

## China Medical System MSCI-ESG rating upgraded to "AA"

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**China Medical System's ESG rating has been upgraded from "BBB" to "AA", surpassing 88% of companies in the global pharmaceutical industry as the company reached a leading level among its global peers in ESG management**



On December 17, the largest index provider, Morgan Stanley Capital International (MSCI) updated a report on the ESG (Environmental, Social and Governance) rating for China Medical System Holdings Limited ("China Medical System"), a well-established, innovation-driven specialty pharma with a focus on sales & marketing in China. According to the report, China Medical System's ESG rating has been upgraded from "BBB" to "AA", surpassing 88% of companies in the global pharmaceutical industry, and symbolizing that the Company has reached a leading level among its global peers in ESG management.

In the report, MSCI recognized China Medical System's outstanding performance in Corporate Governance, Corporate Behavior, Product Safety and Quality, Human Capital Development and Access to Health Care, and commented: "Leads peers in business ethics and talent management practices". MSCI also gave a positive assessment of the Company's Corporate Behavior, "China Medical System has evidence of detailed policies on business ethics and corruption".

There are seven levels of the MSCI-ESG rating, from the highest to the lowest are: AAA, AA, A, BBB, BB, B and CCC. Among them, companies with AA or AAA ratings are considered to be industry leaders in managing the most significant ESG risks and opportunities.

This year, China Medical System's MSCI-ESG rating has been upgraded by three levels, from "BB" to "AA".

According to the Company, "Receiving the 'AA' ESG rating from MSCI reflected China Medical System's long-term focus and resource investment on ESG management and information disclosure, and affirmed the Company's compliance focus and solid business practices. In recent years, under the leadership of the Board of Directors, the Company's ESG-related policies are increasingly improved, ESG practices are more standardized, and ESG management is constantly refined. In the future, through self-challenge and transcendence, China Medical System will continuously pursue higher corporate governance goals. The Company will continuously regard innovation as its driving force, to fulfill the unmet medical needs, and contribute to the integrated development of society, the environment, and civilization!"