Medlive Technology Co., Ltd.
(Incorporated in the Cayman Islands with limited liability)
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2022
ENVIRONMENTAL,SOCIAL AND GOVERNANCE REPORT

CONTENTS

CONTENTS

About this Report

This is the second Environmental, Social and Governance ("ESG") Report (hereafter referred as "this Report") published by Medlive Technology Co., Ltd. (hereafter referred as "Medlive" , "We/Us" or "the Company"). This Report includes specific initiatives, key practices, highlight cases and key indicators of Medlive's commitment to social responsibility and effective management of ESG risks and opportunities in 2022. We hope that by publishing this Report and responding to stakeholder concerns can strengthen communication with stakeholders, enhance their interest, and recognize our value. Moreover, it helps us as we strive to continue to promote sustainable environmental and social development.

Scope of this report

Reporting entities: Medlive and its subsidiaries.

Reporting period: This Report primarily covers the period from January 1, 2022 to December 31, 2022 (the "Reporting Period"), with some information exceeding this time period.

Report References

This Report is compiled in accordance with the GRI Standards issued by GSSB, the United Nations Sustainable Development Goals (UN SDGs) and the requirements of the Environmental, Social and Governance Reporting Guide set out in Appendix 27 to the Listing Rules of The Stock Exchange of Hong Kong Limited (HKEX). The disclosure of the indicators in this Report can be found in the " Appendix III - Content Index".

We have adopted the basic reporting principles of ESG Reporting Guide:

- Materiality: This Report uses materiality assessment to identify significant ESG issues for the Company during the Reporting Period and discloses the description of the significant stakeholders and the process and results of stakeholder engagement.
- Quantitative: This Report discloses the key performance of the Company in terms of environmental, social and governance, and as far as possible, the key performance is accompanied by explanation and purpose statement.
- Balance: The contents of this Report reflect objective facts and seek to report the Company's performance impartially.
- Consistency: This Report adopts a consistent disclosure method, and tries to use a uniform caliber for comparable indicators wherever possible, in order to provide more informative performance disclosure.

Contents and Data

The contents and data disclosed in this Report are mainly obtained through the following sources.

- The Company's 2022 Annual Report
- Internal summaries and reports
- Qualitative and quantitative material provided by various departments of the Company

Unless otherwise specified, all monetary amounts in this Report are expressed in RMB.

Report Accessibility

Report version: This Report is published in both traditional Chinese and English. In the event of any discrepancy in understanding the contents, the traditional Chinese version shall prevail.

Access to this Report: This Report is released in PDF format on the following websites.

- Hong Kong Exchanges and Clearing Limited information release web page (www.hkexnews.hk)
- Our IR website (http://ir.medlive.cn/)

Report Feedback

If you have any comments or suggestions on the contents of this Report or on our ESG performance, please feel free to contact us by email (ir@kingyee.com.cn).

The Board's Statement on ESG Governance

Medlive is the leading online professional physician platform in China and a leader in digital marketing for China healthcare industry. Since its founding, Medlive has strived to empower physicians' clinical decisions with technological innovation, and to improve the clinical standard of physicians in China. Focusing on long-term value, the Company firmly believes that sustainable development is the guarantee for our long-term stable growth and development, and is actively committed to fulfilling its social responsibilities, promoting the welfare and development of its employees, protecting the environment and giving back to the community, and continuously improving its environmental, social and governance performance.

The Board of Directors of the Company (the "Board") assumes fully responsibility for the Company's ESG strategies and the reporting, assessment and analysis of the Company's ESG risks, ensuring that the Company has an appropriate and effective ESG risk management and internal control system in place, adequately supervising the development of ESG work and reviewing relevant reports on a regular basis.

The Company regularly assesses the importance of ESG issues based on the external economic and social environment and the Company's development strategy, and ensures the integration of ESG concepts with the Company's development strategy through the identification and prioritisation of key ESG issues, as well as the monitoring of its target commitments and actual performance. In 2022, the Company strengthened the management of core issues such as information security, customer service, business ethics, human resources development and environmental management, and enhanced the management and implementation of ESG issues by revising and improving relevant policies and systems. The Company has established an ESG Working Group with the participation of key personnel from the Board of Directors' Office, Human Resources Department, Administration Department, Finance Department and Legal Department. The ESG Working Group reports to the Board and senior management team of the Company, to help them assess and sort out the Company's ESG management system, oversee the achievement of corporate strategic goals and enhance the Company's ESG performance. The Company has established a set of ESG performance indicators, taking into account the characteristics of its business operations and setting control targets for environmental dimensions where appropriate. The progress of the ESG-related indicators is reviewed by the Board in conjunction with this Report.

This Report discloses in detail the progress and effectiveness of Medlive's ESG efforts in 2022. The Board and all directors of the Company guarantee that the contents of this Report do not contain any false records, misleading statements or material omissions, and take individual and joint responsibility for the truthfulness, accuracy and completeness of its contents. In the future, the Company will continue to adjust its ESG management strategies and implementation methods in accordance with stakeholders' expectations and operational practices to continuously improve the Company's ESG management and performance.

About Us

Company Profile

Medlive is a leading online professional physician platform and healthcare digital marketing service provider in China, dedicated to helping physicians make better clinical decisions with technological innovations, and increasing efficiency and reducing costs for the academic promotion of pharmaceutical companies and medical device companies with accurate and efficient digital marketing services.

With the philosophy of "professionalism, innovation, cooperation and efficiency", Medlive continues to explore the needs of physician users, and keeps improving physicians' learning ability, assisting their clinical decision-making, and enhancing their scientific research efficiency. With high-quality professional medical content and comprehensive medical tools, we have attracted more and more physicians and other medical professionals to grow with us. After 27 years of development, as of December 31, 2022, there were 6.20 million registered users of the platform, of which approximately 3.72 million were licensed physicians, accounting for 85% of all licensed physicians in China. The platform is widely recognized by physicians in China and is the most trusted professional medical platform.

The *Medlive* platform not only meets the learning needs of physicians to enhance their clinical competence, but also supports them in making decisions on clinical diagnosis and treatment. Our comprehensive product portfolio includes *Clinical Guides*, *Clinical Drug Reference*, *Medical Knowledge Database*, *Reference Aid for Medicine*, *E-Live Streaming*, *E-Messenger*, *Medical Search*, etc. In 2022, we also launched *E-Scientific Research* and *Decentralized Clinical Trial platform (DCT)*. We have entered into a strategic partnership with NCCN (National Comprehensive Cancer Network) to become the only NCCN-authorized online medical platform in China. We have always been committed to empowering physicians' clinical decisions with technological innovation and working hard to improve the clinical care of Chinese physicians.

With its strong brand recognition, industry leadership and high physician activity, Medlive has created an online ecosystem for medical participants to gather, learn and communicate with each other. With powerful proprietary technology, expert medical content and a wealth of insight into physicians, Medlive delivers valuable information to physicians accurately and efficiently, meeting their daily learning, clinical and research needs.

Corporate Culture

Mission

Vision

Values

Objectives

Sensing the pulse of the world of medicine to help clinical decision-making in China

Empowering clinicians and ultimately benefiting patients

Professional, innovative, collaborative and efficient

With China's leading online platform for professional physicians as the core, it uses high quality professional medical knowledge and comprehensive medical tools as a grip to enter the whole scene of physicians' daily life around the three major needs of physicians in learning, clinical diagnosis and scientific research, improve physicians' clinical diagnosis and treatment, and help the digital marketing transformation of China's healthcare industry.

Business Overview

As of December 31, 2022, there were approximately 6.20 million users registered through our website, desktop applications and mobile applications, of which approximately 3.72 million were licensed physicians, representing approximately 85% of all licensed physicians in China as of the same date. In 2022, the average number of active users of our platform reached 2.05 million per month after eliminating duplication. Our platform's high coverage of Chinese physician users and high user activity on our platform provide a solid foundation for our precision marketing services. For the full year 2022, the number of customers covered by the solution was 135, an increase of 29 from 106 in 2021. At the same time, the number of products covered has steadily increased from 242 in 2021 to 332 in 2022.

Precision Marketing and Corporate Solutions

Relying on a large user base of physicians and strong capability of physician behavioural profile analysis, we help pharmaceutical companies and medical device companies to conduct accurate, efficient and low-cost physician education. We also provide professional services such as research, system development, EDC, DCT and real-world study ("RWS") for companies.

Medical Knowledge Solutions

Relying on a team of medical, product and technical experts, we provide physicians with professional medical content and products such as *Clinical Guides*, *Clinical Drug Reference*, *Reference Aid for Medicine* and *Disease Knowledge Database*,to assist clinicians in efficient diagnosis and treatment.

Intelligent Patient Management Solutions

Through an innovative disease management platform, we provide physicians with management tools and medical content to help physicians diagnose and manage patients accurately and efficiently, and improve patients' follow-up rates and medication adherence. It also provides patients with online consultation and treatment, disease education and patient management services, ultimately enhancing the quality of patient survival and benefiting patients.

2022 Milestones

2022.02 Develop a one-stop CRO service for Phase I-IV clinical trials, providing a full lifecycle service from clinical research medical strategy to clinical outcomes delivery

2022.04 Launch of the new book "Real World Data and Evidence" written with the participation of Medlive

2022.05 Strategic partnership with NCCN (National Comprehensive Cancer Network)

2022.06 Acquisition of 60% equity interest in Beijing Focus

2022.06 Awarded "Pharma Orange Award - Enterprise of the Year

2022.06 The number of registered users of Medlive exceeded 6 million, of which 3.45 million were licensed physicians, accounting for 82% of the total number of licensed physicians in China

2022.07 Launch of *E-Scientific Research*, a research platform for medical research

2022.08 Signed a strategic partnership with AstraZeneca and won the "AstraZeneca Best Business Partner Award

2022.08 Newly upgraded *Medlive* website

2022.08 Launch of *Medlive Knowledge Database App* with disease knowledge base as the core

2022.09 Received Merck Group's "Best Collaboration Award" in Asia Pacific Suppliers

2022.10 NCCN Chinese official website (http://nccnchina.org.cn) is online

2022.12 Debut of the first Global Digital Trade Expo

2022.12 Awarded the "2022 Best Digital Life and Health Enterprise" in the Kunpeng Awards.

ESG Strategy and Management

ESG Integration

Medlive actively integrates ESG concepts into the company's strategic objectives, organizational structure, business system and daily operations, and has formulated internal policies related to sustainable development, such as the "Environmental, Social and Corporate Governance Guidelines Implementation Guidance" and the "Social Responsibility Management System". In 2022, we focused on the four ESG focus areas of "supporting the digital transformation of healthcare, supporting the development of employees and communities, adhering to compliance and business ethics, and reducing our environmental footprint", and built on our capabilities and strengths to develop integrated ESG practices in multiple dimensions. We will continue to create value in the economic, social and environmental fields while realizing our own high-quality development, actively contribute to the United Nations Sustainable Development Goals (UN SDGs), and work with stakeholders towards a better future.

Supporting the digital transformation of healthcare	Supporting the development of employees and communities	Adhering to compliance and business ethics	Reducing the environmental footprint

• Diving into the daily needs of physicians
• Exploring the digital landscape of healthcare marketing
• Empoweving pharmaceutical companies to increase efficiency and reduce costs
• Enhancing the public's experience of healthcare services
• Keeping digital healthcare safe and secure
	• Improving employee training system
	• Advocating equal opportunities and diversity
	• Talent attraction and retention
	  Employee communication and engagement
	• Caring for the occupational health of employees
	• Equal employment for people with disabilities
	• Charity and Volunteerism
		• Optimising corporate governance
		• Enhancing overall risk management
		  Promoting integrity
		• Multi-dimensional quality assurance
		• mechanism
		  Information security and privacy
		• protection
		  Enhancing intellectual property
		• protection
			• Reducing resource and energy consumption
			• Promoting green office concepts
			• Practising green procurement principles

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 17 PARTNERSHIPS FOR THE GOALS	3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION

ESG Governance

The ESG governance system is led by the Board of Directors, senior management and the ESG Working Group, including: the Board of Directors, as the highest decision-making entity on the ESG management structure of the Company, is responsible for formulating the Company's strategic planning and production policies on ESG, ensuring the effective implementation of such policies, and assuming full responsibility for the relevant policies, production systems and informationdisclosure. Under the leadership of the Board of Directors, the senior management is responsible for the coordination of ESG work, the implementation of various resolutions and policies of the Board of Directors on ESG work, the establishment of a sound ESG management system of the Company and the supervision of the implementation of ESG work. In 2022, the Company continued to promote the improvement of ESG work, consolidate the functions of the ESG working group, integrate ESG work into the daily business management and operation of each department, collect, report and audit ESG information on a regular basis with the cooperation of each department, and enhance the efficiency of statistical control of ESG-related information and the effectiveness of ESG work.
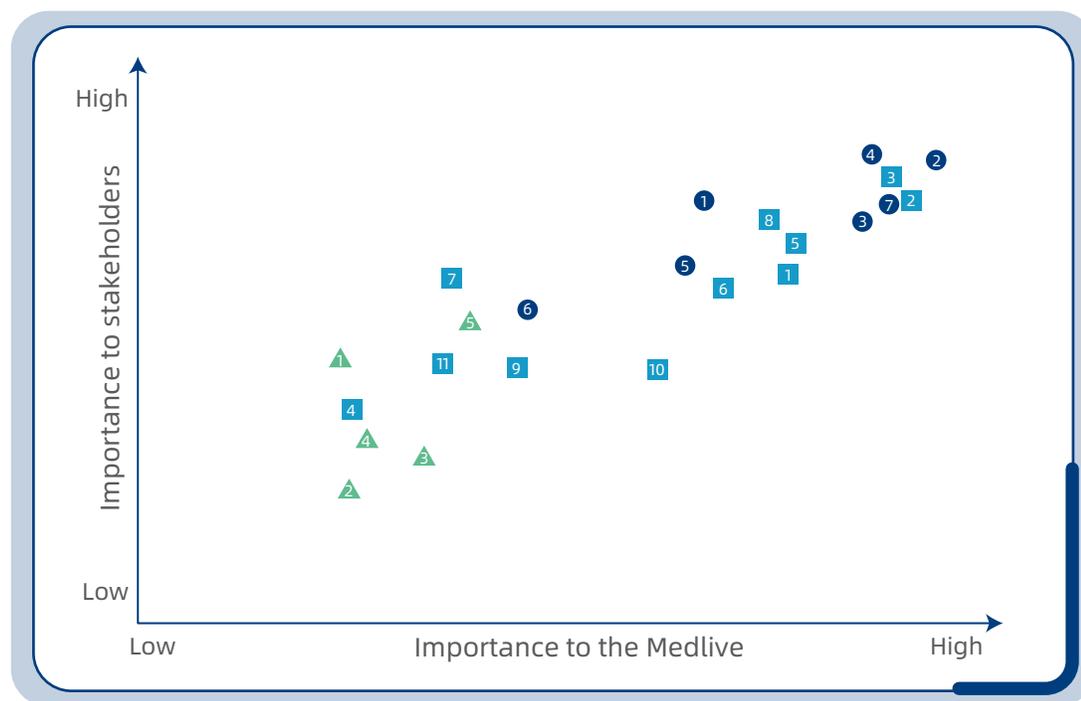
Decision-making Level	Board of Directors	The Board is the highest decision-making body for ESG governance in the Company. The Board is responsible for the strategic direction of the Company's ESG strategy and is ultimately accountable for ESG matters.
Management Level	Senior Management	The Board delegates to the senior management the authority to oversee the implementation of the Company's ESG efforts and to report to the Board. The senior management is responsible for coordinating and guiding all functional departments to ensure effective implementation of the ESG management strategy, setting ESG-related objectives and promoting their achievement, and reporting regularly to the Board on the progress of its work.
Implementation Level	ESG Working Group Finance, Legal, Administration, Human Resources, Customer Operations, Investor Relations	The ESG Working Group is responsible for coordinating with specific executives, ensuring the smooth implementation of ESG work, optimising the ESG-related system, implementing specific ESG management strategies, and communicating and cooperating with stakeholders.

Materiality Analysis

In accordance with the principles of materiality, completeness and balance, the Company conducts close communication with stakeholders in its daily operations, fully collects and collates stakeholders' concerns and demands, and regularly identifies and updates the Company's ESG key issues based on the Company's business and operational characteristics with reference to ESG-related principles and guidelines. In 2022, the Company updated the materiality issues by inviting internal and external stakeholders to participate in a questionnaire survey, and constructed a two-dimensional analysis matrix according to the importance of ESG issues to stakeholders and the importance to Medlive to further clarify the importance level of each issue.

Corporate Governance

1 Optimizing governance structure
2 Integrity management
3 Compliance management
4 Business ethics
5 Risk management
6 ESG management
7 Service quality assurance

Environmental

1 Environmental management system
2 Energy saving and emission reduction
3 Waste management
4 Green office
5 Green data centre

Social

1 Customer relationship management
2 Data security
3 Privacy protection
4 Responsible procurement
5 Recruitment
6 Employee training
7 Employee care
8 Technology and innovation
9 Public service and volunteering
10 Occupational health and safety
11 Community development

Stakeholder Engagement

Stakeholders	Expectations	Communication Channels
Physicians	• Professional medical content • Comprehensive medical tools	• Continuous online and offline communication • Online customer service during the working day • Questionnaire and feedback • Social media communication
Government and Regulators	• Integrity and compliance • Optimizing the governance structure • Paying taxes in accordance with the law	• Government communication meetings • Regulator exchange • Information disclosure and reporting • Regular visits
Shareholders	• Steady growth in performance • Integrity and compliance • Corporate governance and risk management	• Annual Reports, Interim Reports and announcements • Annual General Meeting • Non-deal roadshows • Investor Research • Interactive platform for communication
Clients	• Digital marketing innovations • Providing quality services • Safeguarding information • Integrity and compliance	• Daily communication with professional staff to answer questions • Customer service hotline • Customer satisfaction survey • Regular visits
Employees	• Protecting employee rights • Caring for occupational health • Promoting career development • Compensation and benefits growth	• Employees meeting • Employee satisfaction survey • Complaint box • Cultural activities for employees
Community	• Provide employment opportunities • Bringing about community development • Public service and volunteering	• Community visits • Volunteering activities • Popularizing medical knowledge
Environment	• Deepening energy conservation and emission reduction • Resource recycling • Green office	• Environmental performance collection and disclosure • Promoting green ideas
Suppliers	• Integrity and honesty in cooperation • Fair and equitable trading • Long-term stable operation	• Benchmarking assessment • Promoting green supply • Start daily communication

I. Supporting Physicians' Clinical Decision-making with Intelligent Tools

Continuing to Empower Primary Physicians

In early 2022, the Office of the State Council issued the Notice on the Publication of the 14th Five-Year Plan for the Construction of Urban and Rural Community Service Systems, which clearly stated that efforts should be made to enhance the capacity of primary health and medical security services, improve the prevention and control of infectious diseases, chronic diseases and child health care, and promote the construction of healthy communities and public health committees under village (residential) committees. As China's leading online platform for professional physicians, Medlive focused on primary physicians in 2022 and continued to invest in resources for primary physicians, adding new knowledge contents and tools, such as "*Medical Knowledge Database*", "*Medical Search*" and "*E-Scientific Research*" to serve primary physicians. Primary physicians can quickly inquire about clinical diagnosis and treatment, empowering them to improve clinical care, and helping the real implementation of graded diagnosis and treatment.

◀ **Popularizing Disease Knowledge -** *Medlive Knowledge Database*

Medlive Knowledge Database is a medical knowledge base product created by Medlive together with clinical experts for Chinese physicians and has been well received by primary physicians. It is based on evidence and "disease-centric" medical knowledge, with strict quality control of the content, written and reviewed by clinical experts from tertiary hospitals across China. For each disease knowledge base, a special editorial committee led by renowned experts in various fields in China has been set up to prepare clear and strict writing and auditing rules and regulations, and to review the content in accordance with the publication standards. The knowledge base specifically emphasizes the need for content to be based on the latest evidence-based medical evidence and to improve guidance for clinical practice through a combination of graphics and text.

In 2022, *Medlive Knowledge Database* has focused on expanding ten departments, such as gastroenterology, respiratory, hematology, nephrology and other common primary care diseases, to further help primary physicians to spread disease knowledge. By the end of 2022, the *Medlive Knowledge Database* has covered more than 800 diseases in the fields of oncology, cardiovascular, endocrine, neurology, vestibular, psychiatric, infectious liver diseases, obstetrics and gynaecology, and paediatric diseases.
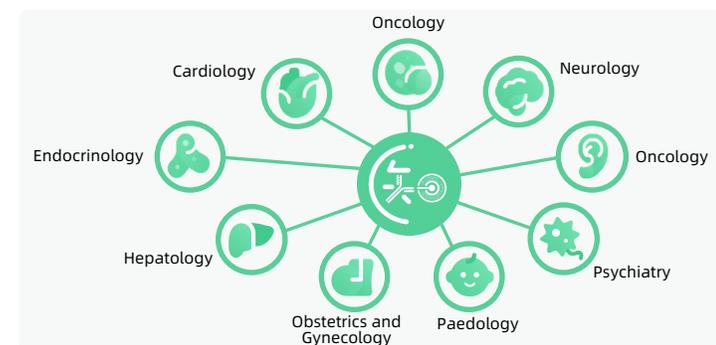
◖ **Quick Search -** *Medical Search*

According to the feedback from the Medlive user survey, 24.01% of physicians still use generic search engines to search for clinical problems and diseases, most of them are primary physicians. Therefore, *Medlive* has integrated valuable medical information from domestic and foreign sources, constructed a comprehensive and professional medical information search database, and created a medical information search platform specifically for medical professionals - *Medical Search*. Combined with the continuous improvement of the search engine by the artificial intelligence team of Medlive, we provide comprehensive, accurate and fast medical search services for platform users, especially primary physicians.

Since the launch of *Medical Search*, the Company has continued to expand the amount of content covered and has been continuously optimising and exploring the algorithms for medical content retrieval to improve the efficiency of retrieval. By the end of 2022, the number of integrated high-quality medical content had reached 2 billion, and the Company has built its own underlying algorithmic processing model for medical AI to continuously improve the value of information utilisation. In addition, the Company has also applied the new search technology to other products on the *Medlive* platform, increasing the click-through rate (the total number of clicks divided by the total number of searches) of our *Medlive* platform from 30% in 2021 to 80% in 2022.
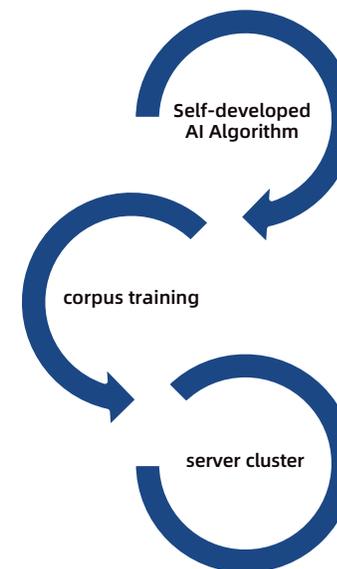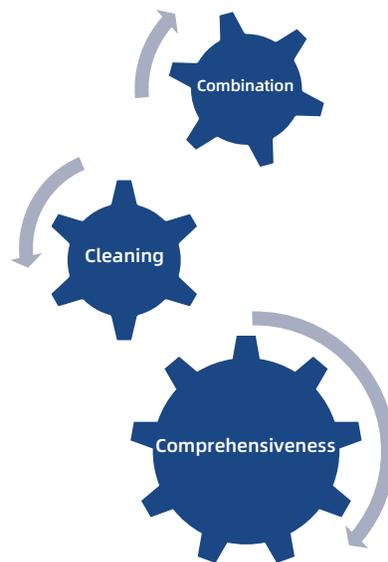
Empowering Research – *E-Scientific Research*

Clinical decision-making is the core value of the *Medlive* platform, and in order to better help Chinese physicians improve their scientific research, in the first half of 2022, we launched a new product of clinician research service, *E-Scientific Research*, which empowers physicians to improve their clinical research efficiency by integrating research knowledge, research tools and research services with digital technology, and also broadens the channels for primary physicians to participate in research, so as to enhance the research capability of primary physicians. This new product will help improve the efficiency of physicians' clinical research through the integration of research knowledge and research services.

The E-Scientific Research includes research information, experience and method transfer, research tools, and research services. The research tools include Medical Journal Link and AI journal selection tools for manuscript submission and journal selection, as well as literature management and document translation tools for literature retrieval and management. The platform has been designed to support physicians' research more efficiently by applying AI technology to their research scenarios, expanding the service model for physicians and improving the level of service provided by the platform. In the future, Medlive will continue to adhere to the values of "professionalism, innovation, cooperation and efficiency" and continue to improve and expand the capabilities of the *E-Scientific Research*, using digital technology to empower physicians to improve their research efficiency.

Scientific Knowledge	Research information	Research Live Classes	Courses	Journals
Scientific Research Tools	AI Journal selection	Medical Journal	Thesis check	Sample size calculation
Research Services	Paper polishing	Artificially selected publications	Translation	Data Services

Strategic cooperation to accelerate development

◖ Strategic Partnership with NCCN

In order to expand primary physicians' access to authoritative medical information and clinical guidelines, in June 2022, in addition to the cooperation with the Chinese Medical Association and Wanfang Medical Database, Medlive entered into a strategic cooperation with the NCCN (National Comprehensive Cancer Network) to become the only online medical platform authorized by the NCCN in China. In the future, the two parties will cooperate in the areas of full-text download, translation and production of Chinese versions of clinical guides, and interpretation tours. We will provide Chinese clinical oncologists with the latest advances in the field of oncology and continuously updated high-quality, high-value, patient-centred oncology treatment plans, further helping Chinese physicians to make the best clinical decisions and ultimately helping to extend the survival time and improve the quality of life of all oncology patients in China.

The NCCN clinical guides has been uploaded to the Medlive platform in June 2022, and we provide Chinese doctors with all the latest NCCN guides for download, covering 60 tumor types. At the same time, we are working with well-known oncologists in China to develop the Chinese version of NCCN guides, and have completed the development of Chinese versions of more than 10 NCCN guides for lung cancer, breast cancer, colorectal cancer, etc.

II. Empowering Pharmaceutical Companies to Reduce Costs and Increase Efficiency with Digital Marketing

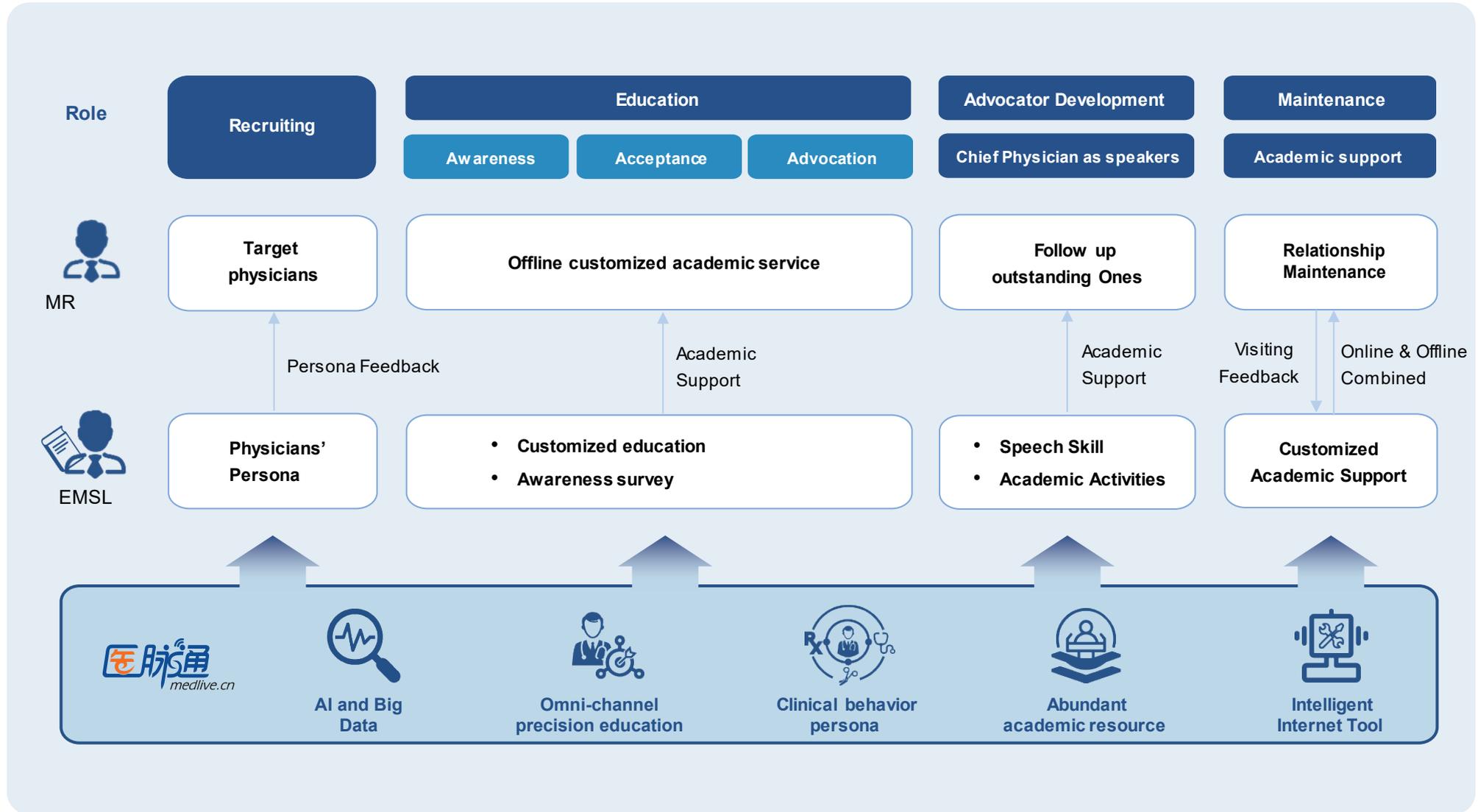**Innovation drives digital marketing transformation of pharmaceutical companies**

The booming development of digital marketing is a major trend in the marketing reform of the pharmaceutical industry. According to a third-party industry research report, the penetration rate of digital marketing in China's pharmaceutical marketing is still low, accounting for only about 5% of the overall market. With the implementation of policies such as the two-tickets system, volume-based procurement and medical insurance negotiation, the domestic prescription drug market has gradually departed from its long-established high-margin business model, and pharmaceutical companies are generally facing the challenge of refining their operations. In addition, the Covid-19 pandemic prevention and control system has severed the offline connection between pharmaceutical representatives and physicians, which has greatly accelerated the development of digital marketing for pharmaceutical companies. In the future, it is expected that the penetration rate of digital marketing will continue to increase. It is precisely this opportunity that Medlive's precision marketing solutions for pharmaceutical companies will capitalise on the core strengths of its medical platform to help pharmaceutical companies increase efficiency and reduce costs.

Over the past 20 years, the Company's self-developed *Medlive* platform has been widely recognized by physicians in China and has accumulated a large number of highly sticky physician users, making it the most popular professional medical platform in China. Based on the long-term learning behavior data of physicians on the platform, the Company has built a user profile engine using AI and big data technology to build a clinical learning behavior profile of physicians. Based on our comprehensive user profile, we can provide pharmaceutical companies with accurate digital physician education solutions.

◖ **E-Medical Science Liaison - EMSL**

In order to support the rapid coverage of new and growing products in primary care institutions, and to address the demands of primary representatives with limited academic skills and the inability to educate primary physicians on professional academic content, Medlive has developed a digital medical liaison officer solution. The solution can quickly reach primary physicians, explain the clinical evidence of the product, and help them solve clinical problems in the process of drug administration in a timely manner, thus quickly improving the concept of drug administration and clinical standards of a large number of primary physicians. The solution has been recognized by the primary care team and medical team of a major global pharmaceutical company, and a full strategic partnership with Medlive for the solution has commenced in 2022. Medlive empowers primary physicians with Internet tools, remote operations, data analysis and academic expertise.

Role

Recruiting	Education			Advocator Development	Maintenance
	Awareness	Acceptance	Advocation	Chief Physician as speakers	Academic support

MR

Target physicians	Offline customized academic service	Follow up outstanding Ones	Relationship Maintenance

Persona Feedback   Academic Support   Academic Support   Visiting Feedback   Online & Offline Combined

EMSL

Physicians' Persona	• Customized education • Awareness survey	• Speech Skill • Academic Activities	Customized Academic Support

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AI and Big Data   **Omni-channel precision education**   **Clinical behavior persona**   **Abundant academic resource**   **Intelligent Internet Tool**

The Case for Digital Innovation - Patient Recruitment and DCT Platform

Based on Medlive's self-developed electronic data capture（"EDC"）system, patient recruitment and experience in providing a full range of clinical research services to experts and pharmaceutical companies, Medlive launched an integrated remote intelligent clinical trial platform (DCT) in the first half of 2022, bringing a more efficient research experience to researchers, research institutions, sponsors, CROs and subjects, while accelerating the trial process. The DCT platform includes remote recruitment, electronic informed consent, online access, remote monitoring and other functions. At the same time, the DCT can be deeply integrated with the EDC system of Medlive and can be quickly personalized for different clinical research projects, which can greatly shorten the development cycle, reduce R&D cost investment and improve research efficiency.

- Distribution clinical trial information via our platform
- Precise physicians recommendation and education for HCP-patient Management
- Transfer patients under the HCP-Patient Management Module
- Intelligent custom service assistant always online to answer the questions from patients and HCPs
- 7 x 12 Hours real person service

Remote Recruiting

Online Transfer

Custom Service Assistant

Researchers & Patients

Advocating · Consenting · Grouping · Clinical Treatment · Following Up Period · Selecting

Case Data Collection

Remote Treatment and Patient Education

Medicine Delivery and tracking

- Researchers report data, OCR Recognition
- Subjects(patients) report
- Remote treatment on Medlive Internet Hospital
- Multimedia online patient education
- Medicine deliver
- Medicine tracking via Drug electronic supervision code

Medlive DCT- Recruiting

data interface API

Medlive DCT-Follow up Period

data interface API

Medlive HCP-Patient Management Platform

data interface API

Clinical Data Source（To ESR）

Case Study: AI-empowered Smart Voicebot for Breast Cancer

In December 2022, the first Global Digital Trade Fair (hereinafter referred to as "Digital Trade Fair") with the theme of "Digital Trade, Global Business" was held in Hangzhou, Zhejiang Province, which is currently the only national-level international exhibition approved by China with the theme of digital trade. As a long-term partner of AstraZeneca in digital marketing, Medlive presented its latest AI-empowered smart voicebot for breast cancer at the AstraZeneca booth.

The smart voicebot for breast cancer "xiao e" is the best implementation of intelligent voice technology in the specific context of breast cancer, helping to promote breast cancer and the basic treatment management of the disease. Based on our proprietary medical database, we have built a breast cancer question and answer database and knowledge map, which contains nearly 1,000 questions related to breast cancer. In the process of interaction between "xiao e" and participants, we use ASR（automatic speech recognition）and NLP（natural language processing）technology to fully understand the user's question intent, accurately match the database questions according to the semantic understanding model, generate professional answers, and use TTS voice synthesis technology to allow "xiao e" to answer in a more affable "female" voice, enhancing the user experience of participants and enable breast cancer patients to access authoritative knowledge and treatment concepts more conveniently.

Protecting the quality of services

Medlive is committed to building an outstanding Internet-based healthcare platform and fostering an ecosystem of healthcare industry participants. Currently, the Company has developed into a professional medical information service and precision digital marketing service provider. We will continue to further enhance our service quality and user experience through technological innovation, while ensuring the legal rights of our users and improving our quality management system.

Information Security Management

The protection of data security and user privacy is of paramount importance to the business of Medlive. We comply with the provisions of *Cybersecurity Law of the People's Republic of China, Data Security Law of the People's Republic of China, Personal Information Protection Law of the People's Republic of China, Regulations on the Administration of Mobile Internet Application Information Services and Regulations on the Scope of Personal Information Required for Common Types of Mobile Internet Applications*, etc. We continue to improve our internal management system and implement internal control procedures and supervision to prevent leakage of users' private information.

The Information Security and Data Security Committee has been established by Medlive to be responsible for the formulation of strategies and decisions on data security matters related to privacy protection. The committee is comprised of the Chairman, Chief Engineer, Legal Officer and various frontline officers, and includes a working group comprising the Legal Department, the Technology Development Centre and the Compliance Centre, which is responsible for formulating major risk management plans and coordinating with all parties to take them forward. At the same time, we have set up three lines of defence - business, legal and financial - to ensure that data security and privacy risks are continuously prevented before, during and after the incident by all relevant functional departments.

In 2022, Medlive revised and released the *Data Security Management System and the Organizational Management Measures for Information Security and Data Compliance*, which were updated to include data usage principles and standardized data application processes. In addition, we continued to optimise the data security and privacy compliance system, including the establishment of the system and the combing of the product privacy compliance process, and formulated the *Standard Operating Procedures for User Management of Medlive*, which stipulates the management process of user data and further refines the rules in the area of data security and privacy protection to provide guidance for the implementation and supervision of the privacy protection management system.

Our Commitments:

- We manage and use data collected from our own users in accordance with applicable laws and regulations, and take reasonable steps to prevent theft, loss or disclosure of user data.
- Sensitive user data will not be disclosed to any third party without the approval of the user, except as required by law.
- For the acquisition of personal data, the Company strictly enforces assessment and approval procedures to prohibit improper and illegal use.
- We restrict any unnecessary acquisition of user information and keep records of data acquisition.
- Require all staff to comply with internal policies to ensure the security of user data and prohibit any unauthorised or improper collection or use of user data.

In all our solutions, we use a variety of technologies to protect the data we are authorised to use. For example, firewall systems and boundary networks are used to separate internal databases and operating systems from externally provided services and to block unauthorised access. The Company detects, encrypts or removes personal identifiers, including names, telephone numbers, identity card numbers and any other information that identifies the user, with the help of encryption technology in accordance with applicable laws and regulations. The Company also stores user data in encrypted format and uses sophisticated security protocols and algorithms to encrypt data transmissions, particularly the transmission of user data, to ensure data confidentiality. The Company uses a deeply defensive security system to protect its network and application systems, including network segmentation, strict access control and secure communication protocols between applications and servers.

Medlive has been certified to a number of relevant standards, including

- The platform of Medlive was assessed and certified by the Ministry of Public Security as Level 3 in information security protection
- Medlive's information security management system and privacy information management system have been certified by ISO/IEC 27001 Information Security Management System
- The quality management system of Medlive has obtained ISO9001 quality management system certification

We have been promoting the awareness and capacity building of data security and privacy protection for our employees through promotion, training and assessment. In 2022, the Company organized several rounds of online training, setting up compulsory hours and credits, covering data security systems and sensitive data protection, among which all employees participated in data security systems training and over 60% of participants in sensitive data protection training.

Data Centre

We have contracts with a number of Internet data centre providers in Mainland China to ensure stable business operations. Our system infrastructure is hosted in three data centres in Beijing, Shijiazhuang and Yinchuan. In selecting the data centres to host our system infrastructure, the Company takes into account the following factors.

Environment:	The environment of the server room includes both the internal and external environment. Internal environment: the infrastructure of the server room, its load capacity, power supply, backup power, network resources, temperature and humidity control system, fire-fighting facilities, real-time monitoring system and its ability to prevent dust, dust removal, etc.; external environment: the location and traffic conditions of the server room, whether to avoid pollutants, dangerous sources, strong interference signals, strong vibration sources and other unfavourable factors.
Internal environment:	Network access service is one of the most important services of the server room. Network resources include physical lines, network bandwidth resources, interconnection and interoperability, scalability, etc.
Service Assurance:	including service staff and service standards.
Service personnel:	technical capability and service duty hours of operation and maintenance engineers, speed of response and service level of customer service personnel, etc.; service standards: service quality assurance of the server room.
Ability to develop:	choosing a service provider with good prospects, strength and reputation reduces the fear and risk of closure due to improper operation.
Safety and security:	This is reflected in the construction of infrastructure such as networks, power supplies, disaster prevention and security, as well as in the management and production of security processes in the server room.

We have a data centre disaster recovery plan in place to fully back up all operational data on a daily basis at local and remote data centres to reduce the risk of data loss or leakage. We regularly review our backup system and conduct regular data recovery tests to ensure that the system is functioning and properly maintained. In addition, we engage a third-party cyber security company to conduct regular penetration tests to identify vulnerabilities and assess the security of the system. If problems are found, we will immediately carry out system upgrades to eliminate any potential problems that may affect the security of the system.

Content Quality Assurance

The attractiveness of the *Medlive* platform to pharmaceutical and medical device company customers is driven by the engagement of its physician users. The Company's continued increase in physician user engagement results in an increase in the number of potential clicks on customized content by physician users. We provide physicians and other healthcare professionals with expert medical information and a wealth of medical tools, including the latest medical advances, clinical drug references, clinical guides and a knowledge base of diseases. We meet the needs of physicians for continuous medical education and clinical decision support by providing high quality, advanced and continuously enhanced medical knowledge content to attract and retain users and drive engagement.

The quality of our content is controlled by a dedicated review team, and we are constantly and strategically optimising our content offerings based on the browsing data and feedback from platform users. In addition, we have established quality management rules for the platform, such as the *Management System for Publishing Articles on the Medlive Platform* and the *Management Rules for Reviewing Content Published on the Medlive Platform*, to ensure that the content on the our platform is professional, accurate and legally compliant.

Case Study – Clinical Drug Reference Internal Entry and Review

The content entry in our *Clinical Drug Reference* is done in accordance with the entry procedures and standards set forth in the *Instructions for the Entry and Update of Medication Reference*. After the content is entered, our reviewers will review the content accuracy and image clarity in accordance with the *Acceptance Standards for Drug Administration Reference Backstage Instructions*, and we also review the content in strict accordance with national laws and regulations. For example, in accordance with the *Regulations on the Administration of Internet Pharmaceutical Information Services*, we will screen the information of narcotic drugs, psychotropic drugs, medical toxic drugs and radiopharmaceuticals on our website. Only content that meets the above acceptance criteria can be published on the platform.

Customer Satisfaction Management

We are committed to providing efficient and quality services to our customers and creating higher value for them. To this end, we continue to focus on market development, incorporate customer feedback, continuously improve the relevant systems and manuals, and provide professional training to our customer service staff to continuously enhance the service experience of our customers. At the system level, we have developed and updated the *Customer Complaint Management System* to further enhance the quality of our services.

In order to maintain long-term and effective communication with platform users, continuously optimize the service system and quality, and improve user engagement and satisfaction, the Company has established a number of communication channels.

Passive Communication	User feedback mechanism	Each product line has a user feedback function by default, allowing users to suggest changes and make personal requests to the platform via images or text descriptions.
	Customer Service Hotline	Users can contact the platform at any time via the customer service hotline to give feedback on issues and suggest product features.
Proactive communication	Questionnaire	Questionnaires are sent to users from time to time to collect their feedback and suggestions on the use of the platform and their satisfaction with the service.
	Callback	We make regular phone calls to users to understand their needs and suggestions so that we can continuously improve our products.
Ongoing Interaction	WeChat group	WeChat groups on different medical topics have been created to facilitate interaction within the groups and to resolve product and service related issues in a timely manner.

In addition, Medlive attaches great importance to customers' opinions and feedback, and has compiled and published a *Customer Feedback Handling Process* to follow up and handle customer feedback in collaboration with relevant departments according to the type of feedback, and to pinpoint customer needs and service content to be improved, so as to promote business optimisation with customer feedback and improve customers' product experience.

Flow Chart of Customer Feedback
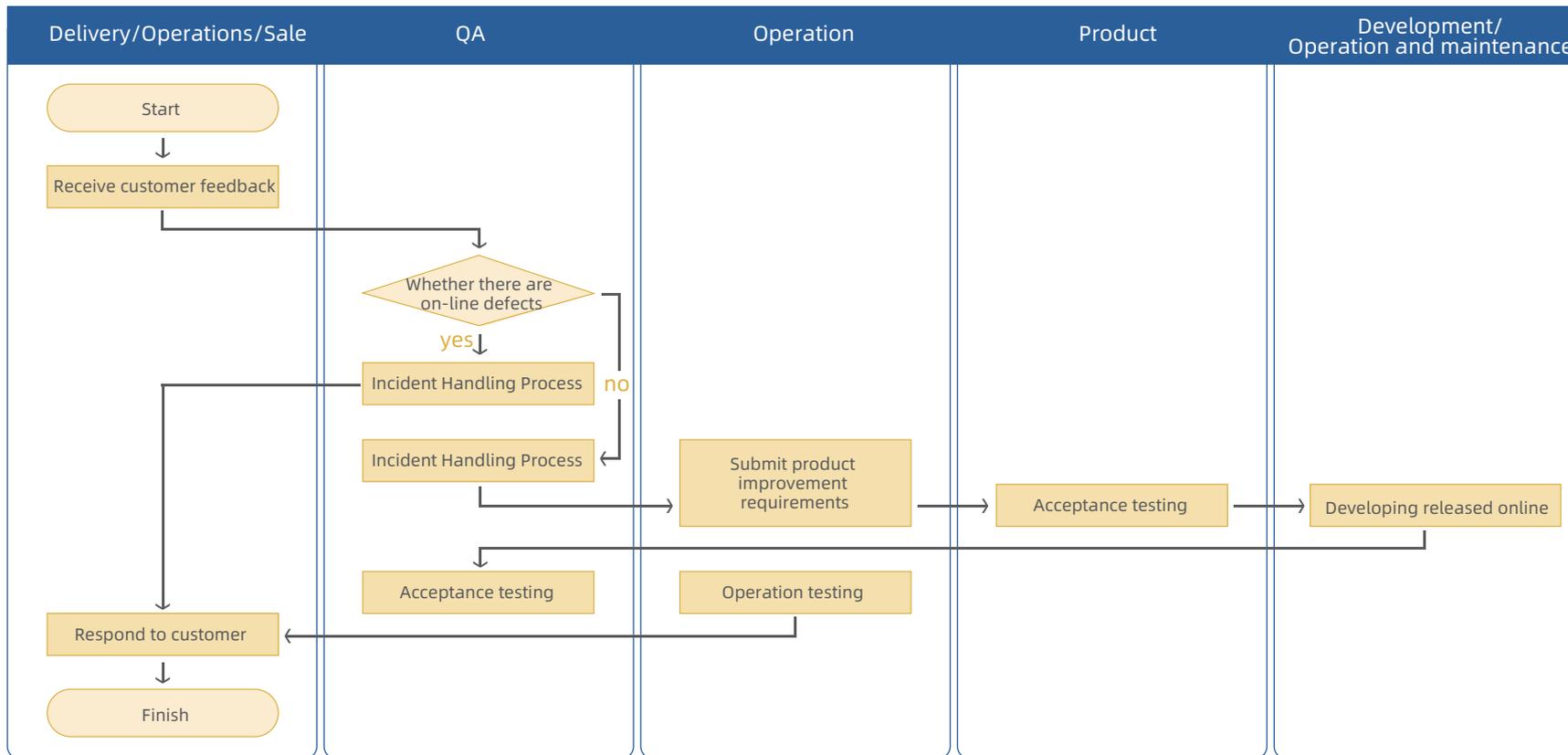
At the end of 2022, the Company conducted a survey of platform users and obtained a total of approximately 10,000 valid samples through active telephone interviews, distribution of survey questionnaires and collection of opinions from the APP, summarising 12 user experience issues, which were fed back to various business departments for improvement. 2 complaints were handled by the Company in 2022, with a 100% resolution rate and a 100% user satisfaction rate.

Platform user complaints and feedback case.

Problem: The Chinese Medical Association Guide cannot be downloaded in full

Product:: Clinical Guide app

Feedback channel: Feedback function of the Clinical Guidelines app

Details of the problem: The Chinese Medical Association Guide can only be viewed online and cannot be downloaded, which is not convenient for learning.

Handling process:

- **Complaint Investigation:**

  User Interviews: After obtaining feedback, we communicated with users by phone, apologised to them, and understood their requests and their usage scenario after downloading. We learnt that users were used to learning on PC computers and were not used to using the app when browsing the guide content due to font size and fonts.

  Product Research: The Chinese Medical Association restricts clinical guidelines from being available for download directly or indirectly due to copyright restrictions and user privacy compliance issues.

- **Complaint Resolution:**

  After communication with the Company's legal staff, it was confirmed that the cooperation with the Society's download function would meet the compliance requirements of the user privacy policy. After a long period of preparation and negotiation, we reached an agreement in November 2022 to provide the download function to users of the clinical guidelines app.

III. Humanized Management to Create a Warm Enterprise

Emphasis on talent development
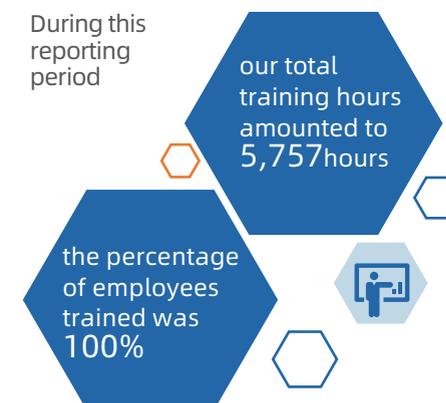
◗ Building a diverse team

We strictly comply with the requirements of the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Social Insurance Law of the People's Republic of China*, the *Provisions on the Prohibition of Using Child Labour* and the *Minors Protection Law of the People's Republic of China*, as well as other employment-related laws and regulations and international practices applicable to the place of operation. At the same time, we strictly comply with the *Law of the People's Republic of China on the Protection of Women's Rights* and I*nterests and the Special Regulations on Labour Protection for Female Employees* to protect the legitimate rights and interests of female employees and safeguard the physical and mental health of female employees. We have established internal rules and regulations such as the *Staff Employment Management Regulations*, *Staff Departure Management Regulations* and *Staff Handbook* to regulate the management of staff employment, handling of disciplinary offences, equal opportunities, anti-discrimination and staff diversity. We avoid child labour and other employment irregularities by verifying employees' identity information, including age, at the time of recruitment and requiring employees with working experience to provide proof of leaving their last job. We take into account the wishes of our employees at all stages of employment and ensure that employees participate in work on a voluntary basis, avoiding forced labour. We strictly comply with the labour laws in the countries where we operate and continue to improve our employment management, define remedial measures to be implemented in the event of child labour and forced labour(including the immediate cessation of child labour and forced labour upon discovery and when required by applicable labour law, the payment of appropriate compensation), and strive to avoid non-compliance. At the same time, we have formulated and implemented the *Overtime Management System for Employees* to strictly manage overtime work, and to grant employees with overtime work leave time in accordance with the regulations. In FY2022, we did not have any incidents of child labour or forced labour.

In the recruitment process, Medlive fully complies with the *Staff Employment Management Regulations* and adheres to the principle of "fairness and impartiality", with the aim of creating an inclusive and diversified work environment. In many aspects of recruitment, entry, training, promotion and reward, any discrimination against employees on the basis of differences in gender, appearance, physical and mental disabilities, age, marital and reproductive status, ethnicity, race, religious beliefs, sexual orientation, place of origin, household registration, nationality, party affiliation, educational background, accent, etc. is prohibited.

As at 31 December 2022, the total number of full-time employees of Medlive was 605, of whom 380 were female, accounting for 62.8%; the percentage of undergraduate degree or above from key institutions reached 83.3%, and the percentage of master degree or above in key positions was 82.8%.

◗ Building a career development platform

We are very focused on the long-term growth prospects of our employees and uphold the principle of "Employee First" in our management. We are committed to enhancing the training of talents through a systematic, diversified and innovative approach, so that our employees can give full play to their strengths in their work and promote the common development and sharing of results between our company and employees. In order to continuously enhance the skills and knowledge of our staff, we provide sufficient resources and diversified training opportunities to transfer industry and professional knowledge to them and enhance their job skills.

During this reporting period

our total training hours amounted to 5,757hours

the percentage of employees trained was 100%

For different level of employees, Medlive conducts different forms and contents of training activities to improve the Company's talent cultivation and development system, and evaluates the effectiveness of training through various means such as post-training tests and training satisfaction surveys, so as to optimise the training contents and methods in a targeted manner and continuously improve the effectiveness of training.

New Staff

Training methods
- Written training materials
- Online video courses
- Off-line training sessions

Training Content
- Corporate culture and business
- Company systems and common workflows

Current Staff

Training methods
- Online video courses
- Off-line training sessions

Training Content
- Specialised business skills and knowledge training
- Data security, cybersecurity training
- Compliance and integrity training

Mid and senior management team

Training methods
- Off-line training sessions
- Capacity building activities

Training Content
- Innovative leadership training
- Strategic management training

Sales team

Training methods
- Online video courses
- On-site case studies

Training Content
- Customer service skills and business knowledge

Optimization of ranking and remuneration system

In order to ensure sustainable and stable development and to build a foundation for employees' growth and development, we have established a reasonable and effective ranking system, assessment and remuneration system. We have established the *Internal Appraisal Policy*, the *Rank Promotion Management Regulations* and *the Remuneration and Welfare Management Regulations* to clearly regulate the duties of our staff, explore their potential, stimulate their motivation and promote their personal growth, and create a more open and fairer workplace environment.

Staff appraisal is conducted every six months and consists of self-assessment, assessment by immediate supervisors and assessment by departmental leaders. Staff who are eligible for promotion are selected based on the assessment results. The promotion process allows employees at all levels to compete fairly through internal self-assessment and promotion defence to ensure fair promotion opportunities for employees at all levels. In the internal self-assessment process, staff are nominated by their supervisors and then assessed by departmental leaders at all levels to ensure that they meet the appropriate qualifications for promotion. In the promotion defence section, a panel of at least three members will be formed, and there are clear rules on the number and ranking of panel members.

Medlive retains a grievance channel for staff appraisal and promotion. The appraisee has the right to know the result of his/her appraisal and the appraiser has the obligation to inform and explain the result of the appraisal to the appraisee. The appraisee has the right to submit a written complaint to Human Resources within three working days of notification. Human Resources will, through investigation and co-ordination, make recommendations on the handling of the complaint within three working days and provide feedback to both parties involved in the complaint and the department, and monitor its implementation.

We offer fair and competitive remuneration, incentives and benefits to our employees. The company conducts annual salary surveys to maintain competitive salary levels for its employees. In 2022, the Company revised the *Attendance Policy* and the *Personal Leave Policy* to ensure that employees' leave entitlements are enforced by keeping abreast of updates and revisions to the relevant leave policies in the operating locations. Medlive offers a wide range of leave benefits to its employees, including breastfeeding leave and paternity leave.

Medlive has actively implemented equity incentives by adopting the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme on 29 March 2021 and 18 June 2021, respectively to motivate its employees and senior management to align their interests with those of the Company. In addition, in order to encourage and retain talented individuals, we have established a *Share Award Scheme* to align the interests of selected individuals with those of the Company through share ownership.

Employee well-being and occupational health

We are committed to creating a gender-equitable, diverse and inclusive workplace environment and have a mother and baby room in the Company to protect the needs of female employees. In accordance with national regulations, we provide maternity leave for female employees, including maternity examination leave, maternity leave, paternity leave (for men), miscarriage (induced) leave and breastfeeding leave. We also provide a wide range of benefits to our staff, such as transport expenses, overtime meals, discounted medication, regular medical check-ups, festive gifts, breakfast and afternoon tea, etc., in order to continuously enhance their sense of well-being at work.

The Company's Human Resources, Administration and Finance Departments regularly collect employee satisfaction through internal questionnaires, suggestion boxes and seminars to understand the needs and expectations of employees in terms of remuneration, work, production, daily activities, office conditions and personal development. Based on the results, the relevant team will consolidate and analyse the satisfaction results and formulate improvement suggestions based on the results to lay a good foundation for improving the job satisfaction of employees.

The safety of our employees is our primary concern and we strictly comply with the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China* and *the Occupational Disease Prevention* and *Control Law of the People's Republic of China*, and other laws and regulations applicable to our business. The Company has set up an annual medical check-up plan for its employees and improved the emergency plan in accordance with the *Law of the People's Republic of China on Prevention* and *Control of Occupational Diseases* to protect the safety of the Group's property and personnel. We have prepared an *Accident and Disaster Emergency Plan* and conducts annual emergency response training for emergency responders. The Company will regularly inspect the equipment of fire emergency facilities to ensure that the emergency equipment is adequate and proper.

ISO 45001

In June 2022, the Company obtained ISO 45001 Occupational Health and Safety Management System certification. During the Reporting Period, the number of working days lost due to work-related injuries was 0. For the past three years(including the Reporting Period), there have been no work-related fatalities in the past and we are not aware of any material breaches of health and safety laws and regulations.

Case study: Joint Efforts Against the Covid-19 Outbreak

As the pandemic resumes in 2022, we are closely monitoring the development of the pandemic. To ensure the health and safety of our employees, we have arranged for our employees to work from home to reduce the risk of virus transmission during the severe outbreak, and have distributed medical masks and disinfection products to our employees. In the second quarter of 2022, the epidemic was severe in Shanghai, and Medlive provided an pandemic subsidy to employees in the Shanghai. In addition, we arranged for dedicated nucleic acid testing services for our employees, set up a control desk at the workplace entrance for employees to take their body temperature and disinfect their hands with alcohol, and ensured that they were wearing masks.

Continuing dedication to charity

◀ **Helping to educate primary physicians**

At present, the construction of primary medical and health care personnel in China is relatively lagging behind, which to a certain extent hinders primary medical institutions from improving their services and upgrading their standards. Strengthening the education of primary physicians and improving their standard of care is a fundamental part of relieving the " difficult and expensive to see a doctor " for the public, and is a basic way to achieve universal access to basic medical and health services. Since its establishment, Medlive has been actively fulfilling its social responsibility, integrating our own business values with those of society.

In 2022, Medlive collaborated with the Shandong Primary Health Care Association to improve the diagnosis and management of common diseases such as diabetes and hypertension among primary and rural physicians through live streaming of academic conferences and post-conference question-and-answer interactions.

In the first half of 2022, Medlive launched the Rare Disease Assistant, which helps physicians, especially primary physicians, to improve their knowledge and screening ability of rare diseases through AI algorithms and a large amount of system data.

This year, a total of three conferences were broadcast live, covering a wide range of topics with significant results. According to statistics, the total number of viewers of the three live conferences reached 136,600 (excluding replay), and over 60% of physicians scored over 80 points in the post-conference questions. In the future, Medlive will continue to expand its cooperation with primary health associations in different provinces to benefit more primary physicians.

By the end of 2022, the Rare Disease Assistant has covered 7,848 genetic diseases, 3,752 rare diseases, 4,025 genetic data and 12,868 phenotypic terms. Through the gradual improvement of the platform, we will be able to assist Chinese physicians in screening more patients with rare diseases, enabling early diagnosis and treatment, and reducing the life and psychological pain caused by the disease.

Participate in medical charity activities

Medlive is dedicated to helping the development of medicine with technology and making unremitting efforts to improve the clinical diagnosis and treatment by physicians. Using its own online platform for professional physicians, Medlive carries out medical public welfare activities in the form of articles, videos and live broadcasts, and fulfils its corporate social responsibility with the technology. Since its inception, the Company has insisted on self-discipline and self-reliance, and strives to convey the warm side of technology to the community while continuously polishing its technological strength.

Case study: Pro bono co-organized clinical research training on 'quality of audit'

The training was organised by the Oncology Hospital of the Chinese Academy of Medical Sciences and the Clinical Research Committee of the Beijing Oncology Society. It focused on topics such as "verification procedures", "ethics of science and technology", regulatory requirements for "real-world research" and industry progress, with the aim of reinforcing the importance of audit in clinical trials and promoting the core value of "science and technology for good". The aim is to reinforce the importance of audit in clinical trials and to promote the core value of "science for good". According to statistics, the number of participants in this public service training reached 1,453, broken down by clinical role: 39% were quality control staff in the pharmaceutical industry, 38.5% were clinical operations and medical practitioners in the pharmaceutical industry, 5% were clinical trial facilities in hospitals, 2% were clinicians and pharmacists, and the rest were practitioners in areas such as pharmaceutical safety and registration. A satisfaction survey was conducted at the end of the training and the satisfaction rate of the participants was 100%. This shows that the quality of clinical trials is a key concern for the whole industry, and we will continue to leverage our strengths in the healthcare sector to promote the development of clinical trials in a compliant and efficient manner.

Case study: Pro bono co-organization of the 2022 Suzhou Hematology Summit

The 2022 Suzhou Haematology Summit "In Praise of Life - Singing for Love" charity event was held at the Suzhou Industrial Park in Jiangsu Province, bringing together haematology research experts, patients and volunteers from across China for the annual summit. The event was co-organized by the National Clinical Medical Research Centre for Haematological Diseases, the Jiangsu Blood Research Institute, the Suzhou Red Cross, the Suzhou Medical Association and the First Hospital of Suzhou University, with Medlive as one of the co-organizers of the summit. Medlive is actively exploring in new drug development, patient recruitment and Internet hospital for blood diseases, playing the advantages of our own physician platform, gathering the wisdom of domestic medical experts to improve data for the treatment of blood diseases, building a bridge between physicians and patients, and helping more domestic blood disease patients.

Actively giving back to the community

We are highly concerned about social issues and insist on fulfilling our social responsibility, taking into full consideration the social interests of the local communities in which we operate, and providing financial and human resources support within our capacity to help the development of public welfare undertakings in the local communities in which we operate and make contributions to community development. By leveraging on the advantages of our own online medical platform, we have been able to connect online and offline resources, actively participate in activities such as the popularisation of medical science and medical supplies, and contribute to the harmonious development of society.

Case study: Anti-pandemic First Aid Kit

At the end of 2022, the new pandemic spread across the country again and medical supplies were in short supply. The pharmacy has prepared a special "Anti- pandemic First Aid Kit" for the hardworking workers in the Red Manor Park, where the Company is located. Whether you are a security guard or a cleaning lady, a delivery guy or a courier driver, you can receive the First Aid Kit for RMB 0.1. The kit contains 100ml of alcohol spray, 4 antigen test kits, 1 thermometer, 6 tablets of Aptar Ibuprofen and 48 tablets of grass coral.

Supporting Green and Low Carbon Development

Climate Change

With the frequent occurrence of extreme weather and natural disasters in recent years, China has made a formal commitment to the "double carbon" target of "striving to achieve carbon peaking by 2030 and carbon neutrality by 2060", and Medlive understands that it is the necessary responsibility of enterprises and individuals to promote the reduction of greenhouse gas emissions and lead the development of a green transformation of the economy and society. The Company uses innovative technology to promote the digital transformation of marketing in the healthcare industry, while continuing to promote the concept of green operations, starting with green offices and green data centres to reduce the impact of the Company itself on the environment. Through external digital empowerment and internal green development, we are practising the concept of sustainable development, contributing to the national concept of carbon peaking and carbon neutrality and the development of green cities.

During the Reporting Period, the Company conducted ESG-related risk assessments, which included identifying the Company's potential climate-related risks and regularly evaluating the effectiveness of existing countermeasures to further enhance the Company's resilience to climate risks. Medlive strictly complies with the laws and regulations related to climate change, including the *Law of the People's Republic of China on Prevention* and Control of Air Pollution, and will continue to monitor the latest status of laws, regulations and regulatory requirements related to climate change in order to be prepared for climate change.

The following climate-related risks have also been addressed by Medlive.

Climate-related risks	Countermeasures
Physical risks associated with climate change, such as extreme weather events	To ensure the safety of our staff during inclement weather, we will regularly monitor the weather conditions and issue warm reminders to all staff before the arrival of inclement weather to remind them to prepare and take protective measures, including reminding them to pay attention to their own safety before going to and from work, disconnecting all power sources and closing doors and windows in time before work.
Changes in climate related government policies and regulatory requirements	We will work with the property owners of the office address to ensure that they are aware of the new climate policy in their area, and will arrange for the administration department to liaise and supervise the work.

Green Operations

The main environmental impact of the Company is due to the greenhouse gas emissions generated from daily office and data centre operations. Therefore, in order to achieve energy saving and carbon reduction, Medlive has continued to strengthen its internal environmental management system and formulated and implemented the *Regulations for Reducing Energy Consumption* and *Greenhouse Gas Emissions* and t*he Regulations for Resource* and *Energy Conservation* and *Control* to adopt targeted energy saving and emission reduction solutions from various parts of the value chain. Through collaboration with leasing property service providers, we have analysed the energy consumption and emissions of the Company's office premises in Beijing and other locations, and upgraded equipment with high energy consumption and low efficiency.

Our Environmental Commitment:

- We promote the concept of green office and green living, and embed the excellent culture of energy saving, emission reduction and environmental friendliness in the daily life of our employees.
- We actively promote innovative practices to save energy and reduce emissions, create a green and healthy office environment, and ensure that all energy-saving and environmental processes and activities comply with regulatory requirements.
- In the procurement process, we follow the concept of green and low carbon, giving priority to green products with advantages in environmental protection, resource conservation, recycling and low carbon, and gradually phasing out inefficient products.
- Reduce waste at source, prioritise the recycling of used products, and dispose of all types of waste properly to prevent pollution.
- We regularly analyse energy and environmental performance in terms of electricity and water consumption, and set scientific control targets to improve resource and energy conservation. Encourage environmental public welfare activities and contribute to the care of the natural environment through personal participation in environmental protection actions.

In line with the above effective internal regulations and management mechanisms, the Company implemented the following green office initiatives during the Reporting Period.

Energy saving and consumption reduction

- The Company requires office equipment such as computers, printers, copiers and scanners to be switched off after hours.
- Lighting and air conditioning in workplaces and meeting rooms should be activated appropriately for the season, temperature and lighting conditions.
- Eliminate energy-intensive and inefficient office equipment in both procurement and use.
- The Administration Department arranges regular inspections of electrical equipment, electrical wiring, sockets and lights, faucets and water pipes to prevent leakage of electricity and water causing personal injury and disconnection of electricity and water.
- Encourage double-sided printing and recycle single-sided waste paper
- The welfare staff quarters have implemented environmental policies such as standardising the installation of energy-saving lights and encouraging staff to control the air-conditioning temperature in winter and summer.
- Encourage staff to use public transport to commute to work and, where possible, advise customers and suppliers to travel low carbon

Paperless Office

- The full use of the online office platform, the regular approval process online, non-essential use of paper documents as far as possible, not only substantial savings in paper, but also to simplify business processes and improve office efficiency.
- Encourage the use of online video conferencing to reduce unnecessary travel and time costs, and reduce greenhouse gas emissions from travel traffic.

Rubbish classification

- In accordance with the requirements of the Beijing Regulations on the Management of Domestic Waste Separation, the Company has set up special collection containers for food waste, recyclable waste and other waste on each floor of the office premises, combined with publicity and posters to guide staff to do a good job in waste separation and promote resource recycling.
- Waste and used electronic products are managed and stored separately, and old computers that still have value are partially donated to charitable organisations after treatment or entrusted to professional disposal units for recycling.

Green Data Centers

By the end of 2022, the Company had leased data centers in Beijing, Shijiazhuang and Yinchuan. The Company includes indicators such as security, stability and economy, as well as energy efficiency technologies and performance such as the type of energy used by the data centres and cooling technology, in the selection of data centre service providers, and regularly monitors indicators such as power usage efficiency (PUE) and carbon emission intensity of the data centres to promote the environmental responsibility of data centre service providers and enhance sustainable development.

IV. Regulated governance to ensure healthy business development

With the values of "professionalism, innovation, cooperation and efficiency", Medlive has been striving to improve its corporate governance structure, strengthen a stable and diversified governance structure, clarify the authority and decision-making system at all levels, ensure that the management has a firm grasp of the company's business strategies, development goals and execution status, and continuously enhance its corporate governance and risk management capabilities.

The Company continues to strengthen its compliance system and conducts compliance and business ethics training and promotion activities to integrate the principles of honest and trustworthy operation with its corporate culture. We have established monitoring and reporting channels to encourage internal and external stakeholders to monitor the Company and prevent compliance risks on all fronts to ensure the long-term stability of the Company's operations.

Governance Framework

In compliance with the *Corporate Governance Code* and *the Corporate Governance Report* as well as the relevant provisions of the *Listing Rules*, Medlive has established a relatively sound and standardised corporate governance structure and formed a monitoring and control mechanism with efficient operation and effective checks and balances. Relying on professionals with diversified backgrounds and rich experience in the industry, we have built a high-level and high-quality board of directors and management, actively integrated various resources, steadily enhanced the corporate governance level and ensured the gradual improvement of the Company's operation and management effectiveness.

The Board is the highest decision-making body of the Company, with the Audit Committee, the Remuneration Committee and the Nomination Committee. The Board and its professional committees are responsible for determining the strategic direction and overall strategy of the Company, overseeing the work and business performance of the management, the operational and financial performance of the Company, and ensuring the long-term stability of effective risk management and internal control.

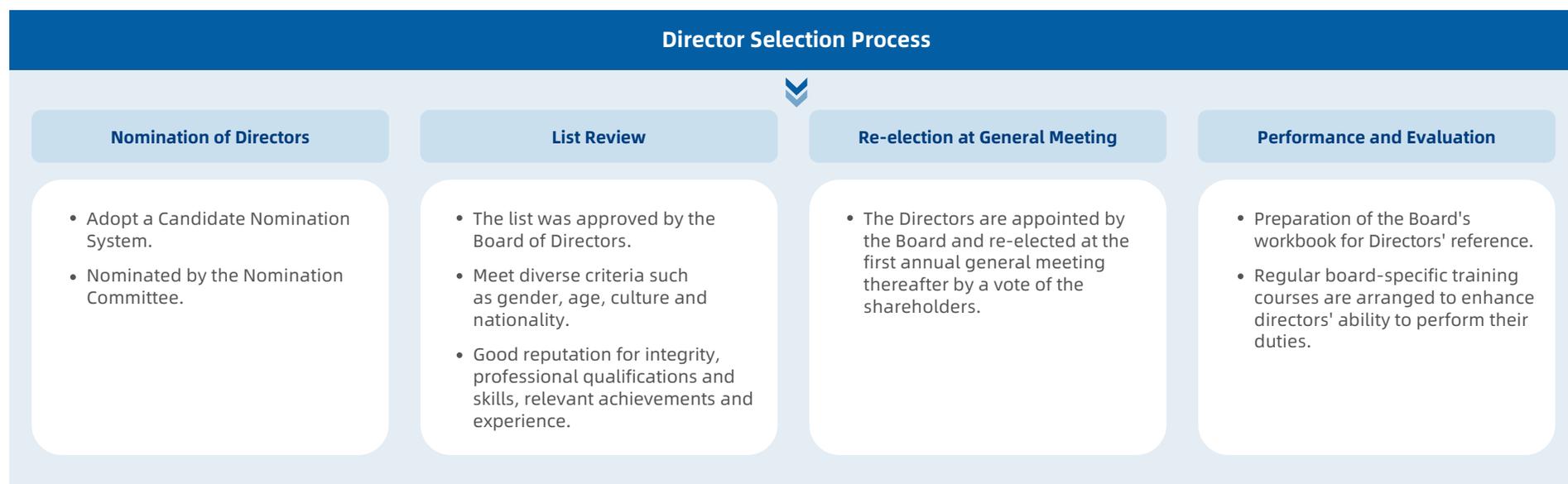| Committee	Key Responsibilities	In charge of ESG issues
Audit Committee	• to consider the appointment of external auditor and any questions of resignation or removal of the external auditor. • discussing with the external auditor the nature and scope of the audit. • Review of interim and annual financial statements, etc., before submission to the Board.	• Responsible for major issues such as external auditors, internal control and connected transactions of the Company
Remuneration Committee	• To make recommendations to the Board on the Company's policy and structure for the remuneration of all Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy. • To make recommendations to the Board on the remuneration packages of individual executive directors and senior management, including benefits in kind, pension rights and compensation payments, and to make recommendations to the Board on the remuneration of non-executive directors, etc.	• Develop competitive remuneration packages and share incentive plans for executives and core staff from a sustainable development perspective, benchmarked against the industry as a whole
Nomination Committee	• to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategy. • To identify persons suitably qualified to become members of the Board and to select or make recommendations to the Board on the selection of persons nominated for appointment as Directors, etc.	• Assessing the composition of the Board and identifyingsuitable candidates from various perspectives, including corporate governance and social impact

Audit Committee

The Board

Remuneration Committee

Nomination Committee

◀ **Board Diversity**

A diverse Board composition is conducive to bringing diverse perspectives and professional experience to the development of the Company, providing independent views and judgments on matters such as business strategies, risk prevention and control, and safeguarding the interests of the Company and its shareholders. The Company has a Board diversity policy. In nominating candidates, we pay attention to a number of diversity factors including but not limited to gender, age, cultural and educational background, industry experience, technical competence, professional qualifications and skills to ensure that Board members have a balance of skills, experience and diverse perspectives to meet the needs of the business, thereby enhancing the effectiveness of the Board.

The Board of Medlive comprises nine Directors, including five Non-Executive Directors, three of whom are independent. There are three female directors on the Board. In terms of qualifications, the Board members have different professional backgrounds in computing, medicine and finance, as well as extensive professional experience in auditing, risk control and other industries such as the Internet and healthcare.

◀ **Selection of Directors**

Medlive has formulated a *Director Nomination Policy*, which sets out the nomination criteria and standards to ensure that the process for the election of all directors is fair, open and impartial and in compliance with the *Articles of Association* and relevant governance requirements. The nomination of the Board of Directors takes into account the business characteristics and future development strategies of the Company, the medium and long-term planning of the Board structure and diversification, and the detailed basic requirements for the selection of directors, their professional knowledge and skills and the overall competencies they should possess.

Director Selection Process

Nomination of Directors	List Review	Re-election at General Meeting	Performance and Evaluation
• Adopt a Candidate Nomination System. • Nominated by the Nomination Committee.	• The list was approved by the Board of Directors. • Meet diverse criteria such as gender, age, culture and nationality. • Good reputation for integrity, professional qualifications and skills, relevant achievements and experience.	• The Directors are appointed by the Board and re-elected at the first annual general meeting thereafter by a vote of the shareholders.	• Preparation of the Board's workbook for Directors' reference. • Regular board-specific training courses are arranged to enhance directors' ability to perform their duties.

Management Compensation Performance

The Company's Board has a Remuneration Committee, comprising three independent non-executive directors. In addition to providing recommendations to the Board on remuneration policies and procedures, the Remuneration Committee will regularly review and report to the Board on the remuneration practices and standards for directors and senior management, taking into account the reasonableness of comparable companies' remuneration levels, responsibilities and length of service, the Company's operating performance and future risks.

Director Training

We attach great importance to the professional development of our Board of Directors and provide training and learning opportunities for our directors by means of on-site training, remote training and reading materials, taking into account the development and changes in regulatory policies, so as to enhance the directors' attention to corporate governance and ESG governance and to effectively perform their functions, and to continuously improve and maintain the effectiveness and standard of good corporate governance. By the end of 2022, the training coverage rate of serving directors reached 100%.

Risk Management

The Company has strictly implemented the regulatory requirements and has established a comprehensive risk management system to continuously improve its risk prevention and management capabilities with regard to various key risk sources, so as to achieve quality development with risk management.

Risk Management Framework

In 2022, Medlive set up a three-line of defence risk management framework to identify, analyse and deal with financial and non-financial risks in the course of the Company's operations, ultimately forming an effective risk prevention and control mechanism to help the Company achieve long-term stable operations.

First line of defense	Business departments	Responsible for the management and operation of the business. Responsibilities include establishing business operations mechanisms and processes, implementing day-to-day management and control of business risk implementation, and business risk related decision making.
Second line of defense	Functional departments and Internal Control Departments	Responsible for the day-to-day control of business risks. The responsibilities include setting up risk management systems, establishing risk countermeasures, participating in the day-to-day risk judgement of the business, implementing controls over day-to-day business risks, and risk assessment and alerting to abnormal indicators.
Third line of defense	Audit and Inspection Departments	To check the results of the implementation of business risk controls, identify problems and promote their resolution in a timely manner. The Audit and Inspection Departments are highly independent and accountable to the Board of Directors and the Audit Committee. Their responsibilities include specialised audits, key position audits, information systems audits, fraud investigations, employee conflict of interest management and communication to ensure a good risk control environment.

At the same time, the internal control department, together with the relevant functional departments and business departments, regularly evaluates the existing control measures and carries out improvement and optimisation accordingly. The Company has established corresponding measures to monitor the results of risk control on an ongoing basis to ensure the effectiveness of risk countermeasures and to understand and make reasonable adjustments to the trend of changes in risks in a timely manner.

◖ Risk Management Process

Risk identification and classification

Regularly review the risks in the Company's significant operations and key management and business processes to identify relevant risks that affect the achievement of objectives.

The main risks faced by the Company fall into five broad categories.

- Strategic risk
- Financial risk
- Market Risk
- Operational Risk
- Compliance Risks

Risk information is collected on a regular basis and compiled through classification and analysis to form a risk inventory.

Risk Assessment

The Legal Department organizes relevant departments to establish risk assessment work standards, procedures and methods, formulates the Company's risk assessment plan, and organizes, co-ordinates and guides various departments to carry out risk assessment work.

A qualitative, quantitative or a combination of qualitative and quantitative methods are used to assess the likelihood of occurrence and the degree of impact of risks and to determine the significant risks faced by the company.

Risk Management

According to the different attributes of risk classification, corresponding risk countermeasures will be adopted and the human and financial resources required for risk management will be reasonably allocated.

- Risk avoidance
- Risk reduction
- Risk Transfer
- Risk Taking

According to the implementation situation, inspect the implementation of major risk response measures of the relevant departments and units from time to time by means of on-site interviews, questionnaire surveys and random checks of certificates.

Risk monitoring and reporting

Organize all departments to carry out comprehensive risk management,systematically summarise the situation and effectiveness of the Company's risk management, analyse the risk situation faced by the Company and put forward corresponding risk management proposals for review by the management of the Company.

The Legal Department will promptly supervise the relevant departments to rectify the risk issues feedback from each department, and the rectification plan will be confirmed by the management of the Company.

◖ **Emerging Risk Management**

In 2022, the resurgence of the COVID-19 pandemic continues to pose a public health crisis, further increasing the importance of environmental and social risks to all sectors of society. The *2022 Global Risks Report* released by the World Economic Forum points out that disorderly climate change will exacerbate inequalities and growing digital systems will exacerbate cyber threats. Medlive continues to strengthen the control and response to emerging risks, establishing a process for identifying and managing emerging risks, proactively identifying and analyzing various emerging risks and developing corresponding risk mitigation strategies.

Focus on Emerging Risks and Mitigation Measures

Type of risk	Risk Description	Potential impact or influence	Countermeasures
Climate Change	• Extreme weather events pose a significant risk to property, infrastructure and human health.	• A weather-related disaster causes disruptions to the Company's operational terminals, such as rental data centres, as a result of the disaster.	• For the data centre, work with the service provider to establish an emergency power supply and disaster preparedness mechanism. Pay close attention to weather warnings at the operation sites and take precautions in case of bad weather.
Public Health	• The spread of infectious diseases such as COVID-19 may lead to health damage or isolation of staff. • Credit risk arises when contracts are not performed on time due to the suspension of production caused by the epidemic.	• Business interruptions due to staff isolation or outbreak control requirements. • Loss due to contract cancellation or early termination due to the epidemic. • Customers are unable to fulfil the payment process due to epidemic prevention and control.	• An epidemic prevention and control team was set up to monitor the development of the epidemic and to develop a notification mechanism and related protective measures. • Develop business continuity plans and adopt flexible office practices to ensure business operations. • Negotiate delivery or payment extensions with clients in advance to protect financial security.
Cyber Security	• Cyber attacks on the Internet industry are on the rise, with hackers using a variety of new techniques and exploiting system weaknesses to gain access to steal or tamper with data that cannot be easily traced back to its source.	• A successful attack by a cyber hacker using any of these techniques could result in damage to the rights of the customer, damage to the Company's reputation and warnings from the authorities.	• Develop contingency plans for network and information security incidents and strengthen monitoring and early warning of network and information security incidents. • Strengthen training on network security for staff to enhance security awareness and improve response capabilities.

Compliance

The Company strictly complies with the *Company Law of the People's Republic of China*, the *Advertising Law of the People's Republic of China* and the *Drug Administration Law of the People's Republic of China* and other laws, regulations and regulatory documents, and formulates and adopts the *Regulations on Compliance Risk Management*, giving priority to operating in compliance with the law. The Company is committed to ensuring that the operation, management and practice of the Company and its staff are in compliance with laws, regulations and standards.

In order to ensure the compliance of our brand promotion and to avoid false advertising, we have established internal systems and regulations such as the *Regulations for the Publication of Platform Articles*, which requires the content published to meet the requirements of evidence-based medicine and to ensure the authenticity through a multi-layer review mechanism operated by a team of professional medical editors.

Compliance Management Principles

Comprehensiveness	Proactivity	Independence	Effectiveness
Compliance management covers all businesses, departments and employees of the Company, and is carried out in all aspects of decision making, execution, supervision and feedback, etc. The requirements of compliance management are fully reflected in the decision-making mechanism, internal control and business processes.	All departments and staff of the Company shall take the initiative to seek compliance support, implement the compliance system, identify and control the compliance risks of their practices, and report to the person in charge of compliance in a timely manner if they discover illegal or non-compliant acts or potential compliance risks.	The responsible person for compliance and the compliance management department are independent and the shareholders, directors and senior management of the Company shall not give direct instructions or interfere with their work in violation of the prescribed duties and procedures; the directors, senior management and various departments of the Company shall support and cooperate with the work of the responsible person for compliance and the compliance management department, and shall not restrict or obstruct the performance of their duties for any reason	The Board of Directors and the management of the Company shall strictly observe and promote the effective implementation of the Company's compliance managementsystem among all staff members. The Company's Board and management shall strictly comply with and promote the effective implementation of the Company's compliance management system among all employees.

Business Ethics

In the course of its operations, Medlive upholds high standards of professional ethics and business integrity, requiring every director, management and employee to set an example by practising the principles of honesty, integrity and pragmatism. At the same time, the Company continues to improve the relevant systems and management mechanisms, and in the *Employee Handbook*, the code of conduct for employees is regulated to provide guidelines on principles and practical directions for employees, and specific instructions on compliance, integrity and disciplinary reporting in work interactions are provided to strictly investigate and eliminate corrupt practices.

◀ Anti-Corruption and Commercial Bribery

We are firmly committed to the principle of operating with integrity and strictly abide by the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China* and other national laws and regulations, and are committed to creating a good working atmosphere of cleanliness, entrepreneurship and compliance with the law. To prevent corruption, the Company has established an effective anti-corruption and anti-commercial bribery management system and formulated the *Anti-Corruption and Anti-Bribery Implementation Rules*, *Business Ethics Provisions and Key Business Ethics Principles* and *Anti-Delinquency, Anti-Fraud and Anti-Money Laundering Management Regulations*, which include "corruption and bribery" as the first item of the Company's high pressure red line behaviour and provide sufficient warning. We will continue to strengthen our internal control and compliance mechanism, urge our employees to be honest and trustworthy, and guide them to resist negative corruption to ensure the healthy development of the Company.

In order to raise awareness of anti-corruption issues, Medlive provides anti-corruption related training and education to its employees. New employees are provided with anti-corruption related induction training and current employees of the Company participate in annual anti-corruption related training and Board members are provided with a comprehensive understanding of the Company's anti-corruption policy through participation in Board meetings and Board training.

Through the compliance monitoring mechanism, the Company formulates control strategies for key areas with potential corruption risks and implements them into its business activities and processes. At the same time, the Company actively conducts compliance audits and compliance inspections that include anti-corruption and commercial bribery-related elements, and investigates, reports and disposes of relevant corruption hazards in a timely manner through regular or irregular inspections.

In 2022, there were no cases of corruption in the Company.

◖ **Integrity Monitoring and Reporting**

We encourage our employees to expose and report any corrupt practices. The Company has established an "Integrity Team" consisting of relevant officials from the Human Resources Department, Legal Department and Finance Department, which is responsible for receiving and investigating reports of breaches of the integrity and compliance system, and is independent in exercising its investigative powers and has the authority to interview any employee. Departments and individuals under investigation are responsible for the truthfulness of the information provided. The Integrity Team will maintain strict confidentiality of all information providers and information provided in all aspects of the investigation, including the receipt of reports and investigations.

To encourage staff to report irregularities and dishonesty, we have set up an email reporting channel (report email: jubao@kingyee.com.cn) and are fully committed to protecting staff who report irregularities or participate in or assist in the investigation process from unfair retaliation and treatment.

◖ **Intellectual Property Protection**

We have strictly complied with the relevant laws and regulations, including but not limited to the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China* and the *Anti-Unfair Competition Law of the People's Republic of China*, etc. We have also formulated the *Measures for the Protection of Intellectual Property Rights, including the Patent Rights Management Policy, Trademark Rights Management Policy and Computer Software Copyright Management Policy*. The Company has also taken note of the relevant work involving intellectual property rights and determined the attribution of the results of intellectual property creation activities.

In addition, we have an in-house copyright protection team which is responsible for checking our intellectual property rights for infringement on various platforms from time to time. If an infringement is discovered, our legal team will promptly investigate the infringer to obtain evidence of the location and scale of the infringement, the infringer's income or the Company's loss, and then communicate with the infringer for compensation and, if necessary, take legal action to protect the Company's rights.

Our employees are required to protect the Company's intellectual property rights and to respect and value the intellectual property rights of others. We encourage this reporting of infringements of our intellectual property rights through the whistleblower complaint channel to better protect the legal rights of our intangible assets.

Supplier Management

Through in-depth cooperation with suppliers in terms of products, technology and data, we have established a long-term trust, mutual growth and win-win cooperation relationship with them. At the same time, we actively implement the concept of green procurement and promote responsible behaviour to our suppliers, so as to achieve mutual growth together with them.

◖ Procurement Management System

In accordance with the relevant laws and regulations and the requirements of the relevant systems of the Company, we have formulated the Procurement Management Regulations to regulate the responsible department, reporting process, supplier entry requirements, elimination mechanism and monitoring methods for procurement to ensure that the products or services procured are safe and reliable and to promote the standardized operation and healthy development of the Company's business. The Company strictly complies with the procurement management system, conducts due diligence on suppliers in accordance with the standards, attaches great importance to supplier compliance and encourages suppliers to actively fulfill their social responsibilities to ensure transparent and compliant procurement processes and sustainable procurement management.

There are clear provisions in the system requiring suppliers to :

- Be an enterprise legal person established by law.
- Have the appropriate qualifications, licences, authorisations to provide the corresponding products and services.
- The registered capital required to procure the product.
- If applicable, have relevant certifications issued by the State and relevant authorities for quality, safety, environmental protection, etc.
- Have a good business reputation and no illegal records in their business activities in the last three years.
- A sound quality assurance system, with no failures in national, industry and local government quality supervision inspections in the last three years.
- and other conditions as required by the Company.

The Company communicates with suppliers through various channels, including phone calls, emails, online meetings and site visits. In 2022, the Company had 456 suppliers, of which approximately 86% were visited on site, specifically to examine supplier qualifications, size, reputation, and other sustainability indicators, such as whether they are environmentally friendly and whether they employ people with disabilities.

◖ Green Procurement

We actively promote green procurement and require that when evaluating suppliers and purchasing products, we give priority to suppliers with certified environmental management systems, products with green certification or reduced energy efficiency levels, and carefully treat and timely cancel cooperation with suppliers with significant negative environmental information to drive supply chain enterprises to improve their environmental performance and jointly promote a friendly coexistence with the environment.

2022 Environmental Key Performance Tables

Greenhouse Gas Emissions

Indicators	Unit	2021	2022
Direct GHG emissions (Scope 1)	ton CO2 e	0	0
Indirect GHG emissions (Scope 2)	ton CO2 e	67.396	67.758
Per capita GHG emissions (Scope 1& Scope 2)	ton CO2 e/person	0.134	0.112

Waste Management

Indicators	Unit	2021	2022
Total Amount of Hazardous Waste	Tonnes	0.037	0.041
Hazardous waste generation per capita	Kg/person	0.073	0.067
Waste batteries	Tonnes	0.015	0.018
Waste lamps	Tonnes	0.008	0.007
Waste ink cartridges	Tonnes	0.014	0.016
Total non-hazardous waste	Tonnes	18.097	19.573
Non-hazardous waste generation per capita	Kg/person	36.05	32.35
Wastepaper	Tonnes	0.180	0.169
Household waste	Tonnes	17.917	19.404
Non-hazardous waste recycled	Tonnes	2.832	6.894
Wastepaper recycled	Tonnes	0.144	0.146
Household waste recycled	Tonnes	2.688	6.748

Energy consumption

Indicators	Unit	2021	2022
Purchased electricity consumption	MWh	116.000	129.480
Per capita consumption of purchased electricity	MWh/person	0.231	0.214

Water Consumption

Indicators	Unit	2021	2022
Total water consumption	Tonnes	1587.000	1823.000
Water consumption per capita	Tonnes/person	3.161	3.013

2022 Social Key Performance Tables

Human Resources Structure

Indicators	Unit	2021	2022
Labour contract signing rate	%	/	100
Social Insurance Coverage	%	/	100
Total number of employees	Person	502	605
Number of employees in Mainland China	Person	502	604
Number of employees from Hong Kong, Macau, Taiwan and overseas	Person	0	1
Female employees	Person	304	380

Indicators	Unit	2021	2022
Male employees	Person	198	225
Full-time employees	Person	502	605
Part-time employees	Person	0	0
Employees aged under 31	Person	277	341
Employees aged 31-50	Person	213	258
Employees aged over 50	Person	12	6
Number of employees at high-level	Person	9	16
Number of employees at mid-level	Person	21	42
Number of employees at basic-level	Person	472	547
Total employees turnover rate	%	36.7	33
Female employees turnover rate	%	41.5	33
Male employees turnover rate	%	29.3	34
Turnover rate of employees aged under 31	%	42.2	33
Turnover rate of employees aged 30-50	%	31.0	34
Turnover rate of employees aged over 50	%	8.3	16.7
Employees turnover rate in Mainland China	%	36.5	33
Employees turnover rate in Hong Kong, Macau, Taiwan and overseas	%	0	0

Indicators	Unit	2021	2022
Total number of trained employees	Person	196	605
Percentage of trained employees	%	39.0	100
Number of female employees trained	Person	125	380
Number of male employees trained	Person	71	225
Number of trained employees at high-level	Person	0	16
Number of trained employees at mid-level	Person	4	42
Number of trained employees at basic-level	Person	192	547
Percentage of trained female employees	%	63.78	62.8
Percentage of trained male employees	%	36.22	37.2
Percentage of trained employees at high-level	%	0	2.6
Percentage of trained employees at mid-level	%	2	6.9
Percentage of trained employees at basic-level	%	98	90.4
Total training expenses	million	/	10
Average training expenses per employee	RMB	/	165
Total person-times of training on occupational safety and health	Person times	196	605
Total training hours of number of training on occupational safety and health	Hour	392	1515
Length of training for all employees	Hour	1568	5757
Training hours for female employees	Hour	1000	3629
Training hours for male employees	Hour	568	2128

Indicators	Unit	2021	2022
Employees at high-level training hours	Hour	0	180
Employees at mid-level training hours	Hour	32	405
Employees at basic-level training hours	Hour	1536	5172
Average training hours for female employees	Hour	3.29	9.55
Average training hours for male employees	Hour	2.87	9.46
Length of training per person at high-level	Hour	0	11.25
Length of training per person at mid-level	Hour	1.52	9.64
Length of training per person at basic-level	Hour	3.25	9.46

Employee Health and Safety

Indicators	Unit	2021	2022
Health examination and health record coverage	%	100	100
Number of incidents of work-related injury	Case	0	0
Number of work-related deaths	Case	0	0
Rate of deaths at work	%	0	0
Lost working days due to work-related injury	Day	0	0

Supplier Management

Indicators	Unit	2021	2022
Total number of suppliers	-	278	456
Number of suppliers in Mainland China	-	262	438
Number of suppliers from Hong Kong, Macau, Taiwan and overseas	-	16	18
Number of suppliers in Beijing (Rank #1)	-	/	211
Number of suppliers in Shanghai (Rank #2)	-	/	47
Number of suppliers in Guangzhou (Rank #3)	-	/	14

Customer Service

Indicators	Unit	2021	2022
Customer Satisfaction	%	/	100
Number of customer complaints about the services provided	Case	6	2
Completion rate of complaint handling	%	/	100
Average length of time to receive user complaints	Minute	/	20
Public Donation Amount	RMB million	0.12	0.10
Total hours of employee volunteering	Hour	156.43	378.50

2022 Corporate Governance Key Performance Tables

Board Diversity

Name	Gender	Age	Title
Tian Liping	Female	56	Executive Director
Tian Lixin	Male	54	Executive Director
Tian Lijun	Male	49	Executive Director
Zhou Xin	Female	42	Executive Director
Eiji Tsuchiya	Male	58	Non-Executive Director
Li Zhuolin (resigned with effect from 14 April 2023)	Male	40	Non-Executive Director
Kazutaka Kanairo（appointed with effect from 14 April 2023）	Male	45	Non-Executive Director
Richard Yeh	Male	54	Independent Non-Executive Director
Ma Jun	Male	68	Independent Non-Executive Director
Wang Shan	Female	49	Independent Non-Executive Director

Indicators	Number	Percentage (%)
Number of Board Members	9	100
Number of Executive Directors	4	44.44
Number of Non-executive directors	5	55.56
Number of Independent non-executive directors	3	33.33
Number of male directors	6	66.67
Number of female directors	3	33.33
Number of directors aged 30-50	4	44.44
Number of directors aged 50 or over	5	55.56

Anti-corruption

Indicators	Unit	2021	2022
Number of corruption litigation cases filed and concluded	Case	0	0
Number of incidents of employees being dismissed or disciplined for corruption	Case	0	0
Proportion of employees who have received anti-corruption training	%	100	100

The List of laws and regulations

ESG Aspects	Laws and Regulations	Compliance Status
Environmental	• Environmental Protection Law of the People's Republic of China • Environmental Impact Assessment Law of the People's Republic of China • Environmental Protection Tax Law of the People's Republic of China • Implementing Regulations on the Environmental Protection Tax Law of the People's Republic of China • Atmospheric Pollution Prevention and Control Law of the People's Republic of China • Water Pollution Prevention and Control Law of the People's Republic of China • Solid Waste Prevention and Control Law of the People's Republic of China	During the Reporting Period, there were no violations of laws and regulations relating to atmospheric and greenhouse gas emissions, discharges to water and land, waste generation and disposal that had a significant impact on the Company. There were no issues with access to applicable water sources.
Employment and Labour Standards	• Labour Law of the People's Republic of China • Labour Contract Law of the People's Republic of China • Social Insurance Law of the People's Republic of China • Minors Protection Law of the People's Republic of China • Provisions on the Prohibition of Using Child Labour	During the Reporting Period, there were no violations of laws and regulations relating to employment, child labour and forced labour that had a material impact on the Company.
Health and Safety	• Occupational Diseases Prevention and Treatment Law of the People's Republic of China • Fire Control Law of the People's Republic of China	During the Reporting Period, the Company did not receive any complaints relating to occupational health and safety that had a material impact on the Company.

ESG Aspects	Laws and Regulations	Compliance Status
Product Responsibility	• Civil Code of the People's Republic of China • Advertising Law of the People's Republic of China • Personal Information Protection Law of the People's Republic of China • Cybersecurity Law of the People's Republic of China • Medicinal Product Law of the People's Republic of China • Regulation on the Supervision and Administration of Medical Devices • Regulation on the Protection of the Right to Communicate Works to the Public over Information Networks • Trademark Law of the People's Republic of China • Patent Law of the People's Republic of China • Copyright Law of the People's Republic of China	During the Reporting Period, the Company was not aware of any incidents of non-compliance with regulations and voluntary codes of conduct relating to the provision and use of the Company's products and services, which cover product and service information and labelling, marketing communications including advertising, promotion and sponsorship, and property rights including intellectual property rights that had a significant impact on the Company.
Anti-corruption	• Criminal Law of the People's Republic of China • Anti-Money Laundering Law of the People's Republic of China • Anti Unfair Competition Law of the People's Republic of China • Interim Provisions on Banning Commercial Bribery • Interpretation of the Supreme Court on How to Identify Joint Crimes in the Trial of Cases of Corruption and Employment Embezzlement	During the Reporting Period, there were no cases of bribery, extortion and money laundering involving internal employees of the Company.

ESG Reporting Guide Content Index

Provisions, Subject Areas, Aspects, General Disclosures and KPIs		Related Chapters
A: Environmental		
Aspect A1: Emissions	General Disclosure information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Supporting Green and Low Carbon Development; The list of Laws and Regulations
	KPI A1.1 — Types of emissions and respective emissions data.	Not applicable
	KPI A1.2 — Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	2022 Environmental Key Performance Tables
	KPI A1.3 — Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g.per unit of production volume, per facility)	2022 Environmental Key Performance Tables
	KPI A1.4 — Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g.per unit of production volume, per facility)	2022 Environmental Key Performance Tables
	KPI A1.5 — Description of emission target(s) set and steps taken to achieve them.	Green Operations
	KPI A1.6 — Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Green Operations

Provisions, Subject Areas, Aspects, General Disclosures and KPIs		Related Chapters
Aspect A2: Use of Resources	General Disclosure: Policies on the efficient use of resources, including energy, water and other raw materials.	Supporting Green and Low Carbon Development
	KPI A2.1 — Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	2022 Environmental Key Performance Tables
	KPI A2.2 — Water consumption in total and intensity (e.g. per unit of production volume, per facility).	2022 Environmental Key Performance Tables
	KPI A2.3 — Description of energy use efficiency target(s) set and steps taken to achieve them.	Green Operations
	KPI A2.4 — Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Supporting Green and Low Carbon Development; The list of Laws and Regulations
	KPI A2.5 — Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable
Aspect A3: Environment and Natural Resources	General Disclosure: Policies on minimizing the issuer's significant impacts on the environment and natural resources.	Not applicable
	KPI A3.1 — Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Not applicable
Aspect A4: Climate Change	General Disclosure: Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change
	KPI A4.1 — Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change

Provisions, Subject Areas, Aspects, General Disclosures and KPIs			Related Chapters
B. Social			
Employment and Labour Practices			
Aspect B1: Employment	General Disclosure: Information on:(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.		Emphasis on Talent Development; The List of Laws and Regulations
	KPI B1.1	Total workforce by gender, employment type (for example, full- or parttime), age group and geographical region.	2022 Social Key Performance Tables
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	2022 Social Key Performance Tables
Aspect B2: Health and Safety	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.		Employee Well-being and Occupational Health; The List of Laws and Regulations
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the Reporting Period.	2022 Social Key Performance Tables; Employee Well-being and Occupational Health
	KPI B2.2	Lost days due to work injury.	2022 Social Key Performance Tables; Employee Well-being and Occupational Health
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Employee Well-being and Occupational Health

Provisions, Subject Areas, Aspects, General Disclosures and KPIs		Related Chapters
Aspect B3: Development and Training	General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Building a Career Development Platform
	KPI B3.1 — The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	2022 Social Key Performance Tables
	KPI B3.2 — The average training hours completed per employee by gender and employee category	2022 Social Key Performance Tables
Aspect B4: Labour Standards	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Building a Diverse Team; The List of Laws and Regulations
	KPI B4.1 — Description of measures to review employment practices to avoid child and forced labour.	Building a Diverse Team
	KPI B4.2 — Description of steps taken to eliminate such practices when discovered.	Building a Diverse Team

Provisions, Subject Areas, Aspects, General Disclosures and KPIs		Related Chapters
Operating Practices		
Aspect B5: Supply Chain Management	General disclosure: Policies on managing environmental and social risks of the supply chain.	Supplier Management
	KPI B5.1 Number of suppliers by geographical region.	2022 Social Key Performance Tables
	KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supplier Management
	KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supplier Management
	KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supplier Management
Aspect B6: Product Responsibility	General Disclosure: Information on:(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Quality Assurance; The List of Laws and Regulations
	KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable

Provisions, Subject Areas, Aspects, General Disclosures and KPIs		Related Chapters
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Customer Satisfaction Management
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Business Ethics
KPI B6.4	Description of quality assurance process and recall procedures.	Not applicable
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Information Security Management
Aspect B7: Anti-corruption	General Disclosure: Information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Business Ethics; The List of Laws and Regulations
	KPI B7.1 — Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	2022 Social Key Performance Tables
	KPI B7.2 — Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Business Ethics
	KPI B7.3 — Description of anti-corruption training provided to directors and staff.	Business Ethics

Provisions, Subject Areas, Aspects, General Disclosures and KPIs		Related Chapters
Community		
Aspect B8: Community Investment	General Disclosure: Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Actively Giving Back to the Community
	KPI B8.1 — Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Actively Giving Back to the Community
	KPI B8.2 — Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	2022 Social Key Performance Tables