

# 2024



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

MICRO-TECH

Stock Code: 688029



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# Report Preparation Notes

## Report Introduction

This report is the fourth Sustainability Report disclosed by Micro-Tech (Nanjing) Co., Ltd. (hereinafter referred to as "Micro-Tech," "the Company," or "we"). The company's previous disclosures (2021-2023) were Corporate Social Responsibility reports. This report strictly follows the relevant regulations of both domestic and international capital markets and industry standards. It is prepared in accordance with the company's strategic positioning, industry characteristics, and the actual circumstances of the company's sustainable development responsibilities during the reporting period. The report focuses on disclosing the company and its subsidiaries' concepts, practices, and performance in economic, social, environmental, and governance aspects. By publishing this report, we aim to demonstrate Micro-Tech's mission in safeguarding life and health and promoting the accessibility of technology, while responding to stakeholders' concerns about climate resilience, social value, and compliant operations.

## Report Preparation Basis

This report is based on the following normative documents and guidelines:

- Self-regulatory Guidelines No. 1 for Listed Companies on the Shanghai Stock Exchange—Standardized Operations
- Self-regulatory Guidelines No. 14 for Listed Companies on the Shanghai Stock Exchange—Sustainability Reports (Trial)
- China Academy of Social Sciences' "Guidelines for Corporate Social Responsibility Reports (CASS-ESG 5.0)"
- The Self-regulatory Guidelines No. 13 for the Sci-Tech Innovation Board—Sustainability Report Preparation Framework, ensuring the normative and transparent disclosure of information. Additionally, this report deeply aligns with the Global Reporting Initiative (GRI) standards and introduces the relevant indicators of the United Nations Sustainable Development Goals (SDGs), aligning with the global sustainability agenda. Given the nature of the company's medical device industry, the report particularly refers to the relevant industry standards from the Sustainability Accounting Standards Board (SASB) to reflect industry-specific practices and value creation pathways.

## Report Approval

This report was reviewed and approved by the Board of Directors of the Company on April 28, 2025.

## Report Scope and Boundaries

**Time Scope:** The reporting period for this report is from January 1, 2024, to December 31, 2024 (hereinafter referred to as the "reporting period" or "the current year"). To ensure consistency and continuity of the report's content, some parts trace back to previous years and include information for the first quarter of 2025.

**Organizational Boundaries:** This report discloses information about the environmental, social, and corporate governance responsibilities undertaken by Micro-Tech and its controlling subsidiaries.

## Data Information Sources | Report Approval

The qualitative and quantitative information used in this report is derived from Micro-Tech's public information, statistical reports, internal relevant documents, interview records, and survey results.

The online version of this report can be accessed and downloaded from the Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)) and Micro-Tech's official website (<https://www.micro-tech.com.cn>).

## Feedback Channels

- Investor Relations Email: [nwyx@mtmed.com](mailto:nwyx@mtmed.com)
- Social Responsibility Hotline: 4000253000, extension 4



# Message from the Company

2024 is a pivotal year for Micro-Tech in deepening its sustainable development strategy. As a minimally invasive medical device company with the core philosophy of "Upholding Integrity, Innovating with Precision", we integrate Environmental, Social, and Governance (ESG) responsibilities into our strategic decision-making and daily operations. We are committed to using technology to safeguard health and giving back to society with a sense of responsibility. Over the past year, we have continued to improve our ESG governance framework, incorporating green transformation, technological innovation, medical accessibility, and employee development into our core management indicators, laying a solid foundation for sustainable growth. The company has been awarded the highest A-level rating for information disclosure by the Shanghai Stock Exchange for two consecutive years and has received the "Shanghai Stock Exchange • Golden Quality ESG Award", the "WIND-ESG Best Practice Award", and AA-level or higher ESG ratings from China Securities Index and HuaZheng, reflecting the recognition of our sustainable development practices by the industry and the market.

This year marks the first full transition of the company from a Corporate Social Responsibility Report (CSR) to an ESG report. By building an ESG management system covering the entire value chain from research and development, production, to services, we are accelerating our transformation from "compliance-driven" to "value-driven." This includes reducing medical costs through technological innovation, empowering a low-carbon ecosystem through green production, and promoting global health equity through diverse collaborations. Looking ahead, Micro-Tech will remain committed to our original mission of "Giving our All for Life", anchoring high-quality growth in the face of uncertainty, and creating a more resilient medical future through technological breakthroughs, resource efficiency improvements, and co-creating social value with stakeholders.

## Commitment to Green Transformation, Co-building a Low-Carbon Healthcare Ecosystem

Micro-Tech focuses on integrating green development into its corporate strategy and leading the industry's low-carbon transformation through technological innovation. To reduce the environmental impact throughout the product lifecycle, in 2024, we piloted carbon footprint verification for core products, constructing our first carbon emissions benchmark database. We completed carbon audits across the entire value chain, achieving full-chain carbon reduction from design, production to logistics, optimizing energy consumption per unit of output, and initiating the construction of green factories and carbon neutrality planning. At the same time, we optimized packaging designs to reduce plastic usage, promoted the use of recyclable materials and lightweight technology, and adopted photovoltaic green electricity for lighting, significantly reducing resource consumption. In the future, Micro-Tech will continue exploring the "EcoDesign" ecological design concept, advancing products like disposable endoscopes to be disassemblable and recyclable, and gradually transitioning to the full adoption of green packaging materials.

## Focusing on Innovation for Accessibility, Empowering Global Health

Micro-Tech remains committed to technological innovation as a driving force to make global medical resources more equitable and accessible. During the reporting period, our self-developed high-performance products were deeply involved in national procurement initiatives, effectively reducing the medical burden on the general public. We accelerated our international strategy by starting the construction of a manufacturing center in Thailand, advancing the European CME acquisition project, and further strengthening and optimizing our global presence, enabling products to reach hundreds of countries and regions, benefiting millions of patients worldwide. We also established a clinical technology-sharing platform, continued to host "MicroMed" training camps, and conducted over 130 practical endoscopy training sessions, reaching more than 2,000 primary healthcare physicians both domestically and internationally. We participated in academic conferences such as DDW, UEGW, and JEGW, and held over 50 surgical live streams and technical exchanges with internationally renowned scholars, attracting thousands of healthcare professionals globally. We also conducted minimally invasive technique training with industry experts from developing countries, fostering collaborative development of global minimally invasive diagnostic and therapeutic technologies. These efforts not only highlight the global value of "Chinese innovation" but also contribute to building a shared global health community.

## Solidifying Governance Foundations, Safeguarding High-Quality Development

Micro-Tech has always regarded governance optimization as the foundation for the company's long-term success. In 2024, the company continued to improve its ESG governance system, with the Board of Directors' ESG special committee fulfilling its responsibilities comprehensively, integrating compliance operations and risk control into strategic decision-making. We established the "One Micro-Tech, United" strategic framework, achieving deep integration of unified strategy with localized operations to enhance multinational operational efficiency. In terms of employee development, we have built a diverse workplace ecosystem, with female managers accounting for 32%. We provide comprehensive career training and health protection, and promote a "broad salary + full-cycle development" mechanism. Employee training coverage has maintained 100% for three consecutive years, and we have been recognized as a "Harmonious Labor Relations Enterprise" for several years. Moving forward, we will continue to strengthen compliance operations and a culture of diversity and inclusion, ensuring every employee becomes a practitioner and beneficiary of sustainable development. Looking ahead, Micro-Tech will continue to use "Life Above All" as our guiding beacon, exploring new possibilities at the intersection of health and sustainable development. We are willing to work alongside global partners to pool wisdom in the wave of innovation, stay true to our original mission in the changing times, and jointly create a more inclusive and resilient vision of human health while writing a new chapter in the high-quality development of the healthcare industry. We sincerely thank every colleague, partner, and all sectors of society for their trust and support. Let us work together, contributing more of Micro-Tech's strength to the cause of global health!

# Company Profile

Micro-Tech Medical Technology Co., Ltd., founded in 2000, specializes in the R&D, manufacturing, and sales of minimally invasive medical devices. Its product portfolio spans three major categories: Endoscopic Diagnostic & Therapeutic Instruments for use with endoscopes, including: Biopsy, Hemostasis & Closure, EMR/ESD, Dilation, ERCP, EUS/EBUS (totaling 60+ specifications across 6 subcategories), Microwave/RF Ablation Systems, comprising ablation generators and needles. Disposable Endoscopes, such as: Single-use Cholelithocho-Pancreatic Imaging Systems (choledochoscopes) Single-use Bronchoscopes and related consumables. With subsidiaries and sales offices worldwide, Micro-Tech Medical has established a distribution network covering over 90 countries and regions, delivering high-quality products and services to global healthcare institutions to enhance medical standards, alleviate patient suffering, and reduce healthcare costs.

## Micro-Tech Culture



**Mission:** To serve clinical practice through technology and innovation, improving human health.



**Vision:** To become a trusted brand in minimally invasive medical devices through innovation and quality, and a platform where clients, employees, and shareholders collaboratively create and share success.



**Core Values:** Integrity-Driven Innovation, Craftsmanship for Excellence / Dedication to Saving Lives.





# Corporate Milestones

01 **2000**

The founding team and Hong Kong angel investors jointly established Nanjing Micro-Tech Medical Technology Co., Ltd. Obtained esophageal stent and biliary stent registrations from the National Medical Products Administration (NMPA).

02 **2002**

Received equity investment from China Science Merchants Investment.

03 **2003**

Non-vascular stent series products obtained CE certification, marking the first export to Europe. Successfully developed and registered disposable biopsy forceps with CE certification.

04 **2004**

Angel investors exited; Jiangsu Zhongtian Long assumed and consolidated related equity holdings.

05 **2005**

Became an OEM/ODM supplier for leading European and American medical device companies, initiating exports to the U.S.

06 **2007**

Established a joint venture European subsidiary (MTE) to sell proprietary branded products in Europe.

07 **2011**

The R&D and application project for "Novel Digestive Tract Stents" was awarded the Second Prize of the National Science and Technology Progress Award.

08 **2012**

Secured investment from Actis to form a new management team and accelerate new product development.

09 **2015**

Established U.S. subsidiary (MTU) for proprietary brand sales. Acquired 51% equity stake in Kangyou Medical, a domestic leader in microwave ablation. Transitioned to a joint-stock company. Launched the "Harmony Clip" (Hemostatic Clip) in China and Europe, completing the endoscopic minimally invasive diagnostic and therapeutic product line.

10 **2016**

Huakang, Huasheng Lingfeng, and Green Paper acquired the equity held by InnoVision Capital.

11 **2018**

Acquired MTE De'fang equity, making MTE a wholly owned subsidiary. The "Establishment and Application of an Endoscopic Ultrasound-Guided Minimally Invasive Therapeutic System" project was awarded the Second Prize of the National Science and Technology Progress Award.

12 **2019**

Successfully launched on the STAR Market as one of the first listed companies. The company was officially renamed MicroPort Scientific Corporation.

13 **2020**

Established investment and sales subsidiaries in the Netherlands.

14 **2021**

Established wholly owned subsidiaries in the United Kingdom and France. The single-use cholangio-pancreaticoscopy imaging system (choledochoscope) received regulatory approval for market launch.

15 **2022**

Established a wholly owned subsidiary in Japan. The single-use bronchoscope received regulatory approval for market launch. The company was selected as one of the nation's first demonstration units for the Unique Device Identification (UDI) system in medical devices.

16 **2023**

Acquired Portugal's Endotecnica and Switzerland's Medexx. The single-use surgical choledochoscope received regulatory approval for market launch.

17 **2024**

Commissioned and put into operation a new production facility; initiated construction of a manufacturing center in Thailand. Awarded the Second Prize of the National Science and Technology Progress Award.

18 **2025**

Acquired Europe's CME Corporation.

# Product Overview

Micro-tech endoscop is a global company specialized in the research, development, manufacturing, and sales of minimally invasive medical devices. Its product portfolio covers endoscopic diagnostic and therapeutic devices, tumor ablation equipment and consumables, and includes:

- Disposable and reusable tools for endoscopic procedures.
- Microwave/radiofrequency ablation systems and consumables.
- Disposable endoscopes and related accessories

## Endoscopic Diagnostic & Therapeutic Devices

Six major categories covering over 60 product models with 100+ specifications: Biopsy Tools, Hemostasis & Closure Devices, EMR/ESD Kits (Endoscopic Mucosal Resection/Endoscopic Submucosal Dissection), Dilation Instruments, ERCP Accessories (Endoscopic Retrograde Cholangiopancreatography), EUS/EBUS Devices (Endoscopic Ultrasound/Endobronchial Ultrasound)

Applications: Widely used in the clinical diagnosis and treatment of gastrointestinal and respiratory diseases, enabling minimally invasive interventions with high precision.

## Microwave/Radiofrequency Ablation Products

Key products: Microwave/radiofrequency ablation generators, Ablation needle series (microwave/radiofrequency)

Main applications: Thermal ablation therapy for tumor treatment, delivering targeted energy to destroy abnormal tissues while preserving surrounding healthy organs.

## Disposable Endoscope Products

Core offerings (all featuring single-use design for infection control and procedural convenience): Disposable cholangiopancreatic imaging system (cholangioscope), Disposable bronchoscope sets and related consumables

Primary uses: Clinical diagnosis and treatment of diseases in natural body cavities (e.g., gastrointestinal and respiratory tracts), combining convenience with infection control through single-use design.

### EMR ESD



High-Frequency Electrotome    Injection Needle    Snare Device

### ERCP



Guide Wire    Stone Retrieval Basket    Sphincterotome

### Dilation Category



Dilation Balloon    Tracheal Stent    Gastrointestinal Stent    Pancreatic Cyst Drainage Stent

### Microwave/Radiofrequency Ablation Category



Microwave Ablation Needle    Portable Microwave Ablation Generator    Microwave Ablation Generator    Radiofrequency Ablation (RFA) System

### Visualization Category



Disposable Cholangiopancreatic Imaging System

### EUS/EBUS Category



Disposable Ultrasound-Guided Fine Needle Biopsy (FNB) Needle  
Disposable Endoscopic Ultrasound Fine Needle Aspiration (FNA) Biopsy Needle

### Hemostasis & Closure Devices



Band Ligation Device    Harmony Clip    Tri-Arm Clip    Gold Clip

### Biopsy Category



Indigo Carmine    Cell Brush Handle    Cell Brush    Biopsy Forceps



Disposable Bronchoscope



## 2024 in Review

### Financial Summary

**47.80** billion  
Total Assets

**27.55** billion  
Operating Revenue

**2.18** billion  
Total Tax Payments

**5.53** billion  
Net Profit Attributable to Shareholders of Listed Company

**2.95** per share  
Basic Earnings Per Share (EPS)

**14.26%**  
Year-on-Year Growth in Operating Revenue

**13.85%**  
Year-on-Year Growth in Net Profit

**2.81** billion  
Annual Dividend

### Product-related Metrics

**1.74** billion  
Annual R&D Investment

**435**  
R&D Personnel

**17.65%**  
Percentage of R&D Personnel

**90+** Countries and Regions  
Products Exported to

**100%**  
Product Pass Rate

**0**  
Product Recalls

### Environmental Performance

**23.48** tCO<sub>2</sub>e/Million RMB Revenue  
Greenhouse Gas Emission Intensity

**1.95** t/Million RMB Revenue  
Air Emission Intensity

**11.07** t/Million RMB Revenue  
Wastewater Discharge Intensity

**0.025** t/Million RMB Revenue  
Hazardous Waste Emission Intensity

**100%**  
Three Wastes Discharge Compliance

**0**  
Environmental Incidents

## Honors and Awards



The "\*\*\*\*\* Development and Application of Digestive Endoscopy Treatment System" project won the Second Prize of the National Science and Technology Progress Award



Ranked among the Top 100 ESG Best Practices with an AA Rating in WIND ESG Ratings



Recognized as an Advanced Collective in Promoting High-Quality Development and Leading Demonstration by Nanjing City in 2024





Ensure healthy lives and promote well-being for all at all ages

### Corresponding Section

Special Feature

01 Environment

02 Social 03 Social 04 Social 05 Social



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

### Corresponding Section

Special Feature

05 Social



Ensure sustainable consumption and production patterns

### Corresponding Section

01 Environment

04 Social 05 Social



Achieve gender equality and empower all women and girls

### Corresponding Section

Special Feature

05 Social



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

### Corresponding Section

Special Feature

01 Environment

02 Social 03 Social

06 Governance



Take urgent action to combat climate change and its impacts

### Corresponding Section

01 Environment



Ensure availability and sustainable management of water and sanitation for all

### Corresponding Section

01 Environment



Reduce inequality within and among countries

### Corresponding Section

04 Social

06 Governance



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

### Corresponding Section

01 Environment



Ensure access to affordable, reliable, sustainable and modern energy for all

### Corresponding Section

01 Environment



Make cities and human settlements inclusive, safe, resilient and sustainable

### Corresponding Section

Special Feature

01 Environment



Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

### Corresponding Section

02 Social

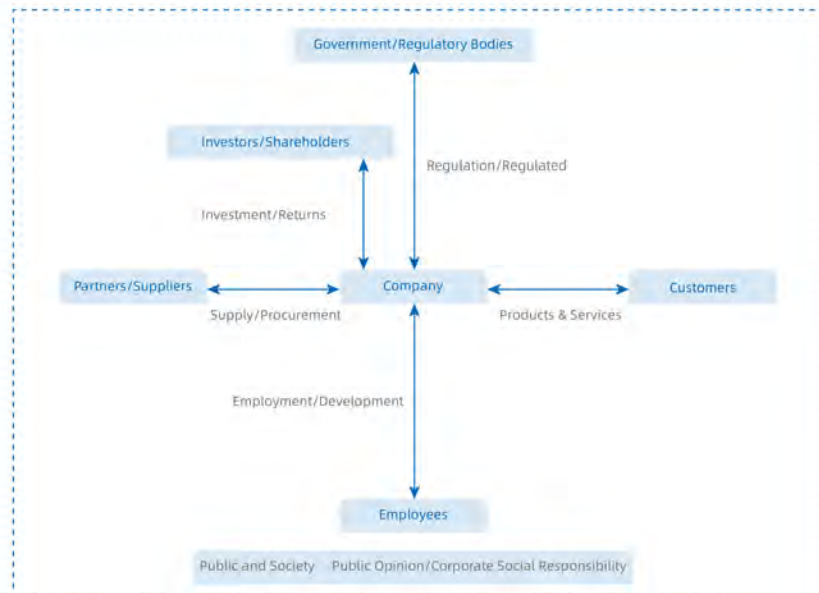
03 Social

06 Governance

# Response to UN Sustainable Development Goals (SDGs) Initiatives

# Stakeholder Management

Micro-Tech recognizes the impact of its sustainable development strategy on stakeholders. We aim to respond to stakeholders' concerns by establishing a mechanism for regular communication and improving ESG management levels. Based on business characteristics and industry practices, our core stakeholders are: government/ regulatory bodies, investors, employees, customers, suppliers, and society.



The table below outlines the key forms of communication with different stakeholders and our main methods of communication during the reporting period.

Stakeholder	Key Issues	Main Communication Methods
Government/ Regulatory Bodies	Company governance, medical regulations, commercial ethics, environment management, waste disposal, quality control.	On-site inspections, government consultations, window visits, information exchanges, public conferences, research meetings.
Investors/Shareholders	Technological innovation, company governance, investment relations, medical ethics, commercial ethics.	Shareholder meetings, continuous disclosures, investor conferences, investor presentations.
Customers	Product safety and quality, customer service, medical accessibility, responsibility and sales.	Customer satisfaction surveys, customer service training, customer service feedback channels, product-related investor communications.
Employees	Employee rights and welfare, employee training and development, employee health and safety.	Employee surveys, employee training sessions, employee meetings, internal events.
Partners/Suppliers	Sustainable supply chain, industry cooperation, collaborative development.	Regular online interactions, supplier evaluations, industry events, green procurement, supplier and regional cooperation.
Public and Society	Social responsibility, medical waste disposal, waste treatment, water resources, circular economy, energy management.	Social responsibility events, medical waste disposal communications, environmental information dissemination, public advocacy campaigns.

# Materiality Topic Evaluation

Micro-Tech understands that the scientific identification and management of material sustainability topics are the foundation for establishing an effective ESG management system and are key to achieving the long-term value of the company. In 2024, we conducted the identification and evaluation of material topics according to the requirements in the "Shanghai Stock Exchange Listed Company Self-Regulatory Guidelines No. 14—Sustainability Reports (Trial)". These guidelines call for an analysis of both "impact importance" and "financial importance." The process of identifying and evaluating the material topics was carried out as follows:

## Establishing the Topic List

Using the 21 topics listed in the Shanghai Stock Exchange's relevant regulatory guidelines as a benchmark, Micro-Tech gave special consideration to national policy directions such as "Medical Outreach" and "Medical Consumables Procurement". We also took into account the concerns of our stakeholders and best practices from peers, adding unique industry topics such as "Medical Accessibility", "Anti-corruption in Healthcare," and "Medical Ethics," resulting in a list of 26 core material topics. This ensured comprehensive coverage of the issues.

## Stakeholder Participation

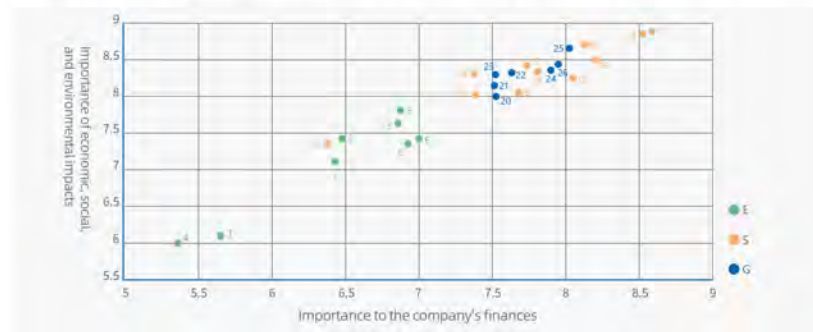
To scientifically assess the value of each topic, we conducted surveys and in-depth interviews with over 100 core stakeholders to gather their value judgments. Based on both the "Impact Importance" and "financial importance" dimensions, we analyzed each of the 26 sustainability topics.

## Establishing Topic Ranking

Based on stakeholder research and internal expert scoring results, we compared the scores of each topic for impact importance and financial importance, setting thresholds for comparison. Ultimately, we obtained the materiality analysis results, which were confirmed by the Board of Directors. We then updated the materiality topic matrix.

This year, the topics assessed as "Highly Important (with both impact importance and financial importance scores greater than 8)" include: technological innovation, supply chain management, product quality and safety, customer service and rights, and employee rights and welfare. These results will guide ESG resource allocation and subsequent action plans, ensuring that management and disclosures focus on the key areas.

The following chart shows the evaluation results of Micro-Tech's material topics. The chart uses "Impact Importance to Company's Financials" as the horizontal axis and "Impact Importance to Economy, Society, and Environment" as the vertical axis.



## Environmental(E)

- Climate Change Mitigation
- Environmental Compliance
- Pollution Emissions
- Energy Management
- Waste Management
- Water Resource Utilization
- Biodiversity
- Circular Economy Management

## Social(S)

- Medical Accessibility
- Supply Chain Management
- Employee Training and Development
- Social Contribution
- Product Safety and Quality
- Industry Cooperation and Development
- Technological Innovation
- Customer Service and Rights
- Responsible Marketing
- Medical Ethics
- Employee Rights and Welfare

## Governance(G)

- Investor Relations
- Anti-Bribery and Anti-Corruption
- Intellectual Property Protection
- Medical Anti-Corruption
- Information Security and Business Confidentiality
- Business Ethics
- Corporate Governance



## Sustainable Development Management System

Micro-tech endoscopy has established a three-tier governance system with collaborative linkage, where the Board of Directors serves as the top decision-making body, the Sustainable Development Management Team as the core management entity, and the Sustainable Development Execution Team as the primary implementing force. The Company deeply integrates ESG into the entire value chain of research and development, production, supply chain, and services, systematically advancing the implementation of sustainable development goals.



## Internal Reporting Mechanism of Sustainable Development Information

To meet the new requirements for sustainable development of the medical industry, the Company has developed a sustainable development strategy and an efficient internal information reporting mechanism to ensure the effective implementation of relevant policies.

The President's Office Meeting conducts annual reviews and discussions on sustainable development topics, either on a regular or ad-hoc basis. Strategies are aligned through global management meetings, and annual ESG goals and plans are formulated accordingly.

The Sustainable Development Management Team, subordinate to the Board of Directors, is tasked with formulating strategies and disseminating objectives throughout the organization.

An additional Sustainable Development Coordination Unit (composed of the EHS leader and members of the Board of Directors ) has been set up to:

- Disseminate the Company's sustainable development strategies to all departments;
- Assist departments in promptly identifying sustainable development risks;
- Monitor the implementation of strategies across departments.

To strengthen accountability, Micro-tech endoscopy has integrated key ESG indicators into the daily management of all departments. Under the coordination of the Sustainable Development Execution Team, each functional department designates personnel to collect information,

facilitate task execution , maintain transparent and efficient communication with the Coordination Unit to identify and mitigate ESG-related risks in a timely manner. Micro-tech endoscopy conducts regular stakeholder communication guided by the "Stakeholder Communication Matrix," ensuring structured engagement with all parties.

# Sustainable Development Strategy

Core Values of Sustainable Development:

Putting Life First, Innovating for the Long-term, Rooted in Responsibility, and Achieving Win-win Results through Cooperation



## Putting Life First

Centering on the needs of patients, we utilize technology to safeguard every expectation for good health.



## Innovating for the Long-term

Driven by breakthroughs in original technologies, we explore the boundless possibilities of minimally invasive medical instrument.



## Rooted in Responsibility

We adhere to the bottom-line thinking of ensuring product safety, environmental friendliness, and social equity. Persist in Win-win Cooperation:

We collaborate with partners in the industrial chain to co-create ,share value, and build a sustainable medical ecosystem.



## facilitate task execution

maintain transparent and efficient communication with the Coordination Unit to identify and mitigate ESG-related risks in a timely manner. Micro-tech endoscopy conducts regular stakeholder communication guided by the "Stakeholder Communication Matrix," ensuring structured engagement with all parties.

# ESG Strategic Objectives:

In response to China's "14th Five-Year Plan" for medical equipment industry, the "Carbon peaking and Carbon neutrality goals", and global ESG disclosure requirements, as well as addressing stakeholders' concerns—including investors, customers, employees, and communities—regarding technological innovation, supply chain responsibility, and medical accessibility, Micro-Tech has established the following ESG strategic objectives:



## Governance Optimization:

### Consolidating the Foundation for Sustainable Development

- Enhance the ESG governance framework to achieve 100% fulfillment of responsibilities by the Board's ESG special task force.
- Establish a global compliance and risk control system, integrating ESG risks into core management indicators.
- Implement the "Technology Dissemination + Training Empowerment" model to bridge regional gaps in medical resources.
- Strengthen oversight of issues such as climate change, supply chain ethics, and data security.
- Regularly disclose ESG performance and improvement plans.



## Technological Innovation

### Driving Industry Progress and Inclusive Healthcare

- Develop cost-effective product lines to reduce medical costs.
- Promote the "Technology Dissemination + Training Empowerment" model to narrow regional disparities in medical resources.



## Green Transition

### Building a Low-Carbon Medical Ecosystem

- Formulate a roadmap for carbon neutrality goals.
- Achieve 80% utilization rate of eco-friendly packaging materials by 2025.
- Reduce energy consumption per unit output by an average of 5% annually.



## Social Co-Win

### Practicing Healthcare Equity and Employee Development

- Ensure 100% employee training coverage, foster a diverse workplace culture, and improve occupational health and safety systems.
- Promote medical accessibility training and exchanges in the U.S., Japan, Europe, Australia, and developing countries.



# EYEMAX

## DIE LÖSUNG FÜR IHRE CHOLANGIOSKOPIE

MT MICRO-TECH  
Endoscopy



## Special Feature

### Actively Deepening Global Layout to Further Enhance Accessibility of Medical Services

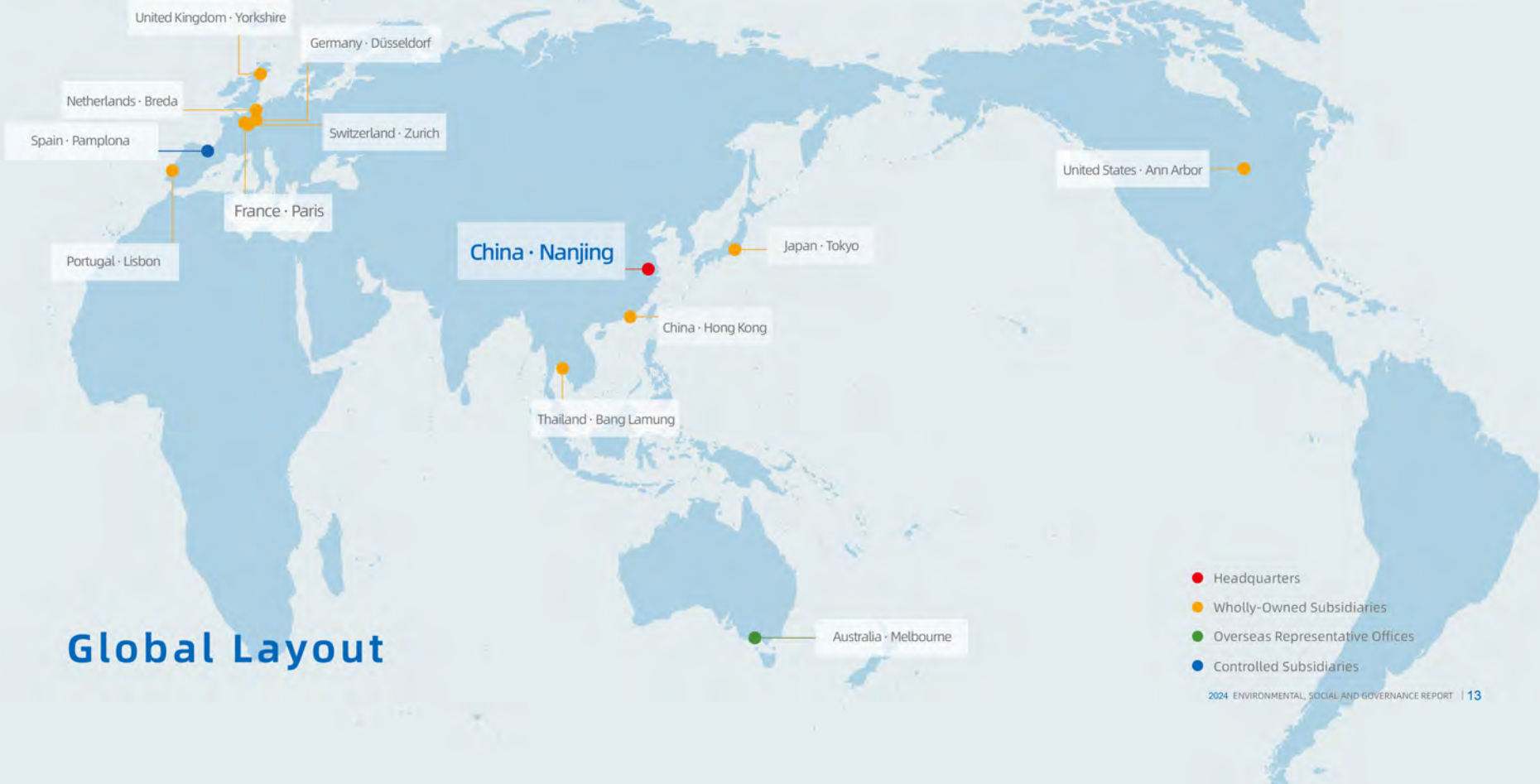
#### Chapter Contents

Global Layout | Sustainable Eco-Design Philosophy | Accessibility of Medical Services

#### This Chapter Responds to SDGs









## Upgrading Global Management Structure to Continuously Improve Synergy Efficiency

In 2024, the company established its European Regional Headquarters to optimize management of European marketing subsidiaries and business resources in Africa and the Middle East, leading to significant performance growth in Europe. The Americas team was strengthened through refined marketing strategies, resulting in sustained rapid growth of U.S. proprietary brand sales. An Australian Representative Office was established to further promote regional business development.

In 2024, regular communication mechanisms between overseas subsidiaries and headquarters in market, R&D, and supply chain areas were established and optimized. A Global Market Support Department was created to coordinate and integrate global marketing resources, enhancing overall synergy. The "One Micro-Tech, United" global strategy was solidified through the annual Global Marketing Team Reporting and Exchange event.



## Launching Thailand Production Base to Support Internationalization Strategy

In 2024, Micro-Tech Medical completed site selection and signing for its Thailand Manufacturing Center. Localized production will optimize the global supply chain, reduce costs, and enhance international competitiveness. Collaborations with local universities and research institutions will foster innovation and talent development.



## M&A Integration for Synergy and Accelerated Growth

In September 2024, Micro-Tech Medical's Board initiated the acquisition of 51% equity in Creo Medical S.L.U. (CME). By February 2025, the equity transfer was completed in Madrid, Spain. CME's extensive European distribution channels complement Micro-Tech's existing network, facilitating product entry into European markets and boosting global brand influence.





# Embracing Globalization and Practicing Sustainable Eco-Design Philosophy

Against the backdrop of global value chain restructuring and accelerated carbon neutrality strategies, Micro-Tech Medical has positioned sustainable design as a critical strategic dimension for global competitiveness. The Nanjing headquarters and global subsidiaries rigorously implement the EcoDesign philosophy, integrating it comprehensively into product development and operational management systems to establish a green manufacturing model of exemplary significance. Starting from the product design phase, the company aims to reduce environmental impacts across the entire lifecycle, with a focus on: Enhancing product energy efficiency; Reducing resource consumption; Increasing the proportion of renewable materials; Eliminating hazardous substances; Optimizing product recyclability; Improving packaging recoverability.

## Single-Use Product Innovation: Synergy of Environmental Benefits and Clinical Value

Innovations in material science, product design, and waste management are significantly improving the environmental performance of single-use endoscopes. As the medical device industry increasingly prioritizes sustainability, advancements in the following areas enhance the eco-competitiveness of single-use products:

### Material Innovation

Adoption of low-carbon materials such as bioplastics reduces reliance on fossil-based plastics and lowers carbon emissions during manufacturing.

### Recycling & Take-Back Programs

Establishment and promotion of closed-loop recycling systems to prevent product disposal and enable resource reuse.

### Lifecycle Thinking

Through rigorous Life Cycle Assessment (LCA), manufacturers can holistically compare the environmental impacts of single-use versus reusable devices—particularly when accounting for the carbon emissions of sterilization processes, where single-use solutions may outperform.

### Packaging and Logistics Optimization

Use of renewable or recyclable materials for packaging, coupled with streamlined transportation processes to reduce overall carbon emissions.

### Circular Design Philosophy

Optimization of product structures for recyclability and disassembly, facilitating efficient recycling processes and reducing landfill dependence.

#### Lifecycle Thinking

Through rigorous Life Cycle Assessment (LCA), manufacturers can holistically compare the environmental impacts of single-use versus reusable devices—particularly when accounting for the carbon emissions of sterilization processes, where single-use solutions may outperform.

## Eco-Friendly Packaging: Sustainable Design Fulfills Green Commitments

By deeply analyzing PPWR regulations and circular economy action plans, we systematically optimize packaging solutions to drive efficient resource circulation and alleviate environmental burdens. Grounded in strict compliance, safety, and efficacy, key improvements include:

01

Single-material packaging: Use of 100% recyclable FSC-certified recycled paper to enhance cost efficiency and recycling compatibility.

02

Implement lightweight packaging structures: Review existing packaging, optimize designs to reduce unused space and minimize material redundancy.

03

Print recycling labels on packaging: Enable precise sorting and recycling while enhancing consumer confidence in recycling initiatives.

04

Adjust packaging dimensions or reduce layers: Decrease overall packaging material consumption.

05

Utilize recyclable or renewable materials: Reduce environmental pollution.

这个盒子  
被重新设计过

它很环保：优先用废纸，有效减少采伐  
它可再生：能循环使用，充分节约资源  
它无污染：可生物降解，保护自然环境

## Accessibility of Medical Services

Micro-Tech Medical consistently upholds the service philosophy of "prioritizing patient needs and clinician urgencies," dedicated to delivering innovative medical products to grassroots communities and developing nations. Our products have reached over 90 countries and regions, including those along the Belt and Road Initiative, facilitating the popularization of high-quality medical resources in economically underdeveloped areas, enhancing healthcare accessibility, and ensuring high-quality medical services benefit more patients worldwide.

### Micro-Tech Medical's Global Vision for Medical Technology Collaboration Networks

**International Academic Engagement:** Continuous participation in top-tier conferences such as DDW (Digestive Disease Week, USA), UEGW (United European Gastroenterology Week, Europe), and JDDW (Japan Digestive Disease Week), showcasing Chinese innovations through live surgeries and hands-on exhibition booths.

**Cross-Border Training Empowerment:** Establishment of the "INSPIRE-YOU" International Physician Training Program under the Micro-Tech Medical-Engineering Joint Innovation Experience Center, providing tailored training for overseas users and fostering domestic-international exchanges in digestive endoscopy.

**Strengthening the "Health Silk Road":** Persistent implementation of the "Belt and Road Digestive Endoscopy Training Program", contributing to skills development and knowledge exchange in countries along the Belt and Road.

**Collaboration with Global Medical KOLs:** Organizing hybrid (online/offline) global stakeholder engagements for technical demonstrations and academic exchanges, highlighting clinical value and elevating brand recognition in practical applications.



### Micro-Tech Kangyou's Training Initiatives for Developing Countries

Micro-Tech Kangyou actively promotes the global adoption of microwave ablation technology. In 2024, through close collaboration with European medical institutions such as SYT, MITT, and ESIR, over 10 standardized thyroid microwave ablation training sessions were conducted, successfully training over 200 physicians worldwide. During the reporting period, Micro-Tech Kangyou organized over 10 international observation and exchange events for thyroid and breast surgeries in hospitals across Beijing, Shanghai, Nanjing, and other cities. In the field of gynecological microwave ablation, more than 20 international training sessions and exchanges were held, enabling physicians in India, Malaysia, Bangladesh, Singapore, Indonesia, UAE, Iraq, and France to perform their countries' first-ever microwave ablation procedures for uterine fibroids.





# Global Corporate Culture and International Team Building

Micro-Tech Medical places high importance on localization capacity building in its international operations to cultivate a global corporate culture that is inclusive, respectful, and empowering. Currently, overseas subsidiaries are operated by localized teams, creating equitable development environments and ample growth opportunities for employees from diverse cultural backgrounds. The company employs approximately 300 overseas employees, spanning across functions such as sales, marketing, supply chain, and technical support.

While advancing international business development, Micro-Tech Medical prioritizes the well-being of overseas employees, ensuring global staff's work experience and quality of life through: Competitive compensation and benefits, Comprehensive career development systems, Health and wellness support

The company actively fosters a multicultural work environment, encouraging cross-cultural collaboration, and enhances employees' sense of belonging and engagement through: Flexible work arrangements, Employee care programs, Optimized career progression pathways







# Environment

## Low-Carbon Innovation, Nurturing a Green Future

### Chapter Contents

Climate Change Response

Resource Utilization

Environmental Management System

Pollution Prevention

Green Operations

Ecosystem Protection

This section addresses the following SDGs:



# Climate Change Response

Climate change has exerted a profound impact on global economic and social development, emerging as one of the most significant challenges worldwide. Micro-Tech Medical deeply recognizes the importance of green development, actively responds to national climate change adaptation strategies, and commits to building a more comprehensive governance system. By integrating climate change risks into the corporate risk management framework, the company seeks to balance business growth with environmental protection, mitigating adverse effects of climate change.

Micro-Tech Medical references the requirements on climate change response outlined in the "SSE STAR Market Listed Company Self-Regulatory Guidelines No. 13" to identify climate-related risks and opportunities, disclose its climate management system and measures, and fulfill commitments through the following actions to control and mitigate climate risks:

## Governance

Under the leadership of the Board of Directors, the Sustainability Management Group drives sustainability initiatives, including climate change response. It organizes sustainability communication meetings to discuss climate-related risks and opportunities. The Sustainability Implementation Team translates climate action plans into annual operational tasks.

## Risk Management

Based on operational realities, industry trends, and domestic/international policy landscapes, the company identifies climate-related risks and opportunities, assessing their impacts on corporate operations.

## Strategy

The company has incorporated climate change response into its sustainability strategy, conducting substantive identification, prioritization, and analysis of climate risks and opportunities. By mapping greenhouse gas emission sources at the product level, Micro-Tech Medical conducts targeted research on industry-specific climate policies and implements mitigation measures centered on energy conservation and emission reduction.

## Metrics and Targets

Regularly disclose greenhouse gas emissions and carbon intensity (emissions per unit revenue). Continuously refine data collection methodologies to enhance climate management performance.

Complete full value chain carbon audit (Scope 1, 2, 3) and establish a corporate carbon emissions baseline database.



Conduct feasibility assessments for green factory construction and net-zero emission target pathways.

Conduct feasibility assessments for green factory construction and net-zero emission target pathways.

## Environmental Management System

A robust environmental management system is essential for addressing climate change and achieving green production. The Safety Production Committee, as the supreme authority for environmental management, formulates environmental strategies and objectives. The EHS Department oversees and monitors environmental performance, while all business units and production divisions collaborate to implement specific environmental initiatives. Regular environmental meetings are held to analyze trends, resolve issues promptly, and incentivize employee contributions to enhance accountability.



Micro-Tech Medical actively pursues third-party certifications to advance environmental system compliance. In 2024, the company successfully passed the ISO 14001 Environmental Management System recertification audit.



### 2024 Environmental Management

Key Performance

Environmental governance

input **8660** hours

Environmental investment:

CNY **1.31** million

Environmental training participants **114**



## Management System Safeguards

Micro-Tech Medical strictly complies with national and local environmental laws and regulations, including the Environmental Protection Law of the People's Republic of China, Environmental Impact Assessment Law of the People's Republic of China, and Energy Conservation Law of the People's Republic of China. During the reporting period, the company developed and revised 69 EHS procedural documents, including the Environmental Safety Management Manual, to establish EHS management objectives and advance environmental sustainability.

### Management System Safeguards (69 Items)

— Hazard Source Management System —

— Hazardous Chemical Management System —

— Incident Management System —

— Precursor Chemical Management System —

— Waste Gas Management System —

— Wastewater Management System —

— Hazardous Waste Management System —

— Noise Management System —

\*\*\*\*\*

## EHS Management Policy and Objectives

To effectively prevent and control EHS risks, Micro-Tech Medical formulates clear EHS policies to guide its management system. The company continuously identifies applicable EHS laws, regulations, and industry best practices, while annually reviewing and improving management policies, standards, and EHS performance requirements based on operational characteristics.

### EHS Management Objectives

**100%**

compliant disposal of hazardous solid waste

**0** Item

fire incidents

**0** Item

personal injury incidents

**0** Item

occupational diseases

**0** Item

environmental safety incidents

**Compliant**

wastewater, exhaust gas, and noise emissions

### EHS Management Policy

Environmental Protection, Safety First,  
Regulatory Compliance, Continuous EHS Improvement

Strictly adhere to environmental and safety laws and regulations.

Prevent pollution, protect the environment, and control risks to avoid all types of accidents.

Continuously improve and eliminate risks to enhance environmental safety performance.

Raise employee awareness and advance environmental and occupational health and safety management.

## Emergency Management for Environmental Incidents

To address potential environmental risks, the company formulated internal management documents led by the Environmental Emergency Response Plan, in accordance with ISO 14001:2015 Environmental Management Systems and ISO 45001:2018 Occupational Health and Safety Management Systems requirements and guidelines.

The company regularly assesses EHS risks to ensure effective emergency management of all unacceptable environmental incidents. It comprehensively identifies emergency scenarios related to operations, climate, and safety, develops response plans, designates emergency personnel, equips emergency resources, and conducts company-wide training and drills to enhance incident response capabilities.

2024 Environmental Emergency Management Performance



Internal environmental training sessions

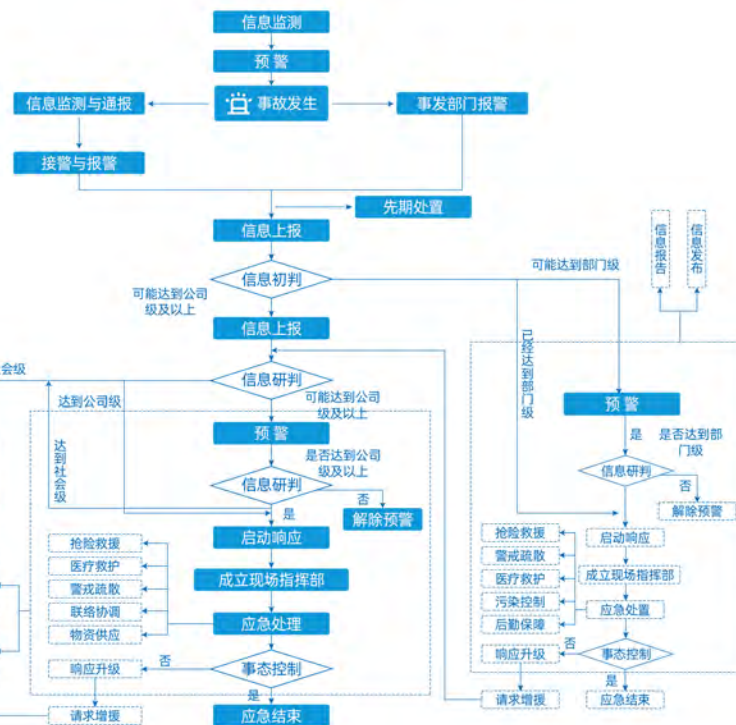
4

Training participants

114

Environmental non-

0 item compliance incidents



## Green Operations

Micro-Tech Medical focuses on cultivating employees' sense of responsibility and environmental awareness, striving to make green and low-carbon lifestyles a voluntary and self-driven action for all. By leveraging online systems, video conferencing, and remote monitoring, the company implements online procurement to reduce CO2 emissions from business travel. Through initiatives such as green paper usage, green electricity consumption, and green dining practices, it promotes energy conservation and carbon reduction via sustainable office practices.



### Green Office

Paperless workflows: Transitioning daily applications and approvals to online systems, significantly reducing paper consumption.



### Green Building

The new headquarters utilizes a Building Automation System (BAS), substantially enhancing energy management efficiency and lowering carbon emissions.



### Green Energy

Solar lighting systems installed across the facility gradually increase the adoption rate of renewable energy.





# Green Design

Micro-Tech Medical adheres to a green design philosophy across the entire product lifecycle, integrating eco-friendly principles from raw material selection, production and assembly, warehousing and transportation, consumer use, to recycling, maximizing ecological protection.



# Resource Utilization

Micro-Tech Medical consistently prioritizes optimizing resource utilization and enhancing energy efficiency as key drivers for sustainable development, fully committed to building a low-carbon, low-consumption green operational mechanism.

## Energy Management

The company attaches high importance to energy management, strictly complies with relevant energy laws and regulations, establishes a robust energy management system, continuously raises employees' energy-saving awareness, and actively implements effective energy conservation measures.

Energy Consumption During the Reporting Period				
Category	Unit	2024	2023	2022
Electricity	Million kWh	11.2	10.6	8.4
Gasoline	Ton	9.8	14.2	12.9
Natural Gas	Cubic Meters	14,577	-	-
Total Energy Consumption	Tons of Standard Coal	2,367.2	1,466.6	1,182.38
Energy Consumption	Tons of Standard Coal/ Million CNY Revenue	0.86	0.16	0.6

Note: The company relocated to a new building in 2024. 2024 data reflects combined emissions from the new and original facilities.

The new production base integrates green principles, adopting renewable energy and PV green lighting to control and optimize energy usage, effectively reducing energy costs.

### 2024 Renewable Energy

#### Key Data

Solar streetlights installed **26**

Solar garden lights installed **33**

CO<sub>2</sub>eq reduction **1.5** tons

To increase renewable energy utilization, solar lighting systems were installed for outdoor illumination: 26 solar streetlights, 33 solar garden lights. Annual energy savings: 1,500 kWh (2024 estimate). CO<sub>2</sub>eq reduction: 1.5 tons



## Water Resource Management

Micro-Tech Medical steadfastly adheres to the scientific principle of "use on demand", implementing strict control over water consumption in production processes and resolutely eliminating any form of resource waste. We integrate water conservation into employees' daily operations and lifestyles, emphasizing its significance for environmental protection and social responsibility, while continuously exploring new pathways to enhance water use efficiency.

### Water Resource Usage During the Reporting Period

Category	单位	2024	2023	2022
Water Consumption	Tons	99,024	60,867	63,824
Water Use Intensity	Tons/Million CNY Revenue	35.94	25.25	32.23

Note: The company relocated to a new building in 2024, 2024 data reflects the combined total from the new and original facilities.

To actively advance green and sustainable practices, we established a rainwater harvesting system that effectively collects and treats rainwater and domestic wastewater. This reclaimed water is repurposed for toilet flushing, municipal water purification, road cleaning, landscaping, and decorative water features, significantly improving water resource utilization efficiency.



## Carbon Emissions Baseline Assessment

To align with China's "3060 Dual Carbon Goals", Micro-Tech Medical conducted a full value chain carbon emissions audit in 2024, establishing a data foundation for its carbon neutrality roadmap.

### Carbon Emissions During the Reporting Period

Category	Unit	2024	2023	2022
Scope 1	tCO <sub>2</sub> e	401.56	-	-
Scope 2	tCO <sub>2</sub> e	8834.58	6,576.49	5,278.15
Scope 3	tCO <sub>2</sub> e	55450.73	-	-

Note: The company relocated to a new building in 2024. 2024 emissions reflect combined totals from the new and original facilities.

## Full Lifecycle Carbon Management

While mapping organizational carbon emissions, Micro-Tech Medical initiated carbon footprint verification for its Hexie Clip product series across all lifecycle stages—including product design, production and packaging, logistics and transportation—with plans to expand this practice to all products.





# Pollution Prevention

Micro-Tech Medical strictly complies with environmental laws and regulations including the Environmental Protection Law of the People's Republic of China, Air Pollution Prevention and Control Law of the People's Republic of China, Water Pollution Prevention and Control Law of the People's Republic of China, and Solid Waste Pollution Environmental Prevention Law of the People's Republic of China. The company has established a "three-waste" (wastewater, exhaust gas, solid waste) emission management system, implementing full-process monitoring from production, treatment, to final discharge to ensure compliance with environmental standards at every stage.

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Total wastewater discharge: **30,494** tons  
Wastewater discharge intensity: **11.07**  
tons/million CNY revenue

Micro-Tech Medical treats wastewater under the principle of "separate stormwater and sewage, categorized treatment" (including industrial and domestic wastewater):

- All wastewater (including initial rainwater) undergoes treatment at internal wastewater treatment facilities, meeting standards before discharge into designated municipal pipelines for further processing by regional treatment plants.
- Achieved environmental targets: "100% compliant wastewater discharge, 0 environmental incidents."

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Total exhaust gas emissions: **0.537** tons  
Exhaust gas emission intensity: **1.95**  
tons/million CNY revenue

Micro-Tech Medical adheres to the principle of "classified collection, centralized treatment, and compliant discharge" for exhaust gas management, with clear regulations on emission sources, collection systems, and pipeline layouts:

- Exhaust gas from the stent coating workshop is treated via dedicated ventilation systems using high-performance activated carbon adsorption to meet standards. During the reporting period, upgraded carbon materials enhanced adsorption efficiency, reducing harmful emissions.
- Optimized disinfection processes reduced alcohol consumption and VOCs emissions without compromising sterilization standards.

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General waste generation: **246** tons  
General waste intensity: **0.089**  
tons/million CNY revenue  
Hazardous waste generation: **56** tons  
Hazardous waste intensity: **0.025**  
tons/million CNY revenue

Micro-Tech Medical follows the "reduce, reuse, and safely dispose" principle, prioritizing the impact of waste generation and disposal on human health and ecosystems across the entire value chain (raw material procurement, production, and end-of-life product management).

- During the reporting period, the company: Audited waste streams, maintained inventory; Monitored waste generation, transfer, disposal; Enhanced hazardous waste management, reduction, and safe compliance.
- During the reporting period: Strengthened management of hazardous waste with environmental risks and ensured 100% compliant disposal.

## Ecosystem Protection

Biodiversity is a vital resource for human survival and the maintenance of Earth's environment. Micro-Tech Medical actively responds to China's biodiversity conservation strategy, consistently prioritizing the protection of biodiversity around its operations. The company closely monitors local government policies, participates in regional ecological resource conservation, alleviates pressure on natural resources, and contributes to global biodiversity preservation efforts.

In 2024, Micro-Tech Medical conducted sustainability knowledge training for over 30 managerial-level personnel, reinforcing the team's awareness of ecosystem conservation. Concurrently, the company finalized and issued its Environmental Sustainability Framework, which aligns operational realities with ecological protection requirements, defining clear sustainability goals and strategic directions for the future.







# Social Agenda

Enhance innovation capability of the company

## Chapter Contents

Innovation and Research Mechanism   Innovation and Research Investment   Innovative Research and Development Technologies   Technical Exchange and Cooperation   Research and Development Ethics Compliance

This section addresses the following SDGs:





# Innovation and Research Mechanism

Micro-Tech views innovation and research development as the driving force behind its corporate growth. The company places a high emphasis on research management, focusing on a deep understanding of industry trends. It has formulated a "Research and Innovation Management System" and actively collaborates with domestic and international research institutions, universities, and medical organizations. Micro-Tech has developed multiple levels of research collaboration, creating an effective and efficient research and innovation system.

Multi-level Research Platforms	National-level Research Platforms	"Micro-Tech Medical Testing Center" approved by China National Accreditation Service for Conformity Assessment
	Provincial-level Research Platforms	<ul style="list-style-type: none"> <li>Jiangsu Province Non-Vascular Stent Internal Engineering Technology Research Center</li> <li>Jiangsu Provincial Enterprise Technology Center</li> <li>Jiangsu Province Micro-Nano Biomedical Device Design and Manufacturing Key Laboratory</li> </ul>
	Internal Research Platforms	<p>Approved by Jiangsu Provincial Technology Bureau:</p> <ul style="list-style-type: none"> <li>Research and Development Center for Medical Simulation Models</li> <li>Jiangsu Province Graduate Innovation Practice Base (Established in 2023 in Nanjing)</li> </ul>



# Innovation and Research Investment

## Innovation and Research Investment Amount

To promote innovation in research and development, Micro-Tech continuously increases its R&D investments, strengthens team development, and perfects its incentive mechanism to encourage creativity.

In 2024, the R&D investment amounted to **0.174** billion, an increase of **23** million RMB from the previous year.

The number of R&D personnel reached **439**, which is an increase of **12** from the previous year.

研发投入	2024	2023
R&D Investment Amount	1.74	1.51
R&D Investment as Percentage of Total Revenue	6.27	6.25

## Innovation and Research Incentive Mechanism

The company has established incentive systems such as the "Project Reward System" and the "Patent Reward Process and System." Additionally, the company has formulated the "Innovation Partner Profit Sharing Plan" and built an open innovation and entrepreneurship platform to further enhance the innovation drive of R&D personnel.

Innovation Incentives during the Reporting Period:

- Number of people rewarded: **159**
- Reward amount: **294** million RMB

## Innovation Talent Team Building

The company focuses on the development of research talents by formulating policies such as the "Technical Staff Training and Development System" and the "Talent Promotion and Reward System." These policies provide advanced training opportunities for technical staff, establish professional skills training mechanisms, and attract top talents to further strengthen the research and innovation team.

R&D Personnel	2024	2023
Number of R&D Personnel	439	427
Percentage of R&D Personnel	17.8%	17.76%



## Innovative Research and Development Technologies

The company adheres to the mission of "Serving Clinical Practice through Technology and Innovation" and has spent many years innovating and developing technologies in areas such as endoscopic diagnostic and therapeutic devices, microwave ablation equipment and consumables, and single-use endoscopes.

### Endoscopic Diagnostic and Therapeutic Technology

Leveraging its endoscopic diagnostic and therapeutic technology platform, the company has gradually developed nearly 30 core technologies in six major categories, including dilation (including non-vascular stents and balloon types), hemostasis, EMR/ESD, biopsy, EUS/EBUS, and ERCP.



### Microwave/RF Ablation Technology

Micro-Tech (Canyon) has built a tumor ablation technology platform, which includes core technologies such as all-solid-state microwave power source technology, dual-frequency microwave ablation therapy equipment technology, small microwave antenna technology with shaped radiation characteristics, real-time power monitoring technology during surgery, microwave antenna detection technology, and high-intensity microwave ablation needles. The self-developed RF ablation energy platform and RF ablation needles have added another powerful component to the Canyon energy ablation system.



### Single-Use Endoscope Technology

Starting with the single-use gastrointestinal endoscope technology, the company has continuously refined ultra-micro and ultra-clear imaging technologies, optimized catheter diameter ratios, and actively explored innovative technological pathways. The company has created a diversified strategy covering products such as single-use gastrointestinal endoscopes, single-use surgical biliary endoscopes, and single-use airway endoscopes.





## Innovation Technology Reserve



### Endoscopic Diagnostic and Therapeutic Technology

In 2024, the company's R&D focused on digestive endoscopic diagnosis and treatment, tumor interventional therapy, ultrasound guidance, energy, and visualization technology platforms. Through independent research and development and innovative medical staff collaborations, the company has carried out innovations in surgical techniques and instruments. The company also filed multiple patents and developed devices in areas such as large wound closure, ESD traction, and ERCP performance improvement.



### Single-Use Endoscope Technology

Relying on the underlying technology of single-use ERCP biliary endoscopes, the company has actively implemented a product diversification strategy and successfully completed the market registration and launch of several single-use endoscope products both domestically and internationally. This has helped the company solidify its technological leadership in the industry. To further enhance product competitiveness, the company is continuously innovating and improving based on clinical needs, laying a strong foundation for the company's second growth curve.



### Microwave/RF Ablation Technology

Micro-Tech (Canyon) continues to build on its existing product base and experiment with new products in the ablation category. The company is advancing the innovation design of multiple new ablation products. Additionally, new ablation needles are being developed, which will be applied in procedures like RDN and DMR in the future.

## Technology Commercialization

The company adheres to a clinical demand-driven approach, accelerating technology transfer through domestic and international medical collaborations:

### Domestic

In 2024, the company introduced 127 new projects and has 302 ongoing projects, covering cutting-edge fields such as hemostasis, ERCP (Endoscopic Retrograde Cholangiopancreatography), EMR/ESD (Endoscopic Mucosal Resection/Dissection), dilation, ultrasound, and more.

### International

The company introduced 22 new overseas projects and has 37 ongoing projects, promoting collaborative innovation in global minimally invasive diagnostic and therapeutic technologies.

## Awards and Certifications during the Reporting Period

The project "Creation and Application of the Digestive Endoscopy Treatment System" won the Second Prize of the National Science and Technology Progress Award.

国家科学技术进步奖  
证书

Successfully passed the evaluation and re-certification for the integration of "informatization" and "industrialization."



Recognized as a "Smart Factory" in Jiangsu Province.



# Technical Exchange and Cooperation

## Industry Standard Formulation

Micro-Tech is a member of the China Medical Device Industry Association, a council member and deputy secretary-general of the Medical Device Packaging Professional Committee of the China Medical Device Industry Association, a committee member of the National Medical Device Biological Evaluation Standardization Technical Committee, a committee member of the Medical Device Packaging Standardization Technical Committee, a correspondent of the National Disinfection Technology and Equipment Standardization Technical Committee, and a member of the Medical High-Performance Products Branch of the China Medical Device Industry Association. The company actively participates in the formulation and revision of international standards. In 2023, Micro-Tech joined the GHWP organization WG7 subgroup and participated in drafting the WG7 subgroup guidelines.

As of the end of 2024, the company has participated in the formulation and revision of 25 standards and regulations/guidelines, 18 of which have been published, and 7 are still under revision.

25

Issued:

18

During the revision process:

7

## Clinical Technology Sharing Platform

During the reporting period, Micro-Tech Endoscopy established a clinical technology sharing platform through the following approaches:



### Animal Lab Training Center

Micro-Tech has established an animal lab training center, providing full-scale simulation of hospital surgical scenarios and offering hands-on training closely aligned with clinical practice for endoscopic physicians. Over 130 training sessions have been conducted, covering nearly 2,000 young and mid-career physicians, helping to improve the standardization of endoscopic diagnosis and treatment.



### Academic Exchange Platform

The company hosts academic events such as "eSurgical Academy", "eSurgical Forum", and "Harmony Cup", promoting technical exchange and experience sharing among digestive endoscopists, and driving the standardization of the industry.



### Multi-center Clinical Research

Based on clinical research projects, Micro-Tech collaborates with multiple hospitals for clinical data collection and analysis, facilitating the standardized application and promotion of advanced technologies.





## Industry Exhibitions and Academic Exchanges

In 2024, Micro-Tech focused on advancing innovation in digestive endoscopy technology and clinical practice by hosting a series of high-quality, multi-layered academic activities. These activities covered international exchanges, medical and engineering collaboration, youth physician training, and the enhancement of primary healthcare capabilities, demonstrating the company's responsibility and commitment.

### International Forum Hosting:

At the GEIS2024 Digestive Endoscopy Innovation Forum, Micro-Tech organized sessions such as "Innovative Digestive Endoscopy Devices Exhibition" and "Pancreatic and Biliary Disease Academic Seminar". The focus was on endoscopic device innovation and clinical challenges, with surgical demonstrations, doctor dialogues, and other formats to promote global experience sharing, accelerate technology transfer, and foster international cooperation.

### Academic Conference Participation

The company actively participated in major industry events, such as the Chinese Society of Digestive Endoscopy Annual Meeting and the 5th Eastern Digestive Endoscopy Academic Conference. These platforms facilitated discussions on technical frontiers and clinical needs with domestic experts, helping promote the standardization of endoscopic diagnosis and treatment.

### Youth Physician Training:

Through hosting skill competitions like the "Harmony Cup" and "Insight Cup", Micro-Tech used competitions to promote learning, providing young physicians with a platform for hands-on practice and competitive exchanges.

### Clinical Technology Training:

The company hosted nearly 100 practical digestive endoscopy training camps throughout the year, covering nearly 1,000 hospitals nationwide and training over 2,000 physicians. Through hands-on instruction and simulated operations, these training sessions helped standardize the application of new technologies and improve the safety and accessibility of procedures.



# Research and Development Ethics Compliance



Micro-Tech places great importance on medical research ethics during the innovation process, strictly adhering to international ethical guidelines. The company has established a comprehensive ethical governance system covering the protection of participants' rights, ethical risk management, and ethics in animal testing, ensuring that scientific innovation and ethical responsibility go hand in hand.



## Strict Protection of Participant Rights

In clinical medical device research, the company follows the Helsinki Declaration and the Medical Device Clinical Trial Quality Management Standards, placing participants' rights, safety, and health above scientific and social interests. The company implements the following measures to ensure comprehensive protection:

### Informed Consent and Privacy Protection

Ensures that participants are fully informed and sign written consent forms, with clear stipulations that they may withdraw from the study at any time without conditions.

### Safety Protection Mechanisms

Establishes a comprehensive health monitoring system throughout the clinical trial process, including emergency plans and financial compensation systems.

### Independent Monitoring and Review

A third-party ethics committee conducts ongoing evaluations of the trial plans, ensuring the scientific integrity and ethical compliance of the research design.



## Systematic Ethical Risk Management

To reduce ethical risks during the research and development process, the company has built an integrated management system based on "Training-Monitoring-Response":

### Full-Cycle Risk Management

The company regularly conducts ethics training for R&D personnel and dynamically optimizes risk management strategies. A real-time monitoring and feedback mechanism has been established.

### Emergency Response System

The company has developed ethical risk emergency response plans to ensure quick action and resolution in the event of ethical issues.



## Animal Testing Ethics Compliance

The company strictly adheres to the "3Rs Principle" of animal protection (Replacement, Reduction, Refinement) and prioritizes non-animal methods. It optimizes experimental designs to reduce the number of animals used and mitigates animal suffering and stress through improved techniques:

### Review of Experimental Plans

The company has established an Animal Ethics Committee that rigorously reviews experimental plans to ensure that the purpose, methods, and animal welfare measures comply with both international and domestic ethical standards.

### Safety Protection Mechanisms

The company has established "Experimental Animal Operating Standards" to ensure that animals are provided with appropriate conditions before and after experiments, including sufficient food, water, and space for activity.

### Capacity Building and Training

Regular training on animal welfare and ethics is provided for laboratory staff to improve their professional competence and ethical awareness. The company regularly evaluates the ethical compliance of experiments and continuously improves animal welfare measures to achieve a balance between scientific research and ethical responsibility.



Micro-Tech established a set of strict full life cycle quality management standards and systems achieve the whole procedure coverage from product R&D to the after-sales service approved by ISO13485



## Social Agenda

Continuously improving and forging the quality of products

### Chapter Contents

Product Quality and Safety

Sustainable Supply Chain Management

This section addresses the following SDGs:





# Product Quality and Safety

Micro-Tech always considers product quality and safety as the lifeline of the company's development. By building a comprehensive quality management system, advancing digital quality control, and strengthening international standard certifications, the company ensures the safety and reliability of products throughout their entire lifecycle—from research and development to delivery. This provides high-quality medical device solutions for patients and healthcare institutions worldwide.

## Quality Management System

The company uses the MES system (Manufacturing Execution System) as the core platform to create a full-process quality traceability system, covering supplier management, incoming material inspection (IQC), production process control (IPQC), and shipping inspection (OQC). This system enables data-driven, intelligent quality management:



### Digital Quality Control:

Innovative applications such as ESOP (Electronic Standard Operating Procedures), ESIP (Electronic Inspection Procedures), and EDHR (Electronic Batch Records) ensure that production and inspection processes are standardized and traceable.



### Intelligent Warning and Optimization:

The company has introduced online monitoring of key quality characteristics through SPC (Statistical Process Control) to enable real-time quality alerts. Key areas for improvement include the closed-loop handling of non-conforming products, change control systems, and optimizing sampling plans.



### Quality Culture Transformation:

Through mechanisms such as tiered training, case reviews, and quality KPI assessments, the company has shifted the team's focus from "post-inspection" to "preventive control," establishing a dynamic and forward-looking quality management model.



### Achievements:

In strict compliance with regulatory standards, the company completed 28 core process optimizations in 2024. Key improvements include refining the non-conforming product closed-loop handling mechanism, strengthening the change control system, and optimizing the sampling plans for design verification and process confirmation.

## International Certification and Market Access

The company has obtained ISO 13485 quality management system certification and complies with the regulatory requirements of the "Medical Device Single Audit Program" (MDSAP) in five countries: the United States, Japan, Canada, Brazil, and Australia.

Currently, Micro-Tech's products have obtained market access qualifications in major global markets, including the U.S. FDA, EU CE, Japan PMDA, Health Canada, Brazil ANVISA, South Korea MFDS, and the UK MHRA.

As of the end of 2024, Micro-Tech has obtained a total of 1,336 product approvals/certifications, including 96 domestic and 1,240 overseas.

Cumulative Approvals/Certifications (units) 2024		2023
Domestic	96	97
Overseas	1240	1024
- United States	69	68
- European Union	85	67
- Japan	33	29
- Brazil	73	65
- Other Countries	980	795

## Quality Management Measures



The company continuously enhances automation in inspection processes and personnel technical competence to ensure consistent product quality and reliability.



### Intelligent Inspection Technology

The company has deepened the application of its automated IQC (Incoming Quality Control) micro-component inspection platform and independently developed automated inspection equipment for balloon inflammation products, further improving inspection efficiency and measurement precision.



### Inspector Capability Assessment

A capability assessment system for inspectors has been established based on Kappa consistency analysis. This includes blind sample testing and standardized certification methods to ensure that inspectors continuously meet competency standards.



### Cross-Departmental Quality Initiatives

The company has formed special task forces that apply DOE (Design of Experiments) methodologies to optimize processes, successfully enhancing key performance indicators for relevant products.

## Product Recalls and Quality Testing

The company has established a comprehensive post-market product monitoring mechanism and strictly adheres to regulatory requirements across countries. During the reporting period, there were no product recalls due to violations of health and safety regulations. The product pass rate remained at 100%, demonstrating the company's excellent performance in quality control.

Number of Incidents Violating Product/Service Information, Trademark, or Labeling Regulations:

0

Product Recall Rate:

0%

Number of Incidents Violating Product and Service Health and Safety Regulations:

0

Product Pass Rate

100%

## Digitalized Production

In 2024, the company achieved full-process automation and intelligent manufacturing for the assembly of core products. Furthermore, it expanded its deployment of smart warehousing and logistics, intelligent packaging centers, and smart inspection platforms, forming a multi-product, multi-dimensional, full-scenario intelligent manufacturing system that sets a new industry benchmark.



# Sustainable Supply Chain Management

Micro-Tech places great importance on the stability, compliance, and sustainability of its supply chain. By implementing full lifecycle supplier management, risk prevention mechanisms, green procurement policies, and ESG supply chain integration, the company has built a secure, efficient, and responsible supply chain system that ensures product quality and delivery capacity while promoting sustainable development across the industry chain.

## Supply Chain Stability Enhancement

The company has established a triple safeguard mechanism comprising dual sourcing, safety stock, and digital collaboration to ensure supply chain stability and reliability:


**Diversified Supply**

For key components (except for a few imported items), 100% have at least dual suppliers. Most critical components have achieved domestic substitution, reducing the risk of supply chain disruption.


**Inventory Management**

Based on market orders and forecasts, the company conducts S&OP (Sales and Operations Planning) meetings to determine production plans and MRP (Material Requirements Planning), ensuring stable supply.


**Intelligent Monitoring**

The SRM (Supplier Relationship Management) system provides real-time monitoring of orders, deliveries, and quality exceptions to enable rapid response.

During the reporting period, there were zero incidents of supply chain disruption.

## Procurement Quality Management System

To ensure the reliability of the supply chain and the safety of its products, Micro-Tech has established a strict procurement quality control system.

All material purchases must undergo an initial inspection and confirmation. At this stage, suppliers are required to provide hazardous substance test reports or sign a declaration of non-hazardous content in accordance with regulations. They must also submit raw material certificates to ensure that materials are not arbitrarily changed from initial introduction to mass production.

During mass production, the IQC (Incoming Quality Control) team verifies supplier documentation and products according to inspection guidelines. For materials that do not meet requirements, a non-conformance review process is initiated. If the issue is supplier-related, the supplier must submit a corrective and preventive action report and implement remediation.

This system effectively ensures the safety and stability of raw materials and reduces supply chain risk.



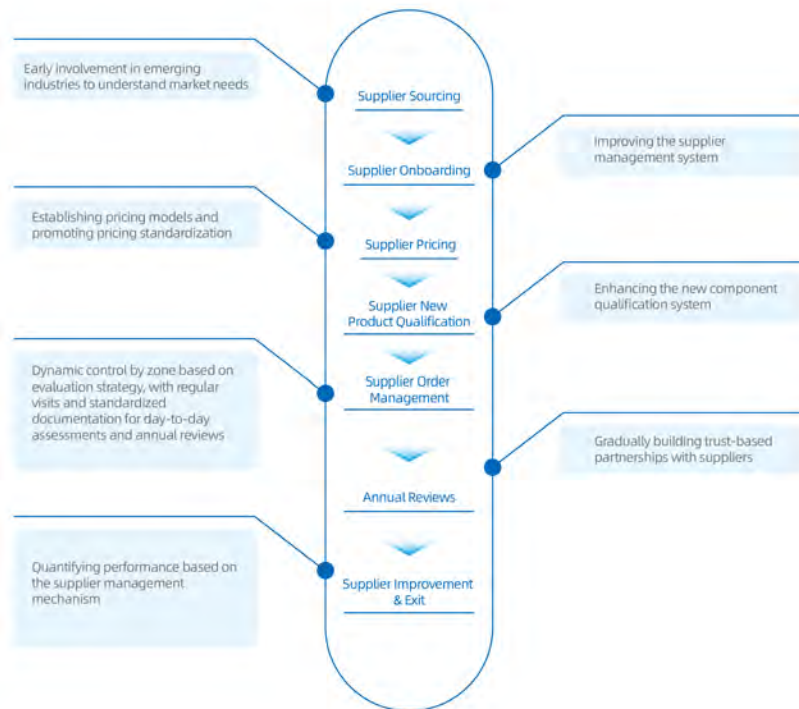
## Supplier Management Mechanism

The company strictly follows regulations such as the Supplier Management Control Procedure, Procurement Management Control Procedure, Strategic Supplier Admission Management System, and Supplier Monthly Evaluation Management. It implements a full-lifecycle, closed-loop management process—from introduction, assessment, to exit—including supplier sourcing, onboarding, pricing, new product qualification, order management, annual reviews, improvement measures, and termination procedures.

New suppliers must pass multi-dimensional audits including technical capabilities, quality systems, and ESG compliance. Strategic suppliers are required to meet the standards outlined in the Strategic Supplier Admission Management System. The company conducts monthly evaluations and annual reviews of suppliers, focusing on delivery punctuality, quality pass rates, and ESG performance.

Additionally, the company regularly visits foreign suppliers for joint discussions on materials and processes, improving internal technical standards and integrating external and internal processes to reduce costs and increase efficiency.

In 2024, through mold improvements, monthly review meetings, and performance-linked initiatives, the company promoted continuous supplier improvement, achieving a 4% increase in incoming material inspection pass rates.



## Promoting Green Procurement

Coverage rate of suppliers signing declarations stating their products are free from hazardous substances like BPA during the reporting period: **100%**

The company actively promotes green procurement policies, prioritizing environmentally friendly raw materials to reduce the negative impact of production activities on the environment. Currently, some suppliers are certified under the ISO 14001 Environmental Management System.

In procurement	suppliers are required to submit reports or declarations regarding the control of hazardous substances. During the reporting period, all raw materials met the regulatory requirements of countries and regions such as the U.S. and EU regarding hazardous substances (e.g., BPA).
In packaging	the company is committed to reducing plastic usage, adopting eco-friendly materials such as plant-based inks, and prioritizing plastic-free inner and outer packaging boxes. Packaging materials are also subject to recycling and reuse practices, significantly reducing resource waste and environmental pollution.



### Practicing Transparent Procurement

Micro-Tech enforces fair and transparent procurement procedures, selecting suppliers via price inquiries, competitive bidding, or cost analysis to avoid single-source dependency. For instance, mold development for injection parts must involve at least two suppliers bidding and undergo price approval procedures. The company prioritizes long-term strategic partnerships with suppliers that uphold social responsibility, thereby ensuring supply chain resilience and promoting upstream and downstream collaborative development.

### Supplier ESG Requirements and Management Goals

The company requires suppliers to reduce resource consumption throughout the product lifecycle and adopt environmentally friendly waste disposal methods. For example, suppliers are encouraged to use recycled pulp for product manuals and packaging and to promote electronic manuals to reduce paper use. Through clear management targets, Micro-Tech drives suppliers to jointly practice circular economy principles.

### Supplier ESG Capacity Building

The company actively promotes ESG capability development among suppliers. Packaging material suppliers must obtain ESG-related certifications. Internally, the company has established a "Packaging Integration Task Force" to continuously improve the environmental performance of the supply chain through standardized specifications and green material alternatives.



# Social Agenda

## Safeguarding life and health

### Chapter Contents

Customer Service and Rights    Distributor Management    Medical Accessibility    Responsible Marketing

This section addresses the following SDGs:





# Customer Service and Rights

Micro-Tech has always adhered to the "Customer First" service philosophy, dedicated to providing high-quality products and services while strictly protecting customer rights and information security. The company continuously improves customer satisfaction and promotes sustainable development through a comprehensive customer management system, efficient after-sales service mechanism, and standardized channel management.

## Customer Service Management

During the reporting period, the company did not experience any incidents involving privacy violations of customers or business partners, nor were there any incidents of data leakage, theft, or loss of customer information.

### After-Sales Service System and Effectiveness

The company has established a nationwide after-sales service network to provide comprehensive support for customers, including installation and debugging, usage training, on-site technical support, equipment maintenance, and regular inspections. With a team of professional after-sales service customer service representatives and engineers, Micro-Tech can respond quickly to customer needs and efficiently resolve issues during the use of products, ensuring customers use the products safely and in compliance with standards.

In addition, the company focuses on collecting and analyzing customer feedback. Issues encountered by customers during use are promptly communicated to the production and R&D departments to continuously optimize product quality and service experience. This closed-loop management mechanism not only improves customer satisfaction but also provides essential input for the technical improvement and innovation of the company's products.



### Customer Information Security Management System

Micro-Tech places great emphasis on the security and confidentiality of customer information and has established a stringent customer information management system:

#### Access Control:

Access to customer information is managed with tiered permissions to ensure that only authorized personnel can access sensitive data.

#### Specialized Storage:

Important documents such as customer business licenses and operating permits are managed by designated personnel and stored in secure cabinets to prevent unauthorized access.

#### Regional Responsibility:

Sales personnel are assigned to specific regions, implementing a personalized connection mechanism to clearly define information security responsibilities and ensure the security of customer data during transmission and use.



## Distributor Management



### Distributor Entry Standards

The company implements a strict qualification review system for distributors, prioritizing partners with complete qualifications and a good reputation. Annual cooperation agreements are signed to clearly define the rights and responsibilities of both parties. Through a dynamic evaluation mechanism, the company ensures that distributors meet the company's compliance requirements and service standards.



### Distributor Management System and Training

**Standardized Management:** Based on annual contracts, marketing policies, and distributor qualification management standards, the company systematically and standardizes the management of distributors to ensure compliance in market activities.

**Specialized Training:** The company regularly organizes training for distributors on product knowledge, operational skills, and compliant business practices to enhance their professional service capabilities.

**Key Account Special Services:** For key distributors and large customers, the company provides dedicated representatives and customized services, optimizing cooperation efficiency and enhancing the customer experience through specialized management.

## Responsible Marketing

### Compliance in Promotion, Upholding Integrity

Micro-Tech strictly adheres to the Advertising Law of the People's Republic of China and other regulations, ensuring that product promotion content is truthful, accurate, and legal. The company has established a rigorous review mechanism to eliminate exaggerated or misleading information, communicating product value in a professional and transparent manner.



### Professional Empowerment, Supporting Clinical Practice

Through a comprehensive customer training system, the company provides healthcare institutions and clinicians with full guidance on product performance, applicable scope, and operational standards to ensure proper product use. At the same time, the company continuously conducts public education to enhance society's scientific understanding of medical devices.



### Distributor Collaboration, Co-building a Standardized Ecosystem

The company has innovatively created a "Headquarters Coordination + Regional Implementation" distributor training model:

- **National Centralized Training:** oHeadquarters regularly organizes systematic training on product knowledge, clinical applications, and compliant market strategies.
- **Regional Precision Empowerment:** oSub-companies and branches provide targeted guidance based on local needs, strengthening practical capabilities.
- **Digital Support:** oThe company integrates video content, databases, and other resources on its website, WeChat public account, and social media platforms to provide real-time updates and assist distributors in efficiently acquiring professional knowledge.





# Medical Accessibility

Micro-Tech is committed to advancing the "Healthy China" strategy and promoting the accessibility of high-quality medical resources in global developing countries through multifaceted practices, including technology expansion, cost optimization, health education, and global expansion.



## Technology Expansion: Empowering Primary Healthcare Development

Micro-Tech actively responds to the national "Strengthening Primary Healthcare" policy by promoting high-quality medical resources to county-level healthcare institutions through initiatives like the "MicroMed" and "Micro-Tech Medical Animal Simulation Training Camp". Centered on "Technical Support + Talent Training," the company organizes authoritative experts to work with grassroots healthcare professionals, providing hands-on teaching, surgical training, and case discussions to help doctors master standardized endoscopic diagnostic and therapeutic techniques. This significantly improves the diagnosis and treatment levels of complex conditions such as early gastrointestinal cancers and pancreatic-biliary diseases.

Additionally, the company promotes standardized service development at the grassroots level through equipment donations and process standardization, strengthening the hub function of medical communities. This helps build the "no need to leave the county for major illnesses" health defense line and extends the benefits of minimally invasive technology to a wider population.



## Cost Optimization: Improving Price Accessibility through Centralized Procurement

The company upholds the responsibility of "reducing medical costs" and deeply participates in the centralized procurement of medical consumables at both the national and local levels. In projects such as the Hebei Province Alliance Procurement, Fujian Province Sanming Alliance Procurement, and Anhui Province Procurement, Micro-Tech's products, including hemostats, electric biopsy forceps, and duodenal papilla incision knives, were selected. These efforts effectively reduce the financial burden on patients and lower health insurance costs.

Through the scale effect of centralized procurement, the company promotes high-performance, cost-effective innovative products to cover more medical institutions, ensuring that insured patients can enjoy equal access to high-quality healthcare resources, fulfilling the substantive commitment to universal healthcare.



## Knowledge Popularization: Building a Health Education Ecosystem

Leveraging its technological advantages, Micro-Tech has developed a digital health science ecosystem. Through platforms such as WeChat public accounts and video accounts, the company disseminates professional knowledge about early gastrointestinal cancer screening, minimally invasive treatment, and more, using visual aids, surgical videos, and expert interviews. The company also innovatively designed patient education posters to visualize complex medical content, enhancing patients' understanding of treatment. At the same time, through online and offline collaboration, the company strengthens the "early detection, early diagnosis, early treatment" concept, promoting public health literacy.



## Advancing Global Medical Accessibility

Micro-Tech enhances global medical accessibility by conducting training for healthcare professionals in developing countries and fostering international academic collaborations. In Africa and Southeast Asia, the company provides endoscopic diagnostic and therapeutic, tumor minimally invasive training, and equipment support, strengthening primary healthcare capabilities. The company also works with top medical academic institutions to promote microwave/RF ablation technology and build global academic exchange platforms, helping to improve healthcare standards in developing countries and providing more patients with access to quality treatments.





# Social Agenda

Building a fertile ground for growth together

## Chapter Contents

Employee Rights and Welfare | Employee Training and Development | Employee Health and Safety

This section addresses the following SDGs



# Employee Rights and Welfare

As an innovation-driven medical technology enterprise, Micro-Tech consistently upholds its core value of being “people-oriented,” viewing employees as the company’s most valuable asset. Through a sound employment protection system, diversified welfare policies, democratic management mechanisms, and comprehensive health and safety measures, we aim to create a fair, safe, and inclusive growth environment that supports the mutual development of both employees and the company.

## Employment and Workforce Composition



The company strictly complies with laws and regulations such as the Labor Law of the People’s Republic of China, the Labor Contract Law of the People’s Republic of China, the Law on the Protection of Minors, and the Provisions on the Prohibition of Using Child Labor, establishing robust recruitment and employment mechanisms.

### In Talent Recruitment

The company’s Talent Committee under the Board of Directors formulates talent development strategies aligned with industry trends and company needs. Annual recruitment plans are drafted, and a multi-channel recruitment approach is adopted to continuously bring in top talent and build a reserve of young professionals.

### In Legal Employment

The company signs labor contracts with employees in accordance with the law and enforces standardized employment practices. There are no incidents of child labor or forced labor.

### Internal Recruitment

#### Internal Competition

Based on job vacancies, internal competition mechanisms are employed to select and cultivate talent within the organization.

#### Employee Referrals

A referral bonus system is in place to encourage employees to recommend suitable candidates. Talent reviews are conducted to match individuals to appropriate roles.

### External Recruitment

#### Online Recruitment

The company attracts potential talent via social networks, job platforms, and graduate recruitment websites.

#### Offline Recruitment

Recruitment of experienced professionals is conducted through job fairs, while fresh graduates are recruited through campus presentations and dedicated university recruitment sessions.

## Employee Composition

2464 人

Total number of employees

100 %

Labor contract signing rate

100 %

Social insurance coverage rate

10 %

Annual Employee Turnover Rate

Gender distribution



Age distribution



Education level



Job function



## Protection of Employee Rights and Interests

Micro-Tech strictly safeguards the fundamental human rights and legal interests of employees. The company adheres to the principle of equal pay for equal work and eliminates all forms of employment discrimination. Through the labor union, employees can participate in collective bargaining and sign collective contracts to ensure the comprehensive implementation of rights related to wages, benefits, and leave.

We provide employees with supplementary commercial insurance, protections for women during special periods (such as flexible working arrangements during pregnancy and breastfeeding, and prenatal check-ups counted as working hours), diversified communication channels, and career development pathways—thus establishing a comprehensive rights protection system that covers the entire employee lifecycle.

The company has been awarded the titles of "Harmonious Labor Relations Enterprise" and "Preferred Employer" at the district and city levels for several consecutive years, demonstrating its exemplary position in labor relations management.

We uphold fairness and equity, striving to create a diverse workplace that respects candidates and employees of all ethnicities, genders, religious beliefs, and cultural backgrounds. We oppose all forms of discrimination and emphasize the development of female leadership, providing equal employment and career development opportunities to all employees and fostering an inclusive workplace culture.

## Diversity and Equal Opportunity

The company adheres to the principles of fairness and equality, striving to create a diverse workplace that fully respects job seekers and employees of different ethnicities, genders, religious beliefs, and cultural backgrounds. We oppose all forms of discrimination, place importance on developing female leadership, and provide equal employment and development opportunities for all employees, fostering an inclusive workplace ecosystem.

Number of female managers	31
Proportion of female managers	32
Total female employee training hours	44831
Average training hours per female employee	38.35
Proportion of minority ethnic employees	2

## Employee Compensation and Benefits

The company formulates its compensation and benefits system based on local policies, industry standards, and business performance, aiming to attract, retain, and motivate talent.

To fully inspire employee enthusiasm, Micro-Tech adopts an innovative "broadband" compensation structure, closely linking pay with individual capabilities and performance.

Additionally, the company has established clear feedback and appeal channels for performance evaluations. If an employee disagrees with an assessment result, they can initiate an appeal, which will be reviewed and evaluated step-by-step by the relevant departments.

### Leave Benefits

Employees are entitled to statutory holidays, marriage and bereavement leave, maternity and breastfeeding leave, work injury leave, paid annual leave, and an additional "Parent-Child Leave": two half-days of paid leave per year to attend their child's parent-teacher meetings.

### Cash Benefits

Subsidies for communication, meals, and transportation.

### Non-Cash Benefits

Social insurance, supplementary commercial insurance, free health check-ups, free accommodation, birthday gifts, holiday presents, high-temperature allowances, employee travel, and labor union activities.

### Special Benefits for Female Employees

Monthly hygiene subsidies, special work schedule considerations during pregnancy and breastfeeding, and prenatal check-up time counted as working hours.



## Democratic Communication

The company continuously improves its democratic management system by widely listening to employee concerns through various channels such as employee representative meetings, labor unions, suggestion boxes, and regular interviews.

Employees are encouraged to participate in discussions about company operations and management matters, fostering a positive and collaborative atmosphere of "gathering ideas and working together for development." This open and inclusive management model not only strengthens employees' sense of ownership but also injects vitality into the company's sustainable growth.

## Employee Care

Micro-Tech always places employee well-being as a top priority. Through comprehensive facilities and a wide range of activities, the company fosters a warm, healthy, and inclusive work environment. Amenities such as nursing rooms, gyms, and coffee bars are available to meet the diverse needs of employees.

Additionally, the company organizes regular family-friendly events like parent-child summer camps to enhance employees' sense of belonging and team cohesion, fully embodying its people-oriented corporate culture.

### Employee Cafeteria: Democratic Communication Enhances Service

To ensure transparency and democratic management of dining services, Micro-Tech has established a cafeteria committee composed of employee representatives. This committee regularly evaluates the cafeteria's food safety, hygiene, service quality, and taste variety across multiple dimensions, providing suggestions for improvement and promoting continuous service optimization.



# Employee Training and Development | Employee Development

## Employee Training

The company continuously improves its talent development system by formulating and refining the Training Management System, and implements various talent development programs such as the "Seedling Program" (for recent graduates), "Professional Technician High-Potential Program" (for engineers), and the "Third-Tier Management High-Potential Program" (for departmental and managerial staff), to cultivate and reserve talent.

Through a combination of internal and external training, as well as both online and offline formats, the company carries out targeted training programs. These programs aim to achieve the best training outcomes and maximize the enhancement of professional and comprehensive skills. Continuous tracking, evaluation, and feedback mechanisms are implemented to consistently improve training quality and provide strong talent support for the company's sustainable development.

Total training hours	56066
Average training hours per employee	33.54
Senior management training hours	52
Average training hours per senior manager	1.73
Middle management training hours	421
Average training hours per middle manager	6.28
Average training hours per R&D employee	17.86
Total R&D employee training hours	5145
Total training investment	58.40

## Employee Development

The company has established a comprehensive multi-track career development system and adopts a "dual-analysis" mechanism (corporate evaluation + individual preference) to help employees plan their career paths. This includes a multidimensional assessment by the company of employees' abilities, work attitude, seniority, education, and professional titles. At the same time, employees may choose career paths that align with their personal development goals. This system effectively addresses promotion bottlenecks and ensures that every employee has equal promotion opportunities and diverse career pathway options.

## Career Development Tracks



# Employee Health and Safety

## Occupational Health

Micro-Tech has always placed employee health and safety as a top priority. Through ISO 45001 Occupational Health and Safety Management System certification, and the establishment of internal regulations such as the Occupational Hygiene and Occupational Disease Prevention and Control Management System, the company regularly organizes health checkups for all employees and provides dual protection—both welfare and occupational—for employees exposed to occupational hazards.

Detection rate of occupational hazard factors in workplaces

100%

Physical examination coverage rate for employees in hazardous positions

100%

Personal occupational health record filing rate

100%

## Workplace Safety

In the area of workplace safety, the company has established a standardized management system. It implements graded risk control, hidden danger investigation and resolution, and comprehensive hazardous chemical management (including procurement, storage, usage, and disposal), aiming for "early detection, early resolution" of risks. Additionally, the company revised the Production Safety Accident Emergency Response Plan and regularly conducts specialized emergency drills for hazardous chemicals, strengthening safety culture through rich training and reinforcement, ensuring that the "safety first" concept is deeply rooted in everyone's mind.

Furthermore, the company has successfully passed recertification for the ISO 45001 Occupational Health and Safety Management System in 2024.

Total safety training sessions

140

Total participants in safety training

5988

## Emergency Safety Management System

The company has revised the Micro-Tech (Nanjing) Co., Ltd. Production Safety Accident Emergency Plan, which clearly defines the company's emergency organization structure and the responsibilities of each emergency response team. Specific emergency plans have been formulated for major risk incidents, as well as on-site handling procedures for various workplace scenarios, forming a comprehensive and well-structured emergency response system.

## Safety Culture Development

"Safety is no small matter." As Micro-Tech grows its business, the company has introduced the Safety Training and Education Management System, and cultivates a strong safety culture through activities such as safety awareness campaigns, routine communication, and Safety Production Month initiatives—enhancing employees' awareness of workplace safety.





## Safety Risk Prevention

To effectively identify hazards, Micro-Tech adopts a combined approach of hierarchical risk control and hazard investigation and rectification. Regular inspections are carried out, and corrective action plans are drawn up. The Safety and Environmental Protection Department follows up on the implementation to ensure that production safety risks are detected and addressed early, keeping them continuously under control.

## Hazardous Chemical Management

The company places great importance on the standardized management of chemicals, strictly complying with relevant laws, regulations, and standards. To ensure environmental safety and employee health during production, Micro-Tech has established systems such as the Hazardous Chemicals Management System, Explosive Precursor Chemical Management System, and Drug Precursor Chemical Management System. These cover the full lifecycle management of chemicals, including procurement, storage, transportation, distribution, usage, and waste disposal—ensuring proper handling and storage at every stage.

Additionally, the use of hazardous chemicals requires a strict application process. The purchase, usage, and inventory of explosive and drug precursor chemicals are regularly reported to regulatory authorities.

The company conducts annual emergency drills for hazardous chemicals and organizes on-site response drills in departments using such chemicals. These efforts aim to prevent injuries caused by chemical accidents and to continually refine management practices, minimizing the environmental and health impacts associated with chemical use.

## Workplace Injury Response Mechanism

The company commissions professional agencies to conduct comprehensive identification of potential occupational health risks. These risks are integrated into the company's safety risk management system, with effective control measures implemented to address them.





# Governance

Adhere to the principle of Compliance and keep Optimizing Corporate Governance

## Contents of This Chapter

Governance Structure    Maintaining Investor Relations    Compliance Operation and Integrity Management    Information Security and Business Confidentiality    Intellectual Property Protection

This section addresses the following SDGs:

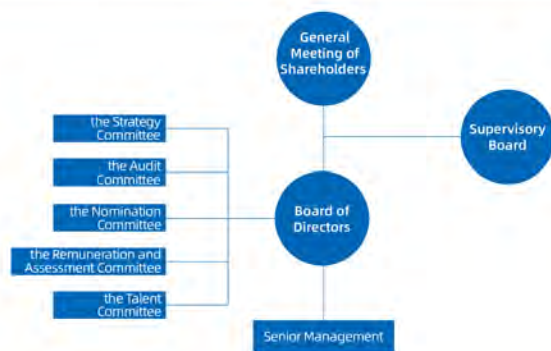




# Governance Structure

## General Meeting of Shareholders

The General Meeting of Shareholders serves as the highest authority of the Company. During the reporting period, the Company strictly adhered to the Articles of Association, Rules of Procedure for Shareholders' General Meetings and other relevant regulations to standardize the convening, holding and discussing procedure of general meetings. In compliance with regulatory requirements, a combined in-person and online voting system was implemented to ensure the participation of minority investors. Independent legal counsel was engaged to verify the lawfulness of each general meeting, safeguarding the full exercise of shareholders' rights. In 2024, the Company held 5 general meetings, addressing 16 resolutions with a 100% approval rate for agenda items.



## Board of Directors

The Board of Directors serves as the decision-making body of the Company and is accountable to the General Meeting of Shareholders. The Company's Board of Directors (the "Board") abides by laws and regulations, such as the Company Law, the Articles of Association, and the Rules of Procedure for the Board of Directors. There were five committees under the Board, including the Strategy Committee, the Audit Committee, the Nomination Committee, the Remuneration and Assessment Committee, and the Talent Committee. These committees respectively assist the Board in fulfilling its functions in areas such as strategic development, financial audit, corporate governance, remuneration assessment, and talent management. Through means such as irregularly reviewing major matters and conducting special evaluations, each committee provides strategic decision-making support to the Board.

## Supervisory Board

The Supervisory Board serves as the Company's oversight body and is accountable to the General Meeting of Shareholders. The Rules of Procedure for the Supervisory Board governs its deliberation and decision-making processes, ensuring efficient and orderly operations. Composed of three supervisors—including one employee representative supervisor—the Board diligently fulfills its oversight responsibilities, conducting effective supervision over the duties of directors and senior management, as well as the Company's compliance with legal requirements in its operations. In 2024, the Supervisory Board convened 7 meetings, reviewed 21 motions, and achieved a 100% approval rate for all resolutions put to a vote.

## Shareholders' Right to Information and Participation

During the reporting period, the Company maintained robust communication and engagement with investors and potential investors through multiple channels, including earnings briefings, participation in securities firm strategy meetings, investor visits, hotline consultations, and e-interaction platforms. These efforts enabled timely dissemination of information related to corporate operations and development, fostering deeper understanding and recognition of the Company among stakeholders.

## Shareholders' Right to Dividends

The Company balances operational needs, sustainable development, and reasonable returns to investors, maintaining a high proportion of cash dividends while ensuring normal business operations and long-term growth. In June 2024, the Company completed the 2023 annual equity distribution, distributing RMB 10.00 in cash dividends per 10 shares (including tax), totaling RMB 187,218,000 (including tax). In August 2024, the Board of Directors and Supervisory Board reviewed and approved the 2024 Interim Profit Distribution Plan, proposing to use the total share capital registered on the equity distribution record date (excluding shares held in the company's share repurchase account) as the base to distribute RMB 5.00 in cash dividends per 10 shares (including tax) to all shareholders, amounting to RMB 93,584,800 (including tax). This represents 30.14% of the net profit attributable to parent company shareholders in the consolidated financial statements for January-June 2024.

In April 2025, the Board of Directors and Supervisory Board approved (subject to approval by the annual general meeting) the 2024 Annual Profit Distribution Plan, proposing to distribute RMB 10.00 in cash dividends per 10 shares (including tax) based on the total share capital on the record date (excluding repurchased shares), totaling approximately RMB 187 million (including tax). The cumulative cash dividends for 2024 accounted for 50.70% of the net profit attributable to listed company shareholders for the year.

## Board Diversity

The Company places emphasis on maintaining a diverse mix of professional backgrounds and industry experience among Board members. The current 4th-term Board of Directors is composed of nine members, including three independent directors and one foreign-born director. Their expertise spans key domains such as minimally invasive medical device R&D, biomedical engineering, corporate strategic management, financial auditing, legal compliance, and artificial intelligence. This diverse knowledge base enhances the Board's decision-making capabilities in technological innovation, global operations, and compliant governance.



# Investor Relations Management

## Investor Relations Management Policy

In accordance with the Company Law, Securities Law, Measures for the Administration of Information Disclosure by Listed Companies, Corporate Governance Guidelines for Listed Companies, Listing Rules for Science and Technology Innovation Board Stocks of the Shanghai Stock Exchange, and the Articles of Association, the Company has established the Investor Relations Management Policy and Information Disclosure Administration Measures to ensure investors can access timely, truthful, accurate, and complete information and materials about the Company. Since its listing, the Company has consistently and proactively discharged its information disclosure obligations, maintaining prompt communication with regulatory authorities and intermediary institutions on relevant matters to guarantee the timeliness, accuracy, and completeness of information disclosed.

## Investor Relations Management Strategy and Measures

### Management Strategy

- The Board of Directors provides unified leadership and oversight for the Company's information disclosure efforts, with the Board Secretary responsible for day-to-day disclosure matters.
- A dedicated Board Office has been established, equipped with investor communication channels including a telephone hotline, corporate website, and email, to facilitate direct engagement.
- The Company proactively maintains seamless communication channels to enable investors to gain a comprehensive understanding of its daily operations, ensuring information disclosure remains compliant, timely, and transparent.

### Shareholder Rights Protection Measures

- The Company clearly defines shareholder rights and the procedures for fulfilling these rights, maintaining regular communication and engagement with shareholders—especially minority investors—through multiple channels. It actively seeks input and addresses concerns by listening to shareholders' opinions and requests, providing timely responses to issues of interest.
- In 2024, the Company responded to 34 investor inquiries via its e-interaction platform, convened 3 earnings briefings, and received 42 investor visits. These efforts diligently respected and protected shareholders' legitimate rights, balancing the interests of shareholders, employees, and society to drive the Company's sustained and healthy development.

### Creditor Rights Protection Measures

- The Company fully considers the legitimate rights of creditors in its operational decision-making, upholding contractual integrity and strictly complying with debt covenant terms. No instances of harm to creditors' rights have occurred.
- During the reporting period, the Company maintained stable operations, a strong credit profile, healthy cash flow, and a sound assets-liability structure, with no negative credit records in lending and no inclusion in lists of serious illegal/dishonest entities or abnormal business operations.
- The Company ensures timely repayment of principal and interest on borrowings in strict accordance with contract terms and guarantees transparent communication with creditors in line with information disclosure principles.

## Information Disclosure Management

The Company strictly adheres to information disclosure regulations and has established the Administrative Measures for Information Disclosure Affairs and other relevant policies to standardize the disclosure of financial and non-financial information. It mandates regular or non-regular disclosure of material information on a quarterly, semi-annual, and annual basis. During the reporting period, the Company published 4 regular reports and 65 provisional announcements, with no corrections or supplements issued. There were no instances of false records, misleading statements, or material omissions in its disclosures.

## Honors and Ratings

In 2024, the Shanghai Stock Exchange (SSE) released the evaluation results for information disclosure practices of listed companies on the Shanghai market during 2023-2024. Micro-tech endoscop received a Grade A Evaluation once again. The highest rating demonstrates its consistent compliance with disclosure requirements and transparency. Additionally, the company was awarded a Four A's Evaluation in the China Association for Public Companies (CAPCO) Board Secretary Performance Assessment, recognizing its excellence in corporate governance and investor relations management.

In 2024 ESG ratings and evaluations by relevant information disclosure institutions, Micro-tech endoscop received the following ratings and honors:

China Securities Index (CSI) AAA Rating

China Reform Holdings Corporation (CRHC) A Rating

Central University of Finance and Economics Green Finance and Sustainable Development Institute (CUFE IIGF) A Rating

China Chengxin International Credit Rating (CCXI) A+ Rating

CHIndices AA Rating

Wind ESG AA Rating

2024 Wind ESG Top 100 List

Shanghai Securities News Golden Quality ESG Award



# Information Security and Business Confidentiality

Micro-tech endoscop strictly adheres to laws and regulations such as the Cybersecurity Law of the People's Republic of China, Data Security Law of the People's Republic of China, and Personal Information Protection Law of the People's Republic of China. Under the supervision of the Board of Directors and senior management, the Company continuously strengthens information security safeguards from multiple dimensions, conducting governance and privacy protection efforts to effectively secure information for customers, business partners, and employees.

## Information Security Strategy

To safeguard corporate information security, Micro-tech endoscop employs a proactive strategy centered on three core pillars:

- Stringent Access Controls: We enforce rigorous limits on information access, requiring dedicated personnel to oversee all online file transfers. Physical documents are stored in secure, restricted-access cabinets, with no external exposure.

- Dedicated Accountability Model: Sales teams assume direct responsibility for protecting customer information within their regions. For physical records like business licenses, we use a "dedicated personnel + secure storage" system, assigning clear ownership of confidentiality duties to individual employees.

- Classified Data Protection: Data is encrypted and stored according to sensitivity levels, with access governed by the least privilege principle (dual authorization with minimized permissions). A Data Security Management (DSM) system ensures secure transmission of privacy-sensitive information.



## Risk Prevention Infrastructure

We've built a comprehensive risk management framework for information security, including software and network deployments:

- Network Perimeter Protection: In compliance with China's Cybersecurity Classified Protection Basic Requirements, we install professional security devices at network boundaries, configure access controls, and filter traffic to block unauthorized entry.

- Endpoint Security Defense: To prevent external intrusions, we deploy layered protections for employee devices, including: Network access control to validate device security before granting system entry, Desktop management systems to monitor and enforce security policies, Enterprise-grade antivirus software to detect and eliminate threats

- Employee Preparedness & Response Scenario-Based Drills: Regular simulations of potential data breach scenarios train employees to use our risk management protocols effectively, ensuring they can identify and mitigate threats in real-world situations. Continuous Education: Teams receive ongoing training on national information security standards and internal confidentiality policies, reinforcing their understanding of best practices of safeguarding sensitive data.



### 边界安全防护

通过部署新一代防火墙、AD全网行为管理等安全设备，设置ACL及安全策略，实现对网络边界的安全管控。

### 邮件安全防护

通过部署邮件安全网关，监控邮件传递路径及黑白名单，实现对外来邮件的安全筛查。



### 数据安全防护

通过部署数据安全管理系统，构建快速备份策略，建立独立备份数据存储空间，实现对重要数据的保护。

### 终端安全防护

通过AD域控制办公电脑相关权限，安装统一杀毒软件，部署桌面系统策略等，实现对办公电脑终端安全进行防护。

## Security Training Mechanism

To strengthen information security awareness across the organization, the Company has established a dynamic training mechanism. In line with the latest information security policies, we regularly push updated content via our internal learning platform—including interpretations of new cybersecurity regulations, industry risk case studies, and revisions to corporate security guidelines—and organize lectures and training sessions on information security knowledge.

In 2024, our information security training achieved 100% employee coverage, with no incidents of personal information leakage. The Company has built a security protection network covering the full data lifecycle, ensuring stable operation of critical information infrastructure. For three consecutive years, no major data breaches have occurred, effectively safeguarding customer privacy rights and corporate data assets.



### 2024信息安全专题汇报

微医医疗科技股份有限公司  
2024年度信息安全专题汇报  
汇报时间：2024年12月





# Intellectual Property(IP)Protection

Micro-tech endoscop has established a systematic, end-to-end management framework for intellectual property protection. Adhering strictly to laws such as the Patent Law of the People's Republic of China and Trademark Law of the People's Republic of China, the Company has built a multi-dimensional protection network covering patents, trademarks, trade secrets, and other IP rights. Guided by the philosophy of "building independent technical moats to defend market innovation advantages", it employs a three-pronged approach—strategic planning, risk management, and competitive empowerment—to achieve full lifecycle management of IP from application and portfolio building to commercialization and enforcement.

To deeply integrate IP strategy with business development, Micro-tech endoscop embeds IP management into its medical product R&D system, implementing a series of policy documents including: Patent Application and Management Systems & Procedures, High-Value Patent Cultivation Program, IP Risk Management Systems & Procedures, Trademark Graded Protection Policy. These form a closed-loop management system encompassing innovation incentives, risk early warning, and compliant utilization. Notably, the Patent Reward System effectively drives company-wide innovative vitality. The Company also maintains a trade secret protection mechanism, using technical measures like classified encrypted storage and dynamic access rights management to safeguard core technologies. Before product launches, multi-layered IP risk assessments are conducted to ensure no infringement of others' IP rights, solidifying its position as a responsible innovator in the global medical device industry.

Through the development and refinement of systems and processes, the Company effectively governs key IP management phases—from proposal development to mining & portfolio building, application & grant, and post-grant maintenance—to ensure orderly IP operations.

To mitigate infringement risks, all pre-launch products undergo dedicated IP risk assessments to identify and address potential conflicts.

When defending its rights against market imitations of its hemostatic clip products, the Company proactively initiates patent enforcement actions and has secured favorable court rulings, demonstrating its commitment to protecting innovative achievements.



Relying on an intellectual property management system that runs through the three major links of "creation-protection-utilization," in 2022, Micro-tech endoscop was recognized by the National Intellectual Property Administration as a "National Intellectual Property Advantage Enterprise." In 2023, we won the "Jiangsu Provincial Patent Gold Award." In 2024, Micro-tech endoscop passed the GB/T 29490-2023 Enterprise Intellectual Property Compliance Management System certification and obtained the intellectual property compliance management system certification certificate, indicating that the Company has achieved the goal of comprehensive development in intellectual property creation, utilization, protection, and management, and initially possesses outstanding comprehensive competitive advantages.

The Company took legal action against the imitation of its hemostatic clip products in the market. In the relevant case (2023) Zhi Xing Zhong 801, the Supreme People's Court rendered a final judgment on December 24, 2024, in favor of MicroPort Scientific Corporation. This case was included in the "Summary of Key Judgments of the Intellectual Property Tribunal of the Supreme People's Court (2024)."

As of December 31, 2024, the Company had a cumulative total of 99,048,380 patent applications; it currently holds 656 patents, including 185 domestic invention patents and 72 foreign invention patents; during the year, it filed 107 patent applications, including 42 invention patents. The core technology patent layout covers the main product lines, strongly supporting the Company's global technological leadership in the field of minimally invasive medicine.

	New in Current Year		Cumulative Quantity		Foreign Patents	
	Applications (Items)	Grants (Items)	Applications (Items)	Grants (Items)	Cumulative Valid Foreign Patents (Items)	Cumulative Valid Foreign Invention Patents (Items)
Invention Patents	42	83	380	185	134	72
Utility Model Patents	63	57	456	406	New Foreign Patents in 2024 (Items)	New Valid Foreign Invention Patents in 2024 (Items)
Design Patents	2	3	25	25	32	20
Software Copyrights	/	/	40	40	New Foreign Patent Applications in 2024 (Items)	New Foreign Invention Patent Applications in 2024 (Items)
PCT	0	/	3	/	30	13
Total	107	143	904	656		



# Compliant Operations and Integrity Management

In the process of high-quality development in the medical industry, Micro-tech endoscop has always adhered to the principles of compliant operations and ethical integrity, actively responding to national medical anti-corruption policies to ensure the joint construction of corporate sustainable development and a healthy industry ecosystem.

## Medical Anti-Corruption System Development

- The Company has always prioritized the development of a compliance management system and related policies. In its external cooperation agreements, special declaration clauses are explicitly included, stipulating that all academic and clinical collaborations must be based on voluntary principles. The core objectives of such collaborations are to evaluate medical device performance, enhance application standards, and ultimately promote patient health.
- No commercial profit-making activities, product sales, or unfair competition for commercial purposes are involved, ensuring full protection of fairness, openness, and impartiality throughout the process.

## Compliance Training and Integrity Culture Building

- The Company regularly conducts specialized training on medical anti-corruption. Since 2023, a dedicated section has been established in its Capital Market Weekly to compile typical compliance and anti-corruption cases and hot topics for review by directors, supervisors, and management, using real cases as lessons to strengthen ethical awareness. Through online and offline meetings and training, legal principles are explained using practical cases to instill an integrity culture among all employees and enhance their awareness of ethical conduct.
- During the reporting period, the Company provided 6 anti-corruption and compliance training sessions, totaling 6 hours, covering over 1,000 participants.

## Whistleblowing Channels and Protector Safeguards

- To enhance anti-corruption effectiveness, the Company has established multiple oversight mechanisms, including a dedicated anti-corruption hotline and email for reporting, welcoming supervision from employees, partners, and the public to form a company-wide integrity prevention network.
- The Company strictly safeguards the confidentiality of whistleblowers' identities to protect their legitimate rights and interests.

## Marketing Anti-Corruption and Business Ethics

The Company attaches great importance to compliant management of marketing channels. To strengthen its anti-corruption compliance system and prevent unfair transaction risks, it has implemented a series of measures:

### Internal Management Measures:

- Conflict of Interest Management Policy: Established a systematic framework for identifying, assessing, and resolving conflicts of interest.
- Specialized Compliance Training on Conflict of Interest: Regular training sessions analyze potential risks through typical cases to help employees master compliant operational standards.
- Ethical Awareness Education: Clearly defines behavioral boundaries to ensure end-to-end compliance in all marketing activities.

### Supply Chain Accountability Mechanisms:

- Upstream Controls: Signed Anti-Bribery Commitments with Suppliers with all vendors to enforce ethical supply chain practices.
- Downstream Constraints: Included anti-commercial bribery clauses in customer contracts, supplemented by an Integrity Commitment as a contractual annex.
- Full-Value Chain Integrity System: Built a collaborative framework to ensure ethical standards across the entire value chain.