



朝聚眼科
CHAOJU EYE CARE

Chaoju Eye Care Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock code :2219



2023

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Contents

About the Report	1
1. About Chaoju Eye Care	5
Company Profile.....	5
ESG Management.....	7
2. Standardized Operation and Enhanced Corporation Governance	13
Corporate Governance.....	13
Risk Management and Internal Control.....	16
Anti-corruption Management.....	18
3. Serving Patients and Enhancing Medical Quality	21
Medical Quality Management.....	21
Assurance of Medical Safety	25
Medical Service Management.....	29
Medical Quality Management.....	33
Research and Innovation.....	35
4. Adhering to Responsibilities for Sustainable Operations	40
Responsible Marketing.....	40
Supply Chain Management	41
Information Security Protection.....	42
5. Prioritizing Employees and Cultivating a Harmonious Workplace	46
Employee Employment and Rights and Interests.....	46
Employee Benefits and Care.....	48
Employee Training and Development.....	50
Occupational Health and Safety.....	58
6. Cherishing the Environment and Fostering Green Development	61
Resource Management	61
Emissions Management.....	63
Responding to Climate Change.....	65
7. Passing Love and Engaging in Charitable Actions	69
Community Public Welfare.....	69
Enhancing the Capabilities in Ophthalmic Diagnosis and Treatment	72
Annex I: Quantitative ESG data table	74
Annex II: Index Table of The Hong Kong Stock Exchange's ESG Reporting Guidelines	79

About the Report

This report is the third *Environmental, Social and Governance Report* released by Chaoju Eye Care Holdings Limited that aims to disclose the efforts and progresses of the Company's adherence to concepts, establishment of management methodologies, execution of activities, and accomplishments pertaining to ESG-related issues in the operation to stakeholders such as investors.

❖ Scope of the Report

The scope of this report covers Chaoju Eye Care Holdings Limited and its subsidiaries (hereinafter referred to as "Chaoju Eye Care", "the Group", and "the Company"). Unless expressly indicated otherwise, the scope of this report is consistent with that of the consolidated financial statements of the corresponding period of Chaoju Eye Care (stock code: 02219).

Company Names and Their Abbreviations in This Report

Full names	Abbreviations
Chaoju Eye Care Holdings Limited (朝聚眼科醫療控股有限公司)	Chaoju Eye Care/the Group/the Company
Baotou City Chaoju Eye Hospital Co., Ltd. (包頭市朝聚眼科醫院有限公司)	Baotou Hospital
Chaoju (Chifeng) Eye Hospital Co., Ltd. (朝聚（赤峰）眼科醫院有限公司)	Chifeng Hospital
Chaoju (Inner Mongolia) Eye Hospital Co., Ltd. (朝聚（內蒙古）眼科醫院有限公司)	Inner Mongolia Hospital

Note: The above table only lists subsidiaries and affiliated hospitals that appear in this report, and is not the complete list of subsidiaries of Chaoju Eye Care.

❖ Reporting Period

This report covers the period from January 1, 2023 to December 31, 2023.

Whereas for the year ended December 31, 2023 will be referred to as the Corresponding Period. Unless expressly indicated otherwise, all data herein pertains to this period.

❖ Basis of the Report

This report is prepared with reference to the *Environmental, Social and Governance Reporting Guide* (the version that has taken effect from December 31, 2023) of the HKEX.

❖ Data Description

The data and cases in this report are derived from the formal records of the actual operations of the Company.

The financial data in this report is denominated in RMB. In the event of any discrepancy between the financial data and the Company's annual report, the latter should prevail.

❖ Report Preparation Principles

Materiality

The Company identified the operation-related material issues to the concern of stakeholders such as investors, which are highlighted in this report. While reporting the material issues, this report also focuses on the industrial features of the Company's operation and the geographical features of the region where it operates. For the analysis process and results of the material issues, please refer to "1. About Chaoju Eye Care" herein. In addition, this report highlights the environmental, social and governance matters that may have a significant impact on investors and other stakeholders.

Accuracy

This report endeavors to ensure the accuracy of the information herein. The computation of quantitative data elucidates the scope of data, the basis for calculation, and assumptions to mitigate the risk of misguidance due to computational discrepancies. Quantitative data and supplementary notes are elaborated upon in the "Annex I: Quantitative ESG Data Table" herein. The Board of Directors warrants that the contents of this report are free from misrepresentations,

misleading statements, or material omissions.

Balance

The contents of this report reflect objective facts and disclose positive and negative information in an unbiased manner. The Company has not identified any adverse events within the scope of this report that were unduly omitted during the Reporting Period.

Clarity

This report is published in both Traditional Chinese and English. In case of discrepancies, please refer to the English version.

This report includes tables and diagrams to supplement the textual content, facilitating a comprehensive understanding by stakeholders. To expedite access to information, this report incorporates a table of contents and an index of ESG standards.

Quantification and Consistency

This report discloses the key quantitative performance indicators and discloses the historical data wherever possible. This report collects statistics and discloses the same indicators during different Reporting Periods in a consistent manner. Whenever the statistics or disclosure manner changes, such change will be explained clearly in the notes to the Report, so that the stakeholders are permitted to conduct a reasonable analysis and thereby evaluate the ESG performance level and trend of the Company.

Integrity

This report's disclosure scope is consistent with that of the Company's consolidated financial statements.

Timeliness

This report is an annual report covering the period from January 1, 2023 to December 31, 2023. The Company is committed to promptly publishing the report subsequent to the conclusion of the reporting year, thus furnishing stakeholders with timely information for decision-making purposes.

Verifiability

The data and cases in this report are derived from the original records or financial reports of the actual operations of the Company. The sources and methodologies underpinning the disclosed data are traceable, serving as a foundation for the external verification.

❖ Access to the Report

This report is disclosed in digital format, and is accessible on the stock exchange's designated information disclosure platform and via the Company's official website (<http://www.chaojueye.com/>) for online reading or download.

❖ Contact Us

In case of any suggestions regarding this report, please feel free to contact us:

Address: Room 2403, East Zone Block A, Capital Tech Plaza, No. 14 Yard, West 3rd Ring South Road, Fengtai District, Beijing, China

Email: ir@chaojueye.com

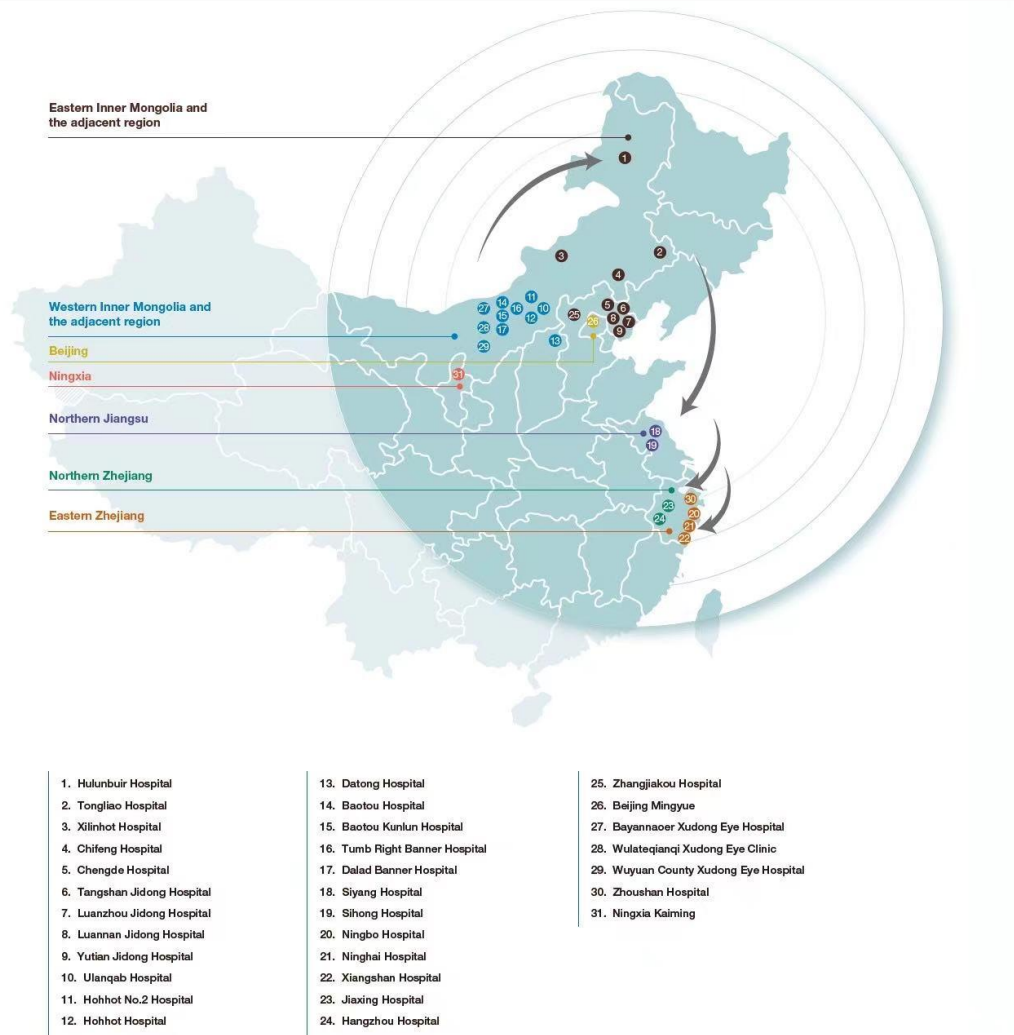
1. About Chaoju Eye Care

❖ Company Profile

Chaoju Eye Care, inaugurated in Baotou, Inner Mongolia in 1988, is a leading ophthalmic medical service group in Northern China with a strong reputation nationwide. Committing to the vision of "Being a Leader of Happy Ophthalmic Healthcare"(成為全球快樂眼健康引領者), the Group utilizes advanced medical equipment technology and professional, compassionate, person-centered services to furnish patients with a secure, reassuring, and joyful eyecare environment.

With the Group's high-caliber medical professionals as well as equipment and technology, the Group provides patients with consumer ophthalmic services, basic ophthalmic services and other medical services and products related to ophthalmic healthcare, and pays sustained attention to the development of ophthalmic healthcare. By the end of the Reporting Period, the Group established a network consisting of 31 ophthalmic hospitals and 29 optical centers, spanning across seven provinces and autonomous regions in China, fulfilling patients' requirements with superior medical services.

<p>Consumer ophthalmic services</p>	<ul style="list-style-type: none"> ● Treatments and prevention of various types of ophthalmic disorders, including refractive correction (including presbyopia correction), myopia control and provision of optical products and services.
<p>Basic ophthalmic services</p>	<ul style="list-style-type: none"> ● Treatments of a wide range of common eye diseases, including cataract, glaucoma squint, ocular fundus diseases, ocular surface diseases, orbital diseases and pediatric eye diseases.



❖ ESG Management

ESG Management Vision and Strategy

Adhering to the vision of "Being a Leader of Happy Ophthalmic Healthcare", the Group continued to focus on development and value growth in the ophthalmology sector, identified six key areas related to our own operational development. Moreover, we have established and executed the ESG strategies for the high-quality development of the Group.

Key Areas of ESG Management



ESG Management Framework

The Group attaches great importance to the Environmental, Social, and Governance (ESG) management, formulates an *Environmental and Social Responsibility Management System* and sets up a top-down ESG governance framework and management mechanism to standardize the ESG management and perpetually enhance the ESG performance. An ESG committee, positioned at the Group's level of the Board of Directors and chaired by Mr. Zhang Bozhou, has been instituted to spearhead the implementation of ESG policies and initiatives across all departments and subsidiaries to ensure that our ESG policies are always in line with the Group's business trends and to continuously improve ESG efforts.

ESG Management Framework

Responsibility subject	Duties
<p>ESG Committee</p>	<ul style="list-style-type: none"> ● Formulating and reviewing ESG issues and strategies ● Identifying and monitoring potential ESG risks in daily operations ● Approving the disclosure of annual ESG reports ● Regularly reviewing and evaluating the performance
<p>Departments at headquarters, affiliated hospitals and optical centers</p>	<ul style="list-style-type: none"> ● Managing and performing ESG responsibilities within the scope of duties ● Reporting the ESG performance to the Board of Directors

Stakeholder Communication and Material Issue Identification

The Group is committed to establishing communication mechanisms with stakeholders, which are defined as individuals or groups that affect or are affected by our operations, including shareholders and investors, patients, government and regulatory authorities, employees, suppliers, and the public.

The Group communicates with stakeholders through websites, media, conferences, reports, events and other channels, striving to know and meet their expectations and demands. The Group also incorporates the issues of concern of stakeholders into the Group's operation and decision-making process in an effort to enhance the Group's operational management capabilities and sustainable development capabilities.

Communication with Stakeholders

Key stakeholders	Issues of concern	Communication modes
Shareholders and Investors	<ul style="list-style-type: none"> ● Corporate governance ● Anti-corruption ● Risk management and internal control ● Research and innovation ● Investor Relations 	<ul style="list-style-type: none"> ● Shareholders' meeting ● Anti-corruption training ● Announcements and circulars ● Financial reports ● Journal articles
Patients	<ul style="list-style-type: none"> ● Medical service management ● Medical quality and safety ● Medical quality management ● Information security and privacy protection ● Research and innovation ● Access to medical services 	<ul style="list-style-type: none"> ● Patient consultation and complaint handling ● "One doctor, one patient" service paradigm ● Journal articles ● Volunteer medical consultation and vision screening
Government and Regulatory authorities	<ul style="list-style-type: none"> ● Compliance operation ● Anti-corruption ● Medical service management ● Medical quality and safety ● Responding to climate change 	<ul style="list-style-type: none"> ● Participation in regulatory meetings and correspondence ● Anti-corruption training ● Signing of <i>Anti-commercial Bribery and Anti-fraud Agreements</i> ● Patient consultation and complaint handling ● Medical quality management ● Medical quality

Key stakeholders	Issues of concern	Communication modes
		enhancement training <ul style="list-style-type: none"> ● Climate change management system ● Energy and fuel saving measures
<p style="text-align: center;">Employees</p>	<ul style="list-style-type: none"> ● Human capital development ● Employee employment and rights and interests ● Employee benefits and care ● Occupational health and safety 	<ul style="list-style-type: none"> ● Employee training system ● Internal training and expatriate learning ● Variety of benefits, including paid leave, subsidies ● Employee condolences ● Monitoring of occupational hazards ● Management of occupational exposure
<p style="text-align: center;">Suppliers</p>	<ul style="list-style-type: none"> ● Supply chain management ● Compliance operation ● Anti-corruption ● Medical quality and safety 	<ul style="list-style-type: none"> ● Supplier evaluations and routine communication ● Signing of <i>Anti-commercial Bribery and Anti-fraud Agreements</i> ● Anti-corruption training ● Medical quality management system
<p style="text-align: center;">Community and Public</p>	<ul style="list-style-type: none"> ● Emissions management ● Resource management ● Access to medical services 	<ul style="list-style-type: none"> ● Volunteer medical consultation and vision screening ● Dissemination of

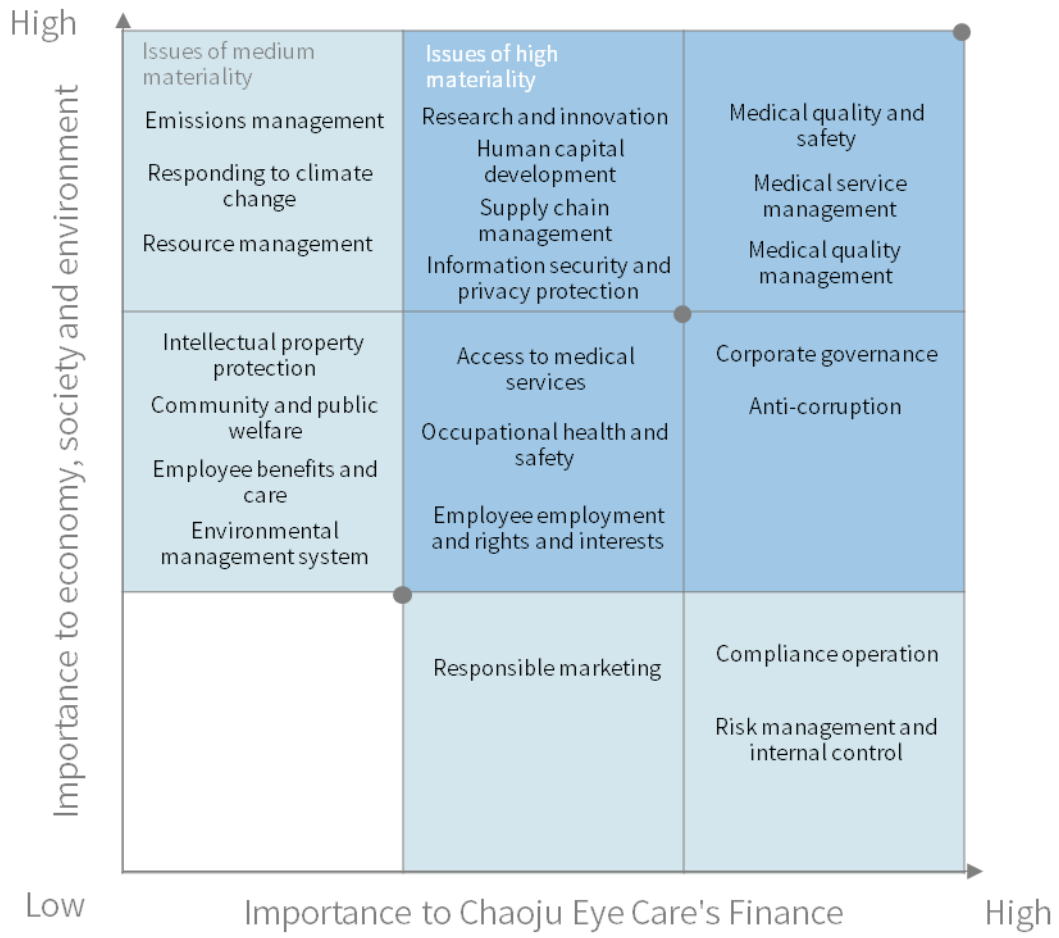
Key stakeholders	Issues of concern	Communication modes
	<ul style="list-style-type: none"> Community and public welfare 	health education <ul style="list-style-type: none"> Management initiatives for saving electricity, fuel and water Compliance in the disposal and monitoring of pollutant discharge

In 2023, the Group followed "The principle of materiality" in the *ESG Guide* issued by Hong Kong Exchanges and Clearing Limited ("HKEX") to conduct material issue analysis based on our own business and operating characteristics.

Material Issue Analysis Procedure

Identify	<ul style="list-style-type: none"> Analyze Chinese macro policies and industry news; Summarize and analyze the <i>Environmental, Social and Governance Reporting Guide</i> (the version that has taken effect from December 31, 2023) of the HKEX and other standards; Analyze the Company's strategic orientation, business undertakings, and practical emphases to pinpoint pertinent issues.
Communicate and sort	<ul style="list-style-type: none"> Analyze material issues through communication with internal stakeholders and based on the opinions of external experts; Evaluate issues based on the synthesized outcomes of expert analyses, focusing on their substantive impacts on economy, environment, and society dimensions as well as their effects on the finance of the Company.
Analyze and report	<ul style="list-style-type: none"> Develop a matrix of material issues predicated on evaluative outcomes to classify the importance of issues in a hierarchical manner; Review and validate issues of high materiality by the Board of Directors, and disclose these issues in annual ESG reports.

Matrix of Material Issues



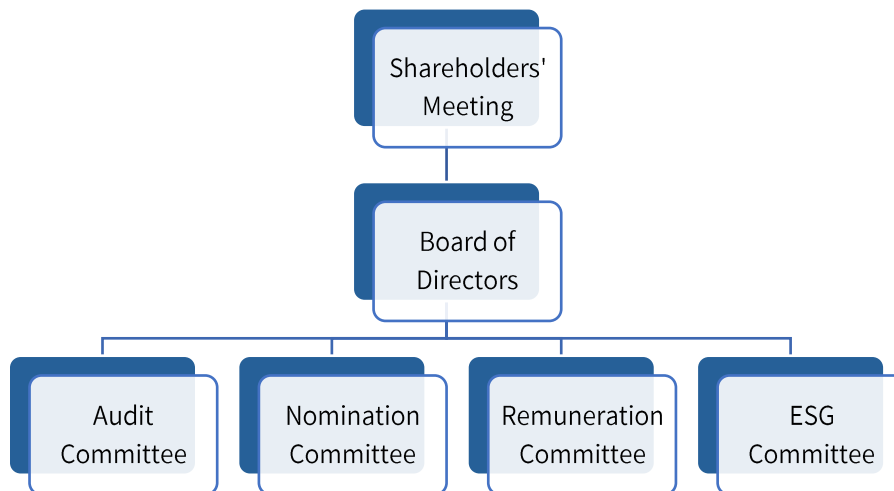
2. Standardized Operation and Enhanced Corporation Governance

❖ Corporate Governance

Governance Framework

The Company strictly abides by the *Cayman Islands Companies Act* (《開曼群島公司法》), the *Company Law of the People's Republic of China* (《中華人民共和國公司法》), the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (《香港聯合交易所有限公司證券上市規則》) and other relevant laws and regulations, and has formulated the *Memorandum and Articles of Association of Chaoju Eye Care Holdings Limited* (hereinafter referred to as the *Articles of Association*), the *Terms of Reference of the Nomination Committee of the Board of Directors of Chaoju Eye Care Holdings Limited*, the *Terms of Reference of the Remuneration Committee of the Board of Directors of Chaoju Eye Care Holdings Limited* and the *Terms of Reference of the Audit Committee of the Board of Directors of Chaoju Eye Care Holdings Limited*, and other management systems. Besides, the Company has also established a corporate governance framework composed of the shareholders' meeting, the Board of Directors and its special committees and management. The operation norms were effectively upheld, and all special committees have fulfilled their responsibilities.

Corporate Governance Framework



The Group convenes the shareholders' meetings and board meetings to guarantee successful operations of the Group according to the *Articles of*

Association and other system documents. In 2023, the shareholders' meeting and the Board of Directors carried out management and decision-making according to laws and regulations, and all special committees performed their duties to further achieve standardized management and benign development.

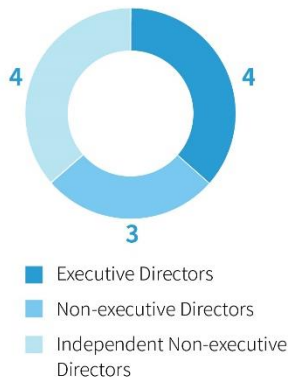
2023 Meetings Overview



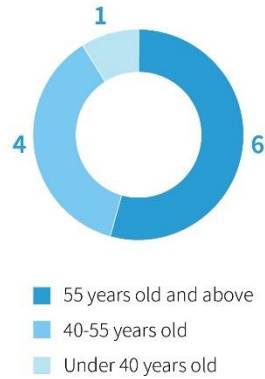
The Group has adopted and implemented the *Board Diversity Policy* to sustain its competitive advantage, foster sustainable development, and respond to the dynamic shifts within the commercial environment. The Group seeks to achieve diversity of the Board of Directors through the consideration of a number of factors when selecting candidates to the Board of Directors, including but not limited to professional experience, skills, knowledge, gender, age, cultural and educational background, ethnicity and year of work experience.

By the end of the Reporting Period, the Board of Directors consists of 11 members, including four executive directors, three non-executive directors and four independent non-executive directors, with a total of three female directors. The directors also have degrees in various fields including clinical medicine, public healthcare, business management, financial management, finance, economics, accounting and law.

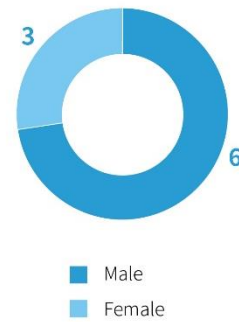
Function Composition of the Board of Directors



Age Demographics of the Board of Directors



Gender Distribution of the Board of Directors



Information Disclosure

Adhering to fairness, the Group performs its obligations for information disclosure in strict accordance with the laws and regulations of its place of registration and operation, as well as the relevant provisions of the Securities and Futures Commission (SFC) and the HKEX to fulfill information disclosure obligations, enhance the information disclosure quality and comprehensively protect the interests of investors.

The Group has formulated management systems such as the *Rules Regulating Information Disclosure* and the *Management system for Internal Information Transmission* to standardize the information disclosure. Through strategic conferences, investor relation emails, WeChat groups, and among others, the Group proactively and promptly discloses information of significant consequence to the decision-making processes of shareholders and other stakeholders. This initiative bolsters operational and managerial transparency, safeguarding the legitimate interests and rights of investors and shareholders. During the Reporting Period, the Company released a total of 26 announcements.

Communication with Investors

On the basis of information disclosure practices, the Group has established an array of investor communication mechanisms and channels, to further listen to the suggestions of investors and enhance their comprehension of the Company. During the Reporting Period, interactions with investors were facilitated through face-to-

face receptions, virtual communications, and others, actively addressing their inquiries, feedback and suggestions. These efforts collectively contribute to the continuous refinement and elevation of the Company's operational management practices.

Communication with Investors in 2023

 <p>Performance briefings</p>	 <p>Strategic conferences</p>	 <p>National and international roadshows</p>
<p>2</p>	<p>38</p>	<p>33</p>

❖ **Risk Management and Internal Control**

Risk Management System

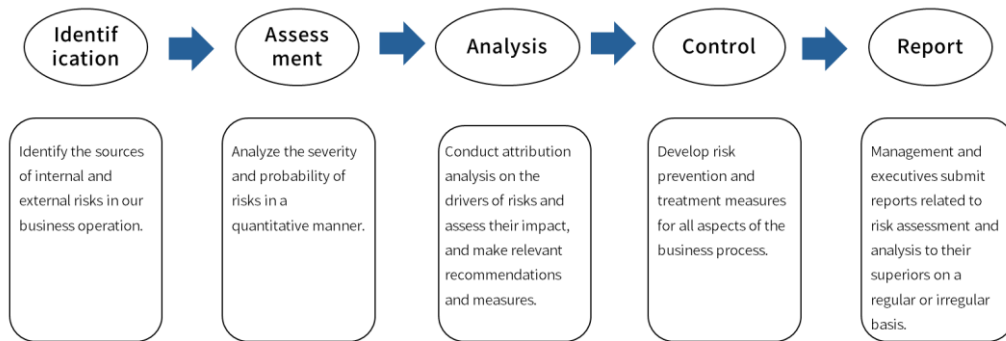
The Group has established a comprehensive risk management framework, instituting an Audit Committee at the level of the Board of Directors and establishing a subordinate Audit and Supervision Department. The Board of Directors, the Audit Committee, the management, the executives and all employees can work together in the risk management to accurately identify, carefully assess, dynamically monitor and timely respond to risks such as liquidity risk, market risk and reputation risk in operation.

Risk Management Framework



The Group has established a sound risk management procedure, requiring all relevant departments to accurately identify, carefully assess, dynamically monitor and timely respond to risks within the scope of their duties, and perform their responsibility of risk control.

Risk Management Procedure



Internal Control

Guided by the risk management, the Group establishes an internal control system in strict accordance with the regulatory requirements such as the *Corporate Governance Code* (《企業管治守則》). During the Reporting Period, on the basis of such internal systems as the *Management System for Decision-making on Major Matters*, the Group newly formulated the *Audit Rectification Management Measures*.

This clarifies the responsibilities and duties of individuals in charge of audit rectification, rectification work procedures, methods, assessment, accountability, and penalties, further refining an internal control system that aligns with the Group's development. It also standardizes operation and investment activities, thereby enhancing the overall capability for risk prevention.

During the Reporting Period, the Group conducted 14 special, departure, and operational audits, encompassing medical revenue and costs, procurement and payments, financial management, funds, human resources, and comprehensive administration. Issues identified during audits have been fully rectified.

During the Reporting Period, the Group completed the transition from traditional financial auditing to risk management auditing, achieving comprehensive coverage of the internal audit scope and business operations, and made progress in shifting from post-audit to real-time supervision and control. Moreover, a comprehensive evaluation of the internal control system was conducted, revealing no significant deficiencies in internal controls.

❖ Anti-corruption Management

Anti-corruption Management System

In strict accordance with the *Company Law of the People's Republic of China* (《中華人民共和國公司法》), the *Law of the People's Republic of China Against Unfair Competition* (《中華人民共和國反不正當競爭法》), and the *Nine Principles of Honest Practice of Medical Institution Staff* (《醫療機構工作人員廉潔從業九項準則》), the Group adopts a zero-tolerance approach to bribery and corruption.

The Group has formulated the *Measures for the Administration of Anti-Fraud Work* and established a comprehensive anti-corruption management system to clarify the division of responsibilities for the management of anti-fraud work, standardize professional behaviors of all employees, especially the middle and senior managements, and urge all employees to strictly abide by professional ethics, laws and regulations as well as company rules and regulations to prevent behaviors that damage the interests of the Group, shareholders, patients and all stakeholders.

Anti-corruption Management Framework



Anti-corruption Management Measures

To continuously underscore the importance of anti-corruption efforts in the Group, annual training sessions, lectures, and informational materials are deployed to educate the members of the Board of Directors, management, and all employees on anti-corruption practices. These initiatives aim to cultivate correct values, promote honesty, integrity, and professional ethics, and foster a healthy corporate culture and positive work environment. During the Reporting Period, the Group conducted "Medical Anti-corruption Training" covering topics such as the nature and forms of corruption, interpretation of anti-corruption policies, analysis of typical cases, and engaged external professionals to deliver specialized training on "Establishing a Culture of Integrity in the Company," reaching all employees in the Group and hospitals.

The Group places a strong emphasis on the anti-corruption management of suppliers and partners. During the procurement process, the Group complies with the *Regulation on the Implementation of the Bidding Law of the People's Republic of China* (《中華人民共和國招標投標法實施條例》) and other legal regulations, and members of the Tender Evaluation Committee are not allowed to accept financial or other benefits from bidders. Additionally, the Group signs the *Anti-commercial*

Bribery and Anti-fraud Agreements with all suppliers and issues the *Integrity and Self-Discipline Notification Letter* to suppliers to convey the concepts and principles of anti-corruption and anti-fraud, reducing the risk of corrupt practices during the procurement process.

Anti-corruption Complaint Handling Procedure

To promptly detect issues related to business ethics and minimize losses and harm due to corruption, the Group has established various channels, such as telephone, e-mail and letters, for receiving information on reported ethical violations, actual or suspected cases of fraud by our employees. After receiving the reports, the Audit and Supervision Department shall promptly register and form the records of letter processing, and for reports that are determined to require the initiation of investigation, carry out investigation and accountability by situation. For real-name reports, regardless of whether an investigation is opened, the results of the investigation or the reasons for not opening an investigation shall be provided to the whistleblower.

The Group implements a whistleblower protection system, and prohibits any unlawful discrimination or retaliation. For the violation of the disclosure of complaints, whistleblower information or retaliation against complaints, whistleblowers, according to the severity of the case to the appropriate administrative sanctions or termination of employment contracts. Those who violate the criminal law will be transferred to the judicial authorities for handling.

During the Reporting Period, there was no incident of corruption, bribery, extortion, fraud and money laundering, nor were there any litigation cases arising from the above matters.

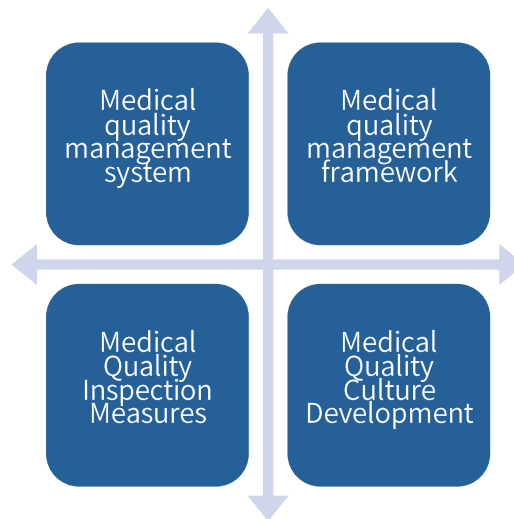
3. Serving Patients and Enhancing Medical Quality

❖ Medical Quality Management

Medical Quality Management System

The Group strictly abides by the laws and regulations such as the *Law on Licensed Doctors of the People's Republic of China* (《中華人民共和國執業醫師法》), the *Medical Quality Management Measures* (《醫療質量管理辦法》), *Measures for the Surgery Grade Management in Medical Institutions* (《醫療機構手術分級管理辦法》), and other laws and regulations, providing friendly, high-quality, full-cycle eye health services and continuously improving the level of medical quality management to effectively ensure the safety and stability of the Group's medical services.

Medical quality management system



In the pursuit of standardizing medical services and elevating medical quality and safety, the Group, guided by applicable laws, regulations, and the operational realities of its hospitals, has formulated a number of medical quality control procedures and standardized clinical practice guidelines, including *Medical Quality Management Measures* and the *Surgery Grade Management System*. During the Reporting Period, the Group revised the *Medical Quality Management Measures* and the *Regulation on the Prevention and Handling of Medical Disputes*, and updated the *Measures for the Surgery Grade Management* in accordance with the *Notice by the General Office of the National Health Commission on Printing and Distributing the Measures for the Surgery Grade Management in Medical*

Institutions (《國家衛生健康委辦公廳關於印發醫療機構手術分級管理辦法的通知》), thereby refining the Group's medical management system. On the basis of the Group's management system, each hospital tailors and refines its management systems to align with local requirements and its specific circumstances.

The Group has established a medical quality management framework at three levels: the Group, the hospitals and the departments. The Group also continuously promotes the development of medical quality control to provide patients with high-quality medical services. The Group uses a combination of external and internal experts to form a Medical Quality Control Committee, which is responsible for providing technical support for our medical quality control work, making quality control decisions and organizing medical quality assessments.

Medical Quality Management Framework

Medical Quality Department (the Group)	Medical Quality Management Committee (Hospital)	Medical Quality Management Team (Department)
<ul style="list-style-type: none"> Responsible for the establishment of group medical quality management and control system, improve medical quality control and continuously improve on system and working mechanism. Supervise and guide hospitals on the implementation of medical quality management rules and regulations. 	<ul style="list-style-type: none"> Responsible for the planning of hospital quality management and control, the implementation of relevant system management and assessment, and urge all business units to carryout quality control of the department. 	<ul style="list-style-type: none"> Formulate the implementation plan for annual quality control of the department, implement various rules and regulations, organize and carryout medical quality management and control of the department.

The Group undertakes periodic medical quality management and evaluations across its hospitals to perpetually refine the standard of medical services, guaranteeing their safety, efficacy, appropriateness and timeliness. Where medical quality issues or potential risks are detected, the Group takes prompt and effective rectification measures. For acute medical quality challenges in hospitals, the

Group's Medical Quality Department and regional medical quality representatives provide on-site guidance and support for risk incident resolution. Moreover, for inquiries related to daily medical quality management within hospitals, the Group's Medical Quality Department and regional medical quality staff offer online consultation and resolution services. The Group executes the *Regional Medical Quality Management Implementation Scheme*, building upon the existing medical quality management framework to institute a regionalized management approach, facilitating comprehensive regional medical quality management.

Medical Quality Inspection Mechanism

<p>The Group's Medical Quality Department</p>	<ul style="list-style-type: none"> ● Conduct biannual on-site medical quality inspections across all hospitals, providing immediate guidance on identified issues and ensuring continuous follow-up.
<p>Regional Medical Quality Management Staff</p>	<ul style="list-style-type: none"> ● Carry out quarterly on-site medical quality inspections, offering direct guidance on issues encountered, maintaining continuous follow-up, and reporting findings to the Group's Medical Quality Department.
<p>Hospital Leadership</p>	<ul style="list-style-type: none"> ● Undertake monthly on-site medical quality inspections, promptly addressing discovered issues with ongoing follow-up, conducting medical quality analysis quarterly, and reporting inspection outcomes to both regional departments and the Group.

Medical Quality Culture Development

To comprehensively enhance the level of medical services, the Group conducts regular and thematic training on medical service quality and safety for medical and nursing staff. Monthly medical quality management training sessions cover topics such as medical quality management policies, medical administration systems, and medical quality analysis, targeting medical quality management personnel across all hospitals. During the Reporting Period, the Group organized training sessions on anesthesia quality management, medical quality management systems, and interpretation of annual medical quality indicators for hospital

directors, quality directors, and departmental staff involved in medical quality, with each session engaging over 80 participants. Upon the introduction or revision of medical quality-related regulations, the Group's Medical Quality Department conducts both online and offline training for the medical staff involved, requiring affiliated hospitals to organize follow-up detailed training activities.

The Group has established a medical quality incentive mechanism, introducing annual assessment awards such as the Day Surgery Special Promotion Award, Advanced Collective Award for Comprehensive Assessment of Medical Quality Management, Medical Quality Improvement Award, Best Cataract Surgery Quality Award, Best Cataract Surgery Technique Award, and Special Individual Award for Medical Quality Management. These awards reward hospitals and individuals that meet standards, driving continuous improvement in medical quality.

Intractable Disease Treatment

For cases of certain complexities in diagnosis and treatment, the Group has formulated the *Implementation Plan for the Intractable Diseases Consultation Center* and the *Difficult Cases Discussion System* to strengthen the management of complicated cases consultation, standardize the discussion of complicated cases, strengthen the communication between disciplines and between doctors, improve the clinical diagnostic thinking and skills of medical staff, enhance the quality of medical services, and help patients get accurate diagnoses and effective treatment on time.

The Group has set up an Intractable Diseases Consultation Center, determining the specific time for expert consultation according to the disease conditions and requirements of the patient, and managing the consultation process. Moreover, the Group plans to establish remote consultation centers in a standardized manner to improve the accessibility of high-quality eye care services and protect the eye health of more patients. Under the effective operation of the Group's medical service quality and safety management system, there was a notable improvement in the overall level of medical quality during the Reporting Period compared to the Corresponding Period.

2023 Medical Service Quality and Safety Outcomes

Monthly average percentage of patients with post-ICL surgery uncorrected visual acuity >0.8	98.4%, an increase of 1.1% over the Corresponding Period
Overall effectiveness index average for corneal refractive surgery	1.1, with postoperative uncorrected visual acuity surpassing preoperative corrected visual acuity
Overall average pass rate for pediatric prescription special reviews	99.6%
Proportion of cataract patients achieving a visual acuity above 0.3	81.28%, an increase of 0.7% over the Corresponding Period
Proportion of cataract patients achieving a visual acuity above 0.6	39.62%, an increase of 1.08% over the Corresponding Period
Incidence rate of Type I incisional infectious endophthalmitis	Lower than 0.02%

❖ Assurance of Medical Safety

Management of Medication Safety

The Group strictly abides by the *Medicinal Product Administration Law of the People's Republic of China* (《中華人民共和國藥品管理法》), *Pharmacopoeia of the People's Republic of China 2020* (《中華人民共和國藥典 (2020 版)》), and associated legal and regulatory frameworks, and has formulated the *Drug Administration Measures*, the *Management System for High Risk Drugs*, the *Adverse Drug Reaction Monitoring and Reporting System*, the *Special Drug Management System*, the *Adverse Drug Reaction Monitoring System*, the *Management System for Safe Use of Drugs*, the *Management and Monitoring System for the Clinical Use of Antimicrobial Agents*, establishing a systematic mechanism for the administration and preservation of medications.

During the Reporting Period, the Group introduced and piloted a rational medication management system, enhancing routine prescription review

management efforts. Monthly, it organized antimicrobial, pediatric medication, and glucocorticoid prescription reviews across its hospitals, aggregating relevant data and outcomes for reporting. During the Reporting Period, the Group focused on key medication usage metrics, which showcased positive reflections of the situation.

Key Medication Usage Metrics

Percentage of rational prescriptions in outpatient services	97.96%
Compliance rate for special review of pediatric prescriptions	99.59%
Utilization rate for systemic antimicrobial agents	0.004%
Utilization rate for systemic glucocorticoid medications	0.01%
Percentage of rational orders for hospitalized services	99.91%

Management of Medical Device Safety

The Group strictly abides by the *Regulations on the Supervision and Administration of Medical Devices* (《醫療器械監督管理條例》), the *Medicinal Product Administration Law of the People's Republic of China* (《中華人民共和國藥品管理法》), *Interim Regulations on the Administration of Pharmaceutical Affairs in Medical Institutions* (《醫療機構藥事管理暫行規定》), and other relevant laws and regulation. It has developed *Charter for the Pharmaceutical and Medical Device Management Committee* and *Detailed Rules for Pharmaceutical and Medical Device Management*, and others.

In the utilization of medical devices, the Group is committed to selecting premium medical supplies and reviewing the business licenses of suppliers, medical device operation permits, manufacturers' business licenses, production record licenses, record certificates, registration certificates for medical devices, and health permits for disinfection product manufacturers to assure the safety and

reliability of medical devices.

Hospital Infection Control

The Group formulated management systems such as the *Hospital-Acquired Infection Management and Control Manual*, established an organizational framework for the management of infection in hospitals, and standardized the management of hospital-acquired infections from top to bottom, so as to prevent iatrogenic infections to medical staff and other patients during diagnosis, experimentation, and nursing work.

Organizational Framework for the Management of Infection in Hospitals



At the same time, the affiliated hospitals of the Group carry out regular surveys on the current rate of infection and prospective surveys, carry out targeted surveillance of high-risk groups, high-risk factors and multi-drug resistant bacteria in a purposeful and planned manner, analyze and evaluate problems in a timely manner, summarize lessons learned and make continuous improvements to our work.

In addition, the affiliated hospitals regularly carry out hospital-acquired infection training for employees to further enhance the awareness of medical staff in the prevention and control of hospital-acquired infection.

Hospital-acquired Infection Training

Objects	Training Frequency and Content
Newly recruited medical staff	<ul style="list-style-type: none"> The training on basic knowledge of hospital-acquired infection is carried out every six months.
Medical and nursing technicians, laborers, marketers and other personnel	<ul style="list-style-type: none"> The comprehensive management knowledge of hospital-acquired infection is carried out once a month, including hand hygiene, medical waste, disinfection and isolation.
Care workers, cleaners, security guards and other personnel	<ul style="list-style-type: none"> Training is carried out every six months to help employees strengthen their own protection and improve the hospital-acquired infection prevention and control capabilities

Management of Medical Quality Adverse Events

To fortify the management of medical safety adverse events and standardize the event reporting, the Group has developed the *Medical Safety (Adverse) Event Reporting and Management System* based on the *Ten Patient Safety Goals* issued by the China Hospital Association, and divided medical safety adverse events into Levels I-IV, and formulates corresponding management requirements according to different levels of medical safety adverse events.

Medical Safety Adverse Event Classification

Level	Medical Safety Adverse Events
Level I	<ul style="list-style-type: none"> Warning events or alarm events, which are unanticipated deaths of patients or permanent loss of function due to unnatural disease progression
Level II	<ul style="list-style-type: none"> Adverse event or error event refers to the damage to the patient's body and function caused by the treatment activity rather than the disease itself in the course of medical treatment of the disease.

Level	Medical Safety Adverse Events
Level III	<ul style="list-style-type: none"> No consequence event or critical event although the fact of the error occurred but did not cause any damage to the patient's body and function, or have minor consequences without any treatment can be fully recovered from adverse medical safety events.
Level IV	<ul style="list-style-type: none"> Hidden events or attempted events that did not cause harm due to timely detection or errors that were discovered and corrected prior to implementation.

For different levels of medical safety adverse events, graded handling measures are taken. The Group adheres to the mandatory reporting management of Level I and Level II events, and the encouraging reporting management of Level III and Level IV events. For all medical safety adverse events, the Group rigorously adheres to procedural guidelines, proposing specific remedial measures, solving problems for patients, and ensuring medical safety.

❖ Medical Service Management

Medical Service Management and Optimization

The Group prioritizes patient satisfaction, proactively engaging in understanding patient grievances to continually optimize medical services. To enhance the medical service quality, the Group has formulated the *Annual Service Quality Management Evaluation Guidelines*, the *Patient Return Visit System*, the *Hospital Complaint Management System*, the *Measures for the Prevention and Management of Medical Disputes*, the *Service Adverse Event Management System*, and other system documents, to ensure that medical service workflows are meticulously standardized.

Medical Service Optimization Measures

Field	Measures and outcomes
Overall management	<ul style="list-style-type: none"> Conduct four assemblies for the principals of service management across affiliated hospitals to expedite the summation of routine service operations, elucidate contemporary service standards and requisites, and

Field	Measures and outcomes
	<p>undertake the strategic deployment and supervision of pivotal service enhancement endeavors, thereby facilitating the elevation of service delivery capabilities within each hospital.</p>
<p>System perfection</p>	<ul style="list-style-type: none"> ● Amend the regulations for assessing the quality of services in hospitals, introduce quantifiable metrics for assessment, and transition the method of disseminating post-discharge follow-up compilations from "a singular email to all hospital directors" to "directed emails to each hospital director individually", urging hospitals to tailor and enhance services in concordance with their unique circumstances.
<p>Service improvement</p>	<ul style="list-style-type: none"> ● Launch a pilot initiative for 9S meticulous management and service augmentation at Chifeng Hospital, standardizing materials, environment, conduct, and processes, eradicating inefficiencies, impediments, and latent medical safety threats, fostering a pristine working environment, augmenting the efficiency and comprehensive proficiency of staff, and elevating the hospital's reputation and competitive edge. ● Design bespoke stress-relief balls adorned with a charming "large-eyed" character design to alleviate the anxieties of patients and their families during the anticipation or progression of surgical and therapeutic procedures. ● Finalize the implementation of the Chaoju H+ Medical Management System across 17 hospitals, facilitating a seamless integration of intelligent diagnostic and therapeutic services spanning pre-admission to post-discharge, bolstering operational efficiency, adherence to safety protocols, and patient satisfaction within the hospital infrastructure.
<p>Thematic training</p>	<ul style="list-style-type: none"> ● Conduct a series of 30 offline training sessions for personnel across all hospitals within the Group, encompassing themes such as standards of image

Field	Measures and outcomes
	management, enhancement of service quality, and cultivation of a service-centric culture, thereby reinforcing service consciousness and amplifying the service execution capabilities of the staff.
Inspection and evaluation	<ul style="list-style-type: none"> ● Employ both "explicit inspection" and "covert visitation" methodologies to execute service quality surveillance initiatives, fulfilling the annual agenda for service quality inspection and evaluation across the hospitals as stipulated, with immediate communication of identified critical issues to the hospitals for prompt rectification.

To promptly address issues concerning patients, the Group has established a classification mechanism for medical service adverse events. It divides medical service adverse events into Levels I-IV, and formulates corresponding management requirements according to different levels of medical safety adverse events. The Group adheres to the mandatory reporting management of Level I and Level II events, and the encouraging reporting management of Level III and Level IV events. The Group addresses medical service adverse events reported promptly, improving the medical service quality.

Level	Medical service adverse events
Level I	<ul style="list-style-type: none"> ● Extremely bad service attitude, verbal abuse or physical or verbal conflict with patients, causing mental or physical harm to patients (or their families), extremely bad influence, causing disputes and damaging the reputation of the hospital.
Level II	<ul style="list-style-type: none"> ● Bad service attitude, shirking of responsibilities, indifference, hard language, and confrontation with patients (or their families) resulting in disputes or expansion of the situation, resulting in patient-initiated complaints.
Level III	<ul style="list-style-type: none"> ● Patient (or their families) dissatisfaction (complaints) due to environmental factors, deficiencies in the consultation process, inconsiderate service or unintentional errors by staff in the service.

Level	Medical service adverse events
Level IV	<ul style="list-style-type: none"> ● Incidents of inadequate doctor-patient communication, patient (or their families) dissatisfaction with treatment results, etc.

Patient Complaint Management

To ascertain patient assessments and suggestions for the enhancement of services, the Group has established a number of channels for patient communication and grievances, including telephone, in-person reception, WeChat official accounts, and mailboxes, to extensively gather patient suggestions. Concurrently, a systematic process for addressing patient complaints has been implemented by the Group to swiftly resolve issues put forward by patients.

In order to prevent medical disputes from occurring in the hospital, the Group has developed the *Medical Dispute Prevention and Management Measures*, *Patient Return Visit System*, *Hospital Complaint Management System* and other systems in accordance with the *Regulation on the Prevention and Handling of Medical Disputes* (《醫療糾紛預防和處理條例》), the *Medical Quality Management Measures* (《醫療質量管理辦法》) and other laws and regulations. Since there are unavoidable risks in the treatment activities, such as performing surgery, or other invasive operations and other special examinations and special treatments that are dangerous and may have adverse consequences, medical personnel should promptly explain medical risks to patients to reduce the probability of medical disputes from the source. After a medical dispute occurs, the Group will start the hospital's medical dispute emergency plan, and the medical dispute handling team will organize members of the expert group to determine and evaluate the responsibility, and make corresponding financial compensation to the patient if necessary.

During the Reporting Period, the Group undertook post-discharge follow-ups and satisfaction surveys, following up and handling patients' inquiries and complaints in a timely manner according to the relevant systems.

Patient Complaints and Satisfaction Survey Outcomes

Complaints	85
Ratio of complaints handled	100%
Specialty telephone follow-ups	Contacted 27,862 individuals Average satisfaction rate of 99.91%
Outpatient exchange follow-ups	Contacted 36,997 individuals Effective response to 19,626 individuals Satisfaction rate of 98.64%

❖ Medical Quality Management

Whole Process Management of Preparations

Baotou Hospital is the one and only ophthalmic hospital in Inner Mongolia with a preparation room to produce hospital-made traditional Chinese medicine capsules and eye drops. It is also one of the few medical service providers in China that are qualified to produce 0.01% atropine sulfate eye drops to be prescribed within the respective hospitals to control myopia among adolescents.

The preparation room of Baotou Hospital strictly abides by the *Medicinal Product Administration Law of the People's Republic of China* (《中華人民共和國藥品管理法》), the *Pharmacopoeia of the People's Republic of China 2020* (《中華人民共和國藥典 (2020 版)》) and other relevant regulations, technical guidelines and quality standards. It has formulated regulations such as the *Standard Management Procedure for Batch Quality Evaluation and Release in Preparation Room*, the *Standard Operating Procedure for Handling Unqualified Materials in Preparation Room*, and the *Standard Operating Procedure for Handling Unqualified Finished Products in Preparation Room*. Besides, it has established a quality management system covering the whole life cycle of the drug.

Baotou Hospital has established standard operating management procedures

for quality evaluation and release from raw materials and excipients, packaging materials, and intermediates to finished products, so as to ensure the quality level of drugs in the whole process. During the production process, Baotou Hospital randomly samples the finished products to ensure the quality. Before approval and release, the quality evaluation of each batch of drugs is carried out by the preparation room of Baotou Hospital to ensure that the drugs and the production process are meeting the registration and system requirements. After verification of the production records and quality records, the drugs can be put into use. The Group strictly complies with the relevant regulations on labels in the *Regulations for the Implementation of the Drug Administration Law of the People's Republic of China* (《中華人民共和國藥品管理法實施條例》).

Adverse Drug Reaction Management

In accordance with the relevant provisions of the *Medicinal Product Administration Law of the People's Republic of China* (《中華人民共和國藥品管理法》), the *Regulations on the Administration of Pharmaceutical Affairs in Medical Institutions* (《醫療機構藥事管理規定》), the *Regulations on the Administration of Narcotic Drugs and Class I Psychotropic Substances in Medical Institutions* (《醫療機構麻醉藥品、第一類精神藥品管理規定》) and other laws and regulations, the Group has formulated the *Drug Administration Measures*, the *Management System for High Risk Drugs*, the *Management System for Safe Use of Drugs* and other drug management systems to ensure the safety of each patient's medication.

The Group's guidelines for pharmaceuticals apply to the entire process of management of drug procurement, storage, and dispensing, establishing a quality management system that includes organizational structure, a responsibility system, process management and facilities and equipment, and ensuring effective operation. The procurement of new drugs adheres to the principle of "quality first, purchase according to need, purchase on merit" to ensure the quality of drugs and the legality of purchase. The Group establishes a "patient-centered" working mode, improves the level of medication, rationalizes the use of medication, and ensures the safety and effectiveness of medication for patients.

Product Recall System

To fulfill the responsibility for patient safety, the Group has formulated the *Drug Take-back Management System*, which provides a reliable system guarantee for the timely identification and correct handling of unqualified drugs in the process of treating patients in each hospital. When the hospitals of the Group receive the notice of emergency drug recall, they will take back the designated products in time and return them back to the designated place. After inspection, they are destroyed by special personnel and recorded. During the Reporting Period, the Group had no incidents of product recalls for safety and health reasons, and there were no litigation cases arising from these matters.

❖ Research and Innovation

Development of Discipline Construction

The Group deeply values medical academic research, and is committed to combining clinical experience with theory. We regard discipline construction as a foundational strategic task for both corporate and business advancement. To elevate our discipline construction capabilities, the Group has formulated the *Discipline Construction Management System*, the *Academic Scientific Research Paper System*, the *Scientific Research Project Application and Approval System*, the *Clinical Scientific Research Management System*, and among others. Additionally, we have established a tripartite disciplinary management structure comprising the Discipline Construction Committee, Discipline Construction Office, and Hospital Chief Medical Officers to standardize research governance and foster academic innovation.

Disciplinary Management Framework

<p>Discipline Construction Committee</p>	<ul style="list-style-type: none">● Oversee the Company's discipline construction and development plans, organize the formulation and update of discipline construction regulations, review decisions regarding disciplinary progression, organize disciplinary and research activities, evaluate and guide the discipline development targets and talent cultivation plans of hospitals,
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	<p>address principal issues in discipline construction, and inspect, supervise, and assess the progression of discipline construction. The committee has set up various specialty groups, which are responsible for the development planning of the specialty, the formulation of technical specifications or guidelines, talent training, professional training, and the promotion of new technologies.</p>
<p>Discipline Construction Office</p>	<ul style="list-style-type: none"> ● Entrust with the day-to-day operations and related tasks authorized by the Discipline Construction Committee. Various specialty groups, which are responsible for the development planning of the specialty, the formulation of technical specifications or guidelines, talent training, professional training, and the promotion of new technologies.
<p>Hospital chief medical officers and leaders of each professional discipline</p>	<ul style="list-style-type: none"> ● Hospital chief medical officers bear comprehensive responsibility for the implementation of the hospital's discipline planning, construction, and management, liaising with the hospital to address systemic challenges to discipline development, motivating staff engagement in discipline construction, and assisting with the hospital's evaluation, inspection, and assessment activities. ● Leaders of each professional discipline are accountable for their discipline construction objectives.

During the Reporting Period, the Group concluded six research projects, initiated three new research endeavors, published the professional book *Concise OCT Image Reading Manual for Ophthalmology*, and published 19 journal articles, including 10 papers indexed by the Science Citation Index (SCI), two in core journals, and seven in general journals.

Intellectual Property Protection

The Group strictly abides by the *Civil Code of the People's Republic of China* (《中華人民共和國民法典》), the *Patent Law of the People's Republic of China* (《中華人民共和國專利法》), the *Trademark Law of the People's Republic of China* (《中華人民共和國商標法》), the *Copyright Law of the People's Republic of China* (《中華人民共和國著作權法》) and other relevant laws and regulations, raises the awareness of intellectual property right protection among all employees and avoids infringing on the intellectual property rights of others while standardizing and protecting their own intellectual property rights.

The Group clarifies that the hospital is the unit on which the owner of the intellectual property rights is based during the contract period, and the ownership of relevant works and patents belongs to the individual and the hospital. During the Reporting Period, the Group formulated the *Intangible Asset Management Regulations*, overseeing the entire lifecycle of intangible assets with meticulous management and effective monitoring.

During the Reporting Period, a utility model patent devised by the Group's employees, "A Rotatable Multifunctional Ophthalmic Surgery Bed", was nominated for the "Excellent Invention Achievement in Scientific and Technological Innovation" at the 21st China Scientists Forum. The Group was not punished by the relevant authorities for infringing the intellectual property rights of others.

Industry Exchange and Cooperation

The Group actively engages in industry exchanges, assimilating experiences from peers to promote innovation and dissemination of research achievements, thus contributing to the industry development. During the Reporting Period, the Group has participated in numerous industry association events, and hosted many academic conferences and promotion conferences on new technologies and new projects, enhancing inter-industry communication and exchange. During the Reporting Period, a total of 15 study group meetings were held, with 199 submissions to academic conferences.

Chaoju Eye Care 2023 Academic Conference of the Eye Plastic and Orbital Diseases Group

In April 2023, Inner Mongolia Chaoju Ophthalmic Hospital hosted the Chaoju Eye Care 2023 Academic Conference of the Eye Plastic and Orbital Diseases Group, inviting national experts in eye plastic and orbital diseases to discuss hot topics and challenges, showcasing the latest research findings, innovative achievements, and case studies, and deliberating on the professional development of these fields.



Smile for Better Vision Forum and Standardized Refractive Surgery Training

Held on August 4, 2023, and sponsored by the Hohhot Medical Association, and undertaken by Chaoju Eye Care, this forum offered a premier platform for ophthalmic professionals to engage in depth on refractive surgery topics. The forum serves as a good exchange platform for personnel in ophthalmology in an extensive sense, enhancing the academic exchange between experts and scholars both within and outside the province. *Chaoju Eye Care 2023 Myopia Surgery White Paper* launched at this event is set to provide invaluable data support for the future development of Chaoju Eye Care and the broader industry.



4. Adhering to Responsibilities for Sustainable Operations

❖ Responsible Marketing

The Group strictly abides by the *Advertising Law of the People's Republic of China* (《中華人民共和國廣告法》) and the *Measures for the Administration of Medical Advertisements* (《醫療廣告管理辦法》), and has established the *Management System for Sales Activities*, the *Management System for Advertising and Content Propaganda*, and other policy documents. It has established sound marketing management procedures to ensure the compliance of the marketing activities of the Group and its affiliated hospitals.

The Group carries out marketing activities utilizing online promotion, media advertising and other means to enhance its brand influence. For the publicity that is categorized into medical advertising, the Group fills in the *Medical Advertisement Approval Form* as required for internal audit, and applies to the local health administrative department for an Examination Certificate for Medical Advertisements in a timely manner before the initiation of medical advertising activities, affirming the legal and regulatory adherence of our marketing activities.

Process for Advertisement and Content Promotion Review and Management



❖ Supply Chain Management

The Group's suppliers can be divided into material suppliers and service suppliers. Specifically, material suppliers are subdivided into those that supply administrative materials, devices, optometry products, and pharmaceuticals. The Group has formulated the *Supplier Management Measures* to perform the lifecycle standardized management for the development, access, cooperation, evaluation, grading, assessment, and elimination of suppliers, thus enhancing the supply chain management.

Adhering to the principles of "strict access, quantitative evaluation, fault withdrawal and dynamic management", the Group has cultivated a robust supplier management system that emphasizes comprehensive lifecycle management. Before reaching cooperation with suppliers, the Group will carry out the development, investigation and audit. In terms of daily management, the Group conducts annual appraisals of our cooperative suppliers and fills in the *Supplier Evaluation Form* as the basis for annual appraisals to reflect the comprehensive strength of our suppliers comprehensively and accurately, and to continuously promote suppliers to improve their product quality and service capability based on the principle of "elimination of winners and losers". The Group classifies our suppliers into five levels: "strategic, excellent, good, qualified, and eliminated" based on the evaluation results. Suppliers who are rated as unqualified and included in the supplier blacklist will be disqualified from cooperation and will not be allowed to cooperate again within five years

The Group tends to choose suppliers who share our concern for environmental protection and social responsibility. We will urge our suppliers to comply with business ethics and social ethics, and establish corresponding procedures to strictly monitor and prevent all kinds of commercial bribery activities between employees or patients and suppliers. The Group also gives priority to suppliers with environmental qualifications to reduce the negative impact on the environment.

❖ Information Security Protection

Information Security Management

The Group also strictly complies with the laws and regulations related to information security, such as the *Regulations of the People's Republic of China for Safety Protection of Computer Information Systems* (《中華人民共和國電腦信息系統安全保護條例》), the *Cybersecurity Law of the People's Republic of China* (《中華人民共和國網絡安全法》), the *Data Security Law of the People's Republic of China* (《中華人民共和國數據安全法》) and the *Data Governance Standard for Medical Institutions* (《醫療機構數據治理規範》), and formulates the *Information Security Management Measures*, the *Information System Network Security Management Measures*, the *Information System Access Control Management Measures*, the *Information System Access Control Management Process*, the *Information System Risk Assessment Management Measures*, the *Information System Risk Assessment Management Process* and other in total 26 systems to establish a sound information security management system and keep improving the level of information security management.

Information Security Management Framework

Level	Department	Responsibilities
Decision-making level	Board of Directors	<ul style="list-style-type: none"> ● Responsible for the overall information security management of the Company ● Responsible for considering and making decisions on major matters of information security work of the Company ● Confirm acceptable risks and risk levels, etc.
Management level	Information System Management Committee	<ul style="list-style-type: none"> ● Responsible for coordinating information security work within the Company ● Promote the implementation of information security in the Company ● Responsible for organizing the Company to establish, implement,

		maintain and improve the Company's information security and provide resources to relevant personnel
Executive level	Information Center	<ul style="list-style-type: none"> ● Responsible for the establishment, implementation and daily operation of information security management system ● Responsible for drafting information security system and determining information security management requirements ● Responsible for the implementation of the information system in the Company ● Responsible for the internal supervision, evaluation and improvement of information security system
	All departments and subsidiaries	<ul style="list-style-type: none"> ● Responsible for compliance and implementation of information security management system requirements

During the Reporting Period, the Group has implemented an array of strategies to bolster information security, advance the digitization of business processes, and conduct information security training. These measures concurrently elevate the level of information protection and operational efficiency of hospitals.

Information Security Management Measures

Field	Specific measures
Information security enhancement	<ul style="list-style-type: none"> ● Enhance the security of wide-area network communications by upgrading firewalls and core switches across 22 hospitals, transitioning to IPSEC VPN instead of GRE for connectivity with the Group's network. ● Increase the security of database and network device access by employing Jump Servers as secure gateways instead of direct connections through personal computers.

Field	Specific measures
Digital business	<ul style="list-style-type: none"> ● Implement electronic signature features for doctors and handwritten versions for patients to safeguard medical and institutional data, verify doctor identities, and mitigate security risks and erroneous operations.
Information security training	<ul style="list-style-type: none"> ● Conduct "Information Security Level Protection Training" sessions, detailing the Group's information security framework, technical specifications, and managerial requirements to participants, enabling staff comprehension of the overarching information security structure and related responsibilities pertinent to their roles.

The Group regularly carries out information internal audit to timely discover the security risks of informatization and protect the security of its information systems. During the Reporting Period, the Group carried out two internal audits encompassing the NC, OA, and HIS systems used by the Group's headquarters, all affiliated hospitals, and optical centers, examining aspects like: change management, access control management, computer room management, network security management, data backup management, office computer management and data quality control management. Identified issues were promptly addressed through effective corrective and optimization measures, solidifying the foundation for the Company's enduring and stable growth.

During the Reporting Period, the HIS system shared among the Group's subsidiaries was awarded the National Information Security Level Three Certification.

Patient Privacy Protection

The Group places a paramount emphasis on safeguarding patient privacy, and strictly abides by the *Personal Information Protection Law of the People's Republic of China* (《中華人民共和國個人信息保護法》). We have formulated the *Patient Privacy Protection Systems* and other policy documents to regulate the conduct of our staff, enhance the security management of information data, and uphold confidentiality for our patients.

The Group's hospitals implement a "one doctor, one patient" service paradigm,

conspicuously displaying relevant signage outside consultation rooms to ensure the confidentiality of medical consultations and treatments, thereby preventing the exposure of patients' bodily and condition-related privacies. Furthermore, it is stipulated within the Group that patient privacy should only be used for diagnostic and treatment purposes. Without the patient's permission and authorization, the patient's disease and related private information shall not be disseminated to others or used for teaching or instruction. For the preservation and lending of medical records, no one is allowed to borrow paper or electronic medical records at will. During the Reporting Period, the Group had no incidents of infringement of patient privacy and loss of patient information.

5. Prioritizing Employees and Cultivating a Harmonious Workplace

❖ Employee Employment and Rights and Interests

The Group strictly complies with the *Labor Law of the People's Republic of China* (《中華人民共和國勞動法》), the *Labor Contract Law of the People's Republic of China* (《中華人民共和國勞動合同法》), the *Law of the People's Republic of China on the Protection of Minors* (《中華人民共和國未成年人保護法》), the *Provisions on Prohibition of Child Labour* (《禁止使用童工規定》), and other laws and regulations. We have formulated the *Chaoju Eye Care Technology Group Limited Employee Handbook* and the *Management System of Personnel Assessment and Employment at All Levels* to standardize the management and safeguarding of employees' employment and fundamental rights. During the Reporting Period, no incidents have occurred that resulted in penalties from relevant authorities for violations related to employee recruitment and termination, working hours and vacations, or other labor standards.

Employee Employment and Rights and Interests

Types	Descriptions
<p>Recruitment and dismissal</p>	<ul style="list-style-type: none"> ● Recruitment: Make reasonable recruitment plans to attract talents through approved open channels, such as campus recruitment, social recruitment, online advertising and headhunting recommendations; truthfully inform the workers of their work content, working conditions, work location, occupational hazards, work safety conditions, labor remuneration, and other situations that the workers need to know. ● Dismissal: Terminate the labor relationship by resignation, persuasion for dismissal, dismissal, voluntary separation, and no renewal of the labor contract upon expiration, so as to standardize the management of the termination of the labor relationship. Employees have the right to reject unreasonable behavior and request the company to make adjustments according to the law.

Types	Descriptions
<p>Salary and leave</p>	<ul style="list-style-type: none"> ● Salary: Provide competitive salaries for our employees and set up regulations such as <i>Employee Compensation Management Measures</i> and <i>Employee Performance Management Measures</i>. Employee salary includes basic salary, position salary, performance salary, etc. and there are differences according to rank, experience, etc. The Group implements salary confidentiality system, and prying into others' salary through any form is a serious violation of company rules and regulations. ● Insurance: Timely and lawfully contribute to employees' basic pension insurance, medical insurance, unemployment insurance, work injury insurance, and maternity insurance. ● Working hours: Implement the national standard working hour system, i.e., 8 hours per day and 40 hours per week. Hospitals and optometry companies eligible for flexible working hour system have applied to the labor department for filing. Advocate efficient work and do not encourage employees to work overtime. If the Company does need to work overtime due to sudden work or temporary tasks, the approval of the director or above is required. Taking working days off can be arranged and overtime pay can be calculated in accordance with the <i>Staff Attendance and Holiday Management Measures</i> ● Leave: Legally provide employees with national statutory leave and personal leave, sick leave, marriage leave, bereavement leave, maternity leave, nursing leave, artificial abortion leave, paternity leave, paid annual leave, and family visit leave.

The Group is dedicated to fostering a diverse and inclusive workplace environment and all kinds of discrimination based on differences in gender, age, region, education, religious belief, nationality, race, sexual orientation, and disability are not allowed. During the Reporting Period, no incidents of employee discrimination have occurred in the Group.

The Group prohibits the use of child labor or forced labor in any forms, and has

formulated the *Policy on Prohibition of Child Labor and Procedures for Remedial Measures*. We conduct strict identity checks on candidates, so that we do not use child labor nor support the employment of child labor by other companies or social groups, and correct any problems promptly. In case of negligent recruitment of child labor, we will immediately stop their work and report to the local labor bureau and contact the legal guardian of the child laborer to ensure their follow-up life, and the Group will consider re-employing them after they reach the age of 16 or the minimum legal working age. The Group resolutely opposes forced labor by means of violence, threats, illegal restriction of personal freedom and other forms. During the Reporting Period, there were no incidents of child or forced labor in the Group.

❖ Employee Benefits and Care

The Group offers a wide array of benefits to our employees, including paid leave, employee dormitories, meal subsidies, transportation allowances, and communication allowances. We provide a variety of benefits for employees and gives greetings to employees in illness and childbirth, and organize diverse team-building activities such as employee birthday celebrations and sports events to create a warm corporate atmosphere and enhance employee cohesion and sense of belonging. Furthermore, the Group pays special attention to the care of female employees, granting all female staff a half-day leave and distributing holiday gifts on International Women's Day.

The Group prioritizes open communication with employees, who can provide feedback through email and other channels. Annually, we conduct employee surveys to promptly grasp the areas of concern for our employees, gathering their feedback and suggestions regarding the Group.

New Employee Welcome and Birthday Party Activities in Q1 of 2023

In March 2023, the Group's headquarters held a "Chaoju Pizza Day" themed employee welcome and birthday party. The event included "welcoming new employees", "birthday celebrations", and "fun games with prize drawings", allowing new employees to experience firsthand the warm and united culture of the Company. This event enabled employees to relax and bond beyond work,

thus strengthening team cohesion and unity.



Song of Chaoju Choir Competition

To further disseminate Chaoju Eye Care's core values and rich culture, and to motivate our team to forge ahead and innovate, the Group organized an online choir competition themed "Singing *Song of Chaoju*." This competition enriched employees' hobbies outside of work and promoted a balance between work and personal life.



❖ Employee Training and Development

Employee Training System

The Group adheres to the principle of "focusing on the business, only designing genuinely effective training", continuously strengthening the construction of our teaching staff, enhancing our training system, and establishing management documents such as the *Training Management System for Personnel at All Levels*, the *Training Program and Management System for "180-Day Growth Plan for New Employees"*, the *Management System for Further Training of Chaoju Eye Hospital Group Employees* and the *Management Measures for Corporate Internal Trainers*, so as to systematize and institutionalize the training of employees and ensure the effective implementation of the Group's talent strategy.

For the new employees of the Group, our training adopts four-dimensional management, namely training discipline management, training assessment management, training evaluation management and training file management to comprehensively enhance our employees' professional capabilities and create development conditions for them. During the Reporting Period, the Group further refined new employee training initiatives, incorporating a survey of new employee training needs and signing a *New Employee Training and Onboarding Confirmation Agreement* with new employees to ensure their adaptability to job skill requirements.

New Employee Training System

On boarding training	
On boarding education	<ul style="list-style-type: none"> ● Conduct new employee training needs surveys ● Distribute employee handbooks and sign the <i>New Employee Training and Onboarding Confirmation Agreement</i> ● On boarding education: <ul style="list-style-type: none"> ❖ Corporate culture and development history ❖ Overview of each unit ❖ Unit management system ❖ Introduction to common diseases of ophthalmology ❖ Brief description of medical marketing and

	service etiquette
Intensive on boarding training	<ul style="list-style-type: none"> ● At least one intensive on boarding session per year ● 3 days of standardized face-to-face instruction ● Archived as video training material
Decentralized on boarding training	<ul style="list-style-type: none"> ● If arranging video on boarding, set up training Q&A
Professional skills training	
Job leading	<ul style="list-style-type: none"> ● Set up job teaching content according to the requirements of job duties ● Master with apprentice teaching method
Professional skills training	<ul style="list-style-type: none"> ● Basic professional knowledge and skills required by job responsibilities ● Medical service and marketing skills
Work mindset coaching	<ul style="list-style-type: none"> ● Arrange counselors to help new employees get familiar with the corporate culture and adapt to the environment ● Provide proper guidance and assistance
General vocational skills training	
Online/In-person training	<ul style="list-style-type: none"> ● Implementation of generic skills training and assessment by Talent Development Department and Group internal instructors
Team activities	<ul style="list-style-type: none"> ● Team building activities organized by the Human Resources Department of each hospital/unit

To achieve the objectives of "improving quality, reducing costs and increasing efficiency, and pursuing high-quality development", the Group actively promotes a "Headquarters + Hospital" collaborative training model. This approach utilizes the Group's headquarters as a strategic guide and central hub for educational resources, designing a series of training courses covering medical professional technical knowledge, medical service skills, infection control management, and management capacity enhancement. These courses are customized according to the actual needs of pilot hospitals, ensuring the training content is both forward-looking and closely aligned with practical work scenarios. This strategy aims to build a high-quality medical talent team with advanced professional skills that meet the strategic requirements of the Group development. During the Reporting

Period, the Group actively implemented the "Excellence Plan" to enhance quality and efficiency, promoting high-quality development of the Group and hospitals, and further elevating the systematic, standardized, professional, refined, and intelligent level of hospital management. Through the "Excellence Plan", the Group has established a comprehensive system for enhancing professional capabilities within hospitals, focusing on creating in-hospital education and training teams, formulating annual hospital training and education programs and plans, and optimizing training assessment methods. This approach comprehensively activates employee potential, precisely enhancing medical professional skills and service levels.

Diverse Professional Knowledge and Skills Training

Type	Training contents
<p>Medical knowledge</p>	<ul style="list-style-type: none"> ● Clinical basic knowledge: Pathology, pharmacology, medical imaging, etc.; ● Clinical skills training: Basic operational skills, emergency first aid, surgical techniques, etc. ● Specialized knowledge training: Professional knowledge and skills training for departments; ● Emergency response training: Handling of emergency situations, emergency rescue procedures, etc.
<p>Medical service knowledge</p>	<ul style="list-style-type: none"> ● Training contents: Patient communication skills, patient rights protection, patient safety awareness, service attitude training, medical ethics, patient rights, teamwork and communication, etc.
<p>Infection control knowledge</p>	<ul style="list-style-type: none"> ● Training contents: Guidelines for the clinical application of antimicrobial drugs, methods and application of disinfection and sterilization efficacy monitoring, ophthalmology <i>Internal Eye Surgery Management Measures</i>, and other infection control-related knowledge.

During the Reporting Period, the Group initiated multiple vocational skill

training projects to stimulate employee potential and promote overall team development, ensuring employees remain competitive in a rapidly evolving business environment.

"Spark Plan" - Chaoju Eye Care Resident Doctors Training Camp in Beijing

In April 2023, under the "Spark Plan", the Group launched a training camp for Chaoju Eye Care resident doctors in Beijing. Utilizing a dual teaching model combining theoretical instruction and practical operation training, the program offered comprehensive training on standardized operations for ophthalmic microsurgery, animal eye incision and suture training, standardized operation of phacoemulsification surgery, animal eye phacoemulsification experience, pre-operative measurement for cataract surgery, ophthalmic examination knowledge, and a film reading competition. This training aimed to provide standardized operation training for phacoemulsification surgery for resident doctors, further strengthening the standardized management of resident doctors and promoting the growth of young resident doctors and medical talent team building in hospitals under Chaoju Eye Care. After rigorous selection, 24 participants from 16 hospitals under Chaoju Eye Care completed their studies, assessments, and received certificates of completion.



Chaoju Eye Care Tangshan Regional First Professional Knowledge Competition

In September 2023, the Group hosted the Chaoju Eye Care Tangshan Regional First Professional Knowledge Competition, with six teams from five hospitals in Tangshan participating. The event showcased the contestants' level of

ophthalmic knowledge and comprehensive abilities, advancing the construction of ophthalmic service teams and enhancing the hospital brand's influence.



The Group places a high emphasis on the cultivation of management talent, prioritizing the training of hospital directors and reserve directors as a key aspect of the Group's training efforts. Through organizing management capability enhancement training or facilitating management talents' participation in external management capability enhancement programs, we cultivate leaders with strong management capabilities, providing a foundational guarantee for the Group's strategic development and high-quality growth.

Chaoju Eye Care's First Strategic Sand Table Simulation Training

In May 2023, the Group inaugurated the Chaoju Eye Care's First Strategic Sand Table Simulation Training, employing a full-scenario sand table pedagogy, the immersive course of *Strategic Sand Table*, for the first time. This innovative training approach, framed around "Goal Setting + Live Exercise + Scenario-based Learning + Collaborative Group Work + Synthesis and Sharing", enabled participants to grasp how the formulation of objectives, collaborative teamwork, and judicious decision-making can augment leadership and execution capabilities across diverse roles, thereby enriching a holistic comprehension of "management". During the Reporting Period, more than 20 individuals, including regional managers, hospital directors, and reserve management personnel from the Group, engaged in the training.



Hospital Directors from Chaoju Eye Care Participate in Advanced Professional Management Training

In August 2023, nine hospital directors from Chaoju Eye Care alongside managers from social medical institutions nationwide, took part in the "Professional Training for Social Hospital Directors (Second Session)" launched by the Chinese Non-government Medical Institutions Association. The training, focusing on the "current context and trends" of China's healthcare development, offered courses tailored to the characteristics and demands of the non-government medical sector, aiming to enhance the management levels of directors and contribute to new breakthroughs for Chaoju Eye Care.



The Group has set up a team of internal trainers and selected employees with experience and outstanding abilities who have been employed for more than one year to take up teaching tasks. We develop courses oriented to our group's business objectives and apply them to various trainings of the Company, including but not limited to new employee training, professional knowledge and experience training, corporate culture training, professional quality training, etc.

Through internal trainings and expatriate further study, the Group expands the

professional knowledge and vision of employees and strengthens the exchange of hospital management and medical technologies in an effort to improve the professional competence of employees, and meet the demands for talents raised by the rapid business development of the Group.

Internal Training and Expatriate Learning

<p>Internal Training</p>	<ul style="list-style-type: none"> ● Providing internal training opportunities for our employees to learn cutting-edge theoretical knowledge, clinical skills and hospital management experience, to develop their professional knowledge and vision, and to enhance their working ability.
<p>Expatriate Learning</p>	<ul style="list-style-type: none"> ● Support the staff to be sent out to professional institutions for further training, provide relevant information and study process arrangement according to the requirements of the training unit or training institution, and encourage our employees to study carefully to achieve the goal of further training and obtain certification as required.

During the Reporting Period, the Group integrated external and internal training, job-specific and off-the-job training, targeted and comprehensive training, as well as regular and adaptive training approaches. Employing a variety of methodologies including classroom instruction, distance learning, case studies, role-playing, scenario simulation, external educational visits, and site tours, we enriched the training modalities for our staff, achieving an overall training satisfaction rate of 96.88%.

Employee Incentives and Promotion

The Group takes the improved employee performance assessment system as the basis for the promotion and development of employees, and retains employees based on a competitive salary system, standardized promotion mechanisms and continuously optimized middle-to-long-term incentive policies.

Employee Incentives and Promotion Measures

<p>Employee performance assessment</p>	<ul style="list-style-type: none"> ● Prepare the <i>Management Measures for Employee Performance</i> and the <i>Incentive Management Measures for Performances of Business Team in Subsidiaries</i>, and build the performance management framework, assessment criteria and performance incentive policies for core positions to guarantee that the excellent work of employees gains a full recognition. ● Adjust salaries of outstanding employees based on performance assessment results and market conditions, and provide tutorship and empowerment for employees with poor performance to help employees enhance their service abilities while keeping on the orbit of given goals.
<p>Employee promotion and development</p>	<ul style="list-style-type: none"> ● Establish management systems such as the <i>Administrative Measures for the Reserve Cadre Training</i> and the <i>Administrative Measures for the Employment of Middle-level Management Personnel of Subsidiaries</i>. ● Formulate the <i>Staff Career Development Promotion Management System</i>, provide employees with management, technical and job rotation career paths based on individual development, and select employees with organizational management potential for cultivation based on performance assessment scores, daily work, and development potential, ensuring that their growth direction is always in line with the development goals of the Group. ● Adhere to a management principle that combines recommendations from subsidiaries with selections by the Group for the selection, reserve, evaluation, appointment, and promotion of cadres.
<p>Middle-to-long-term employee incentives</p>	<ul style="list-style-type: none"> ● Grant company equity to management teams, core doctors, and long-serving employees, sharing the rewards of our collective efforts with staff as a means to reward and motivate all levels of management teams, outstanding employees, and key talent.

❖ Occupational Health and Safety

The Group has formulated the *Compilation of Work Safety System* and the *Occupational Health Management System* in an effort to enhance employees' awareness of occupational disease prevention and ensure their occupational safety through measures such as occupational hazard factors detection, occupational health notification, labor protection equipment, physical examination and training.

Occupational Health Management Measures

Monitoring of occupational hazards	<ul style="list-style-type: none"> ● Regularly entrust qualified companies to test and evaluate occupational hazard factors in production sites.
Occupational health notification	<ul style="list-style-type: none"> ● For positions with occupational health hazard factors, inform employees of the specific risks and occupational disease protection measures taken before employees enter the job.
Labor protection equipment	<ul style="list-style-type: none"> ● Equip employees exposed to occupational hazard factors with appropriate and effective equipment for labor protection, and supervise the use of such equipment. ● maintain and upgrade occupational disease protection facilities.
Occupational health check	<ul style="list-style-type: none"> ● Provide employees in positions exposed to occupational hazard factors with occupational health checks, and establish, follow-up and manage occupational health records.
Occupation health training	<ul style="list-style-type: none"> ● Carry out hospital-acquired infection training and occupational safety protection lectures for medical staff, so that employees can master health protection knowledge to ensure their physical and mental health.

For occupational exposure, the Group has formulated systems such as *Occupational Exposure Reporting and Management System*, *Occupational Exposure Protection System* and *Sharp Injury Treatment Plan*. Besides, the Groups also asks all its affiliated hospitals to set up infection management departments and allocate management personnel according to regulations to standardize the preventive measures for occupational exposures and treatment measures after occupational exposure.

In our daily work, the Group and its affiliated hospitals conscientiously implement safe operations for the prevention and treatment of occupational exposures and provide personal protective measures for employees. We also develop comprehensive emergency procedures for occupational exposures to protect the health and safety of our employees.

Occupational Exposure Emergency Treatment Procedures

Emergency treatment	Checking and reporting	Regular follow-up
<ul style="list-style-type: none"> ● After occupational exposure, treat the wounds urgently by washing the contaminated skin immediately with soap and running water, and repeatedly flushing the mucous membranes with saline. 	<ul style="list-style-type: none"> ● The infection management department instructs occupationally exposed persons to inject antiviral drugs for preventive treatment, and regularly perform blood testing. ● Timely report and investigate the source of exposure and the degree of exposure, and instruct medical staff in the department to take necessary preventive measures. 	<ul style="list-style-type: none"> ● Observe and record the physical condition of the exposed persons. ● Schedule follow-up time based on the nature of the disease.

The Group's Baotou Hospital involves in the production of preparations. In terms of ensuring work safety, the Group improves the safety management mechanism in strict accordance with the *Work Safety Law of the People's Republic of China* (《中華人民共和國安全生產法》) and other laws and regulations to achieve the goal of zero accidents and zero injuries and ensure the health and safety of employees. The Group has formulated management systems such as the *Compilation of Work Safety Systems*, periodically reviews the status of work safety, and corrects problems in a timely manner to ensure work safety.

Measures for Work Safety Management

<p>Safety risk management</p>	<ul style="list-style-type: none"> ● Identify and analyze the sources of danger in production and business activities, products, and services, evaluate their risk degree and grade them, and formulate safety control measures based on the risk level according to the <i>Safety Risk Grading Control Work System</i>.
<p>Safety emergency management</p>	<ul style="list-style-type: none"> ● Prepare emergency plans covering work safety, safety protection, fire protection, elevators, and pressure steam sterilizers, and train relevant personnel and regularly organize plan drills to ensure the targeting and effectiveness of emergency plans.
<p>Risk investigation and governance</p>	<ul style="list-style-type: none"> ● Carry out regular risk investigation according to the <i>Accident Risks Investigation and Governance System</i>; once the risk is found, the rectification must be implemented within the specified time, and the completion of rectification should be reviewed and assessed in time.
<p>Safety training and education</p>	<ul style="list-style-type: none"> ● Formulate practical safety training materials for each position based on specific situations and carryout targeted safety education and training.

During the Reporting Period, the Group was not penalized for violating any laws and regulations related to occupational health and safety, nor have there been any incidents of work-related injuries or fatalities resulting from industrial accidents.

6. Cherishing the Environment and Fostering Green Development

❖ Resource Management

Energy Management

The Group and its affiliated hospitals primarily utilize electricity, diesel and gasoline. Electricity is chiefly employed for the operational needs of the Group's office spaces and hospitals, whereas diesel and gasoline serve as fuel for the corporate and hospital vehicles.

The Group stringently adheres to the *Law of the People's Republic of China on Energy Conservation* (《中華人民共和國節約能源法》), the *Electric Power Law of the People's Republic of China* (《中華人民共和國電力法》) and other pertinent legislation. To regulate the energy management practices of the Group and its hospitals, we have established the *Energy Management System* and *Electricity Consumption Management System* and other policies, set directional goals for energy conservation, and implemented measures for energy-saving and emissions reduction to fulfill our environmental protection responsibilities more effectively. The Company's directional goals for energy saving include: In accordance with the Group's energy conservation measures, actively implement their implementation and review the base year to maintain or gradually reduce the energy consumption intensity under similar conditions of business operations.

Energy Management and Conservation Measures

Electricity saving measures	<ul style="list-style-type: none"> ● Lighting system: Use energy-efficient lamps, turn them off when the office is not in use, and set up sensors to turn on and off lights in areas that are not used frequently to ensure efficient use of the lighting system. ● Air conditioning system: Use split air conditioners with a Class 1 energy efficiency label and divide the company into several different zones, each with individual on/off controls, and regularly clean the filters and fans of the air conditioners to reduce energy waste. ● Electronic devices: Purchase electronic devices with energy efficiency roll labels and turn them off completely
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	<p>or put them into standby mode during idle or non-working hours to save electricity usage.</p> <ul style="list-style-type: none"> ● Promoting energy-saving awareness among employees: Place posters reminding to "Turn off the lights when leaving" near switches to enhance awareness about energy conservation.
<p>Fuel saving measures</p>	<ul style="list-style-type: none"> ● Give priority to new energy vehicles in the selection of vehicles. ● Regularly inspect and maintain the vehicles to ensure that they operate in the best condition and reduce the occurrence of fuel leakage or rapid fuel consumption. ● Improve the vehicle management system and eliminate unauthorized vehicle use.

Water Resource Management

The water consumed in production and operations of the Group is mainly supplied by the municipal water supply organization, and there are no risks in obtaining suitable water sources. The Group strictly complies with the *Water Law of the People's Republic of China* (《中華人民共和國水法》), and has established the *Water Resources Management System* to emphasize the management and conservation of water resources and reduce water consumption. The Company's directional goals for water use benefits include: In accordance with the Group's water conservation measures, actively implement their implementation and review the base year to maintain or gradually reduce the water consumption intensity under similar conditions of business operations.

<p>Water saving measures</p>	<ul style="list-style-type: none"> ● Use water-saving faucets and other water-saving equipment. ● Post water-saving stickers in conspicuous places next to water-using equipment to remind our employees and patients of the good habit of water conservation. ● Regularly check water fixtures and pipes for any leaks, and if there are any, repair them immediately to reduce water waste.
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❖ Emissions Management

The Group strictly controls the pollutants generated in its major business activities according to *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution* (《中華人民共和國大氣污染防治法》), the *Water Pollution Prevention and Control Law of the People's Republic of China* (《中華人民共和國水污染防治法》), the *Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste* (《中華人民共和國固體廢物污染環境防治法》), etc., in an effort to ensure that all pollutants are treated and discharged in compliance with the standards for prevention of atmospheric, water and soil pollution. During the Reporting Period, there was no incident of pollutants exceeding the standard or discharging in violation of regulations, nor did there be any litigation cases arising from the above matters.

The Group monitors the discharge of wastewater and exhaust gas pollutants as required. The Company's directional goals for waste reduction include: In accordance with the Group's resource conservation measures, actively implement their implementation and review the base year to maintain or gradually reduce the intensity of waste generation under similar conditions of business operations.

Type	Monitoring indicators	Management specifications	Management measures
Wastewater	Domestic wastewater and medical wastewater; and the monitoring indicators include Chemical Oxygen Demand (COD), Biochemical Oxygen Demand (BOD), Ammonia Nitrogen (NH ₃ -N).	<ul style="list-style-type: none"> Discharge Standard of Water Pollutants for Medical Organization (《醫療機構水污染物排放標準》) (GB18466-2005) 	<ul style="list-style-type: none"> The A/O+ disinfection process is used to pretreat the wastewater, and the sewage is discharged into the municipal sewage pipe network after pretreatment. The Group's affiliated hospitals monitored the bacterial species and physical and chemical indicators of sewage as required. After

Type	Monitoring indicators	Management specifications	Management measures
			monitoring, the discharge of pollutants from the wastewater of the Group's hospitals did not exceed the standard limit, and complied with sewage discharge standards.
Exhaust gas	The exhaust gas is the slight malodor generated during the sewage treatment process, and its main components are hydrogen sulfide (H ₂ S) and ammonia (NH ₃).	<ul style="list-style-type: none"> "Maximum allowable concentration of atmospheric pollutants around sewage treatment facilities" in the <i>Discharge Standard of Water Pollutants for Medical Organization</i> (《醫療機構水污染排放標準》) (GB18466-2005). 	<ul style="list-style-type: none"> A gas collection system is set up in the sewage treatment room, which purifies the collected exhaust gas by active carbon adsorption device, and guide the treated exhaust gas to the roof through the pipeline for emission.
Non-hazardous waste management	Domestic waste and packaging of disposable consumables	<ul style="list-style-type: none"> <i>Standard for Pollution Control on the Non-hazardous Industrial Solid Waste Storage and Landfill</i> (《一般工業固體廢物貯存和填埋污染控制標準》) (GB18599-2020) 	<ul style="list-style-type: none"> First collect the non-hazardous waste in a uniform manner, and after treatment, sort the waste according to recyclable waste, non-recyclable waste, food waste and other waste, and recycle the recyclable waste for reuse.
Hazardous	The medical	<ul style="list-style-type: none"> <i>Standard for</i> 	<ul style="list-style-type: none"> Commission a

Type	Monitoring indicators	Management specifications	Management measures
waste management	waste is mainly infectious medical waste and injurious medical waste, including medical and chemical waste, waste ink cartridges, waste toner cartridges, batteries and end-of-life IT equipment.	<p><i>Pollution Control on Hazardous Waste Storage</i> (《危險廢物貯存污染控制標準》) (GB18597-2001)</p> <ul style="list-style-type: none"> ● <i>Regulations on the Administration of Medical Wastes</i> (《醫療廢物管理條例》) ● <i>Technical Specification on Centralized Disposal of Medical Waste (Trial)</i> (《醫療廢物集中處置技術規範(試行)》) 	third party to handle medical hazardous waste for the Group in a uniform and safe manner, including sorting, packaging, temporary storage and transportation.

❖ Responding to Climate Change

The Group keeps an eye on the trend of global climate change and the introduction of climate-related policies in China, practices the concept of sustainable low-carbon green development, and actively responds to China's national strategy of peaking carbon emissions in 2030 and achieving carbon neutrality by 2060 through working on coping with climate change under the guidance of relevant documents. We construct a perfect climate change management system, and identify risks and opportunities related to climate change, and integrate climate change mitigation and adaptation into its routine management.

Climate Change Management System

Governance	<ul style="list-style-type: none"> ● Incorporate climate change issues into the material issues of corporate social responsibility; the Board of Directors will
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	<p>supervise and manage the Group's climate change issues;</p> <ul style="list-style-type: none"> ● Relevant functional departments and business departments incorporate climate change management into their daily work priorities.
Strategy	<ul style="list-style-type: none"> ● Actively identify major sources of greenhouse gas emissions; ● Identify the risks of climate change to company operations and plan to incorporate climate change risks and opportunities as part of overall operational risk management.
Risk management	<ul style="list-style-type: none"> ● Carry out relevant management actions in resource conservation and emission reduction to reduce greenhouse gas emissions caused by energy use; ● Motivate employees to work in a green way to reduce greenhouse gas emissions.
Indicators and targets	<ul style="list-style-type: none"> ● Regularly count and disclose the amount and intensity of greenhouse gas emissions, and evaluate the Group's performance in addressing climate change management; ● The Company's directional goals for reducing GHG emission include: In accordance with the Group's energy conservation measures, actively implement their implementation and review the base year to maintain or gradually reduce the GHG emission intensity under similar conditions of business operations.

Following the International Sustainability Standards Board (ISSB)'s guidance on *IFRS S2 Climate-related Disclosures*, the Group prioritizes climate change risks and opportunities. This strategic approach includes adopting specific measures to mitigate various risks.

Climate Change Risk Assessment and Response

Climate change risk identification		Potential impact	Responses
Physical risk	Acute risk	The frequency and severity of extreme weather events such as rainstorms, typhoons, and sandstorms increase. Should such events affect the	Track climate change related issues and issue notices at the first time before the arrival of extreme weather events such as rainstorms,

Climate change risk identification		Potential impact	Responses
		Company's hospitals or optical centers, we might encounter operational halts due to power outages or flooding, complicating commutes for our staff, thereby potentially escalating operational costs and diminishing asset values.	typhoons and sandstorms to protect the safety of employees, and establish emergency response protocols to bolster the capacity for emergency management.
	Chronic risk	Increased electricity consumption and electricity safety risks due to extreme heat, likely leading to an increase in operational expenses.	When extreme heat occurs in summer, strengthen the inspection of electricity equipment and eliminate safety hazards in a timely manner.
Transition risk	Policy risk	The regulatory landscape concerning climate and environmental standards is tightening, with governments in areas where the Company operates continually enacting stricter laws, regulations, and policies related to energy usage and emissions. Failing to align with these evolving regulatory demands in climate change and energy management could subject the Company to legal	Pay attention to the development trend of climate policy in real time and make response measures in advance. Disclose information related to "Responding to climate change" through ESG reports and other channels.

Climate change risk identification		Potential impact	Responses
		actions and penalties, thereby inflating operational costs.	

7. Passing Love and Engaging in Charitable Actions

❖ Community Public Welfare

The Group is dedicated to fostering the healthy development of communities by engaging in the community health service system. Leveraging its resources and expertise in ophthalmology, it offers services such as volunteer medical consultations, vision screening, and health knowledge popularization, continuously protecting the eye health of community residents.

Community and Public Welfare Initiatives

Field	Concrete actions
<p>Volunteer medical consultation and vision screening</p>	<ul style="list-style-type: none"> ● We persistently provide volunteer medical consultations and vision screenings to community residents, including those who are registered economically disadvantaged, disabled, or elderly, among other vulnerable groups. Patients who meet the assistance criteria are offered free cataract surgeries, ensuring the eye health of community residents and vulnerable populations. During the Reporting Period, the Group, in collaboration with its affiliated hospitals and non-profit organizations, has conducted "Bright Tour" public welfare initiatives, youth and children's eye care campaigns, and cataract surgery projects in partnership with the Disabled Persons' Federation, among other efforts.
<p>Dissemination of health education</p>	<ul style="list-style-type: none"> ● We actively work towards spreading health knowledge through platforms like social media, short videos, and offline events, helping patients and the general public understand their eye health status. By promoting good eye care habits and raising awareness about visual health, we aim to prevent the onset of eye diseases and safeguard the eye health of the wider community.

"Bright Tour" Public Welfare Initiative

In April 2023, the "Bright Tour" public welfare initiative for the year was officially launched in Inner Mongolia Autonomous Region. Chaoju Eye Care dispatched several experienced medical teams to 7 various leagues and cities for screenings and surgeries, providing each patient with professional treatment and care. Through accurate surgeries and recovery training, patients have regained their sight, significantly enhancing their visual capabilities and quality of life.



Chaoju Eye Care Medical Team conducted screenings in the Huayuan Community of Shartal Office, Xilinhot



Chaoju Eye Care Medical Team conducted screenings in Hailar District, Hulunbuir



Chaoju Eye Care Medical Team performed cataract surgeries in Tuquan County, Xing'an League



Chaoju Eye Care Medical Team performed cataract surgeries in Dorbot Banner, Ulanqab

"Guanghua Bright Vision Public Welfare Plan"

In September 2023, Chaoju Eye Care, along with the China GuangHua Science and Technology Foundation and China International Association for Promotion of Science and Technology, initiated the "Guanghua Bright Vision Public Welfare

Plan". This plan includes the establishment of the Youth Myopia Prevention and Control Expert Committee, the development of eye care projects in schools, the construction of science popularization bases, free vision screenings for students, the creation of vision records for young people, and organizing science popularization lectures by experts.



Launch Ceremony of the "Guanghua Bright Vision Public Welfare Plan"



Unveiling Ceremony of the Youth Myopia Prevention and Control Expert Committee

"Chaoju Experts Speak" Science Popularization Short Video Contest

To enhance the dissemination of ophthalmic knowledge, the Group has initiated the "Chaoju Experts Speak" Science Popularization Short Video Contest. This initiative uses short videos to communicate ophthalmic knowledge in an accessible language, promoting eye health awareness and encouraging the adoption of healthy lifestyles, thus protecting the public's eye health.



❖ Enhancing the Capabilities in Ophthalmic Diagnosis and Treatment

The Group is committed to enhancing the accessibility of ophthalmological healthcare. In the process of expanding our diagnosis and treatment network, we utilize our resources and strengths in the field of ophthalmology to provide specialized ophthalmic training to underdeveloped countries or regions. This initiative aims to elevate the expertise of ophthalmologists and related healthcare professionals, allowing a broader patient base to access convenient and high-quality diagnostic and treatment services.

"Belt and Road - Bright Tour" Optometry Training Initiative in Mongolia

In November 2023, the Group actively participated in the "Belt and Road - Bright Tour" Optometry Training Initiative in Mongolia. This program was a collaboration between the Red Cross Society of the Inner Mongolia Autonomous Region and the Mongolian Red Cross Society, aimed at offering specialized ophthalmological training to Mongolian ophthalmologists. The training encompassed theoretical learning, on-the-job observation, and case study analyses, designed to enhance the theoretical knowledge, professional demeanor, and skill sets of the participants, thereby supporting the advancement of the ophthalmology sector in Mongolia. During the Reporting Period, 10 ophthalmologists from Mongolia, including professionals from the Second Hospital of Mongolia, Central Hospital of Bayan-Ulgii, the Central Hospital of the Arkhangai Aimag, were trained at the Inner Mongolia Chaoju Ophthalmic Hospital and Wenzhou Medical University.



People-oriented Comprehensive Eye Care Project in Inner Mongolia

In December 2023, to align with the National Health Commission's *14th Five-Year Plan for National Eye Health (2021-2025)* (《「十四五」全國眼健康規劃 (2021-2025年)》) and address the eye health service needs of Inner Mongolia, Chaoju Eye Care in collaboration with the Fred Hollows Foundation, initiated a four-year People-oriented Comprehensive Eye Care Project in Inner Mongolia. Planned for the years 2023 to 2027 in the cities of Hohhot and Baotou, this project is set to offer primary eye care education to rural healthcare workers and teachers. By empowering the local community, county, and village healthcare facilities, the initiative will provide eye disease screening for 160,000 adults and youths, distribute 6,000 pairs of glasses, perform 600 cataract surgeries, and treat 80,000 cases of other eye conditions.



Annex I: Quantitative ESG data table

Governance Performance

Performance Indicators	Unit	2022	2023
Economic Performance			
Operating revenue	RMB 1,000	990,044	1,369,505
Anti-Corruption Performance			
Percentage of Board of Directors' members covered by anticorruption training ¹	%	100	100
Number of corruption lawsuits that have been filed by regulators against the Company and its employees and have been concluded	pcs	0	0

Note 1: Calculation formula: Percentage of Board of directors' members covered by anti-corruption training = Number of board members receiving anti-corruption training / Total number of board members * 100%.

Environmental Performance¹

Performance Indicators	Unit	2023
Resource management		
Energy consumption		
Purchased electricity consumption	MWh	10,218.23
Intensity of purchased electricity consumption	MWh/ RMB 10,000	0.075
Natural gas consumption	m ³	45,275.80
Natural gas consumption per RMB 10,000 of revenue	m ³ /RMB 10,000	0.33
Gasoline consumption	Liters	227,073.16
Diesel consumption	Liters	99,869.84
Water consumption		
Total water consumption	m ³	119,373.30
Water consumption intensity	m ³ / RMB 10,000	0.87
Packaging material consumption		
Usage of packaging materials for	tons	22.23

Performance Indicators	Unit	2023
finished products ²		
Usage of packaging materials for finished products per RMB 10,000 of revenue	tons/ RMB 10,000	0.00016
Emissions Management		
Emissions³		
NO _x	kg	9.26
SO _x	kg	2,245.32
PM	kg	1,752.45
Domestic wastewater discharge	Liters	76,684.65
Medical wastewater discharge	Liters	26,000.33
Waste		
Non-hazardous waste generation	tons	577.40
Non-hazardous waste generation intensity	tons/ RMB 10,000	0.0042
Hazardous waste generation	tons	159.21
Hazardous waste generation intensity	tons/ RMB 10,000	0.0012
GHG emissions		
Scope 1 GHG emissions ⁴	tons CO ₂ e	866.54
Scope 2 GHG emissions ⁵	tons CO ₂ e	5,827.46
Total amount of GHG emissions (Scope 1 and Scope 2)	tons CO ₂ e	6,694.00
GHG emissions intensity (Scope 1 and Scope 2)	tons CO ₂ e/ RMB 10,000	0.049

Note 1: In 2023, the coverage of environmental performance increased from 18 eye hospitals last year to 26 eye hospitals.

Note 2: Only Baotou Hospital is involved in drug production, so the total amount of usage of packaging materials for finished products mainly covers Baotou Hospital.

Note 3: The emission data mainly cover Inner Mongolia Hospital, Baotou Hospital and Chifeng Hospital, and the emission did not exceed the standard limit during the Reporting Period.

Note 4: Scope 1 Greenhouse gas emission calculation of natural gas, gasoline and diesel oil consumed in hospital operation. For the calculation method, refer to HKEX's *ESG Reporting Guide Appendix II Guidelines for Reporting Environmental Key Performance Indicators* (March 2022) and calculate by the emission factor method. The types of greenhouse gases include CO₂, CH₄ and N₂O, and the greenhouse gas equivalent is calculated by the century-old average value (GWP 100) of IPCC AR6 GWP.

Note 5: Scope II greenhouse gas emissions include indirect greenhouse gas emissions caused by purchased electricity consumption. The calculation method refers to *ESG Reporting Guide Appendix II Guidelines for Reporting Environmental Key Performance Indicators* (March 2022) of HKEX's main board and is calculated by emission factor method. Among them, the greenhouse gas emission factor of outsourced power is selected from the average emission factor of China national

power grid, which comes from the Notice of the Ministry of Ecology and Environment of China on Doing a Good Job in the Management of Greenhouse Gas Emission Reports of Power Generation Enterprises from 2023 to 2025.

Social Performance

Performance Indicators		Unit	2022	2023
Employee employment and rights and interests				
Total number of employees		Person	2,162	2,597
By gender	Female	Person	1,633	1,947
	Male	Person	529	650
By rank	Grassroots employees	Person	1,830	2,254
	Mid-level management employees	Person	328	338
	Senior management employees	Person	4	5
By form of employment	Full-time contract employees	Person	2,132	2,501
	Full-time dispatched employees	Person	88	17
	Part-Time Employees	Person	22	59
By age	Under 30 years old	Person	650	864
	30-50 years old	Person	1,309	1,474
	Over 50 years old	Person	203	259
By region	Mainland China	Person	2,160	2,592
	Hong Kong, Macau, Taiwan and Overseas Regions	Person	2	5
Employee Turnover Rate		%	10.05	8.51
By gender ¹	Female	%	9.68	6.15
	Male	%	11.15	9.30
By age ¹	Under 30 years old	%	15.69	15.05
	30-50 years old	%	5.88	5.36
	Over 50 years old	%	18.72	4.63
By region ¹	Mainland China	%	10.05	8.53
	Hong Kong, Macau, Taiwan and Overseas Regions	%	0.00	0.00

Performance Indicators		Unit	2022	2023
Human capital development²				
Coverage of employees receiving training		%	100	100
By gender ³	Female	%	100	100
	Male	%	100	100
By rank ³	Grassroots employees	%	100	100
	Mid-level management employees	%	100	100
	Senior management employees	%	100	100
Training hours per employee		Hours	42.75	43.33
By gender ⁴	Female	Hours	33.11	43.18
	Male	Hours	34.07	39.88
By rank ⁴	Grassroots employees	Hours	30.15	46.84
	Mid-level management employees	Hours	38.11	12.46
	Senior management employees	Hours	60	72
Occupational Health and Safety				
Number of work-related fatalities ⁵		Person	0	0
Percentage of work-related fatalities ⁵		%	0	0
Number of workdays lost due to work-related injuries		Days	0	0
Number of penalties imposed for violations of employee employment and labor laws and regulations		pcs	0	0
Medical Service Management				
Number of complaints received about products and services		pcs	53	85
Complaint handling rate		%	100	100
Supplier Management				
Total number of suppliers		Number of suppliers	255	296
By	Mainland China	Number	255	286

Performance Indicators		Unit	2022	2023
Geography		of suppliers		
	Hong Kong, Macau, Taiwan and Overseas	Number of suppliers	0	10

Note 1: Employee Turnover Rate of a particular category = Number of employees lost in this category / Number of the employees in this category * 100%.

Note 2: In 2023, the Company further optimized its internal employee training management system and conducted a thorough re-examination and analysis of employee training data. Following retroactive adjustments, the data on employee training coverage, including breakdowns by gender and rank, as well as the average training hours per employee categorized by gender and rank, have all been updated within this report.

Note 2: Coverage of employees training of a particular category = Number of employees trained in this category / Number of employees in this category * 100%.

Note 3: Average training hours of employees of a particular category = total training hours of employees in this category / number of employees in this category.

Note 5: During the Reporting Period, the Group has not experienced any work-related fatal accidents over the past three years.

Annex II: Index Table of The Hong Kong Stock Exchange's ESG Reporting Guidelines

Part B: Mandatory Disclosure Requirements		
	Mandatory disclosure	Section
Governance Structure	A statement from the board containing the following elements: (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.	ESG Management
Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.	About the Report

	<p>Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.</p> <p>Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.</p>	
Reporting Boundary	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
Part C: "Comply or explain" Provisions		
Aspects, General Disclosures and KPIs		Section
A. Environment		
Aspect A1: Emissions		
General Disclosure A1	<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</p> <p>relating to air and greenhouse gas emissions, discharges into water and</p>	Emissions Management Responding to Climate Change

	land, and generation of hazardous and non-hazardous waste.	
KPI A1.1	The types of emissions and respective emissions data.	Annex I: Quantitative ESG data table
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Annex I: Quantitative ESG data table
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Annex I: Quantitative ESG data table
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Annex I: Quantitative ESG data table
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Emissions Management
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Emissions Management
Aspect A2: Use of Resources		
General Disclosure A2	Policies on the efficient use of resources, including energy, water and other raw materials.	Resource Management
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Annex I: Quantitative ESG data table
KPI A2.2	Water consumption in total and	Annex I: Quantitative

	intensity (e.g. per unit of production volume, per facility).	ESG data table
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Resource Management
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Resource Management
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Annex I: Quantitative ESG data table
Aspect A3: The Environment and Natural Resources		
General Disclosure A3	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Resource Management Emissions Management
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Resource Management Emissions Management
Aspect A4: Climate Change		
General Disclosure A4	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Responding to Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Responding to Climate Change
B. Social		

Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure B1	<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</p> <p>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>	Employee Employment and Rights and Interests
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Annex I: Quantitative ESG data table
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Annex I: Quantitative ESG data table
Aspect B2: Health and Safety		
General Disclosure B2	<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</p> <p>relating to providing a safe working environment and protecting employees from occupational hazards.</p>	Occupational Health and Safety

KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Annex I: Quantitative ESG data table
KPI B2.2	Lost days due to work injury.	Annex I: Quantitative ESG data table
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Health and Safety
Aspect B3: Development and Training		
General Disclosure B3	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Employee Training and Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Annex I: Quantitative ESG data table
KPI B3.2	The average training hours completed per employee by gender and employee category.	Annex I: Quantitative ESG data table
Aspect B4: Labour Standards		
General Disclosure B4	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Employee Employment and Rights and Interests
KPI B4.1	Description of measures to review employment practices to avoid child	Employee Employment and

	and forced labour.	Rights and Interests
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Employee Employment and Rights and Interests
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure B5	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Annex I: Quantitative ESG data table
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management
Aspect B6: Product Responsibility		
General Disclosure B6	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,	Medical Quality Management Assurance of Medical Safety Responsible Marketing

	advertising, labelling and privacy matters relating to products and services provided and methods of redress.	
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Assurance of Medical Safety
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Medical Quality Management
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Research and Innovation
KPI B6.4	Description of quality assurance process and recall procedures.	Assurance of Medical Safety
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Information Security Protection
Aspect B7: Anti-corruption		
General Disclosure B7	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.	Anti-corruption Management
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the	Anti-corruption Management

	outcomes of the cases.	
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-corruption Management
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption Management Annex I: Quantitative ESG data table
Aspect B8: Community Investment		
General Disclosure B8	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.	Community Public Welfare
KPI B8.1	Focus areas of contribution (e.g. education, environment, labour needs, health, culture, sport).	Community Public Welfare
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Public Welfare Enhancing the Capabilities in Ophthalmic Diagnosis and Treatment



朝聚眼科

CHAOJU EYE CARE

