



Honliv Healthcare Management Group Company Limited

宏力醫療管理集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 9906

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2021



2021 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE REPORT

Subject of the Report

Honliv Healthcare Management Group Company Limited (“Honliv Healthcare”, “our Company”, the “Company” or “we”).

Time Frame

It is a period from 1 January 2021 to 31 December 2021. In order to maintain the continuity of information, the report may include matters beyond this time frame.

Scope of the Report

Unless otherwise stated, the report covers the Company and its subsidiaries in the PRC and the amount of currency involved is denominated in Renminbi (“RMB”).

Content of the Report

Specific practices and major achievements of Honliv Healthcare Management Group Company Limited in environmental, social and governance areas. For corporate governance practices, please refer to the section headed “Corporate Governance Report” in the annual report of the Company published on 22 April 2021. No significant adjustment was made to the disclosure scope of the report compared with the Company’s ESG reports in previous years.

Data Description

The data in the report comes from Honliv Healthcare’s internal relevant statistical statements, company documents and reports, stakeholder surveys and interviews, etc. The Company’s emissions and energy use indicators were counted and calculated in accordance with national regulations or international standards.

Reporting Language

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

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Basis of Preparation

The report is prepared pursuant to the Environmental, Social and Governance Reporting Guide (the “Guide”) set out in Appendix 27 to the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited. It reports content and data in relation to ESG issues in accordance with the principles of materiality, quantitative, balance and consistency and the “comply or explain” provisions set out in the Guide.

Materiality: Key stakeholders and their ESG concerns have been identified during the preparation of the report, and targeted disclosures have been made in the report based on the relative importance of their concerns.

Quantitative: KPIs at the environmental and social areas in the report are presented in a quantitative manner. The measurement standards, methodologies, assumptions and/or calculation tools used for KPIs in the report, and source of conversion factors used, are explained wherever appropriate.

Consistency: The statistical methods used in the report are consistent with the Company’s Environmental, Social and Governance Report 2020, except as otherwise stated.

BOARD STATEMENT

The board of directors (the “Board”) of the Company is committed to pursuing the harmonious development of the Company, society and nature, and attaches great importance to ESG governance. As the highest responsible and decision-making body for ESG matters, the Board assumes full responsibility for the Company’s ESG strategy and reporting.

Oversight of ESG issues: The Board incorporates ESG matters into the corporate governance structure and fully participates in ESG governance and disclosure. The Board regularly hears reports on health, safety and environmental protection every year, evaluates and determines ESG risks in relation to the Company, sets annual strategic goals around environmental protection, energy conservation and low carbon, and reviews and evaluates the achievement of the previous year’s goals.

ESG management approach and strategy: The Company integrates ESG governance requirements into its daily management system. It continuously evaluates its own performance through an internal review of the completion of ESG work, prioritises and manages ESG-related issues and internal and external risks based on macro policy analysis and communication with stakeholders, and report them to the Board. The Company clarifies the priorities of ESG governance and management approach and strategy, and improves and promotes the implementation and optimisation of ESG work.

Review of ESG-related goals and targets: The Board has continuously strengthened its supervision and participation in ESG governance. In 2021, the management reported to the Board on the Company’s ESG development direction for the next year and the future, including the goals of environmental protection and energy conservation, the opportunities and challenges arising from climate change to the Company, and its response measures.

The report was reviewed and approved by the Board of the Company on 28 March 2022.

Board of

Honliv Healthcare Management Group Company Limited

28 March 2022

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1. ESG STRUCTURE

Our Company adheres to the corporate culture of “benefiting and contributing to the society”. Based in northern Henan and serving the whole country, it strives to become the benchmark in the healthcare industry. It aims to provide quality medical services to the general public as a way of contributing to healthcare in China. Our Company is committed to achieving a high level of ESG performance. It strives to improve its sustainable development capabilities so as to fulfil its corporate social responsibilities while protecting the interests of shareholders and investors.

We proactively identify and strictly abide by national and regional relevant laws and regulations. With the idea of sustainability woven into our corporate operation and management process, we work to reduce negative environmental impacts while achieving our business objectives, consolidate the management foundation, build a high-quality talent team, forge reliable partnerships with suppliers, and create sustainable value with stakeholders. The Company, which sticks to the principle of “caring about the society and people”, actively participates in public welfare activities and undertakes corporate social responsibilities.

We have established a multi-level, inter-departmental ESG responsibility system. The Board is responsible for the ESG work and information disclosure of the Company. We have also set up an ESG working group comprising the heads of relevant departments to promote the implementation of specific ESG work.

2. STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Stakeholder Engagement

Our Company communicates with stakeholders through various channels to understand their needs and uses their opinions obtained from the communication as important references for its ESG work.

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Key stakeholders identified by the Company based on business characteristics include: employees, patients, governments and regulatory authorities, academic/research institutions, investors/shareholders, suppliers and the community. According to the communication with stakeholders, ESG issues that are concerns of key stakeholders of the Company and channels through which it communicates with and obtain feedback from the stakeholders are as follows:

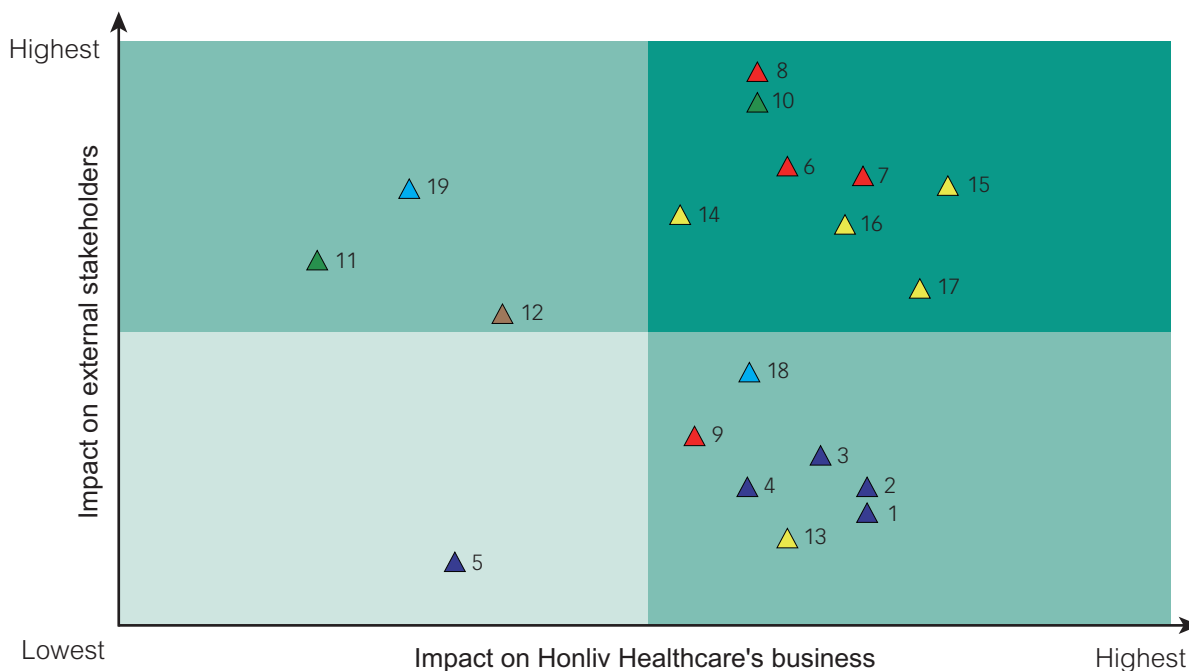
Key Stakeholders	ESG Issues of Concern	Main Communication and Feedback Channels
Employees	Employment Employee development and training Employee health and safety Anti-corruption	Employee opinion survey Employee internal communication meetings Internal announcements Labour union
Patients	Product and service responsibilities Community investment Environment and natural resources	Patient satisfaction survey Daily operation/communication Return visits to discharged inpatients Service complaint and response system channels
Governments and regulatory authorities	Anti-corruption Product and service responsibilities Employment Labour standards	Information disclosure Correspondences Field trips Relevant meetings
Academic/research institutions	Cooperation on clinical research Quality of medical services	Academic exchange Industry development and progress
Investors/shareholders	Product and service responsibilities Employee development and training Employment Anti-corruption	Shareholders' general meetings Annual and interim reports Results announcements Corporate SEHK announcements Relevant meetings and investor relations page
Suppliers	Supply chain management Product and service responsibilities Anti-corruption	Supplier management system Relevant meetings
Community	Emissions Use of resources Environment and natural resources Labour standards Anti-corruption	Community activities Public welfare activities Daily operation Questionnaires

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Materiality Assessment

Based on the business characteristics of our Company and communication with stakeholders, we understand the views of stakeholders on ESG issues, and identify and determine the importance of issues of concern to stakeholders as an important reference for the disclosure degree and boundaries of issues, in order to ensure more accurate and comprehensive disclosure of ESG information and respond to the concerns of stakeholders.

Based on the analysis and identification results of material ESG issues, issues of the relatively greatest significance to our Company at this stage are patient privacy and data protection, anti-corruption and anti-bribery management, medical service quality control, medical accident and complaint management, protection of employees' legitimate rights and interests, employee health and safety, employee welfare and benefits, as well as employee development and training.



- 1 Resource conservation
- 2 Wastewater and waste gas management
- 3 Hazardous waste management
- 4 Non-hazardous waste management
- 5 Climate change
- 6 Quality control of medical services
- 7 Medical accident and complaint management
- 8 Patient privacy and data protection
- 9 Patent and intellectual property protection
- 10 Anti-corruption and anti-bribery management

- 11 Advertising and marketing compliance management
- 12 Supplier management
- 13 Employee diversity and integration
- 14 Protection of employees' legitimate rights and interests
- 15 Employee health and safety
- 16 Employee welfare and benefits
- 17 Employee development and training
- 18 Management related to prevention of child labour and forced labour
- 19 Charitable donations and community charity services

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3. SERVING PEOPLE WITH PROFESSIONAL SERVICES

As a healthcare service provider, Honliv Healthcare is dedicated to providing high-quality medical services and delivering good medical experience to patients under the service philosophy of “integrity, quality, swiftness and warmth”. We listen carefully to the opinions of patients and solve their difficulties and problems, and effectively protect their privacy in digital ways, so as to protect the legitimate rights and interests of patients and medical staff.

3.1 Medical Quality and Safety

Our Company strictly abides by laws and regulations concerning healthcare, such as the Law on Basic Healthcare and Health Promotion of the PRC, the Law on Medical Practitioners of the PRC, the Law on Maternal and Infant Health Care of the PRC, the Drug Administration Law of the PRC, the Regulations on the Administration of Medical Institutions, the Regulations for Implementation of the Drug Administration Law, the Regulations on Handling Medical Malpractice, the Measures for the Administration of Radioactive Pharmaceuticals, the Medical Quality Management Measures and the Practicing License of Medical Institution, in a bid to ensure that the Company provides high-quality medical services to the general public with high-quality medical conditions and humanised services and management.

Medical Quality

The Company remains true to the original aspiration of “striving for excellence and returning to the essence of medical care”, and expands and extends around the core of medical quality. The Company has established a three-level management system with the quality and safety management committee as a decision maker, the quality and safety department and various functional departments as controllers, and quality and safety management teams of hospital departments as performers. It implements the core medical quality and safety systems to oversee the day-to-day operations of the hospital. In the context of the normalisation of the pandemic, we independently conduct triage for high-risk patients through the “precheck-screening-isolation” model. We set up emergency isolation wards in general wards and standardise the wearing of protective equipment to ensure the safety of patients seeking medical treatment, and ensure the orderly diagnosis and treatment for patients.

The Company continuously improves the quality of diagnosis and treatment, deepens the multidisciplinary team (MDT) mechanism, implements the optimal plan based on treatment recommendations and patients’ own conditions. While effectively improving the level and quality of comprehensive diagnosis and treatment for related diseases, it further promotes the development of disciplines and the establishment of a talent team.

In addition, the Company is the first private medical institution in China with the ability to provide air ambulance service. We have a designated team of air ambulance services that enables us to quickly reach our patients and transport them to our hospital from remote areas to ensure their life safety without delay.

Quality of Nursing Care

The quality of nursing care is an important indicator for improving medical service level and patient experience. To this end, the Company has established a nursing care quality and safety committee and a management branch to conduct regular discussions about the overall nursing care quality control and give guidance to promote the improvement of nursing care quality.

In 2021, the Company formulated the Nursing Care Control Programme for 2022 to further improve the nursing care quality control indicator system. The focus was on daily quality control, root cause analysis of adverse events in nursing care and special quality improvement work, with a view to improve the quality of professional nursing care and standardised process management.

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In order to meet the home care needs of the majority of patients, Honliv Healthcare provides professional home care services covering the whole process by promoting the referral mechanism, setting up home care groups, and organising related teaching activities in accordance with relevant national policy requirements. In 2021, the Company unveiled a number of home care service schemes, sending up the number of patients cared for and the frequency of services by more than 50%. This effectively reduces the risk of patient readmission and plays a positive role in making sound progress in nursing work and in meeting the daily health needs of the public.

Pharmaceutical Management

Honliv Healthcare strictly complies with relevant laws and regulations, including the Drug Administration Law of the PRC and the Regulations on Pharmacy Administration of Medical Institutions, in order to ensure the medication safety for patients. The Drug Quality Control System was laid down to strengthen drug quality control, allowing it to effectively manage pharmaceutical selection, procurement, storage, prescription, allocation, administration, and drug efficacy.

Our Company manages pharmaceuticals strictly based on their expiration dates. It strictly implements the incoming acceptance system, inspects and records the quality of pharmaceuticals on a regular basis, and deals with problems found in a timely manner. The Company coordinates the return and change of pharmaceuticals in stock with expiration dates less than six months in a timely manner to avoid expiration. In the event of clinical drug adverse reactions, the Company will request patients to stop taking a specific drug and notify the pharmacy department to promptly recall and seal the drug, conduct investigation and analysis, and report to the drug regulatory department in strict accordance with the Drug Adverse Reaction/Event Handling System. We have also formulated a drug recall system, and if necessary, recall relevant drugs and safely and correctly destroy them as required. The Company announced no recalls for safety and health reasons in 2021.

3.2 Serving Patients Wholeheartedly

The Company pays great attention to patient experience. It regularly evaluates the service quality of each hospital department and identifies areas for improvement. Clear guidance signs have been put up in the hospital. Our employees have spontaneously built a team of volunteers to assist patients in seeking medical advice. We continuously perfect the patient communication and complaint mechanism and regularly conduct case studies on doctor-patient disputes, sum up experience and lessons in real time, and further promote the healthy development of doctor-patient relationship.

Patient Communication and Complaints

Honliv Healthcare protects the legitimate rights and interests of both doctors and patients from the aspects of institutional establishment and daily training. In terms of the doctor-patient communication system, the Company keeps patient communication channels open in accordance with relevant laws and regulations, including the Regulations on the Administration of Medical Institutions, the Regulations on Handling Medical Malpractice, the Regulations on the Handling of Petition Letters and Visits, and the Measures on Handling of Health-Related Petitions. It records complaints and comments from patients through visits, calls, etc. and adopts a hierarchical handling mechanism to ensure that all complaints are handled in a timely and appropriate manner. The Company received 8 effective customer complaints through petitions and a hotline in 2021, and both complaint response rate and case settlement rate reached 100%.

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Honliv Healthcare has formulated the Plan on Handling Medical Malpractice, the Medical Safety (Adverse) Event Reporting System and Process, the Medical Risk Early Warning System and other rules and regulations in strict accordance with relevant laws and regulations, in order to resolve possible doctor-patient disputes and medical incidents. It carries out publicity education and communication skills training for relevant medical staff, holds seminars on disputes in other hospitals, standardises handling measures, response procedures and clinical operations, in a bid to enhance their ability to prevent and respond to emergencies, and handle doctor-patient relationship, effectively avoid medical risks, and protect the rights and interests of both doctors and patients.

Return Visits to Patients and Patient Satisfaction Survey

The Company has established a return visit mechanism and set up a return visit office for discharged patients. It regularly compiles return visit summary reports and conducts regular satisfaction surveys to fully solicit patients' opinions and suggestions on its medical services, and send them to the corresponding departments after analysis, which improves its service quality. Both outpatients and inpatients had a monthly satisfaction of more than 98% in 2021, higher than that in 2020.

3.3 Protection of Patient Privacy

With great importance to the protection of patient privacy, we strictly comply with relevant laws and regulations, including the Law on Medical Practitioners of the PRC, the Cybersecurity Law of the PRC, the Law on the Prevention and Treatment of Infectious Diseases of the PRC, the Regulation on Medical Record Management in Medical Institutions, the Management Practice for Application of Electronic Health Records (trial) and the Nurses Regulation. The Company carries out work in three aspects, namely diagnosis process, file management and information system security.

Privacy Protection during Diagnosis

The Company implements the diagnosis and treatment model of "one doctor for one patient in one room with one accompanying person" to protect patient privacy. Curtains and partitions have been set in outpatient exam rooms and treatment rooms. Taking images of patients is not allowed without their or their family members' consent. Where it is inappropriate to explain the situation to patients due to the implementation of the protective medical system, their legal representative will be first notified and signatures are required.

Patient File Management

To avoid leakage of patient information, we strengthen the management of patient files and require the separate storage of examination materials that need to be kept confidential. Medical staff are allowed to use medical records involving patients' private information only with strict examination and approval of the medical administration department in accordance with relevant regulations. Meanwhile, we require employees to abide by professional ethics and keep patient information confidential during practice activities.

Information System Security

In terms of information system security, our Company has laid down the Information Security Management System and the Management System for Access to Information Systems. The access to our information systems is under strict control, and computers are installed with anti-virus software to prevent the leakage of sensitive information. In 2021, the Company's hospital information system, laboratory inspection system, image filing and communication system, electronic health record filing system and an Internet hospital have all successfully passed the level-3 assessment based on the Information Security Technology — Baseline for Classified Protection of Cybersecurity and successfully filed for record, which is of great significance to protect patient information security and privacy.

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3.4 Intellectual Property and Trademarks

Honliv Healthcare strictly complies with laws and regulations related to intellectual property rights, including the Patent Law of the PRC. It applied for software copyright certificates and signed confidentiality agreements to protect its own intellectual property rights without infringing the intellectual property rights of others.

To protect its trademark rights, the Company has laid down the Norms on the Designation and Use of Trademarks and Trademark File Management System in accordance with the Trademark Law of the PRC to strictly implement all provisions on the management and use of trademarks. Relevant employees are required to learn the latest laws and regulations in time to ensure the timeliness and compliance of the trademarks used.

3.5 Advertising Management

In terms of advertising, our Company complies with relevant laws and regulations, including the Advertising Law of the PRC and the Measures for the Administration of Medical Advertisements, and follows the Circular of the Ministry of Health on Strengthening the Management of Medical Advertisements to ensure the authenticity and legality of all the advertising contents. Our Company did not have any major violations of laws and regulations related to advertising in 2021.

4. GREEN OPERATION FOR ENVIRONMENTAL PROTECTION

Honliv Healthcare has been operating in a green manner by taking relevant measures to conserve water and energy, reduce emissions and discharges and consumption, make comprehensive utilisation of resources, and manage waste discharge in accordance with environmental protection laws and regulations. Due to the Company's business characteristics, its impact on the environment and natural resources is mainly derived from the emissions and discharges generated and resources used during its operations.

4.1 Climate Change

Honliv Healthcare incorporated climate change issues into its priorities in 2021. Referring to the risk analysis framework of the Task Force on Climate-related Financial Disclosures (TCFD), we identified potential risks and opportunities of climate change to our operations and finances, and plan to incorporate them as part of our overall operational risk management. We will disclose greenhouse gas emissions in the ESG report every year to evaluate our management performance level in response to climate change, and lay down improvement plans.

Types of risks	Risk characterisation	Responses
Technical risks	If policies and regulations require the installation or use of clean energy, the adoption or deployment of new operations and processes may result in increased operating costs under the existing cost model of asset write-offs and early retirement.	Identifying sources of carbon emissions; Making climate change mitigation and technical response one of the priorities of all relevant business units; Identifying and managing climate change risks and opportunities with reference to the TCFD framework.
Transition risks	Compliance costs increase due to stricter regulatory requirements. If the Company fails to meet regulatory requirements in environmental management, it will face risks such as litigation risk, resulting in increased operating costs.	

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Types of risks	Risk characterisation	Responses
Market risks	Prices of raw materials (e.g. energy and water) and emission requirements (e.g. waste disposal requirements) change with market fluctuations, resulting in higher production costs.	The use of energy-saving lamps, sensor faucets and so forth improves energy efficiency.
Reputational risks	With the transition to a low-carbon economy, stakeholders expect the Company to take proactive management actions and enhance transparency in information disclosure in response to climate change. If the Company fails to respond well to these demands, it will have an impact on its reputation.	It actively formulates and discloses carbon emission reduction targets and corresponding emission reduction measures.
Physical risks	Extreme weather events occur frequently, resulting in abnormal power supply and water supply, leading to increased operating costs and affecting diagnosis and treatment activities.	It arranges backup power and builds water wells.
Types of opportunities	Opportunity description	Responses
Resource efficiency	As resource consumption increases, the Company has to improve the efficiency of energy and water use.	Energy and water conservation measures have been taken to increase resource efficiency and cut operating and management costs.
Energy structure	With the trend of global warming and the increase in the cost of fossil energy, the Company has transformed its energy structure.	Low-emission energy/clean energy is used to reduce the Company's greenhouse gas emission level.
Products and services	Climate change may lead to an increase in the incidence of certain diseases.	The Company actively improves medical technology to enhance its competitive position.
Resilience	Climate change requires the company to gradually increase its resilience to climate change.	The Company takes measures to increase energy efficiency, selects environmentally-friendly suppliers, improves its climate resilience and reduces operating costs.

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4.2 Emission and Discharge Reduction

Our Company strictly complies with relevant laws and regulations, including the Environmental Protection Law of the PRC, the Law on the Prevention and Control of Environmental Pollution by Solid Wastes of the PRC, the Law on the Prevention and Control of Water Pollution of the PRC, the Discharge Standard of Water Pollutants from Medical Institutions, the Regulations on the Management of Medical Waste, the Measures for the Management of Medical Waste from Medical and Health Institutions, the Catalogue of Medical Waste Classification and the Technical Specifications for Centralised Disposal of Medical Waste. The documents it formulated include the Environmental Emergency Preparedness Resources Survey, the Report of Risk Assessment for Environmental Emergencies, the Medical Waste Management System and the Wastewater Management System. All relevant subordinate departments and units actively implement various management systems to ensure that environmental risks are effectively controlled. In 2021, the Company was not subject to any administrative penalties or related litigation in relation to environmental pollution.

Due to its business characteristics, there are four main types of emissions, discharges and wastes generated by Honliv Healthcare during its operation, namely, medical waste, medical wastewater, waste gas and domestic waste. We have established a special handling process for all types of waste.

Medical Waste

Medical waste refers to infectious, damaging, pathological, pharmaceutical and chemical waste generated during diagnosis and treatment. All medical waste generated by the Company is handed over, transferred and temporarily stored through a special collection route and finally transferred to a qualified third party for disposal. The leading group on medical waste management is responsible for managing and supervising medical waste. According to the Circular on Issuance of Catalogue of Medical Waste Classification (2021 edition) published by the National Health Commission and the Ministry of Ecology and Environment, all departments of Honliv Healthcare strictly implement the exemption clause and do not dispose of cotton balls, infusion sticks, cotton swabs and other disposable hygiene products used and discarded by patients as medical waste, contributing to the realisation of the national goal of medical waste reduction. In the meantime, the Company organises emergency drills for medical waste accidents every year to consolidate and improve the medical waste management level.

Medical Wastewater

Medical wastewater comes from the water used for diagnosis and treatment in outpatient departments and by patients in inpatient departments and is treated by the Company's self-built sewage treatment station to meet relevant standards before being discharged to the municipal sewer pipe network. The data related to the Company's medical wastewater has been included in the supervision scope of the Ecology and Environment Department of Henan Province and the online monitoring system of the provincial department to monitor wastewater flow in real time.

Waste Gas

Waste gas generated by the Company mainly includes waste gas generated during medical wastewater treatment, exhaust gas generated by self-owned vehicles and indirect greenhouse gas (GHG) emissions from energy consumption.

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In order to reduce GHG emissions, the Company arranges electric vehicles and battery-powered shuttles, encourages employees to work by public transit, strengthens vehicle management, reduces gasoline consumption, and improves comprehensive energy use efficiency. In response to the waste gas generated during the treatment of medical wastewater, the Company has installed waste gas treatment devices that are managed by dedicated personnel. The waste gas generated is collected and disposed of in a centralised manner before emission. Meanwhile, a third party is appointed for regular testing to ensure that the waste gas released meets relevant national and industry standards.

Domestic Waste

For the domestic waste generated by our employees and patients, we strictly oversee the cleanup by property management companies on a daily basis. The domestic waste is transferred centrally by the municipal sanitation departments. Meanwhile, we encourage employees to improve the use efficiency of office supplies, advocate double-sided printing and promote green diagnosis and treatment and paperless offices, aiming to reduce domestic waste.

4.3 Resource Conservation

In strict compliance with relevant laws and regulations, including the Energy Conservation Law of the PRC, the Regulations on Urban Water Supply and the Regulations on the Supply and Use of Electricity, Honliv Healthcare formulated a series of management systems, including the Water Conservation Management System, the Implementation Scheme for Water Conservation Plan and the Electricity Conservation Management System. During the Company's operations, the main resources consumed include purchased electricity, water and office supplies. The Company's water is mainly purchased from the municipal water supply network. A water well has been built to respond to occasional water supply problems. The Company had no issue in sourcing water that is fit for purpose in 2021.

In order to save resources effectively, we continuously promote the concepts of water, electricity, and paper conservation through display boards, banners, LED screens and other channels to urge all employees to develop conservation consciousness. We urge employees to focus on resource conservation and take proactive actions by installing energy-saving lamps in public areas, using sensor faucets, and limiting the temperature of air conditioners. Efforts are made on resource utilisation. On the premise of safety and health, the reclaimed wastewater is used for irrigation and road cleaning, which effectively saves clean water sources.

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4.4 Environmental Performance

Honliv Healthcare, which attaches great importance to resource conservation, energy conservation and emission reduction, is committed to reducing environmental pollution and resource consumption in the operation process, and resolutely takes actions to help achieve China's goals of peaking carbon emissions by 2030 and going carbon neutral by 2060. To this end, we have set a series of environmental performance targets which aim to urge the improvement of green and sustainable development level in a quantitative manner.

Carbon reduction target	Energy conservation target	Water conservation target	Waste reduction target
<ul style="list-style-type: none"> Based on data in 2020, the Company will reduce GHG emissions per unit of revenue by 10% by 2030. Based on data in 2020, the proportion of employees traveling for business by high-speed train will be increased to 90%, and the number of business trips in domestic regions will be reduced by 15% by 2025. Based on data in 2020, the Company will cut GHG emissions per capita from purchased electricity by 10% by 2030. 	<ul style="list-style-type: none"> The installation rate of intelligent lighting or LED lamps in all operating places of the Company will reach 100% by 2026. Based on data in 2020, the Company will reduce electricity consumption per capita by 5% by 2030. 	<ul style="list-style-type: none"> The installation rate of sensor faucets in all operating places of the Company will reach 100% by 2028. Based on data in 2021, the Company will cut tap water consumption per capita by 3% by 2026. 	<ul style="list-style-type: none"> From 2022, 100% of the hazardous waste generated during the Company's operations will be disposed of compliantly. From 2025, the Company will fully implement garbage sorting and recycling, and use 100% biodegradable garbage bags to replace plastic ones. The Company will reduce the purchase of bottled/barrelled water and promote the use of direct drinking water in all operating places from 2025.

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Emissions and discharges¹

Indicators	2021
Total GHG emissions (Scope 1 and Scope 2) (tonnes)	10,540.21
GHG emissions per unit area (tonnes/square metre)	0.08
GHG emissions per capita (tonnes/person)	6.13
Direct emissions (Scope 1) (tonnes)	3,212.25
Fuel consumed by vehicles	12.89
Natural gas	3,199.36
Indirect emissions (Scope 2) (tonnes)	7,327.96
Purchased electricity	7,327.96
Hazardous waste (tonnes)	122.30
Hazardous waste generated per capita (tonnes/person)	0.07
Hazardous waste per unit area (tonnes/square metre)	0.001
Non-hazardous waste (tonnes)	280.00
Non-hazardous generated per capita (tonnes/person)	0.16
Non-hazardous waste per unit area (tonnes/square metre)	0.002
Waste Gas	
Total gas emissions ('0,000 cubic metres)	3,000.80
Ammonia content (kg)	1.60
Hydrogen sulfide content (kg)	0.20
Wastewater	
Total water discharge ('0,000 cubic metres)	13.50
COD content (tonnes)	4.05
Ammonia nitrogen content (tonnes)	0.028

¹ Notes:

- The data covers Henan Honliv Hospital.
- Greenhouse gases includes carbon dioxide, methane and nitrous oxide mainly from purchased electricity, natural gas and fuels. Greenhouse gas accounting is presented in terms of carbon dioxide equivalent, based on the 2019 China Regional Grid Baseline Emission Factors for Emission Reduction Projects published by the Ministry of Ecology and Environment of the PRC and the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories published by the Intergovernmental Panel on Climate Change (IPCC) for accounting.

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- Hazardous waste involved in our Company's operations is mainly medical waste, that is, infectious, damaging, pathological and chemical waste generated during diagnosis and treatment.
- Non-hazardous waste involved in our Company's operations mainly includes domestic waste. Domestic waste is disposed of by a third party, so the data comes from the third-party cleaning and transportation company.
- Given operational characteristics, our Company's main gas emissions are GHG emissions and waste gas emissions. In particular, GHG emissions come from the use of electricity and fuel converted from fossil fuels, and waste gas mainly comes from waste gas generated from the treatment of medical wastewater. As exhaust gas emissions from vehicles are minimal and insignificant, they are not included in the scope of disclosure.

Energy and Resource Consumption²

Indicators	2021
Total combined energy consumption (MWh)	28,683.55
Energy consumption per unit area (MWh/square metre)	0.22
Energy consumption per capita (MWh/person)	16.69
Direct energy consumption (MWh)	15,873.55
Natural gas	15,826.00
Fuel consumed by vehicles	47.55
Indirect energy consumption (MWh)	12,810.00
Purchased electricity	12,810.00
Water consumption (tonnes)	136,000.00
Water consumption per capita (tonnes/person)	79.12
Water consumption per unit area (tonnes/square metre)	1.06
Amount of packaging (tonnes)	6.77

² Notes:

- Combined energy consumption is calculated based on the consumption of electricity and petrol as well as conversion factors specified in the national standard named General Principles for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020).
- The packaging materials used are mainly plastic bags provided for patients in the hospital.

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5. BEING PEOPLE-CENTRED AND CARING FOR EMPLOYEES

Guided by the management idea of “being people-centred to offer great room for development and embracing diversity to help achieve wonderful lives”, we work to protect the legitimate rights and interests of employees and create a healthy, safe, equal and diverse working environment for them.

5.1 Rights and Interests and Benefits

We comply with relevant laws and regulations, including the Labour Law of the PRC, the Labour Contract Law of the PRC, the Employment Promotion Law of the PRC, the Law on Prevention and Treatment of Occupational Diseases of the PRC, the Implementation Measures on Paid Annual Leave for Employees of Enterprises, as well as the Regulations on Labour Protection for Female Workers and Employees. We formulated relevant rules and regulations, such as Human Resource Management System and Leave and Vacation System, to standardise employee recruitment, remuneration and benefits, and fully protect the legitimate rights and interests of employees.

Our Company pursues an equal and diversified workplace culture and respects every employee. The Company is committed to creating equal and fair employment and promotion opportunities for employees, and treats all employees equally to ensure that employees will not be subject to discrimination and unfair treatment because of their race, nationality, religious belief, colour, age, gender, sexual orientation, marital status, disability, pregnancy and other factors.

The Company strictly complies with the Labour Law of the PRC and the Law on the Protection of Minors of the PRC and opposes any form of forced labour. The Company has a “zero tolerance” attitude towards child labour and strictly checks the identity information of job applicants to ensure that this phenomenon is eliminated. In the event of any non-compliance, we will make rectification immediately, improve relevant systems and procedures, and organise training sessions in a timely manner to strictly prevent the recurrence of non-compliance events.

Recruitment and Dismissal

In order to maintain the stability of our human resource structure, we regularly hire professionals through various recruitment channels and determine their positions and whereabouts based on their professional skills and calibre. Based on relevant requirements of laws and regulations, we sign formal labour contracts with all recruits, in which we state the terms to protect their legitimate rights and interests.

We have developed a dismissal management system in accordance with the Labour Contract Law of the PRC and specify relevant terms in the contracts to effectively safeguard and protect their legitimate rights and interests and carry out dismissal in compliance with laws and regulations.

Compensation and Vacation

The Company has established an annual compensation system and a complete performance appraisal system according to its own business attributes. It implements a standard working system and a rest system, and designates personnel to be responsible for scheduling shifts to scientifically coordinate the working hours of employees, in a bid to avoid overwork.

Welfare and Care

In addition to the statutory benefits of five social insurances and a housing fund, the Company also provides employees with additional benefits such as large sum supplementary medical insurance and free employee physical examinations. Meanwhile, in order to enrich the leisure time of employees, and improve their physical and mental health and comprehensive artistic literacy, we have founded the Artistic Life Academy, which offers many interest-oriented classes for employees to choose from.

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Promotion and Development

In terms of promotion and development of employees, the Company adheres to the principle of “emphasising both good character and professional competence, but putting character first”, and establishes a democratic, open, competitive and merit-based talent selection and promotion mechanism, in a bid to enable all kinds of talents to stand out and create a good environment for people to make the best use of their talents.

Employment-related KPIs³

Indicator Category	Secondary Classification	Indicator Name	Unit	Data	
Total number of employees	Total number of employees		Persons	1,719	
	Total number of employees by gender	Male	Persons	518	
		Female	Persons	1,201	
	Total number of employees by age group	Number of employees aged 30 and below		Persons	711
		Number of employees aged 31 to 50		Persons	836
		Number of employees aged over 50		Persons	172
	Total number of employees by geographical region	Number of employees in Henan		Persons	1,611
		Number of employees outside Henan		Persons	108
	Total number of employees by employment type	Full-time		Persons	1,719
		Interns/part-time		Persons	0
	Total number of employees by employee category	Doctors		Persons	281
		Pharmacists		Persons	41
		Nurses		Persons	736
Medical technicians		Persons	174		
Administrative and back office staff		Persons	487		
Employee turnover rate	Total employee turnover rate		%	12.3	
	Employee turnover rate by gender	Male	%	14.7	
		Female	%	11.2	
	Employee turnover rate by age group	Number of employees aged 30 and below		%	15.7
		Number of employees aged 31 to 50		%	8.9
		Number of employees aged over 50		%	13.0
	Employee turnover rate by geographical region	Number of employees in Henan		%	12.2
		Number of employees outside Henan		%	12.9

³ Note:

- Employee turnover data only covers employees who leave voluntarily. The turnover rate is calculated as: the total number of employees leaving in 2021/(the total number of employees as at the end of 2021 + the total number of employees leaving in 2021).

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5.2 Health and Safety

Ensuring the health and safety of employees is the top priority of Honliv Healthcare. In strict compliance with relevant laws and regulations like the Law on Prevention and Treatment of Occupational Diseases of the PRC, we perfect the internal management systems and actively take a number of safeguard measures, striving to provide employees with a healthy and safe working environment.

Health Management

The Company further promotes the establishment of the employee health management committee, implements the overall plan for employee health management, and conducts general investigations and publicity activities on mental health and occupational disease prevention from time to time to ensure the physical and mental health of employees. At the same time, we establish health records for each employee, arrange targeted physical examinations on a yearly basis according to the age of employees, and conduct health assessment on employees in high-risk environments such as those exposed to radioactive and medical waste, with a view to prevent and reduce occupational hazards and ensure the health of employees.

The Company compiled the Nursing Management Plan for COVID-19 Prevention and Control of Henan Honliv Hospital in 2021 to ensure the physical and mental health of nursing staff in a standardised way. The Company also organises targeted health lectures and conducts surveys on the physical and mental health of the hospital's nurses, showing humanistic care.

Safety Management

To ensure the safety of employees, Honliv Healthcare, which strictly complies with relevant laws and regulations, including the Production Safety Law of the PRC, the Fire Protection Law of the PRC, the Law on Prevention and Treatment of Occupational Diseases of the PRC and the Regulation on Work-related Injury Insurance, set up a security inspection department and a public order department, and formulated several safety management systems, including the Safety Management System, the Emergency Plan for Handling Medical Disputes and the Emergency Plan for Flood Control and Rescue of Henan Honliv Hospital.

As far as work-related injury management is concerned, the Company has established a complete work-related injury handling mechanism to efficiently handle various accidental injuries. The Company, which values the investigation and prevention of safety hazards, organises fire drills and various safety training activities every year to enhance employees' safety awareness. In 2021, the Company organised a total of 34 fire safety knowledge training sessions, 4 fire fighting exercises and 1 anti-terrorism drill, with 1,742 trainees.

Prevention and Control of Infectious Diseases

The Company has established a complete infectious disease prevention and management system, including the Infection Prevention and Control System Related to Infectious Diseases in the Hospital, Management of Patients with Infectious Diseases, Norms for Disinfection, Isolation and Prevention of Infectious Diseases, Hospital Infection Control Management System for Airborne Diseases, and Standard Operating Procedures for Prevention of Air. We take isolation and protection measures based on transmission routes of infectious diseases to prevent the spread of infectious diseases within the hospital.

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In 2021, the hospital infection control management office has revised and improved the COVID-19 Infection Prevention and Control Measures and other normalised prevention and control management systems for the pandemic. Through reasonable shift scheduling, efficient material reserve management, living material delivery and so forth, it fully guarantees the daily needs of medical staff and fully ensures their health and safety.

In 2021, the hospital infection control management office organised training exercises for medical staff to put on and take off protective clothing throughout the hospital, covering a total of 1,589 people from various departments. The pass rate of wearing protective equipment was 91.5%. The training effectively improved the infection prevention and control skills of medical staff and avoided the occurrence of nosocomial infection and other incidents caused by the wearing and taking off of protective equipment.



Training on protective clothing for medical staff

Work-related injury- and fatality-related KPIs⁴

Indicator Name	Data in 2021
Number and rate of work-related fatalities in 2019	0
Number and rate of work-related fatalities in 2020	0
Number and rate of work-related fatalities in 2021	0
Lost days due to work injury in 2021	317

⁴ Note: The number of days lost due to work-related injury is the number of days of absence due to work-related injury recorded in the Company's internal employee attendance sheet.

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5.3 Development and Training

The development of the Company is inseparable from the enhancement of employees' professional knowledge and skills. For this reason, the Company has formulated the Human Resources Management System, the Management Regulations on External Training and other systems and regulations to provide employees with comprehensive training resources.

Career Development and Training

We deliver pre-job training and outward training for new hires to reduce their anxiety. The Company carries out a series of coaching training activities in order to strengthen the communication and cooperation between departments. As of the end of 2021, the turnover rate of new employees dropped significantly compared with last year, fully demonstrating the training effect.

Nursing Training

Nursing is an important part of the work in the hospital. The Company formulated systems including the Continuing Education Training and Assessment System for Nurses, the Hierarchical Training System for Nurses and the Training System for Nurses in Specialist Nursing Field to be job demand-oriented to promote the establishment of a high-quality nursing team, aiming to improve job competencies.

The Company's nursing training comes in various forms with rich contents. It enhances nursing staff's core competencies through innovative in-hospital training such as specialised tiered training and "bedside comprehensive examination", supplemented by out-of-hospital training such as 333 Talent Training Program. We provided 11 special training courses in 2021, with 4,153 attendances. During the year, the Company sent 7 nursing managers and 57 nurses to receive further external study, and completed two batches of pre-job training for nurses, which effectively improved the professional level and management capabilities of its nursing staff.

Doctor Training

Honliv Healthcare has always attached great importance to the training of doctors. We established and perfected rules and regulations including the Vocational Study Rules, the Regulations on Basic Theory, Knowledge and Skills Training and Assessment, the Management System for Standardised Training of Resident Doctors, and the Regulations on External Training for Doctors. In addition to offering continuing medical education for professionals in accordance with national requirements, the Company also organises regular training sessions and skills competitions, and encourages doctors to take an active part in academic activities. Every year, leading doctors are selected to go to domestic Grade 3, Class A hospitals for 3-6 months of professional training, aiming to continuously improve the skills of medical staff.

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Training-related KPIs

Indicator Category	Secondary Classification	Indicator Name	Unit	Data	
Number and percentage of employees trained	Total number of employees trained		Persons	1,719	
	Number and percentage of employees trained by gender	Number of male employees trained	Persons	518	
		Number of female employees trained	Persons	1,201	
		Percentage of male employees trained	%	100	
		Percentage of female employees trained	%	100	
		Number of employees trained by employee category			
		Number of doctors trained	Persons	281	
		Number of pharmacists trained	Persons	41	
		Number of nurses trained	Persons	736	
		Number of medical technicians trained	Persons	174	
		Number of administrative and back office staff trained	Persons	487	
	Percentage of employees trained by employee category	Percentage of doctors trained		%	100
		Percentage of pharmacists trained		%	100
		Percentage of nurses trained		%	100
		Percentage of medical technicians trained		%	100
Percentage of administrative and back office staff trained		%	100		
Average training hours	Average training hours completed per employee		Hours	15.3	
	Average training hours completed per employee by gender	Average training hours completed per male employee	Hours	11.6	
		Average training hours completed per female employee	Hours	16.9	
	Average training hours completed per employee by employee category	Average training hours completed per doctor	Hours	17.6	
		Average training hours completed per pharmacist	Hours	16.3	
		Average training hours completed per nurse	Hours	19.1	
		Average training hours completed per medical technician	Hours	13.1	
Average training hours completed per administrative and back office staffer		Hours	8.9		

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6. WIN-WIN COOPERATION FOR COMMON PROGRESS

Emphasis is put on supply chain management. Suppliers are our important partners. In strict compliance with relevant laws and regulations, we have formulated the Supplier Selection and Evaluation System and the Management System for Periodic Evaluation on Suppliers for comprehensive and routine daily management of suppliers, striving to achieve win-win cooperation.

When selecting a supplier, we will evaluate its product category, technology, price, reputation, service quality, etc. After selecting the supplier, we will carry out continuous monitoring according to the Management System for Periodic Evaluation on Suppliers. At the end of each year, we will conduct a comprehensive evaluation of important indicators to ensure the compliance of the products and services provided. More than 190 out of our 243 suppliers participated in the evaluation in 2021, which are mainly suppliers of pharmaceuticals, medical services, devices and consumables.

We incorporate the inspection of environmental and social risks facing suppliers into the supply chain management process, and give priority to suppliers who provide and use environmentally-friendly products and have social responsibilities. We conduct on-site inspections on suppliers, regularly check whether they violate environmental and social laws and regulations, and immediately terminate cooperation once found. In terms of prohibiting commercial bribery, the Company has established clear and strict rules. The terms of the contracts signed with suppliers contain business ethics statements about compliance with regulations and prevention of corruption and bribery, which can effectively avoid various risks in the process of supply chain management.

Supplier-related KPIs⁵

Indicators	Data (supplier)
Total number of suppliers	243
Number of suppliers in Henan	171
Number of suppliers outside Henan	72

⁵ Note: The location of suppliers shall be subject to the place of registration of their business licenses.

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7. BEING HONEST AND RIGHTEOUS, EMBRACING THE LIGHT

Honliv Healthcare strictly complies with relevant laws and regulations, including the Anti-unfair Competition Law of the PRC and the Interim Regulations on Prohibition of Commercial Bribery, and relevant regulations for the medical industry, including the Code of Conduct for Practitioners in Medical Institutions, the Circular on Issuance of the Nine Prohibitions for Strengthening Ethics in the Healthcare Field, the Implementation Opinions of the Ministry of Health and the National Administration of Traditional Chinese Medicine on Carrying out a Special Campaign to Combat Commercial Bribery in the Purchase and Sale of Medicines, as well as the Regulations on the Establishment of Commercial Bribery Records for the Purchase and Sale of Medicines. The Company steps up efforts to promote integrity and improve the moral standards of employees via a number of measures, such as publicising policies and regulations, perfecting internal systems, improving medical ethics, and holding training and education activities.

Constant efforts are made to strengthen internal control and reduce the Company's operational risks. Under the supervision of the management and the audit committee, the Company has developed rules and regulations including the Anti-fraud Management System. It takes a "zero tolerance" attitude towards integrity issues. If any corruption or bribery is found, the employees involved will be dismissed immediately upon verification. In terms of reporting channels, the Company has set up a hotline and an e-mail address to receive real-name or anonymous reports. We have also put in place a strict investigation system, including standard procedures and report handling record forms, to standardise relevant work processes. In 2021, the Company did not receive any complaints about corruption, bribery or fraud, and there were no legal proceedings regarding corruption against the Company.

Multiple rules and regulations have been formulated with reference to relevant laws and regulations, including the Law on Medical Practitioners of the PRC, the Regulations on Disciplinary Actions of the Communist Party of China and the Law on Administrative Punishment for Civil Servants, to comprehensively standardise the professional behavior of medical staff. The aim is to further strengthen efforts on the Company's spiritual civilisation and medical ethics. We publicise integrity through various channels, organise and hold several conferences on medical ethics to continuously improve the professional ethics of medical staff and the level of medical services.

In addition, the Company pays great attention to anti-corruption education. It has incorporated anti-fraud training into the onboarding training for new recruits, and arranges professional integrity and anti-corruption training for employees based on their levels. In 2021, the Company carried out 2 anti-corruption training sessions for all employees, and provided relevant trainings on anti-corruption and anti-fraud for members of the Board and leaders of the hospital.

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8. CARING FOR PEOPLE, GIVING BACK TO SOCIETY

Upholding the tenet of “caring for the society and people”, Honliv Healthcare actively undertakes social responsibilities. It formulated the Health Education Plan of Henan Honliv Hospital for 2021, the Health Promotion Plan for 2021 and the Establishment of a Health Promotion Organisation and its Responsibilities for 2022. It clarifies the division of responsibilities and organisational structure, combines the professional advantages of the hospital, and actively allocates high-quality resources to the grassroots level to give back to the society.

8.1 Free Health Consultations

We regularly hold health education popularisation activities and charitable medical consultations for different groups of people, and establish interactive and close contacts with communities to provide comprehensive healthcare services for patients, their families, and community residents.

In 2021, we organised 33 health education activities and free medical consultations, covering multiple topics such as ear protection, tuberculosis, and diabetes prevention and treatment. A total of 328 medical staffers participated in the activities benefiting over 6,950 people. In the meantime, the Company joined the Chinese Nightingale Volunteer Nursing Service Team and regularly dispatches nurse specialists to diagnose chronic diseases on a voluntary basis. As of the end of 2021, we provided three free medical consultations on chronic diseases, serving more than 400 people.



Free medical consultations on World Tuberculosis Day and World Diabetes Day in 2021

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Honliv Healthcare dispatched nurses to five villages in 2021. Professional medical workers were invited regularly to provide free health consultation services for chronic and common diseases for villagers. They also carried out work about application of chronic disease cards and management of chronic diseases. It strives to reduce the incidence of complications of chronic diseases in patients in rural areas and raise the health awareness among villagers.



Free health consultation services offered by famous doctors in villages in 2021

8.2 First Aid Training

The Company's first aid skills training team kept carrying out "first aid skills training" activities for communities and villages, in order to further enhance the first aid awareness and ability of people. In 2021, the Company organised a total of 28 sessions about first aid medical knowledge publicity and first aid skills training, covering 1,197 people and involving kindergartens, schools, fire brigade and other community units. It enhances the first aid awareness and ability of people by popularising common first aid techniques and first aid knowledge.



First aid training

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APPENDIX

SEHK's Environmental, Social and Governance Reporting Guide Content Index

Mandatory Disclosure		Sections
Governance Structure	<p>A statement from the board containing the following elements:</p> <ul style="list-style-type: none"> (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses. 	<p>ESG Structure Board Statement</p>
Reporting Principles	A description of, or an explanation on, the application of the Reporting Principles (materiality, quantitiveness, balance and consistency) in the preparation of the ESG Report	About the Report
Scope of the Report	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	About the Report

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"Comply or explain"		
Aspects	KPIs	Sections
A1: Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Green Operation for Environmental Protection — Emission and Discharge Reduction
	A1.1 The types of emissions and respective emissions data.	Green Operation for Environmental Protection — Environmental Performance
	A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Green Operation for Environmental Protection — Environmental Performance
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Green Operation for Environmental Protection — Environmental Performance
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Green Operation for Environmental Protection — Environmental Performance
	A1.5 Description of emission target(s) set and steps taken to achieve them.	Green Operation for Environmental Protection — Environmental Performance Green Operation for Environmental Protection — Emission and Discharge Reduction
	A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Green Operation for Environmental Protection — Environmental Performance Green Operation for Environmental Protection — Emission and Discharge Reduction

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"Comply or explain"		
Aspects	KPIs	Sections
A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Green Operation for Environmental Protection — Resource Conservation
	A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Green Operation for Environmental Protection — Environmental Performance
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Green Operation for Environmental Protection — Environmental Performance
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Green Operation for Environmental Protection — Environmental Performance Green Operation for Environmental Protection — Resource Conservation
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Green Operation for Environmental Protection — Environmental Performance Green Operation for Environmental Protection — Resource Conservation
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Green Operation for Environmental Protection — Environmental Performance
A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	Green Operation for Environmental Protection
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green Operation for Environmental Protection
A4: Climate Change	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Green Operation for Environmental Protection — Climate Change
	A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Green Operation for Environmental Protection — Climate Change

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"Comply or explain"		
Aspects	KPIs	Sections
B1: Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Being People-centred and Caring for Employees — Rights and Interests and Benefits
	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Being People-centred and Caring for Employees — Rights and Interests and Benefits
	B1.2 Employee turnover rate by gender, age group and geographical region.	Being People-centred and Caring for Employees — Rights and Interests and Benefits
B2: Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Being People-centred and Caring for Employees — Health and Safety
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Being People-centred and Caring for Employees — Health and Safety
	B2.2 Lost days due to work injury.	Being People-centred and Caring for Employees — Health and Safety
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Being People-centred and Caring for Employees — Health and Safety

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"Comply or explain"		
Aspects	KPIs	Sections
B3: Development and Training	<p>General Disclosure</p> <p>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p> <p><i>Note:</i> Training refers to vocational training. It may include internal and external courses paid by the employer.</p>	Being People-centred and Caring for Employees — Development and Training
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Being People-centred and Caring for Employees — Development and Training
	B3.2 The average training hours completed per employee by gender and employee category.	Being People-centred and Caring for Employees — Development and Training
B4: Labour Standards	<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.</p>	Being People-centred and Caring for Employees — Rights and Interests and Benefits
	B4.1 Description of measures to review employment practices to avoid child and forced labour.	Being People-centred and Caring for Employees — Rights and Interests and Benefits
	B4.2 Description of steps taken to eliminate such practices when discovered.	Being People-centred and Caring for Employees — Rights and Interests and Benefits
B5: Supply Chain Management	<p>General Disclosure</p> <p>Policies on managing environmental and social risks of the supply chain.</p>	Win-win Cooperation for Common Progress
	B5.1 Number of suppliers by geographical region.	Win-win Cooperation for Common Progress
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Win-win Cooperation for Common Progress
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Win-win Cooperation for Common Progress
	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Win-win Cooperation for Common Progress

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"Comply or explain"		
Aspects	KPIs	Sections
B6: Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Serving People with Professional Services
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Serving People with Professional Services — Medical Quality and Safety
	B6.2 Number of products and service related complaints received and how they are dealt with.	Serving People with Professional Services — Serving Patients Wholeheartedly
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	Serving People with Professional Services — Intellectual Property and Trademarks
	B6.4 Description of quality assurance process and recall procedures.	Serving People with Professional Services — Medical Quality and Safety
	B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Serving People with Professional Services — Protection of Patient Privacy
B7: Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Being Honest and Righteous, Embracing the Light
	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Being Honest and Righteous, Embracing the Light
	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Being Honest and Righteous, Embracing the Light
	B7.3 Description of anti-corruption training provided to directors and staff.	Being Honest and Righteous, Embracing the Light

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"Comply or explain"		
Aspects	KPIs	Sections
B8: Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Caring for People, Giving Back to Society
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Caring for People, Giving Back to Society
	B8.2 Resources contributed (e.g. money or time) to the focus area.	Caring for People, Giving Back to Society



Honliv Healthcare Management Group Company Limited

宏力醫療管理集團有限公司