



2023

Shenzhen New Industries Biomedical Engineering Co., Ltd.
Environmental, Social and Governance (ESG) Report 2023

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ABOUT THIS REPORT

Overview

This report is the third environmental, social, and governance (ESG) report issued by Shenzhen New Industries Biomedical Engineering Co., Ltd. According to the principles of objectivity, standardization, transparency, and comprehensiveness, this report discloses detailed information concerning the Company's practice and performance in the field of sustainable development in 2023, such as environment, society, and governance.

Scope of Reporting

This report is an annual report and covers relevant data from Jan. 1, 2023 to Dec. 31, 2023. As some of the data in this report involve continuity and comparability, some contents are appropriately extended or traced as needed. This report covers Shenzhen New Industries Biomedical Engineering Co., Ltd. and its subsidiaries.

Standards for Reporting

This report is mainly prepared with reference to the "Global Reporting Initiative (GRI) Standards" and the United Nations' "Guide for Business Action on the Sustainable Development Goals (SDGs)" to continuously improve the disclosure transparency of sustainable development reports and respond to the information needs of stakeholders.

Explanation

For better elaboration and understanding, "Shenzhen New Industries Biomedical Engineering Co., Ltd." is also referred to as "Snibe", "We", or "the Company" in this report. The monetary amounts in this report are measured in RMB unless otherwise specified.

Confirmation and Approval

This report was approved for release at the 13th Meeting of the 4th Board of Directors of the Company on Apr. 11, 2024. The Company and all members of the Board of Directors warrant that the contents disclosed in this report are true, accurate, and complete, and that there are no false records, misleading statements, or major omissions.

Access to the Report and Feedback

This report includes paper and electronic versions. You can read and download the electronic version of this report on Juchao Information Network (www.cninfo.com.cn), the designated information disclosure website of the Shenzhen Stock Exchange, or the official website of Snibe (www.snibe.com), and obtain more company information. If you have any questions or suggestions about this report, please send an email to Snibeinfo@snibe.cn or call +86-755-86540062. This report is prepared in Chinese. The English version is the translation of the Chinese version. If there is any ambiguity in the understanding of the English version, the Chinese version shall prevail.

MESSAGE FROM THE CHAIRMAN

The core values of protecting the ecological environment, fulfilling social responsibilities, and improving the governance level advocated by ESG are consistent with China's new development concepts of innovation, coordination, environmental friendliness, openness, and sharing, and are in line with the top-level strategic plan of promoting green development, improving people's well-being, and enhancing social governance.

As a national enterprise with the mission of "creating value for human health", Snibe actively fulfills its social responsibilities, practices ESG concepts, integrates them into its development strategies and day-to-day production and operation, and contributes to the high-quality economic and social development by regulating corporate governance, focusing on R&D and innovation, strictly controlling the quality of products and services, dedicating to talent introduction and cultivation, promoting green operation, and effectively preventing environmental, social, and governance risks in production and operation.

We continuously regulate corporate governance. In 2023, the Company amended several governance systems, consolidated the institutional foundation of standardized governance, carried out audits and inspections with solid efforts, and promoted anti-corruption compliance work. Therefore, our compliance management continued to improve. In order to protect the rights and interests of shareholders, especially small and medium shareholders, we attach importance to the quality of information disclosure and actively hold and participate in investor exchange activities in diverse ways to improve investors' understanding of the Company.

We insist on independent innovation and focus on in vitro diagnosis (IVD) specialties to refine and expand our products. After more than 20 years' efforts, we have built four technical platforms covering the R&D of nano-immunomagnetic microspheres, automatic diagnostic instruments, diagnostic reagents, and key reagent materials, empowering the Company to continuously improve its product matrix. Through continuous technological innovation and product development, the Company has continuously pushed the industry boundaries in the single-machine speed measurement of chemiluminescence immunoassay instruments and achieved revolutionary technological breakthroughs in the field of small molecule testing to create value for human health.

We strictly control the quality of products and services. On the long journey of serving people's health, Snibe is committed to leveraging science and technology and developing products for good and fulfilling its commitments in a pragmatic way. With the spirit of "Quality is our life", it strives to provide doctors with more accurate and reliable test results and continuously reduce patients' diagnosis and treatment costs to advance the Healthy China Initiative. In 2023, our reference measurement laboratory obtained the accreditation certificate issued by the China National Accreditation



Chairman: Rao Wei
Apr. 12, 2024

Service for Conformity Assessment (CNAS), which marked the Company's progress in the establishment of the reference measurement system, traceability of clinical testing values, and reliability assurance of results.

We grow together with our employees. We regard talents as the core resources of Snibe, and attract and reserve talents in all respects through equal employment to continuously bring fresh blood to the development of the Company. We have customized diversified training programs as well as promotion and development channels for employees, established a perfect salary and benefit system and incentive mechanism, provided a comfortable working environment, and taken various welfare and care measures to create a highly sticky environment for talents, with a commitment to empowering employees to achieve the success of the Company and growth of both the employees and the Company.

We promote green operation. We actively

respond to the United Nations' climate change initiative and China's carbon peaking and carbon neutrality goals and integrate the green concepts into the Company's production and R&D. We continuously improve energy efficiency through technology, equipment, methods, etc. to maximize energy efficiency, and adopt various measures to optimize material management and improve resource efficiency. In 2023, the Company saved 19,397-cubic-meter water resources by reusing reject water.

We fulfill social responsibility. With the original intention of "developing an excellent national brand and making medical examinations more affordable for the public", Snibe has made practical contributions to the development of medical research, the prevention and treatment of chronic diseases for all, the popularization of education support, and other aspects. In 2023, we kicked off several multi-center research projects in cooperation with many clinical units in China, participated in the formulation of several industry standards and group standards, held hundreds of seminars at home and abroad, and set up an industry exchange platform to promote the popularization of laboratory medicine expertise and boost the development of the industry.

Looking back on 2023, as a responsible company, Snibe actively fulfilled its social responsibilities and implemented the ESG concepts. Our MSCI ESG rating was raised from B to BBB. In this report, we will introduce the ESG activities and achievements of Snibe in depth, and show how we integrate the three major factors of environment, society, and governance into the company management. In the future, we will continue to dedicate ourselves to the sustainable development strategy and promote ESG management together with our partners through innovation and cooperation to contribute to global medical and health development!

ABOUT SNIBE

Company Introduction

Since its founding in 1995, Snibe has focused on the field of IVD and developed itself into a national high-tech enterprise specializing in the R&D, production, sales, and services of IVD products. Since its inception, the Company has dedicated itself to the mission of "customer-centric, market-oriented, creating value for human health through continuous innovation" to provide customers with better IVD products and services.

By now, the Company has established four technical platforms covering the R&D of nano-magnetic microspheres, key reagent materials, automatic diagnostic instruments, and diagnostic reagents. Regarding the leading immunodiagnostic product line, the Company has sold 10 fully-auto chemiluminescence immunoassay analyzers and 199 supporting reagents to the global market, including 188 chemiluminescence reagents that have obtained EU marketing authorization and 7 chemiluminescence reagents that have obtained FDA licenses. In the domestic market, the Company has obtained domestic medical device registration certificates for 172 chemiluminescence reagents and 61 biochemical reagents.

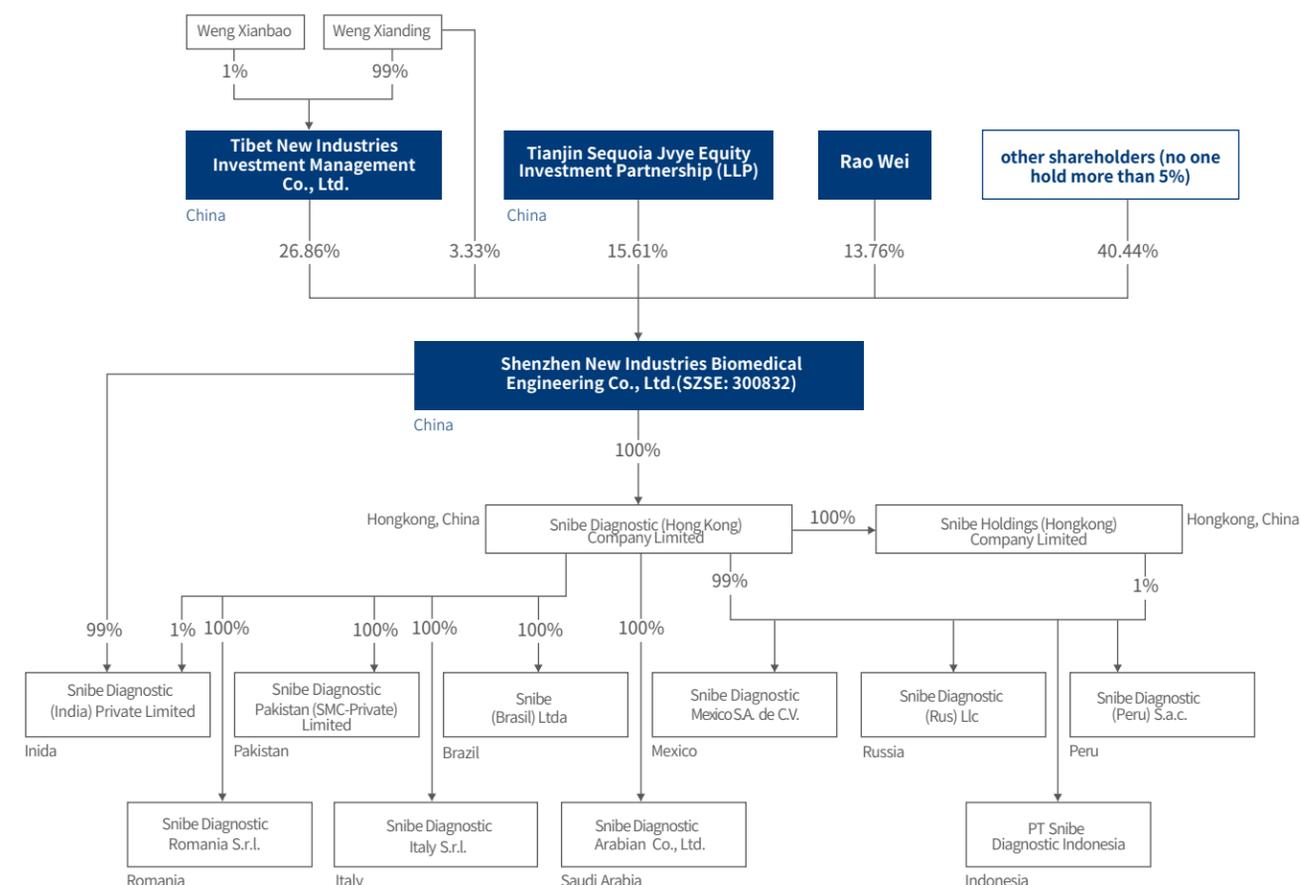
After 28 years of profound development, technology iteration, and customer accumulation, the Company's products have broken the monopoly and technology blockade of overseas giants on China's IVD market, and Snibe has become a leader in China's IVD field and is evolving into a pioneer in the global IVD field. By the end of 2023, the Company's products were sold to 152 overseas countries and regions. To promote the expansion to overseas markets, the Company has gradually subdivided overseas markets, implemented regional management mode, and developed localized operation strategies on overseas markets to stimulate overseas business. By now, the Company has established 10 overseas subsidiaries.

Corporate Culture

Mission	Core values	Vision	Spirit
Customer-centric, market-oriented, creating value for human health through continuous innovation	Assume responsibility bravely Enjoy challenge persistently Pursue excellence passionately	To be a leader in China's IVD field To be a pioneer in the global IVD field	Quality is our life

Company's Ownership Structure

The actual controller of Snibe is Weng Xianding, whose direct shareholding ratio is 3.18% and shareholding ratio through Tibet New Industries Investment Management Co., Ltd. is 26.88%, totaling 30.06%. The second largest shareholder is Rao Wei, the general manager of the Company, with a shareholding ratio of 13.77%. The third largest shareholder is Tianjin Sequoia Jvye Equity Investment Partnership (Limited Partnership), with a shareholding ratio of 12.62%. Up to now, the Company has 10 overseas subsidiaries.



Shareholding structure chart

SNIBE IN 2023 | Milestones

Jan. 2023

An industrial park is under construction to improve production capacity

Snibe broke ground on its R&D and production base (Phase IV), laying a foundation for the Company's long-term development and capacity improvement in the future.



Feb. 2023

Snibe was approved to set up the Shenzhen Postdoctoral Innovation Practice Base

The Company was approved by the Human Resources and Social Security Bureau of Shenzhen Municipality to set up the Shenzhen Postdoctoral Innovation Practice Base, which is an important measure for the Company to accelerate the cultivation of urgently-needed advanced talents and stimulate the improvement of independent R&D and innovation capability.



Mar. 2023

Biochemical immunoassay automation system was released at the National Congress of Laboratory Medicine

The 17th National Congress of Laboratory Medicine of the Chinese Medical Association was held in Changsha International Conference Center. Snibe released groundbreaking new products at the congress and held a product launch event.



May. 2023

The reference measurement laboratory officially obtained the accreditation certificate issued by CNAS

Snibe's reference measurement laboratory officially obtained the accreditation certificate issued by the China National Accreditation Service for Conformity Assessment (CNAS), which marked the Company's progress in the establishment of the reference measurement system, traceability of clinical testing values, and reliability assurance of results.



Jun. 2023

Snibe became a stakeholder member of the Joint Committee for Traceability in Laboratory Medicine

With the approval of the Executive Committee of the Joint Committee for Traceability in Laboratory Medicine (JCTLM), the Company has officially become a stakeholder member of JCTLM, which helps the Company to participate in JCTLM's affairs more deeply, enhance exchanges with domestic and international counterparts, and make more contributions to the international mutual recognition of laboratory medical test results.



Aug. 2023

The "International Symposium on Immunoassay-Laboratory Medicine" was organized by Snibe and held successfully

The "International Symposium on Immunoassay-Laboratory Medicine", organized by Snibe and co-organized by the International Federation of Clinical Chemistry and Laboratory Medicine (IFCC), the Asia-Pacific Federation for Clinical Biochemistry and Laboratory Medicine (APFCB), the European Federation of Clinical Chemistry and Laboratory Medicine (EFLM), and the Latin American Confederation of Clinical Biochemistry (COLABIOCLI), was successfully held at the Company's headquarter in Shenzhen.



Jan. 2023

Thyroid testing panel (five-item) was included in the industry standards of the National Health Commission

The National Health Commission of the People's Republic of China issued the recommended health industry standards titled "Reference Intervals for Common Clinical Biochemistry Tests - Part 10: Serum Triiodothyronine, Thyroxine, Free Triiodothyronine, Free Thyroxine, and Thyroid Stimulating Hormone". Snibe's thyroid testing panel (five-item) was included in the industry standards of the National Health Commission.



May. 2023

MSCI ESG rating was raised to BBB

The MSCI ESG rating of Snibe was raised to BBB, indicating that Snibe is in a leading position in the domestic medical device industry. The higher rating demonstrates the recognition of the Company's ESG achievements by rating agency Morgan Stanley Capital International (MSCI).



Oct. 2023

A project won the second prize of Shenzhen Technological Invention Award

The Company's project "Research and Development of an Enhanced Isoluminol Derivative with High Luminescence Intensity and Its Industrial Application in Chemiluminescence Detection Reagents" won the second prize of Shenzhen Technological Invention Award for its advanced nature, creativity, and remarkable technical advantages.

附件2 2023年度深圳市科学技术奖技术发明奖获奖名单

序号	项目名称	主要完成人	获奖单位
1	一种高灵敏度增强型发光试剂及其在化学发光检测试剂中的应用	陈 强 (深圳华新产业生物医学工程股份有限公司) 李 强 (深圳华新产业生物医学工程股份有限公司) 李 建 (深圳华新产业生物医学工程股份有限公司) 李 楠 (深圳华新产业生物医学工程股份有限公司)	深圳华新产业生物医学工程股份有限公司

Nov. 2023

The kick-off meeting of multi-center research was successfully held in Shenzhen

Organized by Shenzhen Hospital Association and co-organized by Snibe, the kick-off meeting of "Multi-Center Research to Establish a Reference Interval for High-Sensitivity Troponin I in Apparently Healthy People in China" was successfully held in Shenzhen, which marks the first step of the Company in the field of clinical application research of cardiac markers, and will also be a significant step for the Company to deepen industry-university-research-medical cooperation.



Dec. 2023

Snibe won the title of National Intellectual Property Demonstration Enterprise

The Company won the title of National Intellectual Property Demonstration Enterprise. This national honor is highly representative and authoritative, which not only recognizes the Company's continuous independent R&D and innovation, but also shows our further progress in the creation, application, management, and protection of intellectual property rights.

附件1
2023年新认定的国家知识产权示范企业名单

地区	序号	企业名称
深圳市	17	深圳华新产业生物医学工程股份有限公司

Key Performance

Economic performance

Business revenue

3,929.66 Million RMB

Net profit attributable to shareholders of listed companies

1,653.65 Million RMB

Earnings per share

2.1054 RMB/share

Corporate governance

Investor exchange
Over

350 activities

Information disclosure
assessment result

A

Proportion of employees
receiving anti-commercial
bribery training

100%

Proportion of employees
signing anti-commercial
bribery commitments

100%

Quality of products and services

R&D investment
amount

366.05 Million RMB

Cumulative number
of patents filed

523

Number of globally available
chemiluminescence
immunoreagents

199

Number of newly obtained
quality management system
certificates

1

Customer
satisfaction

100%

Total number of confirmed
complaints received related
to infringement of customer
privacy

0

Number of events
resulting in fines or
penalties for breach of
regulations

0

Number of recalled
products

0

Attraction and retention of talents

Number of
employees

2,627

Proportion of female
employees

35.06%

Proportion of females in
management

29.29%

Proportion of females in
senior management

66.67%

Proportion of employees
with bachelor degree or
above

70.38%

Proportion of employees
covered by year-end
performance appraisal

100%

Total training duration

164,366
hours

Social insurance
coverage

100%

Energy and resource management

Energy consumption
intensity

0.0071
tons of standard
coals/10,000 RMB

Carbon emission
intensity

0.0326
tons of CO₂
equivalent/10,000 RMB

Water intake intensity

0.5994
m³/10,000 RMB

Volume of reject water
recovered

19,397
m³

Honors and Recognitions

Image of honor and recognition	Title of honor and recognition	Issuing authority
	CNAS Accreditation Certificate	China National Accreditation Service for Conformity Assessment
	Stakeholder Member of the Joint Committee for Traceability in Laboratory Medicine	Executive Committee of the Joint Committee for Traceability in Laboratory Medicine
	WIPO-CNIPA Award of Excellence for Chinese Outstanding Patented Invention	China National Intellectual Property Administration
	The Second Prize of Shenzhen Technological Invention Award	Science, Technology, and Innovation Commission of Shenzhen Municipality
	National Intellectual Property Demonstration Enterprise	China National Intellectual Property Administration
	Shenzhen Postdoctoral Innovation Practice Base	Human Resources and Social Security Bureau of Shenzhen Municipality
	Vice Chairman Unit of Shenzhen Biomedical Industry-Education Alliance	Shenzhen Biomedical Industry-Education Alliance

Image of honor and recognition	Title of honor and recognition	Issuing authority
	National Workers' Pioneer	All-China Federation of Trade Unions
	Most Influential Employer 2024	Haitou.cc
	China's Best Employer in 2023 - Shenzhen's Best Employer	Zhaopin.com
	The Most Valuable Investment Award 2023	Cailianpress.com
	Excellent Case of In Vitro Diagnosis Industry in 2023 - Domestic Benchmarking Enterprise	The 2nd Hengqin Global Bay Areas Forum - Biomedicine-Themed Symposium
	The 1st China Reform Cup - ESG Golden Bull Award - Top 50 Technology Leaders	China Securities Journal
	YiMagazine Capital Market Value List 2023 - Rewarding Enterprise of the Year	YiMagazine

REGULATING CORPORATE GOVERNANCE

Important issues

- Corporate governance
- Investor Relations
- Compliance operations
- Anti-corruption
- Information security and privacy protection

SDGs



Corporate Governance

ESG Management

Compliance in Operation

Corporate Governance

Governance structure

The Company, in strict accordance with the "Company Law of the People's Republic of China", the "Securities Law of the People's Republic of China", the "Code of Corporate Governance for Listed Companies in China", the "Rules Governing the Listing of Shares on the ChiNext of Shenzhen Stock Exchange", and other relevant laws, regulations, normative documents, and relevant requirements of China Securities Regulatory Commission, and in consideration of the actual situations of the Company, has established a corporate governance structure consisting of a general meeting of shareholders, a board of directors, a board of supervisors, and a management team, and formulated and improved the "Articles of Association" and other internal control rules and working procedures to provide institutional guarantee for the standardized operation of the corporate governance structure.

In addition, the Board of Directors of the Company has set up four special committees: the Strategy Committee, the Nomination Committee, the Remuneration and Appraisal Committee, and the Audit Committee, and formulated corresponding working rules, which effectively ensured the standardized operation and sustainable development of the Company and formed a relatively scientific and standardized governance system. In 2023, the Company established an Anti-Bribery Compliance Leading Group with the general manager as the head of the team to enhance the compliance in company operation.

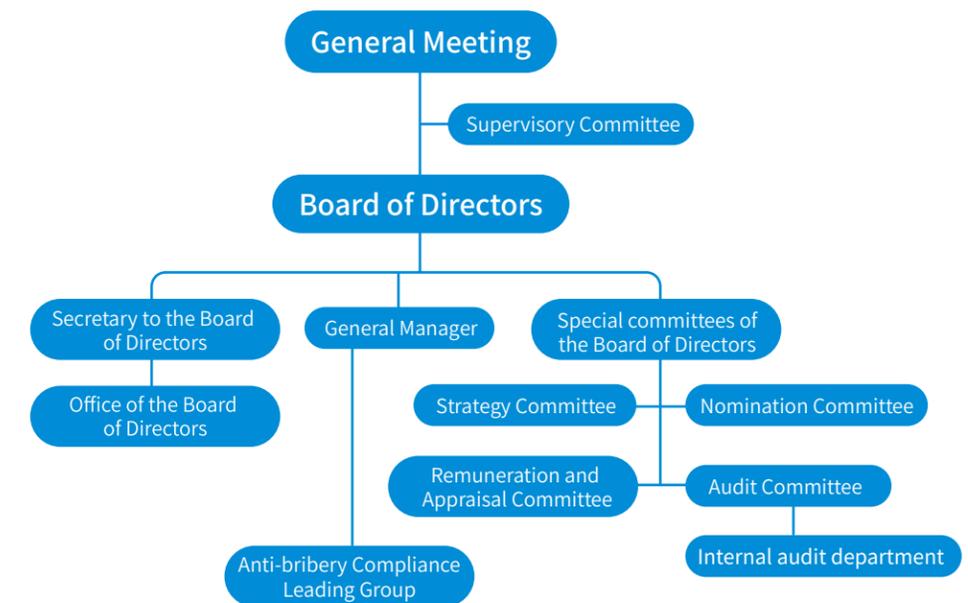


Figure - Corporate governance structure

Convening of three meetings

The Company convenes and holds shareholders' meetings in a standardized manner in strict accordance with the "Rules for the Shareholders' Meetings of Listed Companies", the "Articles of Association", the "Rules of Procedure for Shareholders' Meetings", and other regulations and requirements, adopts the combination of on-site voting and online voting, counts the votes of small and medium investors separately when considering major matters affecting the interests of small and medium investors, and discloses the voting results of small and medium investors in a timely manner to ensure that all shareholders, especially small and medium shareholders, enjoy equal status and that shareholders are able to fully exercise their rights.

The Board of Directors is responsible to the shareholders' meeting, and the Company convenes and holds the meeting of the Board of Directors in strict accordance with the relevant provisions of the "Articles of Association" and the "Rules of Procedure for the Board of Directors". Independent directors are independent of the actual controllers, controlling shareholders, and other related parties of the Company, and are able to make judgments and express opinions independently to effectively safeguard the interests of all shareholders, especially small and medium shareholders, and to ensure the standardized operation of the Company. The directors of the Company, through continuous study, familiarization, and mastery of relevant laws and regulations, fundamentally ensure that they are committed to safeguarding the best interests of the Company and all shareholders, and perform their duties in a faithful, honest, and diligent manner.

The Board of Supervisors, in strict accordance with the requirements of the "Articles of Association" and the "Rules of Procedure for the Board of Supervisors", conscientiously performs its duties to supervise the major issues, associated transactions, financial status, and the legitimacy and compliance of the directors and senior management of the Company in the performance of their duties, so as to effectively safeguard the rights and interests of shareholders, the Company's interests, and the legitimate rights and interests of its employees, and to supervise the Company's operation in compliance with the law.

Three meetings held by the Company in 2023 were counted as follows:



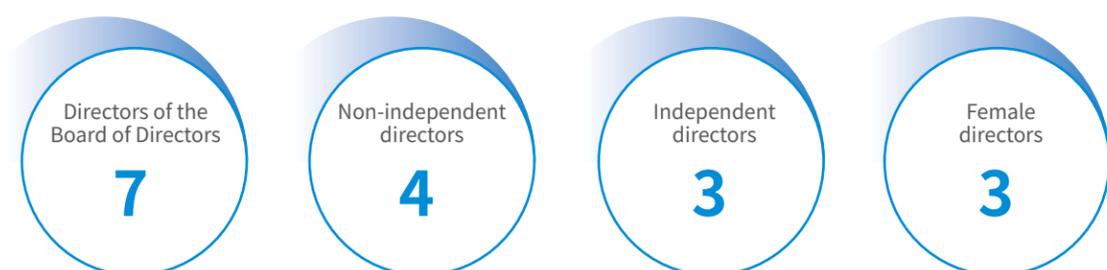
Diversification of the Board of Directors and executive team

The Board of Directors of Snibe consists of 7 directors, including 3 independent directors and 3 female directors. Members of the Board of Directors are highly experienced in fields such as biomedicine, financial audit, risk control, and law, respectively.

The executive team of Snibe consists of 6 executives, including 4 female executives. The executive team consists of professionals in biomedicine, finance, marketing, clinical testing, etc. With a wealth of management experience, the team is able to capitalize on market opportunities and put into action effectively. The general manager and other executives are appointed or dismissed by the Board of Directors. The general manager presides over the production and operation management of the Company, organizes the implementation of the resolutions of the Board of Directors, and reports to the Board of Directors.

The remuneration of directors and supervisors of Snibe is considered and approved by the shareholders' meeting. The remuneration and bonus of the Company's executives are directly linked to the Company's operating performance. The Remuneration and Assessment Committee of the Board of Directors is responsible for the performance assessment of the executives and the development of the remuneration plan, which is submitted to the Board of Directors for consideration and approval.

Composition of the Board of Directors and executive team



Basic information about the Board of Directors and executive team

Name	Position	Gender	Age	Expertise					Remuneration composition
				Industry experience	Risk management	Accounting	Law	Marketing	
Rao Wei	Chairman and general manager	Male	59	√					Basic salary + annual bonus
Weng Heming	Non-independent director	Male	26		√				Not on the Company's payroll
Rao Jie	Non-independent director	Female	35	√	√				Basic salary + annual bonus
Li Xu	Non-independent director	Male	48				√		Not on the Company's payroll
Wang Daina	Independent director	Female	60			√			Fixed allowance for independent directors
Zhang Qingwei	Independent director	Male	48				√		Fixed allowance for independent directors
Wu Qianhui	Independent director	Female	50		√				Fixed allowance for independent directors
Ding Chenliu	Deputy general manager, chief financial officer	Female	48			√			Basic salary + annual bonus
Li Tinghua	Deputy general manager	Female	46	√					Basic salary + annual bonus
Liu Haiyan	Deputy general manager	Female	44	√				√	Basic salary + annual bonus
Zhang Lei	Deputy general manager, secretary of the Board of Directors	Female	41		√		√		Basic salary + annual bonus
Yuan Jinyun	Deputy general manager	Male	37	√				√	Basic salary + annual bonus

Safeguarding shareholders' rights and interests

Information disclosure

Guided by investor needs and based on compliance, Snibe attaches great importance to information disclosure, discloses relevant information in a truthful, accurate, timely, fair, and complete manner in strict accordance with relevant laws and regulations, as well as the requirements of the "Articles of Association", the "Information Disclosure Management System", etc., and actively fulfills its information disclosure obligations, and the Company designates "China Securities Journal", "Securities Times", "Shanghai Securities News", and "Securities Daily" as information disclosure newspapers and Juchao Information Network (www.cninfo.com.cn) as the website for information disclosure, so as to ensure that the vast number of investors can obtain accurate information on an equal basis and in a timely manner. In 2023, Snibe issued 115 announcements, including 4 periodic reports and 111 temporary announcements.



In 2023, Snibe was again awarded the highest grade of "A (Excellent)" in the 2022–2023 annual information disclosure appraisal for listed companies on the Shenzhen Stock Exchange, reflecting a high level of recognition of Snibe's information disclosure by the regulatory authorities and the capital market.

Investor relations

Snibe attaches great importance to communication with investors and strictly follows relevant laws and regulations as well as the "Company's Investor Relations Management System". The chairman is responsible for leading investor relations management affairs, the secretary of the Board of Directors is the person in charge of investor relations management affairs, and the Office of the Board of Directors is the functional department of the Company's investor relations management to implement investor relations management. In addition, we continue to learn from excellent investor relations management experience, constantly try to carry out investor relations management in a more effective way, and ensure that all shareholders have equal access to information by opening up diverse communication channels and organizing investor visits and surveys.

In 2023, Snibe participated in the collective roadshow and exchange activities for listed companies in Shenzhen sponsored by Shenzhen Stock Exchange with the theme of "Innovation-Driven Wave-Breaking Journey" to actively address the concerns of investors. In addition, the Company was honored to be invited to participate in the "Understanding My Listed Company 'Here Come the Shareholders' - Entering Shenzhen Series Activities" sponsored by China Securities Investor Services Center and the Shenzhen Office of China Securities Regulatory Commission, so as to accurately convey the intrinsic value of the Company and increase investors' understanding of the Company's production, operation, etc., especially small and medium investors.

In 2023, the Company issued 11 record sheets of investor relations activities, and conducted or organized more than 350 regular report exchange meetings, reverse roadshows, broker strategy meetings, and one-to-one and one-to-many on-site/online exchanges of investors.



Collective exchange activities of listed companies on Shenzhen Stock Exchange



Understanding My Listed Company "Here Come the Shareholders" Activities

ESG Management

Communication with stakeholders

Snibe always values and maintains effective communication with stakeholders. We fully consider the impact of our own operations on all stakeholders, understand the opinions, suggestions, and expectations of stakeholders by establishing a regular communication mechanism with stakeholders, and actively respond to the concerns of stakeholders, which serve as the basis for the Company's fulfillment of its responsibility for sustainable development.

Stakeholder	Issue of concern	Form and manifestation of communication
Government and regulatory agencies	Management of greenhouse gas emissions Compliance in operation Product safety and quality Community commonweal	Comply with national laws and regulations Increase the use of clean energy Improve the compliance management system Strictly control the product quality Actively participate in government projects Respond to government policies Carry out charitable projects
Shareholders and investors	Corporate governance Compliance in operation Investor relations Product R&D and innovation Product safety and quality	Improve the corporate governance system Improve the compliance management system Enhance risk management and control Fulfill the obligation of information disclosure Increase efforts in R&D and innovation
Customers	Information security and privacy protection Product safety and quality Product R&D and innovation Responsible marketing Customer service quality	Enhance customer privacy management Strictly control the product quality Increase efforts in R&D and innovation Maintain compliance in marketing Strictly abide by business ethics Improve the service quality Conduct customer satisfaction survey
Suppliers and partners	Supply chain management Intellectual property protection Anti-corruption	Conduct internal audit to supervise the whole bidding process Strengthen supplier quality management Establish an anti-corruption system
Employees	Diversity and equal employment Occupational health and safety Employee rights and benefits Employee training and development	Establish an occupational health and safety management system Organize employee care activities Organize trade union activities Establish communication channels for employees Develop a transparent promotion policy Provide diverse training programs Improve the employee salary management and performance management system
Industry associations and professional organizations	Product R&D and innovation Industry development and cooperation	Actively carry out industry exchanges Provide practice and research bases Create cooperation programs and platforms
Community and media	Product safety and quality Community commonweal Hazardous emissions and wastes	Strictly control the product quality Strictly control waste discharges Carry out charitable activities
Non-governmental organizations	Hazardous emissions and wastes Management of greenhouse gas emissions	Strictly control waste discharges Increase the use of clean energy

Determination of important issues

This year, Snibe conducted an online questionnaire survey among internal and external stakeholders to understand stakeholders' thoughts on important issues and assess the importance of the issues. We updated the important issues of this year as the basis for the preparation of this report through the steps of issue identification, stakeholder survey, result analysis, issue ranking, etc.

Important issue identification steps

Stakeholder	Stakeholder survey	Results analysis and issue ranking
Issues related to the Company were identified and summarized in accordance with the GRI Standards and other international standards, SDGs, industry policy analysis, and peer benchmarking and in consideration of the Company's practice.	All stakeholders were invited to participate in the survey in the form of questionnaires to understand their key concerns. The survey objects cover all employees, customers, suppliers and partners, shareholders and analysts, media, industry associations, governmental organizations, non-governmental organizations, etc. A total of 518 valid internal and external stakeholder questionnaires were collected.	By comprehensively considering the results of peer benchmarking and stakeholder survey, the issues were ranked by importance from two dimensions: the importance to stakeholders and the importance to the development of the Company, and a final substantive issue matrix was formed.

In 2023, 10 important substantive issues were identified, namely: product safety and quality, product R&D and innovation, intellectual property protection, customer service quality, compliance in operation, information security and privacy protection, occupational health and safety, corporate governance, anti-corruption, as well as hazardous emissions and wastes.



Highly important issue	Highly important issue	Highly important issue
<ul style="list-style-type: none"> ① Product safety and quality ② Product R&D and innovation ③ Intellectual property protection ④ Customer service quality ⑤ Compliance in operation ⑥ Information security and privacy protection ⑦ Occupational health and safety ⑧ Corporate governance ⑨ Anti-corruption ⑩ Hazardous emissions and wastes 	<ul style="list-style-type: none"> ⑪ Employee rights and benefits ⑫ Responsible marketing ⑬ Supply chain management ⑭ Industry development and cooperation ⑮ Employee training and development ⑯ Investor relations ⑰ Diversity and equal employment 	<ul style="list-style-type: none"> ⑱ Resource saving ⑲ Energy management ⑳ Management of greenhouse gas emissions ㉑ Community commonweal ㉒ Eco-friendly administration

Compliance in Operation

Risk management and control

Snibe has established an audit and inspection system within the framework of the relevant national laws and regulations, the "Basic Standards for Internal Control of Enterprises" promulgated by the Ministry of Finance, and the "Guidelines for Internal Control of Listed Companies" issued by Shenzhen Stock Exchange, and formulated an "Internal Audit Management System" based on the Company's values and corporate culture to guide audits and inspections.

Audit and inspection

The Company has established an Internal Audit Department, which is responsible for formulating and updating internal management systems such as internal auditing and risk monitoring, conducting comprehensive risk assessments on various business processes, and reporting to the Audit Committee of the Board of Directors of the Company on a regular basis. The Internal Audit Department of the Company, under the guidance of the Audit Committee of the Board of Directors, conducts routine audits and daily audits on a certain number of business departments and subsidiaries every year, forms audit reports and rectification proposals on the risk matters identified through the audits, assists audited departments or subsidiaries in improving their business systems and risk management processes, enhances the risk management capability of the departments, and effectively reduces the risks in the Company's operation.

The major special audits we completed in 2023 are listed below:

Name of audit item	Specific description
Audit of domestic accounts receivable management	During the reporting period, we conducted a special audit on the management of domestic accounts receivable, sorted out the credit risk level of distributors, prepared a list of customers at risk of defaulting on payments, and developed a handling plan through consultation with domestic marketing centers. Through training, system revision, regular audits, etc., we provided reference and guidance for domestic marketing centers on the management of accounts receivable to reduce the risk of bad debt losses.
Audit of mold management	During the reporting period, we, in conjunction with the Finance Department and the Asset Management Department, made an inventory of all molds stored at the suppliers, and sorted out the process of identifying mold assets, managing ledgers, and monitoring the service life of molds.

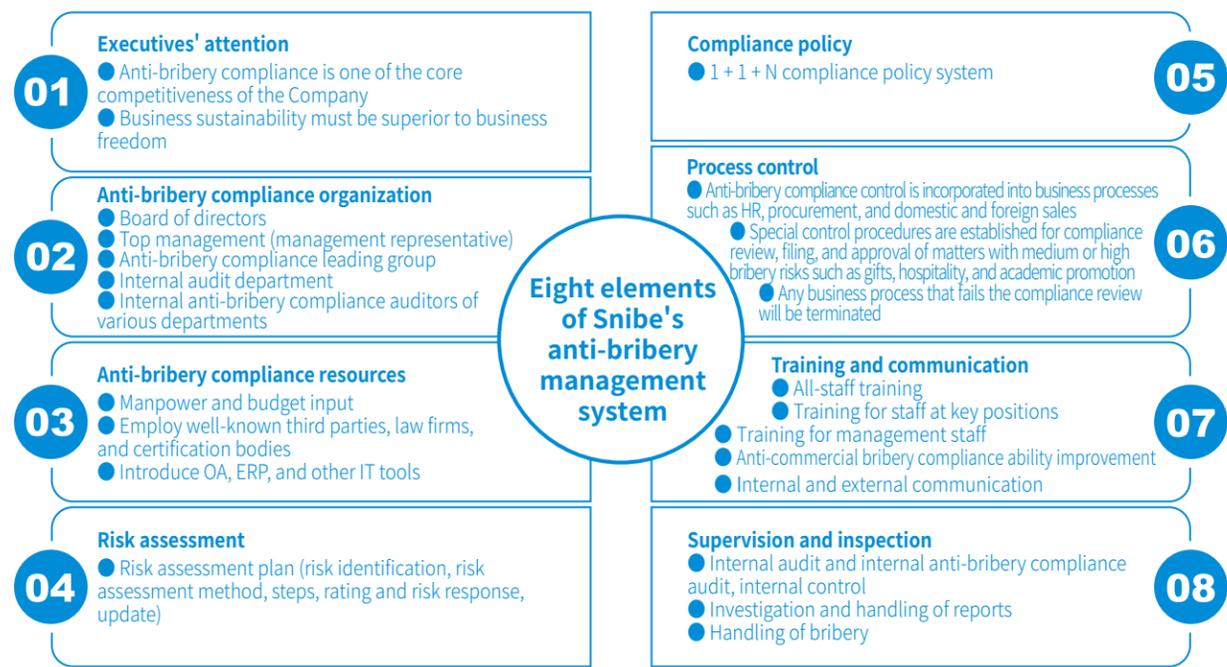
In 2023, we verified the industrial and commercial information of more than 3,000 new and old business partners such as distributors and suppliers to verify whether there were any abnormal risks in industrial and commercial registration information, business licenses, etc., and carried out on-site visits to nearly 200 business partners on a regular basis. During call interviews and on-site visits, we collected opinions from business partners and publicized the Company's anti-bribery system.

Probity and self-discipline

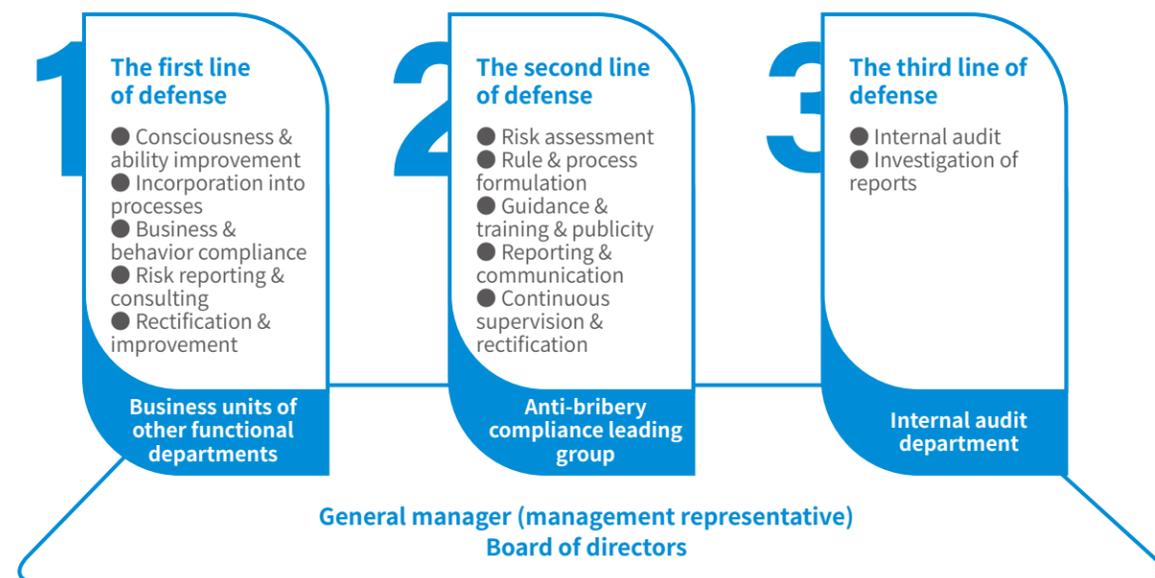
Snibe attaches great importance to compliance management and is committed to creating a corporate culture of fair competition, integrity, and probity.

Anti-bribery management system

Snibe always adheres to the management concept of compliance first and the development strategy of steady operation, improves market competitiveness with self-developed products, participates in market competition in a compliant way, and implements the compliance culture of fairness, integrity, and "Do things right". We hold a "zero tolerance" attitude towards any form of bribery, and strictly prohibit any form of bribery in public or private during the course of business. We have established a complete compliance system in accordance with ISO 37001: 2016 "Anti-Bribery Management Systems - Requirements with Guidance for Use", and continuously optimize the effectiveness of the system through continuous implementation, review, and improvement.



At the same time, we have set up an Anti-Bribery Compliance Leading Group, and formulated and implemented the "Anti-Bribery Compliance Management Handbook" as well as a series of compliance management norms and specific operational guidelines, so as to ensure the effective operation of the anti-bribery management system. Under the leadership of the Anti-Bribery Compliance Leading Group, three lines of defense for anti-bribery management have been formed.



Snibe's compliance policy system

Publicity and training

In order to enhance the anti-bribery compliance awareness and ability of all employees, we regularly conduct on-site anti-bribery compliance training for all employees, and provide special training to new employees, management, compliance team, personnel in important positions such as marketing, finance, procurement, and HR, as well as external business partners. We regularly provide employees with publicity of anti-bribery laws and regulations, cases, and the Company's anti-bribery policies through the Company's official website, internal mails, OA system, etc.

At the same time, we urge all our employees and our business partners to work with Snibe in rejecting bribery. We advocate that our business partners join hands with us to maintain sufficient anti-bribery compliance communication and sharing, to jointly build an honest, transparent, and incorruptible anti-bribery compliant environment, and to share the value created by compliant operation for the healthy operation and sustainable development of enterprises.

Since 2023, we have organized and held 8 anti-commercial bribery trainings, with a total training duration of approximately 3,000 hours, 100% of employees have received the anti-commercial bribery training, and 100% have signed anti-commercial bribery commitments.

Supervision and improvement

The Anti-Bribery Compliance Leading Group and the Anti-Bribery Compliance Team conduct continuous monitoring of the effectiveness of the design and implementation of the anti-bribery management system, and self-rectify the defects and deficiencies. At the same time, the Internal Audit Department will regularly conduct anti-bribery compliance audits according to the annual plan to identify system defects and deficiencies and urge the implementation of rectification.

For potential non-compliance identified through reported clues or audit findings, the Internal Audit Department will conduct investigations according to relevant procedures and requirements, and make suggestions on whether to take disciplinary measures based on the investigation results.

Reporting channels

- Official website of the Company: <https://www.snibe.com/> (Supervision and Reporting Module)
- Address: Internal Audit Department, Snibe Building, No. 23 Jinxiu East Road, Jinsha Community, Kengzi Street, Pingshan District, Shenzhen 518122
- Email: audit@snibe.cn
- Tel.: +86-755-26706462

In 2023, the Company was not punished by the regulatory authorities. Currently, the Company has obtained The ISO 37001 anti-bribery management system certification certificate issued by SGS.



Information security

Risk management and control

Snibe complies with relevant laws and regulations such as the "Data Security Law of the People's Republic of China", the "Cyber Security Law of the People's Republic of China", and the "Administrative Measures for the Graded Protection of Information Security". The Company has formulated a series of measures such as the "Information Security Management System" and the "Communication Security Management Specification" to standardize the information security management system and management process.

The Company attaches great importance to data security, and has set up a Cybersecurity Committee to make further efforts in the network information security and keep continuous improvement in our own risk management and control capabilities. In 2023, the Company passed the annual review of ISO 27001 Information Security Management System, and the remote service system SnibeLink passed the certification of "Level III of National Information Security Level Protection".

Information security management mode

Cybersecurity Committee	Executive entity	External entity
Executives and relevant responsible persons of the Company	IT Department	Suppliers, etc.

Information security control and preventive measures

In terms of information privacy management, Snibe applies technical means such as data loss prevention (DLP) system and ESM storage medium management module to secure data; it adopts access control and authentication for security auditing and monitoring; for the handling of emergency incidents, the Company has developed an information security management mechanism and emergency plan to clearly define the response mechanism and handling process and measures in case of emergency incidents.

In terms of daily management, Snibe actively carries out daily safety inspection and has passed the third-party evaluation; it performs in-depth inspection of the Company network to improve the accuracy in identifying external threats and enhance defense.

Information security management measures

Operational safety management	Physical security management	Access control management	Key security management	Information security incident management	Information system business continuity plan	Information asset management	Data security management	Communication security management	Supplier information security management
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REGULATING CORPORATE GOVERNANCE

Important issues

- Product safety and quality
- Product R&D and innovation
- Intellectual property rights protection
- Supply chain management
- Responsible marketing
- Customer service quality

SDGs

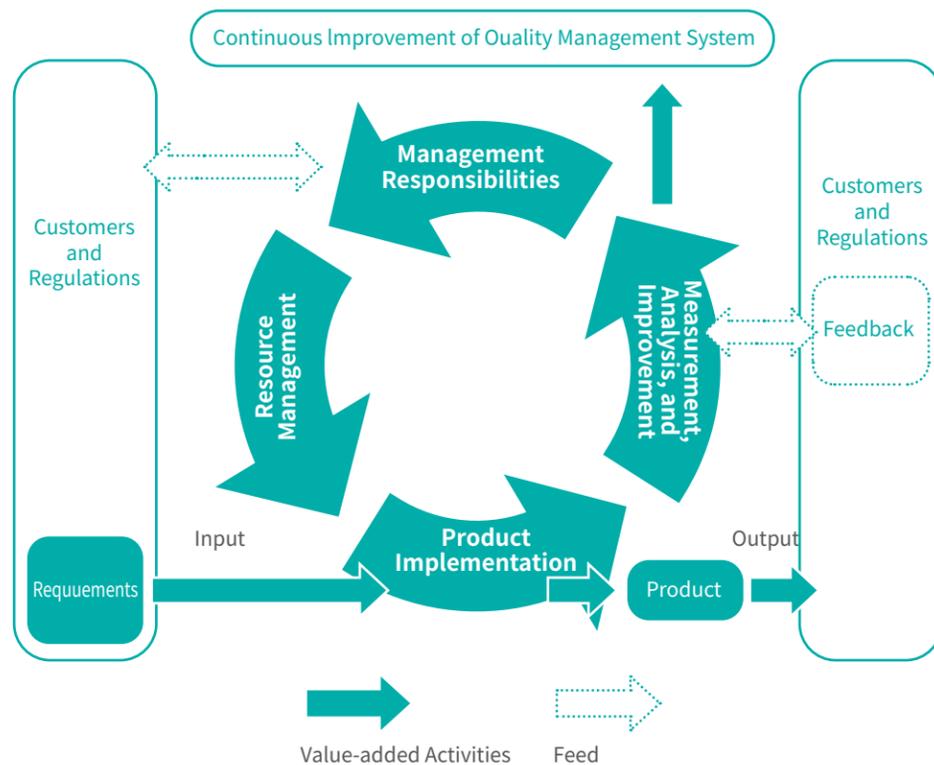


Product Quality and Safety

Snibe has long held the spirit of "Quality is our life". Driven by the spirit, Snibe continues to optimize the quality management system, increase investment in R&D personnel and equipment, and enhance product quality and supply chain safety. Snibe aims to create value for human health through continuous innovation. **Qualit**

Quality management system

IVD testing, which is closely related to clinical diagnosis, provides an important basis for clinicians to diagnose diseases accurately. For this reason, Snibe has established the policy of "Quality is our life" and set strict quality objectives. Besides a systematic, documented, and well-developed quality management system, an organizational structure with defined responsibilities has been in place to clarify control requirements for the quality management process. Over the past decade and longer, Snibe has continued to optimize and improve the quality management system, gaining recognition of its product quality management capability from stakeholders and ensuring stable product quality and safety amidst rapid business development.



Quality Assurance Department, Key Reagent Material QC Department, Material Inspection Department, Reagent QC Department, Instrument QC Department, Component Inspection Department, etc. have been set up to ensure product quality throughout the lifecycle. While strictly abiding by external policies such as the "Quality Management System Requirements", "Medical Devices - Quality Management Systems - Requirements for Regulatory Purposes", and "Good Manufacturing Practice for Medical Devices", Snibe has formulated and implemented such internal management systems as the "Quality Manual" and "Control Procedure for Product Monitoring and Measurement" that encompass the quality management process, specifications for products and equipment use, etc., to realize quality manufacturing.

With increasing globalization and booming trade in medical devices, meeting regulatory requirements in target markets has been an important tool for manufacturers to achieve cross-border compliance. Against the backdrop, the Medical Device Single Audit Program (MDSAP) is increasingly accepted. During the reporting period, Snibe incorporated MDSAP requirements of five countries (United States, Brazil, Canada, Australia, and Japan) into the quality management framework, and obtained the MDSAP certificate in Feb. 2024. The acquisition of the certificate allows Snibe to expand into overseas markets earlier and improve the quality management system.

Quality management system certification obtained:

- ISO 9001 Quality Management System Certification
- ISO 13485 Medical Device Quality Management System Certification
- MDSAP Quality Management System Certification



MDSAP certificate

Effective operation and continuous optimization of quality management system

To ensure that the quality management system functions properly, Snibe conducts independent evaluation through supervision and review by external auditors, and continues to optimize the quality management system based on the assessment and on-site inspection results. In this way, all relevant activities are carried out in strict accordance with applicable laws and regulations and the internal management requirements.

In 2023, Snibe received 12 quality management system audits and inspections from regulatory agencies and external audit agencies, with a pass rate of 100%.

Time	External auditor	Nature	Audit form
Mar. 9, 2023	TÜV	Third-party auditor	On-site
May 29–31, 2023	LLC Ukrainian Scientific Institute of Certification	Regulatory agency	Remote
Aug. 1–2, 2023	Guangdong Medical Products Administration	Regulatory agency	On-site
Aug. 4, 2023	Guangdong Medical Products Administration	Regulatory agency	On-site
Aug. 8, 2023	Supplier Qualification Audit (SQA)	Third-party auditor	On-site
Aug. 18, 2023 and Sep. 5, 2023	cecret	Third-party auditor	On-site + remote
Sep. 28, 2023	Pingshan District Health Inspection Bureau	Regulatory agency	On-site
Oct. 23–24, 2023	TÜV	Third-party auditor	On-site
Oct. 25–27, 2023	TÜV	Third-party auditor	On-site
Nov. 16–17, 2023	SGS	Third-party auditor	On-site
Dec. 4–9, 2023	SGS	Third-party auditor	On-site
Dec. 22–23, 2023	Guangdong Medical Products Administration	Regulatory agency	On-site

Internal audit capacity building for quality management system

The effective operation of the quality management system is not possible without a well-developed internal quality management team. Snibe has set up internal audit groups for quality management in all fields according to the "Control Procedure for Internal Audit", and appointed qualified group members from various fields. Internal auditors receive expertise and skill training on quality management system standards and regulations, and internal audit skills and methods. Moreover, they are assessed to ensure that each can accurately pinpoint and identify nonconformities or defects in the system. The Quality Assurance Department is responsible for formulating the internal audit work in the field of quality management, formulating the "Annual Internal Audit Plan", reviewing the "Internal Audit Implementation Plan", "Internal Audit Field Inspection Record", etc., and assisting in submitting problems arising from internal audit for management review, so as to ensure the effective implementation and continuous improvement of the quality management system.

In 2023, the Quality Assurance Department organized 92 training sessions on professional skills, applicable management system standards and regulations, internal audit skills and methods, etc. Among them, there were 13 sessions organized together with the Training Department, 22 company-level sessions, and 57 department-level sessions.

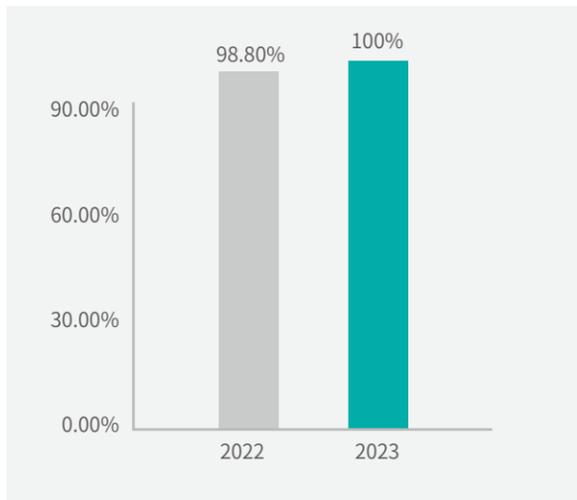
Product quality and safety management

External quality assessment

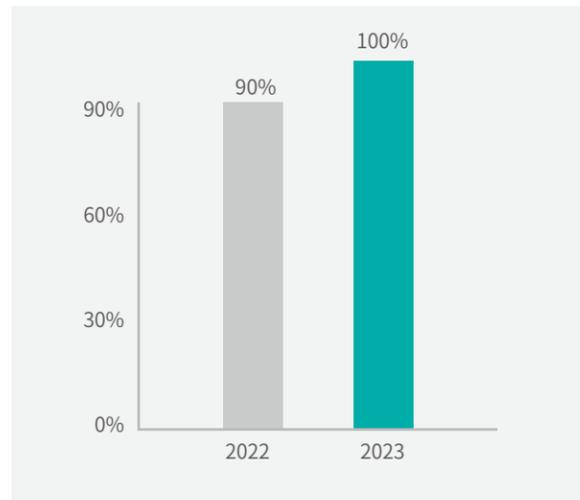
External quality assessment (EQA) is a system for checking, supervising, and verifying the laboratory's performance in order to maintain a high standard of practice, and EQA results are largely dictated by the samples provided by the laboratory. To ensure the high-level performance of end users, we encourage EQA participation by domestic and overseas end users, which in turn allows us to follow up on product quality, safety, and performance.

In the domestic market, Snibe participated in 46 EQA programs organized by the National Health Commission in 2023, involving 180 items for evaluation. We achieved a 100% pass rate in routine EQA, and a 100% pass rate in the EQA trueness verification for the first time. By the end of 2023, all the registered (CLIA) reagent projects approved by the National Health Commission have been involved in EQA programs, covering 58% of our CLIA reagent projects. Moreover, Snibe participated in and passed 462 EQA programs organized by the National Institutes for Food and Drug Control (NIFDC), the National Rheumatology Data Center (CRDC), and 10 provinces during the reporting period.

In overseas markets, Snibe participated in 316 EQA programs organized by Bio-Rad Laboratories (EQAS), Randox Laboratories (RIQAS), and the Royal College of Pathologists of Australasia Quality Assurance Programs (RCPA-QAP) and achieved good results in 2023.



National Health Commission EQA Pass Rate

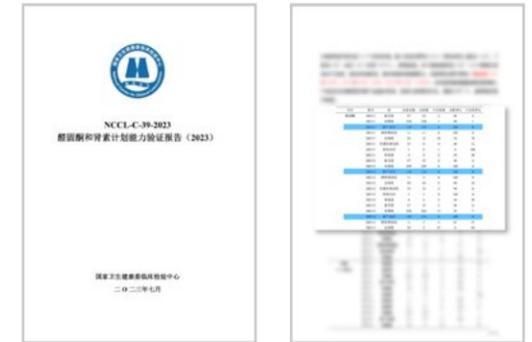


National Health Commission EQA Trueness Verification

Case

NCCL aldosterone proficiency testing

In Jul. 2023, the National Center for Clinical Laboratories (NCCL) issued a survey report on aldosterone and renin proficiency testing (2023), which showed that Snibe passed 100% at the low, medium, and high aldosterone concentration levels.



Quality improvement of reference measurement laboratory

Snibe has built a professional quality management system for the reference measurement laboratory in accordance with the international standards of ISO/IEC 17025 and ISO 15195. Besides, high-end measurement devices and advanced reference materials at home and abroad have been introduced, and reference methods issued by the Joint Committee for Traceability in Laboratory Medicine (JCTLM) and national authorities have been adopted to ensure the metrological traceability of testing results. We work to build kit testing capacity for the reference measurement laboratory and establish a registered internal testing platform in strict accordance with national/industry standards, supporting product quality inspection. While playing an active role in the cooperative development of reference methods and the collaborative assignment of reference materials, Snibe has been a stakeholder member of JCTLM and a corporate member of committees and working groups such as the International Federation of Clinical Chemistry and Laboratory Medicine (IFCC). By participating in the cooperative academic research of reference systems at home and abroad, Snibe has enhanced exchanges with domestic and international counterparts and made continuous efforts to achieve the accuracy and comparability of test results.

By the end of the reporting period, Snibe has established more than 20 reference measurement procedures for non-peptide hormones, enzymes, etc. Among them, 9 procedures have been approved by the China National Accreditation Service for Conformity Assessment (CNAS), including 7 for enzymes, 1 for 17-hydroxyprogesterone, and 1 for 25-hydroxyvitamin D3.

In 2023, our reference measurement laboratory passed the review by CNAS and obtained the accreditation certificate, which marked the Company's progress in the establishment of the reference measurement system, traceability of clinical testing values, and reliability assurance of results.



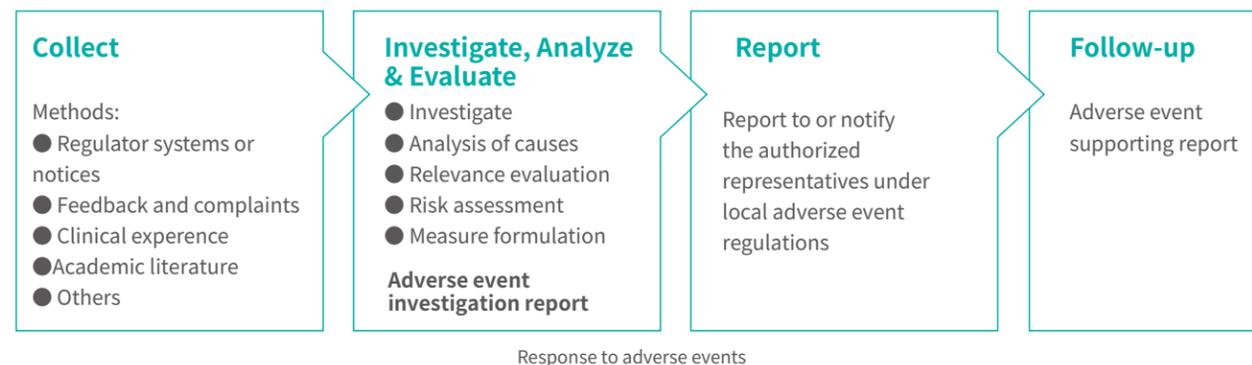
In 2023, the EQA results for the reference measurement laboratory were announced, and Snibe achieved excellent results in 13 IFCC-RELA programs and 11 NCCL-EQARL programs applied.



Adverse events and product recalls

Snibe values the health and safety of customers. To guide, organize, and manage adverse event monitoring for medical devices, the general manager is in charge of overall control and resource coordination. At the same time, we have set up a steering group that brings together different departments, and developed the "Control Procedure for Adverse Event" and supporting procedures and documents to collect feedback on adverse events from medical institutions, businesses, regulatory authorities, and other relevant parties in a timely manner. In the domestic market, the Technical Service Department is responsible for adverse event investigation, cause analysis, and solution, and the Quality Assurance Department organizes relevant departments for risk assessment, and reports the adverse events with assessments in the National Adverse Event Monitoring System within the specified time limit. During the reporting period, our response to adverse events was well received by the Medical Products Administration. The adverse events in overseas markets are reported to the local regulators or authorized representatives within the prescribed time limit under local applicable administrative provisions.

In 2023, we continued to collect, investigate, analyze, and evaluate adverse events, and confirmed that there was no substantial injury, serious injury, or death caused by product defects. The investigation report has been uploaded and approved in the National Adverse Event Monitoring System. We have completed the "Domestic Periodic Risk Assessment Report" and risk-return evaluation of products, and found no unacceptable risks in the monitoring process. The report has been submitted to the National Adverse Event Monitoring System.



The "Control Procedure for Feedback and Complaint Handling" has also been established to clarify the process of handling customer complaints. Information such as customer hotline, email, and fax is provided on product labels and the official website of the Company to ensure that customers have sufficient channels to complain and inquire about product problems. The "Control Procedure for Recall of Medical Devices" has been established, which is cross-linked with complaints, adverse events, and post-market supervision. At the same time, we timely analyze, investigate, and evaluate the collected information to ensure that a recall is readily initiated according to regional laws and regulations.

In 2023, Snibe had no product recall and received no regulatory warning or punishment on our product or service quality.

Focusing on R&D and Innovation

Innovation is our lifeblood and core competitiveness. Snibe works to improve our R&D capabilities through continuous R&D process optimization so that we can create more innovative quality products. Snibe will continue to develop a whole product matrix that meets the expectations of medical terminals, creating value for human health.

Ever-improving R&D and innovation system

Snibe has developed an ever-improving product lifecycle management (PLM) system in line with its own characteristics on the instrument R&D platform to improve our performance in projects, products, and portfolios. After years of application and iteration, the system has become more efficient and mature, providing a systematic guarantee for steady instrument development. The system, which is conducive to cooperative effectiveness among strategic planning, R&D, and other functions, can improve the reliability, predictability, and compliance of R&D projects. It allows us to continuously deliver products that meet customer needs and market expectations while increasing product quality and optimizing product strategies. Ultimately, we can realize our growth objectives.

Our PLM system mainly has the following advantages:

● Strengthening data management and process control

The system includes a central library to store product information so that data can be effectively managed and shared. This not only reduces data redundancy and errors, but also ensures that departments and teams work with the latest and most accurate data. The system also supports process management, including product definition and engineering change control, to ensure that the development process is transparent and standard.

● Optimizing product design

Collaborative design provides a more flexible and proactive approach for designers who can spark up creativity and innovation through sharing and collaboration. The management of technical specifications, design drawings, process data, etc. can ensure the accuracy and consistency of design information and optimize design quality.

● Improving quality control and compliance

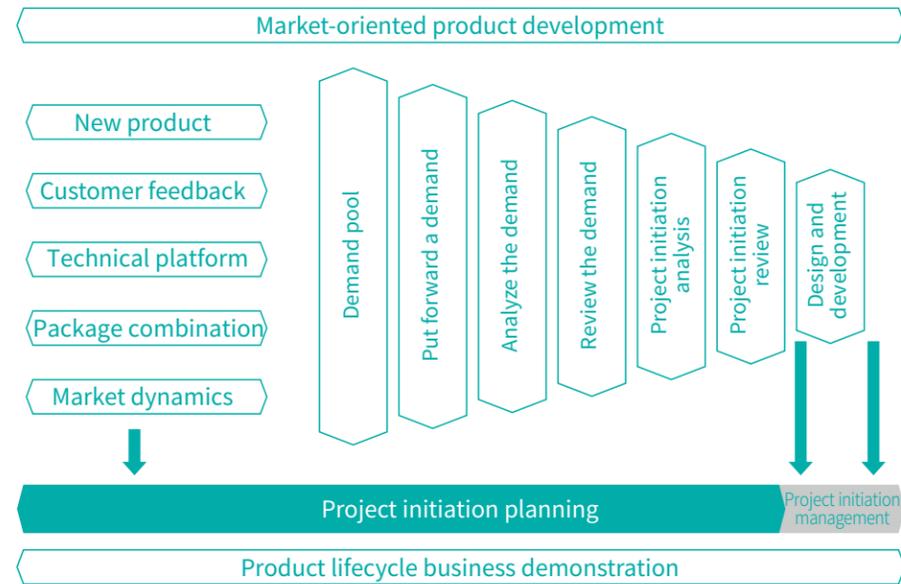
The system can manage quality control calculation, including cost control, quality control, and quality system tracking and management. With this feature, our products are developed with higher quality and safety following relevant regulations and standards.

● Supporting decision analysis and continuous improvement

By collecting and analyzing all kinds of data during product development, the system provides strong support for decision-making. Through continuous monitoring and improvement of product development process by the system, we can improve R&D efficiency and reduce development costs, thus achieving continuous improvement and innovation.

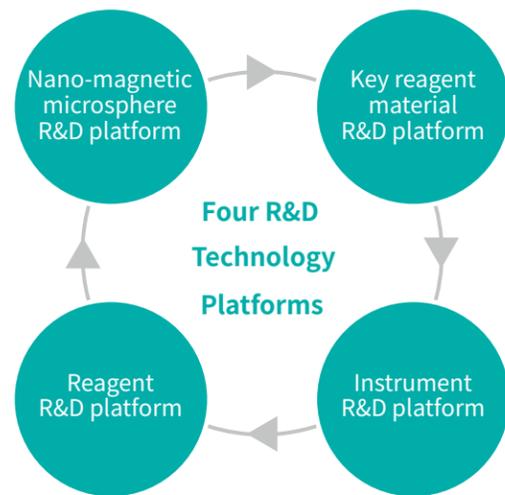
Given the large number of projects and abundant information in the rapidly-changing IVD reagent market, it is important to identify key customer needs. We need to do the right thing in the business environment. To better serve the market with precise provision of necessary products, our reagent R&D team adheres to the strategies of "market-oriented product development" and "product lifecycle business demonstration", and establishes a decision support mechanism for project initiation. In this way, we can determine whether a project meets market demand and is available for initiation and delivery.

The business demonstration process is shown below:



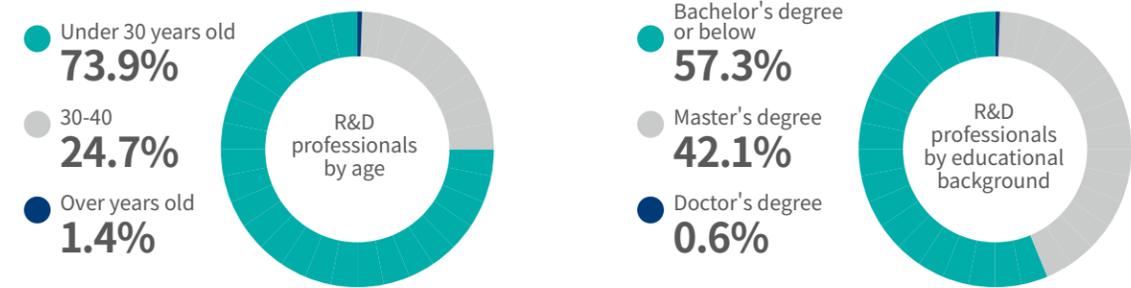
R&D and innovation capability

After more than 20 years of hard work, Snibe has built a mature R&D system that spans the entire industry chain. There are four technology platforms targeting the R&D of nano-magnetic microspheres, automatic diagnostic instruments, diagnostic reagents, and key reagent materials.



R&D investment and team building

Snibe has maintained friendly exchanges and communication with key universities and developed long-term on-campus recruiting plans to ensure a steady stream of talents. At the same time, Snibe has been recruiting social talents and independently training R&D professionals and persons in charge. By far, it has built an efficient and high-quality team that identifies with corporate culture. By the end of 2023, we have engaged 693 R&D professionals, an increase of 15.5% year-on-year, accounting for 26.38% of the total number of employees. Among them, 98.6% are aged 40 or below, and 42.7% have a master's or doctor's degree. A young and high-quality R&D team is contributing to our R&D and innovation.



In 2023, Our R&D investment was 366.05 Million RMB, a year-on-year increase of 15.21%, accounting for 9.31% of our revenue.

R&D capability enhancement

● Key reagent material R&D

In Jun. 2023, Snibe completed the transformation and upgrade of the R&D and production center of key reagent materials, bringing our R&D and production capacity to a new level. With high-end equipment introduced in the Phase I transformation of the base, the mature platform for the construction and expression of stably transfected cell lines. Soaring unit expression output gives the following superior edges: significantly lower cost of materials such as culture medium; less production workload and minimized manpower needed at each link (expression, purification, etc.); and better control over batch differences. The substantial increase in the unit expression volume of the stably transfected cell line solution means that the cost is lowered while the efficiency is increased when there are limits on the experimental site, equipment, and personnel. This secures sufficient raw materials for a higher reagent production volume.

● Instrument R&D

The development of IVD instruments is a highly integrated work, involving disciplines like electronics, mechanical engineering, and software engineering. We are committed to developing leading and more competitive IVD instruments. To this end, we have made constant efforts in the following five areas:

Strengthening interdisciplinary cooperation and exchanges:

Our R&D Department has maintained active exchanges and cooperation with universities and research institutions, such as working with Shenzhen University on ultrasonic cleaning research, setting up a postdoctoral innovation practice base, and bringing experts from different disciplines into R&D projects. This is how we realize the cross-border integration of knowledge and technology.

Encouraging innovative thinking and experimental spirit:

R&D personnel are encouraged to keep an open mind, challenge traditional ideas, and try new design ideas and technical routes. They are provided with sufficient experimental resources and time for exploratory experiments and research. In this way, they can learn from failures and continue to optimize and improve products.

Strengthening intellectual property management and protection:

R&D personnel are encouraged to apply for intellectual property rights like patents and software copyrights to ensure that our technological achievements are legally and effectively protected. At the same time, we enhance intellectual property training and publicity to raise R&D personnel's awareness of intellectual property and its protection.

Establishing incentive mechanism and fault-tolerant culture:

We have established a sound incentive mechanism, including innovation awards, intellectual property & patent awards, and fair promotion opportunities. Snibe embraces a fault-tolerant culture where R&D personnel are encouraged to keep trying and innovating. R&D failures are understood and tolerated so that R&D personnel can focus on innovation without concerns.

Maintaining investment in R&D capital and equipment:

We continue to increase R&D investment, introduce advanced R&D equipment and testing instruments, and create a favorable working environment and conditions. In 2023, Snibe completed the Phase III construction of R&D Building, which means a good workplace environment and complete R&D equipment are available. Our overall strength and innovation in instrument R&D have been brought to a new level.



Postdoctoral Innovation Practice Base

Targeted training sessions are carried out for different types of R&D personnel to improve their comprehensive skills, thus enhancing our R&D capabilities. During the reporting period, our instrument R&D team organized training sessions as follows:

- **Quality management training**

Training on quality system documents such as ISO 9001, ISO 13485, and Good Manufacturing Practice (GMP) regulations.

- **New employee training**

Training on quality-related regulations such as quality policy and GMP, industry background, and departmental rules (e.g. industry background and career development path) for new employees.

- **Induction training**

Orientation training on professional knowledge and skills, such as structural engineer training and PCB engineer training, given before professional employees take up their posts.

- **Targeted skill training**

Targeted training (e.g. new EMC standards and Android framework) for specific employees at different stages or before they are assigned to new projects or will develop new business.

In terms of internal control, we attach great importance to the performance of instruments. A series of strict quality control measures have been adopted during the R&D process. For example, we have included the step of prototype comparison. At the R&D stage, several prototypes are manufactured for comprehensive performance testing and comparison. This step aims to ensure that each instrument meets the preset standards in key performance parameters, so that the instruments finally produced have outstanding performance. In the other hand, we have exercised strict control over the production process. This includes strict monitoring throughout the production process to ensure that every step meets the preset standards and specifications. In addition, we have provided professional training for employees on the production line to improve their operation skills and quality control awareness. Every instrument is subject to strict quality inspection before leaving the factory, ensuring their performance stability and consistency.

R&D and innovation results

With the original intention of "making medical examinations more affordable for the public", Snibe has since pursued independent innovation while developing our core business as a socially responsible employer. We work to create value for human health, thus making quality medical resources available to all.

Thanks to enhanced R&D efforts in 2023, we have delivered a lineup of instruments with increased accuracy and efficiency, providing reliable data for clinical diagnosis.

MAGLUMI X10

Fully-Auto Chemiluminescence Immunoassay Analyzer

MAGLUMI X10, a high-end upgraded version of immunoassay instrument, inherited and upgraded the core X-TECH technology to realize strong performance and quality, allowing customers to operate easily and worry less. It meets various clinical testing needs.

Biossays C10

Automatic Biochemistry Analyzer

Biossays C10 is suitable for large hospitals and laboratories with high requirements for throughput and intelligence. A throughput of 2000 T/H can improve testing efficiency; an intelligent reagent management system allows the automatic and continuous loading of reagents without shutdown and the addition of electrolyte modules without slowdown, which greatly reduces operator workload.

SATLARS T8

Automatic Sample Processing System

This is an open automation system developed by Snibe with completely independent intellectual property rights. It fully integrates the five modules of biochemistry, immunoassay, electrolyte, coagulation, and molecule. The whole process of sample loading, transport, processing, testing, and storage is automated, greatly reducing manual intervention and improving testing efficiency. The unique two-way four-track design makes sample scheduling more flexible toward dynamic balance. Modular design and multi-type tracks can be adapted to different laboratory spaces and meet different testing requirements through flexible configuration. Emergency priority and intelligent scheduling can greatly shorten the TAT of samples. A specialized data processing and information management system can help departments realize better quality management.

HEMOLUMI H6

Automatic Coagulation Analyzer

Using magnetic bead method, a golden standard for coagulation testing, the analyzer boasts the advantages of high test accuracy, strong anti-interference ability, and fast testing speed. The built-in sample inspection module can effectively reduce the possibility of misdiagnosis. The instrument can indicate the amount of consumables and support continuous loading without shutdown. It can be directly connected to the system track to help departments improve testing efficiency.

Molecision R8 Automatic Nucleic Acid Detection and Analysis System

The independently-developed automatic nucleic acid detection and analysis system is a comprehensive anti-pollution system designed by the zoning idea of molecular laboratory and it also incorporates features of tiered negative pressure and high-efficiency filtration. Consumables and reagents are continuously loaded. Samples are loaded with caps, with results immediately available, and emergency needs are prioritized. This simplifies the process of nucleic acid detection and improves departmental efficiency.



During the reporting period, the Company completed the registration of 16 new CLIA reagents and 6 coagulation reagents in China, enriching the Company's reagent types in TORCH, infectious diseases, inflammation detection, autoimmune, and cardiovascular and myocardial markers. The newly developed CLIA reagents and coagulation reagents are listed below:

Reagent type	Quantity of registered reagents	Reagent name	Registration category
TORCH/ CLIA reagents	2	HSV-1 IgM (CLIA) HSV-2 IgM (CLIA)	III
Infectious diseases/CLIA reagents	5	Mycoplasma pneumoniae IgM (CLIA) Chlamydia pneumoniae IgG (CLIA) Chlamydia pneumoniae IgM (CLIA) Mycoplasma pneumoniae IgG (CLIA) Anti-HCV (CLIA)	III
Inflammation monitoring/ CLIA reagents	2	TNF- α (CLIA) CRP (CLIA)	II
Autoimmune antibodies/ CLIA reagents	4	Anti- β 2-Glycoprotein 1 IgM (CLIA) Anti- β 2-Glycoprotein 1 IgG (CLIA) Anti-Cardiolipin IgM (CLIA) Anti-Cardiolipin IgG (CLIA)	II
Inflammation monitoring/ emergency reagents	1	PCT STAT (CLIA)	II
Cardiovascular and cardiac markers/emergency reagents	2	hs-cTnI STAT (CLIA) NT-proBNP STAT (CLIA)	II

Reagent type	Quantity of registered reagents	Reagent name	Registration category
Coagulation reagents	6	D-Dimer (Latex) AT III (Chromogenic Substrate Assay) PT (Clotting Assay) Fibrinogen (Clotting Assay) APTT (Clotting Assay) TT (Clotting Assay)	II

Attention to rare diseases

Snibe focuses on the study on rare diseases. We actively develop relevant products to promote equitable access to medical resources so that the life and health of patients with rare diseases are guaranteed. In addition to the rare diseases previously disclosed, the rare diseases we are working on during the reporting period include:

Rare disease	Product
Systemic sclerosis	Anti-PM-Scl IgG (CLIA)
Goodpasture syndrome	Anti-GBM IgG (CLIA)
Thrombotic thrombocytopenic purpura	Anti-VWFp IgG (CLIA) VWFp activity (CLIA)

Intellectual property protection

Snibe strictly abides by and implements national and regional laws, regulations, and standards, such as the "Patent Law of the People's Republic of China" and "Trademark Law of the People's Republic of China", as well as internal procedures like the "Intellectual Property Management Procedure", "Patent Management Procedure", "Trademark Management Procedure", and "Works Management Procedure".

We pay attention to intellectual property protection. With a dedicated team of professionals and a mature management system, we integrate intellectual property creation and protection into our R&D and innovation system. Internally, the Intellectual Property Department adopts early warning for project research, project initiation, R&D, and product launch to manage risks throughout the development process and protect our technological innovations. Externally, investment, financing, and technological cooperation are conducted with an early warning mechanism to reduce potential risks.

In addition, training sessions are organized for employees to understand intellectual property compliance and obligations.

Case

patent application for small molecule detection

As a major technological breakthrough for us, small molecule detection reflects our strong R&D strength and market competitiveness in IVD. To comprehensively protect the legitimate rights and interests of our products on the market, we have applied 7 patents for the technology, involving such dimensions as raw materials, sample pretreatment, and calibration quality control.

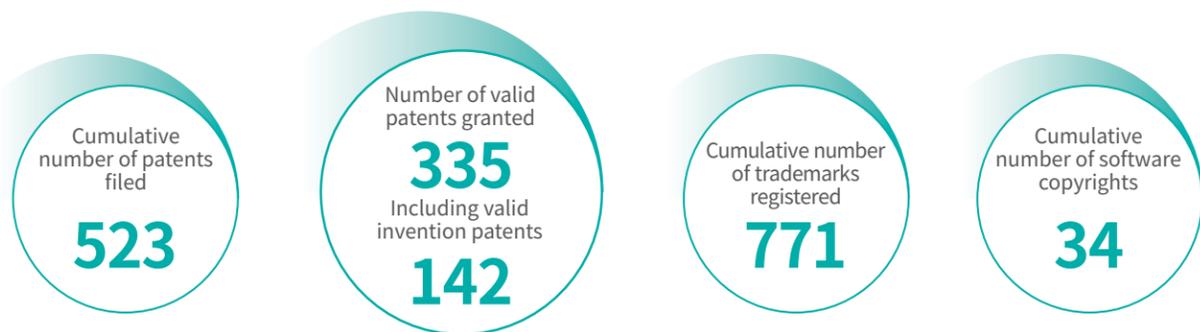
Case training on trademark use and standards

To standardize the use of trademarks and prevent errors and nonconformities, the Intellectual Property Department has organized targeted training for relevant departments, including one online session and five offline sessions. The total number of participants exceeded 500. The training explains our trademark portfolio, and the significance, standards, and requirements of trademark use, and the training materials are incorporated into the internal intellectual property sharing management system for the concerned party to access at any time.



By the end of 2023, we have had 523 patents filed, 335 valid patents granted (including 142 valid invention patents), 771 registered trademarks, and 34 software copyrights.

In 2023, the Company's patent "Research and Development of an Enhanced Isoluminol Derivative with High Luminescence Intensity and Its Industrial Application in Chemiluminescence Detection Reagents" won the second prize of Shenzhen Technological Invention Award; the patent "Adsorption Mechanism, Cleaning Device, Chemiluminescence Detector and Cleaning" won the 24th WIPO-CNIPA Award of Excellence for Chinese Outstanding Patented Invention; MAGLUMI X6, a fully-auto chemiluminescence immunoassay analyzer, was included in the "Catalog of Innovative Products for Promotion and Application in Shenzhen".



Supply Chain Management

A stable, safe, and quality supply chain provides an important guarantee for us to offer high-quality products all the time. We have a complete supplier management system in place which allows us to screen, admit, and re-evaluate suppliers based on not only quality and price but also environmental and social performance and anti-commercial bribery. This is how we can ensure the quality and sustainability of suppliers.

Supplier management

Rules like the "Control Procedure for Procurement" and "Supplier HSF Management Regulations" have been formulated to systematically supervise and manage supplier development and admission, ordering, performance evaluation, re-evaluation, and qualification management, so as to ensure the fair and effective operation of the procurement supply chain.

In the fourth quarter of 2023, Snibe added anti-bribery requirements for suppliers under the ISO 37001 framework, developed anti-bribery objectives (all bribery risks are properly addressed, and all major business partners are subjected to admission and annual review) and execution plans for the Purchasing Department and the whole company, and organized anti-bribery training sessions for suppliers who received investigation and signed the "Letter of Commitment for Anti-Commercial Bribery". The whole process of supplier admission, routine ordering, and re-evaluation is covered to comprehensively avoid and control commercial bribery risks.

Supplier management system

We put strict requirements on supplier admission, screening, review and elimination to ensure that all suppliers meet the company's product quality requirements.



During the reporting period, we added more detailed rules for the re-evaluation of suppliers. Suppliers not up to standards are included on the "List of Unqualified Suppliers" based on the type of materials they supply. Rectification and guidance support are available to help them improve, thus enhancing supply chain security.

Supplier communication

In 2023, we had 248 business meetings with suppliers to promote strategic supplier cooperation and ensure the safe and effective operation of the supply chain. We had 55 quality meetings to analyze quality problems and risks among suppliers, discuss corrective and preventive measures, solve existing problems, and prevent potential problems and risks.

In response to anti-commercial bribery, the Purchasing Department held 5 meetings for internal publicity and training, and all the members signed the "Letter of Commitment for Anti-Bribery Compliance". In the fourth quarter, all the suppliers were organized to receive training based on the "Anti-Bribery Compliance Training Manual" and to sign an anti-commercial bribery commitment letter or agreement. By far, 99% of suppliers have submitted the signed letter or agreement.

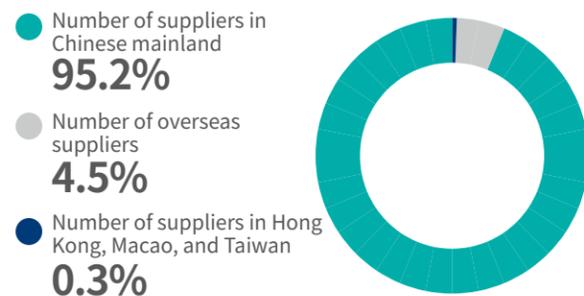
To enhance communication with suppliers, the Purchasing Department visited 25 suppliers randomly in 2023, with special attention to new suppliers during preliminary screening and suppliers with quality fluctuations. According to the annual visit plan, we completed the on-site audit of 24 major suppliers during the reporting period, and timely discontinued the supply from suppliers to be rectified to mitigate supply risk.

Sustainable supply chain management

After years of technology accumulation, we have established a relatively well-developed supply chain risk management system. On the one hand, we continue to enhance the safety inventory management of core components and include more alternative suppliers. On the other hand, we join hands with domestic manufacturers to develop and apply for major special projects of Shenzhen to ensure the safe supply of core components. This can promote the R&D and substitution of domestic core components and mitigate supply chain risks.

To ensure the quality and supply safety of important materials, Snibe divides suppliers into three categories of A, B, and C by the importance of supplied materials. Suppliers are reviewed and evaluated with category-specific indicators and standards based on the types of their materials and the nature of business. Category A suppliers are required to establish a sound quality management system and sign a quality assurance agreement. At the same time, targeted professional training is provided for suppliers to promote supplier management.

For key components, Snibe and suppliers need to work closely on all-round material recognition to fully guarantee the safety of materials. For some key materials, Snibe has formulated Plan B to deal with sudden risks in the supply chain. Amidst the push to replace foreign goods with domestic alternatives in the manufacturing industry, Snibe has opted for more domestic materials after verification, consolidating supply security.



As for supply chain operation, the annual demand forecasting is updated on a rolling basis (2 +3, short-term + long-term) so that both suppliers and Snibe can maintain dynamic safety inventory for quick response to flexible demand.

When selecting supply resources, we prioritize suppliers that are geographically close to us and have a relatively complete system to ensure flexible delivery and timely, effective communication and audit in quality control.

Responsible Marketing

Snibe has always put the rights and interests of users first. We have formulated and timely updated the marketing system, optimized management models, and provided regular training for marketing personnel to actively learn and strictly implement our systems and methods. With these efforts, we can build trust with stakeholders, and promote our products to the market with high standards, strict requirements, and standardized guidelines.

To realize responsible marketing in the domestic market, we updated the "Regulations on the Management of Domestic Distributors" during the reporting period. The online distributor management has improved efficiency and information security. For brand building and market development, we have formulated the "Management System for Domestic Academic Conferences" to regulate the organization of academic conferences and academic promotion. An internal APP "Marketing Helper", which covers five modules of CRM, market management, product management, distributor management, and database, has been developed to help marketing personnel master information on customer relations, meeting procedures, product information, and online distributor management. This is how we realize responsible marketing.

In overseas markets, we follow the "Regulations on the Management of Overseas Distributors" under the ISO 13485 framework, and require overseas distributors to conduct business as per local laws and regulations. For distributors in the EU, we adapt our products and business to the latest IVDR and transitional provisions, for example, adding the information of EU importers and updating compliance declaration.

In 2023, we started to build an ISO 37001 anti-commercial bribery management system. In accordance with system requirements, both domestic and overseas marketing centers have supplemented and revised relevant system documents by adding articles of anti-commercial bribery management, and conducted annual reviews on existing distributors to identify the situation in anti-commercial bribery management. In addition, we provide publicity and training on anti-bribery laws and regulations, cases, and internal policies for all marketing personnel, and require them to sign a commitment letter of anti-commercial bribery.

In order to ensure that marketing personnel fully understand and are familiar with the company's marketing strategies, diverse forms of training sessions are organized for marketing personnel to make them fully understand our products and marketing strategies and improve their communication and analytical skills.



TLA system training



C8 new product training



C8 new product training



Publicity on ISO 37001 anti-bribery management system

Distributor management

A strict selection process for distributors and clear provisions on their rights and obligations make sure that we work with the right distributors to provide accurate, professional, and responsible marketing services for customers. Our Internal Audit Department audits the compliance management of distributors' sales business and provides audit improvement suggestions for distributors every year.

During the reporting period, Snibe introduced the ISO 37001 anti-commercial bribery management system. We require existing distributors to learn the anti-commercial bribery policies, sign anti-commercial bribery agreements, and provide records of anti-commercial bribery training. At the same time, we will review existing distributors for their anti-commercial bribery management every year.

In 2023, product training both online and offline was offered to overseas distributors. In the past year, we had 51 on-site product trainings, 185 online product trainings, and 78 new product promotion trainings, with an average score of over 90 points (out of 100) from customers.

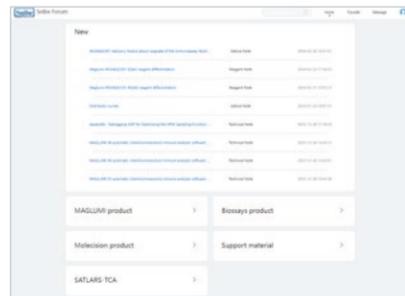
Case product maintenance training for distributors

From Nov. 27 to Dec. 1, 2023, we held the MAGLUMI X6 maintenance training at the Shenzhen headquarters. Eleven technicians of distributors from six countries in Africa, Asia, and Europe participated and mastered knowledge and skills of the installation, maintenance, and service of the new product MAGLUMI X6.



Case Snibe Forum

The Snibe Forum is an online knowledge sharing platform built by Snibe for distributors' technicians. Technicians can log in using assigned user information based on their products to view information and documents of different product lines, the introduction to new products, etc., such as technical documents for the latest software and hardware, requirements and documents for instrument installation, and troubleshooting documents. To make sure that distributors' technicians can timely receive and easily understand the latest product information, we have updated the Snibe Forum during the reporting period, including a new feature of "automatically sending email reminders after product information is released" and new videos of instrument disassembly.



Customer Service Quality

With the core strategic concept of "customer-centric, market-oriented", Snibe keeps optimizing customer service solutions in all aspects by understanding customer needs, timely responding to customer complaints, providing professional and accurate services, and investigating customer satisfaction, so as to provide customers with safe, reassuring, and innovative products and services.

Snibe remains committed to offering professional and meticulous technical services. Systems such as the "Control Procedure for Service Activities" and "End Customer Management Measures" have been formulated and implemented, and professional technical service personnel have been fostered for better customer service quality.

In 2023, to enhance customer service efficiency and experience and provide carefree services for customers, Snibe has built more service stations and upgraded on-site service. With 13 new service stations built in 2023, Snibe boasts a national network of 161 service stations, which secures customer response in 1-2 hours.

Customer satisfaction and communication

Snibe works to provide customers with professional products and services meticulously, professionally and timely. In case of any product problems, customers can get in touch with us through the "400" hotline, official mail, and "External Information Feedback Form" on the official website. Self-developed CRM platform can analyze and process customer service tickets remotely in real-time, which is a great help for technical engineers across the country to solve problems accurately and better serve customers in all aspects. In addition, our after-sales personnel strictly follow Snibe's "Control Procedure for Feedback and Complaint Handling" for closed-loop management through regular maintenance & customer visit and timely communication with customers. In 2023, 100% of the complaints received have been handled, with a customer satisfaction rate of 100%.

To better serve customers, we keep close communication with customers through on-site visits and online meetings to understand their views on product use, collect their suggestions on product optimization, answer problems they encounter, and inform customers of precautions. The Market and Customer Research Team provides reference suggestions for product (line) development and decision-making by taking into account macro industry trends, national policies, disease characteristics and diagnosis and treatment process, market trends, competitors' performance, and customer feedback. Snibe also improves employees' professional ability in all ways to empower marketing.

In 2023, 1,476 "Customer Satisfaction Survey" questionnaires were collected in China, with a customer satisfaction rate of 100%.

Case Ace Lecturer Competition

To enhance the professionalism and expression ability of our marketing personnel and better serve customers, the domestic Marketing Department launched the first Ace Lecturer Competition in Aug. 2023. With a slogan of "Values from Marketing with Professionalism Inside", the competition focuses on the expertise and brand communication ability of participants. Wang Jia, a product manager in Shaanxi Province, was named the Golden Lecturer, while Wang Jianbo, a product manager in Jiangsu Province, was awarded the title of Silver Lecturer, becoming new role models for all product managers in China.



In 2023, Snibe gradually subdivided overseas markets and implemented regional management mode, with independent marketing, after-sales, market, and business for each region. Product sales and after-sales personnel are better connected to improve the regional product and service performance. More foreign technical service personnel were recruited to ensure timely response to the urgent needs of distributors and end customers. The Indian market, for example, has foreign technical service personnel in 14 different cities. With a service radius of 600 kilometers, the technical service personnel can provide on-site service within 24 hours, which greatly enhanced after-sales satisfaction.

As we expand our product lines, the number of overseas channels is also expanding in terms of both breadth and depth to bring quality products and services to more customers across the world. With two overseas subsidiaries newly founded in Saudi Arabia and Indonesia, we have now branches in 10 countries outside China. By recruiting local employees and applying for product circulation licenses, overseas subsidiaries boost localized operation for more meticulous and comprehensive market coverage and premium service for end customers.

TALENT EMPOWERMENT

Important issues

- Diversity and equal employment
- Employee rights and well-being
- Employee training and development
- Occupational health and safety

SDGs



Attraction and Retention of Talents

Employee Training and Development

Occupational Health and Safety

Attraction and Retention of Talents

Diversity and equal employment

Equal employment

Snibe makes every effort to protect employees' rights and interests in strict accordance with laws and regulations such as the "Labor Law of the People's Republic of China" and "Labor Contract Law of the People's Republic of China". Guided by such internal systems as "Human Resources Control Procedure" and "Employee Handbook", Snibe strives to build a high-quality and diversified talent team through a standardized recruitment process. It is clearly stated in the "Human Resources Control Procedure" that Snibe prohibits the employment of child labor, opposes discrimination in gender, health, and age, advocates diversity, and offers equal opportunities for every employee and job seeker.

In 2023, Snibe embraced a "hard worker-focused" concept for exploration and practice in such fields as talent organization and management, workplace environment, corporate culture, remuneration and welfare, and training system. We have shaped ourselves into a quality employer, with such honors as "China's Best Employer in 2023 - Shenzhen's Best Employer" by Zhaopin.com, "Most Influential Employer 2024" by Haitou.cc, and Vice Chairman Unit of Shenzhen Biomedical Industry-Education Alliance.



Attraction and reserve of talents

Snibe values a well-layered talent pipeline by formulating comprehensive talent development strategies and exploring flexible and diverse ways to absorb talents. On-campus and off-campus recruitment are two major ways Snibe brings in needed talents.

For on-campus recruitment, we persist in working with universities on university-enterprise cooperation projects and ensuring ongoing communication. We have signed university-enterprise cooperation agreements with top domestic universities and built internship & practice bases. Nearly 900 faculty members and students have visited Snibe in the past year. Offering scholarships, sponsoring innovation and entrepreneurship competitions in universities, holding lectures on career development, and setting Snibe classes - we leverage such innovative platforms for university-enterprise cooperation to boost our human capital. In addition, we have established university-enterprise laboratories, joint postgraduate bases, and employment bases with many universities. These cooperation programs allow us to offer various practice and employment opportunities to university students and help them transform theoretical knowledge into practical skills. In turn, this provides us with access to a huge talent pool.

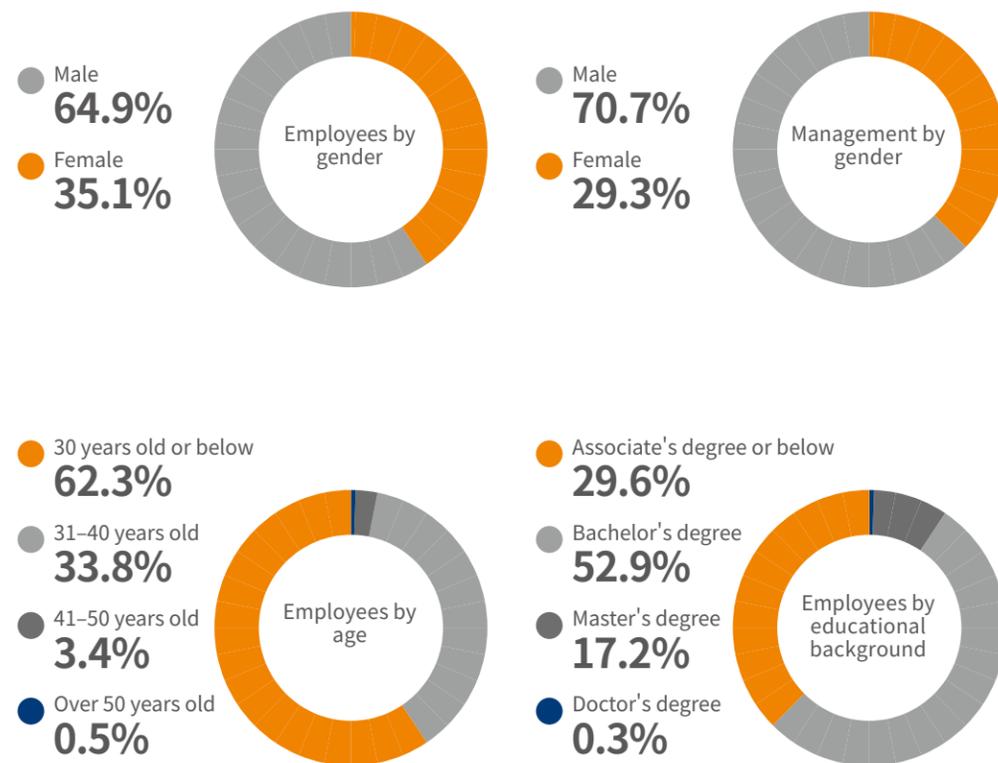


To recruit off-campus talents, we not only work with mainstream recruitment platforms and experienced headhunting institutions at home and abroad, but also encourage our employees to recommend potential candidates. An array of talent introduction channels helps to fuel our talent-driven development, foster a team of scarce cutting-edge talents, and integrate excellent talents to fulfill our strategic goals.

Employee diversity

Snibe remains committed to building a workplace of diversity, equality, and tolerance. With a diversified and inclusive recruitment policy, we gather together top talents from across the world and encourage employees with different backgrounds to give full play to their talents. We treat every employee equally and secure their rights and interests in recruitment, promotion, development, remuneration, and welfare regardless of gender, age, race, nationality, etc.

By the end of 2023, Snibe had 2,627 employees, of which 35.1% were female, and 29.3% of managerial positions were held by women.



Employee rights and benefits

Remuneration and incentives

Snibe keeps optimizing the remuneration system with a focus on both value and fairness to offer competitive salaries for employees. Employee remuneration is reasonably evaluated and adjusted based on the company's operating performance, employee rank, employee position, and comprehensive performance. We have in place a remuneration program that covers salary and diverse incentives, designed to reward and motivate core and outstanding talents for their significant contributions.

Remuneration	Honors	Long Service Award
Semi-annual and annual salary adjustment Salary adjustment for position Salary adjustment for rank	In addition to presenting honorable awards to teams and individuals with outstanding sales, R&D teams with breakthroughs, outstanding employees, and advanced employees, Snibe also rewards employees who devote themselves to their work, boast remarkable abilities, and deliver superior results.	At every anniversary, employees with long service will be honored for their long-term contribution, and all employees will receive the anniversary commemorative coins.

Welfare system

According to the national and local regulations, we ensure that our employees are entitled to statutory holidays and leaves, and we contribute to social insurance and housing accumulation fund for all employees. For our female employees, we not only provide paid marriage leave, maternity leave, breastfeeding leave, and other holidays stipulated by national laws to female employees of reproductive years, but also build baby care rooms for working mothers, offer yoga classes free of charge, and hold Women's Day activities.

We promote work-life balance and encourage employees to take necessary breaks. We foster a harmonious and healthy atmosphere through regular annual meetings, traditional festivals, and team-building activities to better bind employees and bring them happiness. The health of our employees, a top priority for us, is secured through regular occupational health examinations, lectures on traditional Chinese medicine and health, and free medical clinics.

Statutory Benefits	Employee Welfare	Work-life Balance
<ul style="list-style-type: none"> ● Statutory holidays ● Statutory leaves, including sick leave, work injury leave, marriage leave, funeral leave, maternity leave, paternity leave, breastfeeding leave, annual leave, etc. ● Social insurance, including pension, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, etc. ● Housing accumulation fund ● Other statutory benefits 	<ul style="list-style-type: none"> ● Holiday allowance ● Staff quarters ● Staff canteen ● Shuttle bus ● Annual lottery ● Commemorative gift ● Activity funds ● Assistance in employee's settling down ● Supplementary medical insurance ● Occupational health examination ● Health consultation hotline ● Health lectures and free medical clinics 	<ul style="list-style-type: none"> ● Library ● Gym ● Yoga class ● Basketball court ● Team-building activities ● Festival activities ● Club activities ● Amateur cultural activities

By the end of 2023, we have signed labor contracts with and paid social insurance for 100% of our employees.

100%

Employee care and communication

Employee activities

Snibe cares about employees' life after work and offers a variety of cultural activities and holiday care activities. Such activities are posted on Snibe's WeChat official account and video account to encourage the participation of all employees. Employee activities include:

- To help employees relax and keep fit, Snibe has built an in-house gym and basketball court and offers yoga courses. Football and badminton courts rented outside the company are also available on a regular basis.
- To spread corporate culture and enhance employees' sense of ownership, Snibe organizes online and offline activities during traditional holidays, annual celebrations, and annual meetings.
- We have organized a welcome party for fresh graduates of 2023 to help them better know each other and blend in with the big family of Snibe.
- To commemorate the hard work and dedication of "Snibers", we transform the years of service into an "employee growth tree" on the service commemorative coins. At the milestones of each Sniber, we customize the corresponding service commemorative coins as a symbol of their growth and dedication. Last year, Snibe held a ceremony to present the commemorative coins to employees serving the company for 15 years and above for the first time. The ceremony showcased the values behind the service commemorative coin, that is "Assume responsibility bravely, enjoy challenge persistently, pursue excellence passionately".



Hand-made rice dumplings for Dragon Boat Festival



DIY moon cakes for Mid-Autumn Festival



Fun sports meeting



Karaoke competition



Welcome party for fresh-graduated employees



Commemorative coin awarding ceremony

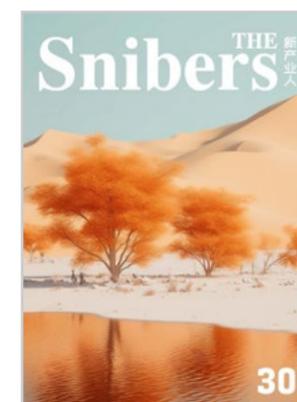
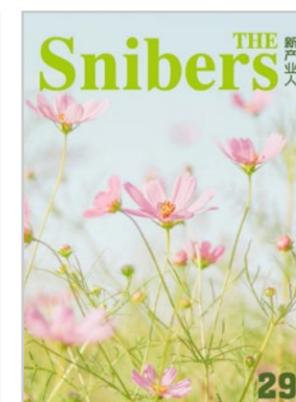
Employee communication

Keen to listen to employees' voices and learn their sense of happiness and ownership, Snibe keeps working to meet all employees' demands and expectations.

For new employees to better understand and fit into the park life, we presented the "Guide to Park Life" in 2023 and explained it in person on the day of employment to help them get familiar with the park and better blend in the company to enhance their sense of identity and ownership quickly.

To facilitate communication between employees and the management and to solve problems in employees' work and life, Snibe builds feedback platforms of different types at all levels for equal, efficient, and constructive communication within the company.

Feedback Platform	Feedback and Communication Mechanism
Smart Park Platform	The Snibe Smart Park Online Platform encourages employees to give feedback on the staff canteen and the warranty of park equipment.
In-house Publication	"The Snibers", an in-house magazine, serves as the main medium to promote corporate culture and highlight our employees. It includes such columns as company news, management policies, employees showcase, reflections on work, the voice, and spare time life, which focus on listening to employees and uniting all together.
BOSS Q&A	Every year, we would collect questions with shared attention for the general manager to answer at the annual meeting.
Symposium	The Human Resources Department regularly collects feedback and recommendations from new employees and replies to them through symposiums and other forms. We also interview employees who intend to leave to improve the talent retention plan in a targeted manner.
Department Meetings	Heads of each department stay informed of employees' demands through department meetings and annual performance talks.



The labor union at Snibe forms a bridge of communication between the management and general employees. In 2023, Snibe held the Employees' Congress two times to review and approve such systems as the "Detailed Rules for the Employees' Congress", "Election Measures for Representatives for the Employees' Congress", and "Employee Handbook". The Employees' Congress aims to protect the rights, interests, and welfare of employees and keep the company dynamic. The Labor Union regularly holds the Employees' Congress as required and maintains close communication with all employees to get them involved in the decision-making of important affairs. Rules and regulations are also being optimized and improved to better safeguard the rights and interests of employees.

Employee Training and Development

Training system

Diverse training system

Snibe believes that employee training boosts the corporate development. On top of the "Training Management System", Snibe has formulated a series of training management measures, detailed rules, and operational guidelines such as the "Operational Guidelines for the Implementation of Training Process" and the "Operational Measures for the Implementation of Training System" to support and standardize training.

We keep improving and optimizing various training systems and processes. Committed to "talents are the most important resources for the company", we have put in place a training operation system that focuses on both "talent construction" and "product empowerment". Through continuous attempts and exploration efforts, we have presented quality in-house courses, nurtured excellent in-house trainers, and shaped internal operation benchmarks. A diverse training system of all layers and categories is being built, along with talent training mechanisms of all types, to fuel the internal business operation at all positions.

A combination of both online and offline training, including onboarding, induction/transfer training, management training, and special training programs for serving staff, improves both the soft and hard skills of employees and drives their career development to shape a talent pipeline for business development.

Empowerment and management of internal trainers

A fair and just incentive mechanism further raised the line of the internal part-time trainer team. Effective management and multi-dimensional mining of the existing part-time internal trainer team laid a solid foundation for the addition of more and better internal trainers. In 2023, we customized internal courses tailored for the company through learning, transforming, and integrating external resources and practices. Two trainer empowerment programs have been held, with nearly 100 participants. The special training makes sure that the internal trainer team is on the same page. Internal trainers have honed their skills in practice learning and course development, while a batch of premium trainers of great potential has been identified and certified, which attracts more to join in for the sense of honor and mission.



Empowerment training for internal trainers



Internal trainer appointment ceremony

In 2023, we offered
33,109
training opportunities

Total training duration
164,366
hours

Employee ability improvement and certification

All-round ability improvement

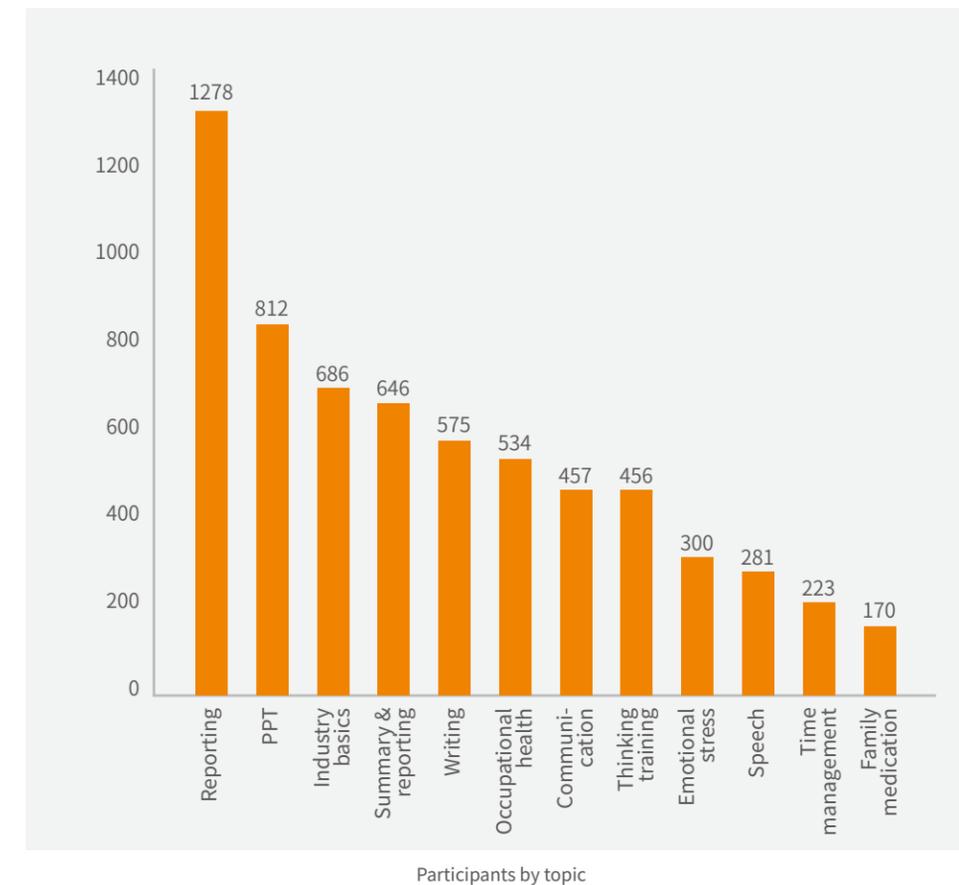
We have been developing and upgrading training courses that target and serve the company's development strategy and business needs.

● Cultivation of fresh graduates

We have established a training framework for fresh graduates, including three stages: "entry", "growth" and "success". Group training after joining the company helps new employees to get the basics of the company, swiftly learn and adapt to the corporate culture, and complete the transformation from campus to workplace. Tutoring, job rotation, and panel discussions enable fresh graduates to quickly fit into the team and master essential job skills. With the guidance of the direct supervisor and tutors, these new employees can establish a solid groundwork for independently undertaking key tasks in the future.

● Mastery of general knowledge and management skills

The training falls into two parts: general knowledge related to the company's products and industry policies, and general skills and tools in the workplace. We have identified over 600 internal learning activists and developed popular courses with such topics as "reporting", "presentation creating" and "Industry basics" that received rave comments. In 2023, Snibe Lecture presented 50 lectures on 12 topics, with 6,400 participations via livestream or playback.



Participants by topic



Schedule of Snibe Lecture

● Enhancement of professional skills

The team of internal part-time trainers helps enhance professional skills of employees in each position. Regular skills competitions are held to take their professional skills and talent competitiveness to the next level.

Case

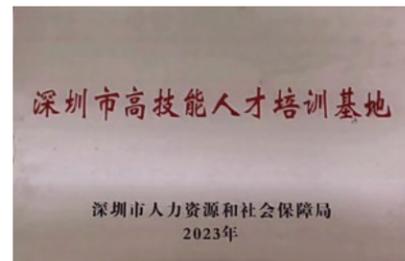
Employee skills competition - "Micro-course Development Competition"

In 2023, we worked with the Pingshan District Human Resources Bureau to hold the "Micro-course Development Competition" at our instrument production center. A total of 47 employees participated, and 24 courses were qualified after a process of online course collection, creative incubation, and course development, and they received the first, second, and third prizes, as well as the most promising prize. Through the skill competition, participating employees not only integrated and furthered their practical experience but also demonstrated their professional skills. These role models stimulated the overall quality and skills of all employees too.



● Establishment of the talent training base

At Snibe, employees are the most precious asset, and we provide employees with more opportunities and platforms for learning and growth by investing more and more in talent cultivation and integration. In 2023, we officially obtained the certification as a "Shenzhen High-skilled Talents Training Base", which serves as a promising platform with countless opportunities for employee and talent training next.



Shenzhen High-skilled Talents Training Base

Qualification and talent recognition

● Support for employee qualification

Snibe encourages and rewards all employees to take the exams for relevant skills certificates and gain post qualifications by covering all associated costs, including exam fees and annual reviews. Employees participating in off-job training can also get subsidies of all kinds. By the end of 2023, our employees held more than 370 skill certificates, including the "Certificate for Special Operations", "MDSAP Internal Auditor Qualification Certificate", "ISO 15189 2012 Internal Auditor Qualification Certificate", "Certificate for Safe Use and Management of Hazardous Chemicals", "ISO9001 & GB/T42061 & GMP Internal Auditor Qualification Certificate", etc.

● Assistance in talent recognition and professional title application

We assist qualified employees in applying for high-level talent recognition and professional titles under the talent policies of local governments, and we encourage employees to further their professional competitiveness. In 2023, seven employees were recognized by the Shenzhen Pingshan District Human Resources Bureau as the "Class B Leaders" (2 employees) and "Class C Leaders" (5 employees), and 40 employees have applied for professional titles in their respective fields.

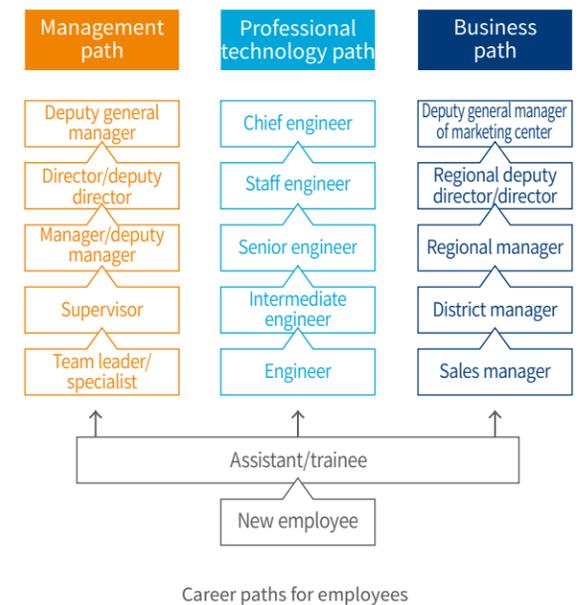
Employee promotion

Diverse promotion and development paths

Snibe respects the career direction of every employee. To "make the best use of talents", we set up clear and detailed promotion channels for employees with a series of clear internal promotion systems, including the "Rank Management Measures", "Rank Promotion Management Measures for Reagent R&D Personnel", "Technical Grade Evaluation Measures for Engineers in Domestic and Foreign Technical Service Departments", "Rank Promotion Management Measures for Product Managers in Domestic Marketing Departments", etc. At the same time, the Rank Evaluation Committee, the highest authority for rank promotion and development, has been established to ensure fair, reasonable, scientific, and compliant selection. We set two career paths of management and professional technology to exploit employees' competitiveness in technology, expertise, and management skills, which guide employees to leverage their own edges in enhancing professional skills and overall competitiveness. In 2023, 100% of employees have received year-end performance appraisals.



To facilitate the flow of talent, we look out for and properly support employees who intend to try other positions and encourage horizontal development. Snibe aspires to grow with employees together and set position requirements in line with the corporate goals and employee career goals. Clear, exact, and fair career paths have been designed for employees of all ranks and all positions. We encourage employees to leverage their talents and challenge new positions. In 2023, over 100 employees have tried a new position at Snibe.



Occupational Health and Safety

Occupational health

At Snibe, we devote ourselves to building a healthy and safe work environment for employees, and the health and safety of our employees are at the top of our priority list.

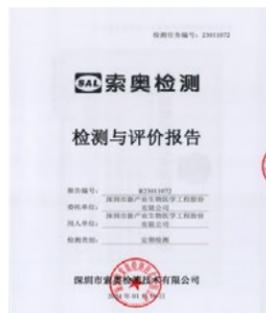
To ensure the health of employees, we strictly abide by the "Safe Production Law of the People's Republic of China" and "Law of the People's Republic of China on Prevention and Control of Occupational Diseases", regularly conduct safe production training and fire drills, and organize occupational health physical examination for our employees every year. Snibe also formulated the "Regulations on Employee Health Management" to monitor and manage operation control, environment, and safety objectives related to health and safety.

Safeguarding physical and mental health

Snibe believes in "people first" in its management and always put employee health in the first place. Various measures are taken to safeguard the physical and mental health of employees.

For example, a healthy and comfortable workplace is provided for all employees. There are professional security guards to guarantee the safety of public and private property; a cleaning team to regularly clean, dedust, and disinfect all offices and corridors; a greening team to take care of the green plants in the park, offices, and corridors at a regular basis, so that the workplace remains vigorous. During the reporting period, two AEDs were added at Jinxiu Park, one on the top floor of the high-rise and the other on the front desk of the new building. Existing AEDs can basically cover all buildings of all heights to ensure proper emergency rescue capability.

The physical and mental health of employees are of great importance to Snibe. An occupational health examination is held every year, and the physical examination report is added to personal health records. We work with hospitals to provide a number of free clinics to help employees learn about their physical conditions. Together with commercial insurance companies, we assisted employees in detecting potential health risks by scanning the retina. During the reporting period, Snibe invited Shenzhen SOAO Analysis Laboratory Co., Ltd. to test occupational hazards. According to the "Testing and Evaluation Report", the pass rate for positions being tested is 97.5% (mechanical noise is the cause of the failure). We also started a free psychological counseling hotline for employees, aimed at facilitating relaxation and stress reduction through the support of professional institutions.



Deaths from occupational injury

0

Serious injuries from occupational injury

0

Occupational injuries excluding deaths and serious injuries

5

Safe production

As a medical device manufacturer, Snibe prioritizes safe production by setting up the Safety Committee, which manages the Safe Production Committee and Park Public Safety Committee, and establishing a perfect safety management system. Due to our commitment to safety, we have obtained the "Safe Production Standardization Certificate" issued by the Pingshan Emergency Management Bureau, and we are certified as a standard third-level pharmaceutical enterprise with safe production.



Corporate safety management framework



Safe Production Standardization Certificate

Hazardous chemicals management

Dangerous chemicals during our operation include highly toxic products, flammable materials, corrosive materials, and pressurized gases. To better eliminate potential chemical hazards, we have formulated the "Snibe Regulations on the Management of Biological Hazardous Wastes" and manage the internally controlled hazardous chemicals in strict accordance with the "SJ-GL-057-V8-Hazardous Goods Management System".

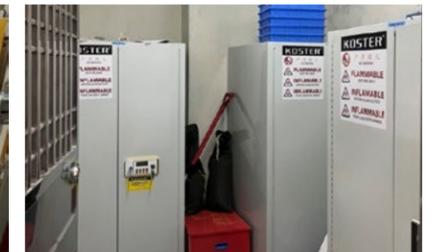
The safety of R&D and production personnel is of critical importance to us. During the reporting period, we have added fume hoods, electrostatic bracelets, and electrostatic releasers in the labs. Additionally, we have built three intermediate separate warehouses for the storage of precursor chemicals, explosive chemicals, and highly toxic chemicals to ensure their safe handling and availability for continuous daily production.



Intermediate warehouse for precursor chemicals



Intermediate warehouse for explosive chemicals



Intermediate warehouse for highly toxic chemicals

During the reporting period, we have thrown two training sessions on the safe production management of hazardous chemicals, and 18 new employees have obtained the certificates to handle hazardous chemicals. Two employees have participated in the training of "Shenzhen Junior Safety Director" and obtained the corresponding certificates.

Case

Training on the hazardous chemicals safe production management

During the reporting period, two 60-minute training sessions on hazardous waste management were organized, in which 100 relevant managers learned about the management regulations and disposal processes for hazardous waste.

Safety training and drills

Regular safety training activities help raise employees' safety awareness and improve their safety skills, thus reducing safety risks and increasing the company's safety management.

In 2023, we offered 12 safety and anti-fraud training sessions for new employees; 3 safety training sessions on special-purpose equipment (elevators, pressure pipes, sterilization pots) for users and managers, and organized four fire drills for 2,300 employees, including all employees at Shenzhen headquarters.



PROMOTING GREEN OPERATION

Important issues

- Noxious emissions and waste
- Greenhouse gas emissions management
- Resource saving
- Energy management
- Green office

SDGs



Addressing Climate Change

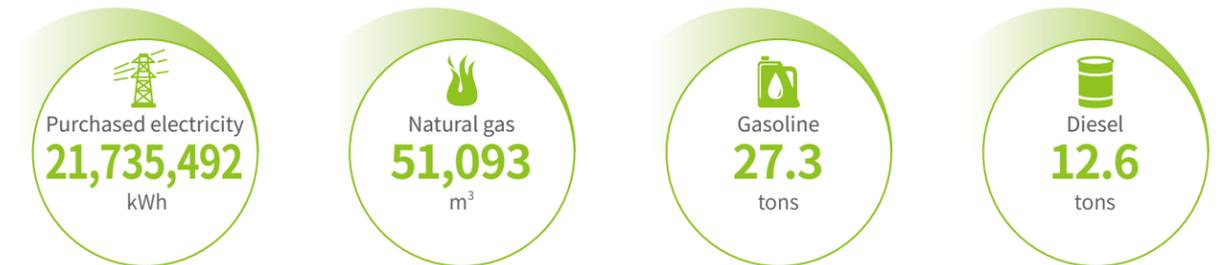
Green Operation

Addressing Climate Change

In 2023, the total carbon dioxide emissions resulting from the operations of Snibe amounted to 12,819.25 tons of carbon dioxide equivalent. Among these, indirect emissions accounted for 12,608.76 tons of carbon dioxide equivalent, while direct emissions stood at 210.49 tons of carbon dioxide equivalent. The carbon emission intensity was 0.0326 tons of carbon dioxide equivalent per 10,000 yuan.^①



The Company's greenhouse gas emissions predominantly stemmed from the utilization and consumption of electricity, natural gas, gasoline, and diesel in our production and operations. The energy usage of Snibe in 2023 is detailed as follows:



We continue to enhance energy efficiency through technological advancements, equipment upgrades, and various measures to maximize our energy utilization efficacy. Key initiatives include:

Energy conservation measures	Description and effectiveness
Source control of power usage	<ul style="list-style-type: none"> ● Adjusting the operating temperature of air conditioner main units in production areas from 6-12 degrees Celsius to 7-12 degrees Celsius, resulting in a 10% reduction in air conditioner electricity consumption, saving 786,000 kWh/year. ● Installing an additional sixteen sets of time and light-sensing controllers for landscape lighting in public areas, enabling more precise control of lighting usage and preventing power wastage. ● Deploying and migrating newly launched systems and original front-end physical servers to hyper-converged servers, consolidating the computing and storage resources of 41 servers into 4 nodes, significantly reducing computer room power consumption.
Enhancement of clean energy conversion efficiency	<ul style="list-style-type: none"> ● Increasing regular cleaning and maintenance of solar panels according to their usage to optimize heat conversion efficiency.
Resource integration for waste reduction	<ul style="list-style-type: none"> ● Integrating and optimizing shuttle bus routes based on actual demand and operations, resulting in the removal of three routes and two shuttle buses, thereby minimizing gasoline energy usage and waste.

^① Direct emissions (Scope 1) encompass emissions directly generated by the Company through the consumption of fossil fuels, including gasoline, diesel, and natural gas. Indirect emissions (Scope 2) include emissions resulting from the consumption of purchased electricity by the Company. Total emissions represent the aggregate of direct and indirect emissions. The accounting methodology for grid emission factors primarily references the national power grid emission factors outlined in the "Notice on Enhancing Key Tasks in Greenhouse Gas Emission Reporting Management for Enterprises in 2022", issued by the Ministry of Ecology and Environment of the People's Republic of China on Mar. 15, 2022. Additionally, calorific value coefficients and emission factors for other energy sources are mainly derived from the "Guidelines for Compiling Provincial Greenhouse Gas Inventory" and the "General Rules for Calculation of the Comprehensive Energy Consumption".

Green Operation

Rigorously adhering to the "Water Pollution Prevention and Control Law of the People's Republic of China", the "Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution", the "Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Wastes", the "Regulations on the Administration of Medical Wastes" and other laws and regulations, the Company has formulated and implemented the "Responsibility System for Prevention and Control of Environmental Pollution by Hazardous Wastes" and the "Administration System of Medical Wastes" to strictly oversee the disposal process of hazardous wastes and medical wastes. The Company has not been listed as a key pollutant discharge entity by the environmental protection authority. In 2023, the Company did not violate any environmental law or regulation, and was not subject to administrative penalties by the environmental protection authority.

Wastewater management

All sewage undergoes treatment following the principles of "rain and sewage diversion, collection at source, and reuse". We implement environmentally friendly sewage management practices. Wastewater is categorized into production wastewater, rainwater, and domestic sewage by source. According to the requirements of laws and regulations, office and domestic sewage is treated by septic tanks in industrial areas before being discharged into Shatin Sewage Treatment Works via municipal sewage pipelines. Production wastewater is further categorized into liquid medical waste, air filtration wastewater, and reject water from water purification systems, according to the types of pollutants contained. Following a classified management approach, we collect each type of wastewater accordingly. The sources of liquid medical waste and air filtration wastewater are collected and managed by Shenzhen Yisheng Environmental Protection Technology Co., Ltd., and Shenzhen Environmental Protection Technology Group Co., Ltd., respectively. Meanwhile, the reject water generated during the preparation of purified water is directed to a dedicated reject water recovery pool, and utilized for toilet flushing and park irrigation, contributing to resource conservation and waste reduction.

Waste gas management

All waste gases produced by the Company adhere to the principle of "classified collection, centralized treatment, and standards-compliant discharge". We enforce stringent guidelines concerning waste gas generation, collection, and pipeline layout. For example, independent waste gas collection covers and fume hoods are installed in production workshops and locations or areas where waste gas is generated within each production line. The flow directions in waste gas collection pipelines are clearly marked, and regular testing of waste gas by third-party institutions ensures alignment with relevant laws and regulations on emissions. In 2023, we installed an additional waste gas treatment device in Jinhui Park, which is equipped with activated carbon boxes and spray towers to ensure that laboratory waste gas is discharged in compliance with environmental standards.



Waste gas treatment device

检测日期	检测点位	检测因子	检测标准	检测结果	超标倍数	检测日期	检测点位	检测因子	检测标准	检测结果	超标倍数
2023/11/20	实验室废气	非甲烷总烃	5411	1.13	6.3e-04	120	0.42%				
		总VOCs	4078	1.13	6.3e-04	120	14%				
		总VOCs	4078	0.290	1.2e-04	1500	1%				
		总VOCs	8265	1.13	6.3e-04	120	22%				
2023/11/20	实验室废气	非甲烷总烃	5804	1.11	6.6e-04	120	42%				
		总VOCs	4128	1.11	6.6e-04	120	1%				
		总VOCs	1778	1.11	6.6e-04	120	18%				
		总VOCs	4180	1.11	6.6e-04	120	1%				

Test results of waste gas emissions by a third-party institution in 2023

Waste management

We've established a dedicated task force for environmental pollution prevention and control to perform classified management of medical and hazardous wastes. Medical wastes, including infectious waste, sharps waste, and chemical waste, are centrally collected in specialized medical waste bins, and then disposed of by Shenzhen Yisheng Environmental Protection Technology Co., Ltd. The five types of hazardous wastes, including waste activated carbon, waste engine oil, waste lamp tubes, waste chemicals, and air filtration wastewater, are centrally transported and disposed of by third-party organizations after collection.

Solid wastes generated by the Company mainly consist of general solid wastes (domestic wastes), kitchen wastes, etc., which are regularly collected and transported by certified sanitation units. Recyclable and harmless solid wastes, such as office waste paper and cardboard, are sorted and recycled by accredited facilities.

Resource utilization management

Water resource management

Snibe places significant emphasis on water resource management. We rigorously regulate water resource usage, increase the proportion of recycled water, and enhance water resource utilization efficiency through measures like water recycling and equipment adjustments.

● Enhancement of water resource recovery and utilization

Reject water primarily results from the purified water preparation process, and it meets the standards outlined in the "Reuse of Urban Recycling Water-Water Quality Standard for Urban Miscellaneous Use" (GB/T 18920-2020). Adhering to the principle of resource conservation and waste reduction, we've installed a 180-cubic-meter reject water storage tank, further augmenting reject water recycling and reducing tap water usage. Additionally, this year, we've boosted the storage capacity and utilization of reject water by elevating the overflow port of the Company's reject water storage tank by 1 meter. Currently, we've established 100-cubic-meter and 180-cubic-meter reject water storage tanks for Phase II and Phase III parks of the Company, respectively, utilized for toilet flushing and park irrigation. In 2023, the Company recovered approximately 19,397 cubic meters of reject water, marking a 2.19 times increase compared to 2022.

● Water resource waste reduction

To minimize water wastage, we have implemented adjustments to the air-conditioning cooling tower fan, utilizing artificial control to switch it off when not required. By synchronizing manual fan operation with seasonal temperature changes, we have curbed the volatilization of cooling water, resulting in an annual saving of approximately 6,525 cubic meters of water. In 2023, the Company's total water intake amounted to 235,533 cubic meters, with a water intake intensity of 0.5994 cubic meters per 10,000 yuan, and 19,397 cubic meters of reject water recovered.



Material resource management

Snibe actively promotes resource recycling throughout R&D, production, and operational processes. Various strategies are employed to optimize material management and enhance resource utilization efficiency.

In 2023, our canteen underwent intelligent transformation, and adopted an intelligent mode for plate usage, settlement and recycling, successfully reducing the reliance on disposable tableware. Compared to 2022, the usage of disposable bowls decreased by approximately 22,200, and disposable chopsticks decreased by about 49,000 pairs.

We've integrated green concepts into product development and production processes to improve resource utilization and minimize waste. Key strategies include:

- **Adopting environmentally friendly materials:** Substitution of disposable plastic foam with recyclable materials like cardboard or plastic trays, reducing environmental impact and enabling recycling. Using biodegradable materials: Incorporation of biodegradable packaging materials such as starch-based plastics, facilitating decomposition by microorganisms under natural conditions and reducing landfill accumulation and pollution.
- **Adopting lightweight packaging design:** Optimization of packaging design to minimize unnecessary materials and packaging weight, leading to cost savings in transportation and reduced energy consumption. Additionally, instrument structure enhancements result in compactness, reducing packaging volume and saving space.
- **Using recyclable packaging:** Design of reusable packaging containers such as crust boxes or suitcases to minimize the use of disposable packaging.
- **Promoting resource recycling:** Integration of recyclable marks on packaging to guide customers in correct sorting and disposal, thus promoting recycling practices of packaging. Design of easily disassembled packaging structures facilitates post-use separation by installation personnel and recycling processes.

FULFILLING SOCIAL RESPONSIBILITY

Important issues

- Industry development and cooperation
- Community public welfare

SDGs



Industry Development and Cooperation

Community Commonweal

Industry Development and Cooperation

Promoting industry development

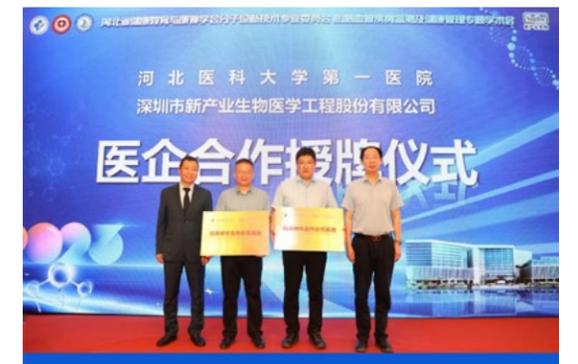
Industry-University-Research collaboration and multi-center research

In active response to the "14th Five-Year Plan for Pharmaceutical Industry Development" and the "Healthy China 2030 Planning Outline", Snibe has continuously focused on addressing the pain points and needs of front-line clinical and laboratory medicine, and attached great importance to industry-university-research-medical cooperation. Snibe has joined hands with universities, hospitals, and enterprises for all-round cooperation targeting disease diagnosis and treatment, medical technology development, IVD research and development, technology commercialization, and talent training. By leveraging respective strengths, all parties aim to promote product diversification and technological innovation in IVD. Amidst the national endeavor to prevent and control the four major non-communicable diseases, Snibe has carried out relevant research with medical institutions to help early diagnosis and treatment of chronic diseases.

In 2023, Snibe had more than 100 in-person and virtual meetings with customers, discussing cooperation in multi-center research, potential industry-university-research cooperation opportunities, and the implementation progress, involving over 200 customer visits.

● Industry-university-research-medical cooperation

On Jun. 11, 2023, the Conference on Monitoring and Health Management of Cardiovascular and Cerebrovascular Diseases, organized by the First Hospital of Hebei Medical University and the Molecular Diagnostics Committee of the Hebei Society of Health Education and Rehabilitation and co-organized by Snibe, was successfully held in Shijiazhuang. Snibe has partnered with the First Hospital of Hebei Medical University to build a demonstration base for clinical research cooperation through mutual licensing. With an effective system in place, more scientific and technological achievements will be translated into practical applications.



On Jul. 19, 2023, the Third People's Hospital of Shenzhen - Snibe Exchange Seminar and the Industry-University-Research-Medical Strategic Cooperation Signing Ceremony were successfully held at the headquarters.



On Nov. 16, 2023, Snibe had an in-depth dialog and signed a strategic cooperation agreement with the College of Health Science and Technology, Shanghai Jiao Tong University School of Medicine.



On Nov. 8, 2023, a signing ceremony for the industry-university-research-medical strategic cooperation between Snibe and Shenzhen Dongyi Medical Laboratory (DYB. Med) was held.



● Multi-center research

On Nov. 25, 2023, Snibe, together with several clinical institutions, launched the project "A Multi-center Research to Establish the Reference Interval for High-sensitivity Troponin I in Apparent Healthy People in China".



On Dec. 24, 2023, a Snibe-supported multi-center research project on the correlation between lipoprotein-associated phospholipase A2 and statins and cardiovascular risk factors was launched.



On Dec. 9, 2023, a Snibe co-sponsored project "Prospective Cohort Study on Prediction of Decompensated Cirrhosis and Liver Cancer Risk in Compensated Advanced Chronic Liver Disease Through Serological Indices" was launched.



Participation in standard formulation

Snibe has also played an active part in the formulation of industry standards at home and abroad. With these efforts, Snibe aims to improve the areas of weakness and pursue quality development with strict standards, thus fueling standardized industry development.

In 2023, Snibe provided input in the establishment of six national reference materials and two international reference materials, the collaborative assignment of seven national reference materials, the adaptability verification of six trueness samples, and the drafting of three industry standards and ten group standards.

In addition, Snibe participated in the formulation and revision of seven group standards on medical devices, i.e. "Expanded and Threaded Low-voltage Pipeline Connectors for Medical Devices", "Technical Conditions for Sliding Screw and Nut for Medical Devices", "Pipetting Needles for In Vitro Diagnostic Medical Devices", "General Technical Specifications for Switching Power Supply for Medical Electrical Equipment", "Mechanical Drive Micro Piston Pump", "General Technical Requirements for Clinical Laboratory Automation System", and "T/NAHIEM 108-2024 Guideline for Planning, Construction, and O&M of Hospital Smart Clinical Laboratory". These standards are expected to come out in 2024.

The industry and group standards on reagents that Snibe is involved in drafting include:

Type	Name	Regulatory Body	Status
Industry standard	Interleukin-6 (IL-6) assay kit (labeled immunoassay)	Clinical Laboratory Testing and In Vitro Diagnostic Test Systems (SAC/TC136)	Released in Sep. 2023
	17 α -hydroxyprogesterone assay kit (labeled immunoassay)	Clinical Laboratory Testing and In Vitro Diagnostic Test Systems (SAC/TC136)	Submitted for approval
	Gastrin 17 assay kit (labeled immunoassay)	Clinical Laboratory Testing and In Vitro Diagnostic Test Systems (SAC/TC136)	Opinion solicitation for project initiation
Group standard	Type III collagen N-terminal peptide assay kit (chemiluminescence immunoassay)	Guangdong Medical Device Management Academy	Released in May 2023
	Quantitative confirmation methods in clinical examination	China Association for Quality Inspection	The draft for review has been released with feedback, discussion, and revision of the draft for comments completed
	Quality control specifications for immediate examination of cardiac markers	China Association for Standardization	The draft for comments is under development, with panel discussion and draft revision completed

Academic extension

In 2023, Snibe held more than 400 academic activities covering academic conferences, industry exchanges, and online live broadcasts in China, which promoted industry development and technological innovation. Snibe has also endeavored to democratize laboratory knowledge. During the reporting period, Snibe published 15 academic articles on a major laboratory medicine platform (www.labmed.cn) to share information on diagnostic products and laboratory medicine.



International Symposium on New Clinical Laboratory Technologies and Applications



Snibe & Meinian Onehealth Academic Year Kick-off Meeting

致辞嘉宾/主持专家: 段朝晖 教授 中山大学孙逸仙纪念医院 检验科主任

时间	主题	授课专家
19:00-19:40	冬季呼吸道疾病的防治	卢洪洲 教授 深圳市第三人民医院院长
19:40-20:20	儿童支原体肺炎的诊治	陈英虎 教授 浙江大学医学院附属儿童医院感染科副主任
20:20-20:50	肺炎支原体/肺炎衣原体感染的实验室检查	张小红 中国医学装备协会检验医学分会副主任委员
20:50-21:00	互动答疑	

"Laboratory and Clinical Medicine Lecture" Live

化学发光检测小分子的世界性难题被新产业攻克了!
来源: 程然 检验医学网 2023-07-19 15:02 山东

艾滋、梅毒、肝炎..."术前八项"怎样才能测得更准?
来源: 张允青 检验医学网 2023-08-01 15:01 山东

肝癌AFP假阴性率太高怎么办? 强力外援来了!
来源: 刘聪, 黄三芳 检验医学网 2023-08-24 15:26 山东

乳腺癌、宫颈癌、卵巢癌个个凶险, 妇科肿瘤标志物临床应用最全汇总!
来源: zjc xzp lxy cy 检验医学网 2023-09-01 16:56 山东

鼻咽癌早期生存率高达98%! 如何早期识别, 这6项标志物是关键.....
来源: 李强生, 刘琪 检验医学网 2023-09-21 15:01 山东

被挤爆的儿科, 爆棚的支原体肺炎标本, 检验人如何应对?

Academic Articles on www.labmed.cn

Snibe organized and sponsored more than 330 academic exchange conferences worldwide with over 45,000 participants, including academic experts, laboratory terminals, and agents from around the world. These conferences serve as a platform for IVD experts, scholars, users, and peers to exchange different perspectives, communicate trends of industry development, display the latest research results, and explore new ways of teaching. In this way, stakeholders can find opportunities for cooperation research and development, and clinical laboratory knowledge is made available to more.

Case

Support for International Symposium on Laboratory Medicine

On Aug. 26, 2023, the International Symposium on Laboratory Medicine was held at the headquarters of Snibe in Shenzhen. The conference was jointly organized by the International Federation of Clinical Chemistry and Laboratory Medicine (IFCC), the European Federation of Clinical Chemistry and Laboratory Medicine (EFLM), the Asia-Pacific Federation for Clinical Biochemistry and Laboratory Medicine (APFCB), and the Latin American Confederation of Clinical Biochemistry (COLABIOCLI). Ten experts were invited and more than 240 participants were involved, covering agents and customers from 23 countries in Asia-Pacific, 11 countries in Europe, 10 countries in America, and 6 countries in Africa.



Case Sponsorship for WorldLab-EuroMedLab 2023

On May 21-25, 2023, the WorldLab & EuroMedLab was held in Rome, Italy. The congress was jointly organized by the International Federation of Clinical Chemistry and Laboratory Medicine (IFCC), the European Federation of Clinical Chemistry and Laboratory Medicine (EFLM).



Participants included government representatives, hospital administrators, department physicians, as well as experts, researchers, and pharmaceutical enterprises in the relevant fields. There were 11,745 participants, including 126 exhibitors, 160 lecturers, 4,282 audience members, and 4,003 visitors, according to the data provided by the organizers.

Case Exchanges and cooperation with laboratory medicine associations worldwide

Snibe has maintained active exchanges and signed cooperation agreements with laboratory medicine associations in global countries to strengthen mutual understanding and promote brand influence.

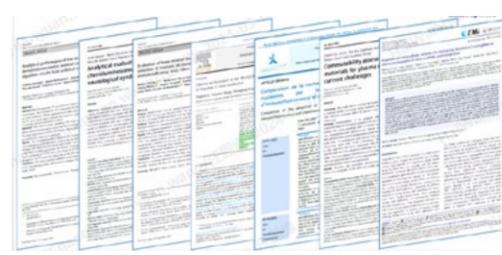


Signing MOU with the Brazilian Society of Clinical Pathology/Laboratory Medicine (SBPC/ML)



Signing MOU with the Saudi Society for Laboratory Medicine (SSLabMed)

Snibe has supported multiple academic research projects globally. In 2023, a total of 190 papers included the evaluation of Snibe products stating their advantages, which reflected our increasing product competitiveness and brand influence.



Community Commonweal

As a private socially responsible company based in China, Snibe actively fulfills its corporate social responsibilities by contributing its fair share to the prevention and treatment of chronic diseases, education, and medical research.

Case Popularising early screening and diagnosis of diseases

Prostate cancer is the most common genitourinary tract malignancy and the second most common cancer in men, behind only lung cancer. In China, the incidence and mortality rates of prostate cancer are climbing annually at a rapid pace, with increased disease burden. The early screening of prostate cancer can lead to a higher detection rate of localized disease, improve the survival and prognosis of patients, and reduce medical costs.

On Jun. 25, 2023, a public service program targeting the early screening, diagnosis, and treatment of prostate cancer in seniors was launched in Dongcheng District, Beijing. Sponsored by Snibe and initiated by Beijing Hospital and Beijing Medical Award Foundation, the program aims to raise awareness about the importance of disease screening among primary and community physicians and the general public, and encourage reasonable screening, early diagnosis and treatment in the high-risk male population, so as to increase the cure rate and help patients live a better life.



Case Education support

Snibe has established the "Snibe Education Award" at Tongxin Foreign Language School in Pingshan District, Shenzhen, to honor its outstanding educators. Snibe also provides support for the Pingshan Education Bureau as it develops walking classrooms that combine book learning with practical experience. On Sep. 17, 38 Grade 9 students from the Pingshan Experimental School of Shenzhen participated in an extraordinary "walking classroom" experience at Snibe to explore the development and innovation of the first biomedical listed enterprise in Pingshan. The students were thus inspired to pursue their dreams.



As a global leading medical device manufacturer, Snibe has been closely watching the clinical chemistry and laboratory medicine industry for emerging young scientists, and has been sponsoring the IFCC Young Investigator Award to recognize and encourage young scientists under the age of 40 with outstanding academic and professional development. The overseas subsidiaries are also actively fulfilling their social responsibilities to support the development of local medical education and research.

Case Medical research support

SNIBE DIAGNOSTIC (INDIA) PRIVATE LIMITED (hereinafter referred to as "SNIBE INDIA") has set up a social responsibility committee that formulated and adopted relevant CSR mechanisms. While ensuring profitability, SNIBE INDIA has donated Rs. 800,000 and Rs. 1.66 million to the institutions like the All India Institute of Medical Science (AIIMS) for two consecutive years. The fulfillment of corporate social responsibility has underpinned the development of medical scientific research.



Case IFCC young scientists sponsorship

In 2023, Dr. Joe M.EL-KHOURY won the IFCC Young Investigator Award sponsored by Snibe. The award aims to recognize and encourage young scientists under the age of 40 who have demonstrated outstanding academic achievements in clinical chemistry and laboratory medicine early in their careers.

Congratulations to Dr Joe M. EL-KHOURY (United States) for winner of the 2023 IFCC Young Investigator Award, sponsored by Snibe. <https://lnkd.in/gMdNajJa>



Economic Indicators

Indicator	Unit	2023data
Operating revenue	10,000 RMB	392,965.57
Cost of operations	10,000 RMB	106,247.60
Total Value of Assets	10,000 RMB	822,248.88
Asset-liability ratio	%	8.25
Net profit attributable to shareholders of listed companies	10,000 RMB	165,365.32
EPS	RMB/share	2.1054

Environmental indicators

Greenhouse gas contribution

Indicator	Unit	2023data
Direct greenhouse gas emissions	Tons of CO ₂ equivalent	210.49
Indirect greenhouse gas emissions	Tons of CO ₂ equivalent	12,608.76
Total greenhouse gas emissions	Tons of CO ₂ equivalent	12,819.25
Carbon emission intensity	Tons of CO ₂ equivalent/10,000 RMB	0.0326

Energy source

Indicator	Unit	2023data
Purchased electric power	kWh	21,735,492.00
Natural gas consumption	m ³	51,093.00
Diesel consumption	Tons	12.60
Gasoline consumption	Tons	27.30
Direct energy consumption	Tons of standard coal	120.57
Indirect energy consumption	Tons of standard coal	2,671.29
Total energy consumption	Tons of standard coal	2,791.86
Energy consumption intensity	Tons of standard coal/ 10,000 RMB	0.0071

Water resource

Indicator	Unit	2023data
Water intake	m ³	235,533.00
Water intake intensity	m ³ / 10,000 RMB	0.5994
Volume of reject water recovered	m ³	19,396.80

Waste

Indicator	Unit	2023data
General waste	Tons	4,514.40
Biohazard Wastes	Tons	95.50
General industrial solid waste	Tons	51.60

Environmental compliance

Indicator	Unit	2023data
Total monetary value of significant fines	RMB	0
Total number of non-monetary sanctions	Cases	0
Cases brought through dispute settlement mechanisms	Cases	0

Social indicators

Diversity and equal employment

Indicator	Unit	2023data
Number of staff involved	Persons	2,627
Male employees	%	64.94
Female employees	%	35.06
Male employees in management	%	70.71
Female employees in management	%	29.29
Employees under 30 years old	%	62.31

Diversity and equal employment

Indicator	Unit	2023data
Employees aged 30-40 years old	%	33.80
Employees aged 40-50 years old	%	3.43
Employees over 50 years old	%	0.46
College degree or below	%	29.62
Undergraduates	%	52.87
Postgraduates	%	17.24
PhD students	%	0.27

Employee compensation and benefits

Indicator	Unit	2023data
Employee labor contract signing rate	%	100
Employee social insurance coverage rate	%	100

Employee training and development

Indicator	Unit	2023data
Total training duration	Hours	164,366
Total number of trainees	Times	33,109
Proportion of ordinary employees participating in training	%	92

Occupational Health and safety

Indicator	Unit	2023data
Coverage rate of occupational health examination	%	100
Deaths and mortality rate of employee caused by work injury	Persons; %	0
Occupational injuries excluding deaths and serious injuries	Persons	5

Anti discrimination

Indicator	Unit	2023data
Total number of discrimination incidents during the reporting period	Cases	0

Quality of product and service

Indicator	Unit	2023data
New Quality Management System Certification	Pcs	1
External regulatory review	Times	5
Third party quality system audit	Times	7
Customer satisfaction	%	100
Events where fines or penalties are imposed for violations of regulations	Cases	0
Events subject to warnings due to violations of regulations	Cases	0
Events that violated the voluntary code	Cases	0
Events of Product recall quantity	Pcs	0

Product R&D

Indicator	Unit	2023data
Total number of R&D personnel	Persons	693
R&D investment amount	Ten thousand yuan	36,604.71
Cumulative number of patent applications	Pcs	523
Cumulative number of patent authorizations	Pcs	363
Valid patents granted	Pcs	335
Valid invention patents granted	Pcs	142
Chemiluminescence immunoassay reagent projects provided globally	Items	199

Supplier management

Indicator	Unit	2023data
Total number of new suppliers	Suppliers	35
Percentage of suppliers passing the assessment	%	100
Percentage of the Chinese Mainland suppliers	%	95.21

Marketing management

Indicator	Unit	2023data
Events where fines or penalties are imposed for violations of regulations	Cases	0
Events subject to warnings due to violations of regulations	Cases	0
Events that violated the voluntary code	Cases	0

Customer privacy

Indicator	Unit	2023data
The total number of confirmed leaks, theft, or loss of customer information	Cases	0
The total number of confirmed complaints received regarding violations of customer privacy	Cases	0

Anti-corruption

Indicator	Unit	2023data
Number of anti-commercial bribery trainings	Times	8
Proportion of employees receiving anti-commercial bribery trainings	%	100
Proportion of employees signing anti-commercial bribery commitments	%	100

GRI Index Table

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2-3	Reporting period, frequency and contact point	ABOUT THIS REPORT
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2-6	Activities, value chain and other business relationships	Supply Chain Management, Responsible Marketing, Customer Service Quality
2-7	Employees	Attraction and Retention of Talents, Table of KPIs
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2-10	Nomination and selection of the highest governance body	Corporate Governance
2-11	Chair of the highest governance body	Corporate Governance
2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance
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2-17	Collective knowledge of the highest governance body	Corporate Governance
2-18	Evaluation of the performance of the highest governance body	Corporate Governance
2-20	Process to determine remuneration	Corporate Governance
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	MESSAGE FROM THE CHAIRMAN
2-23	Policy commitments	Compliance in Operation
2-24	Embedding policy commitments	Compliance in Operation, Supply Chain Management, Responsible Marketing
2-25	Processes to remediate negative impacts	Compliance in Operation
2-26	Mechanisms for seeking advice and raising concerns	Compliance in Operation

Indicator No.	Indicator Name	Report Chapter
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Stakeholder engagement		
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GRI3: Material Topics		
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3-2	List of material topics	ESG Management
3-3	Management of material topics	ESG Management
GRI201: Economic Performance		
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201-2	Financial implications and other risks and opportunities due to climate change	Addressing Climate Change
GRI203: Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	Community Commonweal
GRI204: Procurement Practices		
204-1	Proportion of spending on local suppliers	Supply Chain Management
GRI205: Anti-corruption		
205-2	Communication and training about anti-corruption policies and procedures	Compliance in Operation
GRI206: Anti-competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Table of KPIs
GRI302: Energy		
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302-3	Energy intensity	Addressing Climate Change, Table of KPIs
302-4	Reduction of energy consumption	Addressing Climate Change
302-5	Reductions in energy requirements of products and services	Addressing Climate Change

Indicator No.	Indicator Name	Report Chapter
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303-2	Management of water discharge-related impacts	Green Operation
303-3	Water withdrawal	Green Operation, Table of KPIs
303-4	Water discharge	Green Operation
GRI305: Emissions		
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305-4	GHG emissions intensity	Addressing Climate Change, Table of KPIs
GRI306: Effluents and Waste		
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GRI308: Supplier Environmental Assessment		
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308-2	Negative environmental impacts in the supply chain and actions	Supply Chain Management
Society		
GRI401: Employment		
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GRI403: Occupational Health and Safety		
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Indicator No.	Indicator Name	Report Chapter
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