



启明医疗[®]
VENUSMEDTECH

杭州启明醫療器械股份有限公司
Venus Medtech (Hangzhou) Inc.

(A joint stock company incorporated in
the People's Republic of China with limited liability)

Stock Code: 2500



2024

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Environmental, Social and Governance Report

This is the environmental, social and governance (“ESG”) report (the “Report”) of the Company and its subsidiaries (collectively referred to as “Venus Medtech”, “the Group” or “we/us”), which aims to disclose the Group’s ESG performance for the year 2024 in a transparent and open manner in response to the concerns and expectations of stakeholders on the Group’s sustainable development management.

REPORTING SCOPE

As we conduct manufacturing and sales activities primarily in China, the scope of the Report covers the major operations of Venus Medtech in China, and there are no significant changes in reporting scope compared to the 2023 ESG report. The environmental key performance indicators (KPIs) mainly cover the Group’s headquarters in Hangzhou, including office buildings, factories and research and development (R&D) centers; the employee-related KPIs in the social aspect only cover the Group’s employees in China, while the other social KPIs mainly cover the Company and all its subsidiaries in China. The reporting period of the Report is January 1, 2024, to December 31, 2024 (the “Year” or the “Reporting Period”).

REPORTING STANDARD

The Report is prepared in accordance with the Environmental, Social and Governance Reporting Guidelines (the “Guide”) in Appendix C2 to the Listing Rules of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Group has complied with the reporting requirements in the Guide, including the mandatory disclosure provisions, the “comply or explain” provisions and the four reporting principles of “materiality”, “quantification”, “balance” and “consistency”.

Materiality: The Report has identified and disclosed the process of significant environmental, social and governance factors and the criteria for selecting these factors, as well as the process and results of stakeholder engagement.

Quantitative: The statistical standards, methods, assumptions and calculation tools used in reporting greenhouse gas emissions/energy consumption, as well as the sources of conversion factors, are explained in the Report.

Balance: The Report shall provide an unbiased picture of the Group’s performance in 2024 and should avoid selections, omissions, or presentation formats that may inappropriately influence the decision or judgment made by the report readers.

Consistency: The statistical methods used for the data disclosed in the Report are consistent with those in the 2023 ESG Report. If there are any changes, they will be clearly stated in the Report.



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REPORTING LANGUAGE

The Report is published in both Chinese and English. In case of any discrepancy, the Traditional Chinese version shall prevail.

REPORT APPROVAL

The Report has been approved by the Group's board of directors (the "**Board**") on 28 March 2025.

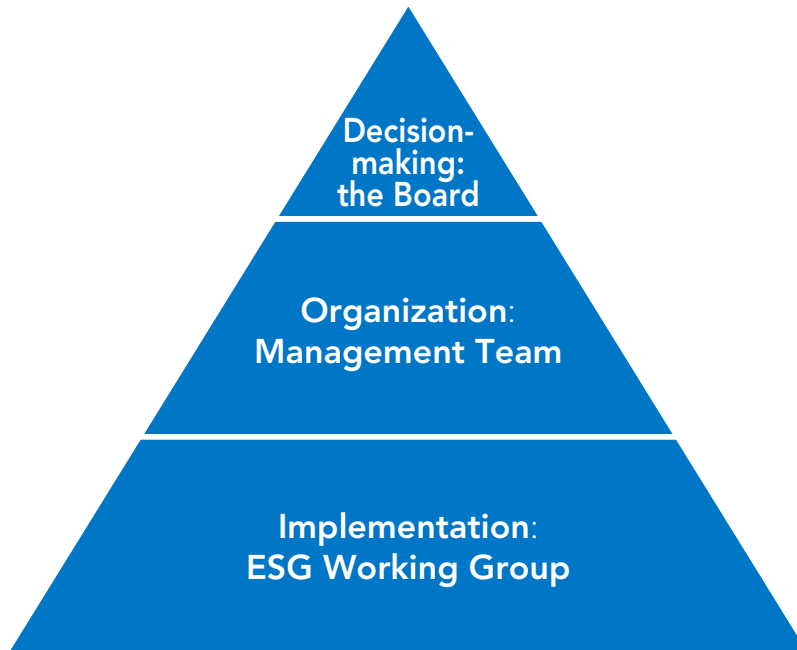
STATEMENT OF THE BOARD

We are fully aware of the importance of sustainable development to the long-term and stable operation of enterprises, so the Board of the Group attaches great importance to sustainable development. We focus on providing high-quality medical products and services, continuously improve the level of corporate governance, respect and safeguard the rights and interests of employees, and reduce the negative impact of the corporate business development on the environment.

The Group has always been committed to integrating the ESG concept into strategy and daily operations, fulfilling social responsibilities while creating economic value, and practicing the concept of green and low-carbon development. We continue to improve the ESG governance structure with the Board as the core. The Board is fully responsible for our ESG strategy and reporting, monitors and reviews the performance and progress of our ESG work, and determines the materiality issues, ESG risks and targets. We have successfully achieved the environmental targets for 2024, and will continue to take actions to respond to and meet the concerns and demands of various stakeholders in the future, ensure the transparency and efficiency of corporate governance, and achieve new results in the field of sustainable development.

ESG MANAGEMENT STRUCTURE

We have established a top-down three-tier ESG management structure, which comprehensively covers all businesses of the Group and ensures the implementation of our ESG policies and measures. The clear division of labor between each level has resulted in an efficient communication mechanism and supervision system, which can help us achieve synergy among various departments and levels, and continue to inject momentum into the sustainable development of the Group.



ESG Management Structure



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The Board of the Group, as the highest level of decision-making on ESG matters, is primarily responsible for formulating and reviewing the ESG management policy, regularly reviewing ESG-related objectives and performance, approving ESG reports, and overseeing the effectiveness and appropriateness of the Group's ESG risk management and internal control systems.

The Management Team, as the organizational level, is responsible for the implementation of the ESG risk management and internal control system, reporting to the Board on ESG-related risks and opportunities, and ensuring the effective implementation of ESG-related policies and measures.

The ESG Working Group consists of the heads of Venus Medtech's major departments, who are mainly responsible for reporting ESG-related risks, implementing ESG management policies approved by superiors, and appointing specialists to carry out the work of ESG management and reporting.

STAKEHOLDER ENGAGEMENT

The Group attaches great importance to the suggestions and expectations of various stakeholders on its development. We maintain long-term and effective communication with various parties, including governmental organizations, shareholders, employees, customers, suppliers and the community, through diversified channels, and are committed to incorporating the aspirations of various parties into the Group's strategic decisions and daily operations, and jointly promote sustainable development.

Stakeholders	Expectations and concerns	Communication channels	Communication frequency
Governments and regulators	<ul style="list-style-type: none"> Compliance with laws and regulations Paying taxes Product compliance Lead the healthy development of the industry 	<ul style="list-style-type: none"> Compliance management Voluntary taxation Complying with national policies Continuous R&D innovation Risk analysis reports Reporting adverse events timely Participating government projects actively 	Multiple times per year
Shareholders and investors	<ul style="list-style-type: none"> Operation compliance Corporate governance Information disclosure Risk management 	<ul style="list-style-type: none"> Announcements and circulars Financial reports Shareholders' meetings Online/Offline Roadshow Convening of performance briefings Establishment of feedback platforms such as company mailboxes and websites 	Multiple times per year

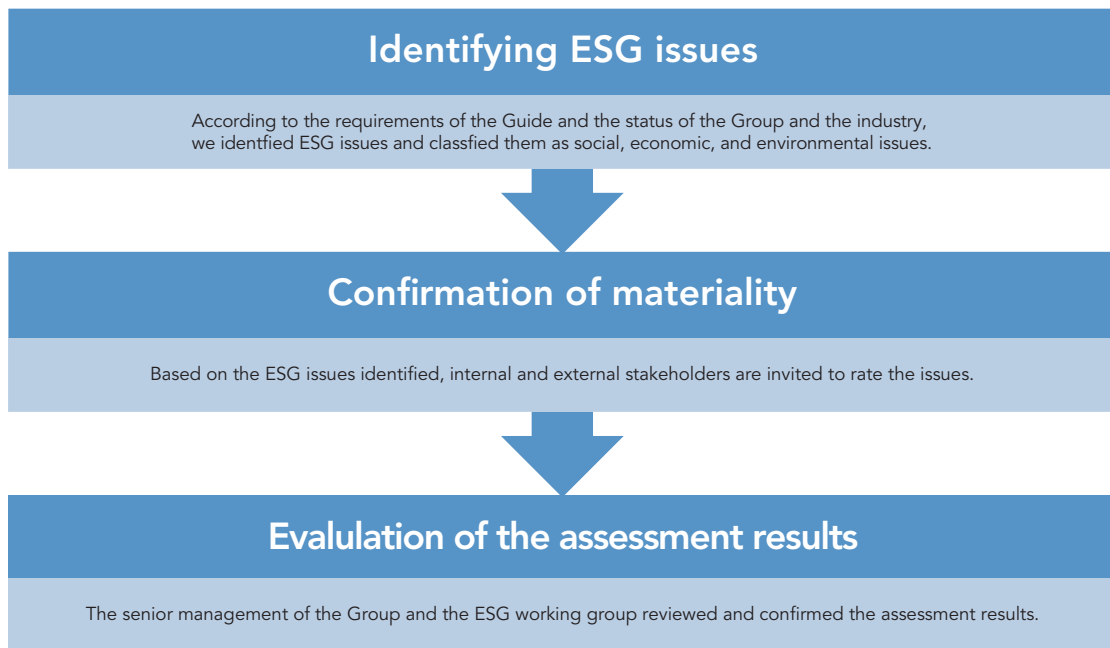
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Stakeholders	Expectations and concerns	Communication channels	Communication frequency
Employees	<ul style="list-style-type: none"> • Protection of employees' rights • Career development channel • Healthy and safe working environment 	<ul style="list-style-type: none"> • Employee satisfaction survey • Regular meetings and training • Employee care • Intranet website and suggestion box 	Multiple times per month
Customers	<ul style="list-style-type: none"> • Protection of customers' rights and interests • Product quality and safety • Responsible marketing • R&D innovation • Improve product competitiveness 	<ul style="list-style-type: none"> • Daily communication and meetings • Training courses • Seminars • R&D cooperation • Service hotline and mailbox 	Multiple times per month
Suppliers	<ul style="list-style-type: none"> • Fair and open procurement • Win-win cooperation 	<ul style="list-style-type: none"> • Daily communication and meetings • Business visits • Audit and performance evaluation 	Multiple times per month
Communities	<ul style="list-style-type: none"> • Community engagement • Environmental protection 	<ul style="list-style-type: none"> • The Group's official website • Public welfare activities 	Multiple times per year

Materiality Analysis

The Group regularly reviews and evaluates the Group’s ESG materiality issues, and examines the extent of their impact and importance in light of the current state of the business and strategic deployment. The Group has taken the following measures to analyze the ESG materiality issues. We used the results of the analysis as the basis for the preparation of the Report, and disclosed and responded to them in each section.

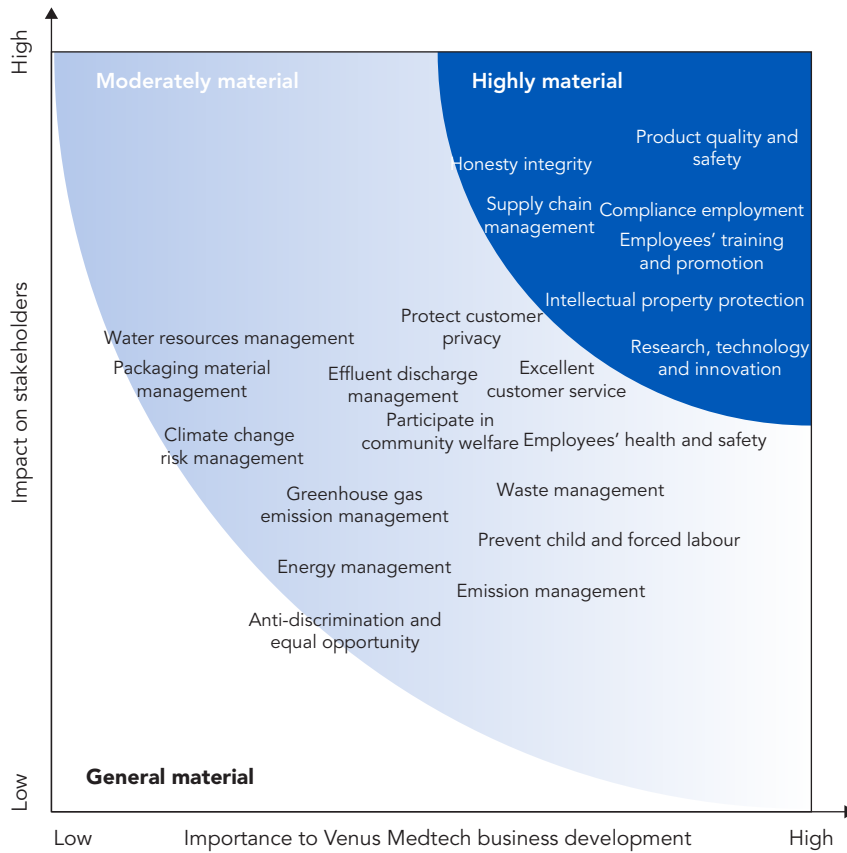
Materiality Assessment Process



In 2024, the Group reviewed and adjusted its assessment of ESG issues and their materiality.

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The results of the assessment and the ESG materiality matrix are as follows: the Group has identified a total of 21 issues covering ESG aspects, including 7 highly materiality issues and 14 moderately materiality issues, which are disclosed with different levels of emphasis in the Report and are taken into account as important considerations in the formulation of ESG policies and strategies.

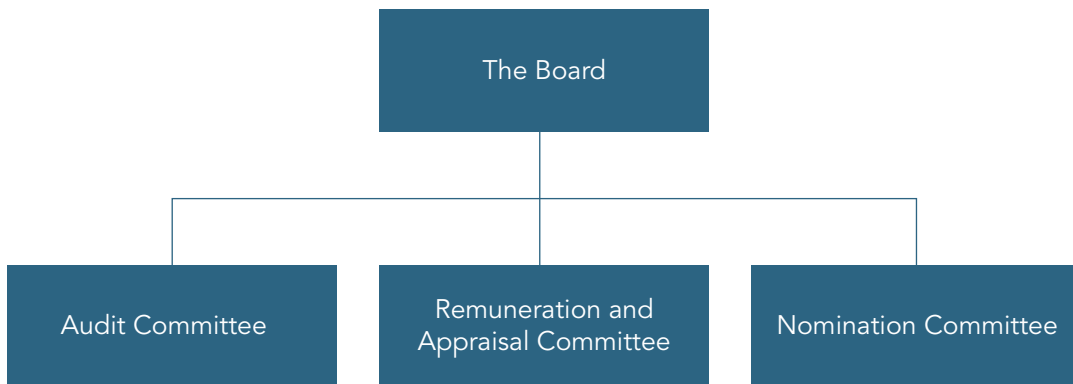


Materiality Assessment Matrix

Integrity and Compliance

Governance Structure

During the Reporting Period, the Group strictly complied with *the Company Law of the People's Republic of China* (《中華人民共和國公司法》), *the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (《香港聯合交易所有限公司證券上市規則》), *the Code on Corporate Governance* (《企業管治守則》) and other laws, regulations and regulatory documents, and established a sound and standardized governance structure. The Board as the highest level of governance, comprises the Audit Committee, the Remuneration and Evaluation Committee and the Nomination Committee, which are responsible for formulating the Company's business plans and development strategies, reviewing important issues, supervising the operations and internal control of risks, etc., so as to ensure that all businesses are operated in compliance with the law.



The Group has adopted a board diversity policy whereby candidates for the Board are evaluated based on a number of factors, including but not limited to, industry knowledge, experience, skills, gender and age, educational background and other factors to achieve board diversity. The Board currently consists of eight members with appropriate skills, experience and diverse backgrounds relevant to the Group's strategy, governance and business, including three executive Directors, two non-executive Directors and three independent non-executive Directors.

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Risk Management and Internal Control

Through the establishment of the Internal Audit and Compliance Department, the Group has supplemented the third line of defense and set up a “three lines of defense” risk management system to ensure legal compliance in operation and management, safety of assets, and truthfulness and completeness of relevant information such as financial reports. The first line of defense is all business unit employees, the second line of defense consists of professional teams in legal, finance and information management, and the third line of defense is the audit team which is independent of the Group’s operations.

- **Internal Audit**

The Group has formulated policies such as *the Internal Audit Management System* (《內部審計管理制度》), *the Audit Project Management Measures* (《審計項目管理辦法》), *the Audit Rectification Management Measures* (《審計整改管理辦法》), *the Risk Prevention and Control Management System* (《風險防控管理制度》), *the Whistle-blowing Policy* (《舉報政策》) and *the Provisions on Internal Investigation Procedures* (《內部調查程序規定》), etc., to ensure the integrity of the internal audit and supervision system.

The Group established the Internal Audit and Compliance Department in May 2024 and appointed a senior manager who is responsible for the following matters:

- 1) monitoring the Group’s compliance and implementation of internal controls;
- 2) conducting financial, operational and compliance audits of the Group;
- 3) reporting to the Audit Committee of the Board in respect of internal auditing matters; and
- 4) planning and executing other internal auditing activities.

The Internal Audit and Compliance Department has carried out 12 audit projects in finance, internal control, procurement, sales, clinical and information management. In the future, it will continue to monitor the implementation of internal control policies in finance and key businesses, identify risks and hazards in a timely manner and implement corrective actions, so as to effectively reduce and minimize the chances of risks occurring, as well as report to the Audit Committee of the Board on the audits on a regular basis.

- **Compliance Management**

The Group has formulated *the Compliance Management System* (《合規管理制度》), which specifies the compliance management organization system, identification and assessment of compliance risks, compliance audits, compliance inspections, compliance consulting and compliance training, compliance reporting, compliance reporting, compliance assessment and rewards and punishments, and other management mechanisms. This system effectively safeguards the operation in compliance with the law and achieve the sustained and standardized development of the Group.

- **Internal Control**

The Group has comprehensively strengthened its internal controls and implemented additional enhancements to fulfill the relevant requirements under the Listing Rules, including but not limited to:

- 1) the establishment of a reorganized and strengthened Internal Audit and Compliance Department to, among other things, oversee the Group's compliance and implementation of internal controls, reporting directly to the Audit Committee;
- 2) implementation of revised and newly formulated internal control policies, including *the Fund Raising Management System* (《募集資金管理制度》), *the Internal Audit Management System* (《內部審計管理制度》), *the Monetary Funds and Bills Management System* (《貨幣資金及票據管理制度》) and *the Connected Transaction Management System* (《關連交易管理制度》);
- 3) the establishment of a Steering Committee comprising three directors to oversee the internal control functions of the Group. For certain significant and non-recurring operating activities, such as all loans/guarantees/pledges and investments, related party transactions, any payment for external operations and disposal of assets with a single transaction amount exceeding RMB10,000,000, which are initiated and approved by the executives of the Group, such matters, if any, will be forwarded to the Steering Committee as an additional layer of oversight to ensure compliance with the internal policy and governance framework;

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- 4) enhancement of the payment and contract approval system of the Group's entities in the People's Republic of China ("**PRC**") and overseas subsidiaries, including: (a) enhancement of the process of the Company's PRC entities by adding an additional approver to the online banking system; and (b) implementation of a new online process with a comprehensive approval matrix for transactions of Venus Hong Kong and Venus Medtech America. The system for the Company's PRC entities, Venus Hong Kong and Venus Medtech America requires sequential review and approval by department heads, finance, legal and management, as applicable, with higher value transactions requiring additional approvers at the senior executive level, including the Chief Executive Officer, Chief Operating Officer, Chief Technology Officer, Chief Financial Officer and Vice Presidents. Specific approvers are determined depending on the type of payment and the relevant department;
- 5) establish a monthly reporting system to the Steering Committee and the Board, including an alert system for timely reporting of important matters. The monthly reporting system consists of three monthly reports: the management accounts, the report on cash flow and movements in major accounting accounts and the cash balance statement, which are prepared by the Finance Department based on data from the Group's internal electronic system, management accounts and bank statements. The report on cash flow and changes in major accounting accounts is dedicated to recording the changes in all significant transactions during the month, such as fund transactions with external and related parties exceeding RMB 10 million, financing activities, changes in overdue accounts receivable exceeding RMB 5 million, significant asset disposals and other significant financial information. All three reports are distributed to the Steering Committee and other Board members on a monthly basis. The Finance Department and the management maintain a protocol to promptly alert the Board of any unusual matters requiring special attention, although such reports do not require formal Board approval. Following the establishment of the Steering Committee and the implementation of the monthly reporting system, the reports were circulated to the Steering Committee and the Board on a monthly basis and no issues were identified. The internal control consultant has reviewed the procedural aspects and sample monthly reports and has not identified any anomalies in the design and implementation of the relevant reporting mechanisms.

Compliance Operations

Integrity and compliance operations are the bottom line and values that the Group has always adhered to, and we have a zero-tolerance attitude towards corruption, bribery and other violations of business ethics. We strictly abide by *the Criminal Law of the People's Republic of China* (《中華人民共和國刑法》), *the Anti-Unfair Competition Law of the People's Republic of China* (《中華人民共和國反不正當競爭法》), *the Interim Provisions on Prohibition of Commercial Bribery* (《關於禁止商業賄賂行為的暫行規定》), *the Anti-Money Laundering Law of the People's Republic of China* (《中華人民共和國反洗錢法》) and other laws and regulations. We formulate and implement *the Compliance Manual* (《合規手冊》), which details *the Marketing Activities Management System* (《市場行銷活動管理制度》), *the Code of Conduct for Integrity and Self-discipline Implementation Rules* (《廉潔自律行為準則》) and penalties, strictly control the income and expenditure of business receptions, industry conferences, etc.. We also strictly implement *the Employee Code of Conduct System* (《員工行為規範制度》) and *the Employee Reward and Punishment System* (《員工獎懲制度》), setting clear behavioral boundaries for all employees.

We require all business lines to remain vigilant at all times and report suspicious clues to the company in a timely manner. A project team composed of professionals from our internal audit and compliance department will independently conduct investigations on violations within the company and report to the Audit Committee of the Board in accordance with the relevant procedures. At the same time, we have made public the reporting mailbox and telephone number, and welcome reports and supervision from all walks of life. We will take the reporting clues seriously and strictly keep the information of the reporter confidential. For the verified violators, we will notify, record demerits or expel them according to the severity of the circumstances, and transfer them to the judicial authorities for handling if necessary. We also require suppliers and partners to strictly implement the anti-corruption policy we have formulated, and specially formulate *the Distributor/Agent Anti-Corruption Compliance Policy* (《經銷商／代理商反腐敗合規政策》) to strictly prohibit dealers and agents from soliciting and accepting bribes and other illegal behaviors, and sign *the Distributor Compliance Commitment Confirmation Letter* (《經銷商合規承諾確認函》) to create an honest business environment based on fair trade and fair competition. We also require all marketing employees to sign *the Anti-Corruption and Anti-Bribery Commitment Letter* (《反腐敗反賄賂承諾書》).

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During the Reporting Period, the Group was not involved in any judicial proceedings related to corruption, fraud and money laundering.

Reporting Channels:

E-mail: hegui@venusmedtech.com

Hotline: 400 0902500

Compliance Training

The Group conducted relevant corporate governance and compliance trainings for directors, supervisors and senior management in April and December 2024 respectively, including the duties of directors, corporate governance structure, listing rules, connected transactions, use of proceeds and financial reporting obligations, etc., and reiterated the importance of compliance matters such as inside information and market misconduct, etc. All internal and external directors, supervisors and management of the company participated in the relevant training.

The Group conducted compliance training for all employees from time to time, including anti-fraud, anti-bribery, anti-fraud and anti-corruption; and provided special training to relevant employees on newly released compliance policies, aiming at clarifying the Group's work procedures for compliance management and financial management and standardizing employee behavior.



Marketing New Employee Compliance Training

High-quality products and services

As a leading company in the field of minimally invasive heart valve interventions in China, the accumulation of scientific and technological innovations and high-quality products and services are the core competitiveness of Venus Medtech, which relies on our close relationship with customers and patients, the extreme pursuit of technical and product details, and a scientific and efficient quality management system. We focus on all aspects of production and service, and integrate quality management concepts and measures into key processes including supplier management, design, manufacturing, and after-sales service, to ensure that we provide qualified and reliable products to healthcare professionals with high standards and stringent requirements, thereby benefiting more patients. During the Year, the VenusA-Deluxe transcatheter aortic valve system was approved by the State Drug Administration for marketing, which optimizes the delivery system to provide a safer and more stable guarantee for TAVR surgeries.

Our Mission

Committed to finding effective treatments for major diseases that seriously threaten human health

Quality Principle

Adhere to the principle of quality first, in line with applicable laws and regulations, relying on the quality management awareness of all staff to continuously improve the quality system, to provide customers with safe, effective and excellent products and services.

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During the Year, Venus Medtech continued to explore cutting-edge technologies to address clinical pain points, and achieved a wealth of achievement awards as well as recognition from the community, as follows:

Award Name	Prizewinner	Awarded by
Zhejiang Province, the First Batch of "Two New" Major Scientific and Technological Achievements Promotion List (浙江省首批"兩新"重大科技成果推廣清單)	Transcatheter Heart Valve Technology (經導管心臟瓣膜技術)	Science and Technology Department of Zhejiang Province (浙江省科技廳)
2024 Hangzhou Headquarter Enterprises R&D-based Headquarters (2024年度杭州市總部企業研發型總部)	Venus Medtech (啟明醫療)	Hangzhou Development and Reform Commission (杭州市發展和改革委員會)
2023 Shanghai Science and Technology Award-First Prize of Science and Technology Progress Award (2023年度上海市科學技術獎—科技進步獎一等獎)	Project "Innovation and Establishment of a System for Transcatheter Aortic and Pulmonary Valve Replacement", Venus Medtech as one of the main organizers (《經導管主、肺動脈瓣置換技術的創新和體系的建立》項目，啟明醫療作為主要完成單位之一)	Shanghai Municipal People's Government (上海市人民政府)
2023 Guangdong Provincial Science and Technology Award – First Prize of Technological Invention Award (2023年度廣東省科學技術獎—技術發明獎一等獎)	Development and Application of an Innovative Recoverable Transcatheter Aortic Valve Release System to Achieve Sinus Alignment Technology, with Venus Medtech as one of the key completing entities (《實現竇對齊技術的創新可回收經導管主動脈瓣釋放系統的開發和應用》項目，啟明醫療作為主要完成單位之一)	People's Government of Guangdong Province (廣東省人民政府)

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Award Name	Prizewinner	Awarded by
Candidates for the Recommended Catalog of Quality Products in Hangzhou in 2024 (2024年杭州市優質產品推薦目錄候選產品名單)	Various Venus Medtech products (啓明醫療多款產品)	Hangzhou Economic and Information Technology Bureau (杭州市經濟和信息化局)
Frontier Clinic 2023 Star of the Year (前沿診療2023年度灼耀之星)	Venus Medtech's wholly owned subsidiary Cardiovalve (啓明全資子公司 Cardiovalve)	China Insights Consultancy (CIC灼識諮詢)

Quality Management System

The Group has established an internationalized quality management system in accordance with the requirements of regulations and standards such as ISO13485, China's NMPA's *Code of Practice for the Quality Management of Medical Devices Manufacturing* (《醫療器械生產質量管制規範》), U.S. FDA's QSR, EU's MDR, Brazil's ANVISA's RDC, MDSAP, ISO/IEC17025 and other regulations and standards, and has formulated the quality manual, the quality control procedures and other internal documents to clarify the responsibilities of the management and all employees in quality management. The CEO of the Group is ultimately responsible for quality management, and all employees are responsible for the implementation of all quality management policies. Our quality management system covers the design, production and distribution activities of medical devices, and all organizations and personnel involved in the relevant activities have been included in the quality management system. By continuously improving the quality management awareness and professional level of our employees, and regularly monitoring and investigating and handling quality risks, we ultimately achieve the goal of monitoring and managing the whole process of product realization, and enhance market competitiveness and customer trust. At present, we have obtained ISO13485 system certificate, EU MDR system certificate, MDSAP quality system certificate, China Medical Device Manufacturing License, China Medical Device Business License, Brazil BGMPC certificate and other certificates, our quality management system has been in line with the regulatory requirements of the mainstream markets such as China, the United States, the European Union, Canada, Australia, Japan, Brazil, Argentina and so on, which help us to expand our business in international markets. This has helped us to expand our business in the international market.

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ISO 13485 Quality Management System Certification



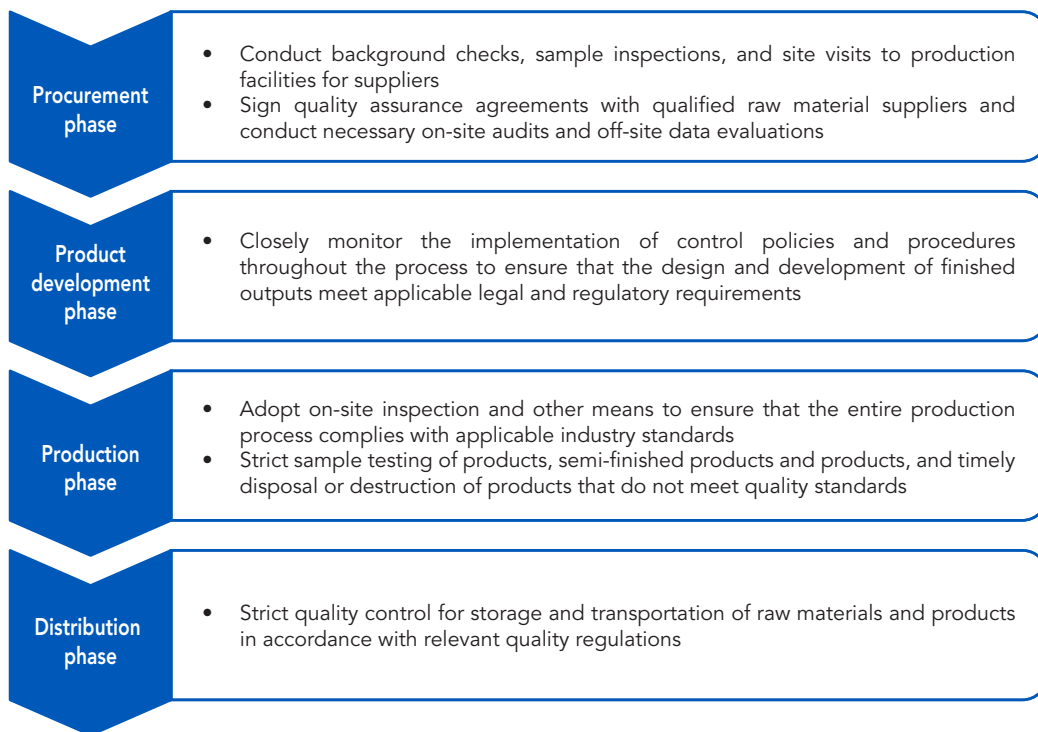
MDSAP Certificate

Quality Control and Assurance

<p>Quality assurance team</p>	<ul style="list-style-type: none"> Equipped with a complete quality management team covering system management, quality assurance, quality testing and other functions Build, improve and maintain the quality management system Monitor the design, production and distribution processes to ensure that the operation complies with the appropriate regulatory and industry requirements
<p>Internal audit function</p>	<ul style="list-style-type: none"> Perform at least one internal audit of the quality management system annually to ensure effective implementation of the quality management policy Perform at least one management review of the quality management system annually to ensure the suitability, adequacy and effectiveness of the quality system Submit the review report and the results of the audit to the relevant regulatory authorities annually
<p>Regular training</p>	<ul style="list-style-type: none"> The company's internal regulations and standards management committee is responsible for following up the updates of regulations and standards, interpreting the latest regulations and standards through monthly meetings and special sharing sessions, and improving and updating the relevant systems Invite internal and external industry quality management experts to conduct professional training to strengthen the theoretical and practical ability of employees

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We have formulated and implemented internal policies such as *the Product and Process Monitoring and Measurement Control Procedures* (《產品和過程監測與測量控制程序》), *the Product Release Management Regulations* (《產品放行管理規定》), *the Product Sample Retention and Observation Management Regulations* (《產品留樣觀察管理規定》), etc., to build up a scientific and effective quality control and assurance system. We have now formed a multi-layer management structure and multiple guarantees for incoming inspection, process inspection and finished product inspection. We have formulated quality inspection procedures for finished products, semi-finished products and materials, etc. We also carry out sample retention and quality traceability observation of the inspected products to ensure that the products are released only after meeting all the standards to ensure that the operating procedures of each process comply with our expectations and the relevant regulations and standards.



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Laboratory is an important place for R&D and innovation of our Group. We attach great importance to the management of laboratory quality testing and build up a laboratory management system around the CNAS-CL01:2018 *Guidelines for the Accreditation of Testing and Calibration Laboratory Proficiency* (《检测和校准实验室能力认可准则》) and formulate corresponding management manuals. Through continuous development, our testing center has successfully obtained CNAS national accreditation qualification, and is among the authoritative organizations with comprehensive testing qualification in China. This is not only an authoritative certification of our technical strength, but also a strong support for our research and development of advanced technologies and products, we will continue to maintain an open exchange and cooperation posture to promote the continuous progress of industry testing.



CNAS Certificate of Accreditation

Product Innovation & R&D

Venus Medtech has long been committed to the development and commercialization of innovative medical devices in the field of structural heart disease, focusing on “No in China, New in the World” technology products, and has become a provider of comprehensive structural heart disease total solutions. Venus Medtech has accumulated rich experience in practical clinical application and commercialization, obtained many patents and participated in many national R&D programs, contributing to the development of interventional cardiology and the health of all people.

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We always uphold the concept of “medical innovation without borders”, adhere to the openness and win-win situation, and actively cooperate with partners around the world to carry out exchanges of medical technology experience and sharing of innovations, to jointly create both diversified and personalized diagnosis and treatment plans, and to serve more patients through continuous expansion and deepening of global cooperation.

In June this Year, Venus P-Valve, an innovative device developed by Venus Medtech, was successfully implanted in the University of Virginia School of Medicine (UVA) in the United States as the first case of the PROTEUS critical clinical trial. The successful implantation of Venus P-Valve, the first PROTEUS pivotal clinical case at the University of Virginia School of Medicine (UVA) in the U.S., opens up a precedent for China’s self-developed heart valves to be formally clinically applied in the U.S., and signifies that internationalization of China’s innovative devices is moving to a new height.



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In April this Year, Venus Medtech's innovative transcatheter interventional valve replacement system, Cardiovalve, successfully completed its first tricuspid valve replacement in the Asia Pacific region. The procedure was performed by Prof. Kent So's team at Prince of Wales Hospital, The Chinese University of Hong Kong, in collaboration with a multidisciplinary team. This is the first time Cardiovalve has been used in the Asia-Pacific region after its successful clinical application in Europe and North America, and is a landmark event for Venus Medtech to deepen its international influence, fully demonstrating the unique clinical advantages of the product.

Intellectual Property Protection

Intellectual property is an important guarantee for our innovation achievements. We strictly abide by the *Patent Law of the People's Republic of China* (《中華人民共和國專利法》), the *Copyright Law of the People's Republic of China* (《中華人民共和國著作權法》), the *Trademark Law of the People's Republic of China* (《中華人民共和國商標法》), and the *Law of the People's Republic of China Against Unfair Competition* (《中華人民共和國反不正當競爭法》) and other laws and regulations, we have formulated internal policies such as General Rules for Intellectual Property Rights Management (《知識產權管理總則》). We establish a dedicated Intellectual Property Department, build a comprehensive intellectual property protection system, and continue to increase management efforts to safeguard the company's legitimate rights and interests.



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We apply “Wade” (唯德) intellectual property management platform to carry out trademark registration, patent application, copyright registration, intellectual property consulting, intellectual property rights protection and risk management, intellectual property transactions and other related work, which improves our intellectual property management capability and standardization, and helps us to realize a complete set of intellectual property solutions from proposal excavation to the realization of the value of patents. We have organized a professional team of patent engineers, R&D engineers, patent attorneys and other experts to respond to possible intellectual property disputes, and we do our best to protect our Group’s intellectual property rights from infringement.

As of December 31, 2024, we had 886 issued patents and no litigation regarding intellectual property rights.

This Year, Venus Medtech focuses on international development, continues to invest in R&D and innovation, and has achieved remarkable results in its global layout. In 2024, Venus Medtech’s high-value patent cultivation project for cardiovascular interventional medical devices was successfully selected as one of the first batch of high-value patent cultivation projects and bases in Zhejiang Province, and it became the only high-value patent cultivation project in Zhejiang’s medical device industry that was selected. This selection is a high recognition of Venus Medtech’s technological innovation capabilities and patent value. It will further promote the Group to form a high-value patent layout and accelerate technological innovation in the field of cardiovascular interventional treatment.

The Group’s Intellectual Property Department fully supports product research, development and promotion that involves intellectual property risks, and helps companies reduce or avoid intellectual property risks, such as conducting patent FTO (Freedom to Operate) analyses, reviewing document specifications for the application of the Group’s trademarks, and conducting training on intellectual property topics for employees.

Environmental, Social and Governance Report

Customer Complaint Handling

- **Responsible Marketing**

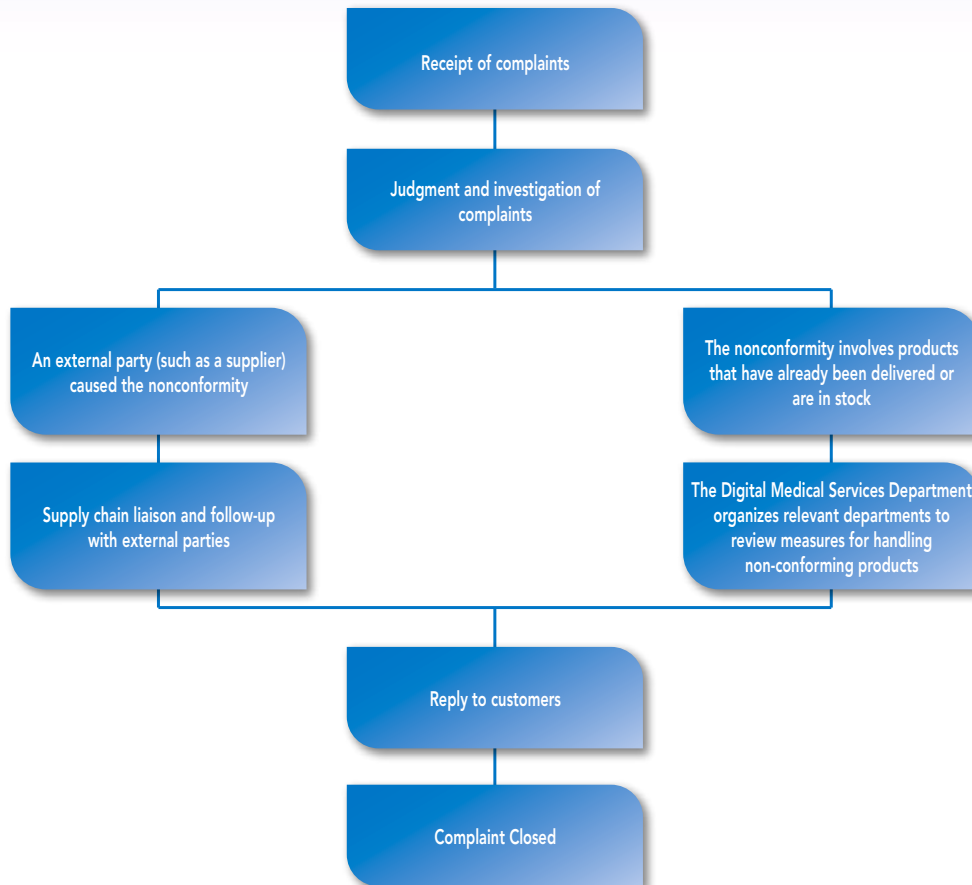
The Group strictly abides by *the Advertising Law of the People's Republic of China* (《中華人民共和國廣告法》), *the Regulations on the Supervision and Administration of Medical Devices* (《醫療器械監督管理條例》) and other laws and regulations related to medical device advertising. Our compliance and legal affairs departments strictly review the legality and compliance of the marketing information we publish, covering various public channels such as websites, product packaging, brochures, etc., avoiding the use of materials that exaggerate, conceal or mislead consumers, and ensuring the authenticity and reliability of the information we publish.

- **Customer Complaint Handling Process**


The Group attaches great importance to customer feedback on our products and services, strictly abides by *the Consumer Rights Law of the People's Republic of China* (《中國人民共和國消費者權益法》), *the Product Quality Law of the People's Republic of China* (《中華人民共和國產品質量法》) and other laws and regulations, and takes seriously every opinion and complaint raised by customers. Customers can provide feedback to the Quality Department through verbal, telephone, email and other channels on issues including medical services, quality issues, business compliance, etc., and we will make improvements in the future.

We have formulated and implemented *the Feedback Control Procedure* (《反饋控制程序》) and *Complaint Handling Control Procedure* (《投訴處理控制程序》), which divide complaints into quality-related complaints, business-related complaints and other complaints, and provide detailed explanations of the customer complaint handling process. We stipulate that any employee who receives external feedback from users, patients, institutional operators, regulatory agencies, etc. should report to the Quality Department as soon as possible, and the Quality Department will record the relevant information in detail and organize relevant departments to verify and investigate the complaints. We will take corrective actions for verified incidents based on complaint information and complaint handling requirements of various markets, and continue to track and provide feedback on follow-up activities to ensure that customer complaints are effectively resolved. During the Reporting Period, the Group received 16 complaints, all of which have been properly fed back and handled.

Environmental, Social and Governance Report



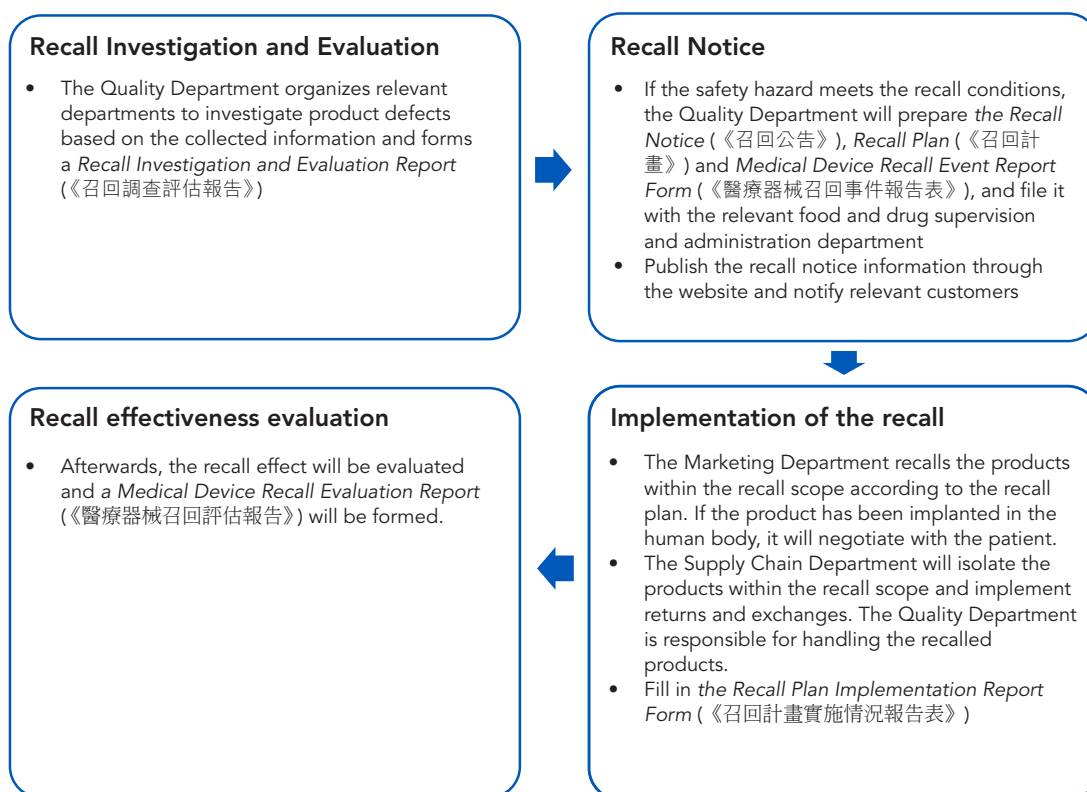
Complaints Handling Process

Complaint channels:
Complaint Hotline: 0571-87772180
Complaint Email: pms@venusmdtech.com
Scan code to give feedback:


Environmental, Social and Governance Report

- **Product recall**

The Group strictly abides by *the Medical Device Recall Management Measures* (《醫療器械召回管理辦法》) and *Medical Device Adverse Event Monitoring and Re-evaluation Management Measures* (《醫療器械不良事件監測和再評價管理辦法》) and other laws and regulations, and has formulated product recall-related control procedures to provide detailed regulations on product recall work processes and requirements. According to the degree of threat to health and safety posed by medical devices, we divide the recall levels of medical devices into three levels, and immediately respond to and handle the corresponding recall levels when defects or safety risks are found in the products. During the Reporting Period, all the Group's products in the market met the quality requirements and no recall incidents occurred.



Sustainable Supply Chain

The Group is fully aware of the importance of a stable, efficient and sustainable supply chain to us. We have continuously improved the supply chain management system by formulating internal policies such as *the Purchase Control Procedure* (《採購控制程序》) and *the Supplier Management Control Procedure* (《供應商管理控制程序》), and set thresholds and standards for supplier access and evaluation. At the same time, the social and environmental impact of suppliers is also an important part of our investigation. We require suppliers to strictly abide by local laws and regulations, strictly prohibit the employment of child labor or forced labor, and practice the concept of green procurement, and work with suppliers to create a sustainable supply chain.

- **Supplier Access**

The Group strictly controls the entry threshold of new suppliers and organizes relevant business departments to evaluate them through document review, sample review and on-site review, focusing on basic qualifications, quality system, price and delivery period of products or services. For some products used in medical experiments, which require higher cleanliness level, we will ask them to submit separate clean room test reports to ensure that our experimental environment is not contaminated. Only after a supplier has passed all the audit procedures and met our standards can he/she be included in our *Qualified Supplier Catalog* (《合格供方目錄》). Due to the special nature of animal-derived raw materials, we separately set access standards for them, requiring them to provide documents such as qualification certificates within the validity period, animal quarantine and prevention certificates, and recommended standards for implementation, as well as on-site inspections of feeding conditions, feed, storage and transportation, and possible infection with viruses and infectious pathogens, if necessary, to further improve the quality of supervision in our research and development process.

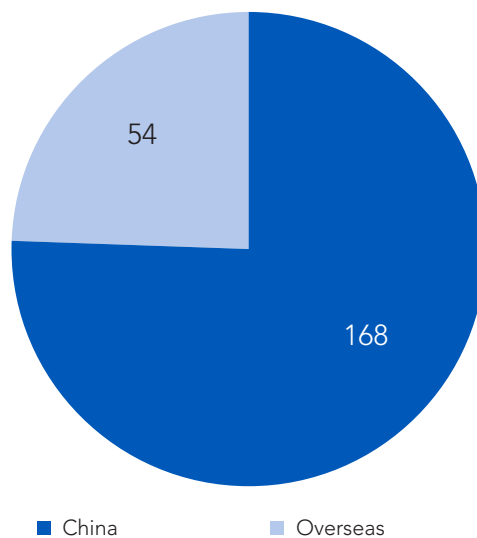
Environmental, Social and Governance Report

- **Supplier Evaluation**

We regularly evaluate suppliers that have been included in our supply chain, focusing on product quality, service performance and other aspects. We continuously monitor and assess the quality of our suppliers' products and services through regular annual evaluations and quality system evaluations, and prioritize the renewal of cooperation agreements with those suppliers whose scores in the evaluations have reached an excellent level; for those suppliers whose scores have not reached the standard, we will issue rectification notices according to specific scoring and evaluation items, requesting the suppliers to rectify the situation by a certain deadline, and evaluate them again after the deadline, and if the scores still fail to meet the audit standard, we will request the suppliers to withdraw in accordance with the relevant terms. If the supplier still fails to meet the audit criteria, we will request the supplier to withdraw from the program according to the relevant terms and conditions.

During the Reporting Period, our suppliers mainly comprised suppliers of raw materials, machinery and equipment and service providers from third parties such as contract research organizations, animal laboratories and marketing agents. We have 222 suppliers, of which 168 are from China and 54 are from overseas. During the Reporting Period, we conducted annual evaluations of 158 suppliers, of which no supplier was returned due to failure to meet our requirements.

Number of suppliers by geographical region



- **Empowering Suppliers**

We consider the supply chain as a key part of our operations and are committed to building a sustainable supply chain system with our suppliers. We have implemented *the Stakeholder Environmental and Health and Safety Impact Control Procedures* (《相關方環境及健康安全影響控制程序》) to promote environmental protection and occupational health and safety actions by production material suppliers, engineering contractors, and transportation contractors. We hope to exert influence on our suppliers through the review of ISO certifications, pollutant emissions, and workplace injuries and environmental accidents. We regularly inform our suppliers of our environmental policies, encourage them to use reusable packaging materials, practice low-carbon environmental protection, and provide environmentally friendly products and services. We believe that these measures will help our suppliers to better understand our procurement needs and ultimately achieve a win-win situation for all parties in the supply chain.

Information and Privacy Protection

The Group is committed to safeguarding its information security and the privacy of its customers, and strictly complies with *the Regulations of the People's Republic of China on Protecting the Safety of Computer Information Systems* (《中華人民共和國計算機信息系統安全保護條例》), *the Personal Information Protection Law of the People's Republic of China* (《中華人民共和國個人信息保護法》), *the Cybersecurity Law of the People's Republic of China* (《中華人民共和國網絡安全法》) and other relevant laws and regulations, and continually improves the relevant systems and adopts technical means to build up a highly efficient internal control system, so as to fully safeguard the legality and compliance of the processes of our data collection, storage and use.

We have implemented information and network security management practices, such as *the Information System Management Regulations* (《信息系統管理規定》) and *the Information Security Risk Management Regulations* (《信息安全風險管理規定》), to standardize the management of information system data and ensure that such information will not be stolen, leaked or misused. The norms for the management of private customer information are clearly stipulated in our internal systems such as *the Information System Change Management System* (《信息系統變更管理制度》), *Information System Account Management System* (《信息系統帳號管理制度》), *Important Information Backup Management Procedures* (《重要資訊備份管理程序》), *Information System Security Emergency Response Plan* (《信息系統安全應急預案》), and *Information Backup Security Strategies* (《信息備份安全策略》), which require employees to make an application in order to access and utilize customer information within the restricted scope.

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We have made detailed regulations on the inspection and management of facilities and equipment such as server rooms, computers and data centers in the systems of *Server Room Management Procedures* (《機房管理程序》), *Computer Security Strategy* (《電腦安全策略》) and *Software and Hardware Usage Specifications* (《軟件與硬件使用規範》), which comprehensively cover job responsibilities, fire and electricity, e-mail and other aspects of the smallest nodes. For suppliers who may have access to the company's confidential information, we manage them in accordance with *the Supplier Relationship Management Procedures* (《供應商關係管理程序》) and *Information Security Management Procedures for Relevant Parties* (《相關方信息安全管理程序》), and require them to sign and comply with *the Information Security Commitment Letter for Qualified Suppliers* (《合格供方信息安全承諾書》), so as to plug any loopholes that may lead to the leakage of information, and to comprehensively safeguard the company's information assets from being damaged. We also strengthen the information security awareness of our employees and conduct training through email appeals and promotional videos to minimize or avoid information risks caused by human factors.

Talent Team Building

The Group regards talent as an important cornerstone and core competitiveness for the company's development. It fully respects and protects the legitimate rights and interests of every employee, provides competitive benefits and a broad career development platform, and takes actions to support employees from different backgrounds and positions to give full play to their strengths, help the Group's development.

Compliance with Employment Regulations

The Group strictly abides by *the Labor Law of the People's Republic of China* (《中華人民共和國勞動法》), *the Labor Contract Law of the People's Republic of China* (《中華人民共和國勞動合同法》), *the Regulations on the Prohibition of Child Labor* (《禁止使用童工規定》) and other laws and regulations related to labor and employment, formulates and implements internal policies such as *the Employee Handbook* (《員工手冊》), *the Employee Remuneration and Performance Management System and the Attendance* (《員工薪酬與績效管理制度》), *Leave and Overtime Management Measures* (《考勤、休假及加班管理辦法》), and establishes a complete employee management system.

- *Recruitment Management*

We recruit talents based on the principles of fairness, openness and merit-based recruitment. We mainly examine candidates from the perspectives of their work experience and professional level, hoping to select employees who recognize the Group's values, have strong comprehensive qualities and great future potential, without using nationality, gender, age, race, etc. as screening factors. After the resume is screened, we will invite the candidate to an interview and written test, and avoid forced labor or child labor through background checks, identity and education information review, etc. We are committed to providing every candidate with a fair opportunity to compete, and provide corresponding guidance and training mechanisms after joining the company to help new employees integrate into the Group, thereby creating an equal, diverse and inclusive talent team.

Our Human Resources Department regularly evaluates the business development needs and personnel recruitment needs every year, gives priority to recruiting outstanding internal personnel, and publishes recruitment information through various public channels to reach a wider range of potential candidates, thereby screening out applicants with the highest degree of match with our positions. Our recruitment channels mainly include:

- Internal recommendations, encouraging internal employees to introduce outstanding talents
- Online recruitment channels on professional recruitment websites
- On-site recruitment activities, face-to-face display of company culture

Environmental, Social and Governance Report

- *Equal and inclusive workplace*

The Group attaches great importance to the construction of workplace culture and is committed to creating an equal, diverse, inclusive and harmonious workplace atmosphere. We respect the legitimate rights and interests of every employee and strictly prohibit any form of discrimination and workplace bullying. We encourage employees of different genders, different cultural and professional backgrounds, and different ages to respect each other and learn from each other in the company team, so as to enhance the sense of belonging and identity of different groups to the company. We advocate gender equality, and female employees have the same development opportunities and salary packages as male employees. We continue to create an equal and inclusive workplace environment by improving various systems.

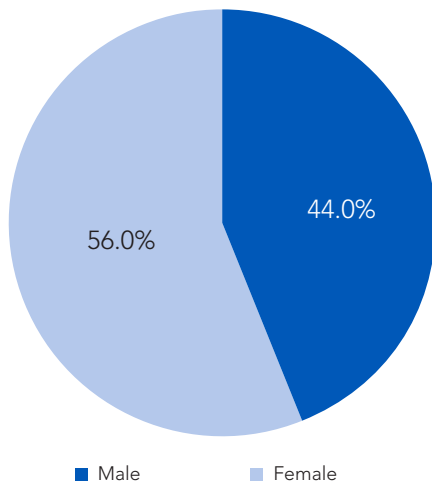
- *Anti-child labor and forced labor*

The Group implements a parallel system of standard working hours and comprehensive working hours. It regulates employees' attendance and work and rest time by clocking in through DingTalk. Employees in some special positions can adjust their working hours after application approval. If overtime is really needed for work reasons, we require employees to apply in advance. If approved, it will be deemed valid, and we will provide adjustment or other compensation according to regulations. In addition, we also provide employees with various holidays including statutory holidays, such as public holidays, annual leave, marriage leave, bereavement leave, paid leave and other welfare holidays, as well as caring holidays for female employees such as prenatal examination leave, maternity leave, breastfeeding time. We encourage employees to balance work and life. If any violation occurs, we will terminate the contract immediately and reserve the right to report to the police or sue, and strive to maintain a people-oriented, harmonious and friendly working atmosphere. During the Reporting Period, the Group did not employ child labor or forced labor.

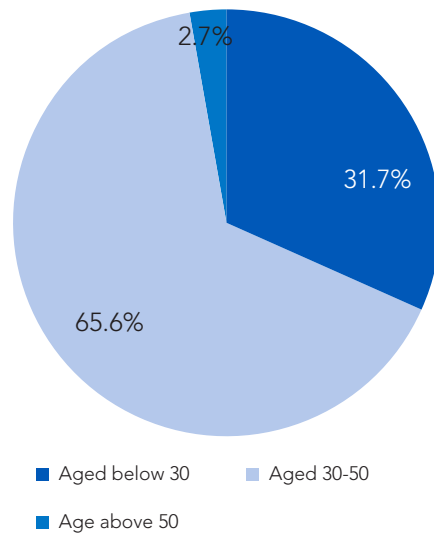
Environmental, Social and Governance Report

As at December 31, 2024, the Group had a total of 596 full-time employees and there were no short-term contracts/part-time employees during the Year, distributed as follows¹:

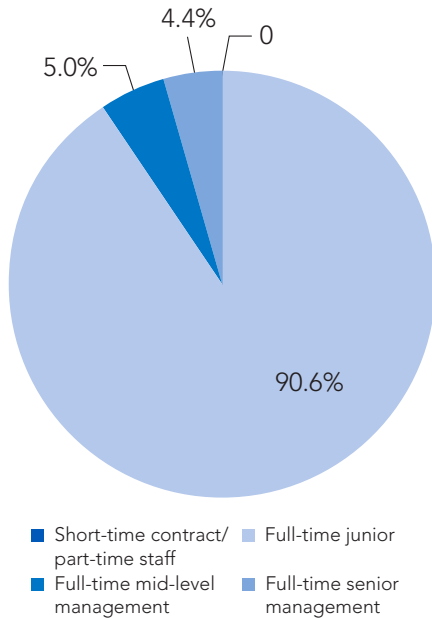
Proportion of employees by gender



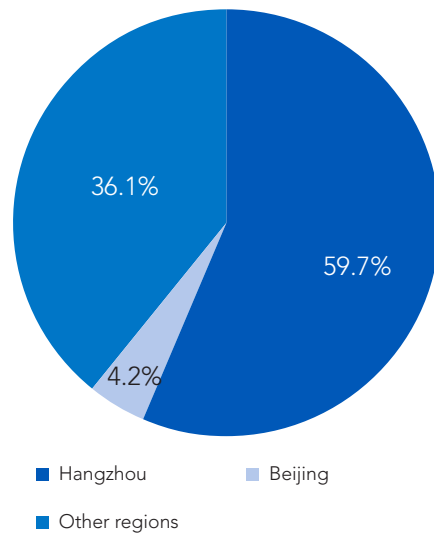
Proportion of employees by age group



Proportion of employees by category



Proportion of employees by region



¹ Figures for individual items may not add up to the totals owing to rounding.

Environmental, Social and Governance Report

Promotions and Separations

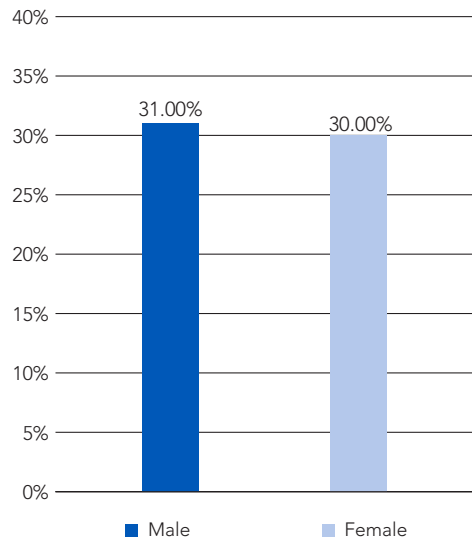
We pay attention to the growth and development of our employees and provide them with a broad career development platform to help them grow and become successful. We have implemented *the Personnel Change Management System* (《人事異動管理制度》) and *Employee Handbook*, which explain in detail the conditions and process of job promotion, job demotion and transferring to the next level. We carry out performance appraisal in accordance with *the Performance Management System* (《績效管理制度》), which can be divided into the processes of performance target setting and process management, performance appraisal and feedback, performance complaint and improvement, and application of performance results, etc. The results of performance appraisal will be used as an important reference for salary adjustment, promotion and incentives. With the help of this perfect performance system, we are able to effectively motivate our employees to improve their work efficiency and recognize the fruits of their labor.

In addition, our *Employee Handbook* describes in detail the management of employee separation. When an employee leaves the company, we will cooperate in arranging the separation procedures and work handover, and take the initiative to understand the reasons for the separation, with a view to improving the human resource management process in the future.

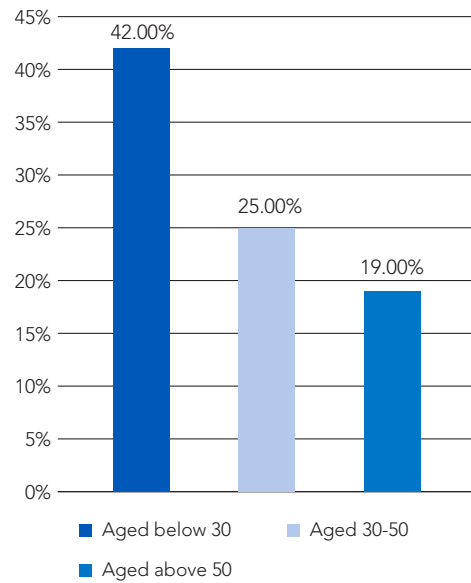
Environmental, Social and Governance Report

As at December 31, 2024, the Group's total employee turnover rate was 30%².

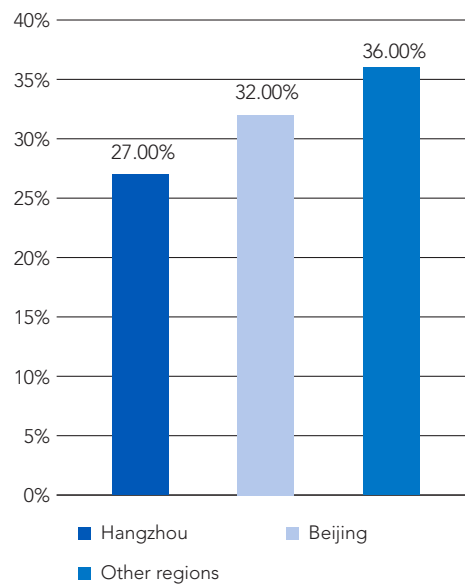
Employee turnover ratio by gender



Employee turnover ratio by age group



Employee turnover ratio by region



² Calculation method of employee turnover: Number of employees turnover ÷ Number of employees at the end of the year × 100%.

Environmental, Social and Governance Report

Compensation and Benefits

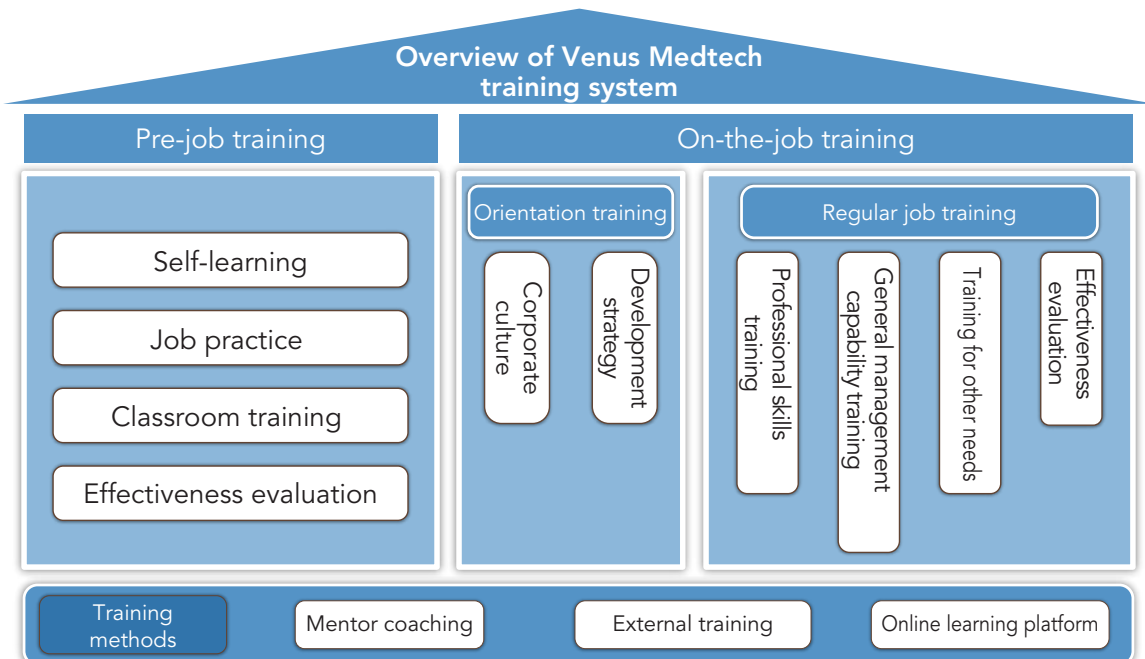
The Group adheres to the philosophy of “pay for job value, pay for individual ability and pay for performance contribution” and provides employees with market competitive remuneration packages. Our salary structure consists of fixed pay, variable pay and benefits and allowances, and we set and adjust the salaries of our employees based on factors such as job importance, overall competence, performance and seniority, as well as with reference to the results of annual performance appraisals. We hope to continuously improve our compensation and benefit system to expand our attractiveness to outstanding talents, and then retain talents to help the company’s business development.

In order to further show the Company’s humanistic care and help employees to solve their worries, we pay “five social insurances and one housing fund” and work injury liability insurance for all regular employees, purchase complete social security insurance, and provide accident insurance for employees’ children, etc. We also set up a lounge in the office area and organize activities such as massage to help employees relieve work pressure and prevent occupational diseases. We also set up a lounge in the office area and organize massage and other activities to help employees relieve work pressure and prevent occupational diseases. In addition, we provide the following benefits every year:

- Free physical examination to ensure the health of employees
- Holiday bonuses and other subsidies
- High temperature allowance and other summer welfare programs

Talent Growth and Development

The Group has always emphasized on the construction of talent ladder to guarantee the source of innovative development of the enterprise with living water. We formulate and implement the *Training Management System* (《培訓管理制度》). Training programs include pre-employment training and on-the-job training, on-the-job training programs are further divided into three categories: new employee training, job-fixed training, unplanned demand for training. Each year, the Personnel and Administration Department regularly develops training programs based on the business development and the needs of each department, keeping up with industry hotspots and business needs, and collaborating with other business departments to select or prepare teaching materials and hire trainers to help employees adapt to policy and market changes in a timely manner. We require all employees to participate in customized training courses, and establish a personal training file for each employee. We record in detail the training programs they have participated in, the assessment results and the certificates they have obtained, so that we can monitor and accompany our employees in their learning and growth over the long term, and achieve higher professional achievements. Our training system is shown below:



Environmental, Social and Governance Report

We fully mobilize the internal and external resources of the Group, and by combining external hiring and internal training, we invite experts from various industries to carry out training for our employees around various topics, such as corporate culture, product introduction, team management, personnel management, etc. We also invite our employees to assist the HR & Administration Department in developing training courses, share professional knowledge and work experiences, and provide allowances or honorary incentives to instructors with outstanding performance, encouraging them to continue to contribute to the development and cultivation of the company's talent. We believe that investment in employee development ultimately feeds back into business performance, so we will continue to improve our talent training system in the future and provide our employees with training programs that are more varied in form and content.



Leadership training for middle-level cadres

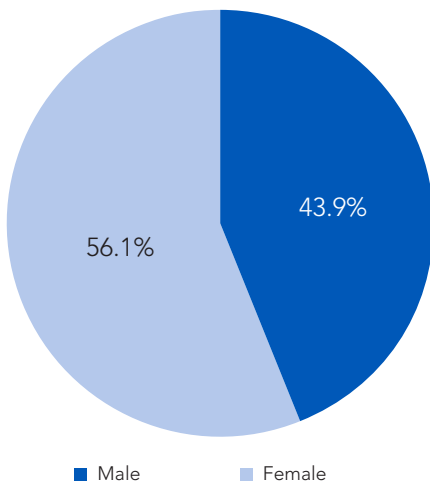


Public opinion crisis management training

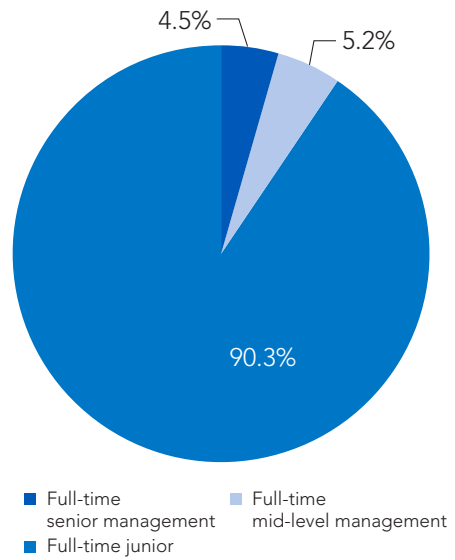
Environmental, Social and Governance Report

As at December 31, 2024, 93.3% of the Group's employees were trained.

Percentage of trained employees by gender³



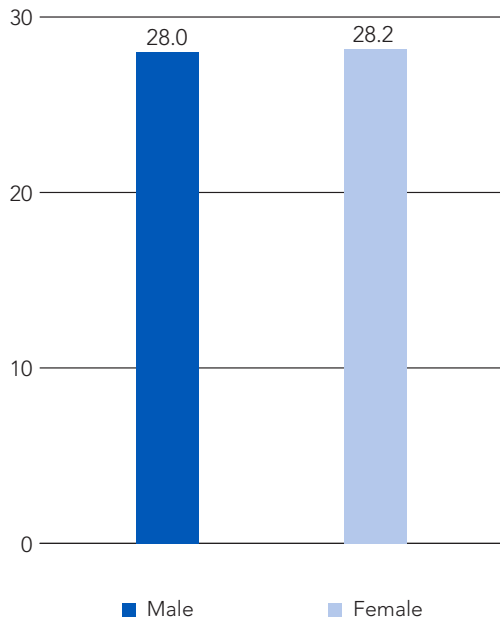
Percentage of trained employees by category³



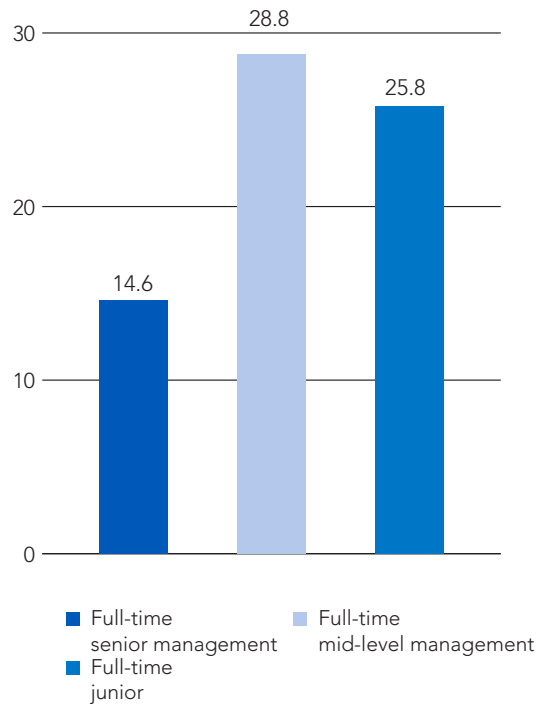
³ Calculation method of percentage of employees trained by category: number of employees trained in a category ÷ number of employees trained × 100%.

Environmental, Social and Governance Report

Average training hours completed per employee by gender⁴
(Unit: hour/person)



Average training hours completed per employee by employee category⁴
(Unit: hour/person)



⁴ Calculation method of average training hours completed per employee: total training hours completed by employees of a category ÷ total number of employees in the category.

Occupational Health and Safety

The Group attaches great importance to the occupational health and safety of its employees. We adhere to the principle of "Safety First, Prevention First" in carrying out all production and office work. We strictly comply with the *Work Safety Law of the People's Republic of China* (《中華人民共和國安全生產法》), *Law of the People's Republic of China on Prevention and Control of Occupational Diseases* (《中華人民共和國職業病防治法》) and other laws and regulations, and integrate the concepts of health and safety into our business processes through repeated and continuous training and publicity, in order to fully safeguard the lives and properties of our employees.

The Group continuously improves the environmental and occupational health and safety system construction and staffing, and has set up an Environmental and Occupational Health and Safety ("EHS") System Manager's Representative, who is fully responsible for the environmental and occupational health and safety management of the company. We have also set up a safety leadership team consisting of senior management and heads of departments, and each department is equipped with a full-time production safety manager with a safety officer's license to cooperate in the implementation of departmental safety measures. The Group formulates and splits safety targets according to the development of the company and signs safety agreements with key personnel of each department and relevant positions; the leading group holds quarterly safety meetings to coordinate the deployment of departmental safety management. Our safety leadership team is structured as follows:



Work Safety Leading Team

Environmental, Social and Governance Report

In order to further enhance employees' awareness of occupational health and safety, we have implemented *the EHS Performance Appraisal Management System* (《EHS績效考評管理制度》), in which each safety target is issued to each department in the form of scores, and department heads are required to carry out safety management work in accordance with the management system, and quarterly and annual appraisals are carried out to supervise the implementation of safety measures and the fulfillment of the targets. As a result of our unremitting efforts, no employees were found to have suffered from occupational diseases during on-the-job medical check-ups this Year, and there were no incidents of work-related fatalities or loss of working days due to work-related injuries in the Group in the past three years (including the Reporting Period).

We strictly follow the standard of ISO 45001 to build an occupational safety management system, and have successively formulated and implemented occupational health risk prevention and control systems such as *Work Safety Inspection Management Program* (《安全生產檢查管理程序》), *Hidden Trouble Detection and Management Program* (《隱患排查治理管理程序》), *Hazardous Chemical Control System* (《危險化學品控制制度》), *Occupational Health Management Program* (《職業健康管理程序》), *Occupational Hazard Notification and Warning System* (《職業危害告知和警示制度》), *EHS Management Handbook* (《EHS管理手冊》) and *ESH Inspection Management Program* (《ESH檢查管理程序》), covering all the links that may involve safety risks, and clearly specifying safety risk detection and training. The system covers all aspects that may involve safety risks and clearly stipulates safety hazard investigation and training. We have passed ISO 45001 accreditation and third-party review this Year.



ISO45001 Occupational Health and Safety System

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We have formulated and published *the EHS Management Manual* (《EHS管理手冊》), which specifies our three major goals in the field of occupational health and safety: no work-related injuries or occupational diseases for employees' health, no accidents in production operation and on-site construction, and no pollution for environmental protection. In order to achieve these goals, we have established a scientific risk assessment system, such as a graded control program for potential risks such as fire, explosion, electric shock, etc., and enhanced the emergency response capability of all staff through regular drills and training. In addition, in order to improve accident prevention and emergency response capability, we have formulated a series of standardized management documents for the characteristics of the laboratory and production areas, including *Explosion-Proof Workshop Management System* (《防爆車間管理制度》), *Operational Safety Management Procedures* (《作業安全管理程序》), *Safety Management Procedures for Related Parties* (《相關方安全管理程序》) and other normative documents, so as to create a safe and reliable working environment for our employees.

We adopt a combination of daily inspections, comprehensive inspections, special (electrical, fire, chemical, etc.) inspections as well as seasonal and pre-holiday special inspections to comprehensively investigate potential safety hazards and build up a solid production safety defense. In addition, we have established a comprehensive emergency response mechanism. Our *Safety Incident Management Procedures* (《安全事故管理程序》) clearly stipulate the process of reporting, investigating and handling accidents, and the Safety Management Team will intervene at the first time after an accident occurs to carry out cause analysis and formulate corrective measures. For employees who are injured at work, we will strictly follow national laws and regulations to ensure that they enjoy work-related injury insurance treatment in accordance with the law, and effectively safeguard the legitimate rights and interests of employees. These measures have been practiced for a long time, and have formed a set of effective management mode, we will continue to deepen the refined management, and promote the enterprise's safety and environmental protection performance to a new level.

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Protection against occupational diseases

We strictly implement national and industry standards, equip employees with personal protective equipment that meets the requirements, conduct pre-job, on-the-job and post-job occupational health examinations for workers engaged in harmful operations, and improve employees' safety awareness and skills; establish special employee occupational health files, and regularly submit occupational health data and reports to the local production safety supervision and management department in accordance with the law

Occupational Health Management

We continue to identify and evaluate physical, chemical and other occupational risk factors in the production process, and take corresponding detection, control, protection and governance measures, such as hazardous workplace management, employee health training, employee labor protection, labor protection supplies, etc., to avoid or reduce the occurrence of occupational diseases as much as possible

Special equipment management

We require all departments to strictly implement the requirements for the purchase, installation, registration, file management and use of special equipment. Special operation personnel must pass professional training and obtain qualification certificates before they can engage in special operations. Suppliers of special equipment such as gas cylinders must provide a *Gas Cylinder Filling Permit* (《氣瓶充裝許可證》) before they are allowed to use them in accordance with regulations

Chemicals management

We strictly implement the substitution principle in material selection, giving priority to non-toxic or low-toxic materials instead of highly toxic materials. We take protective measures such as isolation for hazardous workplaces and set up warning signs; all hazardous chemical storage areas are equipped with eye-catching warning signs, complete Chinese technical manuals and a complete ventilation system; we implement key control over chemicals that are easy to make drugs and explosives, set up special explosion-proof storage cabinets, install explosion-proof lighting systems, explosion-proof exhaust devices and fire extinguishing systems, and implement 24-hour video monitoring and abnormal alarm linkage

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In addition, we improve employees' safety awareness through various forms of safety training:

- Safety education is integrated into employee onboarding training
- Occupational diseases and regulations are integrated into daily work
- Actual cases promote learning and communication
- External organizations share professional skills

We focus on training forms and training results, and set up safety education and training assessments at the company, department and group levels to ensure the effectiveness of training while improving employees' concentration. This Year, we carried out training activities on topics such as fire protection knowledge, hazardous chemicals, occupational health, environmental factor identification and risk assessment to help employees improve their occupational health and safety skills.



Hazardous chemicals training



Fire knowledge training

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Employee Activities

Venus Medtech values the balance between work and life for its employees. We have established various sports clubs and actively organized various cultural, sports or team-building activities to enhance team cohesion, as well as employees' sense of happiness and belonging. We have also established a labor union to provide employees with diversified communication channels and provide timely support and assistance to employees in difficulties, safeguarding the rights and interests of employees while demonstrating the company's humanistic care.

On the occasion of the 2024 "July 1st" Party Founding Anniversary, all members of the Venus Medtech Party Branch went to the Fenshui Nanbao Memorial Hall in Tonglu, Hangzhou (杭州桐廬分水南堡紀念館), to carry out the theme party day activity of "Don't bend under the pressure of Mount Tai, don't forget your original intention and move forward courageously" (泰山壓頂不彎腰, 不忘初心勇前行). They visited the memorial hall's theme exhibitions and reviewed the party oath to strengthen their mission and pass on the red gene.



In July 2024, Venus Medtech celebrated its 15th anniversary. Over the past 15 years, we have always adhered to our original aspirations, guided by innovation, and brought hope to countless patients. We will continue to forge ahead, using more excellent products and services to create more health possibilities for patients around the world, and firmly move towards our vision of becoming the world's leading provider of heart valve disease treatment solutions.



In November 2024, all party members of the Venus Medtech Party Branch went to Anji, Zhejiang, to appreciate the development concept of “Green water and green mountains are gold and silver mountains” (绿水青山就是金山银山). By visiting red scenic spots and in-depth study of red culture, they further tempered their party spirit, cultivated their patriotic feelings, and stimulated the work enthusiasm and creativity of party members.



GREEN RESPONSIBILITY

The Group actively responds to the national “dual carbon” strategy, deeply practices the concept of green development, and continuously reduces the impact of production and operation activities on the environment through system construction, energy conservation and carbon reduction, pollution control, etc. We strictly abide by *the Environmental Protection Law of the People’s Republic of China* (《中華人民共和國環境保護法》), *the Energy Conservation Law of the People’s Republic of China* (《中華人民共和國節約能源法》), *the Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* (《中華人民共和國固體廢物污染環境防治法》) and *the Regulations on the Safety Administration of Dangerous Chemicals* (《危險化學品安全管理條例》) and other laws and regulations, and are committed to building an environmentally friendly enterprise. During the Reporting Period, the Group did not violate any laws and regulations relating to emissions of exhaust gases and greenhouse gases, the discharge of pollutants to water and land, the generation of hazardous and non-hazardous waste, significant impact on the environment and natural resources, etc.

Environmental Targets Progress

The Group has long been concerned about environmental performance, regularly setting targets and taking review measures to continuously improve our environmental risk management system. Our EHS management system comprehensively leads the Company’s green development work, and has formulated a series of systems such as *the Energy and Resource Saving Control Procedure* (《能源資源節約控制程序》), *the Hazardous Waste Management Policy* (《危險廢棄物管理制度》), *and the Management Procedure for Sewage and Waste Gas Discharge and Noise Control* (《污水廢氣排放及噪聲控制管理程序》), *the EHS Performance Evaluation Management Policy* (《EHS績效考核管理制度》), *the Identification and Assessment Management Procedure of Environmental Factors* (《環境因素識別與評價管理程序》) and *the Control Procedure of Environmental Monitoring and Measurement* (《環境監測與測量控制程序》). By identifying and evaluating environmental impacts of the production and operation process, we have formulated corresponding environmental targets and mitigation measures to fully ensure that our environmental protection work is carried out in an orderly and effective manner.

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We regularly conducted internal and external environmental performance audits to review the implementation of our measures. Based on the actual circumstance, we discussed, formulated and optimised these targets. We have established an environmental management system based on the ISO 14001 standard and have passed the third-party certification. We have adopted low-temperature evaporation technology to reduce the volume of hazardous waste liquids in the Group’s production and operation processes, and have obtained the “Zero-Waste Factory” certification to help build a “waste-free city”.



ISO 14001 Environmental Management System Certification



“Zero-Waste Factory” Certificate

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We insist on promoting the construction of the “Green Office” system and implementing *the Office Area Management System* (《辦公區域管理制度》). We have strengthened the main responsibility of each department for the relevant equipment area, encouraging employees to start from the details, and improving the energy conservation and emission reduction effect of the office area. We have also created a green and environmental protection culture in each office space, and integrated relevant policies and measures into employee training to cultivate employees to develop good habits of green and saving in their daily lives, and promote the company’s low-carbon development. This Year, the environmental targets we set are shown in the table below. With the further improvement of the Group’s system measures and the efforts of all employees, the environmental targets we set for 2024 have all been achieved.

Environmental Targets	Electricity and Water Consumption Target	<ul style="list-style-type: none">Electricity and water consumption per unit product in 2024 would be the same as that or lower than that in 2023
	Emission Target	<ul style="list-style-type: none">All new, reconstruction, and expansion projects in 2024 achieve organized exhaust gas management
	Waste Reduction Target	<ul style="list-style-type: none">90% reduction in the amount of hazardous waste disposed of off-site through the thickening equipment process

Resource Use Management

We fully recognise the preciousness of resources and their significance to the ecological environment. We have long adhered to the development concept of energy conservation and consumption reduction, strictly formulating internal low-carbon and resource-saving policies in accordance with relevant national laws and regulations to maintain a balance between economic development and energy consumption.

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In 2024, our office water was sourced from the municipal water supply and there was no issue in sourcing water. The Group's KPIs in resource consumption are shown in the table below:

Type of resources ⁵	2024	2023	2022
Total energy consumption (MWh)⁶	6,041.72	7,357.62	7,738.85
Total direct energy consumption (MWh)	108.14	307.62	238.85
Including: gasoline (MWh)	108.14	307.62	238.85
Total indirect energy consumption (MWh)	5,933.59	7,050.00	7,500.00
Including: purchased electricity (MWh)	5,933.59	7,050.00	7,500.00
Intensity of energy consumption (MWh/unit)	0.72	0.68	0.99
Total water consumption (tonnes)⁷	12,815.8	20,972	16,540
Intensity of water consumption (tonnes/unit)	1.54	1.94	2.11
Total consumption of packaging material used for finished products⁸ (tonnes)	14.25	300.43	83.43
Intensity of packaging materials used for finished products (kg/unit)	1.71	27.72	10.63

⁵ All decimal places in this report are rounded off.

⁶ The total energy consumption of the Group is calculated with reference to *How to Prepare Environmental, Social and Governance Reports – Appendix II: Guidelines for Reporting Environmental Key Performance Indicators* of the Stock Exchange. Data involving decimal places in this Report are rounded.

⁷ The Group's water consumption is mainly for domestic and production use and sourced from a municipal water system, which can meet the water demand of daily operation.

⁸ Packaging materials include plastic, paper, cartons, labels, instructions, glass, foam, blister boxes, packaging bags and silicone rubber.

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During the Reporting Period, the total energy consumption of the Group was 6,041.72 MWh, and the energy consumption intensity was 0.72 MWh/unit. Total water consumption was 12,815.8 tonnes and the water consumption intensity was 1.54 tonnes/unit.

Measures we have taken to reduce resource consumption

Energy consumption reduction

- Post prominent energy-saving signs in the office area, require employees to turn off the power in time after work, keep the lighting devices clean, and use energy-saving lamps, etc.
- For new production workshops in the factory, we use single-tube energy-saving lamps in public areas, and at the same time, distribute regional power during the design time to achieve the goal of controlling total power consumption
- Set the on/off time and temperature range of the air-conditioning system and check it regularly to avoid unnecessary power consumption
- Regularly maintain and inspect company vehicles, verify the fuel consumption of commercial vehicles, and control fuel consumption to meet standards

Water conservation

- Use ultrasonic cleaning in the production process to realize the recycling of water resources, so as to achieve the goal of water conservation
- Post prominent water conservation in toilets and other water-using places
- Regularly check and maintain water valves and water meters to avoid water leakage and waste

Save other resources

- Avoid excessive product packaging and reduce the use of packaging materials
- Establish a network sharing platform for hazardous chemicals to realize real-time sharing among departments in use and avoid excessive chemical procurement and waste
- Try to use electronic office to replace paper, encourage planning and double-sided paper use
- Have a dedicated person manage paper use, regularly record paper use, and monitor paper consumption

Emissions and Waste Management

The Group continuously monitors national requirements on emissions and waste disposal, while constantly optimizing production processes. Adhering to the principle of "source control", we strive to minimise the generation of exhaust gases, wastewater, and other waste materials. We have regularly monitored various emissions and waste indicators, and the statistical results will continue to be used for future work improvements.

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In 2024, the Group's emission KPIs are shown in the table below:

Type of emissions	2024	2023	2022
Emission of Nitrogen oxide (NO _x) ⁹	140.74	191.52	146.86
Emission of Sulfur dioxide (SO ₂) ⁹	0.17	0.49	0.38
Emission of particulate matter (PM) (kg) ⁹	13.24	18.20	13.98
Total amount of effluent (tonnes)	12,328	20,172	16,020
Total amount of hazardous waste emissions (tonnes) ¹⁰	68.11	92.33	551.66
Intensity of hazardous waste emissions (tonnes/unit)	0.01	0.01	0.07
Total amount of non-hazardous waste emissions (tonnes)	19.80	23.60	20.98
Intensity of non-hazardous waste emissions (kg/unit)	2.37	2.18	2.67
Total greenhouse gas emissions (Scope 1 and Scope 2) ¹¹ (tonnes of carbon dioxide equivalent (tCO ₂ e))	3,215.29	4,109.43	4,427.71

⁹ The waste gas emissions of the Group, which are mainly derived from gasoline used in vehicles, and are accounted in accordance with *How to Prepare Environmental, Social and Governance Report – Appendix 2: Reporting Guidance on Environmental Key Performance Indicators* issued by the Stock Exchange.

¹⁰ The hazardous waste generated by the Group mainly includes waste disinfectants, empty bottles of laboratory reagents, porcine pericardium scraps, general scrapped reagents, laboratory mixed waste liquids and toner cartridges generated during the production process.

¹¹ Based on operational characteristics, our greenhouse gas emissions are mainly from direct greenhouse gas emissions caused by gasoline consumption of vehicles (Scope 1) and indirect greenhouse gas emissions are caused by purchased electricity (Scope 2).

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Type of emissions	2024	2023	2022
Direct greenhouse gas emissions (Scope 1) (tCO ₂ e)	31.32	88.82	70.21
Including: gasoline (tCO₂e)	31.32	88.82	70.21
Indirect greenhouse gas emissions (Scope 2) (tCO ₂ e)	3,183.96	4,020.62	4,357.50
Including: purchased electricity (tCO₂e)	3,183.96	4,020.62	4,357.50
Intensity of greenhouse gas emissions (tCO₂e/ unit)	0.39	0.38	0.56

During the Reporting Period, the Group's total greenhouse gas emissions (Scope 1 and Scope 2) were 3,215.29 tCO₂e, and intensity of greenhouse gas emissions was 0.39 tCO₂e/unit. Total hazardous waste emissions were 68.11 tonnes, and hazardous waste emissions intensity was 0.01 tonnes/unit. Total non-hazardous waste emissions were 19.80 tonnes, and non-hazardous waste emissions intensity was 2.37 kg/unit. Given the extensive use of disinfectants in our production processes, we have implemented the process of low-temperature distillation-adsorption-reuse to minimise associated environmental risks, reducing the generation of hazardous waste while saving the disposal cost.

Measures we have taken to reduce waste and emissions

- Hire professional and qualified medical waste treatment companies to collect and harmlessly treat our hazardous waste, disinfected waste liquid, chemical equipment, test boxes and other wastes
- Invite third-party professional environmental monitoring companies to conduct external monitoring of wastewater discharge outlets, exhaust gas discharge outlets, and factory boundary noise every year, and promptly rectify non-conformities
- We collect production and domestic wastewater by category and separate them from rainwater pipes. These wastewaters are eventually discharged into the designated sewage pipe network system of the park after being treated according to unified standards
- Set up dry waste and hazardous waste collection bins in the office area to improve waste recycling efficiency; organise garbage classification publicity and other activities to encourage employees to use rechargeable batteries instead of disposable batteries, and classify and recycle waste batteries to improve employees' awareness of garbage classification

Noise Pollution Management

The Group regards noise pollution control as one of our key environmental protection tasks. We strictly implement the relevant provisions of *the Law of the People's Republic of China on Prevention and Control of Environmental Pollution from Noise* (《中華人民共和國環境噪聲污染防治法》), establish a scientific and complete *Management Procedure of Sewage and Waste Gas Emissions and Noise Control* (《污水廢氣排放及噪聲控制管理程序》) and regularly monitor the noise generated by the production workshop. We have adopted advanced sound insulation and shockproof technology to comprehensively transform high-noise equipment to ensure that the noise level in all workplaces is strictly controlled within the limit specified in *the Noise Hygienic Standard for Industrial Enterprises* (《工業企業噪聲衛生標準》).

Climate Change Response

The Group is highly concerned about the risks and challenges posed by climate change to our operations. We have conducted climate change risk assessment to identify and evaluate various climate-related risks, thereby enhancing our resilience towards climate change. The identified risks are categorised into physical risks and transition risks, with corresponding mitigation measures developed to prevent or reduce potential threats to our business.

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Physical Risks

We have fully realised that physical climate risks such as typhoons and floods may have a huge impact on our existing business. Therefore, we have actively implemented *the Emergency Plan for Production Safety Accidents* (《生產安全事故應急預案》) and formulated corresponding emergency plans for various extreme weather conditions, so that we can respond immediately when an emergency occurs. Meanwhile, we have set up an emergency response team to activate the emergency plan immediately when an abnormal event occurs, and do our best to protect the lives of employees and the company's infrastructure and property. We also conduct emergency drills regularly, and continuously test and optimise emergency plans through practical exercises, so as to strengthen risk prevention and control and response capabilities.

Transition Risks

As countries around the world continue to pay more attention to climate change, the global market policy efforts to address climate change are constantly escalating. Under this trend, our business will be profoundly affected: on the one hand, the government may introduce more stringent emission standards and more powerful policies to support low-carbon industries; on the other hand, customer demand and social expectations will increasingly lean towards low-carbon products and services. To this end, we have established a comprehensive policy monitoring mechanism to continuously track policy trends and systematically evaluate potential impacts to avoid damage to our market reputation and competitiveness due to failure to take effective response measures in a timely manner. Through forward-looking strategic adjustments and business transformation, we are confident that we can seize opportunities amid the challenges brought about by climate change and achieve sustainable development of the company.

COMMUNITY ENGAGEMENT AND CONTRIBUTION

As a responsible medical company, Venus Medtech always bears in mind its social responsibilities and obligations. We fully utilise our industry influence and professional advantages, and actively cooperate and communicate with relevant domestic and foreign organisations, including academic exchange conferences, case sharing and other forms, to practice the concept of inclusive medical care and benefit more patients. Meanwhile, we are also committed to charity and public welfare, organising and participating in many community public welfare activities, and giving back to the society with our own strength.

Knowledge Exchange

In 2024, Venus Medtech organised nearly 50 online case studies and knowledge-sharing sessions, covering clinical case analysis, technical lectures, experience exchange, and treatment strategies. These initiatives provided cutting-edge information to both patients and healthcare professionals, breaking down information barriers and advancing the medical industry. Furthermore, we actively participated in and hosted global academic exchanges, including China Value (Hangzhou) 2024, Pediatric & Adult Interventional Cardiology Symposium (PICS), VenusP-Valve Global Elite Club. We engaged with industry experts worldwide to share insights and drive innovation in cardiac treatment solutions. We are also actively promoting the commercial scale of products and technologies. In 2024, several products and services have obtained marketing authorisation in Canada, Venezuela, Singapore, Australia and other countries, marking the further improvement of Venus Medtech's internationalisation and recognition, which will benefit more patients around the world.



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Industry Cooperation

In September 2024, two national standards drafted by Venus Medtech, namely, *Medical Devices of Animal Origin – Part 1: Application of Risk Management* (《動物源醫療器械第1部分:風險管理應用》) and *Cardiovascular Implants – Cardiac Valve Prostheses – Part 1: General Requirements* (《心血管植入器械人工心臟瓣膜第1部分:通用要求》), were approved and issued by the National Standardization Administration. They will be officially effective on September 1, 2025, and July 1, 2025 respectively. The release of these two standards will further provide a more scientific, rational and comprehensive institutional guarantee for the development of China’s animal-derived medical devices and cardiovascular implant industries, and provide strong support for promoting the sustained upgrading and high-quality development of related industries.



动物源医疗器械 第1部分: 风险管理应用

Medical devices utilizing animal tissues and their derivatives—
Part 1: Application of risk management

(ISO 22442-1:2020, IDT)

2024-08-23发布

2025-09-01实施

国家市场监督管理总局
国家标准化管理委员会 发布



心血管植入器械 人工心脏瓣膜 第1部分: 通用要求

Cardiovascular implants—Cardiac valve prostheses—
Part 1: General requirements

(ISO 5848-1:2021, MOD)

2024-06-29发布

2025-07-01实施

国家市场监督管理总局
国家标准化管理委员会 发布

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GB/T 44353.1—2024/ISO 22442-1:2020

前 言

本文件按照GB/T 1.1—2020《标准化工作导则 第1部分：标准化文件的结构和起草规则》的规定起草。

本文件是GB/T 44353《动物源医疗器械》的第1部分。GB/T 44353已经发布了以下部分：

——第1部分：风险管理应用；

——第2部分：来源、收集与处置的控制。

本文件等同采用ISO 22442-1:2020《动物源医疗器械第1部分：风险管理应用》。

本文件做了下列最小限度的编辑性改动：

——3.6中增加了注2。

请注意本文件的某些内容可能涉及专利。本文件的发布机构不承担识别专利的责任。

本文件由国家药品监督管理局提出。

本文件由全国医疗器械生物学评价标准化技术委员会(SAC/TC 248)归口。

本文件起草单位：山东省医疗器械和药品包装检验研究院、中国食品药品检定研究院、杭州启明医疗器械股份有限公司、上海松力生物技术有限公司。

本文件主要起草人：孙晓霞、万敏、段晓杰、金林赫、何红兵、陈亮、朱福余、柳美荣、陈兴兴。

GB/T 12279.1—2024

条件，提高可操作性；

——用规范性引用的YY/T 0771(所有部分)动物源医疗器械替换了ISO 22442(所有部分)，以适应我国的技术条件，提高可操作性；

——用规范性引用的YY 0970替换了ISO 14160(见附录D)，以适应我国的技术条件，提高可操作性；

——用规范性引用的YY/T 1474替换了IEC 62366(所有部分)(见7.2.9)，以适应我国的技术条件，提高可操作性；

——用规范性引用的YY/T 1600替换了ISO/TS 17665-3(见附录D)，以适应我国的技术条件，提高可操作性；

——增加引用了GB 18278.1《医疗保健产品灭菌 湿热第1部分：医疗器械灭菌过程的开发、确认和常规控制要求》(见第2章)；

——增加引用了YY/T 1600《医疗器械湿热灭菌的产品族和过程类别》(见第2章)；

——删除了“临床研究”(见ISO 5840-1:2021的7.4)和附录L(规范性)心脏瓣膜置换器械的临床研究终点及相关内容，以避免出现与《医疗器械临床评价技术指导原则》不一致的情况。

本文件做了下列编辑性改动：

——用资料性引用的GB/T 16886.4替换了ISO 10993-4(见7.2.2.2)、GB/T 19971替换了ISO 11139(见3.62、3.63)、GB/T 27025替换了ISO/IEC 17025(见7.1、7.2)、YY/T 0663.1替换了ISO 25539-1(见3.11)、YY/T 0987.1替换了ASTM F2053、YY/T 0987.2替换了ASTM F2052、YY/T 0987.3替换了ASTM F2119、YY/T 0987.4替换了ASTM F2182、YY/T 0987.5替换了ASTM F2213(见7.2.7)、YY/T 1552替换了ISO 16429(见F.4)；

——将3.12注中的内容合并入3.12的定义中；

——将3.47注中的内容移至7.2.5.2的注中；

——删除了附录A(资料性)中A.4、A.5及附录G(资料性)超声心动图方案部分(见附录A、附录G)。

请注意本文件的某些内容可能涉及专利。本文件的发布机构不承担识别专利的责任。

本文件由国家药品监督管理局提出。

本文件由全国外科植入物和矫形器械标准化技术委员会(SAC/TC 110)归口。

本文件起草单位：中国食品药品检定研究院、国家药品监督管理局医疗器械技术审评中心、杭州启明医疗器械股份有限公司、上海微创心通医疗科技有限公司、天津市医疗器械质量监督检验中心。

本文件主要起草人：刘丽、柯林楠、王春仁、李静莉、史新立、杨匆聪、柳美荣、庄雅萍、缪辉、张争辉。

本文件及其所代替文件的历次版本发布情况为：

——1990年首次发布为GB 12279—1990,2008年第一次修订；

——本次为第二次修订。

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Besides, we actively promoted the standardisation of clinical practice and successfully held the first standardised training program on Transcatheter Pulmonary Valve Replacement (TPVR) at the West China Hospital Heart Valve Institute of Sichuan University. This training aims to promote standardised diagnosis and treatment protocols for valvular heart disease and accelerate the adoption and application of uniform TPVR surgical techniques to further optimise clinical practices in this field.



Community Welfare

In November 2024, nearly 200 students from Lakeside School of Zhejiang Province embarked on an immersive cardiac science journey at Venus Medtech. We vividly explained to the children China’s technological breakthroughs in high-end medical devices, led the children to have a deep understanding of the basic structure and working principle of the heart. Through hands-on learning experiences, we stimulated children’s curiosity and strong interest in medical science.



In November 2024, the “Mutual Learning and Mutual Improvement” Exchange and Seminar Camp for Technical Skills between Hong Kong, Macao and Mainland workers, hosted by the All-China Federation of Trade Unions of Education, Science, Culture, Health and Sports and the China Workers Exchange Center and co-organized by the Zhejiang Federation of Trade Unions, came to Venus Medtech. More than 50 volunteers from Hong Kong, Macao and the Mainland gained an in-depth understanding of Venus Medtech’s technological innovation achievements and international development history in the field of heart valve disease treatment, and conducted in-depth exchanges and discussions on the diagnosis and treatment techniques of heart valve disease, the clinical application of innovative medical devices and the development trends of future medical technology.

