

Stock code: 300888



# 稳健三十周年

呵护健康每一天  
关爱生命每个人



**winner**  
稳健医疗

**Purcotton**  
全棉时代



**PureH2B**  
津梁生活

Winner Medical Co., Ltd.

2021 Corporate Social Responsibility Report

# About This Report

## Introduction

This report is the second annual corporate social responsibility (CSR) report of Winner Medical Co., Ltd. (hereinafter referred to as "Winner Medical", the "Company", or "the Enterprise"). This report truly and objectively describes the efforts of Winner Medical and its subsidiaries to perform its corporate social responsibilities in 2021, and focuses mainly on the disclosure of the Company's performance in environmental protection, society and governance.

## Abbreviation

Winner Medical or the Company refers to Winner Medical Co., Ltd., which is the reporting entity.  
Purcotton refers to Shenzhen Purcotton Technology Co., Ltd., a subsidiary of the Company.  
PureH2B refers to Shenzhen PureH2B Technology Co., Ltd., a subsidiary of the Company.

## Scope of this Report

Reporting Period: January 1, 2021 to December 31, 2021 (hereinafter referred to as the "Reporting Period"). Unless otherwise specified, this report is prepared on an annual basis.

## Basis of Preparation

GRI Standards by Global Sustainability Standards Board  
China Corporate Social Responsibility Reporting Guide Framework (CASS-CSR4.0) by China Academy of Social Sciences  
The Ten Principles of the UN Global Compact  
ISO 26000:2010 Guidance on Social Responsibility  
Guidance on Social Responsibility Reporting (GB/T36001-2015)  
The "Guidelines No.2 on Self-Regulation of Companies Listed on Shenzhen Stock Exchange - the Compliant Operation of Listed Companies of the ChiNext Market"  
Guidelines of Shenzhen Stock Exchange on Environmental, Social Responsibility and Governance Information Disclosure of Listed Companies (RFC)

## Confirmation and Approval

This report has been approved by the Board of Directors on 06/02/2022 after being confirmed by the management.

## Access to this Report

This report is originally published in Chinese and shall prevail in the event of any inconsistency with the English translation. The original version of this report can be downloaded from the Company's official website

## Contact

Tel.: 0755-28138888  
Email address: investor@winnermedical.com  
Address: 42F, Building 2, HuiLong Business Center, Beizhan Community Workstation, Minzhi Subdistrict, Longhua District, Shenzhen  
Sales hotline: 400-130-0888  
Quality service hotline: 400-689-2898

# CONTESTS

Enjoy Healthy Life  
爱生活 爱健康

About This Report	01
Message from Chairman	04
About Us	06
Responsibility Topic I: Sacred Duty - Safeguarding People's Health Anytime	12
Responsibility Topic II: Universal Benefit as aspiration - Focusing on Accessibility of Superior Products	16
Responsibility Topic III: Low Carbon - Leading the Way to Green Development	20

Future Prospect	86
Index	87
Feedback	88

## Professionalism as the Backbone - Consolidating Medical Fruits



01

Ingenious Products	24
Excellent Quality	28
Research on Innovative Technologies	34
Customer Service	37
Industry Advances Together	44

## Unity as the Basis - Empowering Employee Growth



03

Diverse Workplace	60
Employee Growth	62
Humanistic Care	72
Employee Safety	74

## Stability as the Essence - Safeguarding the Development of Company



02

Company Strategy	48
Corporate Governance	49
Risk and Compliance	53
Strengthening Party Building	56

## Universal Benefit as the Morality - Protecting the Value of Life



04

Environmental Management	78
Win-win Partnership	81
Public Welfare	83
Community Building	85

# Message from Chairman

This is an era full of challenges.

In 2021, the first year of the 14th Five-Year Plan, China ushered in the centennial of the CPC and its GDP exceeded US\$17 trillion for the first time. China also has started a fresh march towards its second 100-year goal. At the same time, unfavorable factors, including recurring epidemics, energy crunch, and blocked logistics, have appeared one after another, further resulting in "black swan" and "gray rhino" events.

It is a challenging task to seek concrete opportunities and build up solid advantages in an uncertainty. In 2021, on the occasion of the 30th anniversary of our founding, we have made solid progress in digital transformation, accelerated our product research and development, and continued to improve brand building. The "pure cotton spunlace non-woven fabric and products made of it" were recognized as the national manufacturing champion for a single item by the Ministry of Industry and Information Technology of China and the China Federation of Industrial Economics. Our brand awareness has increased significantly. And our environmental protection concept of "replacing chemical fiber with cotton" has also become more popular.

## Stay True to Original Aspirations and Achieve Operational Excellence

The first thirty years of Winner Medical is a symphony of "changing and unchanging". What has changed is the transition from OEM to independent brand, from producing in China to developing in China, and from medical dressing to big health care. What has remained unchanged is our commitment to quality, brand and mission.

In 2021, Winner Medical recorded sales revenue of RMB 8.04 billion, covering over 4,000 hospitals and over 120,000 OTC pharmacies in China. We cooperated with Wuhan Textile University to establish the Innovation Research Institute of Winner Medical and Wuhan Textile University, and cooperated with National Key Laboratory of Crop Genetic Improvement of Huazhong Agricultural University to establish the Cotton Research Institute. We gained Class II scar sheet certification in China, and also obtained scar cream and scar sheet certification in Europe and the United States. Our hydrophilic fiber dressing, a key R&D product, has made significant progress, reaching the mass production stage. Hydrocolloid and scar treatment products have been launched on the domestic market. The development of high-end wound dressings expects to be promising and sustained. The Company has started to promote its risk control system in an all-round way, and has completed the special governance tasks of risk diagnosis and securities compliance, procurement, information security, stores, R&D, investment, human resources, brand reputation and funds, to improve the Company's risk control in all aspects.

For consumer health product portfolio, in this year, PurCotton opened 81 new offline stores and added distribution channels, including more than 380 big supermarkets, 239 BBK stores, and more than 4,000 Watson's outlets. We have integrated online and offline to establish a full distribution channel. The "pure cotton spunlace non-woven fabric and products made of it" were recognized as one of fifth manufacturing champions for a single item by the Ministry of Industry and Information Technology of China, becoming one of the "manufacturing champions" in Shenzhen. Our products, including new ultra-soft facial cleansing tissues, hyaluronic acid wet cotton pads, pocket cotton soft tissues, cotton soft face tissue rolls, enjoy popularity among consumers. Our vision of "Purcotton Changes the World" has been known by hundreds and thousands of households, being embraced by the public.

## Active Transformation, Technology-Enabled Production

Enterprise differentiation and competition are accelerating. Technology driving changes and empowering enterprises become a mainstream of the times.

The Company has implemented five major digitalization strategies to realize the "consumer-centered, digitalization-and-smart manufacturing driven" business transformation. These include "digital operation of commodities, digital operation of all channels, digital operation of consumers, digital operation of the supply chain, and digital operation

of smart manufacturing". The Company launched Wuhan pilot warehouse and CRM project, and upgraded SAP ERP in 2021. This has significantly increased operational efficiency and improved response to market.

Intelligent manufacturing is not only the key to enterprises' high-quality development but also an important step to the goal of "achieving carbon peak by 2030 and carbon neutrality by 2060." The Company's production management system was upgraded from version 1.0 to version 3.0. In producing soft tissues, wet wipes, and other products, we basically adopt full automation. For cotton swabs, cotton balls, cotton sheets, cotton pads, cotton packs, and fenestrated sheets, we also have basically used machine to replace manual labor.

Furthermore, Winner Medical will start exploring and constructing intelligent factories. By replacing single equipment operations with fully automated assembly lines and simple assembly lines with uninterrupted production, we will create intelligent production workshops armed with AI technology, to ensure unmanned assembly lines and factories, black factories, and finally lighthouse factories.

## Going Green and Forging Ahead

Looking back on our development history, Winner Medical have always pursued sustainable development and went green. This is one of our proudest achievements.

Since its founding at twelve years ago, Purcotton has sold a total of 31.5 billion sheets of cotton soft tissues, equivalent to saving 1.2 million 20-years-old trees; distributed non-woven shopping bags, equivalent to reducing the use of 11.92 million plastic bags; and sold pure cotton garments and bedding products, equivalent to reducing the pollution of over 31 million chemical fiber products.

Purcotton always adheres to the vision of "Purcotton Changes the World". While providing excellent products to win users' trust, Purcotton is committed to promoting the environmental value and sustainability of cotton. Promoting the value of cotton, we lead a safe, happy and sustainable lifestyle.

In 2021, we actively boosted the construction of green plants. We have carried out a series of projects, including recycled water reuse, photovoltaic power generation, a balanced power grid, and waste heat recovery. The Wuhan Winner Water Reuse Phase I Project has been completed, and the related Jiayu Winner project is currently under development. Both are critical for controlling water pollution, developing green energy, improving energy usage efficiency, and reducing emissions.

Winner Medical believes that "altruism" is fundamental to an everlasting enterprise. In the next thirty years, we will continue to focus on our corporate culture, adhere to our primary principle of "quality before profit, brand before speed, social value before corporate value", to develop higher quality brands, including "Winner Medical," "Purcotton" and "PureH2B".

The future is coming on, while what will happen is unknown. What is certain is that we will wave goodbye to the past, have courage to innovate and be willing to forge ahead. Only in this way, we can become an everlasting enterprise.

In the next thirty years, we will invite you to "enjoy cotton" and go green. Together, let us find the comfort in a nature and healthy lifestyle again and witness wonderful times.

Chairman: Li Jianquan

# About Us

## Company Profile

Winner Medical Co., Ltd. (hereinafter referred to as "Winner Medical"; stock code: 300888), founded in 1991 and headquartered in Shenzhen, Guangdong Province, China, is a large-scale health company that realizes the coordinated development of the medical and consumer sectors through its three major brands, including "Winner Medical", "Purcotton" and "PureH2B". Adhering to the core principles of "Quality before profit, brand before speed, social value before corporate value", the Company is committed to providing users and consumers with the world's leading medical supplies and integrated home care solutions.



Winner Medical, as a benchmark company in China's medical consumables, provides global medical organizations and individuals with leading wound care and infection prevention, sterilization and cleaning solutions. Leveraging on years of painstaking research and technological breakthroughs in medical consumables, we have expanded our business to more than 110 countries around the world; As of December 31, 2021, the Company has obtained 45 invention patents, 518 utility model patents and 301 design patents in China, and 56 invention patents and 6 utility model patents outside China.



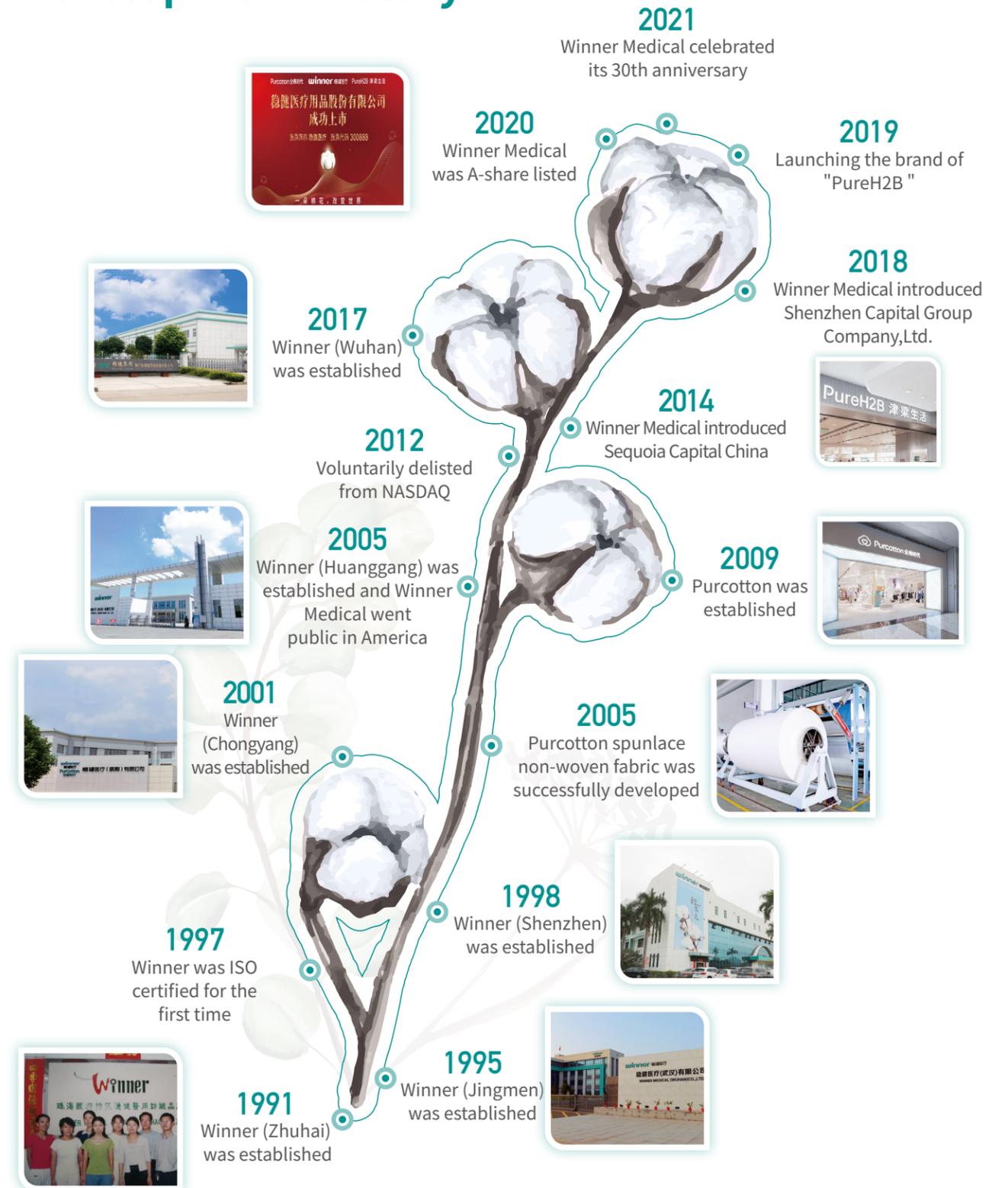
Purcotton takes the health of human society and sustainable development as a code of faith and goal, and adheres to using natural cotton as the core raw material to create a comfortable, healthy, and environmentally friendly cotton series of lifestyle products, based on 30 years of medical manufacturing experience inherited from the parent company, Winner Medical. Its 320 offline stores in more than 60 significant cities in the core business district are leading the Purcotton lifestyle of peace of mind, happiness, and sustainability.



PureH2B, as a brand of Winner Medical with the philosophy of "Enabling health and beauty with the power of nature and technology", extracts natural ingredients from nature, explores advanced research in AI, bionic technology and ergonomics, and aims to create a one-stop retail platform covering beauty, personal care, sports and other health and beauty needs and achieve a healthy and beautiful lifestyle from the inside to the outside.

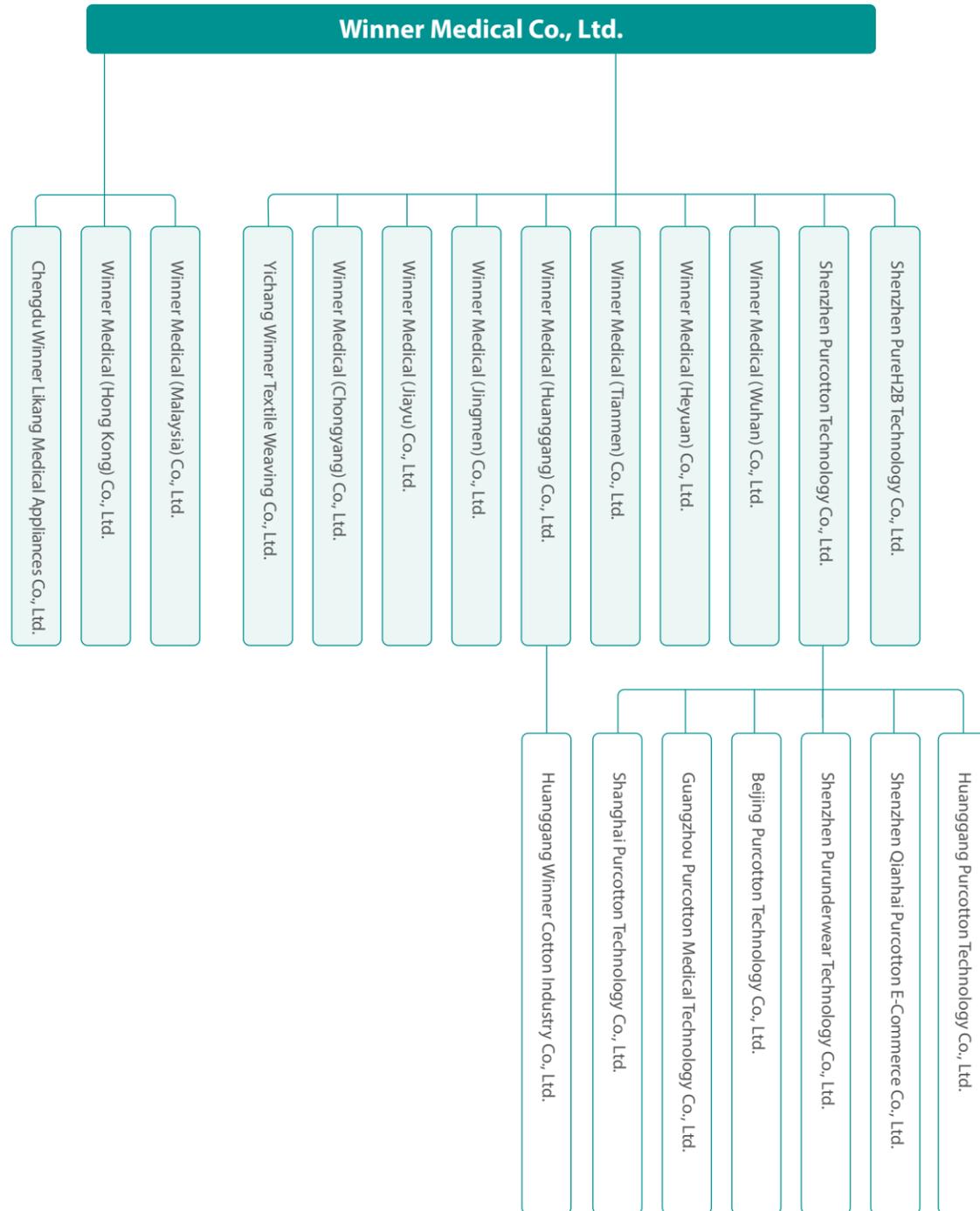
Since its founding 30 years ago, Winner Medical has become a leading enterprise in China to establish a whole industrial chain of medical consumables, including cotton procurement, R&D, production, and direct foreign export for fields like medical and health care, personal care, home care, maternal and child care, home textiles and apparel. The products have obtained certification from the CE, FDA, and the Ministry of Health and Welfare of Japan.

## Development History



# Company Structure

During the Reporting Period, Winner Medical has 20 primary and secondary wholly-owned, holding, and invested subsidiaries.



▲ Winner Medical's primary and secondary wholly owned and holding subsidiaries

# Chronicle of Events in 2021

- January 2021**

With "pure cotton spunlace non-woven fabric and its products", Winner Medical was selected by the Ministry of Industry and Information Technology of China and the China Federation of Industrial Economics as one of the fifth batch of manufacturing champions for single item, and became one of the "manufacturing champions" in Shenzhen.
- April 2021**

Winner Medical was invited to the 3rd World Health Expo as the curator of the protective materials pavilion.
- May 2021**

Winner Medical was selected by the organizing committee as a benchmark enterprise in China's medical supplies industry, and was recognized as an "international prestige brand" by the United Nations Industrial Development Organization. Its brand "Purcotton" passed the "Shenzhen Famous Brand" review.
- June 2021**

Winner Medical was included by Shenzhen Stock Exchange for the first time into the core indices such as SZSE Component Index, GEM Index and Greater Bay Area Innovation 100.
- July 2021**

To pay tribute to the outstanding contribution of medical personnel in the fight against the pandemic, Winner Medical provided protective clothing, masks and other medical consumables as the exclusive medical consumables partner of the film "Chinese Doctors".

To celebrate the 30th anniversary of Winner Medical, over 10,000 employees participated in the "Graduation Wall" activity. By stepping over the barriers, they looked back on the past three decades and rise to the challenges of the next 30 years.
- September 2021**

Winner Medical was included by FTSE Russell into the FTSE Global Equity Index in its first year of listing.

At CIDPEX 2021 Annual Household Paper Conference, Purcotton won awards of "2019/2020 China Top 10 Companies in Wipes Industry" and "2020 China Top 10 Companies in Feminine Hygiene Products Industry".

Winner Medical topped the list of "2020-2021 Health Industry Brand Development Index for Household Medical Devices" with a score of 559.93.
- October 2021**

Winner Medical's information construction went online, marking a leap in the Company's information-based management process.

Winner Medical's brand Purcotton made its debut at Shanghai Fashion Week with its 2022 spring/summer series of products, to explore the way of harmony between human and nature and interpret the sustainable value of cotton.
- December 2021**

"Pure cotton spunlace non-woven fabric and products made of it" manufactured by Winner Medical passed the review, and were recognized as the national manufacturing champion for single item once again by the Ministry of Industry and Information Technology of China and the China Federation of Industrial Economics.

# Honors in 2021

## Corporate Honors



Time	Award
February 2022	Winner Medical was awarded the title of "2021 Corporate Best Practices (Sustainable Production and Consumption) for Achieving Sustainable Development Goals" by the Global Compact China Network.
January 2022	Winner Medical received the "2021 Social Responsibility Award for Listed Companies" at the 2021 11th Public Service Festival.
	Winner Medical was awarded the plaque of "The Vice President of the 5th Council of Shenzhen Association of Medical Devices" by Shenzhen Association of Medical Devices.
December 2021	Winner Medical was selected as a national manufacturing champion with the "pure cotton spunlace non-woven fabric and its products".
November 2021	Winner Medical was awarded the "Most Valuable Investment Award in the Guangdong-Hong Kong-Macao Greater Bay Area" at the Pilot 9+2: the 2nd Guangdong-Hong Kong-Macao Greater Bay Area Development Forum.
October 2021	Winner Medical was awarded the plaque of "Leading Enterprise for the 13th Five-Year Plan of China's Industrial Textiles Industry" by China Nonwovens & Industrial Textiles Association.
	Winner Medical was awarded the honorary certificate on "actively supporting flood relief in Hubei/Henan" by Hubei Charity Federation and Chushang Federation of Hubei Province.
	Winner Medical was awarded the plaque of "Top 100 Tax Paying Enterprises" by People's Government of Shenzhen Longhua District.
	Winner Medical was awarded the plaque of "Top 100 Industrial Enterprises" by the People's Government of Shenzhen Longhua District.
September 2021	The first ESG report of Winner Medical was compiled by China Association for Public Companies as one of the outstanding cases.
	Winner Medical's first annual results presentation was selected as one of the outstanding practice cases of China's listed companies' 2020 annual results presentation.
	Winner Medical's first annual report after listing was selected as one of the outstanding cases of GEM 2020 annual report.
August 2021	Winner Medical was awarded the plaque of "2021 Top 50 Pioneer Enterprises in Strategic Emerging Industry in Greater Bay Area" by Shenzhen Strategic Emerging Industry Development and Promotion Association.
May 2021	Winner Medical was awarded the "International Credible Brand Certificate" by Shenzhen Top Brand Evaluation Committee and United Nations Industrial Development Organization.
	Winner Medical was awarded by Shenzhen Top Brand Evaluation Committee the titles of "China's Benchmark Enterprise in Medical Consumables Industry" and "The 18th Shenzhen Top Brand".
March 2021	Winner Medical was awarded the certificate of "2020 Longhua District Quality Award" by People's Government of Shenzhen Longhua District.

## Personal Honors

Time	Award
May 2021	The Chairman, Li Jianquan, was appointed as "Innovation and Entrepreneurship Mentor of Wuhan Textile University" and "Visiting Professor of Wuhan Textile University".
September 2021	The Chairman, Li Jianquan, won the 5th "Shenzhen Industry Award".
October 2021	The Chairman, Li Jianquan, was appointed as "Innovation and Entrepreneurship Mentor of Wuhan Textile University" and "Visiting Professor of Wuhan Textile University".
	The Chairman, Li Jianquan, was awarded the title of "Outstanding Contributor to the 13th Five-Year Plan of China's Industrial Textiles Industry" by China Nonwovens & Industrial Textiles Association.
	The Chairman, Li Jianquan, was praised as "Outstanding Chu Businessman" by the CPC Hubei Provincial Committee and Hubei Federation of Industry and Commerce.

# CSR Management

## Winner Medical and the UN Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs) are the 17 global development goals set by the United Nations that will continue guiding global development efforts for 2015-2030 after the expiration of the Millennium Development Goals (MDGs) for 2000-2015. The UN SDGs aim to achieve sustainable development of human society in three dimensions - economic, social and environmental - through a range of strategies including promoting economic growth, addressing social needs for education, health, social protection and employment opportunities, curbing climate change and protecting the environment.

As an advocate of the sustainable development concept, Winner Medical sought to integrate SDGs core values into its CSR management system. Based on careful study of national policies, annual hot issues and industry trends, and using the UN Sustainable Development Concept as a guideline, the Company has carried out a series of projects that contribute to social progress, economic development and environmental sustainability, and increased its own industry advantages.



▲ Sustainable Development Goals

Sustainable Development Goals	Project
	Playing a part in the "Weaving Action"
	Devotion to R&D of pure cotton products
	Implementing actions for achievement of "Carbon Peak and Carbon Neutrality", building green factories, and advocating green office
	Contributing to pandemic prevention, disaster relief, and community building

▲ Winner Medical carries out projects in line with UN SDGs

## Responsibility Topic I: Sacred Duty - Safeguarding People's Health Anytime

Looking back on the development over the past 30 years, Winner Medical has always taken "adhering to quality first, product safety first, and social responsibility first" as its ideological source. As a benchmark enterprise in the domestic medical consumables industry, Winner Medical focuses on market demands, gets close to the clinic and the terminal, takes R&D innovation as the driving force, and continuously improves the product layout. We take the initiative to fulfill the duty of a "medical consumption expert", and cares for people's health every moment.

## Driving Force of R&D Innovation

Taking R&D innovation as the key driving force for its development, Winner Medical vigorously promotes product innovation to enable continuous improvement of its professional ability, so as to effectively consolidate its leading position in the domestic medical consumables industry, respond to clinical and terminal needs in a timely manner, and empower the rapid, high-quality development of the medical consumables field. During the Reporting Period, the Company established a new generation of R&D laboratory, and creatively upgraded medical consumables such as pure cotton spunlace non-woven fabric protective clothing N95 masks and foam dressings to improve the competitiveness of products while safeguarding users' health.

### Case Establishing an R&D Pilot Laboratory to Accelerate Transformation from R&D to Mass Production

During the Reporting Period, in order to accelerate the transformation from R&D to mass production and improve the stability of mass-produced products, Winner Medical established an R&D pilot laboratory in Wuhan, purchased a pilot production line for medical functional materials, and equipped the production line with a complete set of analysis and testing equipment.



▲ New equipment in the R&D pilot lab

### Case Holding an Innovation Competition to Promote Innovation and Development Through Mechanism

In order to achieve the high-quality transformation from "manufacturing" to "intelligent manufacturing", Winner Medical has developed new models, explored new values and organized innovation competitions for all employees. The competition was held based on a three-round review mechanism, with the purpose of drawing on the collective wisdom and adopting useful ideas. The employees whose proposals were selected were offered generous prizes and commended throughout the Company. By the end of the Reporting Period, the competition had collected 892 proposals, covering categories of production equipment and processes, technology and materials, products, and digitalization.

The innovation competition has received active response from employees and was fruitful, enabling the Company to boost innovation with mechanism and seeking development with innovation.



▲ Award-winning employees of the innovation competition

### Case

## Improving Antistatic Performance of Protective Clothing and Shortening Product Delivery Cycle

To effectively reduce the dust and virus adsorption of protective clothing products, the Company cooperated with its external suppliers to develop several sets of solutions, which, after hundreds of tests, have significantly lowered the antistatic instability of protective clothing, thus better protecting the pandemic prevention staff.

In addition, after dozens of samplings and testings and material optimization, the Company has developed a new sterilization method to shorten the sterilization analysis cycle and the delivery cycle of protective clothing products. The application of the new sterilization solution has significantly shortened the delivery cycle of protective clothing products, and mitigated the problem of delivering anti-pandemic products under tight schedule during the pandemic.



▲ New pure cotton spunlace non-woven fabric protective clothing

## Quality Product Continuity

Winner Medical is committed to creating a more comprehensive product layout, meeting market demands in a timely manner, and effectively solving market pain points. It seeks to launch quality products that can meet current requirements while taking into account the perspectiveness, thus supporting the sustainable development of the brand.

### Case

## Launching Silicone Gel Foam Dressings and Foam Dressings to Capture the International Markets of High-End Dressings

During the Reporting Period, the Company successfully developed and launched the Silicone Gel Foam Dressing and Foam Dressing, and obtained the national Class II and Class III medical device registration certificates respectively. Specially designed for the fragile skin of the elderly with chronic diseases, these high-end wet wound dressings make it easy for healthcare professionals to observe wound status and provide patients with cost-effective solutions for chronic wound treatment. In this way, the clinical pain points such as adhesion of traditional gauze dressings to wounds and frequent dressing changes are effectively solved.



▲ Illustration of silicone gel foam dressings and foam dressings

### Adhesive layer of dressings in contact with the wound

Soft silicone dressings independently developed by Winner Medical feature repeated pasting, painless removal, no residual adhesive and low sensitization

### Polyurethane foam absorbent layer of dressings

Imported medical polyurethane with independently developed and designed foaming formula features high liquid absorption, high air permeability and low reverse osmosis

▲ Characteristics of silicone gel foam dressings and foam dressings

To treat superficial hard-to-heal wounds, a serious health risk, Winner Medical has responded to the Ministry of Health of the People's Republic of China's call for innovative R&D of medical dressing products. To speed the optimization and iteration of the industry's entire wound care and infection protection solutions, the Company has launched hydrocolloid dressings, silicone gel dressings, and other medical items.

During the Reporting Period, the Company participated in the "Third World Health Expo New Product Launch and Results Transformation Forum" and launched high-end foam dressings with independent intellectual property rights. This type of dressing provides medical workers and patients with multiple product combinations according to the degree of exudate. It can effectively accelerate wound healing, reduce infection rate, shorten dressing change time, reduce medical costs, and give patients release from the pain caused by tearing dry dressings.

To this end, the Company has invested human and financial resources to increase independent research and innovation. The newly developed high-end foam dressings will become a strong competitor to the "foreign brands" that occupy a 90% share of the domestic high-end dressing market.



▲ Winner Medical launched high-end dressings at the Health Expo

### Case Launching WN-N95 Protective Face Masks for Medical Use (Folding Type) to Combine Various Advantages in One

During the Reporting Period, Winner Medical launched WN-N95 protective face masks for medical use (folding type) with a filtration efficiency of N99 level (PFE  $\geq$  99%, the national standard is 95%). This mask has a uniquely designed adjustable headband that can fit different facial shapes while relieving pressure on both ears. In addition, the mask has improved tightness (experimental data has improved its leading position in the industry). The unique ultra-soft skin-friendly lining can care for the delicate face. It is also odorless and non-residual, easy to wear and breathable, and safer to use.



▲ Medical protective mask WN-N95 (folding type)

## Enhancing Vitality by Brand Building

Winner Medical attaches great importance to brand building and actively participates in market competition through high-quality brand development. With reputation advantages, Winner Medical's quality products are delivered to innumerable homes. During the Reporting Period, the Company participated in the production and release of a number of high-quality media works such as "My White Coat 2" and "Chinese Doctors", effectively enhancing the medical professionalism of its brand.

### Case Participating in the Production and Release of "My White Coat 2" to Enhance Brand's Medical Professionalism

During the Reporting Period, as a designated exclusive medical partner of the documentary "My White Coat 2", Winner Medical participated in its production and release to make the documentary well received with over 500 million views on the Internet.

After Winner Medical released the trailers and the posters of "My White Coat 2" via the corporate account, over 4.35 million views were received in a short period of time, increasing popularity of the documentary while enhancing the professional brand image of Winner Medical.



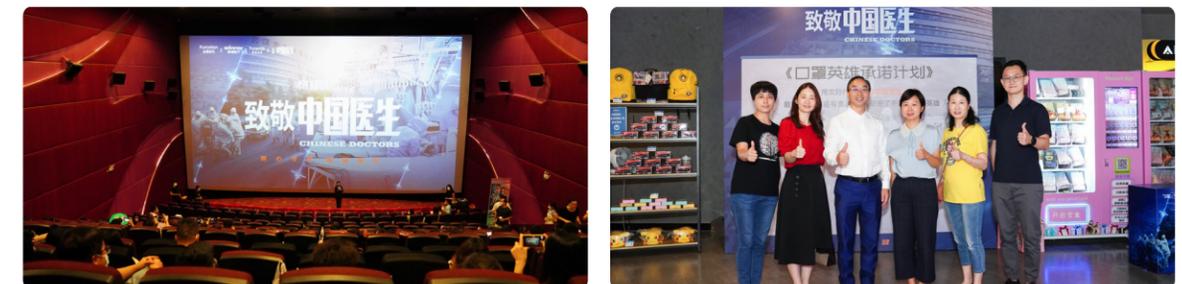
▲ Winner Medical was the designated exclusive medical partner

### Case Supporting the Filming and Screening of "Chinese Doctors" to Demonstrate Brand's Social Value

During the Reporting Period, as an exclusive medical consumables partner of the film "Chinese Doctors", Winner Medical took part in the filming, promotion and screening of the film to pay tribute to the medical workers.

Based on cooperation with the film "Chinese Doctors" which had approximately 100 million view counts, the Company further built up the spirit and culture of "To enhance your health, life and well-being", and created a new level for Chinese medical enterprises. A large number of authoritative media voiced out and gave Winner Medical the title of "Most Socially Responsible Medical Brand", affirming the Company's social responsibility.

Taking the film "Chinese Doctors" as an opportunity, the Company further expanded the brand awareness and exposure, allowing its brand to show high value in a significant social issues.



▲ Winner Medical fully participated in the promotion of "Chinese Doctors"

## Responsibility Topic II: Universal Benefit as aspiration - Focusing on Accessibility of Superior Products

Starting from the dream of "Let people return to a natural, healthy and comfortable life", holding the belief of "reverence and infinite love for cotton", and taking the concept of "close to medical science with 100% cotton care" as the brand proposition, PurCotton developed its brand with the exclusively developed pure cotton soft towels, pure cotton top sheet sanitary napkins and pure cotton wet wipes, and sought to bring consumers better, natural and healthy products and improve the accessibility of quality products.

## Delivering Green Products to Innumerable Homes

Purcotton follows the development trend of energy saving and environmental protection, and is committed to the R&D and innovation of raw materials and processes. By creating a variety of green products, Purcotton makes exploration and practices in building a green supply chain to promote the industry progress. Adhering to the concept of "Replace chemical fiber with cotton", the Company uses natural and environmentally friendly cotton materials to meet the environmental protection needs of consumers.

### Case Providing Innovative Waterless Process and Gauze Atomization Washing Process to Achieve Zero Discharge of Washing Products

During the Reporting Period, Purcotton developed innovative waterless process and gauze atomization washing process through continuous exploration, to reduce the discharge of sewage and prevent the pollution of surface water and groundwater by chemicals discharged with wastewater, and further to achieve zero discharge of washing products.

Compared with the 1:10 bath ratio of <sup>1</sup> traditional gauze washing products, the bath ratio of atomization washing products can reach 1:0.6. The significantly optimized washing process which saves water resources and reduces the discharge of sewage also enables the Company to bring consumers more cost-effective and safer products. At present, the process has been widely used in gauze bath towels and other bathroom products.

### Case Developing the Unibody Technology to Effectively Reduce Energy Consumption

During the Reporting Period, to reduce unnecessary energy consumption, Purcotton developed the unibody technology based on which it replaces the traditional weaving process and allows fabrics weaving without the processes of fabric transportation, layout and cutting, and sewing.

The one-time weaving of fabrics will significantly streamline the finished product processing process, reduce energy consumption, improve consumers' wearing experience, and further enhance product competitiveness.

<sup>1</sup> That is, only 0.6kg of water is needed to wash 1kg of gauze

## Delivering Quality Healthy Products to Consumers

As consumers pay more and more attention to health and pursue a high-quality life, Purcotton continues to develop and launch quality healthy products to safeguard the consumers' health and allow them to enjoy the comfort and ease delivered by natural products.

### Case Pioneering the Physical Softening Process to Improve the Workmanship

During the Reporting Period, to meet the consumers' needs of comfort, health, environmental protection, and natural sustainability, Purcotton pioneered the physical softening process, and developed baby clothes, gauze bath towels and other quality products based on such process, contributing to workmanship improvement.

The physical softening process uses methods such as the air beat, mechanical loosening, washing and rubbing, instead of adding chemical softeners, to restore the natural cotton feel with 100% cotton and make the materials fluffy and soft, thus improving user experience. In addition, the entire softening process uses environmentally friendly dyes, which helps increase user satisfaction.

### Case Developing Herbal Cotton Antibacterial Products and Actively Participating in Formulation of Group Standards

In response to the ever-changing pandemic situation in the post-pandemic era, Purcotton continues to develop and launch natural antibacterial products to protect the health of consumers.

By combining cotton and active antibacterial ingredients of plant extract, the Company launched the herbal cotton antibacterial products, such as herbal cotton antibacterial T-shirts, antibacterial underwear, antibacterial bedding, and antibacterial socks for infants and children, which can effectively curb *Staphylococcus aureus*, *Escherichia coli*, and *Candida albicans* to and safeguard people's health. In addition, the Company actively participated in the formulation of group standards T/SZTIA 001-2020 "Antibacterial Fibers and Textiles" and T/CCTA 30302-2021 "Plant Polyphenol Modified Cotton Fiber" both of which have been released and implemented.

### Case Developing the "Plant Dye" Natural Dyes to Facilitate Thorough Dye Upgrade

During the Reporting Period, through continuous exploration, Purcotton incorporated modern science and technology into the traditional process to develop and apply the "Plant Dye" natural dyes, greatly eliminating damages on the ecological environment and human health caused by traditional chemical dyes.

"Plant Dye" originates from plants and other natural sustainable renewable raw materials. After pigment extraction, the residue waste water can be naturally degraded, which is conducive to environmental protection. "Plant Dye" is a low-carbon, natural anti-bacteria and anti-mite product which promotes energy saving and consumption reduction, and facilitates thorough property upgrade and variety improvement of dyes.

The Company played a part in the formulation of the group standard T/SZTIA 008-2021 "Plant-dyed Baby Apparel", which has been released and implemented, to contribute to the progress of the industry.

# Building a Comprehensive Health and Beauty Defense for Consumers via Attractive, Quality Products

With the concept of "Enabling health and beauty with the power of nature and technology", PureH2B attaches importance to consumers' shopping experience and continuously optimizes the selection, store layout, and brand services to create an immersive consumption scene and meet urban people's health and beauty demands.

## Case Implementing Brand Proposition to Provide Sustainable Health and Beauty Solutions

To satisfy people's long-term desire for health and beauty, PureH2B selects products from terms of health and beauty, and gives priority to those containing natural ingredients and enabling health through technology. PureH2B products include Annemarie Borlind which contains botanical extracts of the German Black Forest, VALMONT which originates from Alpine spring water SKG which relieves shoulder and neck discomfort, and Usmile which cares for oral health. PureH2B continues to gather the power of nature and technology to build a comprehensive health and beauty defense for consumers.

## Case Building a "Health + Beauty" Life Platform to Creating an Immersive Consumption Scene

In order to optimize the store environment and improve consumers' offline shopping experience, PureH2B selects store locations from the core business districts of key cities. PureH2B has entered into strategic partnerships with high-quality shopping centers such as The Mixc, and continuously upgrades the store style to bring consumers high-quality immersive shopping experience.



▲ PureH2B store

## Case Providing E-commerce Platforms to Enrich Shopping Options

To provide consumers with more shopping options, PureH2B keeps in line with the changing shopping habits of consumers and develops e-commerce platforms while consolidating terminal store channels. In addition to the official mall, PureH2B has also settled in Tmall, JD and other e-commerce platforms. By broadening online shopping channels, and strengthening the product quality, packaging, and logistics guarantees, PureH2B provides consumers with more intelligent and convenient shopping options.

## Case Enriching Benefits for Exclusive Membership and Improving Value-Added Services

During the Reporting Period, to enhance the brand's service innovation ability, PureH2B establishes a complete membership management mechanism and provides a range of value-added services for members. For example, on PureH2B Lecture for VIPs, professional lecturers give practical tips on makeup and skin care, gifts are offered to members on holidays and birthdays, members can try new products for free at the first time, professional personnel in stores provide wonderful makeup and skin care experience, and exclusive health and beauty programs can be customized for members.



▲ PureH2B Lecture for VIPs

## Case Giving Insight into Consumer Needs to Independently Develop Bodybuilding Products

PureH2B continuously launches independently developed products to meet more consumers' individual needs. Continuing Winner Medical's 30-year R&D gene and utilizing its strong R&D resources and technology, PureH2B has creatively developed a series of natural products, including "Hello Ginger" washing and care series and "Niacinamide Freeze-Dried Mask". With the original juice of Yunnan alpine gingers, PureH2B "Hello Ginger" can nourish the hair and hair follicles to prevent hair loss. Based on the freeze-drying technology, PureH2B provides "Niacinamide Freeze-Dried Mask" which can lock the vitality essence, and deeply hydrate and soothe the skin.



▲ "Hello Ginger" washing and care series developed by PureH2B

## Responsibility Topic III: Low Carbon - Leading the Way to Green Development

Following the development trend of the times and in response to the national action of "carbon peak and carbon neutrality", the Company actively participates in the training of corporate low carbon management and emission reduction strategies to accumulate strength for achieving the carbon neutrality target.

During the Reporting Period, the Company practiced the "carbon peak and carbon neutrality action" in multiple ways by actively adjusting its energy structure and industrial structure, vigorously promoting green offices, and building green factories, with the purpose of achieving carbon neutrality within the Company as soon as possible



▲ The management team of branch companies was organized to study Academician He Kebin's carbon neutrality and high-quality development



▲ Academician Xu Weilin introduced low-carbon textile technology to the senior management team



Type of greenhouse gas	Unit	In 2021
Greenhouse gas emissions (Scope 1)	t CO <sub>2</sub> e	33,592.0
Greenhouse gas emissions (Scope 2)	t CO <sub>2</sub> e	82,781.2
Total greenhouse gas emissions	t CO <sub>2</sub> e	116,373.2
Greenhouse gas emissions per unit of income	t CO <sub>2</sub> e/RMB 10,000	0.3432

Note: The above-mentioned data of greenhouse gas reflect the manufacturing subsidiaries of the Company

▲ The Company's carbon emissions in 2021

Type of energy	Unit	In 2021
Purchased electricity	MWh	139,580.8
Gasoline	L	12,343.6
Diesel	L	44,123.9
Natural gas	0,000 CBM	1,543.0
Purchased steam	TJ	134.0
Comprehensive energy consumption	Tce	40,176.0
Comprehensive energy consumption per unit of income	Tce/RMB 10,000	0.1143

Note: The above-mentioned data of greenhouse gas reflect the manufacturing subsidiaries of the Company

▲ The Company's energy use in 2021



## Professionalism as the Backbone - Consolidating Medical Fruits

With the mission of "Leading a healthy lifestyle with a trusted brand" and the initial intention of "Pursuing beauty and advocating health", the Company is firmly moving forward in the given direction, and wholeheartedly providing customers with professional, reassuring commitment and guarantee in the medical and civil fields. The Company insists on the management principle of "Quality before profit, brand before speed, social value before corporate value", and continuously improves the quality of products. By persistently developing new products, materials, processes, and techniques, encouraging the scientific researchers to participate in the industry's common progress, the Company strives to meet the aspiration and demand of corporate users and individual consumers for a high-quality life, thus contributing "Winner strength" to the realization of a better life for the public.

Ingenious Products	-----	24
Excellent Quality	-----	28
Research on Innovative Technologies	----	34
Customer Service	-----	37
Industry Advances Together	-----	44

### Sustainable Development Goals



# Ingenious Products

Cotton's unique structural characteristics give cotton products superior breathability, warmth and moisture regulation, creating the unique comfort. Cotton can be naturally degraded after disposal, highlighting the advantages of environmental protection. Therefore, insisting on using cotton as the core raw material, the Company uses natural cotton fiber to deliver warmth and care to users and the nature.

Case

## Story of Cotton - Carrying the Value of Nature, Humanity and Brand



For more than 7000 years, cotton does not compete or demand. Drawing the least nutrition, it pays the greatest energy back to mankind and the earth, and protects life on this land with spirits of tenderness and tenacity. In the sandstorm, cotton seedlings break out of the ground, injecting vitality into the lifeless desert. Amid intense heat, cotton buds begin to emerge, spread green hope and silently nourish the land. In the harvest season, busy pickers pick cotton with joy in gratitude for the gift of nature. Mankind and cotton are in a symbiotic relationship. They are closely linked and grow together. Cotton carries the hope of cotton farmers, and also witnesses the growth of brand value.

In 2005, Winner Medical developed the production process of "pure cotton spunlaced non-woven fabric", from which the Company started the road of transformation and upgrading. In 2009, Purcotton was founded. With "Medical background/Purcotton philosophy/quality in our DNA" as the core competitiveness, Purcotton inherits the Company's expertise and experience in the field of medical dressings. Inheriting the Company's vision of "Purcotton Changes the World", the concept of applying professional technology to civilian products for universal benefit, and the pride of spreading national quality products to the world, cotton enables the Company to deliver value and warmth to the people.



▲ Photo work "Cotton, Nature, and Mankind"



# Heart of Winner Medical - Sustaining with Professionalism

Adhering to the vision of "to enhance your health, life, and well-being", Winner Medical is dedicated to technology development. By boosting innovation and growth of the Company and the dressing industry, enabling the domestic quality products to go out with better development, and promoting the transformation of medical dressings industry products from low quality and low price to high quality and affordable price, Winner Medical gains the recognition of global consumers and becomes the leading brand in the domestic medical supplies industry.

The business scope has expanded from the sales of single wound care products such as gauze to the supply of comprehensive solutions for wound care, infection protection and disinfection and cleaning



Pure cotton spunlace non-woven fabric

It can effectively solve wound infection easily resulting from traditional medical gauze, and can be used in protective products including medical protective clothing, surgical gowns and isolation gowns.



Disposable operating room consumables

Compared with reusable medical products, disposable products can reduce nosocomial infections more effectively and are gradually being accepted by the domestic market.



High-end wound dressing products

Such products include silicone foam dressings, hydrocolloid dressings, super absorbent pads, and negative pressure drainage products, which are mainly used in chronic wound healing scenarios such as diabetes, extensive burn, and trauma.

▲ Main product system of Winner Medical



Surgical infection control products



High-end wound dressing products



Traditional wound care and dressing products



Disease control and protection products



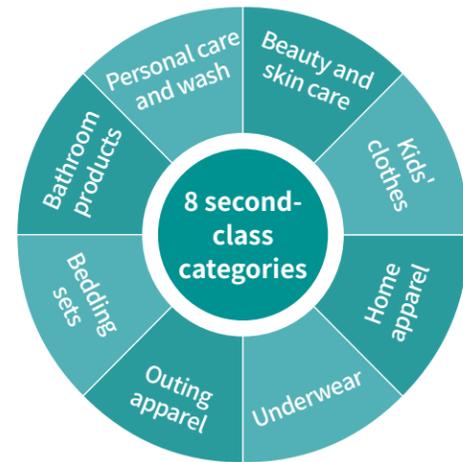
Cleaning and disinfection products

▲ Five major product categories of Winner Medical

## Toughness of Cotton - Cherishing Ambition of Universal Benefit

With the vision of "Purcotton Changes the World", PurCotton always seeks to constantly provide users with a comfortable, healthy and green life through natural materials and safety processes, reducing the damage caused by chemical fiber products on the skin, and pursuing harmony between nature and lives. From the cotton field to shelves, from cotton to quality cotton products, PurCotton gains users' trust by delivering excellent products and leading a peaceful, happy, and sustainable cotton lifestyle.

### Three core single items

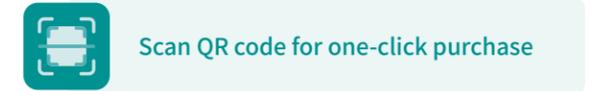


### Product categories of Purcotton

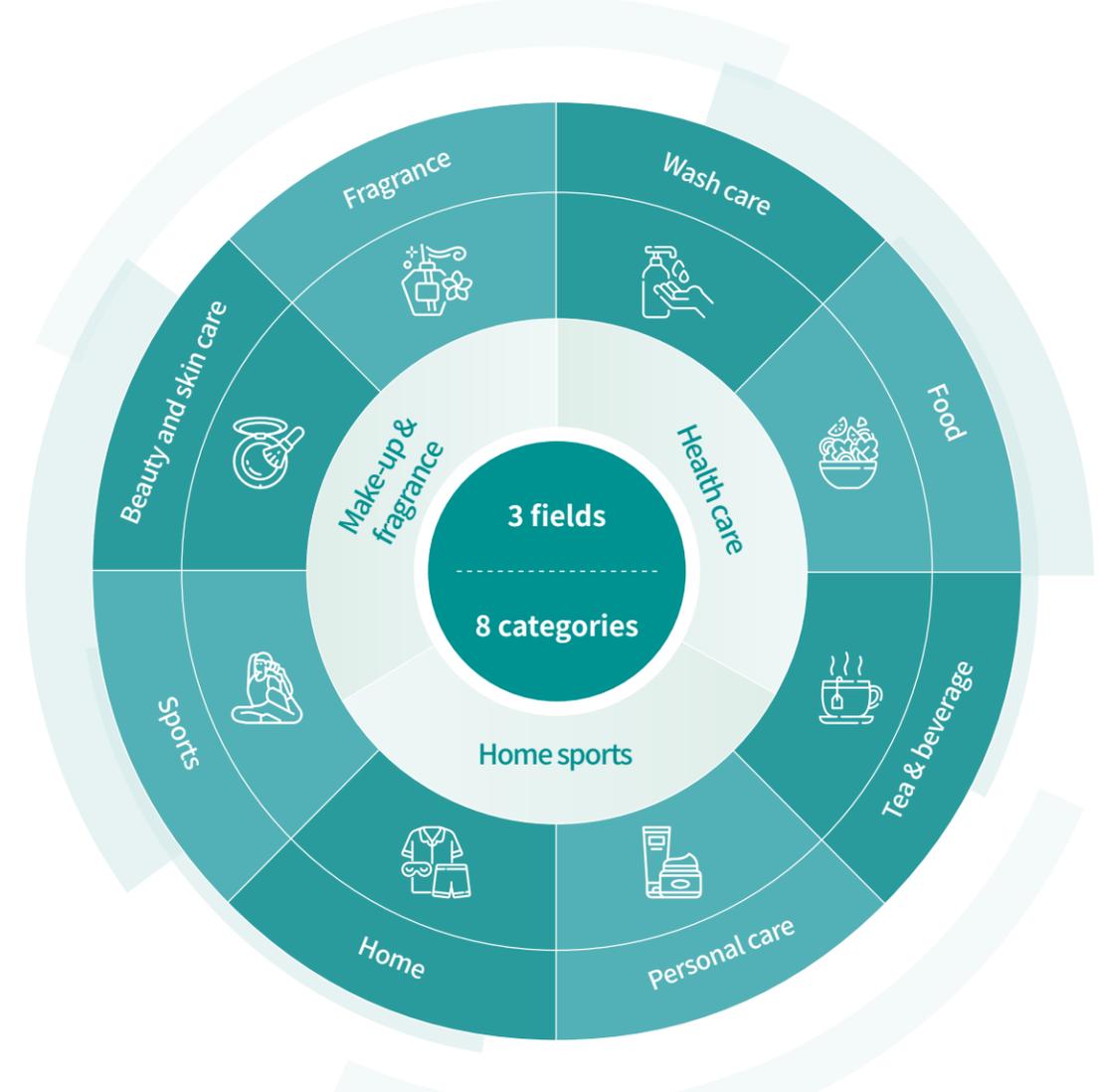


## PureH2B Products - Competing with High Quality

"PureH2B" inherits 30 years of quality in our DNA from Winner Medical, and 12 years of environmental protection concept of PurCotton. Holding the brand concept of "Enabling health and beauty with the power of nature and technology" and focusing on health and beauty, PureH2B selects the world's natural, technological health and beauty products to build a health and beautiful lifestyle using the power of nature and technology.



▲ Brand features of PureH2B



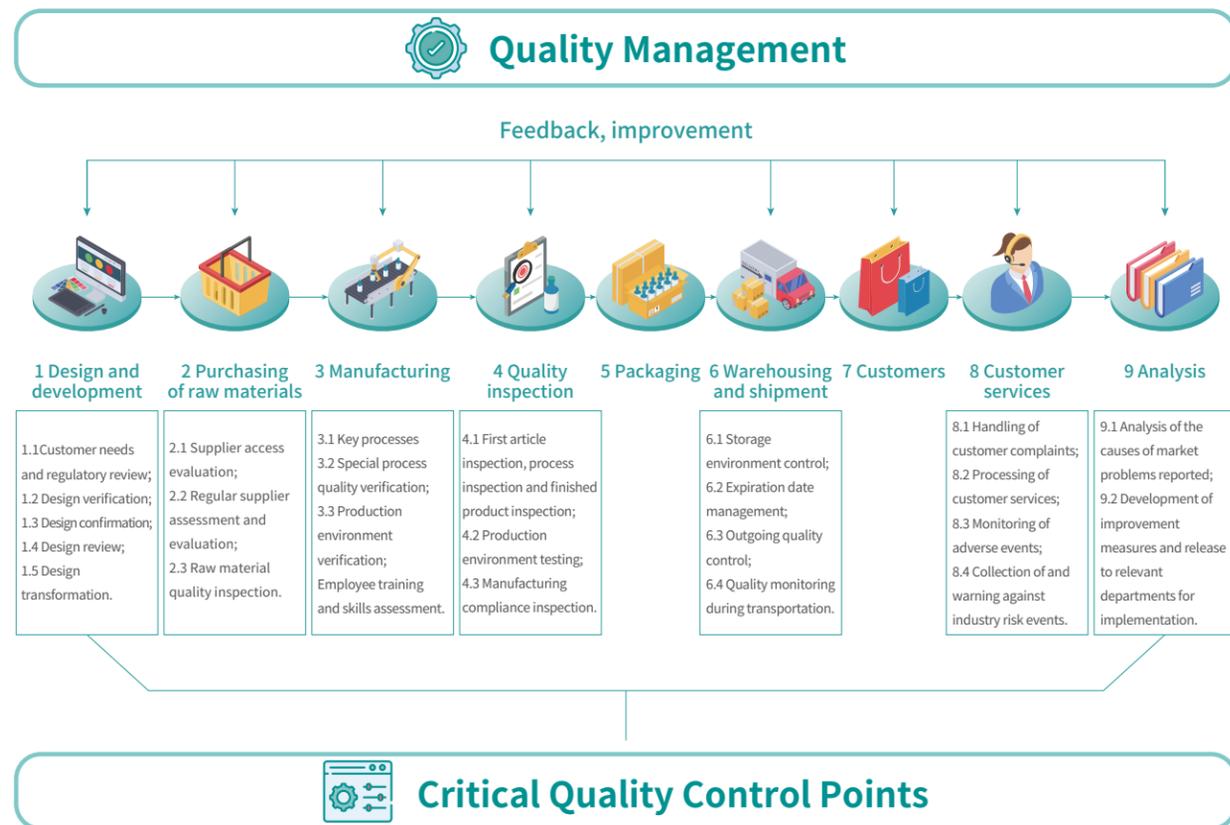
▲ Product features of PureH2B

# Excellent Quality

Product quality is the most intuitive and practical experience of users to the Company's brand and expertise. The Company always follows strict quality standards, adheres to the management principle of "Quality before profit", and continuously improves quality management, to ensure excellent quality of products in links of raw materials, production, inspection, warehousing and delivery in accordance with strict standards.

## Complete Quality Management

Since the establishment of the brand, the Company has regarded product quality as the lifeline, and kept in line with international standard, to improve product quality and obtain global respect for Made in China. In all links of medical product production, the Company has set a strict quality control processes, and established targeted management rules as well as a comprehensive quality management system throughout the entire life cycle of products. Purcotton products are daily necessities, but they combine and inherit the features of medical supplies production model, achieving continuous upgrade of product quality and service quality.



▲ Quality control points of Winner Medical

### R&D stage

As per the "Fabric Development Specification" and the "R&D Department Management Procedures", standardize the development and operation process for raw materials, strengthen the control of raw materials, and ensure product quality and safety from the source

### Design stage

As per the "Packaging Material Design Draft Review and First Sample Confirmation System", standardize the development and operation process for packaging materials, so that the packaging structure meets the transportation and use performance, and the product information meets the requirements of national laws and regulations

### Process stage

By standardizing the use of production processes, avoid product quality problems due to technological reasons, so as to achieve the purpose of quality control

### Model stage

As per the "Operation Rules for Quality Sample Review", standardize the use of product models and establish standard models to avoid product quality problems in models

▲ Purcotton's quality control system for the R&D stage



### Raw material inspection

Spot-check 30% fabrics and 10% accessories; if spot-checked raw materials are unacceptable to the Company, then re-spot-check 50%; if re-spot-checked raw materials are unacceptable to the Company, then reject such lot of raw materials

### Production process inspection

During production, perform repeated and careful inspection of all pieces and all working procedures, and adopt first article spot check and process inspection. In case of non-conforming products, stop production immediately for problem evaluation and continue production after the quality problems are eliminated, so as to ensure zero product quality problems.

### Finished product inspection

Inspect 100% products to ensure that all products meet the requirements

### Warehousing inspection of finished products

Before finished products are warehoused, warehouse quality inspectors will spot check the specifications, quality and packaging of all products to ensure that the quality and quantity of warehoused products meet the specified requirements.

▲ Purcotton's quality control system for the production stage described with figures

## Strengthened Quality Awareness

During the Reporting Period, the Company continuously promoted the construction of quality culture by holding the annual QCC activity, strengthening employees' awareness of quality first, and facilitating the top-down implementation of the core principle of "Quality before profit".

Case

### Winner Group Held the 5th QCC Activity Selection Meeting to Steadily Improve Product Quality

During the Reporting Period, the Company held the 5th QCC Selection Activity.

In 2021, the Company held regular QCC activity in subsidiaries regularly. The 14 activity topics covered all aspects of quality control system construction, including improvement of dyeing qualification rate of cold pad-batch non-woven fabrics, a slight improvement of automatic packing of cotton soft tissues, increase of the production efficiency of pure cotton spunlace non-woven fabric raw materials for protective clothing, improvement of the qualification rate of N95 protective masks' tightness, and reduction of the failure downtime rate of four-side-seal packaging machines.

As an important part of quality assurance, the regular QCC activity helps to enhance employees' quality awareness, strengthen the morale of the quality management team, empower employees to find, analyze, and solve problems, thus further cultivating employees' spontaneous awareness, and continuously promoting the refinement and improvement of the Company's product quality.



▲ QCC activities of Winner Medical

Case

### Winner Medical held the 2021 Annual Quality Conference to Promote New Laws and Regulations for Medical Devices

During the Reporting Period, the Company held the 2021 Annual Quality Conference of the Group, with the theme of "Management Innovation, Business Opportunity, Compliant Operation, Stable Development".

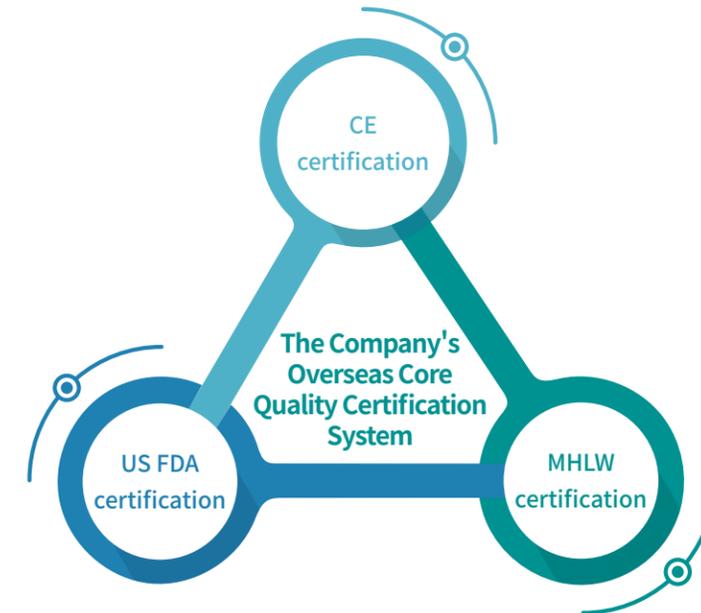
Medical devices are related to people's life, health and safety, so they are subject to tight regulation by laws and regulations. In 2021, the Regulations on the Supervision and Administration of Medical Devices and the supporting regulations were updated, reflecting significant changes in the way medical devices are regulated. At the quality conference, Winner Medical publicized the new regulations, identified gaps, and discussed methods of response. As challenges are accompanied by opportunities, we sought to fully explore new opportunities for development under the changes through brainstorming on seminars, so as to continue to embark on the road of high-quality development.



▲ Winner Medical 2021 Annual Quality Conference

## Assurance for Quality Certifications

Winner Medical has entered the most demanding medical markets, Japan and Germany thirty years ago and instantly established its presence with leading quality in the medical consumables industry. The Company has ranked among the top three exporters of medical dressings in China for many consecutive years and is the first company in the industry to obtain the EU CE certification, the US FDA certification, and the certification of the Japanese Ministry of Health, Labor, and Welfare achieving a leading quality and reputation performance of products in the industry. In addition, the Company's R&D center laboratory has obtained the CNAS laboratory accreditation certificate from the National Accreditation Commission. This illustrates its professional product quality testing capability and guarantees the professionalism and advancement of quality testing links.



▲ The Company's Overseas Core Quality Certification System

As of the end of the Reporting Period, Winner Medical has obtained the following certifications for medical surgical masks and protective masks:

Products	Country/region	Standard	Certification
Medical surgical face mask	China	YY/T 0969:2013 Disposable Medical Face Mask	China Medical Device Registration Certificate
		YY 0469-2011 Medical Surgical Face Mask	China Medical Device Registration Certificate
	European Union	EN 14683:2019+AC:2019 Medical Face Masks - Requirements and Test Methods	European Union Medical Device CE Certification
	United States	ASTM F2100:2020 Standard Specification for Performance of Materials Used in Medical Face Masks	U.S. Food and Drug Administration 510K
Medical 3D protective mask	China	GB 19083-2010 Technical Requirements for Protective Face Mask for Medical Use	China Medical Device Registration Certificate
3D protective mask	European Union	EN 149:2001+A1:2009 Respiratory Protective Devices - Filtering Half Masks to Protect against Particles - Requirements, Testing, and Marking	EU Personal Protective Equipment CE Certification

As of the end of the Reporting Period, the Company has obtained the following international system certifications:

Type of certification	Certification body	Certification status
EN ISO 13485:2016	TUV SUD	Scope: Winner Medical and 5 subsidiaries
EN ISO 11135:2014	TUV SUD	Scope: Winner Medical and 3 subsidiaries
EN ISO 17665-1:2006	TUV SUD	Certification for Winner Medical
EN ISO 13485:2016	TUV SUD	Certification for Winner (Wuhan)
EN ISO 11135:2014	TUV SUD	Certification for Winner (Wuhan)
EN ISO 11137-1:2015	TUV SUD	Certification for Winner (Wuhan)
ISO 9001:2015	TUV Rheinland	Certification for five subsidiaries, including Purcotton, Winner Medical (Jingmen), Winner Medical (Tianmen), Winner Medical (Jiayu), and Winner Medical (Huanggang)
ISO 22716:2007(E)	Intertek	Certification for Winner Medical (Jiayu)
ISO 14001:2015	TUV Rheinland	Certification for Winner Medical (Chongyang)
ISO 45001:2018	TUV Rheinland	Certification for Winner Medical (Chongyang)

As of the end of the Reporting Period, Purcotton has obtained the following certifications:

Products	Country/region	Standard	Certification
Soft Tissue	Switzerland	Product Class I, Appendix 4, STANDARD 100 by OEKO TEX	OEKO-TEX textile certification
Baby gauze clothes, towels	Switzerland	Product Class I, Appendix 4, STANDARD 100 by OEKO TEX	OEKO-TEX textile certification
Cotton pads	Switzerland	Product Class I, Appendix 6, STANDARD 100 by OEKO TEX	OEKO-TEX textile certification
Baby gauze clothes	China	Q/QMSD 022 Infant cotton gauze clothes	Shenzhen Standard Certification

As a benchmarking enterprise in domestic medical dressing industry, Winner Medical has established a complete quality management system and continued to maintain effective operations in accordance with standards and regulatory requirements including ISO 9001, ISO 13485, FDA 21 CFR Part 820, 93/42/EEC, and "Announcement on Releasing Good Manufacturing Practice for Medical Devices". This provides strong quality assurance for the whole production activities from the input of raw materials to the output of finished products. The Company keeps moving on the way forward. In 2021, Winner Medical (Jiayu), as a subsidiary, established a quality management system for the cosmetics industry in accordance with ISO 22716 and obtained a certification.



▲ Winner Medical (Jiayu) - ISO22716 Cosmetic Quality Management System Certificate

Relying on nearly 30 years of experience of Winner Medical in producing medical supplies, Purcotton implements the system with high standards in links including production process control and delivery quality inspection. Purcotton products have passed OEKO-TEX® Standard 100 certification, the EU AP (2002) 1, EU's Food Contact Materials Regulation (EC) No 1935/2004, and Biodegradable Spunlace Non-Woven Fabric Certificate. The Company is committed to using cotton of the highest quality from around the world to make core consumer products, while strictly managing the production workshop to ensure excellent product quality throughout the process and in all aspects.

Purcotton obtained OEKO-TEX® Standard 100 certification in 2015. This certification is conducted by TESTEX, a Swiss testing and certification organization specializing in textile testing. TESTEX certifies the most stringent product category for infants and children, which can be used for Purcotton wet and dry soft tissue series and baby gauze series (including pure cotton soft tissues, compressed face towels, and dry masks).

In addition, some of the Purcotton products have also passed the "EU's Food Contact Materials Regulation (EC) No 1935/2004", which is a most fundamental basic standard for all European countries. Products passing the testing can display relevant labels on the packaging or packaging surface, indicating that "the product can be used for packaging food".



▲ Purcotton-ISO 9001 system certificate



▲ Biodegradable Spunlace Non-Woven Fabric Certificate

<sup>1</sup> At present, OEKO-TEX® Standard 100 certification is the most authoritative and influential label for ecological textiles in the world. Products with the OEKO-TEX® Standard 100 label have been tested and certified by renowned textile testing organizations (all affiliated with OEKO-TEX Association) across sixteen countries around the world.

## Research on Innovative Technologies

Innovation R&D is the foundation for the long-term development of the Company, and is the important driving force and source of the Company's positives development. The Company is committed to establishing a sound innovation R&D system, continuously improving the unique innovation "246" rule in practice, and creating values with innovation. In this way, the Company changes the world, cares for health, and contributes innovative wisdom to the high-quality collaborative development of China's medical and health field.



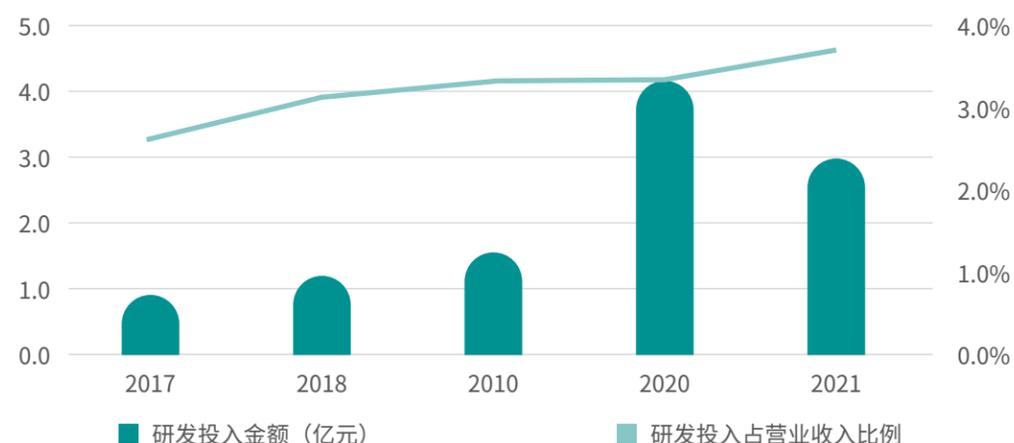
## Perfect the Innovation R&D System

The Company has adhered to the innovation concept of the "246" rule and created a new future for the industry with innovation R&D from the perspective of analyzing the potential market demands, accelerating the implementation of new technologies, filling the gaps in the domestic and international markets, and meeting the forward-looking needs of the market.

### Continuously Increase Investments in Innovation R&D

During the Reporting Period, the Company has attached great importance to R&D innovation and continued increasing the R&D investment. In 2021, the total R&D investment amounted to RMB 298 million.

Company's R&D investment (unit: millions RMB) and growth ratio (unit: %) from 2016-2021



### Effective Implementation of Scientific Research Projects

During the Reporting Period, the Company has continued improving the innovation R&D platform system and effectively implemented high-quality scientific research projects under the strong support of the platform, further optimizing the construction of the innovation R&D system.

#### Case Projects of Long-Staple Cotton and Fine-Linted Cotton Research Significantly Enhance the Advantages of Raw Materials.

During the Reporting Period, Purcotton cooperated with cotton breeding experts to breed and cultivate the exclusive cotton variety "Purcotton No.1" in Hainan cotton base.

For Purcotton No.1, the fiber length is more than 35mm and the strength is not less than 35cn/Tex. With the same quality indicators as Xinjiang long-staple cotton and American long-staple cotton, it also sees an obvious advantage of output increased by 20%. In addition, the Company layouts the development and cultivation of cotton varieties exclusive for spunlace (fine-linted cotton), whose fiber length is 25-26mm and the micronaire value (maturity) is not less than 5.0. Compared to Xinjiang fine-linted cotton and American fine-linted cotton, its output is increased by 20%, obviously improving and significantly increasing the competitiveness of raw materials.

#### Case Establishing the Cotton Research Institute and Exploring the Advantages of Cotton Varieties

During the Reporting Period, Purcotton and the National Key Laboratory of Crop Genetic Improvement of Huazhong Agricultural University jointly established the Cotton Research Institute and appointed Professor Zhang Xianlong as the chief cotton scientist of Purcotton. Professor Zhang Xianlong is a Huazhong Agricultural University professor and doctorate supervisor, a national teaching master, deputy director of the State Key Laboratory of Crop Genetic Improvement, and vice chairman of the Chinese Agricultural Society's Cotton Branch. He was formerly chosen as one of China's "Ten Thousand Talents Plan's" first batch of prominent talents. The project mainly researches the cotton variety exclusive for spunlace, wax-rich cotton, and yellow-rich cotton to explore cotton varieties with high micronaire value (maturity), moderate fiber length and high cotton output. In this way, the competitiveness of products at the raw material end can be improved.

## Incentive Guarantee for Innovative R&D

The Company has formulated a patent application incentive mechanism with the maximum total reward exceeding RMB 500,000, in order to encourage employees' enthusiasm of scientific and technological innovation and invention, promote the application of intellectual property rights, and improve market competitiveness and economic benefits. The effective implementation of the incentive guarantee for innovative R&D helps encourage all R&D employees to actively participate in innovation and research activities, efficiently perfect Company's innovation R&D system, and implement the results in practice. Different amounts of bonuses are specified for the inventor of the core innovation patent, the inventor of the utility model patent, and the inventor of the design patent.

<sup>2</sup> The micronaire value is an indication of fiber fineness and maturity. It reflects the fluffiness and thickness of cotton soft tissue.

## Implementation of Innovative R&D Results in Practice

With the guarantee of innovative R&D system, the Company accelerates the efficiency of scientific research technology transformation, takes advantage of technology and scientific research data to empower the development of the enterprise from the aspects of product process and development, strongly promotes the practice of the "health" concept, and leads the high-quality development of medical consumables and health consumer products industry with high-quality products.

<p><b>Antibacterial and antiviral mask</b> The Company has developed an antibacterial and antiviral mask to kill various germs and viruses and protect public health.</p> 	<p><b>100% cotton surgical gown</b> The Company has developed 100% cotton surgical gown to effectively solve suffocation after long-term wear of protective clothing and surgical wear, improve comfort and ensure environmental protection.</p> 
<p><b>Antibacterial dressings</b> The Company has developed various antibacterial dressings to solve infection in different stages of wound healing and different types of wounds, reduce nursing costs and ease the shortage of hospital beds.</p> 	<p><b>Hyaluronic acid mask and scar repair products</b> The Company has developed hyaluronic acid mask (hyaluronic acid dressing) and scar repair products based on silicone gel technology to expand the range of products to medical beauty.</p> 

▲ Implementation of the innovative R&D results of medical consumables in practice

<p><b>Additive-free soft Q elastic gauze</b> The Company has developed additive-free soft Q-elastic gauzes by using yarns produced from innovative processes and combining the physical softening technology, giving the fabric a soft and elastic feeling.</p> 	<p><b>Pure cotton cool antibacterial fabric</b> The Company has developed pure cotton cool antibacterial fabrics which combine cool microcapsules, herbal cotton antibacterial technology and pure cotton fabric, to quickly absorb heat and achieve a lasting cooling effect.</p> 
<p><b>Pure cotton one-way moisture-transferring fabric</b> The Company has developed pure cotton one-way moisture-transferring fabrics for children's home clothes and baby products to completely solve the pain point of children being easy to catch cold after sweating.</p> 	<p><b>Gauze quilt temperature scale and sleep comfort</b> The research project of "Gauze Quilt Temperature Scale and Sleep Comfort" carried out by the Company in collaboration with universities has been completed, enabling consumers to make rational choices in scientific parenting and sleep comfort.</p> 

▲ Implementation of the Innovative R&D results of consumer health products in practice

## Formulation of Innovative R&D Standards

To formulate product technical requirements and testing and evaluation methods with a balance of industry needs and future development, the Company has taken the lead in and participated in the drafting of relevant standards with its expertise accumulated over the years in the medical consumables and consumer health products industry. This contributes "the wisdom of Winner Medical" to the establishment of national standards for the industry. Among them, the national standard "Soft Tissue" drafted by Purcotton as a leading role was published in May 2021 and implemented in December 2021.

During the Reporting Period, the Company participated in formulating 8 standards, of which 4 standards were published and implemented.

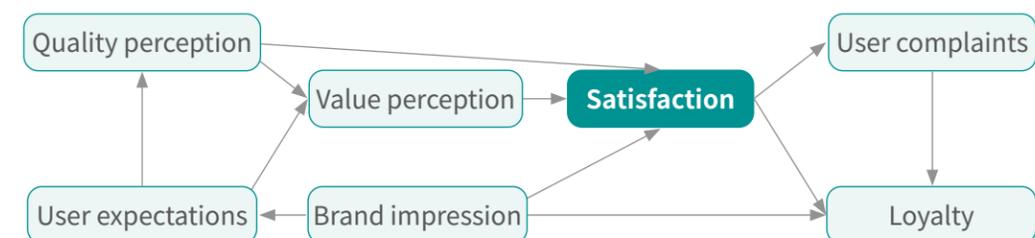
Standard Name	Standard Number	Standard Category	Company's Role
Soft Tissue	GB/T 40276-2021	National standard	Purcotton led the drafting of the standard and ranked the first
Plantpolyphenol-Modified Functional Cotton Fiber	T/CCTA 30302-2021	Group standard	Purcotton participated in making the standard and ranked the second
Plant Dyed Baby Clothes	T/SZTIA 008-2021	Group standard	Purcotton participated in making the standard.
Antibacterial Fiber and Textiles	T/SZTIA 001-2020	Group standard	Purcotton participated in modifying the standard.
Textiles-Testing and Evaluation for Fabric Touch Feeling	-	Industry standard	Purcotton participated in modifying the standard.
Cotton Pads (Facial Wipe)	-	Industry standard	Purcotton participated in modifying the standard.
Compressed Facial Mask	-	Industry standard	Purcotton participated in modifying the standard.
Nursing Pad	-	Industry standard	Purcotton participated in making the standard.

## Customer Service

The Company implements the customer-centered values, always takes the protection of consumer rights and interests as an important guideline, develops and continuously improves the customer feedback mechanism, regularly conducts customer satisfaction surveys, and strives to achieve steady progress in customer service quality.

## Enhancing Customer Satisfaction

PurCotton is committed to improving and satisfying consumer's demands, thereby enhancing perceived service quality and satisfying user experience. We conduct customer satisfaction surveys on a fiscal year basis to better understand customer expectations, grasp future needs and get inspired on development ideas.



▲ Customer satisfaction model

## Establishing the Complete Survey Mechanism

With a total score of ten points, the complete and detailed customer satisfaction survey is performed from five aspects including the channel, product, service, corporate responsibility, and consumer protection with 59 indicators.

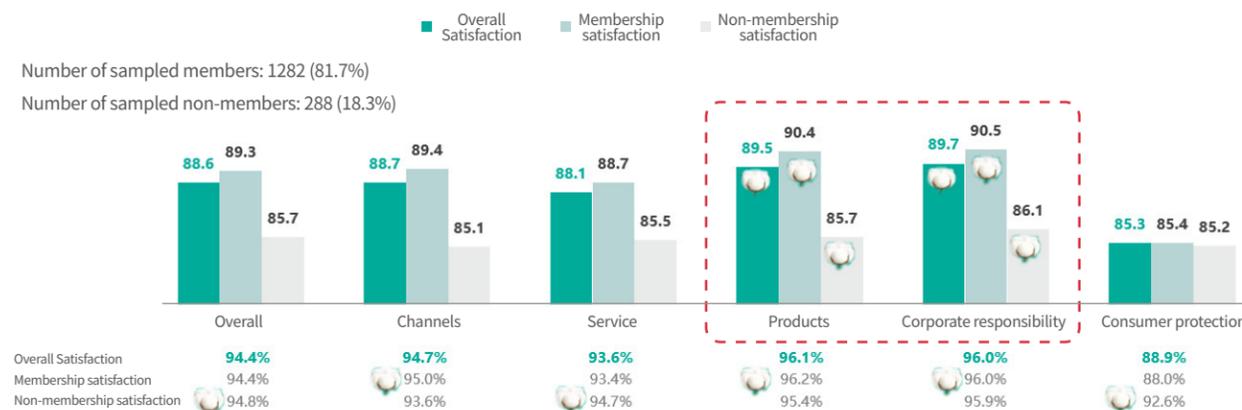


▲ Customer satisfaction indicators

## Generating Overall Satisfaction

During the Reporting Period, the company collected a total of 1,570 valid samples, and the overall satisfaction rate of the survey reached 94.4%, generally meeting the satisfactory level. Among them, the satisfaction rate of product and corporate responsibility exceeded 95%.

Generating Overall Satisfaction



▲ Overall Satisfaction

## Analyzing Each Dimension of Customer Satisfaction

The Company analyzes the results from the dimensions of channel satisfaction, service satisfaction, product satisfaction, corporate responsibility satisfaction, and consumer protection satisfaction based on the collected information results of customer satisfaction, and improves the effectiveness of the Company's operation with the actual results.

### Channel satisfaction



On offline channel satisfaction, "Neatly displayed goods", "Clean interior store environment" and "Easy to purchase" are well received by consumers, with leading satisfaction;

On online channel satisfaction, "Easy to purchase", "Diversified purchasing channels" and "Easy to operate" lead other indicators in satisfaction, with high praise from customers.

### Service satisfaction



On offline service satisfaction, "Fair hospitality, no discrimination", "Warm clerk service", "Professionalism of clerks" and "Proactivity of clerks" are well received by consumers;

On online service satisfaction, "Fair hospitality, no discrimination", "Good logistics service" and "Timely logistics delivery" lead in high satisfaction

### Product satisfaction



On product satisfaction, "Product material", "Good product quality", "Natural product raw materials without additives" and "Product authority certification" are well rated, with 90+ or 96%+ satisfaction.

### Corporate responsibility satisfaction



In the corporate responsibility satisfaction survey, we received higher ratings from consumers as to our "green products and brand", "genuine products at fair prices", "traceable product information", "health and safe products and brand" and "safe purchasing channels", showing their high level of satisfaction with our products, with degree of satisfaction above 90 and satisfaction rate above 96%.

### Consumer protection satisfaction



On consumer protection, "Important consumer information warnings" and "Consumer information protection" lead in satisfaction, with 88+/95% satisfaction;

"Smooth complaint channels" and "Fast handling of complaints" in complaint modules represented low satisfaction, i.e. 82.7 (84.6%) and 82.8 (84.9%), respectively.

▲ Analysis result of each dimension of customer satisfaction

### Case

## Introducing the Smart Logistics Project and Realizing the Proactive Smart Logistics



As customers' expectations for the timeliness and experience of logistics and distribution increase, logistics services are facing unprecedented challenges. During the Reporting Period, the logistics center transformed passive logistics services into proactive smart logistics by introducing smart logistics projects that focus on the precise satisfaction of user needs:

- Through the optimization of express allocation criteria and better analysis of ToB and ToC costs, the logistics cost rate has been controlled within 4.95%, which is lower than the budget target of 5.3%;
- The order dispatch efficiency has been improved, with arrival time dropping from 80.53 hours to 66.84 hours and shop rating on Tmall increasing from 3 to 5 points;
- For our shops on Tmall and JD platforms, the rate of abnormal events complained by customer reduced from 0.15% to 0.07% according to the newly arranged complaint analysis by customer service supervisors; and KPI assessment guidelines were optimized to improve service quality, with logistics breakage rate dropping from 1.37% to 0.07%.

## Guarantee of Information Security

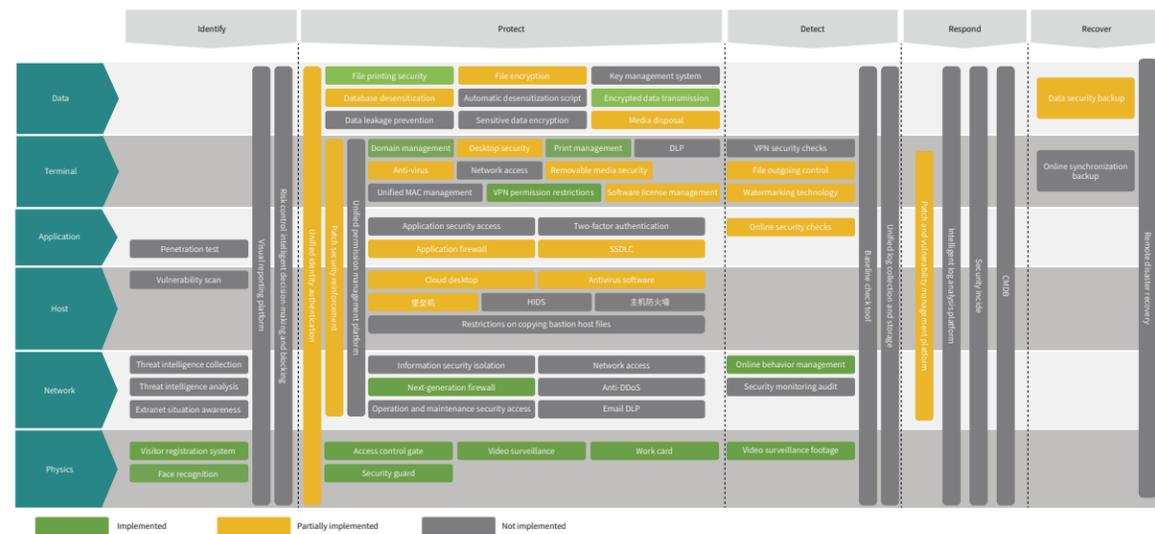
The Company places a high value on user privacy protection in order to better secure user information security. The Company has established a strong and continuously optimized information security management system based on a rigorous management system and process system to build a solid defense barrier to guarantee data security and defend user privacy, as well as ensure the exclusivity, confidentiality, and security of user privacy information.

### Case Building A Digital Operation Center to Ensure the Customer Information Security

Securing data assets has become increasingly crucial as the big data era is progressing. Winner Medical complies with all regulatory requirements and industry norms for customer information security, continues to learn the best practices for customer information security protection, establishes a digital operation center, and manages security risk for the entire life cycle of customer information collection, transmission, storage, processing, exchange, and destruction.

During the Reporting Period, the Company took the digital operation center as the lead and prioritized business information security management requirements, adhering to IEC/ISO27001:2013 Information Security Management System standards, and planning and establishing the information security organization and management system framework based on 14 control domains and 114 control points.

The framework defines internal duties, improves information security awareness and prior preventive control, enhances information security management, and lays a solid foundation for the introduction and use of commercial information security technology products.



▲ Work status diagram of the information security of digital operation center

## Promoting People-Oriented Service

The Company constantly pays attention to social hot issues, promotes the spirit of "people-oriented" service, brings warm service experience for customers, and grants warm service.

### Case Holding Lucky Guy Mask Activity to Guarantee A Happy New Year for These Resided in Shenzhen

During the Spring Festival in 2021, Shenzhen issued a notice advocating migrant workers celebrate the New Year in Shenzhen, so as to consolidate the achievements of the prevention and control of COVID-19 and prevent the expansion of this pandemic.

In conjunction with the Shenzhen Health Care Commission, Winner Medical launched a Lucky Guy mask activity with the theme of "Winner Medical Guards Your New Year" and actively practiced brand social responsibility. In the activity, 400,000 masks were distributed to the public for free in the form of lucky draw, striving to provide protection service for people staying in Shenzhen during the New Year and provide health protection for the majority of customers.



▲ "Winner Medical Guards Your New Year" activity campaign

### Case Joining the "Pink Ribbon" Alliance of Public Welfare to care for Women's Health

In November 2021, to take care of women's health, Purcotton joined the Pink Ribbon Alliance of Public Welfare initiated by Trends Health. This action helps to transform the power of cotton into love energy, together promote the "PinkBag" care project, promote the "early prevention, early detection, and early treatment" concept to tens of thousands of women, and jointly advocate public attention to breast health.

In this "Pink Ribbon" event, Purcotton women's side seamless bra was included in the "PinkBag" charity gift package. During the live broadcast of the 2021 Breast Cancer Campaign "Pink Dares to Speak Out" organized by Trends Health, this package was sold for charities and the proceeds were donated to the Carnation Charity Insurance Project, aiming to provide breast and cervical cancer charity insurance for women in need and protect women's health together.



▲ Purcotton women's side seamless bra

## Implementation of Responsible Marketing

While providing customers and society with innovative high-quality services, the Company emphasizes social responsibility in its daily marketing activities, firmly protects users' legitimate rights and interests, ensures legal compliance and true validity of marketing activities, and emphasizes the Company's responsibility.

Case

### Establishing SpongeBob SquarePants Flash Store to Educate Public About Marine Environmental Protection



Disposable masks are being discarded in significant numbers as a fundamental pandemic preventive consumable in the context of repeated COVID-19 outbreak. Failure to properly dispose the masks not only endangers public health, but also causes major environmental difficulties when they flow into the ocean and become marine litter.

When the 13th World Oceans Day was celebrated in June 2021, Winner Medical teamed up with major chain pharmacies to conduct the "SpongeBob SquarePants Flash Store" event across China. The event is designed to educate people about the dangers of discarded masks on marine life in a fun and interactive way.

During the event, the Company prepared dolls like SpongeBob SquarePants that were caught by paper strips and were waiting to be rescued by the participants. Through scientific facts and thank-you letters on the rescued dolls, the game intends to remind consumers of the possible harm caused by discarded masks to marine life, as well as to conserve the marine environment by urging consumers to properly dispose of discarded masks.



▲ "SpongeBob SquarePants Flash Store" event

Case

### Present in Shanghai Fashion Week to Explore Cotton's Environmental Benefits



Purcotton exhibited the Spring/Summer 2022 collection at Shanghai Fashion Week in October 2021, in order to communicate the benefits of cotton to the environment and practice the brand's ecological approach. Inspired by future walkers who migrated owing to huge changes in the earth's ecosystem, this collection blends outdoor elements such as sailors' work uniforms, sailing hemp ropes, and climbing buckles. Thanks to the designer's concept, the genetic fabrics and product development strength of Purcotton, the natural colorless and delicate texture of cotton fibers are integrated with advanced coloring and weaving process. The original cotton color was made into a gorgeous pattern of lake and river, mountain and forest, and the earth, giving people an emotional resonance of connection with the earth.

Mr. Li Jianquan, the founder of Purcotton, was present at the debut show of the fashion week. Meanwhile, Purcotton also invited several fashion media, opinion leaders, and others from a variety of industries including business and investment, to experience the environmental benefits and long-term appeal of cotton.

In addition, according to the "Shanghai Fashion Week Spring/Summer 2022 Data Report - KOL Marketing Data Analysis and Insight" report released by PARKLU, a well-known third-party KOL relationship management, and marketing analytics platform, Purcotton ranked first in the Shanghai Fashion Week Media Influence Value (MIV).



▲ Purcotton presented in Shanghai Fashion Week

## Industry Advances Together

Winner Medical is a firm believer in going with the flow of the times, harmonizing with national policies and keeping up with industry progress. Rooted in the medical consumables industry, the Company has always taken a forward-thinking approach, focusing on technology research and development as well as product innovation in order to contribute to the synergy and advancement of the medical health area.

### Jointly Building the Winner Institute

To improve the occupational protection practice and standardized operation for staff in China's medical industry and reduce their risk of occupational exposure, the Company has taken the lead in establishing the "Winner Institute" to strengthen communication with industry experts and medical personnel in terms of technology and standardization, forming mutual learning, promotion, and advancement relationship in the industry.

Case

#### Joining Hands with Enterprises to Establish Winner Institute and Empower the Sensory Control Practices of the Industry

In March 2021, to improve the occupational protection practice and standardized operation for staff in China's medical industry and reduce their risk of occupational exposure, Winner Medical partnered with the Beijing Infection Control and Disinfection Technology Industry Association to launch and establish the Winner Institute (Sensory Control).

Winner Institute stimulates awareness of industry sensory control, improves the level of industry sensory control, and helps industry sensory control work through a professional academic exchange platform, with the goal of "consistent advancement and safety of medical care" and the vision of professionalism, fundamentality, innovation, scientific model, and internationalism.

During the Reporting Period, the Winner Institute successfully held 2 training courses, with 32 guests including leaders from the Health and Welfare Commission, leaders from the China CDC, experts from various hospitals on sensory control, and leaders from Winner Medical. The number of participants from various walks of life reached 128. The Company bears all expenditures associated with the training on its own.



▲ Group Photo of the Participants in the Winner Institute's Second Training Session



▲ Presentation by the President of Affiliated Hospital of Qingdao University



▲ Training site in the Affiliated Hospital of Qingdao University



▲ Exercise site of the protective practice

## Cooperation of Industry-University-Research-Application

The Company follows the innovation-driven development strategy, fully implements the science and technology docking exchange and cooperation plan, and maintains strong ties with national universities. This helps to improve industry-university research and use cooperation capacity, deepen industry-university research and use integration, and boost the transformation of scientific research achievements. This fosters the precise connection of the innovation chain and industry chain, thus promoting the Company's high-quality development in long terms.

Case

#### Establish the Innovation Institute of Winner Medical and Wuhan Textile University to Integrate Industry, University, and Research

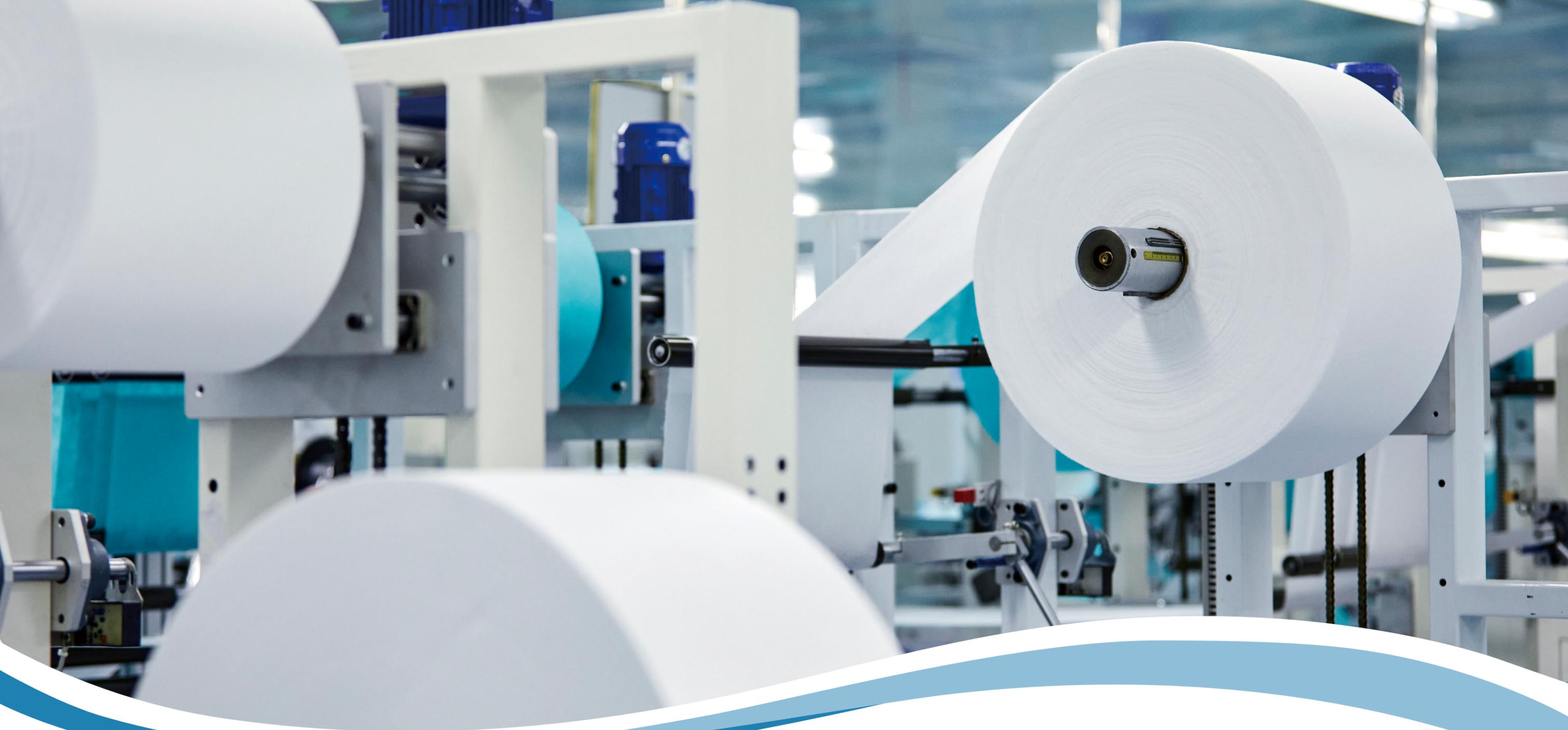
In April 2021, Winner Medical together with PurCotton and PureH2B presented in the 3rd World Health Expo New Product Launch and Results Transformation Forum. During this time, the Company and Wuhan Textile University signed a research cooperation agreement to jointly cultivate medical dressing talents, promote industry science and technology research, and close the gap of product innovation, R&D investment, talent, and technology that exists in high-end dressing industry between China and European and American Countries.

Winner Medical and Wuhan Textile University had signed a research cooperation agreement in April 2012. Subsequently, after more than half a year of elaborate preparation, we joined hands again to establish the Innovation Institute of Winner Medical and Wuhan Textile University in December 2021. Xu Weilin, the academician of the Chinese Academy of Engineering and deputy secretary of the Party Committee and president of Wuhan Textile University, was appointed as the president of the institute. The institute was established to further integrate the university's science and technology, talent power resources and Winner Medical's industrial advantages, technical advantages, scientific and technological achievements and production conditions, so as to jointly enhance the high-quality development capacity of both the university and us. At the same time, the Company and the Shenzhen Institute of Advanced Technology of the Chinese Academy of Sciences established the "Joint Laboratory for Innovative Technology Research on Wound Dressings" to conduct cutting-edge technology research and new product development on wound dressing products.

At present, the Company is equipped with two provincial R&D platforms, "Guangdong Functional Cotton Products Engineering Technology Research Center" and "Guangdong Wound Repair Materials Engineering Technology Research Center", which are dedicated to the research of functional cotton products and wound repair materials.



▲ Signing ceremony with Wuhan Textile University



## Stability as the Essence - Safeguarding the Development of Company

Since the scientific governance structure is the cornerstone of the Company's high-quality development, Winner Medical has always emphasized the importance of corporate governance. Since its initial public offering, the Company has actively optimized and improved the risk control system, continued to promote the healthy development of investor relations, and strengthened Party building in order to implement integrity and promote its healthy, efficient, and long-term growth.

Company Strategy	48
Corporate Governance	49
Risk and Compliance	53
Strengthening Party Building	56

### Sustainable Development Goals



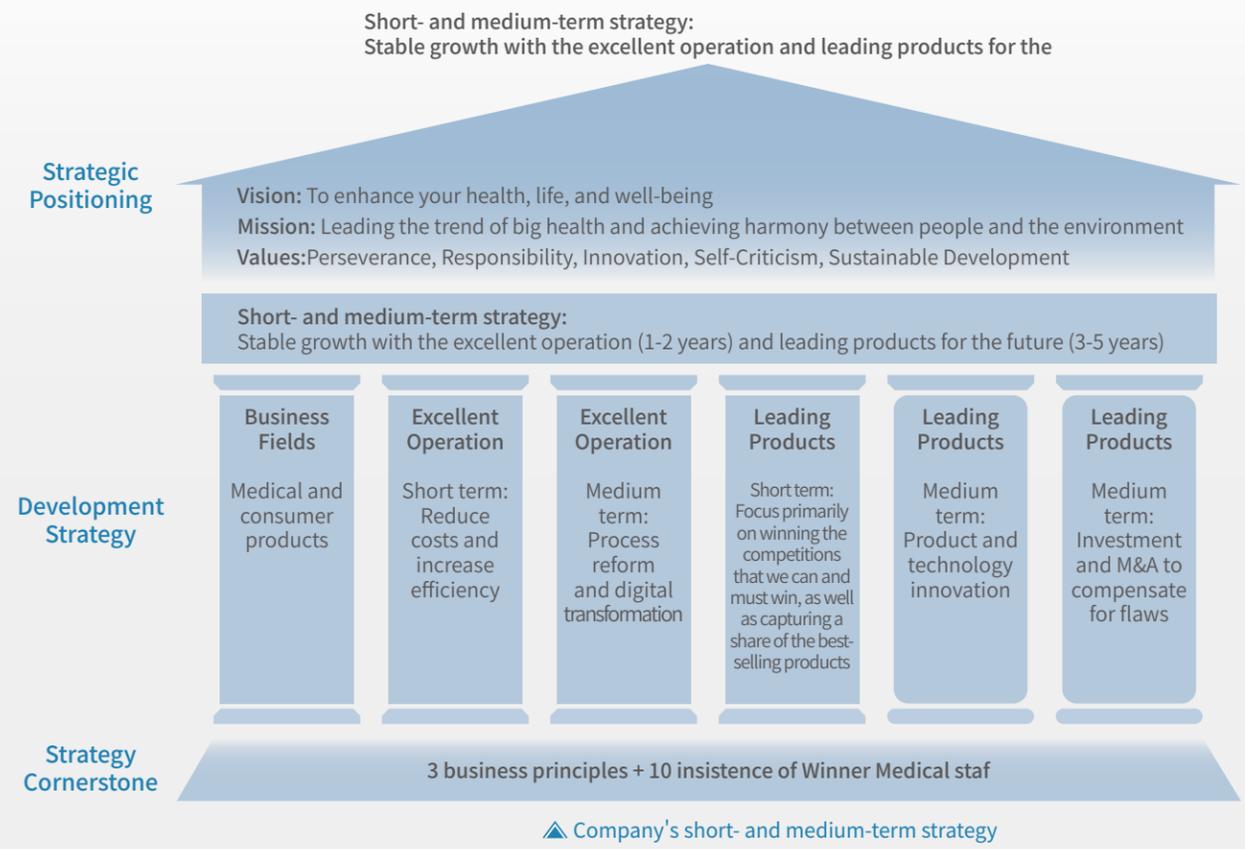
## Company Strategy

Winner Medical has always taken the vision of "enhancing your health, life and well-being", the mission of "leading the trend of big health and achieving harmony between people and the environment", and constantly cultivated and promoted the corporate core values of "hard work, responsible, innovative, self-criticism, and sustainable development". In 2021, the Company announced its development strategy of "achieving excellent operation and stable growth to realize product innovation for the future" and a development path plan of "focusing on stable growth through operational excellence in the short term and sustainable growth through product leadership in the medium term."

Achieve excellent operation and stable growth. Winner Medical follows the basic policy of "making strategies before taking actions and focusing on superior resources to win the competition" and implements end-to-end "cost reduction and efficiency enhancement" strategies from a variety of angles, including market, channel, product, supply, and internal operations. The Company also develops and implements "strategies" for customer loss, channel loss, long-tail products, and long-tail suppliers.

Realize the leading position of products for the future. Winner Medical is continuing to promote product iteration, increasing R&D investment, and establishing the Winner Medical Innovation Institute, which is led by national academicians to further study and plan the medical health technology blueprint. With increased company scale and capital strength, the Company will continue to seize the strategic opportunity of industry development, prioritize shareholder value, seek out and acquire high-quality M&A targets around the world, and support the Company's outward development.

In the future, Winner Medical will continue to take "becoming the world's leading medical consumables, home care products, and good daily necessitate" as its goal while keeping in mind the original intention of forging ahead and leading the benign development of the industry from China-made to China-creating and from Chinese brands to international brands. Meanwhile, the Company will remain committed to "combining the pursuit of quality living, love of health, and environmental sustainability concept into one," incorporating peace of mind, happiness, and a sustainable concept into the product, and creating value for consumers' good lives.

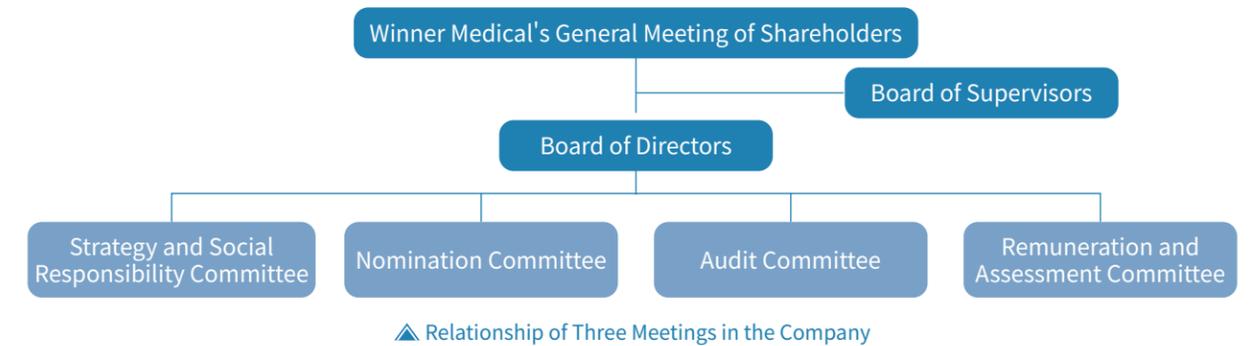


## Corporate Governance

To establish scientific and efficient governance and defend the Company's sound operation, Winner Medical has taken steps to stabilize the operation of Three Meetings (Shareholders' General Meeting, Board of Directors Meeting and Board of Supervisors Meeting), enhance investor relations, and regulate the information disclosure.

### Operation of Three Meetings

The Company strictly follows the laws and regulations including the Company Law of the People's Republic of China and the Rules for Shareholders' General Meetings of Listed Companies, and other regulatory documents including Articles of Association. The Company operates strictly in accordance with the governance structure of Shareholders' General Meeting, Board of Directors, Board of Supervisors and Managers, and has established a sound Operation of Three Meetings system of "decision-making, execution and supervision". This forms a scientific and regulated corporate governance system with defined power and responsibility, efficient operations, and well-ordered checks and balances.



As the Company's highest authority, Shareholders' meeting executes its powers in line with the law, including deciding on the Company's business policies and investment plans. The shareholders' meeting is convened, held, proposed and noticed, voted on, and resolved in strict accordance with the Articles of Association to effectively defend the legitimate rights and interests of all shareholders, particularly small and medium shareholders.

**Key Performance**

During the Reporting Period, the Company held **1** annual shareholders' meetings and **1** extraordinary general meetings

The Board of Directors is accountable to the Shareholders' meeting and has four specialized committees that are accountable to the Board of Directors. Except for the Audit Committee, which is convened by an accounting specialist, the special committees are formed of a majority of independent directors and function as convenors. The Board of Directors is in charge of establishing the special committees' working procedures and regulating their operations.

Key Performance

As of the end of 2021, the Company's Board of Directors consisted of a total of **7** directors, including **3** independent directors and **2** female directors

During the Reporting Period, the Company held a total of **8** meetings of the Board of Directors.

The Company has established the Strategy and Social Responsibility Committee under the Board of Directors to vertically complete the top-level ESG management design, implement the Group's annual ESG work aim for 2022, and horizontally promote ESG implementation to each functional department.

The Board of Supervisors is responsible for reviewing the Company's periodic reports, inspecting the Company's finances, supervising the conduct of the Company's directors and senior management, and guarding the Company's clean operation and compliant governance in accordance with applicable laws and regulations and the Articles of Association.

Key Performance

As of the end of 2021, the Board of Supervisors consisted of **3** supervisors (all of whom were female), including **2** shareholder representative supervisor and **1** employee representative supervisor

During the Reporting Period, the Company held a total of **9** meetings of the Board of Supervisors.



Investor Relations

The Company has always insisted on putting investor relations management in a prominent position, exploring and enriching innovative investor relations management models, enabling two-way and multiple information interactions with investors, achieving fairness, openness, and integrity, maximizing shareholders' value, and protecting investors' interests. In June 2021, the Company was transferred to the SZSE list. After the close of trading in September 2021, we were formally included in the FTSE Global Equity Index, further improving the shareholding structure and allowing more investors to gain a deeper understanding of the Company's core. The Company launched a shareholder feedback campaign on the first anniversary of its first public offering, which received positive comments.



▲ Activity poster of expressing gratitude for shareholders

Investor Communication

The Company values investor communication and follows the principle of "equality, initiative, and honesty," constantly innovating and enriching communication channels to provide investors with a more three-dimensional and comprehensive understanding of the Company's operations. The accomplishments of the Company in investor communication have been widely recognized by regulatory authorities as well as small and medium-sized investors, and have earned us a number of accolades.

With our investor relations activities, the Company won the "Investor Relations Gold Award of p5w.net (2021) - Innovation Award of Performance Presentation" and "Investor Relations Gold Award of p5w.net (2021) - Diligence Award of Performance Presentation", and was also awarded the "Best Investor Relations Case Award for Listed Companies in China" by the 13th Tianma Award for Investor Relations of Listed Companies in China. Chen Huixuan, Board Secretary of the Company, was awarded the 18th "New Fortune Gold Medal Board Best Director Secretary" and the "Best Director Secretary" of the 13th Tianma Award for Investor Relations of Listed Companies in China.



▲ Collective performance presentation for "Three Creations, Four Innovations"



▲ Performance presentation for the 2021 half-yearly report

Key Performance

During the Reporting Period, the Company held **6** large-scale investor exchange activities.

In April 2021, the Company held the annual performance exchange meeting for institutional investors via on-site event and live broadcast, with over **200** participants.

In May 2021, the Shenzhen Stock Exchange held a collective performance presentation for "Three Creations, Four Innovations" in the form of on-site event and live broadcast, which was watched by over **166,000** people.

In the same month, the Company held a live broadcast of the cloud research activity into the listed company via www.quanjing.com, allowing cameras to enter the Company's production workshop and live broadcast room, allowing more investors to understand the company from multiple perspectives, which was watched by over **60,000** people.

Over 60,000 investors learned about the Company;

In the same month, the Company also held a special ESG roadshow for 2020 via Shanghai TV and First Financial in the form of a recorded broadcast, which was watched by over **65,000** people across the network.

In August 2021, the Company held the Performance Presentation for the 2021 Half-Yearly Report via live broadcast during off-peak hours, which was watched by over **60,000** people across the network.

In October 2021, the Company held its third quarterly performance report exchange meeting via conference call with **180** participants.



## Information Disclosure

The Company highly values information disclosure and protects the legitimate right to know of investors, and continuously improves the quality and transparency of information disclosure in strict accordance with the "Administrative Measures for the Disclosure of Information of Listed Companies", the Company's "Information Disclosure Management System" and "Internal Reporting System of Material Information" and other applicable regulations to ensure the authenticity, accuracy, completeness, timeliness, and fairness of the disclosure. The Company has established an "Investor Zone" on its official website to publish periodic reports and CSR reports and provide video playback of the performance exchange meetings to provide investors with a comprehensive understanding of the Company's operations and a reference point for their investment decisions.

The Company made 132 announcements of various types in 2021 (excluding documents related to research record sheets), with no matters requiring correction or additional disclosure.

Key Performance

Winner Medical's first annual results presentation was selected as excellent case practice for listed companies in China. Its' first annual report was selected as an excellent case study for the GEM 2020 annual report, and its first CSR report was selected as an excellent case study for listed companies in China.

In addition, as of the end of the Reporting Period, Winner Medical has received a Wind ESG Rating A, indicating that third-party institutions had recognized the Company's ESG governance efforts.



▲ Excellent case practices of listed companies' 2020 annual results presentation

## Risk and Compliance

To deal with the risks and challenges that the Company's operations and business development face, Winner Medical actively manages compliance, establishes a solid risk control system, actively practices integrity, protects intellectual property rights, strictly controls all potential risks in its operations, and comprehensively improves its risk management capability.

### Risk Management

At the beginning of 2021, Winner Medical launched the construction project of a risk control system that was divided into three stages: risk diagnosis, special governance, and system development. As of December 2021, the first phase of comprehensive risk assessment and diagnosis was completed. The second phase of 9 risk management special projects, including 1 management improvement special project and 8 risk diagnosis special projects, was completed. The third phase of wind control system development and 5 modules (security compliance, procurement, information security, stores, and brand reputation) is in progress.

### Stage 1: Risk Diagnosis

- Initially complete the company's risk control organizational structure and operational processes, and establish the company's internal control management committee,
- Create systems including "Comprehensive Risk Management System", "Mechanism for Regular Reporting of Risk Information", "Mechanism for Emergency Handling of Sudden and Significant Risks", "Definition of Common and Significant Risk Events" and "Mechanism for Risk Accountability" to establish a normalized operation mechanism for risk management.

### Stage 2: Special Governance

- Since June 2021, Winner Medical has implemented 9 special projects in order to strengthen securities compliance, procurement, information security, stores, R&D, investment, human resources, brand reputation, and capital, as determined by management needs and urgency.
- Purcotton reported and prepared the first-level management system "Purcotton Crisis Management System (2021 Edition)" in July 2021.
- In June 2021, Purcotton invited a reputable public relations company to conduct crisis management system distribution training and crisis PR practical exercises.

### Stage 3: System Development

- Special risks in 9 aspects can be recognized, controlled, averted, and transformed by in-depth research on special risks, risk warning foundation construction, risk control mechanism construction, and risk control platform development.
- Following the completion of each special task, the "Golden Seed Program for Winner Risk Control" is launched, with risk managers leading follow-up training and learning through seminars, expert coaching, and practical training to cultivate risk management talents and build the Company's risk control team.



## Protection of Intellectual Property Rights

The Company places a high value on intellectual property rights protection and has developed regulations including "Measures for Intellectual property management". In addition, the Company has established reward and punishment mechanisms and organized regular training on intellectual property rights to ensure that employees are aware of the importance of intellectual property protection.

Simultaneously, the Company insists on enforcing trademark protection measures to prevent counterfeit items. The Company collects and monitors relevant infringement clues through the feedback collected by employees, reports from customers, information from external cooperation agencies, and the assistance of law enforcement departments. After all the clues are evaluated, the Company takes actions including giving letters of warning, complaints, litigation, and criminal crackdown, to combat the flow of counterfeit goods to the market and protect the Company's rights and interests.

## Combating Corruption and Promoting Integrity

Adhering to the concept of operating with integrity and incorruptible employment, the Company takes a responsible attitude towards consumers and society, strictly implements the responsibility of anti-corruption and promotion of integrity in all tasks, strengthens supervision and discipline accountability, and maintains a good business order.

### Key Performance

During the Reporting Period, the Company revised the "Management Measures for the Integrity Supervision of the Group", and formulated the "Management Measures for the Cash and Gifts of the Group", "Action Guidelines for the Anti-Discrimination of the Group" and "Action Guidelines for the Anti-Sexual Harassment of the Group" to eliminate any form of corruption and bribery, uphold a code of conduct of honesty and transparency in dealings with business partners, and create a compliant business environment for cooperation.

During the Reporting Period, 7 disciplinary instances, involving stores and sales departments, were examined and resolved by the Company, with a total loss of roughly RMB **60,000** recovered.



## Responsible Marketing

To avoid exaggerated and false publicity and ensure fair and lawful competition, the Company has developed the "Management Measures for Advertising and Publicity" and reviews all of the advertising and publicity from the perspectives of quality, branding, and compliance, strictly following the "Advertising Law", "Anti-Unfair Competition Law", and other relevant regulations.

## Strengthening Party Building

In August 2016, under the care and support of the higher-level Party Committee, the Company established the Winner Medical Party branch. With the development and growth of the Party branch, in October 2017, the Party Committee of Winner Industrial Park was established, and the labor union, women's federation, league committee, and other labor, youth, and women's organizations were established one after another under the party organization. The Company keeps up with the Party Central Committee's speed, insists on following the Party, insists on keeping the homeland in mind, actively supports the practical spirit of Winner Medical employees who dare to think, take actions, and take responsibilities, and gradually promotes various party-building activities.

### Promoting the Study of Party History

The Company's Party organization has been promoting the theme of Party history learning and education events around the theme of "Celebrating the 100th Anniversary of the Founding of the Communist Party of China."

#### Key Performance

During the Reporting Period, the Company's Party Committee carried out **2** online quizzes on Party history.

**3** Party lectures delivered by the Party Secretary

**6** online Party history sharing and exchange sessions



**6** online movies watched to learn the Party history

**1** offline red movie event

**1** visit to the Party History Red Education Base

### Strengthening the Management of Party Members

The Company's Party organization promotes the development and management of Party members in strict accordance with the "Constitution of the Communist Party of China" and relevant regulations, including actively developing and training Party members, strictly educating and managing Party members, mobilizing and guiding mobile, pocket, and invisible Party members to reveal their identities and find organizations, and preventing Party members' organization relationships from "hanging empty".

#### Key Performance

During the Reporting Period, the Company's Party organizations received a total of **8** applications for Party membership

covering **5** middle and senior managers

**1** high-level talent

**1** person who participated in the development object training class

**2** reserve Party members

**3** regular Party members as scheduled

**18** Party members transferred in

**8** Party members transferred out



## Enriching the Organization Life

The Company's Party Committee places a high value on the personal development and organization life of Party members and encourages them to learn and improve their Party spirit through activities such as Party class learning and themed Party days, so that the Party's organization life is standardized.

#### Key Performance

During the Reporting Period, the Company carried out **3** Party classes and studies, held **3** Party conferences and **11** Party Committee meetings, conducted **1** organizational life meeting and **11** themed Party days (including **3** Party group building activities, **2** Party history competition quiz activities, **1** red movie viewing activity, **1** Party history education base learning activity, **2** group Party-building activities, and **2** traditional festival theme activities).

## Concern for Party Member Employees

#### Key Performance

During the Reporting Period, the Company's party organization donated money and supplies to the families of employees who suffered from floods in their hometowns.

During the Spring Festival in 2021, the Company's Party organization organized events to care for Party members and employees who remained in Shenzhen and distribute condolence gifts to them.





## Unity as the Basis - Empowering Employee Growth

The Company constantly focuses on people-oriented and harmonious progress culture, and it goes out of its way to operate positively and practically and solve tough issues for employees. At the same time, the Company encourages employees to grow and develop by providing a healthy, safe, and comfortable working environment and atmosphere.

Diverse Workplace	60
Employee Growth	62
Humanistic Care	72
Employee Safety	74

### Sustainable Development Goals



## Diverse Workplace

To protect employees' basic rights and interests, the Company implements the labor contract system and adheres to national and local laws and regulations on labor, wages, social insurance, and other aspects.

### Compliant Employment

The Company strictly enforces employment compliance, respects and protects all legal rights and interests of employees, and adheres to all applicable laws, regulations, and rules, including the "Labor Law of the People's Republic of China", the "Labor Contract Law of the People's Republic of China", and the "Employment Promotion Law of the People's Republic of China".

#### Employment management

The Company has established a number of employment management systems covering recruitment management, internal referral management, compensation insurance and benefits, performance assessment and vocational training to ensure scientific and rational employment management.

#### Fair employment

The Company strictly prohibits the use of child labor, resolutely resists all forms of forced and compulsory labor, and sets no restrictions on race, gender, religious belief in recruitment and employment, so as to ensure fair employment by law.

▲ Construction on the employment system

The Company attaches importance to the construction of a talent team resource pool, focuses on the introduction and training of highly skilled personnel, continuously optimizes the human resource structure to ensure that it matches the business strategy. In addition, the Company focuses on strengthening the youthful and diversified development of the talents to empower the overall development of the Company with a diversified spirit.

#### Targeted introduction of external talents

The Company pushes through diversified construction by introducing professional talents with various corporate backgrounds, various industry backgrounds, and various academic backgrounds, to promote the diversification of talent structure and sources.

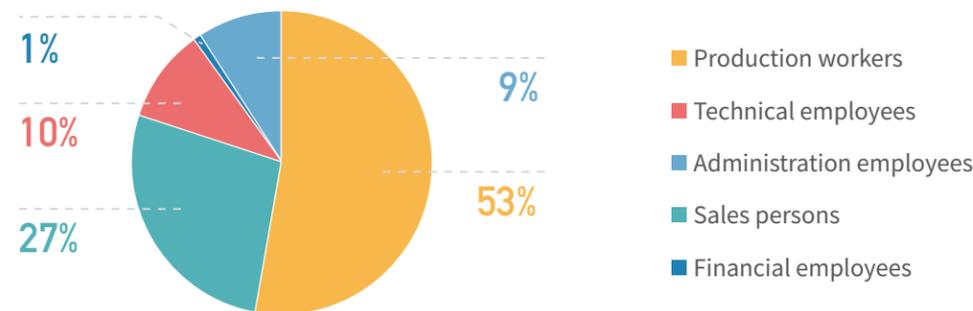


#### Stimulation of the potentials of female employees

The Company provides high-potential female employees with a smooth career growth path and equal career development opportunities, with full efforts to create a workplace environment that is more suitable for women's development.



▲ Construction features of Company's human resources



▲ Structure chart of employee's profession

## Digital Workplace

During the Reporting Period, the Company further accelerated the information construction of HR system, increased the integration function and application effectiveness of the EHR system, and solidified the integrated management system's smart upgrading achievement.

### Case Improving the EHR System to Enable Efficient Employee Management

Since the release of the HER system by Purcotton, the system has not only strongly promoted the innovation of management modes such as performance target management, talent team management and online life cycle management of employee information, but also facilitated employees' access to information, enabling both the management and employees to enjoy the convenience and high efficiency brought by information technology, and promoting efficient human resource management.



#### Middle platform

Reliable and burden-relieving  
Long-term operation  
mechanism and support  
capability



#### One-stop solutions

Common business support  
Standard process control  
Improved service efficiency  
and satisfaction

Features and  
contents of the  
EHR system



#### Data visualization

Intelligent information  
acquisition  
Real-time data update  
Information notification and  
analysis



#### Resource sharing

Resource sharing, team  
sharing, capability sharing,  
information sharing

## Remuneration Incentive

In accordance with the relevant national laws and regulations, the Company has set up targeted performance and salary incentive policies based on the functional positions and business categories, to create a fair, orderly and competitive salary system. In addition, the Company continuously improves the salary and welfare systems such as "Management System for Employee Performance", "Remuneration Management System" and "Remuneration Management System for Sales" to stimulate the motivation and potential of employees.

#### Value assessment

The Company has established a scientific and fair diversified value evaluation and labor compensation distribution system.

#### Performance-based pay

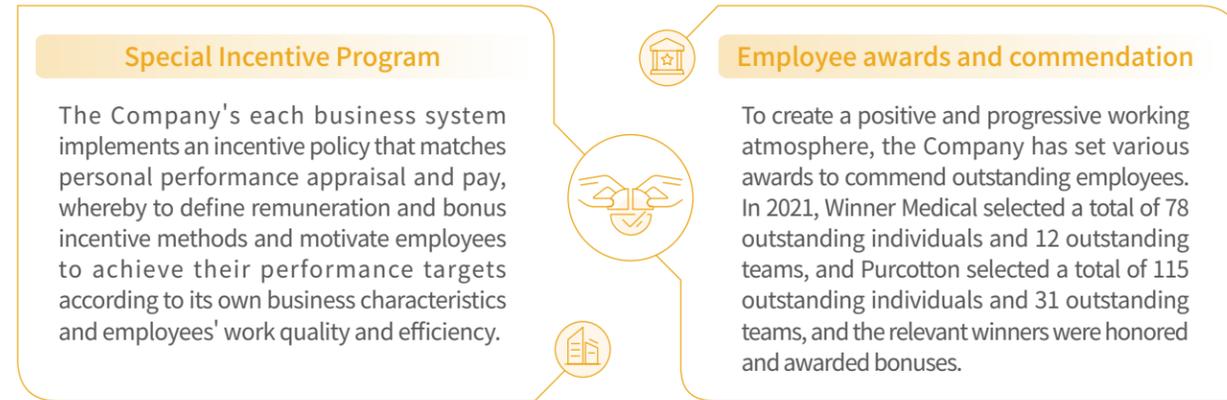
The Company implements a performance-based pay distribution mechanism to ensure that employees receive salaries that match their labor or job levels.

#### Insurance coverage

The Company continuously improves the employee benefit system to ensure employee benefits based on "five-insurance and housing fund" and additional commercial insurance.

▲ Remuneration and benefit guarantee system

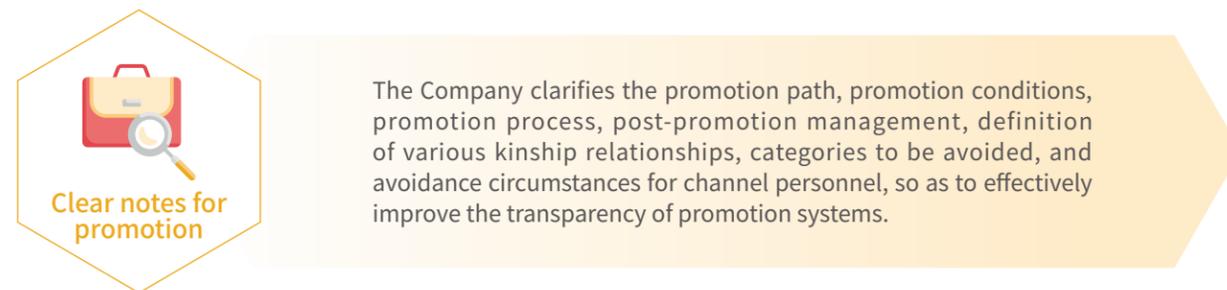
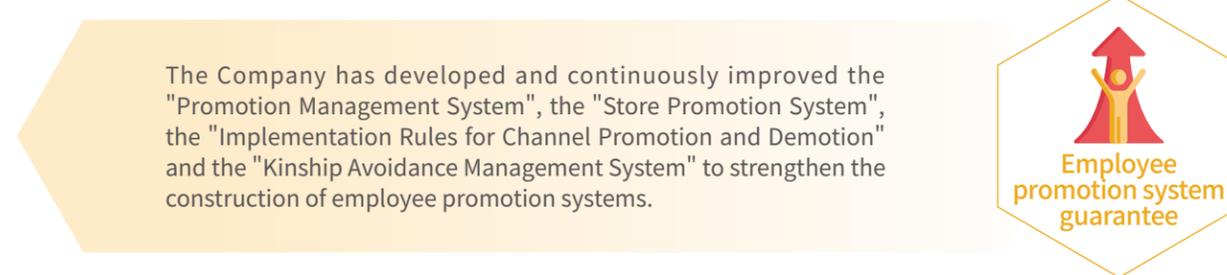
The Company is committed to providing a diversified remuneration incentive system based on the principle of "clear goals and result-orientation". To attract and retain excellent talents and keep the motivation of employees, the Company proposes diversified employee incentive policies such as short-time incentives and long-term incentives and rewards employees who have made outstanding contributions, to create a positive and enterprising Company cultural atmosphere.



▲ Typical scheme of employee incentive

## Employee Growth

In order to stimulate employees' enthusiasm for work and meet the demand of the Company's strategic development for talents and the need of employees' career development, the Company has formulated a relatively complete promotion system to ensure the rationality, objectivity and fairness of employee promotion. In addition, the Company has established an open and transparent career development path and training system for all employees, and improve career development channels to form a comprehensive talent development path.

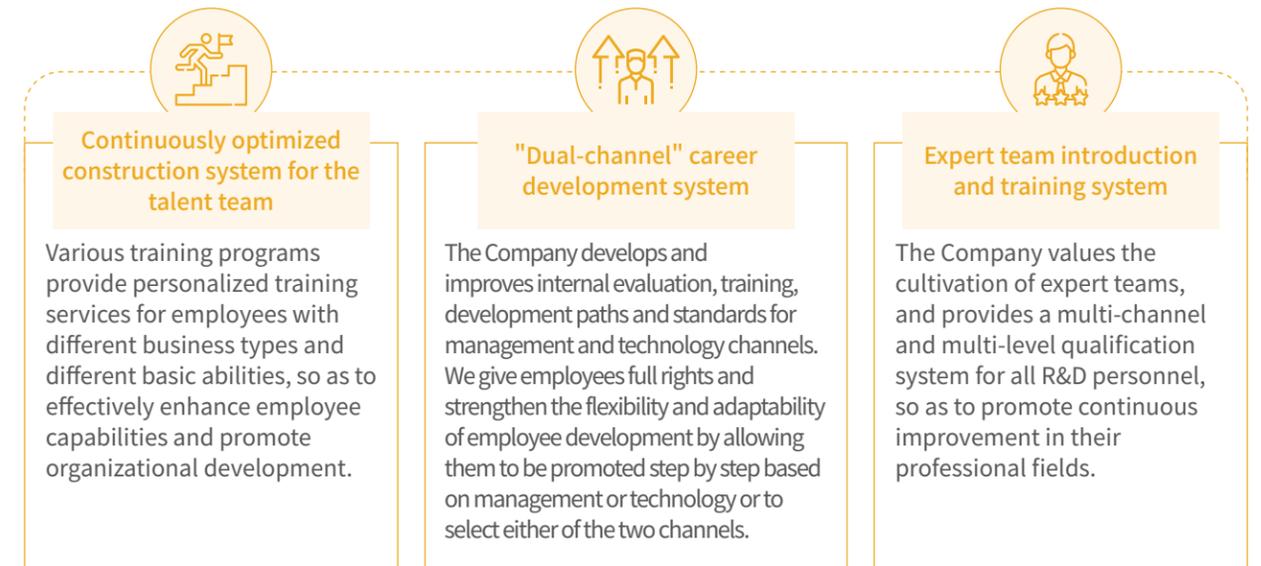


▲ Employee promotion system guarantee

## Career Development

The Company attaches importance to the development of talents, and empowers employees' career development with the "dual-channel" career development system, continuous optimization system of talent team, and introduction and cultivation system of expert team, to enhance talent attraction and retention, and realize multi-channel and all-round career development of employees. As the saying goes, "Running water is never stale and a door-hinge never gets worm-eaten." By opening up career development channels for employees and encouraging young talents and professionals to take core positions, more vitality will be injected into the Company.

### "Three systems" for career development



The Company has established a scientific, fair, transparent and open career promotion channel sequence, and continuously optimized the talent promotion channels to make the employees and the Company rapidly grow together. Meanwhile, the Company implemented the rotating CEO system, which plays an active role in business coordination and work driving and achieves remarkable results in core management training.

### Panorama of horizontal classification of Purcotton's position sequence



▲ Career promotion channel of Purcotton

The Company attaches importance to leadership building, and emphasizes the continuous improvement of management leadership ability. In order to further improve the leadership and competitiveness of the Company, and to make the management enhance their management quality and leadership ability, the Company carries out the manager evaluation and result application mechanism to empower leaders to keep growing.

Case

### Establishing a Scientific Mechanism to Empower Continuous Leadership Improvement

Based on the leadership model, the Company has established a set of scientific, reasonable manager evaluation standards and results application system. The establishment of the leadership model helps to clarify the criteria for managers, and form a set of open and transparent manager evaluation system. This system can be used in scenarios such as employee promotion, competitive recruitment, transfer evaluation, annual inventory, etc., and finally form human resource decisions for promotion and salary adjustment, leadership training and succession. The application of this system not only helps improve the Company's leadership ability, but also strengthens the fairness and transparency of HR-related decisions, and facilitates the efficient talent cultivation and career development.



Examples



▲ Leadership model-based manager evaluation and result application mechanism

## Employee Training

In order to continuously improve employees' professional knowledge, business level and comprehensive quality, and build an excellent corporate staff team, the Company is committed to building into a learning-oriented organization and enhancing its core competitiveness. During the Reporting Period, the Company carried out diversified trainings in an orderly manner and formulated a series of training systems to standardize training related works.

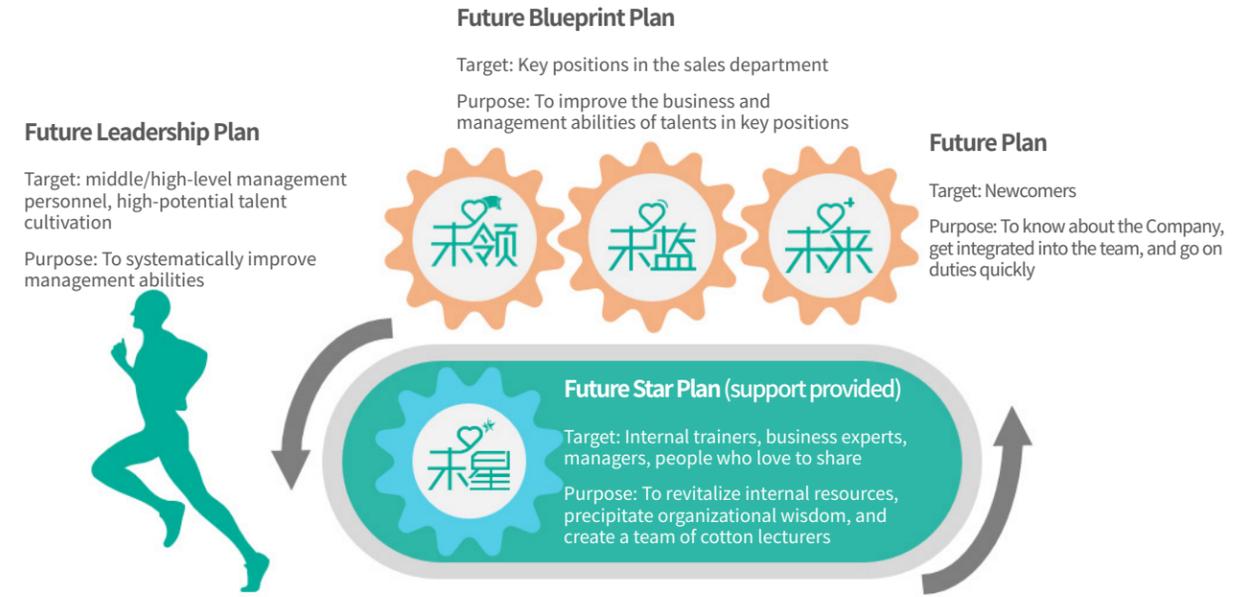
At the end of each year, the Company surveys and gathers the overall training needs for the following year, and forms a summary plan out of annual training plans from all operating units.

The Company collects training needs through interviews, training plan collection and questionnaires, and makes an annual training plan in line with its annual strategic objectives, business planning, and talent development planning.

The Company constantly enriches and improves training objects and training modes, and has currently covered new employee orientation training, professional skills training, management leadership training, etc.

▲ Training program formation model

During the Reporting Period, the Company implemented 4 major training programs and other trainings for employees in different business departments, positions, and career stages and with different training needs to empower their all-rounded growth.



▲ Study program design of the Training Management Center

Case

### Carrying out the "Future Leadership Plan" to Empower Management Upgrade

During the Reporting Period, Purcotton launched this year's "Future Leadership Plan" to cultivate future management leaders and strengthen the talent pool of leaders. This year's "Future Leadership Plan" focuses on enhancing strategic thinking and target performance management, enables managers to master effective management tools and methods, and further improves the overall management skills and capabilities of leaders. For middle management and grassroots managers, the Company conducted targeted training covering different courses to enable different managers to improve their specific abilities.

During the Reporting Period, the Company carried out 8 sessions of "Future Leadership Plan", with a total of 189 participants and 77 hours of training time.



▲ Purcotton conducted the "Future Leadership Plan" for 2021

Case **Implementing the "Future Blueprint Plan" to Strengthen Sales Training**

During the Reporting Period, Purcotton implemented the "Future Blueprint Plan" for key positions in the sales department, with the purpose of improving the business and management capabilities of personnel in key positions and enhancing their performance. For offline stores, e-commerce maternal and baby department, e-commerce clothing department, official mall, customer service center, major customer service, channels and other departments, the Company provides personalized training courses, which can not only effectively help sales staff to deepen their knowledge of the business, but also improve business effectiveness and strengthen performance results.

During the Reporting Period, the Company conducted a total of 69 sessions of "Future Blueprint Plan", with a total of 852 participants and 326.5 hours of training time.



▲ Purcotton implemented the "Future Blueprint Plan" for 2021

Case **Implementing the "Future Blueprint Plan" to Help New Employees**

During the Reporting Period, Purcotton continued to implement the "Future Plan" to help new employees recruited from both the society and campus quickly fit in the work environment, identify with the corporate culture, form a sense of collective belonging, and assimilate into their positions. The Company implemented the systematic "spring seedling training camp" and "new employees training camp", which cover a series of activities including military training, workshop practice, product introduction, workplace knowledge, and mentorship. In addition, for new employees who have joined the Company for a period of time, the Company has implemented the "Be Light and Powerful in Workplace" program to comprehensively improve the professionalism and build core competitiveness of employees with 0-5 years of service.

During the Reporting Period, the Company carried out 48 sessions of "Future Plan", with a total of 853 participants and 193 hours of training time.



▲ Figure: PurCotton implemented the "Future Plan" for 2021

Case **Conducting the "Future Star Plan" to Create a Team of Lecturers**

During the Reporting Period, Purcotton held the "Future Star Plan" for the new year to revitalize internal resources, precipitate organizational wisdom, and create a team of cotton lecturers. The "Future Star Plan" effectively improves the quality and quantity of internal lecturers, greatly contributing to the improvement of quality and efficiency. This plan also outputs lecturers and course teams for various training programs with professional knowledge and skills support.

During the Reporting Period, the Company has completed 7 sessions of training and certification for internal trainers, 128 internal trainers have been certified, 37 professional courses have been developed, and 60 certified internal trainers have been on board.

The Company carried out 9 sessions of "Future Star Plan", with a total of 132 participants and 49.5 hours of training time.



▲ Purcotton held the "Future Star Plan" for 2021

Key Performance

During the Reporting Period, the Company conducted 4 major training programs and other trainings, with a total of **3,119** participants

**774** training hours in total

**149** training sessions in total



In addition, the Company distributed the professional knowledge and skills toolkit to the entire company's personnel in the form of graphics such as "Cotton's Words for Workplace", which is given to the entire company every Wednesday by email and internal learning public account by the training center.

Case

## Launching the Employee Engagement Research and Measures to Encourage Staff Growth



In May 2021, the Company started an employee engagement survey to thoroughly collect employees' expectations and requests for the Company to listen to every employee's voice, help discover the most concerning issues at work, and locate improvement opportunities for the Company. When the engagement report was released, all Company workers placed a high value on it and convened meetings to particularly discuss the research findings and establish company-wide action plans. Each department's leader swiftly convened a departmental dedication research results dissemination meeting, thoroughly reviewed the report, and devised detailed improvement plans and action plans for critical areas.

- Collect Employees' Expectations and Requests and Focus on Management Optimization

In terms of employee management, the Company is committed to establishing an open, inclusive, and timely internal communication mechanism, establishing a bridge between managers and employees, forming a culture of "openness and sharing," cultivating management habits of listening to employees' needs, paying attention to their dynamics, providing feedback and guidance, and improving team synergy, creativity, and cohesion. Meanwhile, the Company may define the role of employees in their positions for the team and the Company's business strategy, the responsibilities they perform, the tasks they must accomplish, and the goals they must reach, through timely communication and feedback. In addition, the Company has implemented "one-to-one" communication between department managers and their direct reports, urging all managers to get out actively, listen to employees' voices, and collect their ideas and suggestions.

- Learn to Improve, Train to Empower

Creativity is the key driving point. To create a learning organization, we must rely on each member's spontaneous and active learning awareness. The Company encourages each team to exchange knowledge regularly, present projects and updates on key learning areas within the team, and leverage shared

knowledge and varied project experiences to motivate the team to grow better and faster. Meanwhile, the Company encourages each department head to take the initiative to develop a series of mentoring programs, pair experienced employees with new employees or build a communication platform, create an open sharing space, and construct an Individual Development Plan (IDP) that employees should follow to allow employees to test their learning methods.

- Care for Employees, Increase Their Happiness

The Company actively fosters a corporate culture of humanistic care and takes numerous steps to increase employee happiness. The Company has established 8 major employee clubs (reading club, fun running club, badminton club, basketball club, soccer club, table tennis club, tennis club, dancing club, and health club) with a total of 938 members, 26 activities, and 439 participants. The Company's development has garnered spectacular strength due to the robust development of its activities. In addition, the Company takes the initiative to provide various welfare packages during major festivals, as well as special induction packages for new employees just starting, conveying the warmth of the Company to employees in multiple dimensions and improving their sense of belonging and happiness.



▲ Basketball Club



▲ Tennis Club



▲ Reading Club

## Employee Communication

The Company is committed to providing barrier-free channels for inter-employee and inter-leader communication, and communication between employees and leaders, and has established an efficient communication system, to form a documented communication process, maximize employee satisfaction with the communication results, and ultimately improve employee satisfaction and loyalty. The greetings for New Year's Day and Lunar New Year from the Company's Chairman enable employees to clearly understand the ideas of the founder and the Company's development plan. Since 1999, the Company has output a total of 22 greeting speeches for Lunar New Year and 21 for New Year's Day.



Moreover, the Company highly values employee communication, and carries out various kinds of seminars and tea parties to listen to employees' opinions and understand their needs. After the communication with employees, the Company collects the meeting minutes and forms communication suggestions to improve the operation and governance effectiveness.



▲ The Company's strategic planning communication meeting



▲ The Company's collaborative operation communication meeting



▲ Chairman Li Jianquan shared the brand culture concept and entrepreneurial story

<p><b>培训提升</b></p> <p>1. 课程学习效果较差，无法辨别哪些是最新课；</p> <p>2. 全员类产品培训知识欠缺，建议增加更高层次的产品知识培训，培养更多精通全品类的讲师；</p> <p>3. 新产品的更新迭代较快，许多员工也渴望了解产品成本、设计、组成、市场销售等信息，希望商品培训的时候可以让其物、计划等部门也多参与学习，针对各部门进行职能差异化培训。</p>	<p>1. 会让相关培训同事跟进问题；</p> <p>2. 学习由点带面的课程结构宣传，吸引更多人员学习；</p> <p>3. 全员类、跨部门培训环境。</p>	<p>1. 课堂上所有课程的更新迭代；</p> <p>2. 学习由点带面的课程结构宣传，吸引更多人员学习；</p> <p>3. 全员类、跨部门培训环境。</p>	<p>郝磊</p> <p>11月30日</p>
<p><b>薪酬福利</b></p> <p>1. 薪酬人员流失率较高，建议完善薪酬人才培养体系，优化薪酬绩效方案（考核部分分为绩效产品、非绩效产品）；</p> <p>2. 管理人员与非管理人员薪酬结构失衡，致使薪酬倒挂，降低了员工晋升为管理岗位的积极性；</p> <p>3. 建议适当调整管理薪酬结构（可否与部门内部销售业绩挂钩？）</p>	<p>对于绩效产品销售业绩的贡献，考核方案需要保障对他们的激励性；</p> <p>但需明确产品销售的考核方案，薪酬调整机制。</p>	<p>1. 薪酬人才培养体系；</p> <p>2. 新一年的国内薪酬奖金方案评估。</p>	<p>刘红松</p> <p>12月31日</p>

▲ Minutes of employee communication meeting

# Humanistic Care

The Company always thinks highly of caring for employees' physical and mental health, actively organizes recreational and sports activities to promote staff communication, allows female employees to balance family and work, and cares for employees who need help, so that every "Winner person" can experience the Company's family-like warmth.

## Case Enhancing Cultural Inculcation and Caring for Physical and Mental Health

The Company attaches importance on cultural construction. It enhances employees' sense of identity, happiness, and pride, and cultivates employees' positive values and social responsibility through cultural publicity, knowledge activities and recreational and sports activities.

The Company organizes employee activities and has established employee activity groups such as the Badminton Association, Basketball Association, Dance Association, and Purcotton Running Team. A series of recreational and sports activities such as holiday events and Wutong Mountaineering Competition (which has been held for 15 consecutive years) are held regularly.



▲ Celebration of Lantern Festival



▲ 【请提供】



▲ Purcotton Staff Meeting 2021



▲ PureH2B upgraded the staff restaurant

### Key Performance

During the Reporting Period, to express care for employees, the Company donated a total of RMB **53,000** to Henan employees whose hometown suffered from floods, helping 18 employees in total.

helped **18** employees in total



## Case Purcotton Charity Association Delivers Warmth to Employees

Purcotton established the Charity Association to effectively help employees with difficulties due to major illnesses or accidents. Based on the principles of "special funds for special use, keeping expenditures within the limits of income, and providing appropriate assistance" and "fairness, justness, and openness", the Charity Association has established a special account for charity relief funds and regularly publicized the current accounts of charity relief funds. The Financial Management Center managed the income, expenditure and other archives of charity relief funds.

Since its operation in April 2020, Purcotton Charity Association has helped six families of employees in need to overcome difficulties. By the end of the Reporting Period, the total amount of assistance reached RMB 185,000.



▲ Purcotton Charity Association carried out assistance activities

## Case Distributing Welfare for the Mid-Autumn Festival

During the Reporting Period, to express care for employees, enhance the Group cohesion and employees' sense of belonging, and appreciate employees for their hard work, the Company, together with the Labor Union and the Party Committee, sent holiday gifts to all employees during the Mid-Autumn Festival, expressing the care and greetings from the organization.



▲ The Company sent holiday gifts to employees during the Mid-Autumn Festival



## Case Focusing on Cultural Communication and Establishing a Team of Company Culture Ambassadors

The Company has always placed a high value on cultural construction, which not only helps to provide strong cultural support and cultural traction for the cohesion of new forces of corporate culture construction, but also for the Company's innovative development. The Company's culture ambassador team was formed in November 2021, with members coming from various divisions and the initial batch of ambassadors totaling 43 persons.

The Company's culture ambassador team is rooted in and practices a strong culture, takes on the task of setting exceptional benchmarks, carries on organizational dynamics and voice, and grows with the team and the Company. Culture ambassadors are a crucial part of culture implementation since they lead and execute the process of culture business promotion and construction, as well as increasing organizational performance and responding to changes in the external environment.



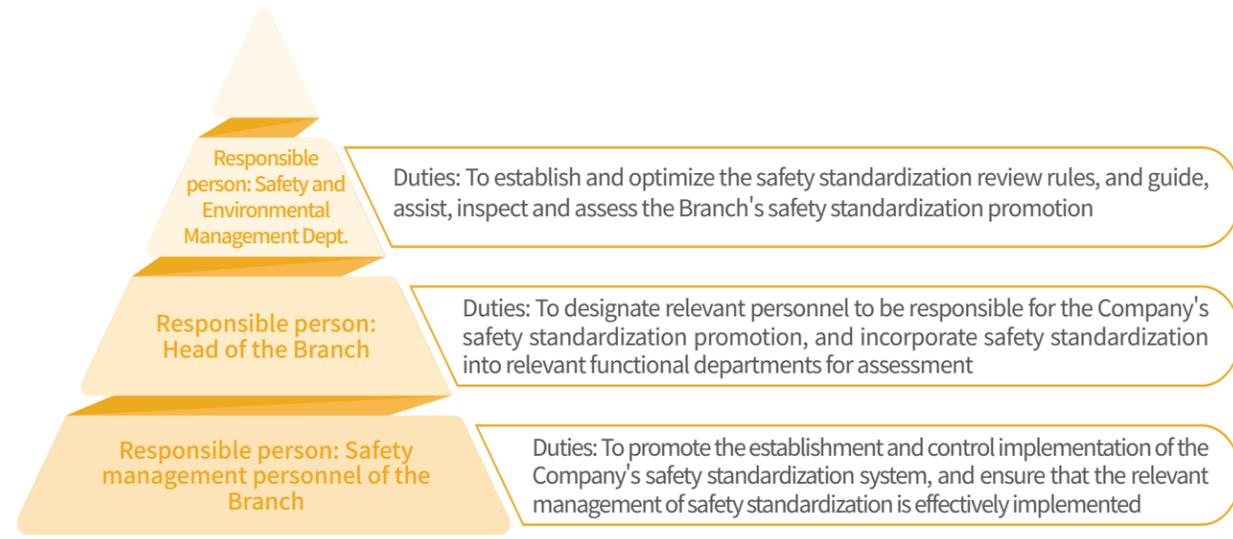
▲ The launch meeting of Purcotton corporate culture ambassador

# Employee Safety

The Company pays close attention to employees' occupational safety and health, and is committed to creating a safe and reliable working environment for them. According to the "Guideline of China Occupational Safety and Health Management System" (GB/T 33000-2016), the Company has formulated the "Safety Production Normalization Standards" to effectively strengthen safety production normalization and ensure that the production and operation comply with the relevant laws and regulations.

## Safety Management System

The Company has formulated the "Safety Production Normalization Standards" to form a long-term mechanism for safety production and reduce or prevent major safety accidents. At the same time, the Company implements the safety production responsibility system to clarify the responsible persons and their responsibilities, and continuously strengthens normalization of safety production.



▲ Safety production responsibility system

In accordance with the "Guideline of China Occupational Safety and Health Management System" (GB/T 33000-2016), the Company establishes relevant rules, regulations and control measures based on the eight evaluation elements and comprehensively formulates the safety normalization evaluation rules.



According to the laws and regulations such as "National Emergency Plan for Work Safety Accidents and Disasters" and "Administrative Measures on Emergency Plan for Production Safety Accidents" and for the emergencies that may occur in production and operation, the Company has released such systems as the "Management System for Emergency Plan", the "Management System for Emergency Supplies", and the "Development of Emergency Personnel Training Plan" to provide guarantee for emergency supplies and emergency personnel, organize drills on a regular basis, and improve emergency response capacity.



▲ Fire emergency drill

## Publicity of Safety Awareness

The Company is committed to constructing the safety culture, publicizing occupational safety knowledge and production safety regulations to all employees, in a bid to improve their safety awareness and safety capability. The Company regularly carries out the "Safety Production Month" every year. By enhancing publicity of safety awareness through the production of posters, banners and display boards, the Company effectively enhances employees' attention to safety production, strengthens their ability to identify and handle safety risks, and creates a favorable atmosphere for safety production.



▲ "Safety Production Month" promotion board



▲ "Safety Production Month" drill notice



▲ "Safety Production Month" signature



▲ "Safety Production Month" group photo

## Occupational Health Protection

In order to further implement the "Law of the People's Republic of China on the Prevention and Control of Occupational Diseases", the Company has formulated and continuously improved the systems including the "Management System for Occupational Health", the "Management System for Occupational Hygiene", the "Input Protection System for Safety Production", the "Protection System for Female Workers and Minor Workers", the "Management Measures for Labor Protection Products". By clarifying the responsibilities of each department, ensuring control on the occupational health and safety in workplaces, and eliminating the unfavorable factors of occupational health and safety, the Company provides a "safety umbrella" for employees' occupational health.



## Universal Benefit as the Morality - Protecting the Value of Life

The Company believes that "altruism" is the fundamental to the longevity of an enterprise, and always puts environmental protection, partnership, charity and community building in the key position, making contribution to the improvement of the environment, industry progress and social progress.

Environmental Management	78
Win-win Partnership	81
Public Welfare	83
Community Building	85

### Sustainable Development Goals



## Environmental Management

The Company has always practiced the concept of environmental protection by taking natural cotton as the raw material to reduce chemical fiber pollution, advocating green office to enable energy saving in daily behaviors, and creating green plants to achieve sustainable development.

### Empowering Green Cotton

Purcotton insists on using natural cotton as the main raw material of products. Over the past twelve years, Purcotton has sold a total of 31.5 billion sheets of cotton soft tissues, equivalent to saving 1.2 million trees of 20 years old; distributed non-woven shopping bags, equivalent to reducing the use of 11.92 million plastic bags; and sold pure cotton garments and bedding products, equivalent to reducing the pollution of over 31 million chemical fiber products.

By participating in the Shanghai Fashion Week activities, Purcotton integrates the fashion and beauty of cotton into the 2022 spring/summer series of new products, thus empowering green cotton. At the Shanghai Fashion Week, Purcotton narrated stories around the theme of migration and across the sea, mountains and wilderness. An enlightening sensory show is provided to the audience, conveying the environmental value and sustainable charm of cotton.

### Building Green Plants

During the Reporting Period, the Company vigorously promoted the construction of green plants and carried out a series of projects (including completed projects and projects under construction) in water reuse, photovoltaic power generation, balanced power grid and waste heat recovery. These projects are of great significance in controlling water pollution, developing green energy, improving energy utilization efficiency, saving energy, and reducing emissions.

Case

#### Launching Water Reuse Projects to Help Save Water and Reduce Water Pollution



##### Project 1: Phase I of Wuhan Winner Water Reuse Project (completed)

This project treated the low concentration wastewater discharged by Wuhan Winner to the wastewater treatment station, and reused it in the de-bleaching process to reduce the amount of fresh tap water. Meanwhile, the original de-bleaching process was improved to reduce the amount of water used in this process, lower the unit consumption of water used for products, and reduce the amount of wastewater discharged from the corresponding wastewater treatment station.

Phase II: Phase II of Wuhan Winner Water Reuse Project will be carried out to provide in-depth treatment and reuse of high concentration wastewater from sewage stations.

##### Project 2: Wastewater Treatment Station and Water Reuse System Design Project for Jiayu Winner Technology Industrial Park (under construction)

This project aims to build a modern green wastewater treatment station by renovating the water reuse system and the wastewater treatment station with a daily treatment capacity of 4,500 m<sup>3</sup> and an area of about 5,000 m<sup>2</sup> in the relocated plant of Jiayu Winner Technology Industrial Park. The new wastewater treatment station is expected to achieve up-to-standard discharge of wastewater and exhaust gas purification and compliant sludge disposal.

Case

#### Photovoltaic Power Generation for Green Electricity



##### Project 1: Phase II of Wuhan Winner Distributed Rooftop Photovoltaic Power Plant Project (under construction)

The project aims to use distributed rooftops for photovoltaic power generation, thus enabling green electricity. The project adopts the energy performance contracting mode, with a usable plant roof area of about 80,000 m<sup>2</sup> and an estimated installed capacity of 7.2 MWp. It is expected to enable annual power generation of about 6.15 million kWh and an increase in the use of green electricity from "0" to 27%.

##### Project 2: Distributed Rooftop Photovoltaic Power Plant Project for Jiayu Winner Technology Industrial Park (under construction)

The project has a usable plant roof area of about 89,435 m<sup>2</sup> and an estimated installed capacity of 8 MWp. It is expected to enable annual power generation of about 6.88 million kWh and an increase in the use of green electricity from "0" to 22%.

Case

#### Peak Load Shifting to Improve System Energy Utilization



##### Project: Centralized Refrigeration Station and Chilled Water Storage System Project for Jiayu Winner Technology Industrial Park (under construction)

The centralized refrigeration station for the new plant in Jiayu Winner Technology Industrial Park is located in the integrated station. It covers an area of about 1,000 m<sup>2</sup> and is used to supply cooling to the entire plant. The project adopts refrigeration units and chilled water storage system, and makes full use of the difference between peak and valley electricity prices to store cooling during valley hours and release cooling during peak hours. This not only reduces the energy use cost of the refrigeration system, but also balances the electricity load of the power grid.

The project is expected to transfer about 1.75 million kWh/year of non-valley electricity, saving RMB 1.29 million/year in electricity costs. The system will also support recovering waste heat from cooling water to provide hot water to workshops and using natural cold water sources for cooling during low cooling load periods, thus maximizing the energy utilization efficiency of the system.

Case

#### Waste Heat Recovery to Save Energy and Reduce Consumption

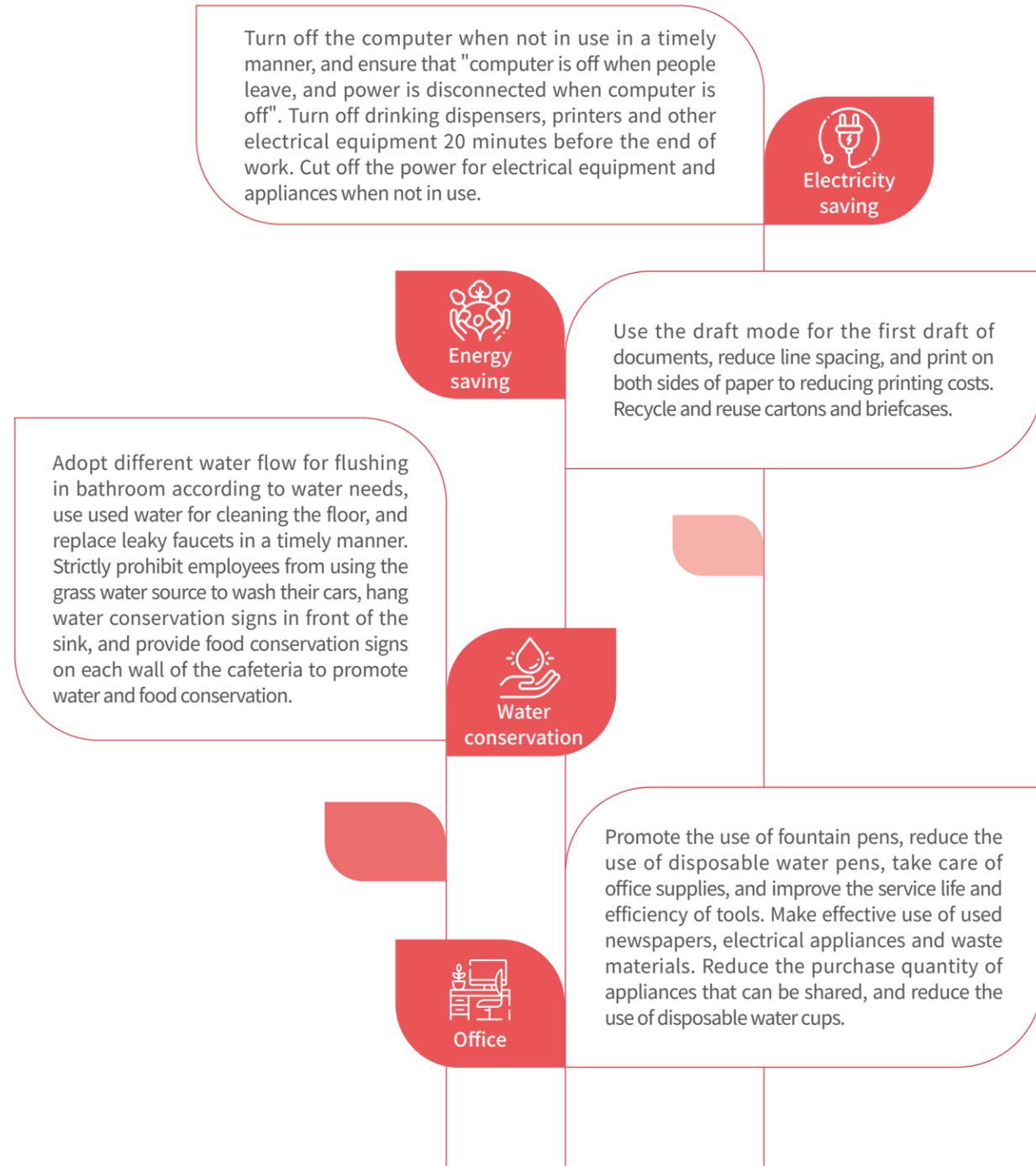


##### Projects: Steam Condensate Recovery, Waste Heat Recovery from Sewage, and Waste Heat Recovery from Air Compressor in Jiayu Winner Technology Industrial Park (under construction)

- 01 The steam condensate recovery project has recovered steam condensate and its waste heat from Jiayu Winner Technology Industrial Park to reduce energy consumption.
- 02 The project of waste heat recovery from sewage has recovered waste heat from the high temperature waste water discharged from the de-bleaching workshop, reducing the temperature of waste water and creating favorable conditions for subsequent biochemical treatment, while recovering waste heat and reducing energy consumption.
- 03 The project of waste heat recovery from air compressor has recycled the heat generated during the operation of the air compressors.

## Advocating Green Office

To cope with global climate change and respond to national policies, the Company vigorously promotes green office and has taken a series of initiatives and measures in electricity saving, energy saving, water saving and reducing the use of disposable items, contributing to improvement of the environment and resource saving.



▲ Green office measures

## Win-win Partnership

The company firmly believes that an open and win-win partnership is a booster for corporate development, and favorable supply chain management is also conducive to efficiency improvement. The Company actively explores supply chain management and distributor cooperation models to lay a solid foundation for achieving a win-win partnership.

### Supplier Management

In order to ensure supply stability, improve supply efficiency and achieve efficiency management, the Company explores an iterative supply chain management model and proactively seeks transformation in terms of supplier management and procurement management, to support the sustainable development.

#### Supplier Management

Based on the business development needs, the Company takes the initiative to match the supplier resources and seek a win-win partnership with them. The supplier cooperation strategies vary according to the procurement needs. For the strategic-level products and materials, the Company looks for the best resources at home and abroad, and establishes corresponding supplier access standards, performance assessment mechanisms and application of assessment results with suppliers, to synergize their respective positioning and advantages and maximize market competitiveness. During the Reporting Period, the Company carried out framework building and risk identification specifically for procurement business, with a bid to accelerate the realization of the three lines of defense for procurement business.

In 2021, the Company had 560 suppliers in the production category, with 80 introduced and 24 eliminated, and conducted a total of 560 on-site audits and exchanges. The Company conducts performance assessment on suppliers on a quarterly basis. For suppliers whose performance scores do not meet the requirements, the Company requires them to submit rectification reports, follows up on the implementation of rectification measures, and regularly reviews the structure of supplier resources to ensure the healthy and synergistic development of resources.

According to the business development needs, the Company will continue to iterate supplier resources, improve hierarchical supplier management and adopt different supplier cooperation strategies to efficiently support the business development. For the strategic-level products and materials, the supply chain seeks the best resources at home and abroad, and establishes in-depth cooperation with suppliers, and cooperates deeply in terms of technological innovation, industrial chain synergy and order planning synergy. For general products and materials, the Company optimizes the supplier access criteria, performance assessment mechanism and application of assessment results, and cooperates with multi-level suppliers to maximize market competitiveness.

#### Key Performance

During the Reporting Period, the Company's core products achieved a sales growth of more than **30%** through in-depth cooperation with strategic suppliers, making contributions to the Company's operating performance.



The Company requires medical qualifications for manufacturers of medical-related products. Suppliers which fall into the medical category must obtain the corresponding qualification certificates, including medical production license, medical production registration certificate, ISO13485, TUV or CE certification, etc. Suppliers which fall into the ancillary category are required to be ISO9001 and ISO14001 certified.

## Procurement Management

According to the development and strategic needs of the Company, the Centralized Procurement Management Department was established in September 2021, to manage the procurement of strategic-level products and materials and marketing services of the Group. The Company classified the products and marketing services hierarchically, and developed different procurement strategies and procurement processes, to reduce risks and improve effectiveness in terms of procurement costs, business efficiency, and transparent procurement based on the planning and synergy of supply resources. During the Reporting Period, the Company carried out special counseling on framework building and risk identification specifically for procurement business, with a bid to accelerate the realization of the three lines of defense for procurement business.

### Key Performance

By the end of the Reporting Period, the procurement cost of key materials was reduced by more than **5%** through centralized procurement, relieving the cost pressure caused by the significant increase in various materials.



## Training for Dealers

To ensure the normal operation of sales and strive to achieve win-win partnerships, Winner Medical conducts online and offline training for dealers.

Item	Sessions	Number of Participants	Number of Dealers
Online training	9	500	6
Offline training	12	763	299
Total	21	1,263	305

▲ Statistics of dealer training in 2021



▲ Annual dealer meeting

## Public Welfare

The Company actively organizes and participates in public welfare activities, including flood relief in Henan, material donation to poverty-stricken students in Qinghai, support for fight against the pandemic in Xi'an, etc., to fulfill its corporate social responsibility and empower social progress and development.

### Case

### Purcotton Rushed to Support Henan and Donated Millions of Emergency Supplies

In July 2021, heavy rainfall occurred in north-central Henan, including Zhengzhou, Xinxiang, Kaifeng, Zhoukou, Jiaozuo, causing more than 13.66 million people affected by the disaster. The heavy rainfall had a serious impact on the lives of people in these areas, and there was a huge shortage of daily care products.

In order to support the relief work in Henan, Purcotton donated about RMB 18 million worth of women's and children's products such as cotton soft tissues, wet wipes, baby cotton diapers, and sanitary napkins to Henan Women's Federation and Henan Women and Children Development Foundation through the Shenzhen Women's Federation and Shenzhen Women and Children Development Foundation to play a part in the relief work.



▲ Purcotton joined hands with Shenzhen Women and Children Development Foundation to help Henan



▲ Purcotton volunteers carried relief supplies in Henan

### Case

### Purcotton Supported the "Weaving Action" to Send Warmth to Poverty-stricken Students

To facilitate the healthy and sustainable development of China's textile industry and help poverty-stricken students grow up healthily, Purcotton, upon invitation, went to Qinghai Lake in June 2021 to participate in the "2021 China Textile and Garment Cooperative Development Forum" initiated by the China Textile Information Center, to discuss the future trend of the industry with experts from the domestic textile industry and business representatives.

The event also launched the "Weaving Action" public welfare project. As the co-sponsor of this action, Purcotton donated cotton knitting sets, classic cotton soft tissues, cotton wet wipes and other cotton products to poverty-stricken students. The donated materials were sent to the Education Bureau of Guoluo Prefecture in Qinghai Province, the Education Bureau of Mado County in Guoluo Prefecture, the Qinghai Provincial Special School and other six educational units, to provide assistance for more than a thousand students.



▲ Purcotton supported the "Weaving Action" to send warmth to Qinghai students



▲ Purcotton interacted with students in Qinghai

**Case Purcotton Carried Out the "March 8 Care Action" to Pay Tribute to Women Workers**

In order to create a better social culture of "caring for women", during the International Women's Day in 2021, Purcotton, together with Shenzhen Women and Children Development Foundation, carried out a March 8 campaign themed by "Caring for Women, Making Their Youth Bloom" for women workers fighting COVID-19 and women in difficulty in the community. By donating household goods, nutriment and condolence supplies, Purcotton delivered holiday greetings and good wishes to them.

Under the unified organization of Shenzhen Women and Children Development Foundation, Purcotton presented cotton gift packs to each of the female workers contributing to the combat against COVID-19. The gift pack contains masks, sanitary napkins, cotton soft tissues and other feminine care products, as well as socks, gauze square towels, alcohol cotton pads and other daily necessities. During the campaign, Shenzhen Women and Children Development Foundation issued a certificate of love for Purcotton.



▲ Donation ceremony of Purcotton Women's Day activity for caring for women in need



▲ Shenzhen Women and Children Development Foundation awarded a certificate of good-hearted enterprise to Purcotton

**Case Winner Medical Donated Customized Masks and Supplies for Physician Day to 200 Hospitals Nationwide to Support Medical Work**

Winner Medical and Purcotton jointly launched the "Paying Tribute to Chinese Doctors" public welfare activity on August 19 Physician Day, and promised to donate one more set of supplies to the frontline hospitals fighting COVID-19 for each additional praise. Through this campaign, the Company successfully sent 1,488 boxes of supplies to more than 200 hospitals nationwide.

Among them are rainstorm-stricken hospitals in Henan, including Henan Provincial People's Hospital, the First Affiliated Hospital of Zhengzhou University, and the Fifth Affiliated Hospital of Zhengzhou University, as well as many top 100 hospitals in China such as Wuhan Tongji Hospital and Wuhan Zhongnan Hospital.



▲ Poster for public service activities



**Contributing to the Fight Against COVID-19**

**Key Performance**

The Company's volunteer team donated **4** boxes of medical pads, **1** box of adult nursing pads, **3** boxes of sanitary wipes, and **2** boxes of medical surgical face masks to Shenzhen Yi Kang Rehabilitation; donated **10** boxes of sanitary wipes, **4** boxes of medical pads, and **1** box of adult nursing pads to Shenzhen Social Welfare Center; and organized the factory to produce masks and other pandemic prevention materials for **5** times. The Company's Party Committee donated **20** boxes of nursing hygiene wipes, **5** boxes of medical surgical masks, and **10** boxes of medical disposable protective clothing to Shenzhen Longhua Subdistrict.

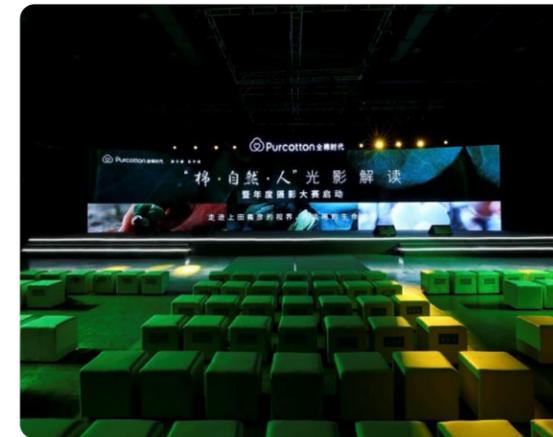
**Community Building**

Quality community activities not only help promote the Company's brand image, but also play a key role in regional development. During the Reporting Period, the Company actively organized and planned high-quality community activities to promote the healthy development of the community.

**Case Purcotton Worked with National Geographic to Discover the Value of "Cotton" Through Photography**

In April 2018, the light and shadow interpretation launch event themed by "Cotton, Nature and Mankind" was held in Shanghai. As the organizer, Purcotton joined hand with Japanese photographer Yoshihiko Ueda to unveil the first blockbuster taking "cotton" as the main character, in a bid to pay tribute to the great vitality of cotton.

At the event, Purcotton officially launched the annual photography contest jointly organized with National Geographic, to call on more people to discover the value of "cotton" through photography by continuing the theme of "Cotton, Nature and Mankind".



▲ "Cotton, Nature and Mankind" light and shadow interpretation and the launch of annual photography contest



▲ Purcotton founder Li Jianquan and Yoshihiko Ueda jointly unveiled the "Cotton, Nature and Mankind" blockbuster

**Case Purcotton and Baichuan Charity Foundation Launched the National Campus Lecture tour Themed by "Care for Youth - Support for Growth"**

In order to care for and protect the physical and mental health and development of adolescent girls aged 10-18, during the Reporting Period, Purcotton cooperated with Guangdong Baichuan Charity Foundation to launch public lecture tour in national primary and secondary schools. By bringing together the power of social care for primary and secondary school girls, we popularized the knowledge of physical health, answered the psychological doubts related to adolescence, to help young people grow up healthy.



▲ Public lecture in Shenzhen Donghu Middle School

# Future Prospect

In 2021, with capital as our "sail", Winner Medical will navigate the next three decades.

 In regards to environmental governance, following the national goals of "Carbon Peak and Carbon Neutrality", Winner Medical aims to achieve the goals 3 and 10 years ahead of the national time lines, respectively.

 In regards to social welfare, Winner Medical will broaden its public welfare coverage, especially giving more care on employees in need, women and children, and other disadvantaged groups, making our contribution on common prosperity of the communities.

 In regards to corporate governance, Winner Medical will continue to follow the guiding principles of "upholding Party leadership and keeping the Motherland in mind; adhering to 'three priorities'; sticking to altruism and customer thinking; striving for operational excellence with hard work; advancing with the times and forging ahead with innovation; and insisting on self-criticism." We are marching forward step with step in aspects of basic management, industrial development, and innovative research and development.

To embrace our new journey for next 30 years, Winner Medical will continue to stand with our motherland, walk with the times, be determined to follow “rejuvenating the country through industry and technology”, contribute to social prosperity and common wealth through corporate development, and empower the sustainable development of society with corporate responsibility.



# Index

CONTESTS		GRI Standards
About This Report		GRI 101 GRI 102
Message from Chairman		GRI 102
About Us		GRI 102
Responsibility Topic I: Sacred Duty - Safeguarding People's Health Anytime		GRI 102 GRI 201 GRI 416
Responsibility Topic II: Universal Benefit as aspiration - Focusing on Accessibility of Superior Products		GRI 102 GRI 302 GRI 416
Responsibility Topic III: Low Carbon - Leading the Way to Green Development		GRI 302 GRI 305
Professionalism as the Backbone - Consolidating Medical Fruits	Ingenious Products	GRI 102
	Excellent Quality	GRI 102 GRI 301 GRI 416
	Research on Innovative Technologies	GRI 203
	Customer Service	GRI 416 GRI 417
	Industry Advances Together	GRI 203
Stability as the Essence - Safeguarding the Development of Company	Company Strategy	GRI 102
	Corporate Governance	GRI 102 GRI 201
	Risk and Compliance	GRI 102 GRI 205 GRI 207
	Strengthening Party Building	-
Unity as the Basis - Empowering Employee Growth	Diverse Workplace	GRI 401 GRI 405
	Employee Growth	GRI 403 GRI 404
	Humanistic Care	GRI 401 GRI 403
	Employee Safety	GRI 403 GRI 410
Universal Benefit as the Morality - Protecting the Value of Life	Environmental Management	GRI 301 GRI 302 GRI 303 GRI 305 GRI 306
	Win-win Partnership	GRI 102 GRI 204 GRI 308 GRI 414
	Public Welfare	GRI 102
	Community Building	GRI 413
Future Prospect		GRI 102
Index		GRI 102
Feedback		--

# Feedback

Dear readers,

Thank you for reading the 2021 Annual Social Responsibility Report of Winner Medical Co., Ltd. In order to provide you and other stakeholders with more professional and valuable CSR information, please assist us in completing the questions in the feedback form so that we can further improve our social responsibility and sustainable development management. Please rate the following questions on a scale of 1 to 5 (1 being the lowest and 5 being the highest).

1. What's your overall evaluation of this report?

1    2    3    4    5

2. Does this report reflect the significant impact of Winner Medical on the economy?

1    2    3    4    5

3. Does this report reflect the significant impact of Winner Medical on the environment?

1    2    3    4    5

4. Does this report reflect the significant economic impact of Winner Medical on the society?

1    2    3    4    5

5. Does this report reflect the corporate governance of Winner Medical?

1    2    3    4    5

6. What's your overall evaluation of the extent of information disclosure in this report?

1    2    3    4    5

7. What's your overall evaluation of the quality of the written presentation in this report?

1    2    3    4    5

8. What's your overall evaluation of the design style of this report?

1    2    3    4    5

9. Which topics in this report have attracted your attention the most?

10. Do you have any other comments or suggestions about this report?

---

Your contact information:

Name:

Tel:

E-mail:

Company:

Job title:

Fax:

You may provide your feedback by contacting us in any of the following ways:

Address: 42F, Building 2, Huilong Business Center, Beizhan Community Workstation, Minzhi Subdistrict, Longhua District, Shenzhen

Tel.: 0755-28138888

E-mail: investor@winnermedical.com