committed to minimizing our environmental impact and ecological footprint. Furthermore, MicroPort strives to mitigate and adapt to climate change, positively contributing to global efforts towards a more sustainable future.

Our Key Performance

- Hazardous waste, medical waste, general industrial solid waste and municipal solid waste legally disposed rate of 100%
- The environmental testing completion rate of 100%
- Green electricity purchased of 11,149 MWh
- Intensity of GHG emissions was 42.44 tonnes CO₂-eq/million USD, with a year-on-year decrease of 17.22%

Contribution to the UN SDGs





ENVIRONMENT PROTECTION

Our Commitment

MicroPort is dedicated to green management, integrating eco-friendly practices into the business model and closely monitoring the environmental impacts of our operations and production. We proactively implement emissions management and efficient resource utilization, promoting the harmonious development of businesses, society and the environment.

Our Governance

MicroPort strictly adheres to applicable environmental laws and regulations in all locations where our business operates. Meanwhile, we have formulated and implemented the *Administration Procedures for Clean Production*, the *Procedures for the Identification, Evaluation and Control of Environmental Factors*, and other internal environmental management policies to regulate and standardize environmental protection practices across all production sites and continually enhance the environmental management system.

To enhance our environmental stewardship, we have set up a Responsibility & Safety Operation Committee (the “Safety Committee”), which is responsible for coordinating, guiding, and overseeing the environmental protection efforts in daily operations. Meanwhile, the executive working team of the Safety Committee is responsible for carrying out and checking the daily environmental management work, and each subsidiary company has set up a safety team to carry out its respective environmental, health and safety (EHS) tasks.

Our Management Strategy

To ensure the effective operation of the environmental management system, MicroPort actively carries out internal and external environmental audits, followed by timely rectifications to any issues identified during audits. The Group performs environmental audits and inspections through unannounced inspection, internal cross-checks, and monthly audit on hazardous waste. The Group also regularly publishes environmental testing data on the government website to ensure transparency and effective implementation of environmental protection. In 2024, we underwent two on-site inspections conducted by the regulatory authorities, and all identified issues have been rectified. Additionally, we passed the quarterly environmental protection inspections conducted by a third-party entrusted by the regulatory authorities. Each year, external certification bodies conduct external audits of subsidiaries that have obtained ISO 14001 Environmental Management Systems certifications.

At the end of the Reporting Period,

- 10 of MicroPort’s subsidiaries, including Shanghai MicroPort, MicroPort Endovascular, and MicroPort MedBot, have obtained ISO 14001 Environmental Management Systems certifications.
- Shanghai MicroPort and MicroPort Endovascular have been awarded as “Green Factory.”

Moreover, the Group values fostering environmental protection awareness. We implement various green office initiatives, advocate for green commuting, and regularly organize environmental protection trainings, thereby enhancing all employees’ environmental awareness and capabilities and actively practice the concept of “promoting a green lifestyle and conducting energy-saving production.”

During the Reporting Period, MicroPort conducted 2 environmental protection trainings that covered all employees, explaining relevant policies and management measures. With a 100% pass rate, these trainings have promoted continuous enhancement of our employees’ environmental protection awareness and competence.

Our Action

Emissions Management

MicroPort strictly abides by the applicable laws and regulations on emissions management in all locations where our business operates. We proactively implement measures to enhance our environmental management, effectively reducing emissions stemming from our business operations.

Air Emissions Management

The Group has formulated the *Procedures for the Prevention and Control of Air Pollution* to standardize the treatment and management of air emission. In our R&D and production operations, we utilize activated carbon for adsorption of volatile organic compounds (VOCs) and alkaline adsorbent for adsorption of acid mist emitted during pickling, electrolytic polishing, chemical reagent purification, and drug spraying processes. To rigorously control these emissions and mitigate air pollution, we install air emission treatment facilities and regularly replace filling materials of the facilities to maintain their treatment efficiency. We employ qualified third parties to conduct air emission testing every year, ensuring our air emission concentration meets compliant emission standards.

To continuously mitigate air emissions, we have implemented stringent source control measures aimed at reducing the consumption of ethanol and other chemicals. For instance, we continued to carry out the reduction of ethanol by optimizing stent cleaning process, enhancing ethanol reuse, and adopting other methods to minimize unnecessary consumption.

Indicator	Unit	2024	2023
Total air emissions	tonnes	4.14	–
Nitrogen Oxides (NOx)	tonnes	0.22	–
Particulate Matter (PM)	tonnes	0.61	–
Volatile organic compounds (VOCs)	tonnes	3.22	3.24
Other air emissions	tonnes	0.08	–
Intensity of total air emissions	tonnes/million USD	0.0040	–

Wastewater Management

The Group has developed the *Procedures for the Prevention and Control of Water Pollution*, clearly stating the wastewater treatment methods and standards. Our wastewater primarily originates from sources such as 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 employ unified wastewater treatment facilities to manage the wastewater generated from both production and domestic uses, ensuring it meets relevant discharge standards before being released into municipal sewage systems.

During the Reporting Period, an advanced heavy metal wastewater treatment equipment has been installed at our new production site, enhancing our capacity to treat industrial wastewater containing heavy metals.

Overseas, MPO consistently conducts weekly monitoring of pH and flow, along with quarterly testing of wastewater, to mitigate the adverse effects of discharged wastewater on the surrounding environment and public health.

Indicator	Unit	2024	2023
Chemical oxygen demand (COD)	tonnes	0.70	12.60
Ammonia-nitrogen discharged	tonnes	0.01	1.94

Waste Management

MicroPort has set up a series of waste management policies, including the *Solid Waste Pollution Control Procedures*, the *Hazardous Chemical Management System*, and the *Hazardous Chemical Control Processes and Responsibilities*, laying a solid foundation for implementing waste management effectively and realizing our waste disposal target.

The waste generated from our business operations is categorized into hazardous waste (medical waste and liquid chemical waste) and non-hazardous waste (general industrial solid waste and municipal waste generated from office operations). We have implemented various management and disposal approaches to handle different types of waste.

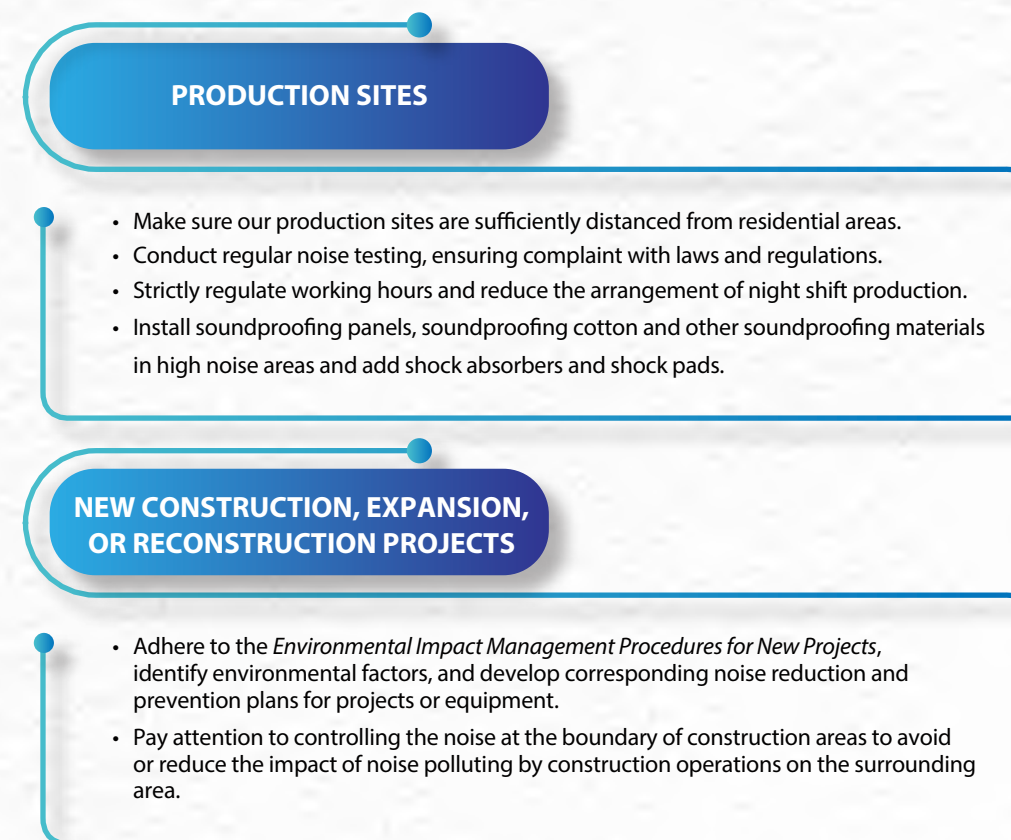


Our waste management objective is to optimize waste management and enhance waste utilization. On top of compliant waste disposal, we strive to minimize waste generation wherever possible. During the Reporting Period, we optimized our production processes to increase the alcohol reuse rate and reduce the use of alcohol, and the amount of alcohol used per unit of the production of our coronary products decreased by approximately 80.4% as compared with that in 2020, effectively reducing the generation of hazardous waste.

Indicator	Unit	2024	2023
Total amount of hazardous waste generated	tonnes	391.87	394.25
Total hazardous waste disposed	tonnes	391.87	394.25
Intensity of hazardous waste generated	tonnes/million USD	0.38	0.41
Total amount of non-hazardous waste generated	tonnes	748.54	1,074.88
Total amount of non-hazardous waste recycled	tonnes	617.22	605.48
Intensity of non-hazardous waste generated	tonnes/million USD	0.73	1.13

Noise Management

We have formulated and implemented the *Procedures for the Prevention and Control of Noise Pollution* and take a series of noise control initiatives to mitigate the impacts of noise from our operations on surrounding areas.



Noise control initiatives

Resources Management

MicroPort upholds the concept of circular economy and actively promotes the efficient utilization and recycling of various resources such as water and packaging materials. The Group is committed to constructing an eco-friendly and low-carbon model that advances our progress towards green development.

Water Management

MicroPort strictly adheres to the *Clean Water Act* and applicable water conservation laws and regulations in all locations where we operate worldwide. We have established the *Water Management System* and implemented sustainable water resource management in our production operations.

The Group utilizes municipal tap water as our water resource in production and operations. We have set and actively strive to achieve our water efficiency target, which is to optimize water resources management system and build water recycling management system.



ENVIRONMENT & ECOLOGY

In terms of water resources management, we consistently monitor the use of water resources to timely detect and handle leaks or seepage resulting from equipment malfunctions and other potential sources of water waste. We also reduce water consumption by optimizing technological process of water purification systems and installing water-saving equipment in production sites. Additionally, water-saving notices are put up to enhance our employees’ awareness of water conservation.

Water recycling constitutes a pivotal component of our water-saving strategies. We have taken several water resources recycling initiatives, including recycling production cooling water, building rainwater collection, treatment and reuse systems, and utilizing the leftover water extracted by the air handlers, to improve water consumption efficiency and facilitate reuse of water resources.

Indicator	Unit	2024	2023
Total water consumption	tonnes	610,341	570,061
Intensity of water consumption	tonnes/million USD	591.93	599.61

Packaging Material Management

We actively explore the opportunities in the reduction and recycling of packaging materials, enhancing the environmental attributes of our products and packaging materials. During our operations, we recycle and reuse sterile transport boxes, which can be utilized up to eight times each, thereby significantly reducing the consumption of packaging materials.

Indicator	Unit	2024	2023
Total packaging material consumption of finished products	tonnes	671.16	713.82
Intensity of packaging material consumption of finished products	tonnes/million USD	0.65	0.75
Total recycling of packaging materials of finished products	tonnes	44.13	11.81

Green Office Practices

MicroPort promotes green office initiatives and reduces the consumption of resources in the office, creating a sustainable and environmentally conscious workplace. We have launched digitalization systems to promote electronic documentation and advocate paperless office, successfully decreasing the usage rate of paper records by 95.86%. We have also encouraged employees to adopt diverse and efficient resource utilization measures, such as using double-sided printing and recycling office supplies. Additionally, we have increased the use of online meetings to reduce greenhouse gas (GHG) emissions from business travel.

ENVIRONMENT & ECOLOGY

CLIMATE CHANGE

Our Commitment

Climate change poses a significant threat to both human well-being and the ecological balance of our planet. Deeply recognizing the importance of addressing climate change, MicroPort pays close attention to climate-related laws and regulations, targets, and action plans at all locations where our business operates and proactively responds to the carbon peaking and carbon neutrality goals in China. We are proactively seeking low-carbon development pathways aimed at minimizing energy consumption, GHG emissions, and adverse environmental impacts to address climate change.

Our Governance

Based on the framework of the Task Force on Climate-related Financial Disclosures (TCFD), MicroPort has actively identified and evaluated climate change risks and opportunities, developed response initiatives, and regularly reviewed relevant metrics.

We have also strengthened our governance responsibility on climate change. The Board of Directors oversees the overall management of addressing climate change. Our EHS Management Committee is accountable for developing and implementing climate change response measures. Each committee member is responsible for their respective department’s efforts on climate change mitigation and adaptation.

Our Management Strategy

Strategy

We have identified the potential risks and opportunities that climate change may present to MicroPort’s business operations and compiled a list of climate change risks and opportunities.

Climate Change Risk and Opportunity	Potential Impact	Probability of Occurrence	Time Dimension	Impact Intensity
Transition Risks				
Policy and legal	Increase in compliance costs to meet regulatory requirements	Low	Medium-term	Strong
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	High	Short-term	Medium

Climate Change Risk and Opportunity	Potential Impact	Probability of Occurrence	Time Dimension	Impact Intensity
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)	High	Medium-term	Medium
Reputation	Potential reputational impact arising from response to stakeholder expectations for proactive action and increased transparency in disclosure on climate action	Low	Short-term	Weak
Physical Risks				
Acute	Extreme weather events disrupt daily production operations and supply chain disruptions resulting in reduced or disrupted production capacity	Low	Short-term	Weak
Chronic	Persistent hot weather due to climate change may result in unstable power supply	Low	Long-term	Medium
Opportunities				
Products and services	Improvement on execution efficiency and profitability of outstanding products and reduction of product costs	High	Long-term	Weak
Resource efficiency	Improvement on utilization efficiency including energy and water resources, and reduction of operating costs	High	Medium-term	Medium
Energy source	Increase in utilization of low emission energy/clean energy to reduce the risk of rising energy prices in the future	Low	Medium-term	Medium

We have developed climate change response strategies that span short-term, medium-term, and long-term horizons, managing the Group's climate change risks and opportunities. Each year, the Group evaluates the progress on addressing climate change and adjust our corresponding measures.

Short-term (<1 year)

- Identify and evaluate climate change risks and opportunities and update the list and response measures accordingly.

Medium-term (1–5 years)

- Review the effectiveness of our climate change addressing efforts according to the external changes and internal management and performance in medium-term.
- Optimize strategic directions promptly to ensure the resilience of our climate change strategies.

Long-term (>5 years)

- Follow the carbon peaking and carbon neutrality goals and strive to achieve long-term success in climate change mitigation and adaptation.

Climate change management strategy

Risk Management

Climate change risk is integrated into the Group's overall risk management. We have implemented a climate change risk management process of "risk identification — risk evaluation — risk ranking — risk control" to identify and evaluate climate related impacts, risks, and opportunities and develop and conduct climate risk and opportunity control measures.

For climate change transition risks, we continuously monitor policy regulations, technological upgrades, market demands, and our reputation. In line with external changes and our own development plan, we promptly update our management standards, plan of procurement, production, and supply, as well as energy-saving and emission-reduction initiatives.

For climate change physical risk, the Group has formulated the *Emergency Plan for Production Safety Accidents*, which covers emergency plans such as the *Special Emergency Plan for Flood and Typhoon Prevention*, and sets up reporting and response procedures for different response levels, to enhance emergency response capabilities during severe weather events and reduce the likelihood of safety incidents related to climate change. We have also conducted drills every year and reserve emergency supplies to prepare for severe weather scenarios and improve emergency response capabilities.

For climate change opportunities, we actively promote the implementation and optimization of emission management, circular economy initiatives, and renewable energy transitions, enhancing the environmental attributes of our products and services. CRM's overseas companies have decreased their carbon footprint and GHG emissions by opting for local food service providers, using eco-friendly materials for grounds maintenance, and encouraging the use of alternative transportation methods. For example, they have installed facilities for bicycle repairs and charging low-carbon vehicles, while also promoting carpooling initiatives.

Metrics and Targets

MicroPort has established energy efficiency and carbon emission targets and proactively implemented energy-saving and emission reduction measures to achieve our targets.

Energy Efficiency Target

- Improve operational efficiency to achieve negative growth in energy consumption intensity

Carbon Emission Target

- Implement the Carbon Peaking and Carbon Neutrality Policy to achieve negative growth in carbon emission intensity

To further our climate change management and disclosure, we have established a constant monitoring and periodic review mechanism for energy consumption and GHG emissions.

Indicator	Unit	2024	2023
Energy Consumption			
Direct energy consumption	kWh	14,587,099	13,055,730
Gasoline	kWh	94,225	247,378
Diesel	kWh	164,140	478,427
Natural gas	kWh	14,328,734	12,329,926
Indirect energy consumption	kWh	98,242,029	123,772,952
Purchased electricity	kWh	87,088,670	106,296,077
Purchased green electricity	kWh	11,149,000	13,823,169
Purchased steam	kWh	4,359	3,653,706
Total energy consumption ¹	kWh	112,829,128	136,828,682
Intensity of total energy consumption	kWh/million USD	109,426	143,920
GHG Emissions²			
Scope 1 GHG emissions	tonnes CO ₂ -eq	2,831	3,168
Scope 2 GHG emissions	tonnes CO ₂ -eq	40,929	45,579
Total GHG emissions	tonnes CO ₂ -eq	43,760	48,747
Intensity of GHG emissions	tonnes CO ₂ -eq	42.44	51.27

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 and the Emission Factors for Greenhouse Gas Inventories published by the U.S. Environmental Protection Agency (EPA).

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, the Emission Factors for Greenhouse Gas Inventories published by the U.S. Environmental Protection Agency (EPA), etc. The emissions of electricity consumption are prepared with reference to the emission factors of each region.

Our Action

Energy Management

Striving to actively combat climate change, MicroPort emphasizes energy-saving management and strengthens the implementation of energy-saving initiatives. We comply with the laws and regulations on energy management and conservation in all operation sites and have formulated the *Procedures for the Management of Energy Conservation Design* and the *Procedures for Energy-Saving Procurement*. The Group is actively strengthening our energy management system, with Shanghai MicroPort and MicroPort Endovascular have obtained ISO 50001 Energy Management Systems certification.

Daily Energy-saving Practices

- Use energy-saving lamps in office and sensor lights in stairwells.
- Only switch on equipment such as computers when needed and turn off after work.
- Set the air conditioner temperature to no lower than 26°C in the summer, close the windows when using it, and turn it off timely after use.

In our daily operations, we have carried out energy-saving practices to reduce our energy consumption. Our equipment and facilities have met the requirements of energy efficiency standards, and all the equipment in our new construction projects has attained Grade 1 energy efficiency, reflecting our commitment to energy conservation and operational excellence. Moreover, we have launched an online energy monitoring management platform to ensure more efficient energy management.

Optimization of equipment operation mode

We have optimized the operational mode of our purification air-conditioning systems, implementing frequency reduction during production intervals for enhanced efficiency. During the Reporting Period, such optimization measure has decreased our energy consumption by 71,800 kWh.

Installation of energy storage equipment

MicroPort has carried out a new energy storage project, which includes the installation of 9 modular energy storage cabinets and 2 grid-connected energy storage cabinets. These cabinets undergo two full charge-discharge cycles per day and all the stored energy is consumed internally. Since its official operation in September 2024, the comprehensive actual operating efficiency of the equipment has reached 88.39%, with an estimated annual cost reduction of RMB120,000.



In addition, MicroPort is advancing energy transition and reducing GHG emissions by utilizing rooftop solar water heaters and purchasing green electricity, contributing to the global effort to address climate change.



EMPLOYEES & COMMUNITY



EMPLOYEES & COMMUNITY

Our Position

MicroPort promotes inclusive growth by empowering employees through career development and fostering diversity, enabling innovation. We actively engage with communities through initiatives in universal healthcare, public welfare, volunteerism, and industry collaboration. Our dedication to inclusive growth reflects our belief in shared prosperity, advancing positive societal impact and fostering mutual growth within the industry.

Our Key Performance

- The proportion of female employees was 52%.
- The percentages of female employees in middle and senior management are 39% and 26% respectively.
- Average employee training hours reached 11.
- Total donations about USD 5.7 million.
- Total time spent on voluntary work exceeded 375 hours.



Contribution to the UN SDGs



EMPOWERING OUR EMPLOYEES

Our Commitment

Guided by a people-oriented development philosophy, MicroPort is committed to fostering an equal, inclusive, and diverse culture that attracts, develops, and retains talent, providing sustained momentum for the Company's growth. We prioritize creating a safe work environment, protecting employee rights, promoting well-being, and empowering our people to achieve self-realization and personal growth.

Our Governance

MicroPort has established a robust governance framework to ensure compliant employment practices, protect employee rights and interests, and promote talent development. We strive to foster a safe workplace and have formed an EHS Management Committee to oversee safe operations across the organization. Additionally, each subsidiary has formed dedicated safety teams to effectively implement health and safety measures.

Our Management Strategy

MicroPort consistently refines our employee development strategy, attracting talents from around the world. We identify and assess talent requirements, aligning our talent structure with business growth, and establish a diverse talent pool to foster development.

To protect and empower our employees, we have implemented comprehensive management systems encompassing every aspect of human resource management.

TALENT RECRUITMENT

- MicroPort adheres strictly to International Labor Organization (ILO) standards and stands firmly against any form of discrimination. We develop institutional documents, such as the *Employee Handbook* in accordance with applicable laws and regulations in our operational sites to ensure compliance in employment practices.

REMUNERATION AND BENEFITS

- MicroPort has established internal policies including the *Salary Management Measures*, *Welfare Management Measures*, and *Leave Management Measures*, providing employees with competitive compensation packages and comprehensive benefits.

TALENT DEVELOPMENT

- MicroPort adheres to the talent development philosophy of "Providing opportunities for those who wish to work, platforms for those who are capable, and promotions for those who excel." We keep enhancing our talent development system and mechanisms to support employee growth and drive individual and organizational development.

HEALTH AND SAFETY

- MicroPort has refined internal systems such as the *Policy for Production Safety Responsibility*, *Policy for Safety Objective Management*, *Policy for Dangerous Chemical Management*, and *Policy for Occupational Disease Prevention Responsibility*, to clarify our health and safety management standards.

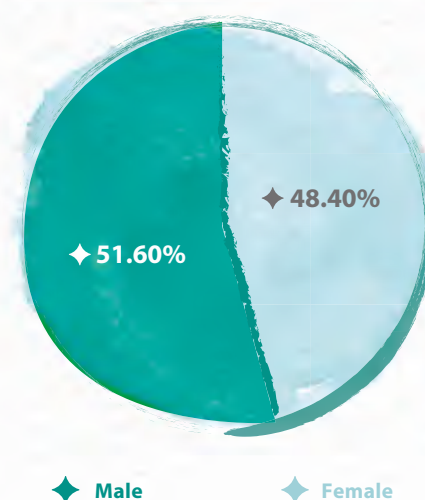
Our Action

Talent Recruitment

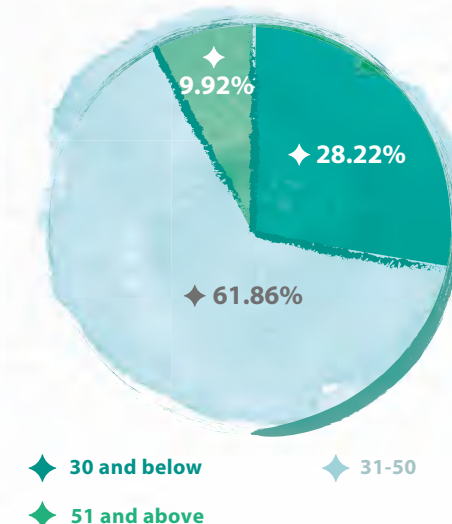
MicroPort is committed to upholding labor rights, ensuring compliant and equitable employment practices. The Company strictly prohibits child labor and forced labor, terminating employment immediately upon discovering violations and reporting to the authorities. Committed to the principle of "Fairness and Equity," we guarantee equal rights and opportunities for all employees, regardless of gender, age, ethnicity, race, nationality, religious belief, or other factors.

At the end of the Reporting Period, MicroPort had a total of 6,347 employees, with the specific breakdown as follows:

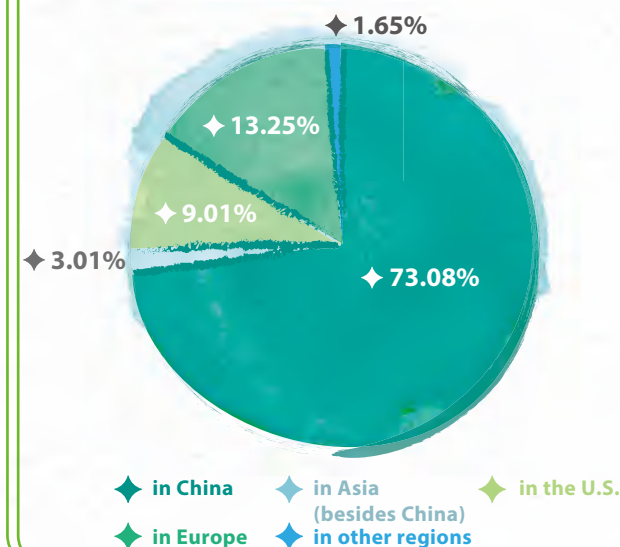
Employees by Gender



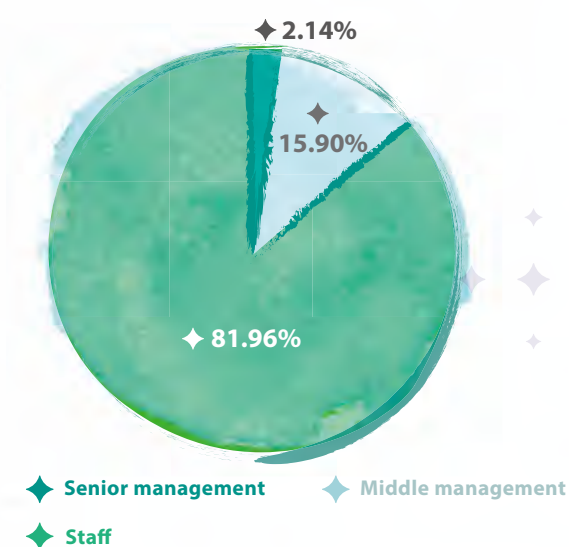
Employees by Age



Employees by Geographical Region



Employees by Position



We continually expand talent recruitment channels through internal referrals, social recruitment, and campus recruitment, attracting talent and strengthening our team to drive the Company's development.

Cross Star Management Trainee Program

The Cross Star Management Trainee Program, a pivotal campus recruitment drive by MicroPort for 2024, focuses on cultivate versatile talents specializing in operating room assistants, integrated sales, and operational maintenance engineering. By leveraging systematic training and hands-on experiences, the program sharpens trainees' sales acumen, market perception, and channel & customer management expertise. Following promotions at five medical universities, MicroPort received thousands of applications and ultimately selected 10 Cross Star trainees for employment. This initiative aims to foster future leaders in the medical industry, aggregating individual talents to collectively propel the advancement of the industry.

MPO Campus Recruitment

MPO collaborate with high schools, trade schools, and colleges to attract top talent in the United States and Costa Rica, ensuring a continuous supply of candidates for manufacturing roles. Additionally, MPO hosted tours and actively participated in recruitment events at key educational institutions, drawing in numerous professional talents.



Remuneration and Benefits

MicroPort has developed a tailored compensation and incentive framework aligned with diverse functions and roles, effectively boosting employee motivation and retaining top talent. In addition to fixed salaries, we provide variable compensation, benefits, and position-specific allowances to all employees. The Company has also implemented a long-term equity incentive program encompassing directors, employees, and partners.

- | | |
|---------------------------|---|
| Statutory Benefits | <ul style="list-style-type: none"> • MicroPort implements employee insurance and housing fund programs in accordance with regulatory requirements. • Employees are entitled to statutory holidays, paid time off, maternity leave, etc. |
| Financial Support | <ul style="list-style-type: none"> • Alongside statutory benefits, MicroPort also offers commercial insurance. |
| Family Care | <ul style="list-style-type: none"> • MicroPort provides supplementary housing fund, rental allowances, wedding bonuses, newborn benefits, etc. |
| Work-Life Balance | <ul style="list-style-type: none"> • Flexible working arrangements are in place. • The Company enhances the development of the "Love Maternity Room" to provide convenience and care for female employees during pregnancy and lactation. • Employee-friendly service areas have been established. |

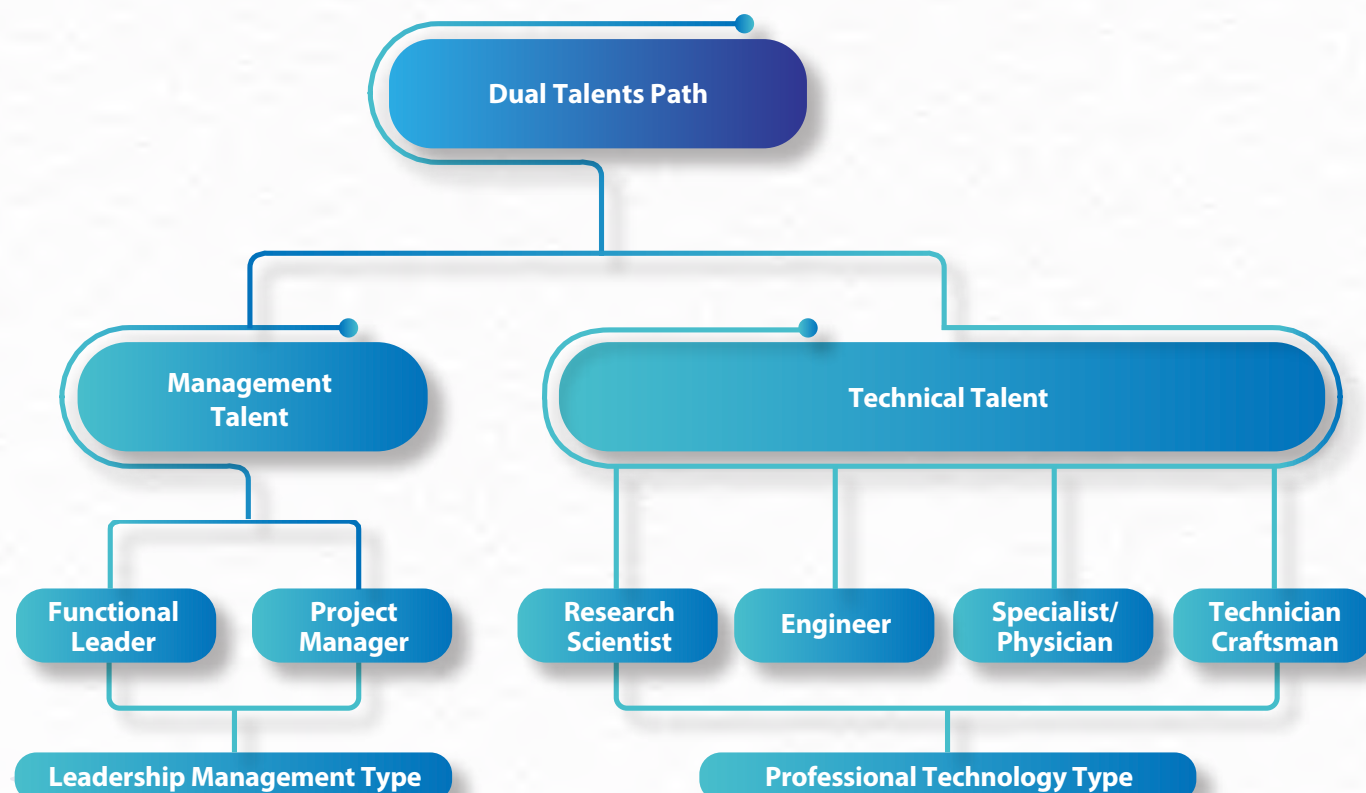
Employee benefits for all employees at MicroPort

MicroPort strives to build an organizational capability system that combines flexibility and resilience, aiming to achieve overall organizational efficiency enhancement and respond to the increasing uncertainty of the external market. During the Reporting Period, we streamlined some projects and positions, with a total employee turnover rate of 28.51%. The specific breakdown is as follows:

Indicator		Unit	2024
Total Turnover Rate		%	28.51
Turnover Rate by Gender	Female	%	26.40
	Male	%	30.62
Turnover Rate by Age	30 and below	%	36.60
	31–50	%	25.88
	51 and above	%	16.67
Turnover Rate by Geographical Region	China	%	31.33
	Asia (besides China)	%	15.49
	The U.S.	%	27.13
	Europe	%	15.22
	Other Regions	%	13.22

Talent Development

MicroPort has implemented a Two Career Paths and Eighteen Ranks Career Development System to ensure fair and diverse career advancement opportunities for all employees. This system includes both management and technical tracks, with a strategic focus on developing sales talents in 2024, to ensure that clear career development paths are established for employees across all positions and levels. Furthermore, we encourage employees to transition between career paths in alignment with their personal aspirations and the Company's needs.



MicroPort Two Career Paths and Eighteen Ranks Career development system

The Company has established a fair and transparent performance evaluation and assessment system, which standardizes employee performance management and motivates employees to create value. We regularly conduct performance evaluations through our Human Resource Management System and hold performance review meetings to ensure that employees fully understand the feedback and make improvements accordingly.

MicroPort has established a comprehensive talent training system, comprising four MicroPort training schools including Earth-Down Leadership Academy, Innovation Qualification & Competency Institute, Emerging Technology Knowledge & Action Institute and Culture & Philosophy Academy. In 2024, the Company primarily launches diverse and tailored employee training and development programs covering all employees.

Earth-Down Leadership Academy

Earth-Down Leadership Academy aims to establish a global hub for cultivating supply chain leadership competencies. Focused on developing comprehensive executive talent across all functional levels, the Academy offers leadership pipeline programs tailored for mid-to-senior managers group-wide. Each cohort's curriculum is reverse-engineered based on competency profiles of target leadership roles, featuring over 100 specialized courses that distill organizational wisdom and institutional knowledge while transmitting corporate culture.

Position-Specific Skill Training

To meet the strategic goal of business transformation, we implemented position-specific skill training for 10 management trainees through a "centralized training and mentor-guided practice" model in 2024. The program featured a one-month intensive training covering corporate culture, group-wide operations, general disease overview, therapeutic solutions, operating room assistants, therapy promotion strategies, and personal development. Through mentor-guided practice, trainees rapidly gained business insights and conducted hands-on operations, effectively enhancing their professional expertise and work capabilities.



Tachy Mastery Course in China (CRM)

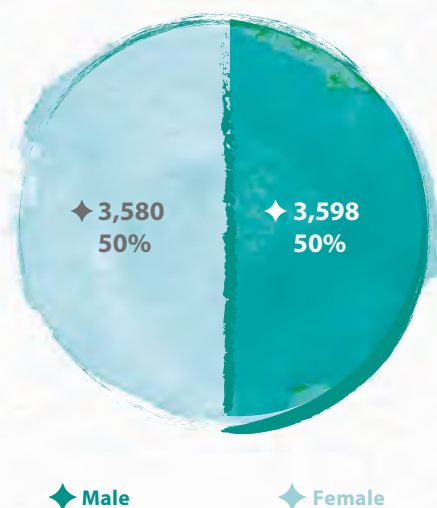
In 2024, the Global Education team relocated its Mastery Course to Shanghai, China. The course aimed to deliver a comprehensive Mastery training program tailored for Marketing and Sales teams. This five-day training course was designed to equip the team with in-depth technical and clinical knowledge regarding our defibrillator range, ensuring they are fully-prepared for the upcoming product launch in China.



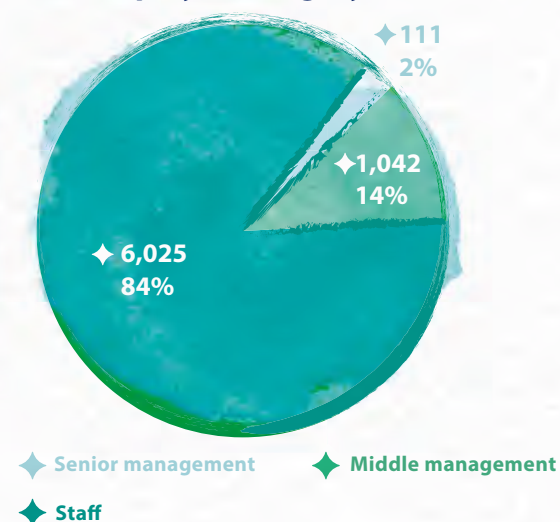
Additionally, we encourage employees to participate in external academic upgrading or qualification exams and provide abundant resources and financial support to strengthen the capacity building of our talent pool. During the Reporting Period, MicroPort reimbursed expenses for a total of 370 employees.

During the Reporting Period, MicroPort provided training in various areas including basic medical science, disease diagnosis and treatment methodologies, product and service expertise to our employees, with an average training duration per employee of 11 hours. The specific breakdown is as follows:

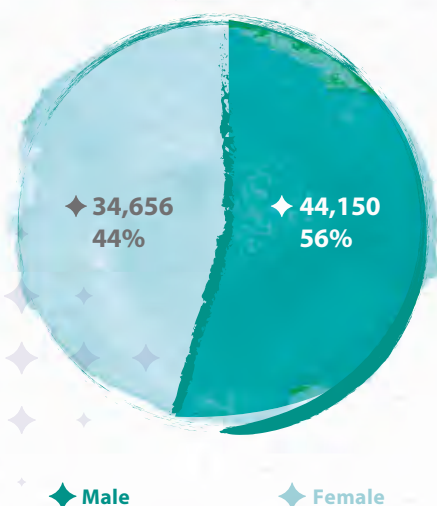
Number of trained employees by gender



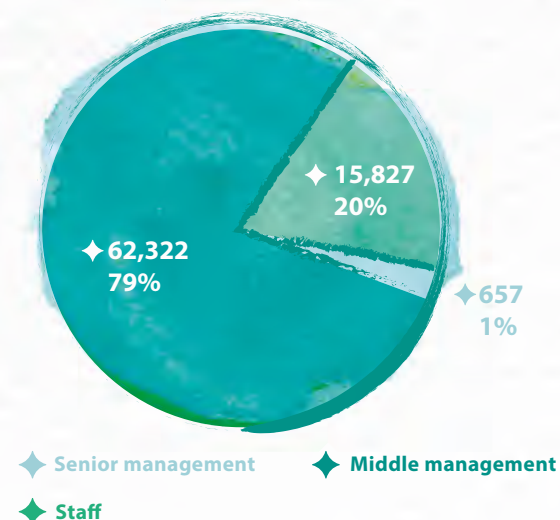
Number of trained employees by employee category



Number of training hours for employees by gender



Number of training hours for employees by category



Talent Care

MicroPort respects and upholds employees' right to free association, and we have established a Labor Union responsible for spearheading the annual signing of collective agreements including specialized contracts for female employee protection, ensuring employees' rights and interests in accordance with the law. We prioritize the health and safety of female employees by formulating the *Protection Policy for Female Employees*, which prohibits female employees from engaging in physical labor with Grade III or above and provides job adjustments based on their physiological characteristics and needs.

The Company has established 20 community organizations (horizontal organizations), including volunteer service teams and sports leagues, adhering to the principle of democratic management and allowing employees to voluntarily join or withdraw. These horizontal organizations have designed a variety of employee activities tailored to the needs of employees across all levels and age groups, fostering enhanced communication among employees and boosting team cohesion.

Care for employees' children

In 2024, MicroPort organized childcare and volunteer guardianship programs during winter and summer breaks. Our employee volunteers cared for employees' children in the Group's distinctive reading room. Furthermore, we launched the "2024 MicroPort Children's Summer Camp," featuring activities such as sculpting, traditional Chinese painting, calligraphy, crafts, and drawing, all aimed at igniting children's creativity and imagination while nurturing their learning and growth in a joyful atmosphere.



MicroPort has established a formal and confidential employee complaint procedure aimed at fostering a better workplace. Through diversified channels such as the employee hotline, meeting with senior management, and the Woodpecker Platform, we receive and promptly address complaints regarding labor rights violations and other HR-related issues, ultimately enhancing employee satisfaction.

Health and Safety

MicroPort is committed to the continuous improvement of our occupational health and safety management system. We formulate annual EHS policies, objectives, and indicators, and we require all departments and subsidiaries to sign the *EHS Target Responsibility Letter*. These collective efforts enhance our occupational health and safety management standards.

Safety Risk Management

- Implement hierarchical safety risk management based on the *Security Risk Classified Management and Control Assessment Report*.
- Establish an annual safety inspection schedule encompassing monthly 6S audits, special inspections, and both scheduled and unscheduled inspections by external regulatory bodies.
- Develop emergency response plans, including the *Comprehensive Emergency Plan for Safety Incidents* and *Emergency Rescue Site Handling Plan* to enhance our emergency response capabilities.

Occupational Disease Prevention

- Form an occupational disease prevention team dedicated to continually enhancing the occupational disease prevention and management system.
- Collaborate with third-party experts to annually conduct on-site assessments of occupational disease hazards, identify risks, and swiftly implement corrective measures.
- Equip employees exposed to occupational hazards with specialized protective gear.
- Mandate pre-employment, periodic, and post-employment health screenings for employees at risk of occupational diseases.

Occupational Health and Safety Management Initiatives

MicroPort implements a safety education program for new hires and regularly conducts routine training sessions and emergency drills for all employees, aimed at nurturing their health and safety awareness, boosting protective measures, and optimizing emergency response skills. During the Reporting Period, we organized 160 occupational health and safety trainings, covering 100% of our total workforce.

MicroPort health and safety emergency drills

In 2024, MicroPort organized 15 comprehensive or special emergency drills for our employees, covering scenarios such as mechanical injury accidents, dangerous chemicals, fire safety, and extreme weather response. These drills enhanced employees' emergency handling capabilities and effectively improved the company's health and safety management level.



MicroPort proactively seeks certifications for our occupational health and safety systems. During the Reporting Period, 10 of our subsidiaries secured ISO 45001 certification, 4 attained national work safety standardization second-level certification, and 6 achieved third-level certification. Additionally, MicroPort was awarded an advanced fire protection certificate at the municipal level in 2024.

During the Reporting Period,

- MicroPort experienced no major safety accidents, with 13 work-related injuries and a total of 391 lost workdays.
- The Company achieved 100% employee occupational health check-ups coverage, with no occurrences of occupational diseases or suspected cases.
- The work-related injury rate per thousand employees successfully met the management target of not exceeding 2‰.

FOSTERING OUR COMMUNITIES

Our Commitment

In alignment with the UN SDGs, we are dedicated to ensuring access to quality healthcare, promoting social welfare, fostering volunteerism, and advancing medical innovation. Through these efforts, we aim to build healthier, more equitable communities across the globe.

Our Management Strategy

MicroPort actively embraces its social responsibility by committing to initiatives that drive meaningful change in society. We strive to promote accessible healthcare, ensuring that advanced medical technologies and treatments are available to more people. In addition, we are dedicated to fostering industry growth through innovation, collaboration, and knowledge sharing, which not only advances the medical device field but also strengthens the overall healthcare ecosystem.

Our efforts extend beyond the industry as we actively engage in community development, participating in public welfare programs, supporting education, and encouraging volunteerism to create lasting positive impacts. By integrating these principles into our operations, MicroPort contributes to societal well-being and spreads warmth and care, exemplifying our commitment to shared prosperity and a better future for all.

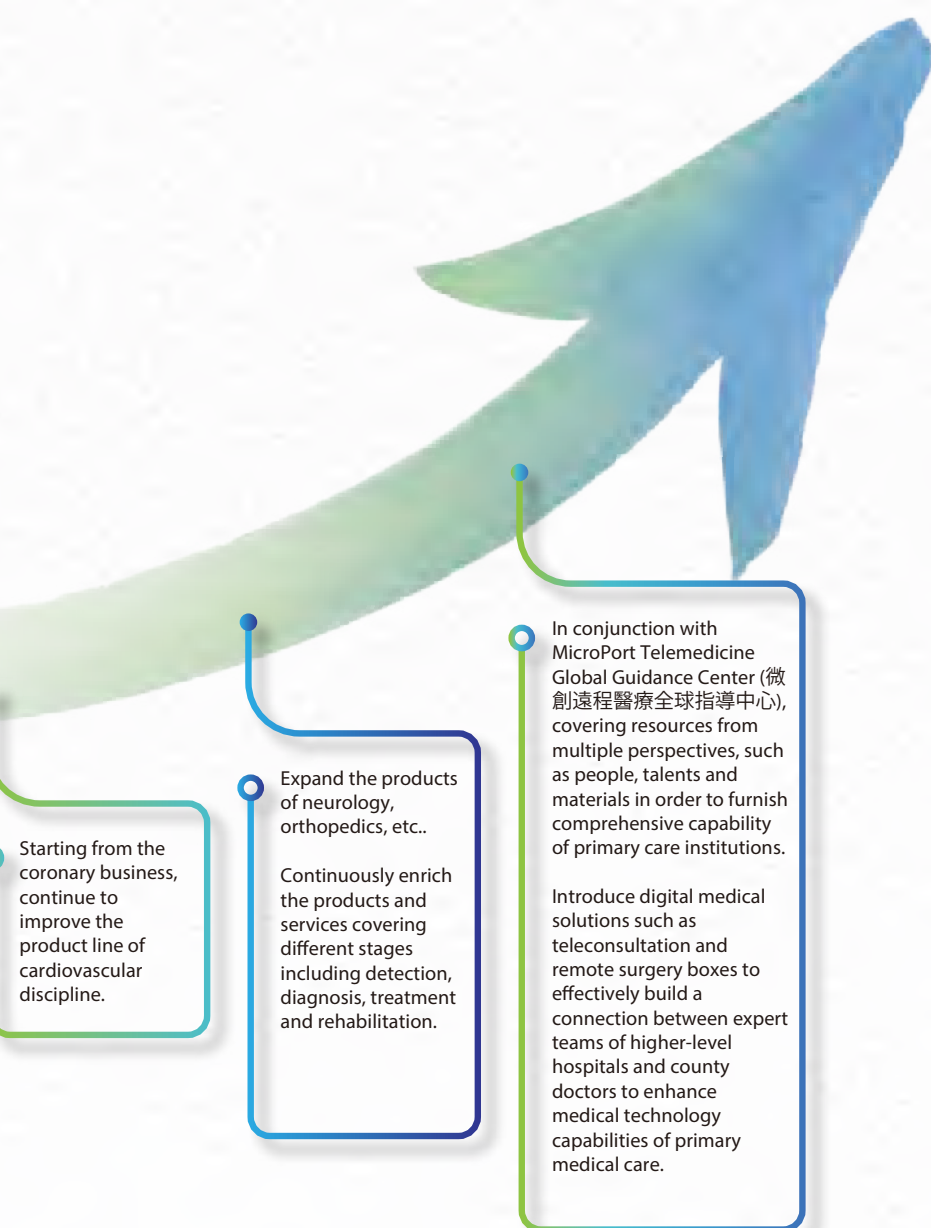


Our Action

Patient Care

Swallow Program

To realize the vision of “Breaking Barriers for County Patients to Live Beyond 115 Years, Where Every Family Finds Hope like a Flying Swallow,” MicroPort initiated the Swallow Program in 2017. This program provides high-quality, affordable, and advanced medical devices for a broader patient base. Through ongoing collaboration with healthcare institutions and enhanced product accessibility, MicroPort strives to extend the benefits of advanced technology to more patients, improving lives and fostering hope across communities.



The Development Roadmap of the Swallow Program

Products benefiting patients around the globe

MicroPort is committed to promoting the global adoption of its advanced medical device products, with a particular focus on reaching underdeveloped regions both domestically and internationally. By bridging the gap in healthcare accessibility, we strive to ensure that patients in less developed areas can benefit from high-quality, cutting-edge medical technologies. Through innovation, collaboration, and unwavering dedication, we work to break barriers in healthcare, enabling more individuals to access life-saving treatments and enjoy healthier, more fulfilling lives.

The inaugural commercial clinical application of MicroPort Medbot's Skywalker® product in South America

In 2024, MicroPort MedBot's SkyWalker® product achieved a commercial breakthrough in the South American market by completing the first commercial Total Knee Arthroplasty (TKA) in Brazil at Hospital Veracruz. The introduction of SkyWalker®, an innovative cutting-edge technology, significantly enhanced the safety and accuracy of TKA procedures. This milestone not only helped establish Hospital Veracruz as a leading center for TKA but also expanded the reach of MicroPort's products to benefit patients globally.

Win-Win Partnerships

MicroPort values industry collaboration, sharing research progress to fuel innovative development for both the Company and the wider industry. We forge partnerships with like-minded companies and organizations, engaging deeply in industrial cooperation to bolster innovation and foster a positive industry ecosystem.

Heart Rhythm Congress in 2024

In 2024, the annual Heart Rhythm Congress (HRS) was held in Boston, USA. MicroPort and CRM exhibited our cardiac rhythm management and electrophysiology products. Highlights included the FDA-approved ALIZEA™ Bluetooth® pacemaker system with remote monitoring and the Columbus 3DEP Navigation System.



2024 LIRYC Training Sessions

CRM sponsored the 2024 LIRYC training sessions in Bordeaux, France. The sessions focused on defibrillators and were attended by nine healthcare professionals from Portugal and Italy. The courses aimed to enhance expertise in defibrillator algorithms and featured real case studies using the MicroPort programmer.



Participates in the ESSKA Congress in Milan

MPO participated in the European Society for Sports Traumatology, Knee Surgery and Arthroscopu (ESSKA) Congress in Milan, Italy, attended by over 4,200 participants. During the event, MPO Italy showcased the SkyWalker® Surgical Robot. MPO also announced a partnership with Belgium's moveUP, launching SkyWalker® Insights. This collaboration aims to maximize data value from MPO's SkyWalker® Platform and moveUP's patient data platform, creating a clinical cloud-based solution for patient engagement, healthcare insights, and care team collaboration.



Community Contributions

MicroPort actively participates in public welfare and volunteer service initiatives, boosting our involvement and dedication to community development. By leveraging our resources and efforts, we collaborate closely with communities to co-create a brighter future.

Support for Rural Revitalization

MicroPort is committed to supporting remote and underdeveloped rural areas, contributing to rural revitalization through educational assistance and paired-help initiatives. In 2024, the Company awarded scholarships for students and provided the teachers with subsidies at hope schools in Shandong and Guizhou, fostering student development and bolstering rural teaching capabilities.

Donation for flood disaster relief in Huludao

In 2024, MicroPort swiftly responded to the flood disaster in Huludao, Liaoning, by donating emergency relief supplies. These provisions were instrumental in assisting the affected residents in overcoming challenges and rebuilding their lives. We recognize that every act of assistance brings warmth and hope to disaster-stricken areas, embodying our dedication to fulfilling social responsibilities and co-creating a better society.



Volunteer Service Activities

In 2024, MicroPort initiated a volunteer program at Zhangjiang Library, where employees actively engaged in sorting books, maintaining cleanliness and order, and collectively enhancing the community environment.



CRM employees united for raising breast cancer awareness

In support of Breast Cancer Awareness Month, CRM organized a heartwarming and impactful "Pink October" event, aiming to raise awareness for breast cancer and promote early detection. Employees across the Company wore pink outfits and adorned their workspaces with pink decorations, transforming the office environment into a vibrant tribute to the cause. The initiative kicked off with valuable information shared by the "Health at Work" program, which helped educate employees on the importance of breast cancer awareness and prevention. Through this initiative, CRM encouraged staff to take action, contribute to the cause, and strengthen the Company's culture of care and social responsibility.



CRM participates in a green initiative in the Dominican Republic

CRM collaborated with the Dominican Republic Government on a reforestation project. Employees planted 600 trees in Ozama Wetlands National Park. This effort benefits the environment and strengthens team bonds. CRM's dedication to this initiative since 2022 reflects their commitment to environmental protection and local community engagement.



Appendix 1: HKEX ESG Reporting Guide Index

Subject Areas, Aspects, General Disclosures and KPIs		Chapter
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.	Environment & Ecology: Environment Protection Environment & Ecology: Climate Change
KPI A1.1	The types of emissions and respective emissions data.	Environment & Ecology: Environment Protection
KPI 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).	Environment & Ecology: Climate Change
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Environment & Ecology: Environment Protection
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity. (e.g., per unit of production volume, per facility).	Environment & Ecology: Environment Protection
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Environment & Ecology: Environment Protection Environment & Ecology: Climate Change
KPI 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.	Environment & Ecology: Environment Protection
Aspect A2:	Use of Resources	
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Environment & Ecology: Environment Protection Environment & Ecology: Climate Change
KPI 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).	Environment & Ecology: Climate Change
KPI A2.2	Water consumption in total and intensity (e.g., per unit of production volume, per facility).	Environment & Ecology: Environment Protection
KPI A2.3	Description of energy-use efficiency target(s) set and steps taken to achieve them.	Environment & Ecology: Climate Change
KPI 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.	Environment & Ecology: Environment Protection
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Environment & Ecology: Environment Protection

Subject Areas, Aspects, General Disclosures and KPIs		Chapter
Aspect A3:	The Environment and Natural Resources	
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	Environment & Ecology: Environment Protection
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environment & Ecology: Environment Protection
Aspect A4:	Climate Change	
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Environment & Ecology: Climate Change
KPI A4.1	Description of significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Environment & Ecology: Climate Change
B. Social		
Employment and Labour Practices		
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.	Employees & Community: Empowering Our Employees
KPI B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	Employees & Community: Empowering Our Employees
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employees & Community: Empowering Our Employees
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.	Employees & Community: Empowering Our Employees
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Employees & Community: Empowering Our Employees
KPI B2.2	Lost days due to work injury.	Employees & Community: Empowering Our Employees
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Employees & Community: Empowering Our Employees



Subject Areas, Aspects, General Disclosures and KPIs		Chapter
Aspect B3:	Development and Training	
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Employees & Community: Empowering Our Employees
KPI B3.1	The percentage of employees trained by gender and employee category (e.g., senior management, middle management).	Employees & Community: Empowering Our Employees
KPI B3.2	The average training hours completed per employee by gender and employee category.	Employees & Community: Empowering Our Employees
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.	Employees & Community: Empowering Our Employees
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employees & Community: Empowering Our Employees
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Employees & Community: Empowering Our Employees
Operating Practices		
Aspect B5:	Supply Chain Management	
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Quality & Innovation: Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Quality & Innovation: Supply Chain Management
KPI 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.	Quality & Innovation: Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Quality & Innovation: Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Quality & Innovation: Supply Chain Management

Subject Areas, Aspects, General Disclosures and KPIs		Chapter
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.	Quality & Innovation: Quality Management Quality & Innovation: Customer Engagement
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Quality & Innovation: Quality Management
KPI B6.2	Number of product-and service-related complaints received and how they are dealt with.	Quality & Innovation: Customer Engagement
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Governance & Ethics: Intellectual Property and Trade Secrets
KPI B6.4	Description of quality assurance process and recall procedures.	Quality & Innovation: Quality Management
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Governance & Ethics: Information Security
Aspect B7:	Anti-corruption	
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.	Governance & Ethics: Ethics and Compliance
KPI 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.	Governance & Ethics: Ethics and Compliance
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Governance & Ethics: Ethics and Compliance
KPI B7.3	Description of anti-corruption training provided to board directors and staff.	Governance & Ethics: Ethics and Compliance
Community		
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.	Employees & Community: Fostering Our Communities
KPI B8.1	Focus areas of contribution (e.g., education, environmental concerns, labour needs, health, culture, sport).	Employees & Community: Fostering Our Communities
KPI B8.2	Resources contributed (e.g., money or time) to the focus area.	Employees & Community: Fostering Our Communities



Appendix 2: Reference of Applicable Laws, Regulations and Policies

Laws and Regulations

Location	Chapter	Name of laws and regulations
Mainland China	Governance & Ethics: Ethics and Compliance	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
	Governance & Ethics: Information Security	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
		Management Regulations on Protection of Information Security Level
		Trademark Law of the People's Republic of China
	Governance & Ethics: Intellectual Property and Trade Secrets	Patent Law of the People's Republic of China
		Advertising Law of the People's Republic of China
	Quality & Innovation: Customer Engagement	Consumer Rights Protection Law of the People's Republic of China
		Environmental Protection Law of the People's Republic of China
	Environment & Ecology: Environment Protection	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 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
		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
	Environment & Ecology: Climate Change	Greenhouse Gas Emissions Accounting Methodology and Reporting Guidelines for Enterprises in Other Sectors of Industry (Trial)
		Labour Law of the People's Republic of China
	Employees & Community: Empowering Our Employees	Labour Contract Law of the People's Republic of China
		Regulations on Prohibition of Child Labour
		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

Location	Chapter	Name of laws and regulations
Other places	Governance & Ethics: Ethics and Compliance	Foreign Corrupt Practices Act (FCPA) of the US
		The Bribery Act of the UK
		The Health Insurance Portability and Accountability Act HIPAA of the US
		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
	Governance & Ethics: Information Security	Safety General Data Protection Regulation (GDPR) of the EU
	Environment & Ecology: Environment Protection	The Clean Water Act of the US
		The Hazardous Waste Management Act of the US
	Environment & Ecology: Climate Change	The Clean Air Act of the US
		The American Energy Policy and Conservation Act of 1975
	Employees & Community: Empowering Our Employees	The Fair Labor Standards Act of the US
		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	Governance & Ethics: Risk Management	Risk Management System
		Risk Assessment Management Process
		Internal Audit System
	Governance & Ethics: Ethics and Compliance	Code of Business Conduct and Ethic
		Compliance Manual
		Administrative Regulations on the Honest Practices of Employees
		Guidelines for Communication between Companies and National Public Officials
	Governance & Ethics: Information Security	Information Security Management Policy
		Privacy Information Management Policy
		Code of Practice on Information Security for Employees
		Personal Information Protection Management Process
	Governance & Ethics: Intellectual Property and Trade Secrets	Intellectual Property Rights Manual
		Trade Secret Management Regulations
		Confidentiality Agreement
	Quality & Innovation: Quality Management	Leave Agreement
		Quality Manual
		MicroPort Quality Information Management Measures (Trial)
		Personnel Management Control Procedure
		Product Risk Management Control Procedure
	Quality & Innovation: Customer Engagement	Product Recall Management System
		Subsidiary Logo System
		Feedback Control Procedures
		External Information Release Management Process
	Quality & Innovation: Supply Chain Management	Social Media Account Application Management System
		Standards on the Management of Packaging Design
		Supplier Management Rules
		Procurement Management Guide
		Incoming Inspection Management System

Location	Chapter	Name of laws and policies
Mainland China	Environment & Ecology: Environment Protection	Administration Procedures for Clean Production
		Management Procedures for Organizational Environment and Requirements for Interested Parties
		Procedures for the Identification, Evaluation and Control of Environmental Factors
		Water Management System
		Solid Waste Pollution Control Procedures
		Hazardous Chemical Management System
		Hazardous Chemical Control Processes and Responsibilities
		Procedures for the Prevention and Control of Water Pollution
		Procedures for the Prevention and Control of Noise Pollution
		Procedures for the Management of Energy Conservation Design
	Environment & Ecology: Climate Change	Procedures for Energy-Saving Procurement Management
		Special Emergency Plan for Flood and Typhoon Prevention
	Employees & Community: Empowering Our Employees	Employee Handbook
		Remuneration Management System
		Welfare Management Regulations
		Leave Management Regulations
		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