Jinxin Fertility Group Limited 錦欣生殖醫療集團有限公司*

(Incorporated under the laws of the Cayman Islands with limited liability) Stock Code: 01951 *For identification purposes only





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Message from the Chairman

Dear investors.

At Jinxin Fertility, we have been steadfast in our commitment to "unraveling the mysteries of life, safeguarding the well-being of women and children, and nurturing fulfilled families". Our ongoing dedication to advancing and innovating in assisted reproductive technologies has enabled countless families facing fertility challenges to fulfill their dreams of parenthood. Guided by the principles of sustainable development, we seamlessly integrate our operational activities with sustainability practices, enhancing our sustainable development governance, and actively engaging in our responsibilities towards all stakeholders to achieve a harmonious balance between social impact and economic gain.

In 2023, Jinxin Fertility proudly achieved commendable success both commercially and socially. On the commercial front, we completed 30,240 IVF OPU cycles, generating a total revenue of RMB 2,788.9 million, marking a year-over-year growth of 18.0%. Socially, our firm commitment to sustainable development strategies was evident through outstanding corporate governance, leadership in scientific research, commitment to quality, employee care, corporate citizenship, and green operations. We were honored with an "A" rating from the MSCI's ESG Ratings for the third consecutive year. Furthermore, our HRC Fertility was acclaimed as one of the best fertility clinics in the United States for 2023 by Newsweek and Statista Inc. Domestically, we were awarded the "Most Reliable Medical Service Organization" at the 16th Golden Kirin Forum's medical segment hosted by Sina Finance.

Reflecting on 2023, Jinxin Fertility also made significant strides in strengthening our governance foundations. We adhered strictly to business ethics, upheld the principles of integrity and compliance in our operations, and maintained our dedication to key compliance areas such as ethical risk management, the security of medical information and patient privacy, and responsible marketing. These endeavors have solidified our foundation for sustained and healthy growth.

Building upon this foundation, Jinxin Fertility champions the cause of advancing medical standards through the power of scientific research. We actively encourage our affiliated hospitals to engage in innovative scientific research, enhancing the efficacy of clinical diagnosis and treatment and propelling the discipline forward. By aiding hospitals in crafting strategic blueprints for academic development, we define the growth trajectories of various specialties, progressively augmenting the comprehensive capabilities of the entire discipline. Supported by a robust system for physician training and an abundance of industry resources, we offer superior professional training to nurture industry talent, culminating in the elevation of medical standards.

Jinxin Fertility is committed to excellence in service, anchored by a quality-first ethos. Through a tri-level medical quality management system, which encompasses decision-making, control, and execution layers, we continually strive to elevate the standard of medical care. We prioritize health education, aiming to enhance patients' abilities to manage their health effectively. Offering a spectrum of medical services that span the entirety of a patient's life, we remain dedicated to improving patient experiences by refining treatment pathways and strengthening patient communication.

At Jinxin Fertility, employee welfare and collective growth are paramount. We focus on protecting the fundamental rights and benefits of our staff, offering a variety of training programs that foster continuous professional and managerial development. Our commitment to creating an equitable, harmonious, diverse, and healthy workplace environment ensures that our employees and the company flourish together, achieving collective brilliance.

As a responsible corporate citizen, Jinxin Fertility extends its warmth to society. We uphold a people-centric approach to medical services, continuously enhancing the accessibility of health services and enabling more families to benefit from modern medical advancements. Responding proactively to societal expectations, we contribute to social welfare through active participation in charitable activities, support for medical development at the grassroot level, free medical camps, and initiatives for medical fee reductions or exemptions.

Embracing green operations, Jinxin Fertility is dedicated to forging a better world. Environmental protection is integrated into all aspects of our business and operations and is guided by efficient management of energy and resources to foster environmental sustainability. We proactively address the challenges posed by climate change, working diligently to reduce greenhouse gas emissions, advance our carbon reduction efforts, and create an eco-friendly environment for all.

Looking ahead, Jinxin Fertility remains unwavering in our commitment to pioneering the new frontier of assisted reproduction. We will intensify our efforts in scientific research and innovation and stay true to our patient-centered approach by enhancing the management of medical quality in our hospitals and providing top-tier medical services throughout the fertility treatment lifecycle. Emphasizing a people-first philosophy, we aim to foster mutual growth for both our employees and the enterprise. We are dedicated to improving accessibility to medical services, enabling more families to reap the benefits of modern medical advances. Committed to sustainable practices, we strive to operate in an environmentally friendly manner, endeavoring to create a greener home for all. In partnership with all stakeholders, we endeavor to contribute to sustainable development that balances economic growth, environmental stewardship, and social harmony, thereby creating added value for our global partners and the public.

About Jinxin Fertility

Company Profile

Jinxin Fertility Group Limited, listed on the main board of the Hong Kong Stock Exchange under the stock code 01951.HK, specializes in offering assisted reproductive, in-vitro fertilization (IVF), and other related medical services. By establishing a world-class, comprehensive system for assisted reproductive services, we have extended our service network globally, aspiring to be a leader in assisted reproductive medical services in both China and the United States. Our operations span across major regions, including China (Chengdu, Shenzhen, Hong Kong, Wuhan, Kunming), the United States, and Laos, with 9 assisted reproductive technology centers, such as Sichuan Jinxin Xinan Hospital, Shenzhen Zhongshan Hospital, HRC Fertility, Wuhan Jinxin Hospital, Jiuzhou Hospital, Hewanjia Hospital, Gratia Medical Center and Jinrui Medical Center. Leveraging our extensive global network, we are committed to delivering high-quality, efficient assisted reproductive medical services, aimed at enhancing patient well-being and driving our Group's ongoing growth in this field.

To fulfill our Group's developmental aspirations, we adhere to the highest industry standards for assisted reproductive medical services, establishing a comprehensive governance system and effective mechanisms. Our dedication to leveraging the strengths of our professional service, advancing the field of assisted reproductive services, and focusing on innovative development is unwavering. Our goal is to cultivate a world-class, comprehensive system for assisted reproductive services.



2023 Highlights

Economy

Operating revenue RMB

2,788.9

million

Net profit attributable to parent company RMB

344.7

million

Number of IVF OPU cycles¹

30,240

R&D investment RMB

21.7

million

9 instituti

Number of subordinate medical institutions (self-operated)²

Society

Number of employees worldwide

Total training hours of

3,273

employees

76,496

Proportion of female employees

83.26

%

Total amount of community public welfare investment RMB

300,00

Employee training coverage

100

%

Total number of hours employees received anti-corruption training

6,890

ours

Environment

Decrease in water consumption per million yuan of operating income³

21.91

%

Decrease in greenhouse gas emissions per million yuan of operating income³

27.62

%

Notes:

- 1. Only the number of cycles contributed by hospitals within the scope of consolidated statements of listed companies is included.
- 2. Key data only includes medical institutions held by the Company, as of December 31, 2023.
- 3. Scope of the data is consistent with the scope of the corresponding data in the ESG Quantitative Performance Matrix

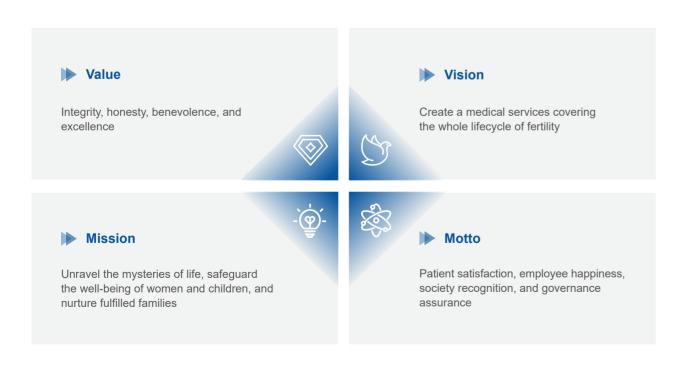
Sustainable Development Governance

Our guiding principles are "integrity, honesty, benevolence, and excellence", manifested across six pivotal areas: reinforcing governance to ensure robust development; leading with research and innovation to elevate medical standards; prioritizing quality to deliver superior service; fostering employee growth and welfare; acting as a responsible corporate citizen to contribute positively to society; and implementing green practices to cultivate an eco-friendly environment.

Our mission to "unravel the mysteries of life, safeguard the well-being of women and children, and nurture fulfilled families" directs every step we take. This commitment leads us to develop a globally acclaimed, comprehensive system for assisted reproductive services. We strive to expand our international footprint, enhance the efficiency of our operations, and broaden the scope of our services. With a steadfast focus on the holistic well-being of women and children, we aim to provide a wide spectrum of health services designed for their health and happiness. By offering premier assisted reproductive services, we empower individuals to achieve their dreams of parenthood, fostering fulfilled families along the way.

Our vision is to "create a medical service covering the whole lifecycle of fertility", which motivates us to continue providing exceptional assisted reproductive services. This vision underpins our efforts to fulfill family dreams, ensure the health of women and children, and spread happiness among families worldwide. Determined to enlarge our global presence and extend our range of services, we are committed to providing unparalleled medical care to an ever-growing patient base and leading the advancement of comprehensive reproductive health care services.

Our ethos centers on "patient satisfaction, employee happiness, society recognition, and governance assurance", and is reflected in our approach to medical service delivery, employee development, social participation, and regulatory compliance. Dedicated to offering personalized, superior medical care, we ensure our patients receive both professional and empathetic treatment. We are equally committed to employee growth, aiming to create a just and supportive workplace that boosts employee contentment. Moreover, by engaging actively in social causes and adhering to strict ethical and legal standards, we strive to earn widespread respect from the communities we serve and establish trust with government bodies.



ESG Management

We are committed to building a comprehensive ESG governance framework. The Board of Directors oversees sustainable development work and supervises and evaluates the effectiveness of sustainable development management. The ESG Working Group, headed by the Managing Director, coordinates sustainable development work as a whole, promotes the effective implementation of tasks related to sustainable development in all departments, and ensures the effective implementation of sustainable development management. On the environmental front, we have implemented a clear set of policies aimed at effectively managing and reducing air emissions, greenhouse gas emissions, sewage discharges, and the generation of hazardous and non-hazardous waste. At the social level, we are committed to protecting the rights and welfare of stakeholders such as patients, employees, and suppliers, providing a safe working environment, and preventing occupational hazards. At the governance level, we ensure that the Company's decision-making process is transparent and fair and complies with relevant laws and regulations.

Our ESG strategy is based on the six core concepts of consolidating governance, scientific research guidance, quality oriented, caring for employees, corporate citizenship, and green operation. Using 2020 as the base year, we have set a series of ESG targets to achieve significant reductions in energy, water, greenhouse gases, and hazardous waste production by 2025. To achieve these goals, we have taken a series of measures, including efficient management of resource use, technical maintenance and renewal of equipment, and publicity and education on resource saving. In terms of environmental management, we actively responded to the national requirements for high-quality development and have required hospitals to undertake energy conservation and consumption reduction actions, and signed target responsibility statements with relevant responsible persons of hospitals to intensify resource conservation. At the same time, we have also strengthened waste management to reduce the environmental impact of our business operations and continue to strive for an environment-friendly home.

In the annual key work of ESG management, we have formulated a strategic plan for carbon reduction, including energy transition and low-carbon technology application, to address the risks brought by climate change. In 2023, we formulated specific compliance plans, strengthened internal management, implemented key projects, and regularly evaluated and summarized energy conservation and emission reduction actions to ensure the smooth realization of carbon reduction targets.



Jinxin Fertility Sustainable Development Strategy and Contribution to Global SDGs

Focus Area	SDGs	Short- to Medium Term (3-5 years)
Responsible Operation	16 PASCE MISTIDE NO STRONG NETHTHORE ***********************************	 Enhance compliance and anti-corruption initiatives by offering comprehensive training on compliance and anti-fraud measures for board members, senior management and all staff. Conscientiously adhere to all medical ethical standards and rigorously safeguard customer information from unintended disclosure.
High-quality Medical Services	3 COOD HEALTH AND WELL-BEING ———————————————————————————————————	Augment our quality and customer service frameworks to bolster our medical service capacity, ensuring every patient receives the highest standard of medical care. Standardize the management of research and development to foster innovation; encourage meaningful exchange within the industry and the construction of platforms aimed at delivering superior medical services.
People-oriented	4 COMAINT 1 ENGLATION 1 TO ANGER 5 COMBURE TO THE COMMUNITY TO ANGER 8 ECCAT WORK AND COMMUNIC SERVITY TO ANGER 8 ECCAT WORK AND COMMUNIC SERVITY TO ANGER 1 TO AN	 Respect and safeguard the legitimate rights and interests of employees, and build a harmonious employee relationship through a multi-tiered communication mechanism and care actions. Offer a variety of training resources and career development channels to empower our employees' career growth. Provide a safe and healthy working environment for all employees.
Better Environment and Community	12 ROPOGRAFIA AND PROJUCTION	 Promote green office and resource recycling, and reduce greenhouse gas and waste emissions in the operation process while improving resource usage efficiency. Carry out management and control of hazardous substances to reduce adverse effects on people and the environment. Actively carry out voluntary services and social welfare activities to enhance our integration with communities.

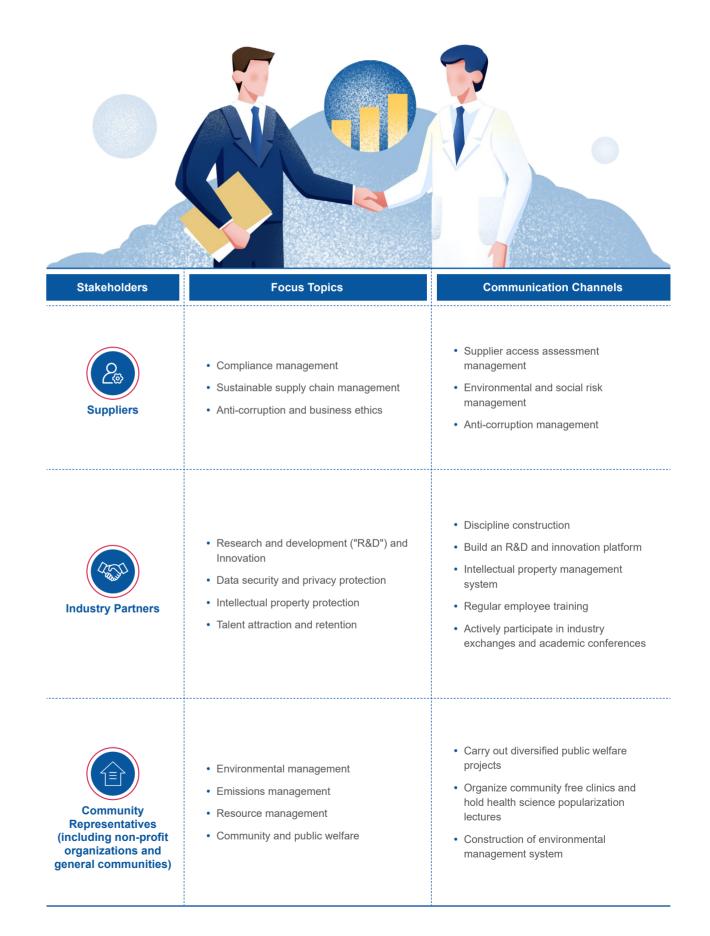
Long Term (5-10 years)	2023 Action Progress
Establish a responsible supply chain by enhancing supplier oversight in environmental protection, labor, and ethical practices, thereby diminishing our environmental and societal footprint.	 Refine our anti-corruption framework and create a risk database to solidify our culture of integrity. We emphasize the importance of continuous anti-corruption and medical ethics education. In 2023, Jinxin Fertility extended its anti-corruption training programs to include all clinicians, nursing personnel, and other staff members, ensuring 100% employee participation. Elevate our ethical review protocols, reinforcing the importance of ethical deliberation and education across all levels of operation. Implement rigorous supplier evaluations to identify and address risks proactively. In 2023, our vigilant screening process identified five suppliers posing potential risks, two of which have made necessary amendments, while partnerships with the remaining three were decisively concluded.
Deliver diverse and exemplary services that cater to the nuanced needs of our clients, fostering hope among more families and contributing to the forward momentum of the healthcare sector.	 Refine our discipline construction mechanism, ensuring that patent applications submitted by doctors are not only necessary and effective but also in harmony with both the strategic direction of our hospitals and the individual specialties of the doctors, thereby enhancing the overall quality of patents. Continually elevate the quality of patient services by strengthening doctor-patient interactions, refining treatment protocols, and attentively considering patient feedback.
Aim to create an outstanding employer brand in the industry, training and reserving high- quality talents for China's field of assisted reproduction.	 Focus on the rights and benefits of our employees, strive to create a fair and harmonious workplace environment, and refine our just, reasonable, and competitive salary system and promotion mechanism. Offer comprehensive professional training and practical training, alongside other opportunities for learning and growth for our medical staff and leverage our mature doctor training model and business experience. In 2023, we established an industry learning platform through the Jinxin Fertility Academy, organizing 11 learning activities that involved 636 doctors. Encourage our employees to engage in industry academic exchanges, external training, and further education. In 2023, we launched a further education management system, with 5 hospital-level management staff participating in programs for academic qualification and degree advancement. We also organized 13 activities, including external academic exchanges, conferences, forums, and research visits, with 76 participants at the hospital management level.
Continue to reduce our own operational environmental impact, promote a low-carbon and environmentally friendly industrial chain, and help achieve China's 2030 carbon peaking and 2060 carbon neutrality goals. Continuously carry out and expand community participation and social welfare activities to improve the social influence of enterprises.	 Strengthen the management and oversight of frontline work in energy conservation. In 2023, tasks related to energy conservation and emission reduction were detailed for departments and roles, linked with business functions and responsibilities, and encompassed clinical departments, logistics departments, security teams, with all staff across each hospital engaged. Enhance waste management practices to lessen the environmental impact of our business operations. In 2023, we integrated medical waste data with governmental systems, enabling the real-time uploading of medical waste data to government websites. Publish the sustainable development report annually to share updates on the Company's sustainable development efforts with stakeholders.

Stakeholder Communication and Materiality Assessment

Stakeholder Communication

Understanding the focus areas of our stakeholders aids Jinxin Fertility in defining the path and policies toward sustainable development. We prioritize active engagement with our stakeholders, taking into account the impact of our operations on each group. Through establishing regular and diverse channels of communication with shareholders and investors, employees, patients, government and regulatory bodies, suppliers, industry partners, and community representatives, we ensure that we are attentively listening to and addressing their expectations and concerns regarding Jinxin Fertility's approach to sustainable development management. Our goal is to foster enduring relationships based on mutual trust and support.

Stakeholders	Focus Topics	Communication Channels
Shareholders and Investors	Compliance management Corporate governance and risk management Anti-corruption and business ethics Medical service safety management	Information disclosure Shareholders' meeting Investors' meeting
Employees	Employment compliance Talent attraction and retention Employee compensation and benefits Staff training and development Occupational health and safety	Regular professional skills training and practical operation training for employees Employee leadership training Support overseas further studies and enhancement of academic qualifications Regular physical examination and daily protective measures
Patients	Medical service safety management Medical services and dispute management Data security and privacy protection	Healthcare quality management system Patient care services Patient communication channels Data security management system Patient privacy protection
Government and Regulatory Authorities	Compliance management Medical service safety management Ethical risk management Occupational health and safety Emissions management	Sustainability management Environmental management system Ethical risk management system



>> Materiality Assessment

Material Issue Identification and Steps for Analysis









on Shareholder

External Assessment (Impact

Issue identification: Leveraging our extensive operational experience and overarching development strategy, we have pinpointed 25 key strategic issues poised to foster shared value creation. This determination is the result of a thorough comparative analysis and study across various dimensions, including international norms, industry standards, competitors' practices, strategic planning, employee concerns, and insights from media and public opinion.

Stakeholder engagement: We gathered over 240 questionnaires from an array of stakeholders, encompassing company management, employees, patients, shareholders and investors, government and regulatory bodies, suppliers, and partners. This comprehensive collection process ensured a deep understanding of the ESG concerns prevalent among all involved parties.

Assessment of issue materiality: The collation and analysis of the stakeholder survey responses facilitated the creation of an issue materiality matrix. This matrix categorizes issues based on their significance to Jinxin Fertility and their relevance to our stakeholders, allowing us to prioritize our focus areas effectively.

Confirmation and disclosure: The ESG Working Group conducts a meticulous review of the findings related to the identified issues, prioritizing those of significant and moderate importance for inclusion in our ESG report. The selection of these topics as the focal points of our report, and the determination of its scope and boundaries, hinge on the accessibility of pertinent data.

High Materiality Issues

- Staff training and development

- - Data security and privacy protection
- - Access to high-quality specialist care

Medium Materiality Issues

- Ethical risk management
- R&D and innovation
- Anti-corruption and business ethics
- Workplace diversity/inclusive culture/equal opportunities
- Corporate governance and risk management
- Resource management
- Economic performance





· Add the issue, positioning it within the medium materiality issues.

Changes

 Respond to the challenges of global climate change and environmental protection, promote the goal of sustainable development, make enterprises pay more attention to environmental protection in the operation process, and achieve sustainable economic, social and

environmental development.

Reason for Change



Protection of Employees' Rights and Interests

 Employment compliance

- Workplace diversity/ inclusive culture/ equal opportunities
- Employee compensation and benefits

· Add the issue, positioning it within the medium materiality issues.

 Explore and address different aspects related to employees' rights and interests in a more comprehensive and in-depth manner, so as to more effectively promote enterprises to improve working conditions and welfare of employees and achieve a more equitable and sustainable working environment.



Data Security and Privacy Protection

 Data security and privacy protection

• The issue's name has been changed and remains as a high materiality issue.

 More accurately reflect the concerns on personal information protection in the current technical and legal environment. This change emphasizes the security and privacy of data itself, not just the security of information systems.



Corporate Governance

• The issue's name has been Corporate governance and changed and remains as a risk management medium materiality issue.

• Emphasize the Company's risk management, and further disclose the Company's risk management structure and work execution.



01

Strengthening Governance for Sustainable Growth

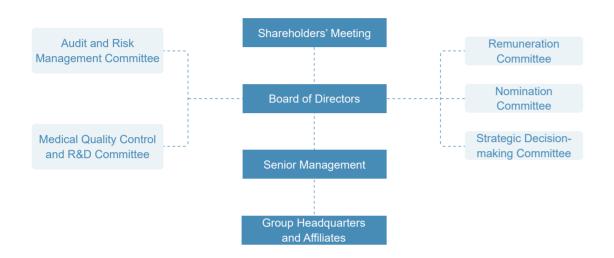
Jinxin Fertility actively enhances and refines its corporate governance framework, adhering to the principles of integrity and compliance in all business dealings. We uphold the fundamental standards of medical research ethics, bolster our protocols for data security and privacy protection, and ensure our Group's ongoing, robust, long-term, and stable development.



Enhancing Corporate Governance

>>> Refining the Corporate Governance Framework

Corporate Governance Framework



Jinxin Fertility upholds the core principles of governance that emphasize standardization, integrity, efficiency, sustainability, and responsibility. We rigorously comply with legal and regulatory frameworks such as the *Company Law of the People's Republic of China*, the HKEX's *Listing Rules* (Appendix C1), and the *Corporate Governance Code*, and we implement the Articles of Association. The corporate governance framework, which consists of Shareholders' Meeting, the Board of Directors, and the senior management, ensures the firm's governance is both stable and effective.

We are dedicated to maintaining integrity, adhering to the ethics of medical research, and bolstering measures for data security and privacy to ensure the company's ongoing, long-term, and stable growth. The Board carries the crucial responsibilities of overarching leadership, strategic oversight, and performance monitoring. To enhance the efficacy and efficiency of decision-making and governance, the Board has established five committees: the Audit and Risk Management Committee, the Remuneration Committee, the Nomination Committee, the Strategic Decision-making Committee, and the Medical Quality Control and R&D Committee.

To ensure diversity and independence within the Board, we have taken stringent measures. Following laws and regulations strictly, we have established a solid foundation for corporate governance with the Articles of Association. We have diversified the Board by considering various factors, ensuring its effective operation. By the report's end, our Board comprised 12 directors with rich expertise spanning management, strategy, business development, sales, R&D, medical research, investment, finance, risk management, science, medicine, and assisted reproductive services. Their academic backgrounds, ranging from economics to journalism, add valuable perspective. The age of the directors range from 38 years old to 61 years old. Moreover, we appointed 4 non-executive directors who, with their profound experience, offer independent and objective insights and recommendations. These steps ensure the Board's diversity and independence, solidifying the groundwork for the company's enduring stability. Our board includes 4 female directors, constituting 33.33% of its membership.

The Board of Directors and senior executives are pivotal in corporate governance. They are responsible for formulating and implementing the company's strategy, supervising daily operations, and ensuring the achievement of long-term goals. To preempt and mitigate potential conflicts of interest, a series of protocols have been instituted, including the appointment of independent directors and ongoing training for board members.

Board Composition and Meetings of Jinxin Fertility in 2023



In the realm of corporate governance, Jinxin Fertility enforces a number of governance strategies that foster a culture of propriety, integrity, efficiency, sustainability, and accountability. We continue our unwavering efforts to elevate the standards of our corporate governance, thereby significantly contributing to the development of the company and enhancing shareholder value.

>> Investor Communication and Information Disclosure

We are committed to our responsibility towards all stakeholders, striving to amplify both societal and economic impacts. Prioritizing transparent communication with our investors, we endeavor to provide timely, comprehensive, and precise disclosures to facilitate astute investment decisions. All information for public release undergoes meticulous scrutiny by our group's relevant departments and is disclosed on a regular or ad hoc basis across various platforms, including The Stock Exchange of Hong Kong Limited, the company's official website, and our WeChat Official Account. To foster efficacious engagement with investors, our Group has developed a mix of online and offline channels, such as performance briefings, investor open days, and teleconferences, keeping investors closely informed. In the reporting period, our Group published 42 announcements and conducted 2 performance briefings on the Hong Kong Stock Exchange to ensure ongoing transparency and smooth communication with investors.

Upholding Business Ethics

>> Enhancing the Anti-corruption Framework

Jinxin Fertility consistently upholds the highest standards of professional ethics and corporate integrity. In strict observance of laws and regulations including the *Company Law of the People's Republic of China*, *Anti-Money Laundering Law of the People's Republic of China*, *Anti-Unfair Competition Law of the People's Republic of China*, and the *Foreign Corrupt Practices Act*, we ensure compliance and sustainable operations while protecting the lawful interests of patients and partners. The company takes decisive actions against malpractices such as bribery, fraud, and money laundering by establishing a robust anti-corruption system and upholding a zero-tolerance stance against any form of misconduct. All employees are mandated to strictly comply with relevant regulations, including the Anti-Fraud Regulation and the Anti-Money Laundering Regulation and to endorse an Anti-fraud Commitment. In 2023, we introduced the *Jinxin Fertility Compliance Performance Assessment Management Measures*, delineating and prohibiting any acts of bribery and corruption to preclude any misappropriation, abuse of power, or other illegal activities. To standardize employee conduct, the company also promulgated a Code of Conduct, detailed on our official website. Additionally, we conduct audits of ethical standards to promptly identify and rectify any ethical risks or non-compliance, ensuring strict adherence to our Group's ethical guidelines and conduct codes.

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Jinxin Fertility's Important Anti-Corruption Initiatives

Establishing a Robust Anti-Corruption Framework

- · By adhering to relevant laws and regulations, we have developed a thorough anti-corruption management system aimed at eradicating illicit activities such as bribery, embezzlement, or misappropriation.
- The Legal and Compliance Department is specifically responsible for investigating and deciding on whistleblowing matters to ensure the rationality of the Company's internal management.

Implementing Anti-corruption Protocols for Suppliers

- · We have delineated clear responsibilities within supplier management to ensure a distinct demarcation of duties and foster the effective execution of policies and accountability, mitigating potential fraudulent practices.
- The supplier selection process requires all involved personnel to comply with confidentiality obligations, safeguarding supplier information and mitigating the risk of collusion and fraud that could arise from the disclosure of confidential information
- · A vigilant supervision and performance evaluation mechanism for suppliers has been set up, along with a management system for receiving, registering, investigating, verifying, and reporting grievances of the company's departments and employees regarding suppliers. Complaints must not be wilfully disregarded or unaddressed, so as to avoid the risk of fraud arising from ignored complaints
- · Enhancements to the requirements for managing supplier records have been established to regulate the management of supplier documents, foster transparency in procurement activities, and amplify efficiency.
- · The consequences for supplier misconduct are clearly defined. Categories of misconduct include disciplinary violations (Grade A), major flaws (Grade B), and minor defects (Grade C), and different levels of sanctions which correspond to the level of severity would be imposed. Strict records for supplier misconduct and revised registration, retrospectivity, and traceability procedures have been instituted to standardize supplier management and forestall the risk of collusion and deceit amongst unscrupulous suppliers.

Establishing a Risk Database and Compliance Performance Assessment System

- · We have constructed a comprehensive risk database featuring operational risk data and case studies, on which the evaluation of medical institutions is based. The outcomes of these assessments are linked to the remuneration of the leaders of these institutions, thereby reinforcing internal governance and enhancing compliance consciousness among
- · Our Group carries out systematic quarterly visits and discussions with subsidiary entities, involving external legal specialists in the process. Should any risk factors be identified, a formal notification mandating legal remediation will be dispatched to the implicated entity, which must then fulfill the rectification within the designated timeframe.

Thanks to these initiatives, Jinxin Fertility saw substantial enhancements in risk control in 2023, showcasing the company's dedication and achievements in cultivating business ethics, thus fostering a compliant, honest, and incorruptible corporate atmosphere.

>> Cultivating a Culture of Integrity

Our Group considers a culture of integrity to be a shield against the infiltration of corruption. To deepen employees' understanding and regard towards the importance of a culture of integrity, our Group systematically organizes anti-corruption workshops and seminars on medical ethics. These sessions aim to elevate the professional ethical standards of our staff, thereby effectively forestalling and mitigating corrupt and fraudulent conduct. Throughout 2023, our Group rolled out three comprehensive anti-corruption training programs, addressing all employees across various roles, including clinical doctors, nurses, and functional department staff. The training encompassed everyone, extending to part-time and contractual personnel, and provided thorough insights into our Group's anti-fraud framework and whistleblowing procedures.

Furthermore, our Group offers specialized anti-corruption training for Board members, ensuring conscientious consideration and emphasis on integrity and anti-corruption practices from the top-down-from executive leadership to frontline staff. In 2023, our Group successfully executed anti-corruption workshops for Board members, achieving full participation and reinforcing our commitment and efforts in nurturing a culture of integrity.



The Group Conducted Integrity and Anti-Corruption Training

On August 25, 2023, the Group conducted a comprehensive training session titled "Interpreting Medical Anti-Corruption Policies and Responding to Criminal Risks" to bolster anti-corruption efforts in the healthcare sector and heighten all employees' understanding of and adherence to medical anti-corruption policies. Staff members from headquarters and those holding positions at department head level or higher in our medical institutions were all in attendance. The training provided an exhaustive overview of the most recent updates and critical elements of the current medical anti-corruption policy, with the goal of enabling employees to fully comprehend the essence of these policies, heighten their legal and compliance consciousness, mitigate criminal risks among executives, and strengthen their commitment to upholding legal norms and fostering a positive image of the healthcare sector in their everyday professional activities. This deep dive into policy interpretation has significantly sharpened the staff's insight into the crucial nature of medical anti-corruption efforts and furnished them with explicit directives for translating anti-corruption mandates into action.

The training has not only reinforced our corporate culture but also elevated the professional acumen of our personnel, establishing a robust foundation for cultivating a harmonious, law-abiding, and integrity-driven medical environment.





>> Strengthening Complaint and Report Management

Our Group has developed and disseminated an Internal and External Reporting Procedure to all employees, standardizing the process for handling reports and clearly defining the principles for the recusal of investigators involved in inquiries. This initiative improves the mechanisms for dealing with complaints, safeguarding against retaliation, and ensuring diligent followup. As a result, the integrity and efficacy of our compliance management across the organization and its entities have been significantly improved. The Legal and Compliance Department directly oversees the registration, acceptance, investigation, and reporting of incidents reported by our Group's internal audit department, as well as the internal control and compliance divisions of subsidiary entities and senior management. To address various types of complaints and reports, the Group permits whistleblowers to submit their reports anonymously, which are managed by the Legal and Compliance Department. The Legal and Compliance Department accepts both named and anonymous complaints through publicly accessible channels, such as the department head's email and phone, facilitating prompt investigation and resolution of any misconduct.

We stringently protect the informants' anonymity and the confidentiality of their reports, ensuring investigations proceed without disclosing the informants' identities. This may involve converting audio recordings to text or altering voices, and strictly concealing any details that might reveal an informant's identity. Employees who breach confidentiality rules or neglect their duties face strict disciplinary actions based on the nature and consequences of their actions. In 2023, our Group received no reports of ethical misconduct.

Adhering to Compliance Management

>> Enhancing Ethical Risk Management

Our Group is dedicated to delivering high-quality reproductive technology services, adhering to strict legal, regulatory, and ethical standards to ensure both compliance and safety during the preclinical R&D and clinical phases. Our ethical risk management, guided by a variety of legal frameworks including the *Measures for the Administration of Assisted Reproductive Technology*, the *Specifications for Human Assisted Reproductive Technology*, and the *Health Insurance Portability and Accountability Act of 1996*, as well as ethical guidelines such as the *Nuremberg Code* and the *Declaration of Helsinki*, focuses on creating a comprehensive ethical risk management system. This system covers management structures, internal policies, ethical reviews at each stage, and training in ethical risk management, thereby establishing a thorough approach to ethical risk mitigation.

Three-Tier Ethics Committee System



Our Group has instituted a three-tier ethics committee system across all hospitals, tasked with the in-depth ethical review of clinical cases, new technologies, new projects, and research initiatives. Adhering to international ethical standards and domestic laws and regulations, we continually develop and update ethical risk management protocols and standard operating procedures. This ensures that projects involving the ethics of human life sciences and medical research only proceed after securing approval from the Ethics Committee. Projects that involve biological samples and animal experiments undergo rigorous scrutiny by the Ethics Committee to guarantee compliance with national legislation and ethical mandates. Moreover, to uphold the quality and safety of medical services, we regularly conduct ethical risk management training for our staff, encouraging a comprehensive understanding of medical regulations and ethical guidelines, thereby elevating the foundational ethical knowledge among healthcare professionals. We are convinced that by enhancing our employees' ethical awareness, we can effectively mitigate ethical risks, elevate the quality of medical services, and offer patients a safer and more dependable healthcare environment.



>> Cultivating a Sustainable Supply Chain

Our supplier categories predominantly include machinery, consumables, equipment, and pharmaceuticals. In managing our supply chain, our Group rigorously adheres to the *Supplier Management Measures*, the national medical industry entry criteria, rules on competitive negotiations, and protocols for inquiries and comparisons. These regulations furnish clear guidance and compliance directives, which ensures the legality of our supply chain operations.

Our supply chain management strategy is focused on ensuring the quality, safety, and environmental sustainability of our supply chain, as well as identifying and assessing environmental and social risks at each stage. To achieve this, our Group has implemented rigorous measures, including strict vetting, assessment, and necessary corrective actions for suppliers, complemented by regular inspections to evaluate both the performance and environmental and social risks within the supply chain. We have established stringent standards for both initial access and subsequent periodic evaluations of suppliers. These standards assess whether suppliers adhere to specified maximum working hours, ensure acceptable living conditions, prohibit forced labor, uphold health and safety management, comply with minimum wage requirements, enforce disciplinary protocols, regulate against child labor, and address discrimination issues. Additionally, we provide safety and environmental protection education and basic training to our suppliers to ensure full compliance with our corporate policies and standards.



Supplier Selection and Evaluation



Our Group prioritizes the environmental consciousness of our suppliers, favoring those who demonstrate a commitment to energy efficiency and emissions reduction, such as the utilization of electric vehicles for logistics and other sustainable practices.

Concurrently, our Group monitors the labor policies of suppliers, ensuring practices like the provision of social insurance for all employees are upheld. Through such initiatives, our Group actively encourages its suppliers to embrace eco-friendly products and services, thereby enhancing the environmental-friendliness of the entire supply chain.



Supplier Assessment

Our Group has implemented a robust supplier evaluation system, adjusting procurement volumes based on performance assessments. For suppliers who excel, we increase orders to reward their high standards; conversely, we curtail purchases from those scoring poorly. This approach motivates suppliers to elevate their product and service quality and allows for the prompt identification and resolution of potential issues.



Supplier Training

A safe, sustainable, and efficient partnership with suppliers is cultivated to ensure each segment of the supply chain aligns with our Group's stringent criteria.

Suppliers receive extensive education and training on safety and environmental standards, ensuring comprehensive compliance with our Group's policies. Training encompasses workplace safety, environmental regulations, occupational health protocols, and quality management, boosting suppliers' cognizance of safety and environmental responsibility and fortifying their commitment to best practices in their day-to-day operations.

Our supply chain management strategy, underscored by rigorous supplier oversight, evaluation, and training, coupled with an emphasis on environmental and social responsibility, ensures the quality, safety, and eco-friendliness of our supply chain. Through these efforts, our Group effectively supervises and manages the quality and safety capabilities of our suppliers, thus guaranteeing the stability and continuous improvement of the supply chain.

>> Commitment to Responsible Marketing

Recognizing the critical role of truthful and accurate marketing information in compliant operations, we prioritize responsible marketing practices and strictly adhere to the *Advertising Law of the People's Republic of China*, the *Measures for the Administration of Medical Advertisements*, and other relevant legal stipulations. To further regulate our promotional and marketing activities, we have established a set of management protocols, including the *Advertising Approval System of Sichuan Jinxin Medical Care Management Co., Ltd.* We also require all our affiliated hospitals to craft their own practical guidelines and detailed rules that align with their operational realities.

These frameworks aim to ensure the reliability of all disseminated information, preventing any instances of misleading, exaggerated, or fraudulent practices in our marketing efforts. By implementing such measures, we strive to provide the public with high-quality, accountable medical service information while protecting consumer rights and ensuring that our marketing activities are lawful, compliant, and transparent. For instance, in 2023, Shenzhen Zhongshan Hospital conducted ten sessions on advertising compliance training, Jiuzhou Hospital and Hewanjia Hospital conducted four sessions, and Wuhan Jinxin Hospital conducted one session on advertising compliance training.



Advertising compliance training of Shenzhen Zhongshan Hospital



Advertising compliance training of Wuhan Jinxin Hospital

Medical Advertising Approval Process



Preliminary Review

- Articles submitted within the hospital must be reviewed by the marketing-related departments of each hospital area
- The legal department is involved in the preliminary scheme discussions



Content Review

The department producing the content is responsible for reviewing the accuracy of clinical medical care, patient treatment processes, department introductions, and related data



Compliance Review

- The medical department reviews whether the medical content and wording are in violation of regulations
- The legal department reviews whether the content violates relevant laws and regulations



Content Confirmation and Release

 The person-in-charge of the marketing-related department ultimately confirms the content and proceeds with publication



>> Safeguarding Medical Data Security

Within the realm of data security, our Group steadfastly upholds a meticulous approach and a professional ethos, adhering to national regulations such as the *Cybersecurity Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, and the *Data Security Law of the People's Republic of China*. We have established a comprehensive data security management system that ensures the confidentiality and privacy of patient information. A Data Security Management Committee, composed of senior executives and hospital deans, oversees data security planning and supervision. Each hospital has developed a data security management protocol that complies with evaluation standards, which our Group further refines and audits. Regular data security training sessions are conducted to heighten staff awareness and capabilities in data security. Our ongoing commitment is to provide our patients with increasingly secure and dependable medical services.

Jinxin Fertility Data Security Management System



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Information Security Management Framework and System

- Our Group has established an Information Security Management Committee at the corporate level, jointly chaired by the CEO, the Co-CEO, the Chief Strategy Officer, and with other executives serving as decisionmakers, and hospital directors and relevant department staff acting as executors. This committee is tasked with directing our Group's IT development and goals, overseeing information security management, making strategic decisions, and guiding the information management committees at various hospitals in implementing information security planning and conducting regular audits of their information security management.
- Each hospital, based on its own circumstances, has established a Hospital Information Security Management Committee headed by the hospital director. This committee bears the overall responsibility for the hospital's information security management, ensuring that all administrative and clinical departments enforce information security protocols.
- In January 2023, our Group's IT Department revised its suite of information policies, including the Informatization Management Measures, Information System Project Management Measures and Information Security Management Measures. Additionally, it developed a comprehensive set of policies for data security and privacy protection, drawing extensively from domestic legal requirements and the unique standards of the healthcare industry, particularly the management norms for third-level hospitals. These comprehensive regulations provide subordinate entities with clear directions to guarantee the effective implementation of information security measures.



Data Protection

We assure that stringent security practices are applied at every stage from data acquisition, transmission, and storage to disposal, safeguarding patient information's confidentiality and privacy to the utmost extent.



In the data acquisition stage, we require patients to sign an authorization consent form for data collection when providing private information, and we classify and label the collected data to facilitate subsequent permission management.



In the process of data transmission, we utilize advanced Secure Socket Layer technology for encrypted transmission and storage. Simultaneously, strict permission control is applied to ensure the security of data during its transmission.



For data storage, we have established a remote backup mechanism to achieve mutual data backup through dedicated lines in Chengdu and Luzhou, enhancing data security.



Data Security

- Risk monitoring: To further enhance the security of our information systems, in 2023, our Group introduced a monitoring system for anomaly detection to swiftly identify potential security risks within information systems. Additionally, we secured system maintenance services, ensuring timely system repairs and updates through feedback from security scans and penetration tests. We also facilitated regular and irregular security scans of online service systems across our Group's institutions, ensuring systems are promptly repaired and updated. We keep a vigilant eye on public sentiment within the medical sector, revisiting policies and bolstering training to ensure the development and refinement of our information security management system.
- Information security audit: We engaged a third-party professional entity to conduct an information security audit to ensure that our information security management system aligns with the national level-3 security standard. The audit entity comprehensively assessed our information security status and offered professional improvement suggestions. These recommendations include enhancing account security, security settings, and the complexity of VPN verifications, aimed at refining our protocols and procedures to bolster information security defenses.



Cultivating an Information Security Culture

- To foster information security awareness and improve employees' competence in information security management, our Group has rolled out comprehensive information security management training for all employees. This training encompasses fundamental information security knowledge, contemporary security threats and preventive measures, data protection regulations, and emergency response strategies. These sessions equip staff with the skills to recognize and mitigate potential information security risks, and to utilise effective measures to safeguard patient information and corporate data from unauthorized access and disclosures in their everyday tasks.
- The training underscores the significance of adhering to information security policies, encouraging every employee to become a custodian of our Group's information security. This collective effort helps to sustain a secure, reliable work environment and cultivates an inclusive information security culture, thereby offering robust protection for both patient and corporate interests. In 2023, all 3,273 employees of our Group successfully completed the online course on patient information security and privacy protection.



Medical Record Writing and Patient Information Security Sichuan Jinxin Xinan Hospital (Jingxiu) Electronic Training of the Reproductive Center of Chengdu Jinjiang Medical Record Security Training Hospital for Women and Children Health



>> Safeguarding Patient Privacy

In the realm of diagnostic, therapeutic, and care processes, healthcare professionals not only bear the responsibility of upholding patients' rights to privacy but also serve as guardians of these rights. Jinxin Fertility steadfastly complies with the Personal Information Protection Law of the People's Republic of China, the Medical Records Confidentiality Act, and other relevant local laws and regulations, dedicated to rigorously enforcing patient privacy protection measures in all medical activities. This ensures the confidentiality of sensitive information such as patients' private areas, medical histories, physical disabilities, special experiences, and other personal encounters against any external breaches.

We have devised and enforced internal regulations including the *Patient Privacy and Information Management System* and the *Medical Records Management System*, mandating all personnel, from medical and logistical staff to janitors and cafeteria workers, to safeguard patient privacy information and strictly forbidding any form of privacy breach.

Moreover, we have pinpointed potential risks of patient privacy breaches across various operational stages, including outpatient services, inpatient care, specimen and document transport, and information system usage, and implemented targeted protective measures at each stage.

Patient Privacy Protection Measures

1-Outpatient Services

- Guarantee one room per patient with a designated waiting area
- Waiting area call displays do not reveal patients' full names
- Securely manage patients' lab reports, releasing results only upon identity verification
- Display notices prohibiting the discussion of patient privacy in public spaces

3-Specimen and Data Transport

- · All patient identifiable materials must not be reused
- Transport specimens in specimen transfer boxes to avoid revealing any patient information during transit
- Patient or family-transported specimens must be packaged in sealed in opaque ziplock bags and delivered to the laboratory
- All patient identifiable information must be securely stored by departments, locked in designated areas, and systematically processed every six months

2-Inpatient Care

- Without patient consent, nurses are not to offer inquiry or guidance services
- During any diagnosis, treatment procedure, or surgery within the ward, privacy coverages must be maintained from start to finish
- Ensure patient's private body parts are covered during transfers



4-Information System Usage

- Enhance protection of patient-related data with accurate permissions and robust password management
- Ensure all users of system software safeguard patient privacy, preventing unauthorized viewing of screens displaying patient information
- Assign universal access permissions to various staff members

We prioritize the safeguarding of patient privacy data and have never acquired personal data from third parties. Moreover, in handling patient privacy information, we employ anonymization techniques to protect essential patient privacy. As stipulated by regulations issued by the National Health and Family Planning Commission and the State Administration of Traditional Chinese Medicine, outpatient (emergency) medical records maintained by medical institutions must be preserved for at least 15 years from the patient's last visit date; inpatient records must be kept for no less than 30 years following the patient's last discharge. Hence, due to the medical sector's specific requirements for patient data, we typically retain patient medical records and have not deleted any patient visit data within the reporting period.

No confirmed incidents of patient privacy breaches occurred within the reporting period, showcasing our rigorous and effective privacy protection measures.

Enhancing Information System Controls



Customer relationship management system: We desensitize stored customer private information to prevent service personnel from accessing patients' phone numbers without authorization. To further safeguard patient privacy, business personnel may only use virtual phone numbers generated by the telephone system for outbound calls, ensuring patients' real contact details are not directly disclosed.



Permission control and supervision mechanism: Through database and log audit platforms, we monitor proper data access and engage third-party professionals to conduct regular network security assessments to avert potential privacy breaches.



Terminal security: All hospital access terminals are equipped with professional antivirus software, preventing patient information leaks due to viruses.

Regulating Supplier Behavior



Confidentiality agreements: We are vigilant about suppliers' adherence to patient privacy protections. In the maintenance agreements signed with suppliers each year, we particularly stress the importance of confidentiality clauses to ensure patient information remains secure. These agreements specify the mutual responsibilities and obligations regarding information confidentiality, establishing a robust frontline defense for privacy security.



Restricting access to private information: For third-party personnel, we utilize dedicated bastion hosts, therefore limiting their data access strictly to authorized scopes and durations. This strategy significantly reduces the chance of third-party access to patient information.



Monitoring system operations: All third-party operations are logged by our server, ensuring the traceability of actions. This oversight allows us to detect and assess any potential information leakages by third-party service providers, enabling timely remedial actions to safeguard patient information.

Fostering a Culture of Privacy Awareness



Data security and privacy protection training: We conduct both online and offline training sessions focused on privacy protection to heighten staff awareness towards safeguarding patient privacy. For instance, in 2023, we organized online training under the topic "Medical Record Management and Patient Privacy Protection", which was complemented by examinations to ensure comprehensive participation from all medical and managerial staff. This approach evaluates the training's effectiveness and broadens the dissemination of data security knowledge among our employees.

Engaging in Proactive Emergency Preparedness



Data breach emergency plans and drills: We have devised detailed emergency response plans for data breaches, accompanied by practical drills to ensure swift and effective action in the event of a data leak, thereby minimizing potential damage and repercussions. This combination of preemptive strategies and real-world simulations strengthens our data security defenses, providing robust protection for both patients and the organization.



02

Leading with Scientific Research to Enhance Medical Standards

Jinxin Fertility, firmly upholding the "patient-first" principle, and with discipline development at its core, has dedicated itself to innovation in scientific research and the cultivation of talent. We continuously strengthen our capabilities in academic study and clinical treatment with the goal of delivering welfare to an increasing number of patients and families.



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Strengthening Discipline Development

Recognizing that discipline development is crucial for hospitals to advance medical techniques, boost innovation, and meet the public's growing healthcare needs, we place it at the strategic heart of our operations. Driven by clinical challenges, we persist in our commitment to research and innovation, thereby steadily advancing the quality of medical care. We aim to assist hospitals in crafting strategic blueprints for discipline development, defining clear directions for each specialization, and incrementally improving overall disciplinary standards. Furthermore, we encourage physicians to delve into research and practice focused on specific diseases, establishing specialized teams as the foundation of discipline growth, thus fostering sub-specialties and areas of concentration. Through these endeavors, we aspire to be a respected medical entity within the industry, trusted by patients, and validated by governmental authorities, all while providing exemplary services to numerous patients and families.

Building upon the 2022 Discipline Development Support Plan, we have intensified our efforts in fostering discipline development. Regarding the talent support scheme, we are devoted to nurturing and attracting top-tier talents, thereby offering robust support for disciplinary growth. Within the specialty construction support scheme, our focus is on elevating the medical and service levels of each specialty, ensuring the delivery of premium healthcare services. Concerning the scientific research and innovation support scheme, we motivate and support our researchers in pursuing groundbreaking studies, facilitating advancements in medical technologies and the application of scientific achievements. Simultaneously, we have refined our reward policy for discipline development, motivating healthcare professionals to achieve greater successes in this arena. In terms of organizational support for discipline development, we have established a comprehensive organizational framework and management system to ensure the smooth execution of discipline development initiatives. Moreover, we continuously refine the steps involved in advancing discipline development. Through persistent dedication across these six key areas, we provide steadfast support for medical institutions engaging in discipline development.

Discipline development support plan





Organizational Support for Discipline Development

Expert Committee on Discipline Development: This committee is charged with the comprehensive oversight of discipline development activities across the organization's institutions. Responsibilities include the assessment of the current state of projects, involvement in the planning and establishment phases, project evaluation and approval, as well as the review of discipline-specific talent.

Discipline Development Office: Concentrating on the enhancement of discipline development within our hospitals, this office is tasked with the development of disciplines that present a strategic advantage or distinctive character, the incubation of new subspecialty and specific disease initiatives, and delivering pivotal support in areas such as talent development within disciplines, the elevation of research capabilities, and the enhancement of operational competencies within specialties.



Steps for Advancing Discipline Development

The process of advancing discipline development begins with identifying key specialties, subspecialties, and specific diseases aligned with the strategic direction of our Group. This is followed by the creation of targeted evaluation standards and developmental benchmarks specifically designed for the development needs of these specialized areas and disease treatments within hospitals at various stages of their growth;

Subsequently, to foster the growth of key specialties and address specific diseases, our Group offers bespoke development strategies and actionable plans to hospitals at diverse stages of advancement. This involves gleaning insights from the successes of both public and outstanding private hospitals to provide tailored guidance across our network. By leveraging unique product offerings and service models, we aim to establish distinct market positions and competitive edges for our specialized areas and disease-focused programs. Moreover, we strive to build patient trust through operational excellence and cultivating positive reputations;

Throughout this journey, our scientific research teams and their scientific research efforts play a crucial supporting role, contributing to the training of clinical talent, the enhancement of clinical capabilities, the establishment of patient and industry influence, and ultimately, supporting the strategic growth of our company.



Incentive Policy for Discipline Development

The Group has instituted awards for high-level scientific research achievements and specialty development, categorizing the discipline development incentives across various evaluative dimensions. These include Excellence in Discipline Development Project Awards, Discipline Development Organization and Management Awards, Discipline Development Breakthrough Awards, and Scientific Research Awards



Scientific Research and Innovation Support Plan

- Diversified Reward Strategy: The Group implements a variety of scientific research achievement reward policies, encompassing publications, research projects, intellectual property rights, and science and technology awards. Exceptional projects receive individualized special support strategies;
- Scientific research sharing service platform: Committed to fostering a collaborative environment, the Group is dedicated to establishing a scientific research sharing service platform. This initiative aims to bolster the progress of science and technology innovation projects.



Specialty Development Support Plan

To cater to the nuanced needs of different medical specialties, including primary specialties, subspecialties, and specific disease-focused areas, the Group has developed tailored support plans. These plans are designed with a demand-driven approach, setting clear development goals and identifying effective support mechanisms.



Talent Support Plan

Employing a tiered and categorized approach to talent cultivation, the Group classifies discipline talents into various levels, such as discipline leaders and reserve talents, core discipline personnel, and those focusing on discipline development. Targeted training objectives and support plans are established for these diverse talent tiers, aiming to expedite talent growth and bolster professional skills through focused training initiatives. Additionally, the Group has launched a targeted talent development fund, ensuring the provision of essential resources and financial backing to support the advancement of talents across all levels.

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- Project Initiatives: Initiatives encompass a broad spectrum of specialties, including but not limited to reproductive medicine, reproductive immunology, a synthesis of traditional Chinese and Western medicine in andrology, growth and development, as well as distinctive pre-pregnancy and premarital specialty services. Focused conditions range from thin endometrium and ovarian hyporeactivity to challenges such as repeated assistance in conception failures, premature birth, and low birth weight in infants.
- The Department of Reproductive Andrology at Sichuan Jinxin Xinan Hospital (Bisheng) was distinguished through an expert evaluation, earning the designation as a key specialty by the Chengdu municipal government.



• In 2023, Sichuan Jinxin Xinan Hospital (Jingxiu) was acknowledged as an Excellent Base for Obstetric Anesthesia and Analgesia, recognized for its cultural construction in maternal and child health in Sichuan Province, was designated as a specialty in prenatal and perinatal healthcare, and acknowledged as a key medical specialty in laboratory medicine in Chengdu. Furthermore, it achieved designation as a Chengdu Children's Friendly Hospital and passed the review for prenatal diagnosis with MRI evaluation. In 2022, it was recognized as an Excellent Clinical Anesthesia Quality Control Sub-center in Chengdu and as an Excellent Clinical Testing Quality Control Sub-center, also clinching the Excellent Team Award in Sichuan Province's First Normal Delivery Skills Competition;



- Sichuan Jinxin Xinan Hospital (Bisheng) collaborated with the Chinese University of Hong Kong to launch
 a training program focused on assisted reproductive medicine and management. Similarly, Shenzhen
 Zhongshan Hospital has established a cooperative graduate training base with Guangdong Pharmaceutical
 University.
- Sichuan Jinxin Xinan Hospital (Jingxiu) has become the TCM Rehabilitation Technology Specialty Practice Base of Chengdu Special Education School. In 2023, it received a total of 117 interns from cooperative institutions, with our hospital's teachers providing instruction at Sichuan Huaxin Modern Vocational College;

Promoting Scientific Research and Innovation

>> Enhancing Support for Scientific Research

Jinxin Fertility recognizes the pivotal role of scientific research innovation in the development of disciplines, serving as a critical driving force behind the discipline's advancement and offering steadfast support for its ongoing evolution. Embracing the principle that "scientific research guides clinical practice", we fervently encourage our hospitals to engage in scientific research innovation, thereby elevating the standard of clinical diagnosis and treatment. Each of our entities concentrates on their distinctive domains of scientific research and innovation, developing unique strengths that facilitate the effective translation of research findings into clinical applications, significantly enhancing the quality of medical care.

We are dedicated to reforming the R&D incentive mechanism and positioning discipline development at the pinnacle of our strategic priorities to ignite the research enthusiasm, innovative potential, and transferable clinical skills of our staff. For employees who achieve significant accolades, we have established a comprehensive and diversified reward system to honor their innovative contributions. We foster collaborative partnerships between full-time researchers and clinicians to encourage mutual support and learning, advancing the synergistic growth of basic and clinical research. Furthermore, the volume and caliber of research activities supported by our physicians are integrated into the performance evaluations of our full-time research staff.

In our approach to innovation, we equally prioritize independent innovation and the assimilation of external advancements. Regarding in-house R&D, our hospitals have realized numerous technological breakthroughs. In terms of external adoption, spearheaded by the Group and implemented by the hospitals, key departments are instructed to proactively incorporate new technologies and projects. This initiative aims to synchronize our technologies with leading domestic and international technologies, ensuring our continued industry leadership.

Regarding academia-industry-research collaborations, we have forged partnerships with multiple universities globally for joint talent development and scientific research collaborations, with our collective research efforts being recognized through various awards. In 2023, we expanded our initiative to include a joint graduate training base and a postdoctoral innovation practice base. These additions not only ensure a steady influx of talent to fuel the Group's growth but also afford our employees opportunities for advanced studies. Through such collaborations, we consistently bolster our research capabilities, contributing to the advancement of the medical sector.

Jinxin Fertility's Scientific Research and Innovation Achievements in 2023



In 2023, the Company published over 60 academic papers, including 44 papers indexed by SCI and 16 in core journals. Notably, some papers were published in prestigious journals ranked in the JCR Q1 category, such as the American Journal of Obstetrics and Gynecology, Human Reproduction, Stem Cell Research & Therapy, and Frontiers in Immunology;



The year 2023 saw the approval of 1 national scientific research project and 29 provincial and municipal scientific research projects. Among these, Shenzhen Zhongshan Hospital secured funding from the National Natural Science Foundation of China (NSFC), marking a significant breakthrough in 2023, building on the success of receiving its first NSFC Youth Project in 2022.



Shenzhen Zhongshan Hospital took the lead in drafting the Expert Consensus on the Diagnosis and Treatment of Azoospermia Infertility in China for the Chinese Society of Reproductive Medicine, serving as the primary authoring unit. The hospital also contributed to the Expert Consensus on Semen Analysis Quality Control Methods.



In 2023, Shenzhen Zhongshan Hospital, in collaboration with Wuhan University, tackled the project "Diagnosis and Treatment Strategies and Technological Innovation for Recurrent Pregnancy Failure", winning the second prize in the Hubei Provincial Science and Technology Progress Awards;



Sichuan Jinxin Xinan Hospital (Jingxiu) has successfully registered and obtained the national qualification for medical device and drug clinical trial institution (GCP);



In 2023, Jinxin Fertility was awarded 12 utility model patents, 5 invention patents, 1 design patent and 2 software copyrights;

In 2023, Jinxin Fertility organized 7 national continuing education programs, 12 provincial programs, 10 municipal programs, 1 national training class, and 2 academic seminars.

- The 2nd Scientific Research Conference on Maternal and Fetal Medicine and the 6th International Symposium on New Advances in Reproductive Immunology, hosted by Shenzhen Zhongshan Hospital, stood as a pinnacle summit within the fields of maternal-fetal medicine and reproductive immunology. This prestigious event attracted nearly a hundred renowned experts from both within and outside the hospital, with over 600 experts, scholars, and clinical practitioners attending in person, and more than 10,000 participants joining online;
- Sichuan Jinxin Xinan Hospital (Bisheng) held the 16th Seminar on New Advances in Human Assisted Reproductive Technology and the 3rd Asia-Pacific International Symposium on Reproductive Medicine;
 - Sichuan Jinxin Xinan Hospital (Jingxiu) hosted several training courses, including on standardized perinatal management of assisted reproductive pregnancies and on the prevention and control of birth defects in Southwest China, standardized ultrasound examination in early pregnancy, and a national breastfeeding training course:

Furthermore, Jinxin Fertility's clinical and scientific research staff have been actively participating in both domestic and international academic conferences. They have been invited to present our latest clinical research findings and advances in applied basic research at various esteemed conferences. Our young physicians and scholars have delivered academic reports at significant events such as the 2023 Annual Meeting of the Reproductive Immunology Special Committee of the China Society for Immunology, the ISIR 2023 Annual Meeting in Hamburg, Germany, the 6th Annual Academic Conference of the Reproductive Immunology Committee of the China Maternal and Child Health Association, among others, in addition to engaging in poster exchanges at the annual meeting of the Reproductive Medicine Committee of the Chinese Medical Doctor Association;





>> Protection of Intellectual Property Rights

With respect to intellectual property (IP) management, we have enacted a series of updates to our systems aimed at fostering innovation and ensuring the quality of our patents. To encourage the filing and approval of patents, we have instituted a targeted reward mechanism that offers incentives for both patent applications and their successful approval. The 2023 updates to our discipline development rewards system have introduced more stringent criteria to guarantee the quality and utility of patents. Under the new system, patents filed by doctors must align with the hospital's strategic development goals and be closely related to their own areas of expertise. This ensures that patent applications are both necessary and effective, thereby elevating the overall quality of our intellectual property.

To bolster clinicians' efforts in patent applications, we have established a comprehensive internal support structure, which includes the Chengdu Research Institute, the Shenzhen Innovation Center, and other entities. In conjunction, we collaborate with external patent firms to deliver all-encompassing patent application services to our doctors.

For patent protection, we actively encourage staff across all our hospitals to seek intellectual property patents and offer internal training sessions. Furthermore, we engage external professional agencies to provide additional guidance. Such initiatives not only enhance our employees' awareness of the importance of patent protection but also encourage proactive patent planning and timely applications. Additionally, we routinely review our portfolio of authorized patents to ensure that essential technological patents are renewed promptly, thus maintaining their perpetual validity.

Through these concerted efforts, we not only ignite our employees' passion for innovation but also safeguard the hospital's intellectual property rights. This approach lays a robust foundation for the hospital's enduring growth and advancement in technology.

Cultivating Industry Experts

>> Actively Cultivating Professional Talents

Leveraging its comprehensive physician training system and extensive industry experience, Jinxin Fertility dedicates itself to offering exceptional professional training for talent within the sector. Through initiatives like the Jinxin Academy and its professional courses, we continuously enhance and deepen the knowledge and skills of our medical staff. Furthermore, we actively engage in applying for national and provincial continuing medical education projects, aiming to robustly support the ongoing learning and development of medical professionals, thereby fortifying our academic standing and contributing to the industry's advancement towards high-quality development.

>> Improving the Talent Cultivation System

In talent cultivation, our goal is to create a fully empowering developmental platform. The establishment of the Jinxin Academy project has allowed us to bring together leading medical experts and professors from within the group, dedicated to nurturing a new generation of professionals in the field, thereby infusing innovation and growth into the realm of reproductive medicine.

Additionally, we fervently pursue industry exchanges, delving into the sector's pressing issues through academic conferences, seminars, and salons. These endeavors not only further the progress of medical technologies within the field but also invigorate the clinical and research domains with fresh momentum. In 2023, we organized 13 external academic exchanges, conference forums, and study tours, with 76 members of our hospital-level management participating. These engagements have not only expanded the perspectives of our talents but also provided our management with deeper insights into the latest industry trends, enhancing our interactions with external professionals.

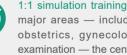
Jinxin Academy Project Overview





Online learning platform: It consists of professional, specialized and general education courses.

Professional theme courses: We extend invitations to leading experts in pertinent fields to conduct both online and offline sessions, including hands-on training to marry theoretical knowledge with practical application effectively. This approach significantly enhances the learning experience. Particularly, during the practical training phase, participants are placed in group hospitals for on-the-job training. This immersive experience covers a spectrum of operational aspects, such as outpatient procedures, specialized studies, hands-on guidance, and departmental management, providing a comprehensive understanding of day-to-day clinical operations.



1:1 simulation training center: Focused on essential skills across seven major areas — including emergency response, fundamental nursing, obstetrics, gynecology, pediatrics and neonatal care, and breast examination — the center offers over 40 practical training modules.

VR experiential teaching: Leveraging cutting-edge VR technology, we simulate critical surgical procedures to guide learners through intricate medical operations. This innovative approach aims to reduce the costs and risks associated with surgical training and therapeutic interventions. By enhancing the precision and skillfulness of clinical diagnosis and treatment, we expedite the adoption of advanced surgical techniques.

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Jinxin Academy

Internal Application •

New courses launches: In 2023, Jinxin Academy significantly enhanced its educational offerings, rolling out 185 new professional courses and 21 new management courses, achieving comprehensive coverage across all employee groups within the Group.

- Question bank development: A robust question bank comprising over 7,000 questions has been developed within Jinxin Academy, specifically designed for the annual assessments on basic theory, knowledge, skills, as well as the adherence to strict requirements, a rigorous attitude, and a serious approach to work.
- Learning achievements: Throughout the year, Jinxin Academy conducted 124 online learning sessions, drawing an impressive attendance of 31,132 participants. Additionally, 120 online evaluations were organized, with 21,606 individuals partaking in these assessments. On the Jinxin Academy online platform, the average learning duration per employee exceeded 15 hours. Objectives set included an 80% participation rate among employees and a 90% course completion rate, with these targets actively monitored and encouraged from the top down.

External Communication •

- Exchange platform: Jinxin Academy has successfully established a platform for learning and exchange within the industry, opening access to selected professional training sessions and themed presentations.
- Activity outcomes: In 2023, the platform facilitated 11 learning events, engaging 636 medical professionals. Notably, reproductive health forums held in Yibin and Suining attracted 148 in-person attendees. These gatherings were instrumental in advancing the spread of knowledge and skills, offering doctors a valuable platform for experience sharing and problem-solving, thereby further propelling professional growth within the medical community.



In 2023, in-person attendees

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Jinxin Medical Simulation Training Center

In terms of the development of a holistic training system for our staff, we consistently embraces a philosophy of ongoing improvement and excellence. Significant resources have been allocated to establish the Jinxin Medical Simulation Training Center, marking a significant milestone in our dedication to innovating medical education. Spanning 1,000 square meters, the center boasts cutting-edge simulation models for gynecology, obstetrics, and pediatrics from both domestic and international sources. This includes fully simulated models of pregnant women and newborns, alongside sophisticated systems for training management, education, and evaluation. Utilizing an intelligent teaching system, the center achieves a cohesive management system that merges simulation with reality, thereby creating a multifunctional, multidisciplinary, networked, digital, and open educational platform. This platform seamlessly integrates instruction, demonstration, operational training, and evaluation. Our aim is to foster high-quality, practical medical professionals endowed with solid expertise, proficient skills, a keen sense of innovation, and a broad international perspective. Furthermore, we offer exceptional learning opportunities and a realistic training simulation environment for specialists in gynecology, obstetrics, and pediatrics in Southwest China. This initiative not only strengthens their core technical skills but also contributes to the advancement of the medical sector.





Advanced simulation of parturient women



Forum on Infertility Medicine (Yibin) & the First Academic Conference of Reproductive Clinical Experts in 2023

In May 2023, the Forum on Infertility Medicine (Yibin) alongside the First Academic Conference of Reproductive Clinical Experts of the year, hosted by Jinxin Academy and co-hosted by the Yibin Maternal and Child Health Care Hospital, Sichuan Jinxin Xinan Hospital (Jingxiu), and the Reproductive Medicine Center of Chengdu's Jinjiang Maternal and Child Health Care Hospital, concluded successfully. This event drew the participation of 68 medical professionals from the obstetrics and gynecology fields across Chengdu, Yibin, Luzhou, Zigong, Neijiang, and beyond. Aimed at leveraging the resources of the Jinxin Academy and the Specialty Alliance Project, the conference sought to establish an academic collaborative platform for the Sichuan Provincial

Expert Group on Reproductive Medicine and to create a province-wide network for reproductive academic exchange, encompassing all 21 cities and prefectures of Sichuan. Throughout the conference, experts from the Sichuan Jinxin Xinan Hospital, among other institutions, shared their insights and research findings on topics like recurrent miscarriage and premature ovarian failure, thereby contributing significantly to the advancement of reproductive medicine within the province.





The participation of medical professionals from the obstetrics field



Province-wide network for reproductive academic exchange

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oition





03

Quality-based Excellent Services

Jinxin Fertility consistently prioritizes patients, enhancing medical service quality and fostering effective communication channels. This ensures patients' access to top-tier medical care throughout their lifecycle. The implementation of digital transformation in smart hospital construction boosts the patient care experience. Additionally, focusing on health education enriches patients' understanding of health management, thereby improving treatment outcomes.

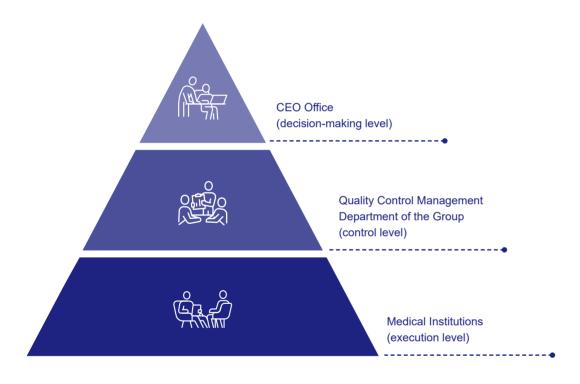
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Strengthening Healthcare Quality Management

>> Developing a Comprehensive Quality Control System

Jinxin Fertility considers healthcare quality as the foundation of its growth. We adhere strictly to pertinent regulations and laws, such as the Measures for the Administration of Medical Quality, the Administrative Measures for Human Assisted Reproductive Technology, and the Regulation on the Administration of Medical Institutions. Within our facilities, a structured quality management framework is established. Directed by the CEO's office, the Group's Quality Control Department oversees and regulates medical quality, instituting a variety of management protocols aligned with group standards, including the Eighteen Core Medical Systems, the Regular Meeting System for Medical Quality and Safety Management, and the Multi-Hospital Medical Case Discussion System, ensuring a solid medical quality foundation.

The Medical Quality Management Committee within each institution, led by hospital management and with the Medical Affairs Department as its operational office, oversees the quality management group activities across all clinical departments. This is aimed at the continual elevation of healthcare quality. Furthermore, hospitals tailor their medical quality management systems and procedures to their specific needs, striving for continual medical quality enhancements and ensuring patient safety and health. To reinforce management, the Group refined its medical quality management organizational structure in 2023, enhancing the internal quality management system.





Openine strategic direction:

- Refine organizational structure adjustments to uphold high medical service standards:
- · Continuously enhance institutional framework, with a special focus on managing complaints and disputes;
- The purpose of running Jinxin's hospitals and the group's high-quality service culture are deeply embedded in medical and nursing services to enhance patients' reputation and
- The direct leadership of the Group's COO ensures the strategic direction is effectively
- Mechanism for implementation: Hold bi-weekly meetings with functional departments to ensure the strategic intentions of the decision-making level are put into action, and ensure medical quality management stays on the right course through regular updates and prompt



- Notification regarding the Formation of a Quality and Safety Management Organization System for Jinxin Reproductive Specialties:
- Jinxin Fertility's 2023 Plan for Enhancing the Essence of Medical and Nursing Quality
- · Jinxin Fertility's 2023 Medical Quality and Safety Management Assessment and Accountability Plan.
- Supervision: Data monitoring coupled with site inspections, for example:
 - Conduct monthly medical quality audits within Chengdu-based facilities and biannual audits for facilities outside Chengdu, covering lawful practice, the enactment of 18 core policies, medical documentation, infection control in hospitals, medical technology, and clinical blood usage, among other aspects;
 - Implement a shared mechanism within the group, allowing the top-ranked institution in quarterly reviews to share management insights, fostering a culture of mutual learning and managerial skill enhancement.
- Support and empowerment: For example,
 - · Refine and update management documents for healthcare facilities;
 - · Assist facilities in identifying and reinforcing management weak points through data
 - · Apply quality management tools to help facilities conduct root cause analyses and develop improvement plans;
 - Enhance the professional competence of management staff through training to boost management capabilities. This includes series of training on quality management tools, high-quality service provision, and doctor-patient communication.



Each hospital committee, led personally by hospital leadership, is tasked with thoroughly overseeing and assessing the medical quality management across the hospital, identifying potential risks and issues, demanding rectifications, and ensuring the departmental quality management teams implement the Group's standards and quality management requirements effectively. This hierarchical approach to quality management ensures every aspect of healthcare services meets high standards, thereby protecting patient safety and health.





Decision-

making Level

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>> Implementing a Detailed Specialty Quality Management Model

To achieve more nuanced management in specialty quality and continuously enhance the brand competitiveness of its distinctive specialties, the Quality Control Department of Jinxin Fertility has proactively spearheaded the formation of specialized quality control teams for obstetrics and IVF among others. These teams are dedicated to diminishing the disparities in diagnostic and therapeutic capabilities within the same specialty across the Group and steering the professional development of each institution towards uniformity.

The primary objective of these specialized quality control teams is to devise and enact a comprehensive set of quality management standards and procedures, ensuring that the obstetrics, IVF, and related diagnostic and therapeutic services provided by each institution adhere to a consistent, elevated standard. Through systematic evaluations and monitoring, these teams are adept at promptly identifying and addressing any issues, thereby enhancing the quality and safety of the provided services. Moreover, these teams also take on the responsibility of organizing and facilitating training and exchange programs, fostering a culture of knowledge sharing and mutual learning among institutions, which in turn, improves the collective professional expertise.

Group medical quality control management

quality control

Hospital-level medical quality control management



Jinxin Reproductive Healthcare Quality Management System



Medical Quality Supervision



Medical quality supervision at the group level:

- The Group's Quality Control Department routinely conducts medical quality inspections and audits across its affiliate medical institutions. These evaluations encompass various checks, such as pre-holiday safety inspections, crossinspections of medical quality at institutions outside the municipality, and monthly inspections of city-based medical facilities. For instance, annually, in anticipation of holidays, the department undertakes management and inspection focused on the administration of emergency and first aid items, management of Class I psychotropic substances, scheduling of medical personnel, and the proficiency of medical staff in executing first aid procedures.
- · Following the PDCA (Plan-Do-Check-Act) cycle, upon completing inspections, a precise issue list is promptly compiled. This list is then addressed in collaboration with the involved medical institutions to draft a corrective action plan. Progress on these plans is regularly monitored, and tailored support is provided to facilitate effective implementation.

Special quality control management at the group level:

· Specialized quality control and management initiatives have been launched for sectors such as reproductive health and obstetrics, aiming to enhance medical quality control across all operations and elevate the overall quality of medical services. For instance, concerning the quality management of embryo laboratories, a group-wide laboratory supplies and reagents quality control team has been established. This team drives the rigorous, standardized quality assessment of all consumables and culture mediums used for gametes and embryos across all the Group's laboratories.

Quality management at the hospital level:

- · Each hospital convenes routine meetings of the Medical Quality and Safety Management Committee and departmentspecific meetings related to medical quality and safety. These gatherings focus on the execution and supervision of quality control initiatives within the hospital and the management of quality control metrics, thereby fortifying the institution's medical quality management framework.
- · Moreover, hospitals conduct medical quality and safety inspections on a weekly and monthly schedule. These inspections include administrative rounds, nighttime rounds, quality control rounds, and safety checks during holidays and festive periods. Through these structured and consistent evaluations, the hospital aims to ensure and enhance the safety and quality of the medical services provided.



Data Analysis and Management



Group-level emphasis on key data supervision:

· At the group level, there is a concentrated effort on scrutinizing pivotal data metrics related to healthcare quality management. This includes evaluating data like the cesarean section rates and the utilization rates of antibacterial drugs reported monthly by each hospital. The analysis identifies areas needing enhancement within hospitals, thereby facilitating the provision of targeted support, including training, to address identified gaps effectively.

Implementation of comprehensive data supervision at the hospital level:

- · At the hospital level, a thorough data supervision regime is in place, with medical institutions conducting comprehensive data monitoring and control on a daily, weekly, and monthly cycle. These institutions are also responsible for routinely reporting their findings to the group. A case in point is Shenzhen Zhongshan Hospital, which monitors medical abnormality indicators such as critical values, as well as instances where medical records have not been archived more than three days after patient discharge through a large-scale business intelligence (BI) screen every day.
- This vigilant monitoring aims to ensure that the tracking and management of medical safety metrics are maintained at a 100% efficiency rate, underscoring a steadfast commitment to medical safety and quality assurance across all levels of the organization.



Construction of Medical Quality Culture



Group-level medical quality training:

• The Quality Control Department of the Group systematically conducts medical quality management training across its affiliated medical institutions, offering 16 diverse sessions on healthcare quality enhancement. These sessions cover a range of topics, including legal aspects of healthcare through lawyer ward rounds training and disease diagnosis-related groupings (DRGs) training, aimed at bolstering the quality of healthcare delivery.

Hospital-level medical quality training:

- · Hospitals, catering to specific clinical needs, organize regular in-house training sessions on crucial medical practices such as cardiopulmonary resuscitation, shock management, transfusion medicine, and antibiotic stewardship. These initiatives are designed to elevate the hospital's healthcare quality management standards. For instance, Shenzhen Zhongshan Hospital executed 13 such training programs in 2023, demonstrating a commitment to continuous quality improvement.
- The departmental quality management teams devise specialized training based on identified gaps through routine management assessments, emergency response drills, and performance against set departmental goals. This includes annual operational learning sessions and mini-lecture trainings tailored for each clinical department, reinforcing the expertise and readiness of healthcare providers.



Incentives and improvement of medical quality



Moreover, the Group actively screens and interprets national healthcare standards and guidelines, ensuring these are comprehensively communicated to and uniformly understood by all medical institutions within the network. This process facilitates the alignment with national healthcare quality benchmarks and fosters ongoing refinement of healthcare quality management protocols.



On a strategic move to underscore the importance of healthcare quality, the Group aligns medical quality metrics directly with the goals and performance evaluations of hospital executives. This alignment fosters a culture of accountability and collective effort towards achieving excellence in healthcare quality management from the top down, ensuring the overarching objective of medical quality improvement is systematically pursued and achieved across the organization.

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Safeguarding Maternal and Infant Safety through Practical Drills

In anticipation of the Spring Festival, Jinxin Fertility embarked on a pre-holiday safety drill and inspection journey that covered 4,074 kilometers. The drill was spearheaded by the Quality Control Department, under the leadership of Quality Control Director and accompanied by management experts. Through on-site visits and "double-blind" drills, they assessed the emergency response capabilities of medical facilities for pregnant women and newborns across Yunnan, Wuhan, Sichuan, and other regions. The issues identified during these exercises were promptly addressed and corrected. Moreover, the Group developed an Emergency Management Plan Template for Obstetrics and Neonatology, offering definitive guidance to all affiliated institutions.







Medical Quality Training

On February 15, Wuhan Jinxin Hospital conducted a session on medical quality management and the handling of adverse events





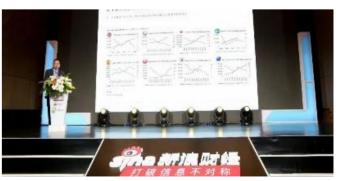
On February 23 and April 19, Shenzhen Zhongshan Hospital organized specialized training for departmental quality control specialists and on the core medical systems.





Jinxin Fertility's efforts and achievements have garnered international acclaim. The prestigious U.S. publication Newsweek, in collaboration with the global leader in data research, Statista Inc., announced the "America's Best Fertility Clinics 2023" rankings, with HRC Fertility, a member of the Jinxin Fertility, being distinguished as one of the top fertility clinics in the United States for 2023. Domestically, at the 2023 Annual Meeting and the 16th Golden Kirin Forum's Medical Theme Session hosted by Sina Finance, Jinxin Fertility was honored with the "Most Reliable Medical Service Organization" award. These awards and recognitions serve as a testament to Jinxin Fertility's outstanding performance and market recognition in the quality of medical services.



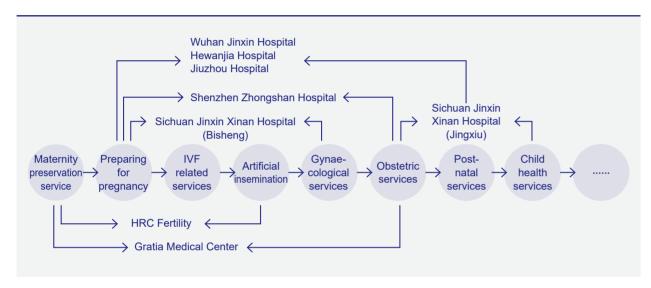


Pursuit of Excellence in Medical Services

>> Establishing Comprehensive Life-Cycle Medical Services

With a vision deeply rooted in uncovering the mysteries of life, safeguarding the well-being of women and children, and fostering fulfilled families, Jinxin Fertility has developed a comprehensive life-cycle fertility strategy centered around its assisted reproductive technology (ART) services. This strategy begins with ART services and extends through the integration of women's and children's healthcare resources, offering a wide range of services from preconception, in vitro fertilization (IVF) techniques, prenatal testing, childbirth, postnatal care, to child health services. This approach aims to fulfill the diverse needs of clients comprehensively through the integration of the entire fertility industry chain.

Jinxin Fertility Lifecycle Services



To address the diverse and individualized needs for medical services, we have developed premium, specialized services leveraging our hospitals' existing infrastructure, skilled medical professionals, and distinctive disciplinary strengths. For instance, Sichuan Jinxin Xinan Hospital has established five specialized outpatient departments catering to patients with various conditions, including those experiencing repeated IVF failures, those with thin endometria, patients aged 35 and above, those aged under 35, and individuals with polycystic ovary syndrome (PCOS), as well as those undergoing IVF and artificial insemination treatments. This tailored approach ensures that the unique needs of different patient groups are met, enhancing their overall medical experience.

Our mission is to deliver comprehensive healthcare services spanning the entire lifecycle. Within the Group, each functional management unit is delineated with precise responsibilities, fostering a culture of tight-knit collaboration. The operations division takes charge of bridging the gap between hospitals and patients, promoting services, and gathering patient feedback. Meanwhile, the information technology department is dedicated to developing and maintaining the infrastructure for information dissemination. The quality control division is devoted to overseeing and perpetually enhancing the quality of the hospital's medical services and products.

Taking Sichuan Jinxin Xinan Hospital as an illustration, in its initial phase, its focus was primarily on delivering top-tier medical services to the IVF demographic. During this period, our emphasis was on broadening the spectrum of full-cycle fertility services for those with significant IVF needs, encompassing stages from pre-pregnancy planning, IVF, through prenatal care, childbirth, to postnatal support. In April 2023, the Sichuan Jinxin Xinan Hospital unified its medical licenses from the Bisheng and Jingxiu campuses into one entity, thereby consolidating its operational capabilities. Both campuses, before the merger, had garnered commendable patient trust and market presence in their respective fields of Assisted Reproductive Services (ARS) and women and children's healthcare, thanks to their exemplary medical quality and patient service experience. In the first half of 2023, there was a concerted effort to enhance the integration of ARS with gynecology and pediatric specialties, aiming to generate stronger synergistic outcomes and extend the service reach based on medical quality improvements. This strategic alignment has further enabled us to fortify our focus on specialized care and discipline development, notably in offering specialized obstetrics clinics for IVF patients. This comprehensive approach is anticipated to augment our institution's capability in attracting and serving patients more effectively.



2023 Jinxin Fertility "Kick-off Meeting of Connotation Promotion Action for High-quality Medical and Nursing Services"

In April 2023, Jinxin Fertility launched the "Connotation Enhancement Action for High-quality Medical and Nursing Services" at Sichuan Jinxin Xinan Hospital (Bisheng). This event drew participation from over a hundred individuals across the Group's functional departments, medical branches, and a team of project action experts. The conference was aimed at elevating the quality of medical and nursing services by devising action plans, developing training courses, and facilitating expert-led lectures to comprehensively enhance the hospital's service quality. The significance of building the essence of high-quality medical and nursing services was underscored, marking it as a crucial component of hospital management. The initiative stressed the importance of implementation from the top down, eschewing formalism to genuinely deliver superior medical and nursing services to patients, thereby tangibly enhancing their sense of satisfaction, happiness,

and security. Additionally, the event featured a site visit for participants to observe and learn from exemplary service processes, as well as the establishment of a platform for exchanging ideas on service improvement. This kick-off meeting not only deepened the attendees' comprehension of the hospital's high-quality services but also injected new vitality into the Group's pursuit of excellence in medical and nursing service quality, contributing to greater patient satisfaction and overall hospital quality development.



>> Whole-process Humanistic Care

We are steadfast in our commitment to embedding humanistic care throughout the clinical diagnosis and treatment journey. By focusing on various aspects such as the hospital environment, medical procedures, the diagnosis and treatment process, and the conclusion of care, we prioritize patients' psychological and emotional needs, striving to establish a medical environment that is both safe and trustworthy.

Humanistic care measures throughout the diagnosis and treatment process (partial)

Hospital environment

Medical treatment process

Diagnosis and treatment process

End of diagnosis and treatment



Creating a Comfortable Hospital Environment

Set up special rest areas: Wuhan Jinxin Hospital has established areas such as book bars to actively direct non-local patients to these zones for relaxation, incorporating additional amenities like refreshments and convenience service boxes to cater to the needs of patients. Jiuzhou Hospital and Hewanjia Hospital have designed rest areas near the entrances of labor wards which are furnished with tables and chairs to accommodate family members during lengthy waits, introduced mother and baby rooms, and offered complimentary breakfast services for first-time patients. Shenzhen Zhongshan Hospital, catering to the specific diagnosis and treatment requirements of patients, has undertaken a comprehensive renovation of an area on the fourth floor, providing personalized and secluded special diagnosis and treatment services. The hospital has increased the inspection and cleaning frequency of restrooms throughout the facility, installed additional toilets in certain diagnostic and treatment zones to ensure a more accessible and hygienic environment, and enhanced the fourth-floor reproductive diagnosis and treatment area with plants, greenery, and a fish pond to create an inviting open-air ecological garden rest area for patients.



Optimizing the Medical Treatment Process

- Management of diagnosis and treatment time: Shenzhen Zhongshan Hospital has launched a smart hospital app to enhance appointment scheduling and payment processing throughout the patient's entire diagnosis and treatment journey, significantly reducing waiting times at the payment counters. Jiuzhou Hospital and Hewanjia Hospital have streamlined the process management for IVF and obstetrics and shortened the waiting time for gynecology and prenatal patients to retrieve their reports, allowing them to go directly to the consulting room to see the doctor and collect their reports after examinations. Sichuan Jinxin Xinan Hospital (Bisheng) has introduced a surgery call system and surgical progress display screens, providing clear information on wait times and the assigned surgeon, thereby minimizing waiting durations and alleviating family anxiety.
- Special initiatives for ethnic minorities and dedicated translators: Sichuan Jinxin Xinan Hospital employs nursing staff from ethnic minorities and has established a specialized reception team for ethnic minority patients. Each day, a nurse from an ethnic minority is designated to work alongside a full-time translator, ensuring that ethnic minority patients receive the care and guidance they need to navigate their medical treatments comfortably.
- Special reception team for Hong Kong and Cantonese speakers: To facilitate better communication with patients who speak different languages, Shenzhen Zhongshan Hospital has formed specific reception groups proficient in English and Cantonese, aiming to cater to the linguistic needs of diverse patient demographics.
- Establishment of online medical records: Patients at Sichuan Jinxin Xinan Hospital (Bisheng) can schedule appointments online via telephone. Nurses are then able to instantly print out the reports of both the male and female partners from the system, create medical records, and notify patients with reminders and important information for their upcoming visit to the hospital, streamlining the pre-visit process and enhancing patient convenience.



Creating a Heartwarming Diagnosis and Treatment Process

- Provision of accompanying services: Sichuan Jinxin Xinan Hospital offers "one-on-one consultation" services for patients experiencing IVF failures, addressing their unique physical and emotional needs. A case management center has been established to cater specifically to patients who have not succeeded in their treatments, providing them with the necessary medical services. Shenzhen Zhongshan Hospital has enhanced its support services for egg retrieval and transplantation surgeries to ease patient anxiety. Jiuzhou Hospital and Hewanjia Hospital provide personalized accompaniment services for first-time visits. Wuhan Jinxin Hospital has developed 100 heartwarming initiatives and a high-quality service management system, including proactive and accurate patient guidance, and detailed introductions to department specialties and expert profiles to aid patient decision-making.
- Special rooming-in wards for newborns and mothers: Sichuan Jinxin Xinan Hospital has introduced a rooming-in ward, allowing parents to stay with their hospitalized children throughout their treatment. An early pregnancy center offers one-stop services that reduce the anxiety of first-time mothers by streamlining processes like registration, blood collection, B-ultrasound, and doctor consultations.
- Service standardization in the diagnosis and treatment process: Sichuan Jinxin Xinan Hospital has implemented thoughtful actions, such as warming the stethoscope before auscultation, using child-friendly language with pediatric patients, and facilitating partner-accompanied childbirths. Additionally, the hospital has introduced warm air blowers and heated ultrasound gel in the B-ultrasound room during winter and placed stress relief balls in injection and operation rooms to help alleviate pain-related anxiety. Shenzhen Zhongshan Hospital offers expedited services for patients with threatened abortion, including prioritized B-ultrasounds and efficient pre-surgical testing for outpatient hysteroscopy and abortion patients to conserve their time.
- Regular symposia on public holidays: Shenzhen Zhongshan Hospital conducts face-to-face doctor-patient interactions to disseminate health education, solicit feedback and suggestions, and improve the quality of hospital services and medical care. These meetings aim to address patients' concerns, foster mutual trust, and establish harmonious doctor-patient relationships.

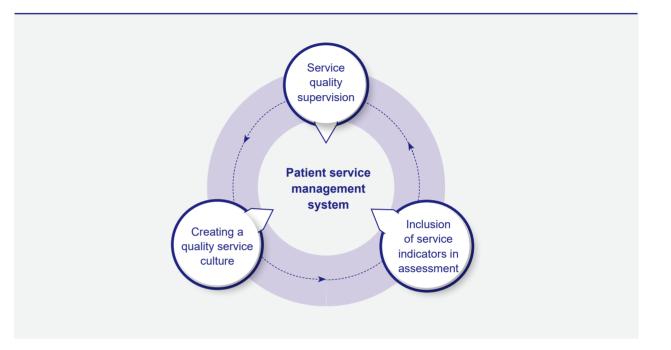


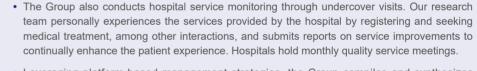
Providing Post-diagnosis Care Services

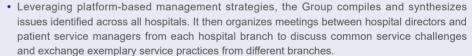
Addressing psychological needs of patients: Sichuan Jinxin Xinan Hospital, Shenzhen Zhongshan Hospital, and HRC Fertility offer mental health care programs, including psychological assessments and consultations. These services are aimed at alleviating the psychological stress patients may experience during the pregnancy preparation phase. Additionally, Jiuzhou Hospital and Hewanjia Hospital extend psychological counseling and nutritional advice to their patients, supporting them through the psychological and nutritional challenges encountered during both the pre-pregnancy and pregnancy periods. Shenzhen Zhongshan Hospital takes extra steps to ensure patients' comfort by providing blanket shawls to those changing for surgery, making sure patients are kept warm.

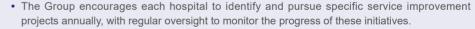
>> Improvement of the Service Management System

Understanding that high-quality services require a robust service management system, our Group has developed an extensive patient service management framework. This framework is improved through the execution of service quality oversight, the integration of service metrics into employee evaluations, and the promotion of a culture dedicated to exceptional service. This comprehensive system guarantees the Group's capability to consistently deliver services that meet high standards of quality to our patients.









• Beyond the Group's routine evaluations, hospitals autonomously conduct quality control checks and review initiatives aimed at enhancing patient care based on their operational needs. This includes gathering patient feedback through satisfaction surveys to identify and address concerns promptly, thereby improving service quality. For instance, Shenzhen Zhongshan Hospital has established a high-quality service team group that collates patient feedback on a daily basis, with departmental service specialists tasked with making ongoing adjustments based on this input. Similarly, Wuhan Jinxin Hospital has created a platform for collecting patient suggestions for continual service refinement. Sichuan Jinxin Xinan Hospital (Bisheng) employs department-specific quality service officers to gather daily patient feedback, ensuring that improvements are consistently applied in response to patient needs and suggestions.



Service Quality Supervision



Inclusion of Service Indicators in Assessment

- Each hospital tailors its operational strategies to integrate high-quality service-related indicators into staff appraisals, linking these metrics directly to promotions and merit-based recognitions.
- Through incentives and other motivational strategies, hospitals persistently encourage their staff to deliver superior services to patients. For instance, Shenzhen Zhongshan Hospital recognizes "Service Stars" and establishes high-quality service positions, celebrating these achievements in quarterly award ceremonies to inspire exemplary service. Wuhan Jinxin Hospital publicly acknowledges "Service Stars" by displaying service-themed posters, slogans, and courteous language. Sichuan Jinxin Xinan Hospital (Bisheng) identifies quarterly and annual "Service Stars" and high-quality service teams, rewarding them during commendation ceremonies to highlight model service behaviors.



Creating a

Quality Service

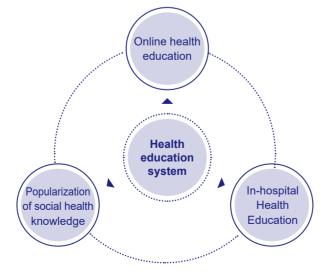
Culture

- Annually, the Group develops training initiatives focusing on enhancing service quality, with all
 hospitals participating. These training sessions, both at the Group and hospital levels, aim to
 elevate the service skills of the staff. For example, Wuhan Jinxin Hospital holds monthly training
 sessions centered around quality service themes.
- The Group conducts training to enhance patient service quality across all staff levels, ranks
 hospitals based on their participation, and includes training engagement in the hospital
 directors' performance reviews. This strategy ensures that a culture of quality service
 permeates throughout the organization, from the top down.
- Regularly scheduled training sessions on quality service management are conducted to
 enhance patient satisfaction. Additionally, based on individual hospital contexts, a quality
 service culture is actively promoted within the institution through daily announcements, themed
 events, and honors incentives. For example, starting November 2023, Shenzhen Zhongshan
 Hospital and Wuhan Jinxin Hospital are set to launch patient experience officer initiatives,
 recruiting patients monthly to gather service feedback and refine medical processes and service
 quality. Sichuan Jinxin Xinan Hospital (Bisheng) has partnered with China Southern Airlines
 for service training, introducing high-quality service courses to boost staff professionalism and
 thereby enrich the patient experience.

>> All-round health education

The Outline of the Healthy China 2030 Plan calls for the establishment of a comprehensive health promotion and education system, enhancing the capacity of health education services, and promoting health science knowledge from an early age. Health education is crucially important in guiding patients' treatment and rehabilitation.

Jinxin Fertility is dedicated to advancing health education within the hospital setting and creating a robust health education framework for the hospital. It employs a variety of methods to assist patients in understanding their health conditions, including online health education, in-hospital health education, and the broad dissemination of health knowledge to the public. This approach enables patients to learn and adopt healthy behaviors and lifestyles in their everyday lives, thereby optimizing patient outcomes.





Online Health Education

Hospitals deliver essential health knowledge on topics like assisted reproduction, pregnancy, gynecology, and child health to those in need through various digital means, including articles and videos disseminated via social media platforms, posters, and online live broadcasts. This initiative aims to bolster patients' health management capabilities.

- Each hospital, leveraging its unique attributes and disciplinary strengths, utilizes social media channels such as WeChat official accounts and mini-programs to disseminate information on fertility treatments, pregnancy care, gynecology, child healthcare, and traditional Chinese medicine.
- Hospitals periodically invite in-house experts in medicine and nursing to conduct online live streams and health education QR code scans, offering real-time solutions to patient inquiries.
- Wuhan Jinxin Hospital, building upon its existing video channel base, will introduce Guang.com and Bozhong. com platforms in 2023 for weekly health education live streams tailored to different audiences. Collaborating with authoritative media, it aims to reach a broader audience with live health education streams, where experts will respond to viewer questions, facilitating access to specialized knowledge.
- Sichuan Jinxin Xinan Hospital (Bisheng) disseminates articles and videos on assisted reproduction, pregnancy, gynecology, and andrology to the public through social media and live streaming, enhancing patient health management. The hospital has published 158 posts on its WeChat official account, published 120 video posts, and conducted 92 live streams across various platforms.



Publishe

158

posts on its WeChat official account



Published

120

video posts



In-hospital health education

Hospitals engage directly with patients through various channels like health education slogans and columns, health brochures, and specialized lectures, effectively disseminating health knowledge and aiding in enhancing treatment outcomes.

- Hospitals periodically organize offline health education lectures led by experts tailored to their unique service offerings, aimed at addressing patients' queries and concerns.
- Hospitals have established dedicated areas for promoting science within their premises and conduct targeted offline health education sessions and distribute manuals catering to the needs of different patient groups.
- Wuhan Jinxin Hospital has introduced a series of science and health videos on its WeChat Channel, focusing on trending topics to deliver professional health knowledge in an engaging and accessible manner.
- Diverse Educational Formats: Jiuzhou Hospital and Hewanjia Hospital have expanded their health education efforts to include offline lectures, nursing health mini-classes, and health and fitness mini-classes, providing platforms for patient inquiries and knowledge sharing.
- Sichuan Jinxin Xinan Hospital (Bisheng) employs a variety of methods to deliver patient education, including multi-lingual information, videos, face-to-face interactions, textual precautions, QR code instructions, and live demonstrations, ensuring that educational content reaches patients effectively. The hospital also hosts "good pregnancy" classes and patient sharing sessions, available both online and offline, to foster a community of support and learning. For patients unable to visit the hospital, the hospital organizes groups inviting clinical doctors to offer answers to questions, ensuring all patients have access to reliable information and support.



Popularization of Social Health Knowledge

In addition to conducting health education and promotion within the hospital, our affiliated hospitals actively engage in community outreach by organizing free clinics, salon-style lectures, and exhibitions in nearby communities. These activities aim to disseminate health knowledge and educate the public on medical, health, and wellness topics using language that is accessible and easy to understand. The goal is to inspire more individuals to embrace healthier lifestyles. For instance, Shenzhen Zhongshan Hospital has hosted lectures emphasizing the significance of understanding fertility. Wuhan Jinxin Hospital has conducted numerous free clinics, health talks, and community events. Jiuzhou Hospital and Hewanjia Hospital have offered free clinics in local communities, covering a range of specialties including internal medicine, gynecology, traditional Chinese medicine, and vaccinations. Sichuan Jinxin Xinan Hospital (Bisheng) has participated in events like Women's Day and health-related talks at the China Mobile Sichuan Branch, and in collaboration with the Ziyang Traditional Chinese Medicine Hospital and Jinjiang Maternal and Child Health Care Hospital, it has also organized lectures on integrated traditional Chinese and Western medical treatments for infertility.

>> Actively Reinforcing Patient Communication

Understanding the critical role of doctor-patient communication in hospital operations, Jinxin Fertility has implemented a holistic communication platform. This ensures that patients receive ample information and support at every phase of their diagnosis and treatment journey. As a result, patients' awareness of medical services is heightened, and their trust in healthcare professionals is strengthened, effectively preventing and addressing any potential doctor-patient conflicts.

Communication measures for patients throughout the whole process



During

Diagnosis

and

Freatmen

Online consultation: Customer service personnel regularly monitor the health status of patients and promptly provide health consultations along with introductions to relevant health science popularization articles.

On-site consultation: First-time patients receive consultation and Q&A services, including introductions to the hospital's specialties, medical team, and diagnostic and treatment services, assisting patients throughout the entire diagnostic and treatment process.

Before starting treatment, medical staff provide detailed and clear explanations about the treatment, including the patient's condition, basis for treatment, and potential issues that may arise, allowing patients to choose whether to proceed with the treatment and examinations.

After Diagnosis and Treatment

Patients are offered multiple channels for communication and exchange, including online, offline, and external channels. Online channels include a 24-hour complaint hotline, the director's mailbox, and patient satisfaction surveys; offline channels comprise suggestion boxes within the hospital area and office communications; external channels include the "12345" complaint hotline, local letters sent to offices, and the mayor's mailbox.

During the patient care process, each hospital establishes specific protocols and communication guides for managing patient relationships. Medical personnel are systematically trained in patient relationship management and communication techniques to ensure interactions between staff and patients are conducted professionally and effectively, fostering positive doctor-patient relationships. When patient feedback is received, hospitals promptly assess the situation and address it with colleagues from relevant departments, and will then provide feedback to the patient on corrective actions and recommendations, so as to prevent the recurrence of similar issues and complaints.

Moreover, hospitals conduct regular, comprehensive patient satisfaction surveys to gain insight into patients' actual experiences and needs, facilitating ongoing service quality improvements. For instance, Shenzhen Zhongshan Hospital has implemented a system for evaluating patient visits, sending out feedback requests via SMS at around 6 pm every evening to gather feedback on patients' service experiences in a timely manner. In 2023, the hospital served 300,362 outpatient visitors, with 13,891 receiving feedback requests through the WeChat official account, equating to a feedback rate of 4.62%. Of the feedback received, 527 suggestions for improvement were made, with about 80% of these suggestions being actioned upon to optimize services.

Our commitment extends to developing a group-wide system for monitoring and managing medical disputes, aiming for effective resolution and management of such issues post-occurrence:



Emphasizing timely communication between institutions and patients

In the event of a medical dispute, we mandate that hospitals promptly initiate dialogue with patients or their families to thoroughly understand their concerns and demands. Through proactive communication, hospitals can alleviate the emotional distress of patients, demonstrating a commitment to addressing and resolving the issue at hand



Assisting institutions with comprehensive investigations

The assistance includes gathering pertinent evidence, reviewing medical records, and consulting medical staff to ensure a thorough comprehension of the dispute.



Supporting institutions in devising specific corrective actions

Drawing on the findings from dispute investigations, we guide hospitals in developing practical measures aimed at preventing the recurrence of similar issues.



Training and education

All medical personnel undergo specialized training to enhance adherence to medical standards and improve communication skills, thereby elevating the quality of medical services and patient satisfaction, ultimately mitigating the risk of medical disputes.



Requiring the establishment of a specialized file management system

Hospitals are instructed to meticulously document each medical dispute and maintain records for future tracking and analysis. Summarizing and learning from past disputes provide invaluable insights for future governance.



Conducting regular assessments

We systematically review the effectiveness of medical dispute management practices, examining the application and outcomes of implemented strategies, to promptly discover and address any issues.



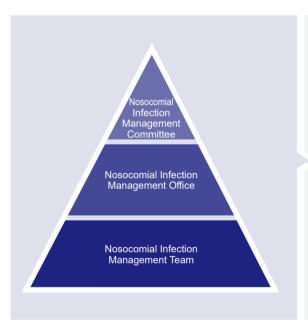
Adhering to the Lifeline of Medical Safety

>> Improving Hospital Infection Prevention and Control Management

The management of hospital infections is crucial for ensuring the quality of medical services and the safety of patients. It encompasses several critical aspects, including aseptic techniques, disinfection and isolation, management of medical devices, hand hygiene, control of multi-drug resistant organisms, occupational safety, and medical waste disposal.

Hospitals within the Group have established a three-tier nosocomial infection management system consisting of the Hospital Infection Control Committee, Hospital Infection Control Office, and Departmental Hospital Infection Control Teams. This system is tasked with the creation of protocols for controlling infections within the hospital and ensuring the effective execution of various infection control measures. Based on the specific needs and conditions of each hospital, the Group sets forth nosocomial infection quality control metrics, conducting regular onsite visits to assess the fulfillment of these metrics and the development and application of the hospital infection management protocols.

Three-tier nosocomial infection management system





Nosocomial Infection Management Committee: Tasked with developing and overseeing the enforcement of regulations and standards for the prevention and control of hospital infections, and clearly defining the responsibilities of different departments and staff in the effort to prevent and control nosocomial infections. It also creates work plans for nosocomial infection management, along with conducting assessments and evaluations of the execution of the plans.



Nosocomial Infection Management Office: Operates under the guidance of the Committee, taking comprehensive responsibility for the quality management of nosocomial infections within the hospital.



Nosocomial Infection Management Team: Comprised of the department head, chief nurse, and other pertinent staff, this team is charged with overseeing all aspects of nosocomial infection management within their specific department

In 2023, the Group's Quality Control Department is dedicated to aligning with national regulations and industry standards and continuously refining the organization's internal frameworks and workflows. Through enhanced training and regular oversight, we are committed to ensuring these systems and procedures are effectively implemented. This year, we have developed several key documents, including the *Nosocomial Infection Management Manual*, *Quality Control Indicators for Nosocomial Infection Management (2023 Edition)*, and the *Targeted Surveillance Plan and Implementation Scheme for Multi-Drug Resistant Bacteria*. Additionally, we have disseminated notices on training regarding the prevention and control of nosocomial infectious diseases, monkeypox diagnosis and treatment, along with recommendations for mask usage during the winter respiratory disease season, all as part of our effort to bolster infection management across the board.





System and quality control: The Group has rolled out monitoring schemes, work manuals, three quality control metrics, and three sets of management directives to ensure a structured approach to infection control



Enhanced training: Training at the group level has been expanded to include nosocomial infection departments and teams across 13 institutions, employing innovative training methods that encourage lectures by internal staff to foster professional engagement and ensure the training is clinically relevant. Throughout the year, five sessions were conducted, focusing on new standards, control measures in critical departments, and infectious disease management.



Routine inspections and guidance: On-site inspections are conducted to verify the adequacy and adherence to procedures, particularly ensuring comprehensive coverage in critical areas such as delivery rooms, operating theaters, and neonatal units. These inspections aim to identify and address both unique and common challenges, with targeted training sessions and corrective actions organized as necessary.



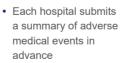
Management of quality control indicators: At the start of the year, the nosocomial infection management quality control indicators were updated, with ongoing monthly monitoring and feedback to maintain high standards of infection control.

>> Strengthening Adverse Event Management

We dedicate ourselves to providing robust safeguards for the proactive prevention of issues in medical services through an array of forward-thinking quality management strategies. The Group has developed a centralized adverse event reporting and monitoring management system, encouraging all affiliated institutions to actively report adverse incidents. These events are then categorized and subjected to statistical analysis. Through this analytical process, we can pinpoint frequently occurring and significant events, thereby aiding our institutions in identifying potential issues and risks. This approach lays a scientific foundation for the creation of effective prevention strategies:

Management Procedures for Improvement of Medical Adverse Events Facilitated by Jinxin Fertility





Preliminary Research

 Gather perspectives on the adverse medical event from involved doctors, participants, other medical staff, and management



On-site Supervision

 During on-site supervision, visits are made to each institution to oversee the management of adverse medical events



Root Cause Analysis

 Utilizing relevant tools, we collaborate with the concerned staff member of the hospital to jointly investigate the root causes of adverse medical events



Guidance and Rectification

 Based on the identified root causes of confirmed adverse events, we provide specific guidance to each hospital, aiming to enhance the management of medical quality



Management Measures of Jinxin Fertility for Improvement of Medical Adverse Events Facilitated



Targeted Training

Based on the analysis of adverse events within each institution, the Group conducts targeted training and educational programs at the group level to bolster the professional competencies and safety consciousness of medical personnel.



Optimizing Medical Process and System

The Group aids in refining medical procedures and policies to minimize the risk of adverse events. This encompasses enhancements in medical record management, fortification of surgical safety checks, and the standardization of medication protocols.



Improving Emergency Plan

Additionally, support is extended to each facility to improve emergency response plans, ensuring collaborative and efficient action in the face of incidents for swift and effective resolution.



Evaluating Effectiveness of Prevention

Institutions are encouraged to routinely assess the impact of preventative measures, gathering insights and lessons to incessantly refine and enhance these strategies. Through persistent improvement efforts, the quality of medical services is elevated, safeguarding patient well-being.



Improving Post-event Response Management

The service management framework is also enhanced, incorporating the Quality Service Office, Quality Control Office, and Supervision Office at the Group level, along with the Quality Service Office and Medical Affairs Department at the healthcare facility level. Furthermore, at the departmental level within healthcare facilities, quality service specialists and department heads take on primary responsibility for addressing concerns. These organizational structures and systems, alongside regular oversight activities, furnish robust support for responding to incidents, ensuring patient feedback and complaints are addressed promptly and efficiently, thereby continuously advancing the standard of medical services.

>> Ensuring Patient Medication Safety

Recognizing the pivotal role of medication safety within the healthcare sector, we encourage all affiliated hospitals to develop and enact a comprehensive, standardized medication management system. This encompasses critical aspects including medication procurement, storage, labeling, usage, and monitoring. The aim is to minimize the risk of adverse drug reactions through meticulous management. Such a system not only elevates the standard of clinical medication use but also bolsters patient confidence in the hospital's medication safety, thereby offering patients a stronger layer of protection. Through these initiatives, we aspire to enhance the quality of medical services while fostering a safer, more reassuring healthcare environment for patients.

Process Management System for Medication Safety



- We advocate for the development and execution of medication safety protocols across all hospitals. For instance, Hewanjia Hospital has established the Antibacterial Drugs Group Management System, Anesthetics and Psychotropics Management System, High-risk Drug Management System, and Prescription Review System. Similarly, Jiuzhou Hospital has introduced the System for the Rational Clinical Use of Medications.
- Storage environment management: Drugs are stored meticulously according to specific storage requirements. Hospitals provide complimentary ice packs for medications that must be kept between 2-8°C.

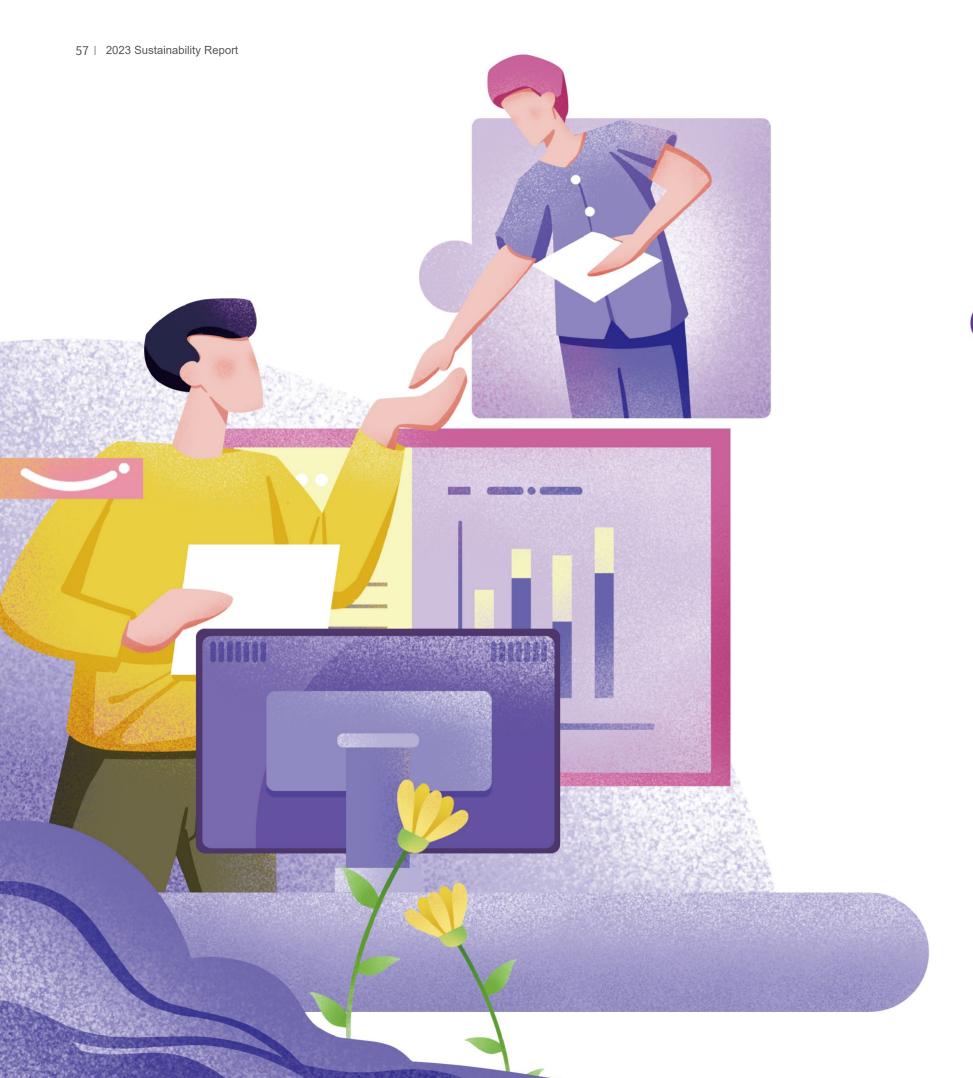


- High-alert medication management: Hospitals implement special management strategies
 for high-alert medications, including marking dispensing lists, medication use labels, and
 administration orders, as well as affixing warning labels on dedicated storage cabinets, to
 prevent patient harm from misuse.
- Dispensing process management: The procedures for the usage of medications and injections are clearly defined, alongside optimizing the review and dispensing of prescriptions, aiding medical personnel in ensuring patient medication safety throughout the treatment process.
- Medication use management: Physicians prescribing high-alert drugs must rigorously assess safety and verify patient information, adhering to the recommended dosages provided in the drug package inserts. Nurses are expected to distribute medications following an independent double-check system and closely monitor patients for any adverse reactions post-medication to guarantee the safe and judicious use of high-alert medications.



- Each hospital is tasked with creating a dynamic monitoring and exceptional early warning system for the use of medications in clinical settings, adhering to the "suspect and report" principle for potential adverse drug reactions. Staff members are encouraged to actively report and manage any suspected adverse drug reactions.
- In line with the *Drug Recall System*, any drugs with quality and potential safety hazards identified by the *National Medical Products Administration*, drug manufacturing companies, or within the Group itself are to be promptly recalled following established procedures. For instance, HRC Fertility conducts regular inspections of drug quality. Should there be any serious adverse reactions or incidents resulting from drug quality defects, HRC Fertility will cease the use of the affected drugs, initiate a recall for the problematic medications, and undertake studies on the drug's side effects to ascertain the origins of such side effects or incidents.

To further raise medication safety awareness among medical personnel, hospitals under Jinxin Fertility periodically conduct medication safety-themed training sessions for all hospital medical staff.



04

Caring for Employees, **Facilitating Common Growth**

Jinxin Fertility recognizes that employees constitute the core force behind enterprise development. Therefore, we prioritize safeguarding employees' fundamental rights and benefits and are dedicated to fostering a fair and harmonious workplace environment. We offer a range of diverse training programs to support our employees' ongoing exploration of various career paths and assist them in defining their career plans, thereby fostering their holistic career development.



Protection of Employee Rights and Interests

We strictly adhere to pertinent laws and regulations, including the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, and the Social Insurance Law of the People's Republic of China. concerning employee recruitment and rights protection. This ensures the comprehensive protection of employees' legitimate rights and interests throughout the recruitment and dismissal processes.

Management Policy on Employee Rights and Interests



- @ Recruitment: To ensure that our employees are not subjected to workplace discrimination based on factors such as gender, race, nationality, marital status, physical attributes, family background, geographical origin, or religious beliefs, we uphold the principle of equal employment, advocate for employee diversity, and vehemently oppose all forms of discrimination. For detailed information on our initiatives promoting employee diversity and anti-discrimination policies, please consult the official website of the Group. We developed the Employee Handbook in compliance with the requirements outlined in relevant laws and regulations across our operational locations.
- Dismissal: We standardize and enhance the management of employee resignations and dismissal procedures, comprehensively safeguarding the legitimate rights and interests of employees throughout the dismissal process.



- Promotion: We offer employees open, transparent, and equitable promotion pathways. We standardize cadre management and tailor the development and updating of relevant management systems to suit the unique characteristics of each hospital. In our commitment to fostering the professional growth of our employees, we have established a mentorship program aimed at providing guidance and support to enhance their skills and promote their physical and
- Salary: We firmly uphold the principle of equal pay for equal work and regularly review and adjust employee salaries in accordance with local market rates and living standards as mandated by relevant laws and regulations in the operating region.
- Development: We develop an annual Target Responsibility Statement and conduct performance evaluations on an annual, semi-annual, or monthly basis, tailored to different grades and positions. These evaluations serve as the basis for salary adjustments and position advancements.



- Working hours: We implement various working hour systems, including standard working hours, comprehensive working hours, and irregular working hours, based on the specific circumstances. Clinical medical staff in hospitals adhere to a comprehensive working hour system, whereas employees in the functional logistics management department follow a standard working hour system.
- Overtime: The working hours of functional departments is in strict accordance with stipulated arrival and dismissal times, while clinical departments organize shifts according to patient service requirements. Employees are granted reasonable time off, provided that their absence does not impede operations or leave positions vacant. Authorization with signature approval is required if there is a need to work overtime or be on-duty. Additionally, the Human Resources Department routinely reviews and analyses employees' monthly working hour records. For positions requiring frequent overtime, we engage with department heads to identify the reasons for overtime and implement appropriate measures such as staffing adjustments and arranging support from other departments.

Holidays: In accordance with the relevant laws and regulations of the operating region, we observe national statutory holidays and provide paid leave entitlements such as annual leave, bereavement leave, sick leave, maternity leave, etc. Additionally, we offer additional welfare annual leave to all employees.

To prevent child labor and forced labor, we strictly adhere to relevant laws and regulations and prohibit their employment. During the recruitment process, we rigorously verify the age and employment status of applicants to ensure compliance with legal requirements and avoid hiring minors below the legal age. We implement preventive measures against potential forced labor, such as establishing reasonable work schedules, avoiding excessive overtime, and ensuring that employees engage in work voluntarily and equitably.

We have established a labor union dedicated to addressing issues for both the Group and employees. The union plays a vital role in providing support for employees, coordinating labor relations, facilitating employee communication, and organizing employee activities. We prioritize employee participation, respect their opinions, and foster an open and transparent communication mechanism. Through avenues such as the labor union, staff congress, satisfaction surveys, and regular meetings with department heads, we actively listen to employees' feedback and address their concerns promptly.

Building an Equal and Diversified Platform

In terms of salary and welfare management, we consistently adhere to relevant national and local laws and regulations to ensure the comprehensive protection of employees' legitimate rights and interests. To promote a healthy work-life balance among our employees, the Group has developed the Group's Remuneration Management Measures, which outline and elucidate key aspects such as salary quidelines, accounting methodologies, and welfare benefits. Our objective is to establish a fair, equitable, and competitive remuneration system that encourages employees to unleash their full potential and make significant contributions to the Company's development. Concurrently, we prioritize the well-being of our employees and strive to enhance their job satisfaction, thereby bolstering team cohesion and overall performance.



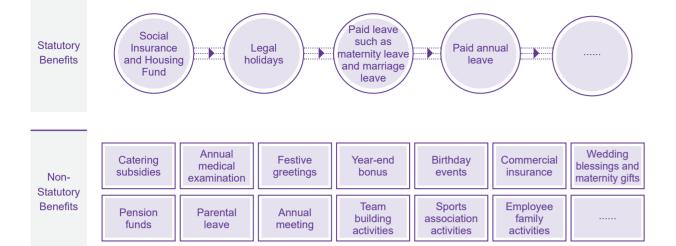
Salary Incentives

In terms of incentives, the Group has introduced the Employee Stock Ownership Plan and initiated the Restricted Share Unit Plan. These initiatives offer key medical and managerial personnel the opportunity to acquire ownership stakes in the Company, enabling employees to partake in the Company's successes and fostering a sense of shared accomplishment. This approach serves to inspire employees to work with enthusiasm and collectively contribute to the Company's growth.

The Group's compensation and performance system comprises both fixed salary and variable performance-based salary components. Fixed salary is determined according to factors such as the employee's position, level, and work experience. On the other hand, variable performance-based salary is contingent upon the employee's performance and may constitute more than 50% of the total salary. In addition, the Group has instituted employee service awards to recognize and reward employees who have completed 5, 10, and 15 years of dedicated service.



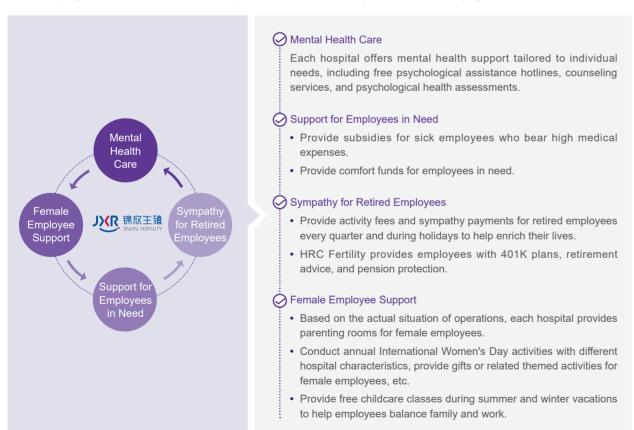
Employee Benefits of Jinxin Fertility (Mainland China)



In 2023, the Labour Union Committee of Chengdu Jinxin Medical Investment Management Group Co., Ltd. and the Labour Union Committee of Sichuan Jinxin Xinan hospital were consecutively awarded the honor of Five-Star Labour Union in Chengdu. This recognition underscores our commitment to and success in fostering employee engagement and welfare initiatives.

Employee Care

The Group prioritizes addressing the life and spiritual needs of employees and provides mental health protection and assistance support. Additionally, we pay special attention to the well-being of retired employees, support the development of female employees, and endeavor to alleviate post-work difficulties and pressures for all employees.



In April 2023, in anticipation of the forthcoming Universiade, the Group organized an event themed "Burning the Flame of Youth, Welcoming the Universiade," drawing participation from over 30 staff members. Through collaborative teamwork and interactive games, the event ignited the youthful vigor and team camaraderie among the staff. Moreover, it bolstered cohesion and fostered a deeper understanding among colleagues, infusing fresh vitality and momentum into both the Group's development and the personal growth of its staff.

Creating a Happy and Harmonious Workplace Environment

Drawing participation from over

staff members

We strictly follow the requirements of the *International Labour Organization Conventions*. In line with our commitment to diversity, equality, and inclusion, we have developed a comprehensive set of policies and systems, including the *Equal Employment Policy, Diversity Recruitment Policy*, and *Anti-Discrimination and Anti-Harassment Policy*. These measures are designed to prevent incidents of discrimination and harassment in the workplace, supported by a robust mechanism for lodging and addressing complaints. In our recruitment practices, we implement various measures to achieve a balanced gender ratio and recruit individuals from diverse cultural backgrounds. For instance, we have established a professional group dedicated to welcoming ethnic minorities, employed ethnic minority nurses, and implemented specific welfare and support measures for female staff.

We value employee diversity and provide periodic training and guidance. We continuously monitor and manage the diversity of our workforce, and conduct periodic reviews to assess the diversity levels within the Group. Additionally, we organize regular anti-discrimination and sexual harassment awareness campaigns to enhance employee understanding and vigilance regarding these issues.



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Motivating the Growth of Employees

We are dedicated to establishing a comprehensive employee career development and training system aimed at providing clarity regarding employees' career trajectories and establishing a systematic mechanism for promotion and training. In 2023, we introduced the Management Measures for Employee Participation in Continuing Education Training, the Management Measures for Employee Participation in Academic Degrees and Professional Certificate Training, and the Management Measures for Internal Trainers. These initiatives were implemented to standardize employee training and development processes.

Talent Planning

The group actively recruits outstanding talents and cultivates human resources for future development through diverse recruitment channels and collaborations with universities. We have initiated the Global Partner Selection Program to identify industry-leading partners, aiming to strengthen the Group's talent pool and facilitate long-term stable development.

Additionally, we have devised a series of measures to facilitate employee career development and foster the establishment of career development channels within the organization.



Managing Partner "Talent Acquisition Program"

Hospital management experts with global vision, industry regional influence and resources, keen industry insight, strong change response and internal management

Start-up Partner "Winning Talent Program"

Research

Partner

"Smart Talent

Programme"

Industry pioneers in fertility-related fields, leaders of unicorn enterprises in related industries and other top partners in the professional fields of digitalization, medical Internet and scientific and creative industries

Top well-known scientists in the field of reproductive health, scientific research talents and product R&D talents focusing on production, learning and research in reproductive-related fields

Our organizational structure is flat and dynamic, enabling swift communication of feedback from each level and partner. This facilitates prompt decision-making in the rapidly evolving market environment, ensuring efficient utilization of talent and resources in alignment with our shared mission and values.

Through our "connotative + extension growth" strategy and "offline + internet" approach, we enhance scientific research and clinical capabilities, bolster talent training and innovation, and leverage Jinxin's international platform to facilitate extensive learning and exchange opportunities.

Career Advancement

In terms of employee promotion, we offer clear promotion pathways tailored to two main tracks: managerial and technical talent development. Employees are guided along their career development journey based on their individual aspirations, with corresponding resources provided to support their growth. Different job levels entail distinct promotion channels and systems. We adhere to the national professional title promotion system's age restrictions for medical personnel and also establish internal promotion qualification criteria. For example, the professional title promotion system for nursing personnel ranges from N0 to N4, while medical personnel progress from basic physician to deputy director and director roles. Promotion criteria for Group headquarters employees take into account factors such as educational background and years of service. In 2023, the Management Measures for the Selection and Appointment of Cadres of Jinxin Fertility Group, issued at the group level, outlined the standards and procedures for cadre selection and appointment.





Managerial talent: With leadership, excellent management skills

Technical talents: have academic influence, scientific research ability, operation ability and creativity ability



Training to Empower

To effectively implement the aforementioned policy, we remain proactive in nurturing our employees' professional growth and development. Leveraging the resources of Jinxin Academy, we harness the benefits of our learning platform to conduct various training initiatives. These include new staff orientation sessions, internal training sessions focused on professional content, practical skill-building workshops, and more, offering employees access to diverse learning resources and opportunities. We integrate offline courses with online learning activities to ensure continuous enhancement of employees' professional capabilities. At the same time, we have established an internal trainer system, encouraging every employee to become a lecturer and incentivizing knowledge sharing through a lecturer points system. We are committed to providing our employees with enhanced career development prospects and robust training support, thereby fostering mutual growth and advancement within the Group.



2023 annual training course on improving the management ability of middle-level cad

In December 2023, the 2023 Training Course on enhancing the management capabilities of middle-level cadres was jointly organized by the Human Resources Department of Sichuan Jinxin Xinan Hospital and the Human Resources Department of the Group. Fifty-eight management cadres from various departments, including directors, principals, and head nurses, participated in the training. The training delved into two key topics: "The Art of Departmental Management" and "Building Brand Departments." Topics covered included understanding management principles, the fundamental steps and processes of management, essential modules and roles in management, elevating departmental management proficiency, nurturing departmental culture, the interpersonal roles of mid-level leaders, fostering effective team leadership, cultivating excellence

within teams, and establishing brand departments. Through experiential sharing, case analyses, interactive discussions, group competitions, and other engaging formats, the training introduced modern management frameworks, philosophies, tools, methodologies, and technologies. This comprehensive training not only enhanced the professionalism and management skills of the cadres but also infused new vitality and motivation into the hospital's development endeavors.



Building a Healthy Working Environment

In ensuring the occupational health and safety of our employees, we rigorously adhere to the Labor Law of the People's Republic of China, the Fair Labor Standards Act, Employment Discrimination Laws, the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, the Diagnosis Standards for Suspected Occupational Diseases, Safety Production Management System, Management System for the Use of Personal Protective Equipment, and other relevant laws, regulations, and standards. This commitment underscores our dedication to fostering a healthy and safe working environment for our employees, safeguarding their legitimate rights and interests.

To ensure the occupational health and safety of our employees, we have implemented a robust occupational health and safety management system. This includes the formulation of relevant management protocols, provision of annual health examinations, conduct of personal radiation dose testing, implementation of special occupational health assessments, and provision of protective equipment. Additionally, we conduct regular occupational health and safety training sessions and emergency drills. Through these measures, the Group proactively identifies and addresses occupational health and safety concerns in a timely manner, thereby safeguarding the physical health and safety of our employees. We remain committed to prioritizing the occupational health and safety of our workforce and will continue to strive towards creating a safe and healthy working environment for all employees.





Management Mechanism and System Improvement

- Each hospital under the Group shall formulate a corresponding management system according to its actual situation, standardize employees' occupational health and safety management in business operations, and report the management situation to the Group regularly.
- Formulate management systems, such as the Safety Production Management System and the Personal Protective Equipment Use Management System, according to the operation location.





Daily Protection and Supervision

- Provide annual health examinations for all employees.
- Individual radiation dose testing is conducted quarterly for all radiology department employees.
- All radiology department employees are required to undergo special occupational health examinations in qualified hospitals every two years.
- Provide special protective equipment for radiology staff.





Create a Safety Culture

- Provide annual training to all employees and the radiology department on needle-stick injury protection, radiology staff training and assessment, radiation accident emergency response plan, occupational safety protection, and other occupational health and safety-related topics to help employees master relevant protection knowledge.
- Regularly carry out emergency drills such as elevator rescue and hazardous chemical leakage emergency treatment every year to improve employees' emergency handling capabilities.

Hospital Infection Management

To create a healthy and safe working environment, we are committed to enhancing our hospital infection management system and processes continually. This involves organizing comprehensive training sessions throughout the Group, offering detailed guidance on daily inspections, and rigorously monitoring key quality control indicators related to hospital infections.



Monitoring Program Improvement

- In 2023, the group hospital formulated and issued three monitoring plans, work manuals, quality control indicators, and three management requirements.
- The key quality control indicators for hospital sensing management were revised for each organization at the beginning of the year and are monitored monthly, with feedback loops in place.



Enhancement of Training

- Organize enhanced training for the entire group, expanding the training scope to include hospital infection departments in thirteen institutions and hospital infection management teams in various departments.
- The training methods have been optimized, encouraging personnel from hospital infection departments of various institutions to serve as keynote speakers, in order to stimulate their enthusiasm for improving their professional abilities and ensure the clinical practicality of the training content.
- In 2023, five training sessions were organized, including interpreting the newly released national hospital infection management standards, hospital infection prevention and control in key departments, and prevention and control of infectious and epidemic diseases.



Daily Inspection Guidance

- We focus on on-site inspections, focusing on the adequacy of the institutions' systems and processes as well as their implementation. In particular, we carry out comprehensive inspections of key aspects such as maternity wards, operating rooms and neonatal units.
- Through inspections, we identify individual and common problems in each institution's management and make recommendations for rectification.
- We organize targeted training and supervise the completion of rectification to promote the continuous improvement of system processes.

The Group's performance in terms of employee occupational health and safety is demonstrated by the 381 hours lost by employees due to work-related injuries in 2023.



05

Corporate Citizenship and the Warm Act of **Giving Back to Society**

Jinxin Fertility is dedicated to offering high-standard medical solutions and endeavors to make a significant contribution to fostering better lives in practical ways. We strive to enhance the accessibility of healthcare, enabling more families to benefit from the advancements in modern medicine. By proactively addressing societal needs, we continuously engage in public welfare activities, taking concrete actions to meet the public's needs and boost their happiness and well-being.



Expanded Free Clinic Activities

Embracing our social responsibility, Jinxin Fertility is devoted to community involvement and philanthropic efforts. Understanding the crucial role of health education, we encourage community members to gain knowledge about health and disease, fostering correct health concepts. Through organizing regular free clinics and health education initiatives, we offer complimentary professional medical services to the public, enhancing the reach of health services and mitigating health risks among the community.

For instance, in 2023, Shenzhen Zhongshan Hospital targeted enterprises and organized 44 health lectures and 31 free health clinics, serving 26 corporate and institutional entities. Moreover, the hospital introduced preferential policies catering to specific occupational groups such as medical personnel, teachers, public security officers, as well as underprivileged families and individuals planning for more children, to address their health needs. Wuhan Jinxin Hospital, Jiuzhou Hospital and Hewanjia Hospital, and Sichuan Jinxin Xinan Hospital (Bisheng) conducted 63, 33 and 200 free health clinics respectively, actively disseminating health information to the community.

Furthermore, we actively engage in academic interactions and lectures with obstetricians within the same field, fostering the sharing and exchange of professional knowledge.



Shenzhen Zhongshan Hospital

It participated in the 6th International Symposium on New Advances in Reproductive Immunology, where industry experts collectively explored research findings and technological advancements within the realm of reproductive immunology.





Hewanjia Hospital

On December 1, a free clinic was successfully conducted at the Xiaoximen Community folk customs and public welfare market. This event saw the collaboration of the internal medicine, gynecology, and vaccination departments, delivering professional medical services to the residents of the community.







Jiuzhou Hospital

From July 1 to 2, Jiuzhou Hospital set up a free clinic for children's prepuce health in the summer vacation in Tianjiao Beilu Community.







Wuhan Jinxin Hospital

On November 23, the hospital organized a free clinic event in the Jucai Community, Huaqiao Street, Jiang'an District.







Shenzhen Zhongshan Hospital

Aimed at promoting cooperation in the Greater Bay Area, the hospital held health lectures for street workers in the Shenzhen-Shanwei Cooperation Zone, emphasizing the importance of fertility.





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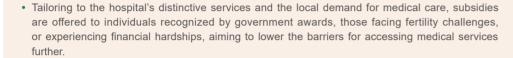
>> More Accessible Medical Services

The advancement of assisted reproductive medical services offers families facing fertility challenges the hope of fulfilling their dreams of parenthood. However, the extended duration and significant costs associated with the entire assisted reproduction process can pose a considerable financial strain on some families. To enhance the accessibility of assisted reproductive services for more families, we adopt strategies such as reasonable pricing and financial subsidies. During the reported period, Shenzhen Zhongshan Hospital conducted 19 preferential and welfare activities; Wuhan Jinxin Hospital organized 27 such activities; Jiuzhou Hospital and Hewanjia Hospital held 51 preferential and welfare events; and Sichuan Jinxin Xinan Hospital (Bisheng) engaged in 17 preferential and welfare activities.



· Each hospital adheres to the unified pricing guidelines established by the local pricing bureaus, offering medical services at prices that are deemed reasonable for patients.

Reasonable Pricina





Expense Subsidy

- · Shenzhen Zhongshan Hospital initiated various subsidy schemes, including a rebirth fertility aid program from February to March, the "Baby Plan" to assist economically challenged families from May to August, a tribute plan aiding fertility for exemplary workers, and the "Reborn for Love" support scheme for families who have lost an only child.
- · Wuhan Jinxin Hospital launched a points-based financial aid activity in 2023 through its Maternal and Child Marketing Group.
- · Sichuan Jinxin Xinan Hospital (Bisheng) offered free fertility evaluations to 3,862 individuals and extended free medical consultations to over 1,500 people.





· In 2023, Sichuan Jinxin Xinan Hospital (Bisheng) provided medication donations benefiting over 500 individuals, as part of its commitment to public welfare.



Free medication provided to over 500 people in 2023

Targeted Support to Elevate Healthcare in Minority Areas

China's tiered diagnosis and treatment system still faces challenges due to the unequal distribution of medical resources, and there is a pressing need to enhance the diagnostic and treatment capabilities of primary healthcare personnel. Jinxin Fertility is deeply involved in bolstering grassroots medical advancements. By fostering mutual aid and cooperative relationships with primary healthcare units, offering job training, organizing free medical services at the grassroots level, and jointly establishing specialist alliances and expert workstations, it aims to bolster the infrastructure and workforce of primary healthcare. These initiatives are designed to elevate the quality of services at the grassroots level, enabling more patients to access superior medical resources.



Empowering Healthcare to Fortify the "Health Line" for Rural Revitalization

Our Group has formed a targeted support relationship with Luhuo County Maternal and Child Health and Family Planning Center, deploying a support strategy that encompasses financial, technical, and talent assistance. Our group has invested over ten million Renminbi and sent 125 batches of key professionals in medical technology, anesthesia, neonatology, and administrative logistics. This effort led to the establishment of an inpatient department within the Luhuo County Center, including specialized wards for gynecology, obstetrics, neonatology, along with dust-free operation rooms and labor wards. It established nearly a hundred clinical operation norms, assisting the center in achieving the status of a second-grade, class A maternal and child health care institution. The local inpatient delivery rate increased from 65% at the start of the project to over

90%, significantly safeguarding the health of women and children. Through long-term collaborations with the government and charitable organizations, we have launched several public welfare projects, including partnerships with the Sichuan Women's Federation for campaigns like "Knowledge Publicity on Caring for Women's Health and Two Cancers", "Mother's Health Express", and "Flying Hope to Nurture Life". Working with the Saffron Crocus Public Welfare Organization, we have conducted "Warmth to Tibetan Areas — Nannan in Action" free clinic activities for years; "With You" medication donation for severely disadvantaged families; "Conveying Love to Society, Building Dreams for Happy Families" IVF treatment donation programs, among others.



Supporting the Healthy Development of Communities

Jinxin Fertility is dedicated to improving the communities it serves, addressing the needs for health development by leveraging its resource strengths. Along with the collective effort of its employees, it actively engages in community service, aiming to elevate the health standards of community residents. In 2023, through a collaborative effort across the Group and its hospitals, the company established a mechanism for continued support of community health and safety, including through donations of resources, such as the donation of water cups to the Fumin Community by Shenzhen Zhongshan Hospital.

We also encourage our employees to engage in volunteering activities, contributing to community progress. For instance, HRC Fertility introduced a "Volunteer Time Policy", granting eligible employees up to eight hours of paid leave annually to volunteer at non-profit organizations and partake in socially impactful projects.

Caring for the Underprivileged

Embracing the spirit of social responsibility, we contribute to societal harmony through various initiatives. We provide material support, such as medical equipment, medications, and essential goods, to those in need, easing immediate burdens. Furthermore, to conduct charitable activities more professionally and systematically, we established a foundation aimed at mobilizing resources to assist the underprivileged, particularly in healthcare. These actions not only offer tangible support to those facing hardships but also contribute positively to building a harmonious society.



06

Green Operation for a Better Home

We have incorporated environmental protection into our business and operational activities, advocating for environmental sustainability through effective energy and resource management practices. Furthermore, we are dedicated to implementing a green operational strategy aimed at mitigating the challenges posed by climate change and fostering the creation of an environmentally friendly living environment.



Steadily Advancing Carbon Reduction Plans

We deeply recognize the urgency and significance of environmental protection. Therefore, we consistently adhere to pertinent laws, regulations, and industry standards. We have formulated a series of policies and systems, including a robust environmental management system, which delineates the rights and responsibilities of each department. Through proactive measures, we identify and regulate environmental impacts in our business operations. We pledge to implement a comprehensive environmental management system, seeking approval from senior management or the board of directors. Our commitment entails efforts to reduce emissions, releases, and waste, while heightening environmental awareness. Additionally, we are dedicated to the efficient utilization of natural resources and energy. To ensure transparency and accountability, we will regularly report on environmental conditions via annual ESG reports. Furthermore, we engage in communication and negotiation with all stakeholders regarding environmental matters and closely monitor the Company's environmental performance.

We adhere to the concept of green operation and have established a comprehensive environmental management system. This includes standardizing resource utilization and emission management through the formulation and implementation of specific environmental management systems, such as the *Energy Conservation and Consumption Reduction Management System*. At the same time, we incorporate environmental management requirements into the performance evaluation indicators and sign the *Agreement of Environmental Protection Work Responsibility*. This ensures accountability and prevents any illegal or disciplinary behavior resulting from environmental accidents. For further details on our commitment to environmental protection, please visit the Group's official website.

Jinxin Fertility's Resource Utilization and Emissions

Resource Utilization

>

Emissions

- Energy: electricity, natural gas, gasoline, diesel, air energy
- Water resources: municipal water supply

Our environmental management system comprehensively covers a wide range of aspects, including resource utilization and emission management, hazardous waste treatment, implementation of energy-saving and emission-reduction programs, environmental protection-related training, and sustainable management of the supply chain. These measures are instrumental in ensuring the Company's compliance with environmental regulations and fostering long-term sustainability in environmental management.





Dimensions of Environmental

Management measures



 Actively promote and apply energy-saving technologies and equipment to improve energy utilization efficiency and reduce energy consumption.



 Stringent control measures are enforced to ensure that emissions adhere to national and local standards.

Dimensions of Environmental Management

Management measures



- Emergency response programs have been developed especially for the potential risks of leakage and spread of medical waste, and annual drills and training are conducted.
- Medical waste management personnel are provided with regular training in law, specialized techniques, safety and protection, and emergency handling in order to continuously improve our environmental management capabilities.



 Strengthen water management, improve water resource utilization efficiency, and reduce water consumption.

At the same time, we conduct supplier screening based on environmental criteria and supplier employee management, implementing measures to enhance the quality and safety standards of our supply chain. This enables us to optimize and elevate the environmental sustainability of our supply chain.

Through these comprehensive measures, we have successfully reduced operating costs, bolstered the Company's social responsibility image, and generated positive social value. We firmly believe that environmental protection is not only a legal obligation but also an intrinsic requirement for the sustainable development of enterprises and a crucial expression of social responsibility. We are steadfast in our commitment to environmental protection, advocating for the integration of environmental considerations into our business operations, and further fortifying our environmental protection framework. Looking ahead, we will continue to strictly adhere to relevant laws and regulations, continually enhance our environmental management system, and contribute to the realization of a more environmentally sustainable China.

With 2020 as the base year, the Group has established ESG targets aimed at enhancing its management of internal resource utilization and waste emissions. Since the establishment of these targets, the Group has intensified its environmental management efforts and implemented various measures to achieve the objectives as scheduled. During the reporting period, the Group's resource utilization and emissions were as follows:

Indicators	Unit	Progress in 2022	Progress in 2023	Targets for 2025
Intensity of Energy Consumption	Megawatt hours/ million yuan	The Group's energy consumption per million yuan of operating revenue decreased by 5.87% compared to 2020.	The Group's energy consumption per million yuan of operating revenue decreased by 18.89% compared to 2020.	34% decrease in energy consumption per million yuan of operating revenue
Intensity of Water Consumption	Cubic meter/ million yuan	The water resource consumption per million yuan of operating revenue of our Group has decreased by 26.21% compared to 2020.	The Group's water consumption per million yuan of operating revenue decreased by 21.91% compared to 2020.	20% reduction in water consumption per million yuan of operating revenue
Intensity of Greenhouse Gas Emission	Tons of carbon dioxide equivalent/ million yuan	The greenhouse gas emissions per million yuan of operating revenue of our Group decreased by 14.02% compared to 2020.	The Group's GHG emissions per million yuan of operating revenue reduced by 27.62% compared to 2020.	34% reduction in greenhouse gas emissions (Scope 1 and Scope 2) per million yuan of operating revenue
Intensity of Hazardous Waste Production	Tons/million dollars	The Group's hazardous waste production per million yuan of operating revenue have decreased by 33.90% compared to 2020	The Group's hazardous waste emissions per million yuan of operating revenue reduced by 42.58% compared to 2020.	40% reduction in hazardous waste per million yuan of operating revenue

Low Carbon Technology for Energy Saving

We are committed to implementing a series of energy management policies and measures aimed at realizing the principles of energy conservation and emission reduction. Through comprehensive participation and the reinforcement of security measures, we are actively responding to the national mandate for green development.

Our energy management system prioritizes energy conservation, emission reduction, and intelligent management. The primary energy sources consumed directly or indirectly in our business operations include natural gas, gasoline, diesel, and electricity. To regulate our staff's use of water and electricity and ensure the rational utilization of resources, we have devised a series of energy and water-related systems. In 2023, our energy usage management focuses on optimizing air-conditioning usage and enhancing energy efficiency. To fulfill the Group's social responsibility towards environmental protection, we have stipulated that the hospital's energy usage in 2023 should not exceed the amount consumed in 2022, thereby reducing per capita energy consumption. Additionally, we are progressively reducing the reliance on fossil energy and increasing the utilization of renewable energy sources. For instance, Jiuzhou Hospital employs solar and wind energy for hot water supply. The centralized hot water heating system utilizes an open-type double-tank centralized solar energy combined with an air-source heat pump water supply system. The roof layout features approximately 184 m² of solar energy effective area, with the air-source heat pump designed to provide 112.04 kW of heat per hour.

Measures for Energy Saving



- Target Confirmation: We have signed a responsibility agreement for energy saving and emission reduction, outlining the responsibilities of each organization and the criteria for assessing costs. This ensures the effectiveness and sustainability of our energy usage.
- Target evaluation: We regularly evaluate and summarize our energy saving and emission reduction initiatives, adjusting our carbon reduction strategies based on actual circumstances to ensure the attainment of our targets.



- Equipment maintenance: We conduct regular maintenance of facilities to prolong the lifespan of equipment and decrease energy consumption.
- Equipment replacement: We systematically phase out outdated equipment and replace it with new, energyefficient alternatives.



- Promoting energy-saving appliances and methods: We have established set opening hours for public facilities such as lights and air-conditioners in hospitals, and implemented brightness and temperature adjustments to further conserve energy.
- Green Building: The Southern Headquarters of Jinxin Fertility and the new hospital project in Shenzhen
 embodies green building design principles, emphasizing rational functional area layout, efficient energy
 utilization, and the use of environmentally friendly building materials to achieve energy efficiency and a
 green environment throughout its lifecycle.
- Sichuan Jinxin Xinan Hospital has transitioned from single-floor switches or panel control to centralized
 control via a central computer for air conditioning and lighting in public areas. This enables remote setting
 of on and off times and adjustment of air conditioning temperatures based on weather conditions, reducing
 unnecessary energy consumption.



- Energy-saving education: We have intensified resource conservation promotion and education efforts among all employees to ensure they understand policies, laws, regulations, and relevant documents pertaining to energy conservation and consumption reduction.
- Awareness promotion: Signs indicating the reduction of energy consumption are posted in office areas to raise employees' awareness towards resource saving.
- Green office: We encourage setting air conditioning temperatures in offices and conference rooms to reasonable temperatures, and advocate for the powering off of corresponding equipment when spaces are unoccupied for extended periods. Additionally, we actively promote the setting of equipment to power-saving mode when not in use, and advocate for the timely shutdown of equipment during prolonged periods of inactivity to minimize standby energy consumption. These initiatives aim to enhance energy use efficiency, achieve energy savings and emission reduction goals, and advance the Company's sustainable development objectives.

Strict Control of Emissions

We comply with relevant laws, regulations, and industry standards in our operating areas, including the Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes and the California Medical Waste Management Act. We rigorously handle both harmless and hazardous waste to ensure compliance with legal requirements in waste treatment and management. Our disposal of hazardous waste strictly adheres to national laws and regulations. In our operational practices, we regularly review and update our Environmental Protection Management System. This includes clarifying requirements for wastewater pretreatment methods and centralized waste disposal, as well as enhancing overall waste management to meet our goals. Each of our subsidiary institutions has established a hazardous waste management system, outlining procedures for the classification, collection, transportation, and treatment of hazardous waste. We collaborate with professional hazardous waste treatment institutions to ensure the safe and proper disposal of hazardous waste, thereby minimizing environmental impact.

Wastewater Discharge Management

Wastewater Type Processing Method and Detection Indicators



- Detection indicators: suspended solids, chemical oxygen demand, five-day biochemical oxygen demand, ammonia nitrogen, total phosphorus, fecal Escherichia coli, intestinal pathogenic bacteria, intestinal bacteria, etc.
- Processing Method: Discharge domestic sewage to the municipal network after treatment through the hospital wastewater treatment system.

Management Measures

 Conduct monthly domestic sewage testing to meet discharge standards.



- Detection indicators: suspended solids, chemical oxygen demand, five-day biochemical oxygen demand, anionic surfactants, animal and vegetable oils, petroleum, volatile phenols, total cyanide, fecal Escherichia coli, residual chlorine, pH. etc.
- Processing Method: employ a qualified third party for compliant treatment
- Regular testing: According to the requirements of law enforcement and supervision agencies, carry out equipment testing, water quality inspection, and record of drug dosage daily; invite thirdparty professional organizations to sample and test sewage.
- Pre-treatment: Wastewater is treated with sodium hypochlorite to strictly control the discharge of pathogenic microorganisms along with the wastewater.
- Third-party treatment: radioactive wastewater is stored separately and recycled by a third-party organization designated by the environmental authorities.

Exhaust Emission Management

Exhaust Type Processin

Processing Method and Detection Indicators

Management Measures



- Detection indicators: sulfur dioxide, nitrogen dioxide, soot, oil smoke, methane, concentration of odor, etc.
- Processing Method: Exhaust from sewage treatment is treated and discharged through internal facilities.
- Processing Method: Air collectors and grease filters should be installed to treat the exhaust generated from cooking in the canteen before discharge.
- Regularly check the operation of processing equipment
- Regularly clean the canteen oil fume system

Waste Discharge Management

Waste Type Processing Method Management Measures · After classified recycling, · Double-sided use of printing paper Harmless waste the municipal government is Wuhan Jinxin Hospital launches smart canteen (including household responsible for cleaning and services to reduce food waste waste) transportation. Delegate to qualified third-party • Regular cleaning and sterilization of medical for recycling waste storage sites Hazardous waste (including medical waste) • Reduction in the use of medical supplies containing mercury Regular maintenance of sewage treatment stations to prevent sludge clogging

Optimizing Water Resource Efficiency

We consistently adhere to relevant laws and regulations concerning water resource management. Additionally, we have developed the *Water Conservation Management System* and other water-related norms at the institutional level to ensure the reasonableness of our staff's water usage practices and to safeguard the effective utilization of water resources. Moving forward, we remain committed to optimizing our water resource management efforts and improving resource use efficiency. Through these initiatives, we aim to make significant contributions towards achieving our water efficiency objectives.

Our water resources are all sourced from municipal water supply and there are no water source related issues. We recognize the preciousness of water resources and are committed to continuously enhancing water usage efficiency through measures such as equipment renewal and technology upgrading. For instance, Sichuan Jinxin Xinan Hospital has installed sensor taps in the outpatient area. These taps utilize a water-saving mechanism that stops water flow when individuals move away, effectively conserving water. Additionally, we upgraded hand-operated taps in the special needs clinic to sensor taps, further advancing water resource conservation efforts.



Actively Responding to Climate Change

We are committed to combatting climate change and mitigating greenhouse gas emissions, steadfastly adhering to pertinent national laws and regulations, prioritizing green development, and earnestly fulfilling our social responsibilities. To ensure our business growth while effectively managing and reducing greenhouse gas emissions, we have devised a range of policies and measures.

In strict compliance with the regulations outlined in the *Document of the Ministry of Ecology and Environment of the People's Republic of China* concerning the reporting and management of greenhouse gas emissions, we prioritize the accuracy and transparency of emission data. Concurrently, we actively align with national strategic objectives related to carbon peaking and carbon neutrality, enacting and executing a series of emission reduction initiatives.

We have established a clear target for greenhouse gas emissions: by 2025, we aim to reduce the intensity of greenhouse gas emissions by 34% compared to 2020. This target underscores our resolute commitment to emission reduction and our proactive stance toward achieving it. To realize this objective, we have implemented the following measures:

Energy transition

We are gradually decreasing our reliance on fossil fuels while augmenting the utilization of renewable energy sources such as solar and wind energy. Concurrently, we are enhancing the efficiency of energy utilization by optimizing our facilities and equipment.

Low-carbon technological innovation

We are increasing the adoption of low-carbon technologies, including low-carbon buildings and low-carbon transportation solutions, to diminish the carbon emission intensity.

Formulation of a plan to reach the target

In line with our strategic blueprint for energy conservation and emission reduction, we have devised a detailed action plan encompassing target decomposition, task allocation, and timeline delineation. This ensures the effective implementation of energy-saving objectives across all organizational levels, fostering staff engagement and participation.

Strengthening internal management We are bolstering staff training and awareness campaigns to instill a culture of energy conservation and carbon reduction among all employees. Moreover, adhering to the carbon reduction strategic plan, we meticulously oversee energy-saving and emission reduction initiatives across our subsidiary entities.

Evaluation and Adjustment

We regularly assess and summarize our energy-saving and emission reduction endeavors and refine our carbon reduction strategies and plans in accordance with actual outcomes. This iterative process ensures the successful realization of our carbon reduction targets.

In addition, we are proactively enhancing climate resilience by conducting assessments of hospitals' vulnerability to natural disasters and associated risks, pinpointing high-risk disaster areas, and executing training, monitoring, and emergency management protocols. Concurrently, we engage with stakeholders through avenues such as ESG or sustainability reports, bolstering information disclosure to bolster our reputation and brand image. In terms of greenhouse gas emissions, we remain steadfast in our commitment to actively align with national policies and intensify our emission reduction endeavors. Through concerted efforts, we aim to make meaningful contributions to the realization of a sustainable and environmentally friendly China, thereby fostering sustainable development.

The Group remains attentive to the global climate change trajectory, integrating climate change mitigation and adaptation into its ESG management framework. In 2023, building upon the identification of climate change-related risks and opportunities completed in 2022, we have consistently enhanced our management of climate-related risks and opportunities. This includes reducing greenhouse gas emissions across Group operations and further mitigating the impacts of climate change.

Governance

 The Group's ESG working group identifies climate change risks related to the Group's business on an annual basis, assesses the impact of such risks on the Group and advises the board on risk response.

Strategy

 Evaluate the potential operational and financial impact on the Group against the significant risks and opportunities identified.

場所主殖 JINXIN FERTILITY

Risk Management

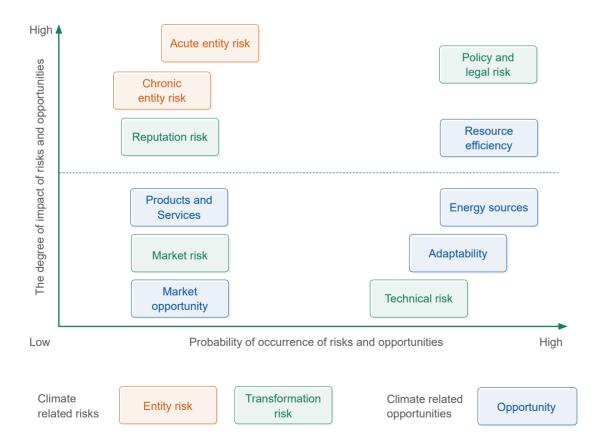
- Refer to TCFD's risk analysis framework to identify potential risks and opportunities in operational activities.
- Management actions are carried out by each department to improve energy efficiency and reduce resource consumption.

Indicators and Targets

- · Set targets for greenhouse gas emission management.
- Regularly collect greenhouse gas emission related activity data every year, conduct inter annual comparisons, and disclose them in ESG or sustainable development reports to evaluate the Company's performance in addressing climate change management.

In order to better address the potential risks and opportunities of climate change, we conduct policy research and peer benchmarking, and combine expert opinions to identify changes in climate change risks and opportunities related to operations during the reporting period, and evaluate the impact of each risk and opportunity on our finances.

Climate Change Risk and Opportunity Identification Matrix



Responses to climate risks and opportunities

Type of Measures

Specific Measures



• Identify and manage climate change risks and opportunities based on the TCFD framework.



• Develop greenhouse gas emission management goals: 34% reduction in greenhouse gas emissions intensity in 2025 compared to 2020.



- · Adhering to green office and green operation.
- Enhance energy efficiency and reduce carbon footprint by transforming equipment technologically, using energy-saving and consumption-reducing products, and strengthening publicity on resource conservation.



 Sichuan Jinxin Xinan Hospital evaluates its risks related to natural disasters at least annually, identifies high-risk projects, and implements training, monitoring, and emergency management action plans.



 Collect greenhouse gas emission related activity data every year on a regular basis, conduct annual comparisons, and evaluate the Company's performance in addressing climate change management.



• Prioritize climate change as a critical issue and engage stakeholders through channels such as ESG or sustainability reports.



ESG Quantitative Performance Matrix

The data scope of this report remains consistent with that of 2022. Discrepancies in some ESG quantitative performance metrics compared to the scope described previously are clarified in the associated footnotes.

Metrics	Unit	2021	2022	2023
	Resources U	tilization ¹		
Electricity consumption	MWh	11,850.32	21,249.12	19,001.34
Natural gas consumption	m³	319,874.00	566,061.00	508,484.51
Gasoline usage by owned vehicles	L	28,126.52	68,224.41	32,788.49
Diesel usage by owned vehicles	L	3,535.32	18,539.18	9,182.26
Total energy consumption	MWh	15,603.48	28,166.33	24,882.07
Water consumption	m³	115,767.20	228,500.00	219,975.94
Total energy consumption per unit of operating revenue	MWh/RMB 10,000	0.11	0.12	0.09
Water consumption per unit of operating revenue	Tonnes/RMB 10,000	0.85	0.99	0.79
	Emissions Mar	nagement ¹		
Discharge of domestic wastewater	m³	29,595.00	61,791.00	60,190.80
Discharge of medical wastewater	m³	86,195.08	159,980.60	160,169.09
Nitrogen oxides (NO _x) emissions	kg	105.12	105.12	188.06
Chemical oxygen demand (COD) Discharge	mg/L	66.43	78.02	89.07
Biochemical oxygen demand (BOD) emissions	mg/L	10.63	9.53	9.03
Ammonia nitrogen (NH₃-N) Discharge	mg/L	2.80	8.01	4.76
Suspended solids (SS) discharge	mg/L	12.00	8.04	10.84
Total discharge of non-hazardous waste	Ton	1,813.03	2,171.89	2,057.31
Total discharge of hazardous waste	Ton	166.29	526.76	320.28
Total emission of medical waste	Ton	165.69	524.85	319.08
Non-hazardous waste discharge per unit revenue	Ton/RMB 10,000	0.0073	0.0094	0.0074
Hazardous waste discharge per unit revenue	Ton/RMB 10,000	0.0012	0.0023	0.0011

Note 1: For 2023, the environmental performance data encompasses the Group Headquarters, Shenzhen Zhongshan Hospital, Sichuan Jinxin Xinan Hospital (Jingxiu), Sichuan Jinxin Xinan Hospital (Bisheng), Wuhan Jinxin Hospital, Chengdu Health, Chengdu Jinmai, Jiuzhou Hospital, and Hewanjia Hospital.

	Metrics	Unit	2021	2022	2023
		GHG Emission M	anagement ¹		
	Total GHG emissions	Ton CO₂e equivalent	7,663.48	2013,576.35	12,111.60
	Scope 1 GHG emissions	Ton CO₂e equivalent	778.45	1,457.98	1,275.14
	Scope 2 GHG emissions	Ton CO₂e equivalent	6,885.03	12,118.37	10,836.47
Gŀ	HG emissions per unit revenue	Ton CO ₂ equivalent/ RMB10,000	0.056	0.059	0.043
	En	nployee Employme	nt Management ³		
	Total number of employees	Person	2,548	3,158	3,273
_	Number of male employees	Person	355	459	548
By gender	Number of female employees	Person	2,193	2,699	2,752
	Number of employees under the labor contract system	Person	2,414	2,997	3,081
By type of employment	Number of employees under labor dispatch system	Person	44	128	28
	Number of employees in other employment types ²	Person	90	33	164
	Number of junior staff	Person	2,265	2,847	2,935
By job hierarchy	Number of employees at middle management level	Person	249	269	288
	Number of employees at senior management level	Person	34	42	50
	Number of employees aged under 30	Person	961	1,168	1,233
By age	Number of employees aged 30-50	Person	1,385	1,762	1,795
	Number of employees aged over 50 years old	Person	202	228	245
	Number of employees in Mainland China	Person	2,306	2,890	3,013
By region	Number of employees in Hong Kong, Macao, Taiwan, and overseas	Person	242	268	260
		Employee Tr	raining ⁴		
	Employee training coverage	%	91	97	100
Py gondor	Male staff training coverage	%	13	11	16.74
By gender	Female staff training coverage	%	87	89	83.26

Note 2: Other employment types include part-time employees, interns and rehired employees after retirement.

Note 3: For 2023, the employment performance data encompasses the Group Headquarters, Shenzhen Zhongshan Hospital, Sichuan Jinxin Xinan Hospital (Jingxiu), Sichuan Jinxin Xinan Hospital (Bisheng), Wuhan Jinxin Hospital, Chengdu Health, Chengdu Jinmai, Jiuzhou Hospital, Hewanjia Hospital and Gratia Medical Center.

Note 4: The training coverage rate for a specific category of employees is calculated by dividing the number of employees trained in that category by the total number of employees who received training, then multiplying the result by 100%.

Metrics		Unit	2021	2022	2023
		Employee T	raining ⁴		
	Training coverage rate of junior employees	%	85	90	88.35
By job hierarchy	Training coverage rate of middle management	%	13	7	10.8
	Training coverage rate of senior management	%	2	3	0.85
Averag	ge training hours per employee	Hour	17	18	25
Pygondor	Number of training hours per male employee	Hour	12	35	24
By gender	Number of training hours per female employee	Hour	18	15	25.73
	Average number of training hours per junior staff	Hour	17	14	28
By job hierarchy	Number of training hours per middle management	Hour	37	48	20
	Number of training hours per senior management	Hour	33	103	12
		Occupational Heal	th and Safety		
Nu	mber of workdays lost due to work-related injuries	Day	3	75	48
Number o	f employees who died due to work-related injuries	Person	0	0	0
Proportion o	f employees who died due to work-related injuries	%	0	0	0
	•	Employee Re	etention ⁵		
	Employee turnover rate	%	10	18	12
By gender	Turnover rate of male employees	%	15	20	12
by gender	Turnover rate of female employee	%	8	18	12
By age	Turnover rate of employees under 30 years old	%	15	20	12
by age	Turnover rate of employees aged 30-50	%	8	18	12
	Turnover rate of employees over 50 years old	%	9	22	16
By region	Employee turnover rate in Mainland China	%	7	15	9
	Turnover rate of employees in Hong Kong, Macao, Taiwan, and overseas	%	16	24	14

Note 5: The turnover rate for a specific category of employees is calculated by dividing the number of employees leaving in that category by the sum of the number of employees initially in that category plus the number of those who left, multiplied by 100%.

Metrics		Unit	2021	2022	2023
		Employee Re	etention ⁵		
	Employee turnover rate in Chinese mainland	%	8	17	13
By region	Turnover rate of employees from Hong Kong, Macao, Taiwan, and overseas	%	15	28	15
		Supplier Man	agement		
	Total number of suppliers ⁶	Number of suppliers	1,148	783	634
	Mainland China	Number of suppliers	1,040	752	599
By region	Hong Kong, Macao, Taiwan, and overseas regions	Number of suppliers	108	31	35
	iers passing the performance ion of environment, labor and ethics	Number of suppliers	875	752	612
	-	Anti-Corru	ption		
Percenta	age of employees covered by anti-corruption training	%	100	89	100
Hours	of anti-corruption training per employee	Hour	1.2	1.3	1.5
and concl	er of corruption cases brought luded against the issuer or its es during the reporting period	Case	0	0	0
	Cus	stomer Service and I	Dispute Settlement		
Number of complaints received about products and services		Case	95	119	98
Complaint handling rate		%	100	100	100
		Community Pub	lic Welfare		
Total	community charity investment	RMB 1,000	152	3,411	300

Note 6: In 2023, the data standard of supplier quantitative performance is Shenzhen Zhongshan Hospital, Sichuan Jinxin Xinan Hospital (Jingxiu), Sichuan Jinxin Xinan Hospital (Bisheng), Wuhan Jinxin Hospital, HRC Fertility, Chengdu Health, Chengdu Jinmai, Jiuzhou Hospital and Hewanjia Hospital.

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The Hong Kong Stock Exchange's ESG Reporting Guidelines (Effective From 1 January 2022)

	Part B: Mandatory Disclosure Require	
Mandatory Disclosure	e of Governance Structure	Sustainability Governance
Reporting Principles		About this Report
Reporting Boundary		About this Report
	Part C: "Comply or explain" Provis	ions
Aspects, General Disclosures and KPIs	Description	Section
A. Environmental		
Aspect A1: Emissions		
General Disclosure A1	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	6.1 Steadily Advancing Carbon Reduction Plans 6.2 Low Carbon Technology for Energy Savin 6.3 Strict Control of Emissions
KPI A1.1	The types of emissions and respective emissions data.	6.1 Steadily Advancing Carbon Reduction Plans 6.3 Strict Control of Emissions ESG Quantitative Performance Matrix
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).	
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	ESG Quantitative Performance Matrix
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	6.1 Steadily Advancing Carbon Reduction Plans 6.2 Low Carbon Technology for Energy Savin 6.3 Strict Control of Emissions
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.	6.1 Steadily Advancing Carbon Reduction Plans 6.3 Strict Control of Emissions ESG Quantitative Performance Matrix
Aspect A2: Use of Res	ources	
General Disclosure A2	Policies on the efficient use of resources, including energy, water and other raw materials.	6.1 Steadily Advancing Carbon Reduction Plans

Aspects, General Disclosures and KPIs	Description	Section
Aspect A2: Use of Res	sources	
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).	ESG Quantitative Performance Matrix
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	ESG Quantitative Performance Matrix
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	6.1 Steadily Advancing Carbon Reduction Plans 6.2 Low Carbon Technology for Energy Saving 6.4 Optimizing Water Resource Efficiency
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.	6.1 Steadily Advancing Carbon Reduction Plans 6.4 Optimizing Water Resource Efficiency
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The Group's business is ARS and does not involve production, so this index is not applicable
Aspect A3: The Enviro	nment and Natural Resources	
General Disclosure A3	Policies on minimising the issuer's significant impacts on the environment and natural resources.	6 Green Operation for a Better Home
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	6 Green Operation for a Better Home
Aspect A4: Climate Ch	nange	
General Disclosure A4	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	6.5 Actively 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.	6.5 Actively Responding to Climate Change
B. Social		
Employment and Labo	our Practices	
Aspect B1: Employme	nt	
General Disclosure B1	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	4.1 Protection of Employee Rights and Interests 4.2 Building an Equal and Diversified Platform 4.3 Creating a Happy and Harmonious Workplace Environment
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	ESG Quantitative Performance Matrix
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	ESG Quantitative Performance Matrix
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Aspects, General Disclosures and KPIs	Description	Section
Aspect B2: Health and	Safety	
	Information on:	
	(a) the policies; and	
General Disclosure	(b) compliance with relevant laws and regulations that	4.5 Building a Healthy Working Environment
B2	have a significant impact on the issuer	3.3 Adhering to the Lifeline of Medical Safety
	relating to providing a safe working environment and protecting employees from occupational hazards.	
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	ESG Quantitative Performance Matrix
KPI B2.2	Lost days due to work injury.	ESG Quantitative Performance Matrix
KPI B2.3	Description of occupational health and safety measures	4.5 Building a Healthy Working Environment
A 4 DO D	adopted, and how they are implemented and monitored.	3.3 Adhering to the Lifeline of Medical Safety
Aspect B3: Developme		
General Disclosure	Policies on improving employees' knowledge and skills	2.3 Cultivating Industry Experts
В3	for discharging duties at work. Description of training activities.	4.4 Motivating the Growth of Employees
	The percentage of employees trained by gender and	
KPI B3.1	employee category (e.g. senior management, middle management).	ESG Quantitative Performance Matrix
KPI B3.2	The average training hours completed per employee by gender and employee category.	ESG Quantitative Performance Matrix
Aspect B4: Labour Sta	ndards	
	Information on:	
General Disclosure	(a) the policies; and	4.1 Protection of Employee Rights and Interest
B4	(b) compliance with relevant laws and regulations that have a significant impact on the issuer	4.3 Creating a Happy and Harmonious Workplace Environment
	relating to preventing child and forced labour.	•
		4.1 Protection of Employee Rights and Interest
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	4.3 Creating a Happy and Harmonious Workplace Environment
	Description of stans taken to eliminate such prestices	4.1 Protection of Employee Rights and Interest
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	4.3 Creating a Happy and Harmonious Workplace Environment
B. Social		
Operating Practices		
Supply Chain Manage	ment	
General Disclosure B5	Policies on managing environmental and social risks of the supply chain.	1.3 Adhering to Compliance Management
KPI B5.1	Number of suppliers by geographical region.	ESG Quantitative Performance Matrix
	Description of practices relating to engaging suppliers,	
KPI B5.2	number of suppliers where the practices are being	ESG Quantitative Performance Matrix
· · -	implemented, and how they are implemented and monitored.	1.3 Adhering to Compliance Management
	Description of practices used to identify environmental	
KPI B5.3	and social risks along the supply chain, and how they are implemented and monitored.	1.3 Adhering to Compliance Management
	Description of practices used to promote environmentally	
KPI B5.4	preferable products and services when selecting suppliers, and how they are implemented and monitored.	1.3 Adhering to Compliance Management

Aspects, General Disclosures and KPIs	Description	Section
Aspect B6: Product Re	esponsibility	
	Information on:	
	(a) the policies; and	1.3 Adhering to Compliance Management
General Disclosure B6	(b) compliance with relevant laws and regulations that have a significant impact on the issuer	3.1 Strengthening Healthcare Quality Management
	relating to health and safety, advertising, labelling	3.2 Pursuit of Excellence in Medical Services
	and privacy matters relating to products and services provided and methods of redress.	3.3 Adhering to the Lifeline of Medical Safety
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	The Group's business is ARS and does not involve production, so this index is not applicable
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	3.2 Pursuit of Excellence in Medical Services ESG Quantitative Performance Matrix
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	2.2 Promoting Scientific Research and Innovation
	Description of quality assurance process and recall	3.1 Strengthening Healthcare Quality Management
KPI B6.4	procedures.	3.2 Pursuit of Excellence in Medical Services
		3.3 Adhering to the Lifeline of Medical Safety
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	1.3 Adhering to Compliance Management
Aspect B7: Anti-corrup	tion	
	Information on:	
	(a) the policies; and	
General Disclosure B7	(b) compliance with relevant laws and regulations that have a significant impact on the issuer	1.2 Upholding Business Ethics
	relating to bribery, extortion, fraud and money laundering.	
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	ESG Quantitative Performance Matrix
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	1.2 Upholding Business Ethics
KPI B7.3	Description of anti-corruption training provided to directors and staff.	1.2 Upholding Business Ethics ESG Quantitative Performance Matrix
Aspect B8: Community	y 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.	5 Corporate Citizenship and the Warm Act of Giving Back to Society
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	5 Corporate Citizenship and the Warm Act of Giving Back to Society
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	5 Corporate Citizenship and the Warm Act of Giving Back to Society
		ESG Quantitative Performance Matrix

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GRI Standards Index

Statement of use Jinxin Fertility has reported in accordance with the GRI Standards for the period from January 1 to December 31, 2023.

GRI 1 used

GRI 1 Foundation 2021

Disclosure	Location
2-1	About Jinxin Fertility
2-2	About this Report
2-3	About this Report
2-6	About Jinxin Fertility
2-7	ESG Quantitative Performance Table
2-9	1.1 Enhancing Corporate Governance
2-14	ESG Management
2-16	Stakeholder Communication and Materiality Assessment
2-22	Sustainability Governance
2-26	Sustainability Governance
2-27	1.2 Upholding Business Ethics 1.3 Adhering to Compliance Management 3.1 Strengthening Healthcare Quality
2-29	Stakeholder Communication and Materiality Assessment
3-1	
3-2	Stakeholder Communication and Materiality Assessment
3-3	
201-1	Please refer to the Group's revenue and other economic information for details 2023 Annual Report

Disclosure	Location
201-2	6.1 Steadily Advancing Carbon Reduction Plans 6.2 Low Carbon Technology for Energy Saving 6.5 Actively Responding to Climate Change
202-1	4.1 Protection of Employee Rights and Interests 4.2 Building an Equal and Diversified Platform
203-2	2.3 Cultivating Industry Experts 5.1 Expanded Free Clinic Activities 5.2 Targeted Support to Elevate Healthcare in Minority Areas 5.3 Supporting the Healthy Development of Communities 5.4 Caring for the Underprivileged
205-2	1.2 Upholding Business Ethics
205-3	1.2 Upholding Business Ethics
302-1	ESG Quantitative Performance Table
302-3	ESG Quantitative Performance Table
302-4	6.1 Steadily Advancing Carbon Reduction Plans 6.2 Low Carbon Technology for Energy Saving
303-1	6.1 Steadily Advancing Carbon Reduction Plans 6.3 Strict Control of Emissions 6.4 Optimizing Water Resource Efficiency
303-2	6.1 Steadily Advancing Carbon Reduction Plans 6.3 Strict Control of Emissions 6.4 Optimizing Water Resource Efficiency
303-3	ESG Quantitative Performance Table
305-1	ESG Quantitative Performance Table
	ESG Quantitative Performance Table
305-4	ESG Quantitative Performance Table

Disclosure	Location
305-7	ESG Quantitative Performance Table
306-1	Steadily Advancing Carbon Reduction Plans 6.3 Strict Control of Emissions
306-2	Steadily Advancing Carbon Reduction Plans 6.3 Strict Control of Emissions
306-3	6.1 Steadily Advancing Carbon Reduction Plans 6.3 Strict Control of Emissions ESG Quantitative Performance Table
308-1	1.3 Adhering to Compliance Management ESG Quantitative Performance Table
308-2	1.3 Adhering to Compliance Management ESG Quantitative Performance Table
401-1	ESG Quantitative Performance Table
401-2	4.1 Protection of Employee Rights and Interests 4.2 Building an Equal and Diversified Platform
403-1	4.5 Building a Healthy Working Environment
403-3	3.3 Adhering to the Lifeline of Medical Safety 4.5 Building a Healthy Working Environment
403-5	4.5 Building a Healthy Working Environment
403-6	3.3 Adhering to the Lifeline of Medical Safety 4.5 Building a Healthy Working Environment
403-7	3.3 Adhering to the Lifeline of Medical Safety 4.5 Building a Healthy Working Environment
403-9	4.5 Building a Healthy Working Environment ESG Quantitative Performance Table
403-10	4.5 Building a Healthy Working Environment ESG Quantitative Performance Table

Disclosure	Location
404-1	ESG Quantitative Performance Table
404-2	2.3 Cultivating Industry Experts 4.4 Motivating the Growth of Employees
404-3	2.3 Cultivating Industry Experts 4.4 Motivating the Growth of Employees ESG Quantitative Performance Table
405-1	1.1 Enhancing Corporate Governance ESG Quantitative Performance Table
406-1	4.1 Protection of Employee Rights and Interests 4.3 Creating a Happy and Harmonious Workplace Environment
408-1	4.1 Protection of Employee Rights and Interests
409-1	4.1 Protection of Employee Rights and Interests
414-1	1.3 Adhering to Compliance Management ESG Quantitative Performance Table
414-2	1.3 Adhering to Compliance Management ESG Quantitative Performance Table
416-2	3.1 Strengthening Healthcare Quality Management 3.2 Pursuit of Excellence in Medical Services 3.3 Adhering to the Lifeline of Medical Safety
417-2	1.3 Adhering to Compliance Management
417-3	1.3 Adhering to Compliance Management
418-1	1.3 Adhering to Compliance Management
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About this report

This is the fifth Sustainability Report released by the Company, thoroughly reflecting our performance in environmental, social, and governance (ESG) areas. This annual report spans the fiscal year from January 1 to December 31, 2023, though some information may extend beyond the covered period. The data and information disclosed herein are derived from the Company's official documents and statistical reports. This report is compiled in accordance with the Appendix C2 Environmental, Social and Governance Reporting Guide of the Listing Rules of Stock Exchange of the Hong Kong Exchanges and Clearing ("HKEX"), effective from January 1, 2022. It also incorporates standards and guidelines from the Global Reporting Initiative (GRI) Sustainability Reporting Standards (2021 Edition) and the United Nations Sustainable Development Goals (SDGs), among others. The preparation of this report follows the principles of materiality, quantification, balance, and consistency as stipulated by the Hong Kong Stock Exchange. The report is accessible on the HKExnews website at hkexnews.hk and the Company's official website at https://www.jxr-fertility.com..

The report's data encompasses Jinxin Fertility Group Limited ("the Company") and its subsidiaries, detailed as follows:

Principal Subsidiaries

Abbreviations in the Report

Shenzhen Zhongshan Obstetrics and Gynecology Hospital	Shenzhen Zhongshan Hospital
Sichuan Jinxin Xinan Women and Children Hospital (Jingxiu)	Sichuan Jinxin Xinan Hospital (Jingxiu)
Sichuan Jinxin Xinan Women and Children Hospital (Bisheng)	Sichuan Jinxin Xinan Hospital (Bisheng)
Wuhan Jinxin Integrated Gynecology and Obstetrics Hospital	Wuhan Jinxin Hospital
HRC Fertility Management, LLC and Huntington Reproductive Center Medical Group	HRC Fertility
Laos Jinrui Medical Center	Jinrui Medical Center
Chengdu Jinxin Health Management Co., Ltd.	Chengdu Health
Chengdu Jinmai Innovative Testing Co., Ltd.	Chengdu Jinmai
Yunnan Jinxin Jiuzhou Hospital	Jiuzhou Hospital
Kunming Jinxin Hewanjia Obstetrics and Gynecology Hospital	Hewanjia Hospital
Hong Kong Reproductive Health Centre and Hong Kong Assisted Reproduction Centre	Gratia Medical Center

Reporting principles

The preparation of this report adheres to the principles of materiality, quantification, balance, and consistency as outlined by the Hong Kong Stock Exchange (HKEX).

Materiality

Adhering to the principle of materiality, this report is shaped by stakeholder research and substantial analysis to identify critical topics that require focus. It emphasizes reporting on environmental, social, and governance aspects potentially significant to investors and other stakeholders.

Balance

The principle of balance guides us to present a truthful reflection of facts within this report, ensuring both positive and negative aspects are equally disclosed.

Quantification

According to this principle, we reveal crucial quantitative performance metrics within this report, elucidating their significance alongside their computational foundations and assumptions.

Consistency

The principle of consistency underscores our commitment to explicating the meanings behind the key quantitative performance indicators related to environmental, social, and governance (ESG) matters. This principle also dictates maintaining uniformity across various reporting periods in the indicators employed to depict trends in performance levels accurately.

The underlying calculations for disclosed data primarily draw from original records and financial statements. The specific calculation method is as follows:

- 1. Community public welfare investment: The Company's total contribution to community public welfare activities, including donations, sponsorships, and volunteer services within the reporting period, is derived from the Company's financial and public welfare activity records.
- **2. Customer service and dispute resolution performance:** The effectiveness of customer service and dispute resolution within the reporting period is evaluated, with data sourced from customer satisfaction surveys and complaint handling records.
- **3. Energy consumption:** This measures the total energy consumed by the Company, such as electricity, gas, or oil, within the reporting period, based on the Company's energy consumption records.
- **4. Energy intensity:** This indicates the ratio of energy consumption to the Company's operational volume, showcasing the energy required per unit of operation, derived from the Company's energy usage and operational data.
- **5. Greenhouse gas emissions:** The total amount of direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions by the Company during the reporting period, based on emission monitoring and energy consumption data.
- **6. GHG emission intensity:** The greenhouse gas emissions in relation to the Company's operational volume, indicating emissions required per unit of operation, with data from emission monitoring and operational volume data.
- **7. Waste generation:** The total volume of hazardous and non-hazardous waste produced by the Company during the reporting period, as recorded in the Company's waste management documentation.
- **8. Waste management:** Describes the Company's methods and measures for waste handling and the initiatives taken towards waste reduction, with information from the Company's waste management records and policies.
- **9. Employee training hours:** Total hours of training received by employees within the reporting period, as documented in the Company's training records.
- **10.** Employee turnover rate: The ratio of employee turnover at the Company during the reporting period, with information sourced from the Company's human resources records.

These entries outline the methodological approach for calculating the data disclosed in the report. For detailed calculations, please refer to the data and the bases for calculation provided in the report.

