



2024

Environmental Social and Governance Report

Stock Code: 2666.HK

CONTENTS

Report Instructions	01
Statement from the Chairman	05
Approaching Universal Medical	07
Company Profile	07
Company Culture	08
2024 Annual Economic Performance	08
2024 Annual ESG Honors and Awards	09
2024 Annual ESG Rating Performance	11
Sustainable Strategy System	12
Sustainable Risk and Opportunity Governance	12
Architecture and Responsibilities	
Board ESG Statement	13
ESG Development Strategy	16
Stakeholder Communication	17
Assessment of Material Topics	18

01 Integrity Universal, Sustainable

Corporate Governance

Governance Commitment	23
Governance Structure	25
Risk Management	29
Business Ethics	34
Investor Relations Maintenance	41
Corporate Governance Indicators and Objectives	43

04

Innovative Universal, Upholding Responsible Operations

Responsible Operations Commitment	83
Strengthening Innovation and Research	84
Solidifying Quality Control	86
Responsible Supply Chain Management	92
Responsible Operations Indicators and Objectives	93

02

Green Universal, Protecting the Earth's Ecosystem

Environmental Governance Commitment	47
Climate Change Mitigation and Adaptation	47
Resource Management and Recycling	55
Natural Resources and Biodiversity	57
Environmental Training and Public Welfare Activities	58
Environmental Stewardship Indicators and Objectives	60

05

Open Universal, Promoting Symbiosis and Win-Win Cooperations

Public Welfare Responsibility Commitment	97
Responding to National Strategies	97
Promoting Common Prosperity	99
Participating in Community Building	100
Nurturing through Public Welfare Funds	101
Social Responsibility Indicators and Objectives	102



03

Inclusive Universal, Supporting Employee Development

Employee Governance Commitment	65
Emphasis on Diverse Employment	67
Support for Talent Development	68
Focus on Employee Benefits	71
Ensuring Health and Safety	73
Employee Responsibility Indicators and Objectives	76

Index of Indicator	103
Assurance Statement	106
Reader's Opinion	108



Report Instructions

Introduction

This report is the ninth environmental, social and governance (hereinafter referred to as the "ESG") report (hereinafter referred to as the "Report") issued by Genertec Universal Medical Group Company Limited (hereinafter referred to as the "Group", "Universal Medical" or "the Company") following its listing on The Stock Exchange of Hong Kong Limited ("Stock Exchange"). The purpose of the Report is to report the concept of environmental, social and governance responsibility and the relevant practices of the Company and its subsidiaries (hereinafter referred to as the "Group", "we", "us") in 2024, as well as to positively respond to the Material Topics concerned by our key stakeholders. Meanwhile, the Report provides a comprehensive picture of the Group's ESG performance by detailing the Group's governance of environmental and social issues and how ESG concepts are integrated into its business. For detailed information on corporate governance within the Group, please refer to the "Corporate Governance Report" and "Directors' Report" sections of this annual report.

The disclosure information in the Report comes from the Group's internal documents and relevant statistical data and is available in two languages, including Traditional Chinese and English versions. If there be any inconsistency in the Report, the Traditional Chinese version shall prevail. The electronic version of the Report can be read and downloaded through the official website of the Group and the website of the Stock Exchange.

Reporting Period

This report covers the period from 1st January 2024 to 31st December 2024, unless otherwise specified. In order to ensure the completeness of the report, some information has been extended both backwards and forwards in time.



This report covers the Group's four main business areas: finance. integrated healthcare, specialised medical care, and healthcare technology, including the Group and its subsidiaries, as well as affiliated hospitals. The data disclosure scope is consistent with the consolidation statement scope of the financial statements. Any content with a different scope will be specified in the report.

Title Explanations

- shareholder of the Company
- incorporated in China on 1 November 1984 and a whollyowned subsidiary of the Company
- 有限公司), established on 10 December 2014, a company primarily engaged in providing monetary financial services
- wholly-owned subsidiary of the Group
- industry solutions provider and modern service operator, which joined Universal Medical in September 2024
- 醫院), which is a national Grade III Class A hospital
- 二醫院), a Grade II, Level B general hospital
- prevention and treatment hospital
- hospitals for multidisciplinary diagnosis and treatment of tumors
- general hospital in Panzhihua City, Sichuan Province
- "Pangang Chengdu Hospital" refers to Chengdu Hospital of Pangang Group (攀鋼集團成都醫院), a national Grade II Class

"GT-PRC" refers to China General Technology (Group) Holding Company Limited (中國通用技術 (集團) 控股有限責任公司), which is a state-owned enterprise under the direct administration of the PRC central government, the ultimate controlling

"CULC" refers to China Universal Leasing Co., Ltd. (中國環球租賃有限公司), a wholly foreignowned enterprise

"Tianjin Leasing" refers to Genertec Universal International Financial Leasing (Tianjin) Co., Ltd(通用環球國際融資租賃(天津)

"Healthcare Technology Co., Ltd" refers to Genertec Universal Medical Technology Services (Tianjin) Co., Ltd. (通用環球 醫療技術服務 (天津) 有限公司), an enterprise principally engaged in technology promotion and application services and a

"JBINFO" refers to Shan Dong Jb Softinfo Technology Co.,Ltd. (山東青鳥軟通信息技術股份有限公司), a comprehensive IT

"Yangmei General Hospital" refers to Yangquan Coal Industry (Group) General Hospital (陽泉煤業 (集團) 有限責任公司總

"Yangmei Second Hospital" refers to Yangguan Coal Industry (Group) Second Hospital (陽泉煤業(集團)有限責任公司第

"Yangmei Occupational Disease Prevention Hospital" refers to Occupational Disease Prevention Hospital of Yangquan Coal Industry (Group) General Hospital(陽泉煤業(集團) 有限責任公司職業病防治院), a Grade II specialized disease

"XD Hospital" refers to Xi'an XD Group Hospital (西電集團醫院), a tertiary general hospital, and the first batch of pilot

"Pangang Group Hospital" refers to Pangang Group General Hospital (攀鋼集團總醫院), a leading Grade III Class A

A general hospital integrating prevention, healthcare, medical treatment, rehabilitation, scientific research and education

	"Pangang Xichang Hospital" refers to Pangang Group Xichang Hospital (攀鋼集團西昌醫院), a Grade II Class B general hospital located at Changning Community Center on Chang'an West Road in Xichang City
	"Xianyang Caihong Hospital" refers to Xianyang Caihong Hospital (咸陽彩虹醫院), a Grade II Class A general hospital and a designated hospital for medical insurance in Xianyang City
•	"Zhongxing Hospital" refers to Beijing Zhongxing Hospital (北京中興醫院), a Grade I general hospital and a designated hospital for Beijing Basic Medical Insurance
	"Xi'an Hospital" refers to Genertec Universal CREC Xi'an Hospital(通用環球中鐵西安醫院), a general Grade II Class A hospital integrating medical care, scientific research, teaching, prevention, health care, rehabilitation, emergency services, elderly care, community healthcare, and occupational health
۲	"Huazhou Hospital" refers to Genertec Universal CREC Huazhou Hospital (環球中鐵華州醫院), a public Grade II Class A general hospital integrating clinical medicine, teaching, scientific research, preventive healthcare, and rehabilitation
	"408 Hospital" refers to Xingping 408 Hospital (興平市四〇八醫院), a publicly-owned non-profit modern general Grade II hospital that integrates medical treatment, teaching, scientific research, prevention, healthcare, and rehabilitation
•	"Baoji Hospital" refers to Genertec Universal CREC Baoji Hospital (通用環球中鐵寶雞醫院), a Grade II general hospital
•	"Xianyang Hospital" refers to Genertec Universal CREC Xianyang Hospital (通用環球中鐵咸陽醫院), a Grade II Class A general hospital that integrates medical treatment, emergency care, rehabilitation, prevention, and health management
	"Wuhu Hospital" refers to Genertec Universal CREC Wuhu Hospital (通用環球中鐵蕪湖醫院), a Grade II general hospital

- "Shaanxi Huahong" refers to Shaanxi Huahong Pharmaceutical Co., Ltd(陝西華虹醫藥有限公司), which joined Universal Medical in February 2017 and became a centrally-administered state-owned enterprise subsidiary under the group
- "Xi'an Aero Hospital" refers to Genertec Universal Xi'an Aero-Engine Hospital (通用環球西安西航醫院), a general Grade II Class A hospital that integrates medical treatment, teaching, preventive healthcare, rehabilitation, and occupational disease diagnosis and treatment services
- "Shanhaiguan Bridge Hospital" refers to Genertec Universal CREC Shanhaiguan Bridge Hospital (通用環球中鐵山橋醫院),
 a Grade II general hospital
- "Beihuan Hospital" refers to Xi'an Beihuan Hospital(西安北環醫院), a state-owned public general hospital classified as Grade II Class A
- "MCC5 Hospital" refers to China MCC5 Group Hospital(中國五冶集團有限公司醫院), a general hospital integrating medical care, teaching, scientific research, prevention, and health care
- "MCC19 Hospital" refers to China MCC19 Group Hospital(中國十九冶集團有限公司職工醫院), a Grade II Class A general hospital
- "MCC Shanghai Hospital" refers to MCC Shanghai Hospital(上海中冶醫院), a large modern Grade II Class A general hospital that integrates medical care, emergency services, prevention, rehabilitation, health care, scientific research, and teaching
- MCC17 Hospital" refers to Maanshan MCC17 Hospital(馬鞍山十七冶醫院), a modern Grade III Class A general hospital that integrates medical treatment, prevention, scientific research, teaching, and rehabilitation healthcare.

Data Disclosure

All information and data in this report come from the company's official documents and publicly disclosed files. The financial data cited in the report is based on the annual report. Unless otherwise specified, the currency amounts involved are denominated in RMB.

Basis of Compilation

The Report is compiled in accordance with the reporting principles of Appendix C2 Environmental, Social and Governance Reporting Guides (the "ESG Guide") to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited issued by The Stock Exchange of Hong Kong Limited (the "Stock Exchange"):

Materiality	The Group identifies Material Topics related to assessment includes inviting stakeholders to p and management verification of materiality iss section in the Report for details of the materialit
Quantitative	In order to comprehensively evaluate the ESG the Group disclosed the applicable quantitative stated the standards, methods, assumptions a key performance indicators, including the source
Balance	The Report provides an unbiased picture of t relevant principles is reflected in various section
Consistency	The Report adopts the same compilation me readers can make meaningful comparison of the

The Report complies with the mandatory disclosure requirements and the "comply or explain" provisions of the ESG Guide, and correspondingly describes the environmental and social impacts of the Group's business and operational activities. In addition, this report is prepared with reference to the "Implementation Guidance on Climate Disclosure under the Environmental, Social and Governance Framework of The Stock Exchange of Hong Kong Limited", the Global Reporting Initiative (GRI) "Sustainability Reporting Standards", the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD) reporting framework, the International Organization for Standardization ISO 26000:2010 "Guidance on Social Responsibility", the International Sustainability Standards Board (ISSB) "International Financial Reporting Standards S1—General Requirements for Sustainability-related Financial Information Disclosure" and "International Financial Reporting Standards S2—Climate-related Disclosures", the State-owned Assets Supervision and Administration Commission of the State Council "Reference Indicator System for ESG Special Reports of Central Enterprise-controlled Listed Companies", and the Ministry of Finance "Corporate Sustainability Disclosure Standards—Basic Standards (Trial)" and other international and domestic sustainability guidelines.



This report can be downloaded from the official website of the Exchange or the official website of the Group at https://www.umcare.cn/.

Feedback from Readers

We appreciate readers' feedback and suggestions on matters related to the Group's Environmental, Social, and Governance (ESG) as well as other aspects of sustainable development. Please fill out the "Reader Feedback Form" in the appendix and contact us by the following methods:

Address: 20-28th Floor, No. 90, West Third Ring Middle Road, Fengtai District, Beijing, China

Website: https://www.umcare.cn/

Email: ir@um.gt.cn

to the Group through materiality assessment. Materiality prioritize the importance of the ESG related issues and ssues, etc. Please refer to the "Materiality Assessment" lity assessment work.

G performance of the Group during the Reporting Period,

tive key performance indicators in the ESG Guide, and and calculation reference and basis used to quantify the rees of major conversion factors.

f the Group's ESG performance. The application of the ons of the Report.

nethod as that of the previous reporting period, so that the ESG information during the Reporting Period.

Statement from the Chairman



Chen Shisu

Chairman of the Board, Party Committee Secretary

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The year 2024 marks the 75th anniversary of the founding of the People's Republic of China and is a pivotal year for achieving the goals set out in the 14th Five-Year Plan. Amidst a complex and ever-changing domestic and international landscape, China's economy has maintained steady progress, successfully meeting its major development targets and taking firm strides towards high-quality development. Concurrently, 2024 has been a significant year for "ESG policies," with the State Council, the Ministry of Finance, stock exchanges, and other departments successively releasing ESG policies and guidelines, propelling the continuous improvement of China's ESG ecosystem and contributing significantly to global sustainable development.

We deeply recognize that strengthening ESG practices is not only an inevitable choice in response to the trend of the times but also an essential path for us to fulfill our responsibilities as a state-owned enterprise and drive the high-quality development of the company. In 2024, Universal Medical officially formulated its ESG strategic plan, marking the transition of our ESG development from the initial policy-driven phase to brand-driven and capitaldriven phases, and ultimately into a new strategic-driven phase. We will integrate ESG concepts comprehensively into the company's strategy and daily operations, aligning with domestic and international regulatory requirements as well as higher international standards. We will continue to promote the enhancement of ESG practices, aiming to build the Most Trusted Global Leader in Medical & Healthcare Services. This will fully reflect the harmony between corporate development and serving the people, employee growth, environmental sustainability, and achieving a winwin situation with stakeholders, thereby driving the company to achieve greater social value, brand value, and capital market value.

Building the "Foundation" to strengthen the foundation for promoting sustainable development and enhancing governance effectiveness.

This year, we formulated the ESG strategic plan and practically broke it down into specific work goals and initiatives. These are closely integrated with our business strategy, relying on the public welfare scenarios in healthcare, leveraging the advantages of integrating industry and finance, and promoting the development of new productive forces in the health industry. We aim to highlight ESG aspects within our core business sectors. In terms of management, we focus on four key "levers": deeply integrating ESG management with strategic management to solidify our development foundation; striving to improve performance to demonstrate our outstanding capabilities: promoting corporate value recognition to enhance market competitiveness: optimizing information disclosure and communication to improve transparency and influence. These efforts will comprehensively drive the steady progress of our ESG strategy.

Building the "Roots" to drive ecological prosperity through green finance innovation and green healthcare construction practices.

In the era of the green wave, we stand at the forefront, actively promoting green finance innovation. The successful

issuance of ESG or green-labeled loans, bonds, and other financial derivatives has reached nearly ten billion RMB. We have implemented ESG-linked loans to inject capital into environmental protection projects such as clean energy and wastewater treatment, promoting the vigorous development of green industries. At the same time, adhering to the "green healthcare construction" concept, many of our hospitals have implemented refined energy management, creating a brighter new vision for green development with dual drivers.

Adding "Wings" to better fulfill social responsibility through technological empowerment and quality services.

We actively explore new chapters in healthcare technology, building the "Universal Medical Intelligent Imaging Cloud Platform," and utilizing "AI+" medical imaging intelligent assisted diagnosis to achieve precise early screening, three-dimensional visualization, and intelligent follow-up for diseases such as lung cancer, fractures, cardiovascular and cerebrovascular diseases, and children's growth and development, empowering medical and healthcare services with new productive forces. In the financial sector, we support the development of small and medium-sized enterprises through inclusive finance, contribute to rural revitalization, and engage in public welfare through fund initiatives, effectively alleviating the burden of poverty due to illness and contributing to social welfare.

Taking environmental protection as the foundation, we adhere to green development; Taking technological breakthroughs as guide, we adhere to innovative development. In the future, Universal Medical will resolutely uphold the concept of green development, continuously deepen green innovation, and comprehensively promote green operations and technological empowerment, injecting strong momentum into the flourishing development of China's healthcare industry. We are committed to leading a better life through technological progress and quality services, striving to become the Most Trusted Global Leader in Medical & Healthcare Services and contributing greater strength to global sustainable development!

Approaching Universal Medical

Company Profile

About Universal

Genertec Universal Medical Group Company Limited is a state-owned key enterprise primarily engaged in healthcare, and a large-scale healthcare group combining medical services, research, industry, and finance. It was listed on the Hong Kong Stock Exchange in July 2015, with the stock code: 2666.HK.

The Group has long been dedicated to China's rapidly developing healthcare industry, with medical services at its core, supported by financial services, and driven by healthcare technology. Leveraging modern management concepts, a professional talent team, high-quality medical resources, strong financial capabilities, and an inclusive and progressive corporate culture, the Group strives to build a trusted medical and healthcare conglomerate, gradually constructing a shared and win-win ecosystem for greater health.

We bear the mission of a central enterprise, actively responding to the "Healthy China" strategy, providing the public with quality medical services that are safe, effective, accessible, and humane, and are committed to contributing to China's health and wellness industry.

Business Areas



Financial Services as a Foundation: We provide financial solutions centered around financial leasing for clients such as hospitals. Based on the client's equipment, funding needs, and cash flow projections, we design customized plans to help clients optimally allocate limited equipment and funds, offering strong financial support for equipment upgrades and project construction. With extensive industry experience, we have established a prudent financing management system and a comprehensive risk monitoring and identification system. We have provided customized financial solutions to over 2,000 clients, and the total credit limit from financial institutions has reached 100 billion RMB.



Medical Service as the Core: We have responded to the government's call to actively participate in the integration and undertaking of state-owned hospitals. Based on the characteristics of the distribution of existing medical resources, we make targeted investments in key regions to continuously optimize our close-knit medical service network. We are building a specialty chain development model through a combination of internal incubation and external expansion. As of the end of the reporting period, the Group operates over 70 medical institutions, providing approximately 16,000 beds, covering 14 provinces and cities across the country.



Building a Shared and Win-win Health Industry Ecosystem: Focusing on our core medical resources, we have launched business layouts in the fields including integrated healthcare, fullcycle equipment management, medical health technology, integrated medical and elderly care, and health insurance, etc. We have continued to aggregate high-quality resources, expand the healthcare industry chain, and gradually build an ecosystem of the healthcare industry to achieve win-win situation for all parties.





Over **2,000** Financing lease clients

Company Culture

General Health, Benevolence at the Core, Quality of State-owned Enterprises



2024 Annual Economic Performance



ΔΔΔ Credit ratings of 2 subsidiaries(CULC, Tianjin Leasing)





Over **billion** Credit lines from financial

Service Philosophy

institutions

Benevolent care is the service philosophy of Universal Medical.

Patient/Client First

Spend more time listening to the needs of patients/clients and do everything possible to solve their problems.

Vision

To be the Most Trusted Medical and Healthcare Conglomerate



Net Interest-Earning Assets 71.277.42 million RMB

Standardized Earnings Per Share (EPS)

2024 Annual ESG Honors and Awards

CGMA Best Financial Shared Service Center of 2024







2024 Annual ESG Rating Performance

Rating Agency	Rating Name	Level/Score	Description
S&P Global S&P Global	2024 S&P Global ESG Score 2024	61 points	Number One in Domestic Financial and Capital Market Services Industry Included in the 2025 Sustainability Yearbook and recognized as an Industry Mover
Morningstar M RNINGSTAR	Morningstar Sustainalytics ESG Risk Ratings	21.8 points Moderate Risk	Leading in the Domestic Healthcare Industry
Hang Seng Indexes 便生指數 HANG SENG INDEXES	Hang Seng ESG Rating	BBB+	Average Level in the Domestic Healthcare Industry
China Securities Index (CSI)	CSI ESG Rating	Α	Leading in the Domestic Financial Services Industry

Sustainable Strategy System

Governance Architecture and Responsibilities

ESG is a key focus for Universal Medical in achieving its vision of becoming a trusted world-class medical and healthcare conglomerate. To ensure that ESG-related matters are systematically and orderly carried out within Universal Medical and its affiliated institutions at all levels, the company has established a comprehensive ESG governance framework under the joint decision-making of the Board of Directors and senior management. It integrates environmental, social, and governance (ESG) factors into decision-making and planning at every operational and business level, comprehensively promoting the sustainability process.

Universal Medical has set up a Strategy and ESG Committee to study the company's medium- and long-term development strategies (including those related to sustainable development) and their feasibility. Additionally, to ensure the effective management and decision-making mechanism for important issues, the committee participates in the formulation of policies, guidelines, strategies, and objectives for Material Topics affecting the company's sustainable development, such as climate change, privacy and data security, inclusive finance, and occupational health and safety. The committee holds regular (annual) discussions and reviews, supervises progress and performance, and, where appropriate, provides recommendations to the Board of Directors.

Furthermore, Universal Medical has established an ESG Working Group. This group is composed of representatives from the company's functional departments involved in ESG matters and is led by the ESG responsible person. The group reports to the Strategy and ESG Committee under the Board of Directors and, when necessary, provides feedback to management or relevant departments. The day-to-day operations of the ESG Working Group are managed by the Board of Directors Office.

The ESG Working Group is authorized by the committee under the Board of Directors to participate in the company's ESGrelated work. Its responsibilities include coordinating and overseeing the implementation of all ESG-related activities across the company and its subsidiaries, reporting significant ESG matters and progress to the Board of Directors on a regular basis, communicating the company's ESG strategies and specific initiatives, collecting and reporting management measures and performance related to ESG, collecting ESG data needed for reporting from the functional departments, and submitting reports for Board approval. Based on the actual situation of ESG-related work, the ESG Working Group drafts improvement recommendations for the Board of Directors and its committees, ensuring that ESG supervision is continuously and effectively executed.

Each functional department and its responsible persons for ESG-related issues are responsible for managing specific ESG topics, collecting data, and driving significant ESG practices, in accordance with ESG management systems and processes.

*The rating data is updated as of the end of the reporting period.



ESG Statement of the Board

Supervision of ESG Matters

The Board of directors of our company serves as the ultimate decision-making body for ESG matters, assuming full responsibility for environmental, social, and governance strategies and reporting. It strives to establish a sustainable long-term mechanism for the company, further promoting the implementation of ESG principles throughout the entire group and enhancing its own ESG management capabilities.

ESG Management Policy and Strategy

The Board takes full responsibility for the ESG strategy and reporting of our Group, overseeing the formulation of ESG management policies, assessing and clarifying ESG risks within our operational scope, and ensuring the establishment of appropriate and effective ESG risk management and internal monitoring systems.

Assessment and Management of ESG Issues

Universal Medical maintains a normalized communication mechanism with various stakeholders, proactively identifying key ESG-related issues, with a particular focus on climate change. The Board of Directors ultimately reviews the prioritization and management of these issues.

Review of ESG Goals

Universal Medical has established short, medium, and long-term targets for key ESG performance indicators such as board diversity, greenhouse gas emissions, energy consumption, customer rights protection, privacy and data security. The Board of Directors oversees the achievement of these ESG targets and regularly reviews how to further implement practices to meet the established goals.

Material Topics	Specific Indicators	Fiscal Year 2024 Goals	Fiscal Year 2024 Performance	Fiscal Year 2024 Completion Rate
Integrity Global				
	 Share of Independent Directors on the Board 	One-third	36.40 %	
Governance	 Proportion of Female Employees 	Over 70%	71.39 %	
Structure	 Proportion of Women in All Management Positions 	Over 50%	53.16 %	⊘
Green Global				
Energy Consumption	 Energy consumption intensity per person 	0.8 ton of standard coal per person	0.73 ton of standard coal per person	>
	 Total Amount of Solid Waste Recycled/Reused 	27,000 kilograms	27,491 kilograms	
Waste Management	 Total Amount of Waste Disposed 	100% Waste	100% Waste	

Material Topics	Specific Indicators	Fiscal Year 2024 Goals	Fiscal Year 2024 Performance	Fiscal Year 2024 Completion Rate
Green Global				
Water Resource Management	 Total Water Consumption 	3,200 Megaliters (ML)	3,058.93 Megaliters (ML)	⊘
Carbon Emissions	 Greenhouse gas emissions intensity per person 	2.5 tons of CO ₂ equivalent per person	2.43 tons of CO ₂ equivalent per person	
Inclusive Global				
Employee Satisfaction	 Employee Satisfaction Survey Score 	Above 84 points	83.40 points	
Safety Management	 Employee Absenteeism Rate 	Below 3%	1.75%	⊘
Innovative Global				
Enhancing Customer Service	 Customer Satisfaction Survey Score 	Above 90 points	94.76 points	 Image: A start of the start of
Responsible Supply Chain Management	 Total Number of Suppliers Evaluated Through Desk Assessment 	Covering all suppliers	Covering all suppliers	

ESG Report Review and Approval

This report provides a detailed disclosure of the progress and achievements of Universal Medical's ESG efforts for the fiscal year 2024, and has been reviewed and approved by the Board of Directors.

ESG Development Strategy

Overall ESG Development Strategy

We center our efforts around the corporate mission of "leading a better life through technological advancement and quality services." By integrating ESG concepts into our strategic management and daily operations, we continuously enhance our ESG initiatives, aiming to build a trusted world-class medical and healthcare conglomerate that drives higher social value, brand value, and capital market value.

ESG Strategic Goals

With "continuous improvement of corporate governance" as our foundation, Universal Medical is committed to achieving goals that align with public service, support employee growth, promote environmental sustainability, and foster win-win collaboration with stakeholders.

Universal Medical Sustainable Development Model Diagram



ESG Strategic Planning

In 2024, we formulated the Universal Medical ESG Three-Year Strategic Plan (2024-2027), clearly defining four major strategic objectives for the future sustainable development of Universal Medical. These objectives are: alignment with serving the people, alignment with employee growth, alignment with environmental sustainability, and achieving mutual benefits with stakeholders. These four strategic objectives have been broken down into specific work plans, with detailed action plans, milestone targets, responsible departments, and strategic execution monitoring methods established. In the future, we will ensure the effective implementation of the strategy through strategic monitoring and specialized performance appraisal mechanisms, digital systems, and cultural training systems, guaranteeing the successful achievement of our strategic goals.

Stakeholder Communication

We have established and continue to refine a regular, multi-channel communication mechanism to actively engage with key stakeholders, including clients, shareholders, government departments, employees, communities, and suppliers, to convey the Group's medium- and long-term strategic plans. Through these interactions, we gain a comprehensive understanding of stakeholders' expectations for Universal Medical's sustainable development, which serves as a critical consideration for our ongoing improvements.

Stakeholders	Communication Needs	Communication Channels	Response Measures
Government Departments/ Regulatory Agencies	 Compliance with national laws, regulations, industry standards, and norms Support for national strategies Business ethics and anticorruption in healthcare Participation in public health services Tax compliance in accordance with the law 	 Information Disclosure Regulatory Notifications and Briefings On-site Inspections and Off-site Supervision Meetings, Seminars, and Forums 	 Legal and compliant operations True and accurate disclosure of information Improving business performance and paying taxes according to the law Implementing national strategic guidelines
Shareholders/ Investors	 Standardized corporate governance Effective risk management Company's profitability and shareholder returns Business prospects and company value 	 Shareholders' meeting Regular announcements Financial reports Investor communication and engagement Roadshows/Company research Performance press conferences and media interviews 	 Timely disclosure of information, handling opinions and appeals Improving corporate governance Enhancing the transparency of information disclosure Publishing shareholder meeting agenda as required
Customers/Potential customers/Patients	 Quality of medical services Product quality and safety Improvement of the healthcare environment Protection of patient privacy Transparency and rationality of medical costs 	 Hospital service desk consultations Patient satisfaction surveys Construction of communication channels through the hospital's official website and public accounts Customer service hotline Regular visits 	 Provide convenient feedback channels, such as public accounts, mini-programs, and the official website Establish channels for patient and family rights protection Timely handling of complaints Conduct customer surveys
Suppliers/Partners	 Adherence to business ethics Fair and impartial procurement Long-term stable cooperation Sustainable operational capability Product quality and safety 	 Public procurement information Regular supplier performance appraisals and feedback meetings Negotiation meetings and distributor meetings On-site visits to suppliers Performance press conferences 	 Establish a sound supplier management mechanism Build and maintain a supplier information database Strengthen communication and relations with suppliers
Employees	 A healthy and comfortable work environment Ensure reasonable compensation and benefits Establish smooth communication mechanisms Provide good development opportunities 	 Employee representative assembly Trade union organization Intranet email, forums, and office software Internal meetings Employee reporting mechanisms and whistleblower protection 	 Ensure employee health and safety Establish a fair compensation and promotion system Provide job skills training and career development resources Establish an employee feedback mechanism Organize various employee activities
Local communities/ Public society	 Public welfare Environmentally friendly Business ethics Care for vulnerable groups Health literacy 	 On-site research and visits Supervision email and phone Community public welfare and volunteer activities Daily communication with community groups, volunteer organizations, neighborhood committees, etc. 	 Provide external donation funds Implement assistance programs Carry out health and medical education Organize public welfare activities, such as health education, community free clinics, and initiatives to care for vulnerable groups

Assessment of Material Topics

We regularly performs an annual assessment of Material Topics, integrating them into our risk management policies to effectively identify key stakeholders and their concerned issues, thus ensuring the continuous optimization of our sustainable development strategy.

Our key stakeholders, including the company's directors, senior management, shareholders, investors, employees, customers, and partners, were invited to participate in surveys on environmental, social, and governance (ESG) issues. Through an online survey, we have invited these stakeholders to rate 24 identified ESG issues to assess their materiality to both the stakeholders themselves and our business operations. Our assessment of materiality is based on the dual materiality principle, which considers both "issues that impact the company's value" and "issues that have significant environmental and social impacts caused by the company." The assessment results are presented from two perspectives: "materiality to stakeholders" and "materiality to Globe Medical." After obtaining approval from the Board of Directors, we have finalized the Material Topics and their priorities. Following the assessment, we have identified six Material Topics, which have been reviewed and confirmed by the Board of Directors. The materiality assessment results are presented in the form of a matrix, clearly indicating the materiality and priority order of each ESG issue:

Universal Medical 2024 Annual ESG Materiality Assessment Matrix



Materiality to the company's business

Universal Medical 2024 Annual ESG Materiality Issues List

Ranking	Issue Name	Corresponding Section	Sustainable Development Goals (SDGs)
		High Materiality	
1	Product Safety and Quality	Chapter Four: Innovative Universal, Upholding Responsible Operations	3 600 HAUTH AND WALLERING
2	Risk and Compliance Management	Chapter One: Integrity Universal, Sustainable Corporate Governance	
3	Data Security and Privacy Protection	Chapter Four: Innovative Universal, Upholding Responsible Operations	16 Astronomic Astronom
4	Occupational Health and Safety	Chapter Three: Inclusive Universal, Supporting Employee Development	3 GOOD HELETH
5	Labor Management and Rights Protection	Chapter Three: Inclusive Universal, Supporting Employee Development	5 CONTRACT 8 DECENT WORK AND
6	Economic Performance	Approaching Universal Medical	8 ECONTROL AND ECONTROL CONTROL E
7	Training and Development Empowerment	Chapter Three: Inclusive Universal, Supporting Employee Development	4 CONTRACTOR
8	Information Disclosure and Stakeholder Engagement	Chapter One: Integrity Universal, Sustainable Corporate Governance Chapter Four: Innovative Universal, Upholding Responsible Operations	17 NATINESONIA FOR THE COLLS
9	Accessibility of Healthcare Services	Chapter Five: Open Universal, Promoting Symbiosis and Win-Win cooperations	
10	Customer Relationship Management	Chapter Four: Innovative Universal, Upholding Responsible Operations	17 Mathecades
11	Sustainable Development and Innovation Strategy	Chapter One: Integrity Universal, Sustainable Corporate Governance	12 ESPOREE REPORTER REPORTER
12	Compensation and Tax Transparency	Chapter One: Integrity Universal, Sustainable Corporate Governance Chapter Three: Inclusive Universal, Supporting Employee Development	8 ECCANT WORK AND ECONOMIC GRAVEN TO RECORD ECONOMIC GRAVEN ECONOMIC CONOMIC CONOMIC ECONOMIC CONOMIC ECONOMIC CONOMIC ECONOMIC CONOMIC ECONOMIC ECONOMIC CONOMIC ECONOMIC CONOMIC EC
13	Healthcare Technology and Financial Technology	Chapter Four: Innovative Universal, Upholding Responsible Operations	3 GOU HEALTH AND WELLENS

Ranking	Issue Name	Corresponding Section	Sustainable Development Goals (SDGs)
		High Materiality	
14	Corporate Governance Structure	Chapter One: Integrity Universal, Sustainable Corporate Governance**	16 PEACE ANSTREE AND STREAM INSTITUTION INSTITUTION
15	National Strategy Response	Chapter Five: Open Universal, Promoting Symbiosis and Win-Win cooperations	17 HATINGSHIPS
16	Responsible Supply Chain	Chapter Four: Innovative Universal, Upholding Responsible Operations	12 ESPONENT AND RODUCTON
		Medium Materiality	
17	Waste and Emissions Management	Chapter Two: Green Universal, Protecting the Earth's Ecosystem	6 CLAW NUT? CONCEPTION CONCE
18	Green Finance Development	Chapter Two: Green Universal, Protecting the Earth's Ecosystem	13 CTAN 15 OF LARD 15 OF LARD
19	Resource Management and Circular Economy	Chapter Two: Green Universal, Protecting the Earth's Ecosystem	12 ESPONENT ARRIGUETIN
20	Community Investment and Social Contribution	Chapter Five: Open Universal, Promoting Symbiosis and Win-Win cooperations	1 Mouser 亦:亦非亦
		Low Materiality	
21	Inclusive Finance Development	Chapter Five: Open Universal, Promoting Symbiosis and Win-Win cooperations	8 EECENT WORK AND ECONOMIC GROWTH 10 REDUCED
22	Environmentally Friendly Operations	Chapter Two: Green Universal, Protecting the Earth's Ecosystem	12 ESTOCATE AN PROCEDUR AN PROCEDUR AN PROCEDUR AN PROCEDUR AN AN A
23	Ecosystem Protection	Chapter Two: Green Universal, Protecting the Earth's Ecosystem	12 ESTANCE
24	Climate Change Resilience	Chapter Two: Green Universal, Protecting the Earth's Ecosystem	9 ALESTIC MONITOR ADDIVENSION CONTACT 13 CHMFF CONTACT

20-

Integrity Universal, Sustainable Corporate Governance

Universal Medical is committed to building sustainable corporate governance by fully integrating ESG management principles into business operations and management systems, making it an indispensable core component of the company's development strategy. We strictly adhere to national laws and regulations as well as relevant regulatory requirements, continuously optimize our governance structure, and improve governance levels. We also deepen the development of the risk management system and uphold the highest standards of business ethics. Under a highly transparent, diverse, and effective corporate governance framework, we accept supervision from a broad base of shareholders.

Key Issues Responded to:

- O Risk and Compliance Management
- O Information Disclosure and Stakeholder Engagement
- O Sustainable Development and Innovation Strategy
- O Compensation and Tax Transparency
- O Corporate Governance Structure



Governance Commitment

Integrity and Compliant Operations

Universal Medical places great importance on compliant operations. We strictly follow the laws and regulations of the operating locations as well as the listing rules, closely aligning with the Group's development trends and actual needs. We continuously optimize the internal governance structure to support business management improvements and achieve sustainable commercial value.

Nine Codes of Conduct for Healthcare Institution Staff





Tax Obligation Compliance

We recognize that paying taxes in accordance with the law is a corporate social responsibility, and we are deeply committed to this principle. We place great importance on tax management in our business operations, with the Board of Directors overseeing and participating in tax decision-making. The Group has established a comprehensive tax management system, including the formulation of the *Tax Management Measures* (《稅務管理辦法》), *Invoice Management Measures* (《發票管理辦法》), and *Tax Risk Guidelines* (《稅務風險指引》). We continuously strengthen tax risk management, enhance full-process tax risk control, and ensure compliance and accuracy in tax processing. Universal Medical is committed to adhering to the tax laws and regulations of the countries where the Group operates, refraining from shifting value to low-tax jurisdictions, and avoiding the use of confidential jurisdictions or so-called "tax havens" for tax evasion. We pledge not to use tax structures without commercial substance and follow the arm's length principle in transfer pricing.

Additionally, the Group has established a dedicated tax support management team to provide tax consultation, policy promotion, training, and precise interpretation of tax policies for the business departments. We also plan to further improve the internal tax system and, in 2024, develop internal regulatory norms such as the *Tax Risk Work Guide*(《稅務風險工作指南》) and the *Tax Documentation Work Guide*(《稅務檔案工作指南》).

Fair Competition Principle

Universal Medical is dedicated to adhering to the principle of fair competition, viewing it as the lifeline of the company's development. In areas such as healthcare service expansion, product procurement and sales, and project cooperation, we firmly reject unfair competition practices and oppose commercial bribery, false advertising, and other unethical behaviors. Universal Medical operates with fairness and transparency, competing with high-quality services, reliable products, and professional capabilities. We collaborate with industry partners to build a healthy and orderly medical ecosystem.

24

Governance Structure

Standardized Governance

A world-class corporate governance system is the cornerstone of a company's healthy development and sustainability. We adhere to standardized governance, continuously improving the modern corporate governance structure and system, optimizing the composition of the Board of Directors, enhancing performance efficiency, and ensuring the company's scientific decision-making and sound operations.

Organizational Structure

Universal Medical has established a comprehensive and effective corporate governance structure, which includes four levels: strategic, coordinating, management, and executive. The Board of Directors at the strategic level is the decision-making body responsible for implementing the resolutions of the shareholders' meeting and managing the company's operations. The Board supervises the implementation of various strategies by reviewing progress reports and plays an essential role in "setting strategies, making decisions, and preventing risks."Under the Board, there are five specialized committees: the Audit Committee, Compensation Committee, Nomination Committee, Strategy and ESG Committee, and Risk Control Committee. These committees operate at the coordinating level, working alongside the Board to address corporate governance issues. They contribute to the effective implementation of Universal Medical's ESG strategy, enhancing the Group's overall sustainability performance and promoting harmonious, win-win relationships with stakeholders.

Universal Medical organizational structure chart



Governance Mechanism

Universal Medical has established a comprehensive and efficient governance structure, continuously improving operational standards and scientific governance. The Board of Directors plays a key decision-making role, with several specialized committees responsible for overseeing important matters such as strategic planning and risk management. At the same time, internal audits and compliance management are strengthened to ensure all business activities are carried out in accordance with laws and regulations.

Board

Board Independence

The professionalism, diversity, independence, and effectiveness of the Board are goals we strive to achieve. The Board of Directors of Universal Medical consists of 11 members, including 3 executive directors, 4 independent directors, and 4 independent non-executive directors. The Board has five specialized committees: the Audit Committee, Compensation Committee, Nomination Committee, Strategy and ESG Committee, and Risk Control Committee, all of which provide advice to the Board for scientific decision-making. The proportion of independent directors is set to be no less than one-third of the Board.



Board Diversity

We strongly believe that a diverse Board provides comprehensive and integrated perspectives, improving the effectiveness of board members and aligning with the diverse needs of our ongoing business. Universal Medical has established a *Board Diversity Policy*(《董事會成員多元化政策》), considering factors such as gender, age, cultural background, skills, professional experience, education, knowledge, independence, ethnicity, and race when nominating candidates. Discrimination is strictly prohibited, ensuring a fair and impartial election process. The Nomination Committee of the Board regularly reviews and evaluates the Board's structure, size, and composition, making recommendations on any changes to ensure the effectiveness of diversity. As of the end of the reporting period, one female director sits on the Board. All Board members have rich and diverse industry experience, covering areas such as financial management, healthcare services, information technology, and the health industry.





Board Effectiveness

We continuously monitor the effectiveness of the Board's operations. We focus on the combination of tenure of directors to incorporate perspectives from both current and new members. In addition, Universal Medical holds regular board elections and mandates that the minimum attendance rate for Board meetings be no less than 85%. As of the end of the reporting period, no less than one-third of the directors rotate at the annual shareholder meeting. Each Board member had an average attendance rate of 100% for Board meetings.

To ensure the effective operation of the Board and its committees, we have established clear performance goals and assessment processes based on the *General Group's Subsidiary Board Evaluation Methods (Trial)* (《通用技術集團二級公司董事會評價辦法(試行)》). The evaluation includes a report summary, self-assessments, internal assessments, investor evaluations, and daily evaluations. The Board and its committees conduct internal performance assessments at least once a year, considering factors such as board meeting participation, decision-making quality, and support for the company's strategic goals.



Board Training

The Group is committed to continuously enhancing the professionalism and overall capabilities of its Board members. During the reporting period, we held 5 internal specialized training sessions, focusing on the latest developments in Hong Kong's capital market regulations and key reports. This ensures that Board members are kept up to date with the latest industry knowledge, helping them to better understand critical elements of the Group's operations in the capital market and enhance Universal Medical's sustainability and market competitiveness.

Date	Training Target	Training Type	Training Content
January 30th	All Board	Continuous	 Summary of the Hong Kong Stock Exchange's Review of
	Members	Training	Listed Companies' 2022 Annual Reports
May 8th	All Board Members	Continuous Training	 Hong Kong Stock Exchange's April 2024 Listing Rules Compliance Brief (《上市規則執行簡報》) and Implementation Guidelines for Climate Disclosure under the ESG Framework (《ESG 框架下氣候信息披露實施指引》)
June 3rd	All Board	Continuous	 Hong Kong Stock Exchange's May 2024 Listing Issuers
	Members	Training	Regulatory Communications (《上市發行人監管通訊》)
September 25th	All Board	Continuous	 Hong Kong Institute of Certified Public Accountants' 2024
	Members	Training	Annual Survey Report
December 5th	All Board Members	Continuous Training	 Hong Kong Stock Exchange's November 2024 Listing Regulations and Rules Compliance Communications (《上 市監管及規則執行通訊》)

Management Team

Diversity and Localization of Management

To effectively promote the sustainable development of the company, Universal Medical actively promotes diversity in its management team in terms of gender, age, background, and other aspects. As of the end of the reporting period, the proportion of female executives in both senior and middle management levels reached 27% or more, with female executives in junior management positions making up 54.37%. Additionally, the proportion of female executives in revenue-generating functions was 50.63%, and the percentage of female employees in STEM-related positions was 30.94%. To support the development of local communities, Universal Medical has also actively pursued executive localization, with 97.42% of executives coming from local communities.



Management Performance Appraisal

Universal Medical places significant emphasis on the performance appraisal of its management team, incorporating business performance metrics into the management performance appraisal system. For senior executives such as the Chief Executive Officer (CEO), we have set up a compensation and performance appraisal system. This system includes long-term financial return metrics for the Group (including return on assets, return on equity, total profits by business segment, etc.), as well as industry benchmark comparisons. The system links performance bonuses to actual performance and implements deferred short-term salary bonuses to ensure that the CEO's performance is closely aligned with the Group's business results. This creates a "long-term, stable, and sustainable" shareholder value return mechanism. The CEO's variable salary performance appraisal period is set to 1 year, with the maximum vesting period for variable salary being 1 year. As of the end of the reporting period, Universal Medical has successfully avoided any delayed payment of CEO short-term salary bonuses for more than two consecutive years.



The proportion of executives coming from ocal community is







Risk Management

Risk Management and Internal Control System

In order to better respond to the complex and rapidly changing market environment, while supporting the healthy development of different business units and decision-making flexibility. Universal Medical regards risk management as one of the key areas of business management. We continuously strengthen the "three lines of defense" in risk management and update and improve the risk management and internal control governance system.

Risk Management and Internal Control Governance Framework

We have established the Risk Management and Internal Control Regulations (《風險管理與內部控制規定》), which clearly define the organizational structure and division of responsibilities for internal control and risk management work. The Board of Directors is the highest decision-making body for major matters related to risk management and internal control, and is responsible for the effectiveness of the Group's internal control and risk management work. The Board has established a Risk Control Committee, chaired by a non-executive director, which is responsible for overseeing the overall internal control and risk management of the Group. The Committee reviews reports on the management and execution of key risks such as strategy, operations, and ESG, and regularly inspects and evaluates the implementation of risk management and internal control systems related to operational and ESG risks. This provides decision-making support to the Board.

The Risk Prevention and Compliance Committee is responsible for researching and reviewing major risk and internal control management tasks, leading, promoting, and implementing the construction of risk prevention, internal control supervision systems, and mechanisms. The Audit Department serves as the leading department for internal control and overall risk management, coordinating and implementing the Group's risk management and internal control work. The Audit Department formulates relevant management guidelines and regulations such as the Credit Risk Management Regulations (《信用風險 管理規定》) and Tax Risk Management Guidelines (《稅務風險管理指引》) to address specific risks. It supervises each unit to establish and improve their own risk management and internal control systems and operational mechanisms, organizing supervision, inspections, and evaluations of their risk management and internal control work. Each functional department of the company is the primary responsibility body for managing and controlling specific business risks and internal controls within their designated scope. They are accountable for the risk management and internal control supervision within their respective areas of responsibility.

To adapt to the ever-changing market environment and industry development needs, the Risk Management Department has conducted a comprehensive and systematic optimization and revision of existing management measures and industry guidelines for financial operations. This ensures that all systems are scientific, rational, and actionable. During the reporting period, new and revised management regulations and guidelines were published, including the Operational Lease Business Management Regulations (《經營性租賃業務管理辦法》), industry guidelines for energy and environmental protection sectors, and revised credit guidelines for key industries such as public utility leasing projects, which together help create a strong shield for business safety.

The "Three Lines of Defense" in Risk Management

First Line of Defense in Risk Management

Each operating unit and business department is the first line of defense for risk management and bears direct responsibility for risk management. They are mainly responsible for identifying, evaluating and dealing with all kinds of risks in daily operations to ensure the safety and soundness of business activities.

Second Line of Defense in **Risk Management**

The risk management function is the second line of defence and assumes responsibility for risk management. It is mainly responsible for assisting each business department to establish and improve the risk management system and providing professional risk management guidance and support.





fectiveness of risk management of each department and provides timely warning and correction of potential risk issues.

Risk Management and Internal Control Workflow

In accordance with the *Risk Management and Internal Control Regulations* (《風險管理與內控規定), Universal Medical continuously updates its risk management and internal control systems. The company has refined its workflows for internal risk identification, assessment, monitoring, early warning, control activities, and communication. These processes clarify the collaborative management mechanisms for risk identification, management, reporting, and improvement.

Additionally, the company has established an annual major risk assessment mechanism to thoroughly anticipate and evaluate various risks that may occur during the fiscal year. Based on this, targeted risk control measures are implemented to further enhance the level of risk management and internal control. The company conducts at least one internal control evaluation each year to continuously improve the risk management and internal control system. In a risk-oriented approach, the company also performs two external audits annually to supervise and inspect the construction and implementation of risk management and internal control, no major risk events occurred within the company.



Each functional department and operational unit is responsible for identifying significant operational risks. They monitor, collect, and analyze various professional risks within their management scope, promptly sharing and communicating risk information, and assisting in risk assessment, review, and other related tasks. Through regular business self-inspections and project review meetings, potential risk points are summarized. The company also continuously tracks industry reports to capture risk signals in a timely manner, while encouraging employees to proactively report potential risks, creating an environment of company-wide participation in risk identification.



Each functional department and operational unit conducts risk assessments within their respective responsibilities, devising countermeasures and solutions. Using risk assessment models, credit limits are determined based on the risk rating. Targeted monitoring is conducted for various risks, including public opinion, policy changes, and industry or entity indicators, with specific early warning indicators and issues set accordingly. Additionally, regular updates to various credit models and guidelines are conducted, and cross-department risk review meetings are held to improve the risk prevention and control mechanisms, providing practical evidence for updating credit models and guidelines.

Reporting and Management

A Major Operational Risk Event Reporting Management Method (《重大經營風險事件報告工作管理辦法》) has been developed and effectively implemented to standardize the reporting process for risk events. This method requires quick response and timely reporting of major operational risk events. It ensures that risk events are objectively and accurately reflected, followed by prompt assessment, effective response, and management of the major operational risk event.

In accordance with the *Risk Management and Internal Control Regulations*(《風險管理與內部控制規定》), our group conducts an annual evaluation of the risk management and internal control work of each unit, with a focus on the soundness and effectiveness of the risk management and internal control systems. The evaluation results are integrated into the annual performance appraisal. For instance, in controlling financial business risk indicators, we set specific targets, such as reducing the proportion of public utility financing lease investments by a certain percentage and maintaining the non-performing asset ratio below a specified threshold.

For any violations of national laws, regulations, or company management policies that result in asset losses or other negative consequences, we will strictly pursue accountability in accordance with the relevant provisions. Additionally, each unit has established a reward and penalty mechanism: units and individuals who promptly identify risks, respond effectively to risks, and avoid significant losses will be recognized and rewarded; conversely, those who violate internal control systems will face appropriate penalties.

Risk Management and Internal Control Empowerment Training

During the reporting period, we organized multiple empowerment training sessions on internal control and risk management. These initiatives aimed to further foster a strong internal control and risk management culture, actively promote the development of internal control and risk management systems, enhance the group's risk awareness and risk resilience, and improve compliance with legal and regulatory requirements in operations.



Employee Participation in Risk Management

To fully encourage employee participation in risk management, Universal Medical has set up activities such as regional analysis, industry research, macroeconomic analysis report writing, financial lectures, monthly risk monitoring, and overdue list collection. Employees identify and discover potential risks in the organization through their work practice and provide feedback through various forms such as proactive reporting, work sharing, and special reports. The company screens these feedback results and formulates continuous improvement measures for risk management. In addition, we evaluate and assess the internal control and risk management efforts of each unit every year, focusing on the completeness and effectiveness of the internal control and risk management system, and the evaluation results are incorporated into the annual performance rating.

Risk Management in Product Development Process

Universal Medical always prioritizes patient safety and health. We implement a tiered approval system and have established detailed product development processes and standards for each production stage, clearly outlining the risk assessment and management requirements for each phase. During different stages of product development, we conduct comprehensive risk assessments of potential risks and take corresponding measures for their management and control.

ESG and Emerging Risk Management

To ensure the comprehensive identification, assessment, and management of all business-affecting risks, Universal Medical incorporates sustainability-related and emerging risks into its risk management system. The company conducts a comprehensive risk assessment at least once a year. We also actively conduct stress tests on risks, monitoring foreign exchange risk exposure and interest rate risk exposure on a monthly basis, and perform sensitivity analysis guarterly to calculate the impact of exchange rate and interest rate fluctuations on the company's profits and losses. Additionally, based on internal and external factors, we periodically carry out liquidity risk stress tests, setting specific scenarios and variable factors to measure the company's ability to withstand normal, mild, moderate, and severe scenarios, as well as the emergency measures to be taken.

Risk Type	Risk Name	Risk Explanation	Impact Assessment	Response Measures
Identified Risks	Safety, Environmental Protection, and Quality Risks	The risk of uncontrolled safety and environmental management, leading to accidents such as fires, electrical shocks, mechanical incidents, as well as environmental incidents like water pollution and soil contamination.	The occurrence of major safety or sudden environmental incidents, resulting in property damage, reputational harm to the company, and the potential for administrative penalties.	 Strict responsibility implementation and assessment mechanisms; Solidly carry out safety standard management processes; Strengthen the construction of risk classification and control for production safety; Implement hazard investigation and remediation work; Actively carry out safety and environmental protection training, education, and awareness-raising activities.
Emerging Risks	Strategic Management Risks	The business is complex and diverse, facing intense market competition, challenges in collaborative management, and difficulties in meeting the demand for professional talent.	This may lead to the deviation of Universal Medical's business layout from market and policy directions, making it difficult to establish a competitive advantage, resulting in market share loss. Operations may become disordered due to poor coordination, and long-term profitability may be constrained by rising costs and declining revenue.	 Regularly organize strategic insights and clarifications; Fully promote the strategic decoding process, ensuring smooth alignment between the headquarters and subsidiary companies in implementing the strategy; Effectively implement a strategic tracking and execution mechanism to ensure the successful execution of the strategy; In line with the external environment and internal circumstances, conduct in-depth strategic evaluations, systematically analyze deviations and issues in strategic plans to ensure the scientific and effective implementation of strategic measures.
	Policy Research Risk	The risk of significant changes in industry policies, where inadequate tracking and analysis of policy information leads to insufficient sensitivity, causing negative impacts on the company's business development.	The inability to timely grasp changes in the policy environment, affecting the planning and expansion of medical and financial businesses.	• Regularly track policy and regulatory changes, enhance the sensitivity of relevant departments to policy and regulatory shifts, promptly organize policy analysis and research, and adjust the company's business policies as needed to ensure that business development complies with regulatory requirements.

Business Ethics

As a healthcare company, creating an open, transparent, and fair market environment is essential. Upholding high levels of business ethics is a requirement for every employee at Universal Medical. We are committed to working in a compliant, upright, and honest manner, adhering to ethical norms of fairness, trust, and openness in all our business activities, and jointly building a sustainable business environment.

Compliance Management

Integrity and Compliance System Development

Compliance Management System

Compliance management, as an inviolable baseline for corporate operations, is a core element in ensuring that the company operates steadily and achieves sustainable development. To ensure that the Group's operations comply with legal and regulatory requirements, Universal Medical has formulated the Compliance Management System Construction Guide (《合規 管理體系建設指南》) and continually improves the Group's compliance management system, which includes organizational structure, regulations, procedural standards, and responsibility assignments. This system strengthens compliance management capabilities and enhances the management level of legal and compliant business operations.

> Compliance Management Policy

The Group has developed the Compliance Management Procedures (《合規管理辦法》) and Integrity and Compliance Handbook (《誠信合規手冊》), and strictly adheres to these procedures to ensure legal and compliant operations. To enhance the ability to prevent and control compliance risks in key areas, we have formulated the Contract Drafting Compliance Guide ((同編制合規指南》), and based on actual circumstances, we have drafted and published three compliance management lists: the Compliance Obligations and Risk List (《合規義務與風險清單》) (including a legal and regulatory database), Key Position Compliance Responsibilities List (《重點崗位合規職責清單》), and the Key Process Compliance Control List (First Batch) (《重 點流程合規管控清單(第一批)》). Additionally, Universal Medical has developed the Compliance Obligations and Risk List for Healthcare Institutions (《醫療機構合規義務與風險清單》) to ensure compliant operations and risk control of healthcare institutions.

We continue to foster a corporate culture of integrity and compliance internally and establish a good external image of the company's integrity and compliance. For serious misconduct that violates national laws and regulations, we adopt a "zero tolerance" policy and will pursue criminal liability or impose appropriate administrative penalties in accordance with the law.

Compliance Management Framework

The Group has established a Risk Control and Compliance Committee, which reports to the highest management authority of the company. This committee is responsible for overseeing the planning of compliance systems, reviewing and revising system documents. During the reporting period, the Risk Control and Compliance Committee held a total of four meetings.

34

Compliance Management System Certification

Universal Medical actively encourages the Group and its subsidiaries to carry out compliance management system development. This includes business risk identification and evaluation on compliance issues such as medical device sales. For the risks identified during the review, we have implemented targeted measures. During the reporting period, Pangang Group General Hospital, a subsidiary of Universal Medical, successfully passed the ISO 15189 on-site review by the expert panel from the China National Accreditation Service for Conformity Assessment (CNAS).



The First Meeting of the ISO 15189 Re-assessment Review for the Testing Department of Pangang Group Hospital

Compliance Management Review Process

Universal Medical treats legal and compliance reviews as essential steps in its system management process. A legal and compliance review is a necessary part of any major decision-making process to ensure that rules, regulations, and important decisions, as well as economic contracts, undergo a compliance review with a 100% review rate. Additionally, we have established a regular compliance reporting and violation accountability mechanism, which clarifies the governance principles of the enterprise through legal and compliant means in the system and enforces it strictly in practice. Specific departments such as disciplinary inspection, supervision, and auditing are responsible for supervising the implementation. Any discovered issues are promptly corrected, and if any violation leads to operational losses, serious accountability will be enforced according to the group's relevant regulations.



Anti-Corruption and Clean Governance

Anti-Corruption and Anti-Money Laundering System

> Anti-Corruption System

Universal Medical firmly adheres to anti-corruption and integrity principles, continuously building corresponding organizational structures and management systems with guidance from the board of directors. We have established systems such as the Integrity and Compliance Handbook (《誠信合規手冊》) that require our employees to uphold ethical standards and collaboratively foster a clean, disciplined, and secure business environment. According to the code of conduct in our Integrity and Compliance Handbook (《誠信合規手冊》), the company has a zero-tolerance policy towards commercial bribery and corruption. All forms of bribery and corrupt behavior are firmly opposed and prohibited. Employees are required to sign an Employee Compliance Commitment (《員工合規承諾書》) to maintain strict work discipline. The anti-bribery and anticorruption policies apply to all employees (including full-time employees, part-time employees, outsourced employees, etc.), suppliers, and partners.

> Anti-Money Laundering Management

Universal Medical strictly complies with anti-money laundering laws and regulations in China and the countries/regions where it operates. We have established relevant systems and procedures to prohibit employees from engaging in money laundering activities and to prevent criminal exploitation. We thoroughly vet commercial partners and choose to cooperate with those whose sources of funds are legitimate and have a good reputation. At the same time, we require employees to strictly follow the company's financial policies and procedures, not accept payments that do not comply with regulations, and refrain from making payments to non-transacting or non-compliant accounts. We also actively cooperate with relevant parties in fulfilling anti-money laundering reporting obligations.

Whistleblower Mechanism and Protection for Whistleblowers

Universal Medical has developed the Whistleblowing and Complaint Work Rules (《檢舉控告工作規則》) and has set up a dedicated disciplinary inspection and petition reporting platform managed by a designated person. This platform receives information on violations, logs it in an organized manner, classifies it, and ensures that the reported information is processed in a timely and effective manner. The platform also facilitates the resolution and correction of any issues. We commit to keeping whistleblower information confidential and ensuring the protection of their rights.



Note: For more information regarding the number of corruption litigation cases and their outcomes, please visit the website of the Central Commission for Discipline Inspection and the National Supervisory Commission.

Mailing Address: Disciplinary Inspection Office, 25th Floor, General Health Building, No. 90

Reporting email: falvhegui@um.gt.cn

Reporting mailbox:Legal Affairs Department (Attention), 21st Floor, General Health Building, No. 90 Xisanhuan Zhong Road, Fengtai District, Beijing Postal Code: 100055

Integrity Building Measures and Effectiveness

> Anti-Corruption Training

Universal Medical has always been committed to establishing a culture of integrity in the workplace. Through regular anticorruption training, warning education, and other activities, the company ensures that employees adhere to business ethics and anti-corruption principles. During the reporting period, the Group conducted a total of 9 anti-corruption theoretical learning sessions for management and employees, 6 business training sessions, 3 inspection training sessions, and 3 other types of training. The training covered over 1,708 individuals. The training content included anti-corruption policies and regulations, business ethics guidelines, integrity in employment regulations, and more, further reinforcing employees' awareness of anticorruption and compliance.



> Anti-Money Laundering Training

In order to further maintain financial order and safeguard social stability, the company regularly conducts anti-money laundering training, combining both online and offline approaches. Our anti-money laundering training covers all levels of employees, providing a comprehensive and in-depth interpretation of anti-money laundering laws and regulations, analyzing real-world case studies to help identify and respond to money laundering risks, and enhancing employees' anti-money laundering awareness and professional skills. During the reporting period, the Group held 10 anti-money laundering training sessions, covering 1,470 participants. This effort effectively supports the Group in building a solid anti-money laundering defense and contributes to the healthy development of the industry.



Conducting Warning Education and Disciplinary Party Lecture Activities

The company's Party Secretary delivered a disciplinary party lecture, focusing on deeply studying General Secretary Xi Jinping's important discourse on comprehensively strengthening the Party's discipline construction. The company's Discipline Inspection Secretary conducted warning education, emphasizing the six major disciplines of the Party. The main venue and video sub-venues covered more than 450 people, including leaders at all levels and outstanding young cadres.



The main venue and video sub-venues covered more than

450 people



Party Committee Secretary Chen Shisu delivered a disciplinary Party lecture.

Conducted research on the Group's subsidiary medical institutions and delivered a Party lecture.

The company's Party Secretary, along with relevant personnel from the Disciplinary Inspection Office (Party Inspection Office) and the Audit Department, visited Zhongxing Hospital, Huazhou Hospital, 408 Hospital, Baoji Hospital, Xianyang Hospital, Xianyang Caihong Hospital, Wuhu Hospital, and Shaanxi Huahong for research. They also delivered a disciplinary-themed Party lecture titled "Study and Implement the New Regulations, Fulfill the Overall Requirements for Party Building, and Promote Comprehensive and Strict Party Governance to Advance in Depth" to the Party branch at the Wuhu Hospital, which is a Party connection point.



The Discipline Inspection Commission Secretary led relevant personnel to conduct research.



Warning education and disciplinary Party lecture activities



Disciplinary Inspection Commission Secretary Sha Shumao delivered a warning education.



Delivered a special party lecture on discipline.

Carried out multiple rounds of inspection work.

R

The company's Party Committee held three rounds of inspection training sessions. The sessions were attended by all members of the Party's Discipline Inspection Office (Party Inspection Office), members of the Party Inspection Office, as well as the heads or Party branch secretaries, discipline inspection commissioners, and other relevant personnel from the inspected units, totaling more than 30 people participating both online and offline.



Totaling more than **30** people participating both online and offline





The 2024 Second Round of Inspection Work Launch Meeting and Training Session of the Party Committee of Universal Medical.

Training Session on Promoting Relevant Systems and Review Discussions

The company's Discipline Inspection Commission organized a study session on General Secretary Xi Jinping's important statements on institutional development, the construction of the discipline inspection cadre team, and other key topics. The session also promoted the Annual Evaluation and Assessment Measures for Discipline Inspection Cadres of Secondary Units (《二級單位紀檢幹部年度考核評價辦 法》) and the Implementation Measures for Warning and Supervisory Spotlight of Party Committee Inspections (《黨 委巡查監督亮牌警示實施辦法》), followed by a training session on review discussions.



Conducting interview training

Attending the "Specialized Training Course on Supervision, Discipline Enforcement, and Accountability for the Pharmaceutical and Healthcare Sector"

The company's Discipline Inspection Commission organized 26 discipline inspection cadres to attend the "Specialized Training Course on Supervision, Discipline Enforcement, and Accountability for the Pharmaceutical and Healthcare Sector" at the Hongqi Canal Integrity Education Institute, organized by the Group's Discipline Inspection and Supervision Team. The training focused on the primary responsibilities and tasks of supervision, discipline enforcement, and accountability, providing strong disciplinary support for the Group's high-quality development.



26 discipline inspection

cadres to attend the "Specialized Training Course on Supervision



Conducting Simulated Case Handling Training

The company's Discipline Inspection Commission held the 5th session of its series of disciplinary training, which lasted for two days. During the session, cases closely related to hospital operations were selected, adapted, and dramatized. Using real-life scenarios as training exercises, the participants deeply simulated the entire process of handling leads and cases, with evaluations conducted according to the standards of actual investigations.



All members of the Discipline Inspection Office and discipline inspection cadres from affiliated Party-organized units participated in this training.





A group photo taken before the "Specialized Training Course on Supervision, Discipline Enforcement, and Accountability for the Pharmaceutical and Healthcare Sector" at the Hongqi Canal Integrity Education Institute.



Investor Relations Maintenance

Investor Relations Management

In accordance with the *Company Law of the People's Republic of China*(《中華人民共和國公司法》), the *Securities Law of the People's Republic of China*(《中華人民共和國證券法》), the *Guidelines for Investor Relations Management of Listed Companies*(《上市公司投資者關係管理工作指引》), the *Hong Kong Companies Ordinance*(《香港公司條例》), and the *Securities Listing Rules of The Stock Exchange of Hong Kong Limited*(《香港聯合交易所有限公司證券上市規則》), as well as other relevant laws, regulations, and normative documents issued by the government and regulatory authorities, Universal Medical has formulated internal documents such as the *Investor Relations Management Measures*(《投資者關係管理辦法》) and the *2024 Market Value Management Plan (including Capital Operation Plan and Investor Relations Communication Plan*)(《2024 年 度市值管理方案(含資本運作方案及投資者關係溝通工作方案)》). These efforts aim to further standardize the management of investor relations, promote a positive relationship between the Group and its investors, establish a stable and high-quality investor base, and balance "intrinsic value creation" with "market value realization." The goal is to reshape the value of state-owned enterprises (SOEs) listed companies, ensuring investor protection and maximizing the overall interests of the Group.

Information Disclosure

The Board of Directors is responsible for establishing and implementing the information disclosure management system., such as the *Information Disclosure Management Rules* (《信息披露管理細則》), the *Debt Financing Instruments Information Disclosure Management Measures* (《債務融資工具信息披露事務管理辦法》), and the Bond Information Disclosure Management Measures (《債券信息披露事務管理辦法》). Through various channels such as shareholder meetings, earnings presentations, press conferences, roadshows, analyst meetings, targeted research, regular and interim reports, site visits, and conference calls, we regularly and promptly responds to investors' concerns and expectations. The company ensures that information is disclosed on time and accurately, with announcements made and reports issued according to regulations. During the reporting period, we held 120 investor communication activities, disclosed 61 announcements on public platforms such as the official website, and achieved zero errors in information disclosure submissions.







Case

Investor Open Day - Organizing Investor Hospital Research Activity in Shaanxi Region

From December 5 to 6, 2024, Universal Medical organized an investor research activity in the Shaanxi region. The event included visits to its hospitals, with over 50 representatives from banks, well-known brokerage firms, fund companies, insurance institutions, and other organizations engaging in deep discussions. The Group's Chief Accountant and Party Committee Member, Wang Shinan, along with leaders from the relevant hospitals, led investors on tours of the XD Hospital (including the Health Check-up Center), Xianyang Caihong Hospital, and Xi'an Aero Hospital. During the event, a discussion session was held, allowing investors to engage in exchanges and share experiences.

Investor Open Day in Shanghai

On July 11, 2024, Universal Medical held an Investor Open Day event at the Shanghai Securities Journal. The event featured the Vice Chief Economist of the China National General Technology Group, as well as Chen Shisu, Chairman of the Board and Party Secretary of Universal Medical. Nearly 70 institutional representatives and investors from well-known brokerage firms, fund companies, insurance institutions, and other organizations participated in in-depth discussions. During the meeting, Chen Shisu provided a detailed introduction to the Group's strategic goals and development advantages, explained the development concepts of the different business segments, and engaged in an open and in-depth exchange during a one-hour free discussion session, addressing questions raised by the attending institutions.



Ensuring the Rights of Minority Shareholders

Universal Medical places great importance on protecting the legitimate rights and interests of its shareholders, particularly minority shareholders. The company adheres to the principles of transparency and openness, implementing a sound profit distribution policy. It complies with regulations by issuing proper notices and motions for shareholder meetings, announcing and disclosing major matters, and providing detailed information about the agenda items in the circulars to ensure all shareholders' rights are fully exercised. Additionally, the company has established dedicated channels to address shareholders' feedback and concerns, enabling them to stay informed about the company's operations.

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Universal Medical held an investor hospital research event in Shaanxi Province.

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Genertec Universal Medical Group Company Limited Investor Open Day

Corporate Governance Indicators and Objectives

Board of Directors members

Indicators	Units	2024 Value
Total Number of Board Members	person	11
Number of Executive Directors	person	3
Number of Independent Directors	person	4
Non-Executive Directors	person	4
Average Tenure of Board Members	year	3.77
Experienced Board Members	person	8
Board Members with Information Security Background	person	1
Number of Female Directors	person	1
Proportion of Female Directors on the Board	%	9.10
Board Composition — Number of Members Aged Under 30	person	1
Board Composition — Number of Members Aged 30-50	person	1
Board Composition — Number of Members Aged Over 50	person	9
Board Member Attendance Rate	%	100
Minimum Required Attendance Rate for Board Members	%	85

> Management Diversity

Indicators		Units	2024 Value
Number of Senior Management Members		person	7
Total Number of Governance Bodies (Board of Directors + Supe + Senior Management)	ervisory Board	person	15
CEO Short-Term Compensation Bonus Deferred Payment		%	0
CEO Variable Compensation Performance Assessment Period		year	1
Maximum Duration of Time Vesting for CEO's Variable Compen	sation	year	1
Indicators	Units	2024 Value	2024 Goal
Percentage of Female Employees in Senior Management - Entry-Level Management	%	54.37	50
Percentage of Female Employees in Senior Management - Mid-Level Management	%	27.34	25
Percentage of Female Employees in Senior Management - Senior-Level Management	%	28.57	25
Percentage of Female Employees in Management	%	53.16	50
Percentage of Women in Revenue-Generating Functional Department Management Roles	%	50.63	50
Percentage of Female Employees in STEM-Related Positions	%	30.94	25
Percentage of Minority Employees in Management	%	1.42	1
Percentage of Han Chinese Employees in Management	%	98.58	1
Percentage of Executives Hired from the Local Community	%	97.42	1

> Risk Governance Performance

Indicators	Units	2024 Value
Number of Directors with Risk Management Expertise	person	11
Number of Non-Executive Directors with Risk Management Expertise	person	8
Frequency of Risk Exposure Review	times/year	1

> Compliance Management Performance

dicators

In

Conflict of Interest Violations

Anti-money Laundering or Insider Trading Violations

> Anti-corruption and integrity training performance

Indicators	Units	2024 Value
Anti-money Laundering Training Sessions	times	10
Anti-money Laundering Training Coverage	person-times	1,470
Anti-corruption and Integrity Training Sessions	times	21
Anti-corruption and Integrity Training Coverage	person-times	1,708
Regular Review of Ethical Standards	times/year	3
Corruption Lawsuits and Trials	piece	2
Closed Corruption Lawsuit Cases	piece	4

> Fair competition performance

Indicators

The antitrust litigation confirms the number of entities involved

> Party building leadership performance

Indicators

Total number of Party-building themed activities

Total participation count in Party-building themed activities

> Public donation performance

Indicators

Total amount of political contributions

> Investor communication status

Indicators

Number of investor communication activities conducted

Number of disclosure announcements

Units	2024 Value
piece	0
piece	0

Units	2024 Value
piece	0

Units	2024 Value
times	52
person-times	8,397

Units	2024 Value
ten thousand RMB	0

Units	2024 Value
times	120
piece	61

02

Green Universal, Protecting the Earth's Ecosystem

Universal Medical has always approached its business activities with a strong sense of responsibility, carefully assessing their impact on the environment. We are unwavering in our commitment to deeply integrate the concept of green development into the company's overall strategic development, working tirelessly to build a Green Universal. In our operational practices, we continuously optimize and improve our environmental stewardship system, actively address climate change, reduce waste emissions, and consistently enhance resource efficiency. We are dedicated to advancing carbon neutrality and contributing to the development of a Beautiful China, working together with society to protect the Earth's ecosystem.

Key Issues Responded to:

- O Waste and Emissions Management
- O Green Finance Development
- O Resource Management and Circular Economy
- O Environmentally Friendly Operations
- O Ecosystem Protection
- O Climate Change Resilience



Environmental Governance Commitment

Environmental Protection Plan

Universal Medical consistently upholds green operations, focusing on reducing the negative impact on the natural environment and minimizing resource consumption. The Environmental Stewardship Strategy and Performance are overseen by the Strategy and ESG Committee under the Board of Directors. In the area of energy management, we thoroughly implement the national "dual carbon" strategy, fully integrating the concept of building green hospitals into our business layout. We introduce innovative technologies to promote energy-saving and carbon reduction efforts across our medical institutions, empowering environmental protection through digital technology. In terms of green finance support, we strategically increase resource allocation to the green sector based on our core business, focusing on high-quality projects with low energy consumption, low emissions, low pollution, and high efficiency. We continuously innovate and enrich the green finance product and service system, actively exploring new green finance models that align with industry development trends, providing ongoing financial support for environmental protection. At the same time, we conduct systematic internal training and a variety of environmental awareness activities, enhancing employee awareness of environmental protection and fostering a positive atmosphere for collective participation in building a green Earth.

Climate Change Mitigation and Adaptation

Climate Risk and Opportunity Management

Identification and Response to Significant Climate-Related Issues

Amid global climate warming, addressing climate change has become an urgent mission and task for all of humanity. Extreme weather events such as strong winds, cyclones, floods, and heavy rainfall are increasingly frequent, leading to a series of issues such as power and water supply interruptions and urban waterlogging. These challenges pose numerous risks to the normal operation of the company. In response to the *Paris Agreement* (《巴黎協定》) and with the goal of limiting global warming to no more than 1.5°C, Universal Medical takes on corporate social responsibility by regularly reviewing and assessing significant climate-related matters, integrating climate change risks into the company's internal risk management mechanisms and development strategy.



Environmental Compliance Management

Universal Medical constructs a solid compliance defense line with a rigorous attitude and scientific approach. We strictly adhere to the laws and regulations of the operating locations, including the *Environmental Protection Law of the People's Republic of China* (《中華人民共和國水污 染防治法》), the Water Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國困體廢物 污染環境防治法》), and the Solid Waste Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國固體廢物 污染環境防治法》), as well as industry standards such as the Discharge Standards for Water Pollutants in Medical Institutions (《醫療 機構水污染物排放標準》), the General Principles for the Application and Issuance of Pollutant Discharge Permits (《排汙許可證申請 與核發技術規範總則》), and the Hazardous Waste Storage Pollution Control Standards (《危險廢物貯存污染控制標準》). We have established the *Environmental Protection Supervision and Management Measures* (《環境保護監督管理辦法》) and the Quality and Safety Standards Management Path (《質量安全標準管理路徑》) (the "Pocket Book"), which clarify the principles and responsibilities of environmental protection management. Additionally, we have launched the *Energy-saving and Environmental Protection Deepening Year Plan* (《節能環保深化年方案》), encouraging units at all levels to develop and apply energy-saving and environmental protection technologies, enhance the construction of energy-saving and environmental protection hardware facilities, and continuously improve the level of environmental protection compliance management.Furthermore, we have developed the *EHS Emergency Response Plan* (《EHS 事故總體應急預案》), which outlines environmental impact factor identification, early warning, and emergency mechanisms, fortifying our environmental compliance management system and effectively preventing and responding to various environmental risks.

The management team at Universal Medical has established a Safety, Environmental Protection, and Quality Committee, which holds 1-2 annual meetings to lead and research the company's energy-saving and environmental protection work. We sign the *Safety, Environmental Protection, and Quality Work Target Responsibility Letter* (《安全環保質量工作目標責任書》) with affiliated units to ensure that every aspect of the company's operations strictly complies with environmental regulations. During the reporting period, no environmental incidents occurred, and we fully achieved the annual energy-saving and environmental protection goals.

As one of the first domestic "ISSB International Sustainability Disclosure Standards Learning Partners," Universal Medical follows the International Financial Reporting Sustainability Disclosure Standard No. 2 - Climate-Related Disclosures (IFRS S2) and the Task Force on Climate-related Financial Disclosures (TCFD) framework for climate-related financial information disclosure. We conduct carbon inventories and manage greenhouse gases, exploring strategies and measures to address climate change. During the reporting period, the Board members optimized and upgraded the guidelines for climate-related disclosures, and based on this, developed forward-looking strategic plans and adjustments to support the company in achieving green transformation and sustainable development.

We closely monitor potential risks arising from climate change, including policy changes, energy and raw material price fluctuations. Through the development of a comprehensive climate change management system, active promotion of low-carbon construction, and exploration of the application potential of green and low-carbon technologies, we aim to enhance the company's resilience to climate change and contribute more to global climate governance.

Climate Risk and Opportunity Governance Structure

The Board of Directors, as the highest decision-making and supervisory body responsible for climate risk and opportunity governance, comprehensively reviews the ESG report annually. This includes assessing and disclosing the impact of climate change as a significant issue. The Board deliberates and approves the governance of climate change, the identification and analysis of climate risks and opportunities, and the response measures to climate change, guiding relevant departments to advance climate change mitigation efforts and ensuring the effective implementation of these initiatives.

The Safety, Environmental Protection, and Quality Management Committee, in its work on energy-saving and environmental protection, gives full consideration to the factors of climate change. The Committee evaluates its financial impact on Universal Medical and develops a series of response measures to mitigate potential risks and minimize the negative financial effects of climate change on the company.

Under the leadership of the Safety, Environmental Protection, and Quality Management Committee and the ESG Working Group, relevant departments prioritize climate change mitigation and adaptation in their daily work. They plan to set goals related to climate change risks and opportunities and, combined with climate change management objectives, establish performance assessment mechanisms for relevant organizational units concerning climate risks and opportunities.

Climate Risk and Opportunity Identification, Response, and Financial Impact Assessment

We continuously monitor the potential financial impacts of climate-related risks and opportunities, making timely preparations to mitigate and respond to climate-related risks. At the same time, we further drive the positive impacts of climate change opportunities for the company.

Types of Climate Change Risks		Description of Climate Change Risks	Potential Financial Impacts
	Policy and Legal Risks	 As the country tightens environmental regulations and continuously introduces policies related to climate change disclosures, the operating costs of clients/investment targets in carbon-intensive industries may increase. This could lead to higher credit risks or a decrease in their valuations, which may, in turn, impact the company. Additionally, if clients/investment targets or the company's subsidiary entities fail to meet regulatory requirements in environmental stewardship, they may face risks such as lawsuits, fines, or credit defaults, which could affect the company. 	Increased Operating Costs
Transition (Overarching) Risks	Technology Risks	 In the context of climate change, carbon-intensive technologies/ products will be phased out, requiring increased research investment in the development of low-carbon technologies to meet policy and stakeholder demands. This may expose the company to risks such as the failure of new low-carbon technology investments and rising costs associated with the transition to low-carbon technologies. 	Increased Operating Costs
	Market Risks	 In the context of the green and low-carbon trend, the growing popularity of green consumption behaviors will lead to changes in customer behavior, which in turn will expose the group to market risks. 	Decrease in Operating Revenue
matric	Reputation Risk	 With the introduction of the "dual carbon" policy, stakeholders such as investors and customers are increasingly focused on green products and green finance. If the group does not invest adequately in these areas, it will fail to meet the expectations of investors and customers. 	Decrease in Portfolio Value Decrease in Operating Revenue
	Acute Risks	 Extreme weather events caused by climate change can lead to various natural disasters and emergencies, potentially causing instability in hospital logistics, distribution, and personnel transportation. 	Increased Operating Costs Increased Infrastructure Construction Costs
Physical (or tangible) risks	Chronic Risks	• The long-term effects of climate change, leading to a gradual increase in average temperatures, may impact the storage of medical supplies. At the same time, it will require increased procurement and operational costs for air conditioning and other cooling facilities to maintain comfortable temperatures for both patients and staff.	Increased Operating Costs

Green Universal, Protecting the Earth's Ecosystem

Universal Medical's Response Measures

vely respond to and fully support the national plans on climate nge, and proactively develop a dual-carbon development tegy and action plan.

spitals under Universal Medical are actively implementing energy sformation projects to build green and low-carbon hospitals.

versal Medical's subsidiary, Global Leasing, adheres to and tinuously focuses on green sectors such as wastewater trment, photovoltaic new energy, and green transportation. ing the reporting period, it successfully issued green loans and n domestic and international ESG loans.

mulated the *Emergency Management Measures for* ergencies(《突發事件應急管理辦法》) and the *EHS General* ergency Response Plan(《EHS 事故總體應急預案》) to imize or eliminate the adverse effects caused by extreme ather events.

Climate Change Opportunity Type	Description of Climate Change Opportunity	Potential Financial Impact	Universal Medical Specific Practices
Resource Efficiency	 Enhance energy efficiency by adopting low-energy devices and implementing smart energy projects. 	Reduced operating costs	 Launched the green low-carbon smart energy project at XD Hospital and the photovoltaic power generation project at Pangang Xichang Hospital.
Energy Source	 Promote the use of clean energy, such as increasing solar, wind, or hydroelectric power to meet energy demand and reduce greenhouse gas emissions. 	Increase in portfolio value	 Issued green Asset-Backed Securities (ABS), with all proceeds allocated to clean energy and other green industry projects, promoting the
Market	 With favorable carbon neutrality policies, the demand for financing from small and medium-sized energy- saving and environmental protection service enterprises will increase, making green finance more attractive to the market. 	Increase in operating revenue Increase in portfolio value	 development and use of clean energy. Successfully secured the first overseas syndicated loan and bilateral loan compliant with green loan principles, which were used to fund a green
Resilience/ Adaptation	• Actively participate in renewable energy projects, adopt diverse energy-saving measures, and choose environmentally friendly suppliers to enhance climate resilience.	Reduced operating costs	 photovoltaic new energy leaseback project. Actively building a green supply chain, including encouraging suppliers to adopt renewable energy and resources.

Carbon Emission Management

Low-Carbon Development Strategy

To support the achievement of the national "dual carbon" goals and fully promote the construction of a beautiful China, we have thoroughly implemented the Opinions of the Central Committee of the Communist Party of China and the State Council on Fully and Accurately Implementing the New Development Concept and Doing a Good Job in Carbon Peak and Carbon Neutrality, (《中共中央國 務院關於完整準確全面貫徹新發展理念做好碳達峰碳中和工作的意見》) and the Notice of the State Council on Issuing the Carbon Peak Action Plan Before 2030 (《國務院關於印發 2030 年前碳達峰行動方案的通知》). We have also released the Energy Conservation and Environmental Protection Deepening Year Plan (《節能環保深化年方案》) and actively implemented the GT-PRC Carbon Peak Action Plan (《通用技術集團碳達峰行動方案》), the GT-PRC Implementation Plan for Promoting the Construction of a Beautiful China (《通用技術集團貫徹落實推進美麗中國建設的實施方案》), and the GT-PRC 2024-2025 Energy Conservation and Carbon Reduction Action Plan (《通用技術集團 2024-2025 年節能降碳行動方案》). Starting from its own low-carbon operations, we extends its efforts to all aspects of the value chain. Through supplier carbon management projects, carbon data and target management, and the promotion of carbon reduction projects, we guides the construction of a new pattern of green, low-carbon, and high-guality development.

According to the Carbon Peak Action Plan (《碳達峰行動方案》) and the Energy Conservation and Environmental Protection Deepening Year Plan (《節能環保深化年方案》), during the "14th Five-Year Plan" period, Universal Medical focuses on four key tasks: "Deepening the foundation of energy conservation and environmental protection management, intensifying pollution prevention and control, deepening the green and low-carbon transformation of industries, and improving the guality and capabilities of management personnel." These efforts continue to strengthen the management system for green and low-carbon development, enhance the supervision and governance of emissions, improve energy utilization efficiency, and actively carry out specialized energy-saving and environmental protection training.

Carbon Emission Targets

Universal Medical is deeply advancing the group's green and low-carbon development, and the carbon peak action plan has achieved phased results. To reduce carbon emissions from core operations, we have implemented carbon reduction projects across all relevant operations and taken proactive and effective measures and initiatives. We provide low-carbon alternatives for energy demand and improve energy efficiency. Furthermore, we have ongoing goals to reduce carbon emissions and enhance energy efficiency. The set target for 2024 is to ensure that greenhouse gas emissions intensity does not exceed 2.5 tons of CO₂ equivalent per capita, and energy consumption intensity does not exceed 0.8 tons of standard coal per capital

Mid-term Goals: Green Operations

- energy usage of vehicles is statistically tracked on a quarterly basis to scientifically determine and practice energy conservation. Regular vehicle inspections are conducted to ensure emissions comply with national standards. Vehicle travel routes and passenger arrangements are optimized to minimize empty mileage.
- Expand the Use of Online Systems for Document Filing/Approval: Reduce overall paper usage by promoting informal double-sided printing and other green office practices.
- Change the energy consumption habits of the company by equipping hospitals with lighting devices that have lower energy consumption and appropriate illuminance for the environment. Conduct regular energy statistics and analysis. Identify high-energy-consuming equipment and gradually replace it. Purchase energy-efficient medical equipment when permitted and conduct research on energy-saving pathways.

Progress Check: O Progressing as planned.

guarterly statistical analysis of electricity, fuel, and gas energy usage; identified high-energy-consuming equipment; initiated water and electricity system upgrades to enable smart monitoring of energy systems; and implemented energy-saving upgrades for equipment.

Mid-term goal: Reduce the carbon footprint of hospitals

Guide functional departments to review the transportation arrangements for hospital personnel and logistics, and encourage employees to adopt green travel options.

Progress Check: O Progressing as planned.

Results Verification: The hospitals under the group are implementing smart energy projects and conducting detailed energy consumption management.

Long-term goal: Promote the use of renewable energy

• By actively promoting the use of clean energy, prioritizing the adoption of green electricity generated from solar and wind power, the usage rate of green electricity is gradually being increased.

Progress Check: O Progressing as planned.

Results Verification: Multiple green finance projects have been implemented, with investments directed towards the clean energy sector.

Long-term goal: Reduce per person carbon dioxide emissions ratio

- Develop a carbon emission management system and internal management policies.
- Set a per capita carbon dioxide emission intensity target: By 2024, the emission intensity shall not exceed 2.5 tons of CO₂ equivalent per person.

Progress Check: OProgressing as planned.

Results Verification: Carbon emission intensity targets have been established, relying on the dual drivers of lowcarbon healthcare and green finance to achieve the final goal.

Strengthen Official Vehicle Management: By implementing internal vehicle management practices and plans.

Results Verification: We have replaced a batch of high-energy-consuming lighting fixtures with LED lights; conducted

Green Hospital Construction and Green Finance Development

Green Hospital Construction

With the growing global focus on environmental protection and health, green healthcare is emerging as a new trend in the healthcare industry. Energy systems, as a fundamental support for hospital operations, make "energy conservation and carbon reduction" a key component of the green development process for hospitals. To demonstrate our commitment to energy conservation, emission reduction, and resource efficiency, we actively build and renovate green hospitals. The design requirements aim to meet at least the one-star standard for green hospitals, with sustainable development principles fully integrated into the hospital design. For the

first time, we have implemented ground-source heat pump technology to maximize energy savings and carbon reduction. During the reporting period, the National Health Commission's Population and Cultural Development Center released the results of the "2024 'Beautiful Hospital' Construction Excellent Case Collection" announcement, and three of our works were recognized and listed. They are "Beautiful Hospital Unveiled-Medical Effect Upgraded, Service with Care" from Universal Medical, "Building 'Sky 120' for Rapid Life Passage" from Pangang General Hospital, and "Loving the Hospital as Home, Building a Beautiful Campus Together" from XD Hospital. These achievements provide innovative examples for the healthcare industry and enrich the industry's cultural connotation.

In addition, Universal Medical actively implements green lowcarbon smart energy projects at its subsidiary XD Hospital and the photovoltaic power generation project at Pangang Xichang Hospital. These projects aim to create a new benchmark for regional green hospitals by utilizing green, economical, lowcarbon, and smart energy systems, while ensuring safe and stable energy supply. This drives Universal Medical's green transformation in hospital construction.

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		"美丽医院'建设优秀案例征集活动" 结果的公告	
4		北京中医药大学东方医院:人文美引领下的五 美医院文化新篇章	图文
5	北京中医药大学东方医院	医德泽杏林 人文绘华章——北京中医药大学东 方医院五美融合新文化实践	视频
6	通用技术环球医疗	环球医疗"美丽医院"展新颜一医效升级,服 务贴心	國文
94	成都大学附属医院	美丽医院建设获成效 高质量发展显内涵	图文
95	成都市中西医结合医院	美丽医院匠心筑梦	视频
96	攀钢集团总医院	打造"空中120"构建快速生命通道	祝類
97	成都市妇女儿童中心医院	守牢美丽医院建设安全底线:给"医疗垃圾" 贴条码 为风险树木建档案	图文
107	通用医疗三二〇一医院	通用医疗3201医院:身边的"美丽医院"	图文
108	西电集团医院	《爱院如家 共建美丽院区》	视频
109	西安电力中心医院	循大道 至万里 "美丽医院"建设赋能医院高	图文

Universal Medical and its subsidiaries were selected as outstanding cases in the "Beautiful Hospital" construction initiative

XD Hospital Launches Green Low-Carbon Smart Energy Project, Empowering Energy **Conservation and Environmental Protection with Digital Technology**

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In 2024, the new outpatient and inpatient integrated building at XD Hospital established a smart energy center to increase the utilization of renewable energy within the hospital. The hospital also built an intelligent building control system to achieve optimal energy-saving effects. Additionally, a medical waste information management system was implemented to effectively oversee all stages of medical waste management. A waste classification system for household garbage was established, and the hospital was recognized as a model unit for waste classification in Xi'an. Its waste classification case was included in the Medical Waste Management Case Collection by the National Health Commission's Hospital Management Institute.

The new outpatient and inpatient integrated building at XD Hospital uses efficient equipment such as "water-cooled units + air-cooled units + gas water heaters + cooling water waste heat recovery" to construct a multi-energy coupling comprehensive smart energy system. By recovering waste heat, the renewable energy potential of the hospital's energy system was enhanced. An automated control system was also installed, which adjusts and optimizes the operation strategies of multiple units and related equipment based on the building's load demand using algorithms, ensuring that the equipment operates at high efficiency, thus achieving energy-saving and emission-reduction goals. This system saves approximately 113.87 tons of standard coal annually, with an energy-saving rate of 16.97%. It also reduces carbon dioxide emissions by 281.70 tons, sulfur dioxide by 2.99 tons, nitrogen oxides by 1.49 tons, and particulate matter by 27.10 tons each year.

Pangang Xichang Hospital Completes Photovoltaic Power Generation Project, Actively **Developing Green Energy**

reliance on traditional grid electricity, and increase the proportion of green energy used.



Photovoltaic Power Generation Project

Green Finance Development

Universal Medical fully leverages the stabilizing role of its financial operations and, based on its unique "empowering healthcare through finance" approach, attaches great importance to the development of green finance. We continue to focus on green projects in areas such as sewage treatment, photovoltaic new energy, and green transportation, contributing to urban green upgrading and achieving widespread green finance deployment. We rigorously implement the important directives of the Central Committee of the Communist Party of China and the State Council, continuously innovating effective financial tools to serve national strategies, and directing more quality funds into socially responsible areas to promote sustainable business development. Moreover, we are committed to further scaling up green finance, improving its standardization, regulation, and internationalization, gradually establishing a nationwide green market, and continuously driving green finance reforms and innovation to contribute to building an eco-friendly and environmentally sustainable society.

During the reporting period, Universal Medical's subsidiary, Universal Leasing, successfully secured an overseas ESG syndicated loan, two overseas ESG bilateral loans, achieving a "zero" breakthrough in the Group's ESG overseas loan portfolio. Additionally, it issued an ESG-linked domestic syndicated loan to support the development of smart technologies for grassroots healthcare. The company also successfully issued its first ESG-linked corporate bond and ESG-linked ABS, enhancing environmental stewardship effectiveness through green project investments. Furthermore, in cooperation with China Construction Bank (Asia) Limited, Universal Medical completed its first "Belt and Road" tagged loan, empowering healthcare services and epidemic prevention construction in the countries along the Belt and Road. This marks the beginning of a new chapter in Universal Medical's sustainable high-quality development with foreign state-owned banks, highlighting the people-centered approach of the highquality co-construction of the "Belt and Road."During the reporting period, Universal Medical issued a total of 2.477billion RMB worth of sustainable and green bonds, an estimated 1.477billion RMB worth of ESG-linked derivatives, and the green loan portfolio reached 7.053 billion RMB.



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Universal Leasing successfully issued the 2024 fourth batch of publicly renewable medical equipment bonds.

Resource Management and Recycling

Waste and Emission Management

Universal Medical complies with relevant laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution* (《中華人民共和國固體廢物污染環境防治法》) and the *Standards for the Storage and Pollution Control of Hazardous Waste* (《危險廢物貯存污染控制標準》), and has established the *Environmental Protection Supervision and Management Measures* (《環境保護監督管理辦法》), which clearly and strictly regulate medical waste, solid and liquid waste, and other waste types. During the reporting period, the Group did not experience any violations related to emissions.

Hazardous Waste Management

Many of Universal Medical's subsidiaries are medical institutions, with hazardous waste primarily consisting of medical waste. These subsidiaries have signed disposal agreements with qualified local units that are authorized to handle hazardous waste. The medical waste is stored in designated temporary storage areas and, within 48 hours, is collected by disposal companies for proper handling.

Non-Hazardous Waste Management

Universal Medical subsidiaries have signed disposal agreements with local departments responsible for managing nonhazardous waste. For the non-hazardous waste generated by the Group's headquarters office, we implement waste classification and recycling to ensure proper disposal.

Wastewater Management

The medical institutions under Universal Medical strictly follow the *Water Pollution Prevention and Control Law*(《水污染防治法》) and the *Discharge Standards for Water Pollutants from Medical Institutions*(《醫療機構水污染物排放標準》). Each medical institution has a wastewater treatment station and complies with national laws and standards, ensuring pollutant discharge is within compliance through online monitoring, third-party sampling, and self-sampling methods. During the reporting period, no water pollution incidents occurred.

Air Emission Management

Universal Medical's medical institutions comply with the *Air Pollution Prevention and Control Law*(《大氣污染防治法》) and related standards, setting up strict monitoring and assessment mechanisms. Regular third-party testing is conducted to ensure air emissions are in compliance.

Energy Management

Energy Usage and Energy Conservation Management

The Group has signed EHS (Environmental, Health, and Safety) work objective responsibility agreements with each subordinate unit under the headquarters, clarifying the management of energy usage. Energy consumption data is reviewed and analyzed every quarter to effectively supervise each unit in fulfilling its environmental protection responsibilities. Additionally, environmental management personnel are organized to participate in specialized training programs on energy conservation and environmental protection. This aims to enhance the energy-saving management capabilities of the staff. In conjunction with various energy-saving awareness campaigns, the Group actively promotes the importance of electricity conservation.

Energy consumption in daily operations mainly comes from office electricity usage, hospital electricity consumption, and fuel consumption for company vehicles. To effectively reduce energy consumption, the following energy-saving measures are implemented:



Universal Medical has formulated the *Environmental Protection Supervision and Management Measures*(《環境保護監督管理辦法》), which set clear requirements for water and electricity conservation, among other areas. At the same time, we actively organizes activities such as Energy Conservation Promotion Week, publishes event notifications and carbon reduction initiatives, and broadcasts the "GT-PRC 2024 National Energy Conservation Promotion Week and National Low-Carbon Day video." Online energy conservation training during Energy Conservation Promotion Week is also conducted to raise all employees' awareness of energy conservation and environmental protection in their daily work. Additionally, when purchasing equipment, we prioritize products with low energy consumption and that meet environmental protection standards, contributing to environmental protection. Pangang Group Hospital, MCC5 Hospital, Pangang Chengdu Hospital, and MCC19 Hsopital have supported sustainable energy development by participating in direct electricity purchasing and prioritizing the procurement of green power, thus fulfilling their environmental responsibilities and setting an example for green operations.



Set air conditioning temperatures rationally, keeping the air conditioning off when no one is in the room.



Maintain vehicles properly and reduce abnormal wear and tear to minimize fuel consumption.



Encourage walking, cycling, or using public transportation such as subways and buses for short commutes.

Water Resource Management

Universal Medical complies with the *Water Law of the People's Republic of China*(《中華人民共和國水法》) and relevant regulations. The *Environmental Protection Supervision and Management Measures*(《環境保護監督管理辦法》) we released include provisions related to water resource management and conservation. Employees are encouraged to use water-saving practices, such as turning off faucets after use and avoiding water wastage, with regular tracking and reporting of water consumption.

The Group's daily water usage is mainly sourced from municipal water supplies, so there are no challenges in securing water sources.

Paper and Material Management

Universal Medical encourages all employees to follow the principle of paper conservation, promoting paperless office practices. The Group actively implements electronic procurement processes through its centralized procurement platform, and nonofficial documents are printed double-sided to reduce paper consumption. The Group also advocates for minimizing the use of disposable items and reducing material waste to minimize environmental pollution.

Natural Resources and Biodiversity

Environmental and Natural Resources

The subsidiaries of Universal Medical are mainly healthcare institutions, which do not have a significant impact on the environment and natural resources. The Group strictly controls the potential negative environmental impacts of construction activities in ongoing projects. For construction projects, the Group complies with national and local pollutant discharge standards and ensures comprehensive environmental protection management. During the design phase of construction projects, environmental protection measures are incorporated into the plans, including investments in environmental protection facilities. Clean production processes are used during construction to minimize energy consumption, reduce pollutant production, and ensure the efficient use of natural resources. Environmentally-friendly construction machinery is employed, and communication with local communities is maintained to minimize noise impact. Any existing environmental pollution or ecological damage related to reconstruction or expansion projects is addressed and mitigated. During the reporting period, the Group did not cause significant environmental or natural resource impacts due to its operations.

Biodiversity Protection

Universal Medical places high importance on the sustainability of the ecological environment and actively engages in biodiversity protection efforts. The Group regularly communicates with stakeholders on biodiversity issues and plans to conduct biodiversity risk assessments. Many of the Group's subsidiaries are medical institutions, and none of its operations are located near areas of global or national biodiversity significance. The Group is committed to avoiding such situations in the future.

Environmental Training and Public Welfare Activities

Environmental Awareness Promotion

Universal Medical actively responds to the national call, deeply practices the concepts of energy conservation, emission reduction, and sustainable development, and comprehensively strengthens environmental protection management. During the reporting period, the Group thoroughly implemented the requirements of the GT-PRC's "Notice on Carrying Out the 2024 National Energy Conservation Promotion Week and National Low-Carbon Day Activities." Taking the 2024 National Energy Conservation Promotion Week and National Low-Carbon Day as important opportunities, the Group launched a series of activities around the themes of "Green Transformation, Energy Conservation Struggle" and "Green and Low-Carbon, Beautiful China," effectively and systematically promoting the concept of green development among employees. Units under Universal Medical actively participated in energy conservation and emission reduction efforts, creating a positive atmosphere for full employee participation and joint governance.

Case Unive Activi

Universal Medical's 2024 National Energy Conservation Week and National Low Carbon Day Activities

In terms of event organization, the Group attaches great importance to energy conservation and environmental protection work. Based on its actual situation, the Group comprehensively deployed the activities, and various units responded actively. They organized special meetings, issued activity notices, and released energy-saving and environmental protection proposals, taking multiple measures to fully carry out the National Energy Conservation Week and National Low Carbon Day activities.



Yangmei Second Hospital held a special meeting to deploy the activities.

In terms of practical actions, the group has focused on both technology and management. Technologically, MCC Shanghai Hospital replaced grid fluorescent lights with energy-efficient LED panel lights and installed motion-sensing switches. Pangang Group Hospital installed solar-powered energy-saving lights, energy-efficient LED fixtures, and automatic flushing valves, effectively reducing energy consumption. In terms of management, MCC Shanghai Hospital optimized lighting switch labels and control methods to achieve refined management. Pangang Group Hospital installed water, electricity, and gas meters in each department, linking energy usage with performance.



widely promoted the activities through various channels. They utilized hospital lobby electronic display screens, bulletin boards, promotional materials, posters, WeChat, Weibo, and promotional videos to spread the concepts of energy conservation, environmental protection, and green low-carbon initiatives, thereby expanding the influence of the activities.

The video of the Energy Conservation Week at Shanhaiguan Bridge Hospital.

> Yangmei Second Hospital distributed promotional materials to the public.

Pangang General Hospital installed solar-powered energy-saving lights.

Environmental Protection Training

In order to thoroughly implement and carry out the major decisions and deployments on ecological civilization construction by the Central Committee of the Communist Party of China and the State Council, and to solidly promote the Group's tasks related to Beautiful China construction and energy conservation and carbon reduction, the Group organized a total of 149 environmental protection training sessions during the reporting period, with a total participation of 6,319 people.



"Promoting Beautiful China Construction and Supporting the Group's Green and Low-Carbon Development" Energy Conservation and Environmental Protection Deepening Year Special Training

On May 17, 2024, GT-PRC hosted an energy conservation and environmental protection deepening year special training session themed "Promoting Beautiful China Construction and Supporting the Group's Green and Low-Carbon Development." The training focused on the policy spirit of promoting Beautiful China construction and explained the requirements of green and low-carbon policies. Over 40 units from Universal Medical, with 128 participants, attended the training, significantly enhancing the energy conservation and environmental protection management capabilities of each unit.



Over **40** units from Universal Medical



attended the training



The Energy Conservation and Environmental Protection Deepening Year Special Training held by GT-PRC

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Environmental Stewardship Indicators and Objectives

> Environmental Compliance Management Performance

nd	ica	tors	

Environmental Law Violations

> Greenhouse Gas Emissions Performance

Indicators	Units	2021 Value	2022 Value	2023 Value	2024 Value	2024 Goal
Direct GHG Emissions (Scope 1)	ton of CO ₂ equivalent	5,121.39	5,770.95	5,438.64	6,172.50	Ι
Indirect GHG Emissions (Scope 2)	ton of CO ₂ equivalent	21,504.98	21,343.78	44,263.36	49,551.67	1
Total Greenhouse Gas Emissions (Scope 1 + Scope 2)	ton of CO ₂ equivalent	26,626.37	27,114.73	49,702.00	55,724.17	I
Greenhouse Gas Emissions Intensity	tons of CO ₂ equivalent per person	1.75	1.35	2.36	2.43	2.5

> Waste Management Performance

Indicators	Units	2021 Value	2022 Value	2023 Value	2024 Value	2024 Goal
Total Non-Hazardous Waste Generated	kilogram	8,700,484.45	9,163,038.58	10,539,609.13	10,847,603.23	11,200,000
Non-Hazardous Waste Generation Intensity	kilogram per person	570.82	456.39	499.77	474.00	1
Non-Hazardous Waste Breakdown – Office Paper Usage	kilogram	209,311.05	202,980.65	220,701.26	240,376.87	1
Total Hazardous Waste Generated	kilogram	1,856,760.70	2,008,796.80	1,855,916.25	1,852,098.01	1,900,000
Hazardous Waste Generation Intensity	kilogram per person	121.82	99.76	88.00	80.93	1
Hazardous Waste Breakdown – Used Ink Cartridges	kilogram	4,751.69	4,816.09	5,644.75	5,924.70	I
Hazardous Waste Breakdown – Used Batteries	kilogram	1,826.60	1,883.01	2,285.01	2,927.03	1
Hazardous Waste Breakdown – Used Fluorescent Tubes	kilogram	1,492.87	1,356.39	1,541.50	2,246.28	I
Hazardous Waste Breakdown – Medical Waste	kilogram	1,848,689.54	2,000,741.31	1,846,444.99	1,841,000	I
Total Hazardous Waste Disposed	kilogram	1,856,760.70	2,008,796.80	1,855,916.25	1,852,098.01	100% hazardous waste disposal rate
Total Non-Hazardous Waste Disposed	kilogram	8,700,484.45	9,163,038.58	10,539,609.13	10,847,603.23	100% hazardous waste disposal rate
Total Solid Waste Recycled/ Reused	kilogram	20,104	23,030	27,546	27,491	27,000

Units	2024 Value
piece	0

> Wastewater Discharge Management Performance

Indicators	Units	2021 Value	2022 Value	2023 Value	2024 Value
Wastewater Discharge Volume	tonne	1,833,447.48	2,162,192.37	2,613,853.25	2,909,801.00

> Atmospheric Pollutant Emission Management Performance

Indicators	Units	2024 Value
Total Atmospheric Pollutant Emissions	kilogram	27,765.85
Nitrogen Oxides (NO _x) Emissions	kilogram	172.90
Sulfur Oxides (SO _x) Emissions	kilogram	7.31
Particulate Matter (PM) Emissions	kilogram	407.78
Carbon Monoxide (CO) Emissions	kilogram	27,177.86

> Energy Management Performance

Indicators	Units	2021 Value	2022 Value	2023 Value	2024 Value	2024 Goal
Total Energy Consumption	ton standard coal	9,903.68	10,085.32	15,456.98	16,599.84	Ι
Energy Consumption Intensity	tons of standard coal per person	0.65	0.50	0.73	0.73	0.80
Total Direct Energy Consumption	ton standard coal	1,904.90	2,146.50	2,022.90	3,776.56	Ι
Direct Energy Consumption – Total Natural Gas Consumption	cubic meter	706,804.55	824,671.88	680,163.82	599,814.00	Ι
Direct Energy Consumption – Total Gasoline Consumption	liter	268,952.38	268,330.76	236,566.46	230,940.20	Ι
Direct Energy Consumption – Total Diesel Consumption	liter	90,786.91	201,841.64	180,265.82	103,739.90	Ι
Direct Energy Consumption – Total Coal Consumption	ton standard coal	0	0	0	0	I
Direct Energy Consumption – Total Coal Gas Consumption	cubic meter	1,749,757.56	1,632,212.35	1,955,018.04	1,956,120.00	Ι
Direct Energy Consumption – Total Liquefied Petroleum Gas (LPG) Consumption	kilogram	12,150	14,250	12,750	13,380	I
Total Indirect Energy Consumption	ton standard coal	7,998.78	7,938.82	13,434.08	12,823.28	I
Indirect Energy Consumption – Total Heat Consumption	million kilojoules	62,558.24	63,404.12	84,335.06	84,807.05360	Ι
Indirect Energy Consumption – Total Electricity Consumption	kilowatt-hours (kWh)	47,726,167	47,003,595	85,909,349	80,713,287	I
Renewable Energy Consumption	ton standard coal	0	0	0	7.72	I
Proportion of Renewable Energy Consumption	%	0	0	0	0.05	1

> Packaging and Material Management Performance

Indicators
Total Usage of Materials/Packaging Materials
Usage of Non-Renewable Materials/Packaging Materials
Usage of Renewable Materials/Packaging Materials
Proportion of Recycled Materials/Packaging Materials
Usage of Toxic and Hazardous Materials/Packaging Materials
Consumption Intensity of Materials/Packaging Materials

Green Finance Performance

Indicators	Units	2024 Value
Green Bond Issuance Scale	100 million RMB	24.77
Green Credit Scale	100 million RMB	70.53
ESG-Linked Derivatives	100 million RMB	14.77

> Water Resource Management Performance

Indicators	Units	2021 Value	2022 Value	2023 Value	2024 Value	2024 Goal
Total Water Consumption	megalitres	2,617.97	2,943.00	2,706.85	3,059.15	3,200.00
Water Consumption Intensity	megalitres per person	0.17	0.15	0.13	0.13	I
Freshwater Usage	megalitres	1	/	1	3,058.93	1
Reclaimed Water Usage	megalitres	1	1	1	0.216	I

> Investment in Environmental Protection Training and Promotion

Indicators	Units	2021 Value	2022 Value	22023 Value	2024 Value
Total Investment in Environmental Protection	ten thousand RMB	1,053.45	1,225.88	1,586.02	1,588.60
Number of Environmental Protection Training Sessions	times	1	1	160	149
Participation in Environmental Protection Training Activities	ten thousand RMB	1	1	6,485	6,319
\Investment in Environmental Protection Training	ten thousand RMB	11.57	11.98	14.73	12.19
Number of Organized or Participated Environmental Public Welfare Activities	times	1	I	26	22
Participation in Environmental Public Welfare Activities by Employees	ten thousand RMB	1	I	1,242	1,121
Investment in Environmental Public Welfare Activities	ten thousand RMB	4.10	4.40	17.10	8.40

Units	2024 Value
kilogram	69,660.43
kilogram	17,544
kilogram	52,116.43
%	75
kilogram	0
kilogram per person	3.04

03

Inclusive Universal, Supporting Employee Development

Universal Medical places great importance on labor rights, adhering to the philosophy of "people-oriented, talent first." The company focuses on the physical and mental well-being of its employees, establishes a safe and equal working environment, upholds fairness and justice, promotes a multicultural atmosphere, safeguards employee rights, and strives to provide a fair and inclusive development platform for all employees, fostering mutual growth between employees and the company.

Key Issues Responded to:

- O Occupational Health and Safety
- O Labor Management and Rights Protection
- O Training and Development Empowerment
- O Compensation and Tax Transparency



Employee Governance Commitment

Compliance with Employment Laws

Universal Medical deeply recognizes that compliant employment is key to strengthening the foundation of talent. The company strictly adheres to relevant labor laws and regulations, including the Labor Law of the People's Republic of China (《中華人民共和國勞動法》), the Labor Contract Law of the People's Republic of China (《中華 人民共和國勞動合同法》), the Implementation Regulations of the Labor Contract Law of the People's Republic of China (《中華人民 共和國勞動合同法實施條例》), the Criminal Law of the People's Republic of China (《中華人民共和國刑法》), the Law on the Protection of Minors of the People's Republic of China (《中華人民 共和國未成年人保護法》), and the Regulations on the Prohibition of the Use of Child Labor (《禁止使用童工規定》). The company has formulated and implemented the Headquarters Personnel Recruitment and Employment Management Regulations (《 總 部人員招聘錄用管理規定》), firmly adhering to the principles of demand orientation, responsibility, and transparency, fairness, and justice in recruitment. During the recruitment process, we implement the Group's human resources planning and recruitment plans, following the established recruitment procedures. We prohibit any form of child labor. During the reporting period, Universal Medical did not encounter any incidents related to the recruitment or use of child labor.

If any violations are discovered during the recruitment process, we will promptly take corrective action as per regulations. For example, if any discrepancies such as falsified educational backgrounds or significant inaccuracies in work history are found in the "Preemployment Investigation Form/Report", the candidate's preemployment investigation will be deemed unsuccessful, and the recruitment approval will be immediately stopped or the hiring plan will be canceled. As of the end of the reporting period, the Group's labor contract signing rate and social insurance coverage rate are both 100%.

Respect for Human Rights

Universal Medical adheres to internationally recognized human rights policies, including the Universal Declaration of Human Rights by the United Nations (《世界人權宣言》), the Global Compact (《全 球契約》), the Guiding Principles on Business and Human Rights (《工商業與人權指導原則》), the Declaration on Fundamental Principles and Rights at Work by the International Labour Organization(《關於工作中的基本原則和權利宣言》), the OECD *Guidelines for Multinational Enterprises* (《多國企業準則》), and the Responsible Business Alliance Code of Conduct (《負責任企業 聯盟行為準則》). We support and comply with international labor and human rights standards as well as authoritative global norms, and have formulated a Human Rights Policy that covers the Group, its supply chain, partners, joint ventures, and all stakeholders. We actively foster an inclusive and diverse work environment. eliminating any form of discrimination or bias, and ensuring that employees of different genders, ages, races, and religious beliefs can perform to their fullest potential in a fair environment.

The Group's labor contract signing rate was 100% The social insurance coverage rate was 100%



Commitments to Human Rights Protection by the Group*

We are committed to prev implementing relevant hu and human trafficking do r business.
New employees are requir and household insurance child labor. If the use of ch stop the illegal activities ar accordance with the Group
The Group's Human Rigl and is committed to provid expression of opinions.
The Group's Human Righ unions without fear of ha to employees who choos recognized trade unions, sincere negotiations with e
Our human rights initiativ bias in all personnel and achieving equal pay for eq
We uphold an equal and all employees are treated recruitment, compensatio disability, illness, marital s any form of discrimination <i>Measures</i> (《員工違規處? corresponding disciplinary

Additionally, we regularly conduct human rights due diligence, systematically reviewing the risks in our own operations, value chain, or business-related activities, risks associated with new business relationships (mergers, acquisitions, joint ventures), and risk maps for potential issues. This is done to proactively identify and assess potential human rights impacts and risks, with particular focus on issues related to vulnerable groups such as women and children.

* The above human rights commitments apply to the Group's own operations (employees, direct activities, products, and services), as well as to the requirements for our suppliers and partners.

eventing human trafficking and forced labor, continuously numan rights protection measures to ensure that slavery o not occur within our supply chain or any other part of our

uired to provide valid and authentic identification documents be certificates for verification to prevent the recruitment of child labor or forced labor is discovered, we will immediately and take appropriate actions against the involved parties in up's relevant policies.

ghts Policy respects employees' freedom of association viding channels and an environment conducive to the free

ghts Policy respects employees' right to join or form trade marassment, intimidation, or retaliation. This also applies use not to join a union. When communicating with legally by we are dedicated to fostering constructive dialogue and employee representatives.

tives strive to promote gender and racial equality, reduce d business policies and processes, and are committed to equal work.

nd diverse employee management policy, ensuring that ted with respect and are not subject to discrimination in ion, and promotion based on gender, age, religion, race, status, or pregnancy. Universal Medical strongly opposes on or harassment. The *Employee Disciplinary Management* 退分管理辦法》) explicitly outline prohibited behaviors and ry actions.

Anti-Discrimination, Anti-Harassment, and Anti-Violence

Universal Medical explicitly defines discrimination, harassment, and violence as violations of company policy for all employees. The Group has established internal regulations such as the *Personnel Recruitment Management Regulations* (《人員招聘管理辦法》), *High-level Talent Introduction Management Regulations* (《中高級人才引進管理辦法》), *Labor Contract Management Regulations* (《勞動合同管理辦法》), and the *Integrity and Compliance Handbook* (《誠信合規手冊》), which clearly address anti-discrimination, anti-harassment, and anti-violence within the Code of Conduct. Furthermore, our *Employee Violation Disciplinary Management Regulations* (《員工違規處分管理辦法》) explicitly outline the disciplinary actions for abusive, intimidating, insulting, or violent behaviors, and a zero-tolerance policy for discrimination is enforced. Upon detecting violations, illegal or disciplinary actions, department heads are required to promptly submit a written report to the relevant functional department, initiate verification, investigation, and disciplinary processes, and, depending on the situation, communicate the violations through internal channels, such as the company intranet or office emails, and announce the disciplinary outcomes. During the reporting period, no incidents of discrimination, harassment, or violence occurred within the Group.

Additionally, we regularly provide all employees with training on workplace discrimination and harassment, promoting the *Employee Violation Disciplinary Management Regulations* (《員工違規處分管理辦法》) throughout the company. During the reporting period, the anti-discrimination and harassment training coverage reached 100%.

Emphasis on Diverse Employment

Talent Attraction and Retention

We have formulated the *Headquarters Personnel Recruitment and Hiring Management Regulations*(《總部人員招聘錄用管理規定》) and continue to foster an open and diverse culture that attracts talent from different regions with diverse professional backgrounds and rich experience. In 2024, the Group introduced 12 high-level medical and technological talents, including 3 leading talents at the Group level, and continued to carry out talent introduction work with distinctive features, attracting over 20 discipline leaders. For university graduates, Universal Medical fully utilizes its platformbased recruitment effect, leading 21 subsidiary medical institutions to recruit in 5 provinces, 8 cities, and 9 medical schools. In 2024, we recruited 467 new graduates. During the reporting period, the number of new employees added was 3,171, accounting for 13.86% of the workforce, with 28.40% of vacancies filled internally.

Universal Medical actively engages in talent retention by improving compensation, benefits, training and development, and employee communication, effectively attracting and retaining core talents while striving to reduce employee turnover. During the reporting period, the Group's overall employee turnover rate was 8.70%. Additionally, the Group revised and released the *Employee Resignation Management Regulations* (《員工離職管理辦法》) to protect the rights of departing employees and provide transition assistance, including severance pay and placement, re-employment or retraining support, and other relevant services.

During the reporting period



Equality and Diversity

Universal Medical integrates the concept of equality and diversity into every aspect, actively fostering a workplace environment where everyone, regardless of gender, age, race, religion, sexual orientation, or illness, can compete equally and fully develop. As of the end of the reporting period, Universal Medical had a total of 22,885 employees, of whom 16,338 were female (71.40%), 424 were from ethnic minorities (1.85%), and 10 employees at the headquarters had disabilities (0.04%).

Support for Talent Development

Compensation and Incentives

Universal Medical is committed to creating a scientific and efficient salary and incentive mechanism, formulating the *Compensation and Performance Management Regulations* (《薪酬績效管理辦法》). We adhere to principles of legality and compliance, dynamic adjustment, external competitiveness, internal fairness, and matching cost-effectiveness with responsibility, while referencing industry dynamics, market trends, and job value, ensuring salary levels remain competitive to attract top talent. When setting salary standards, the Group has established performance-based variable compensation and ensures this structure applies to all employees.



Career Development

Universal Medical provides employees with ample development opportunities, rich learning resources, and fair promotion channels. We have formulated and implemented the *Job Level Management Regulations*(《崗位職級管理辦法》), conducting annual job level reviews aimed at enhancing and improving employee skills through employee development programs.

Universal Medical continues to promote gender and racial equality, reduce bias in all personnel and business policies, and processes, and is committed to achieving equal pay

To continuously motivate employees to contribute to Universal Medical's development, we have established long- and mid-term employee incentive mechanisms. The primary form of incentive is stock options, with the scope of incentives covering senior and middle management as well as core personnel. During the reporting period, the employee incentive program covered 3.80% of staff (excluding senior management), and no stock options were granted under the Employee Stock Ownership Plan (ESOP). Furthermore, the long- and mid-term incentive mechanisms have incorporated the Group's long-term development goals as key evaluation criteria for employees, focusing on the company's long-term and sustainable growth.

68
"Escort Program" Nurse Manager Capability Enhancement Training Class

From June 20 to 22, 2024, we organized the Universal Medical "Escort Program" Nurse Manager Capability Enhancement Training Class at Beihuan Hospital. The theme of this training was "Precise Empowerment for Improvement, Efficient Management for Development," aiming to comprehensively enhance the management skills of young nurse managers, stimulate their potential for management, cultivate nursing management talent, improve clinical nursing management quality in hospitals, and build a team of nursing management professionals with good qualities, management abilities, and high business proficiency.



"Escort Program" Nurse Manager Capability Enhancement Training Class

The Group has developed a formal talent development strategy and is actively conducting recruitment for the financial business team, preparing for the transformation of financial services. Additionally, we have formulated and implemented a graduate plan based on Universal Medical's talent development strategy, designing the "1345" training system for new recruits in the 2024 campus recruitment to support Universal Medical's high-quality development. During the reporting period, Universal Medical was awarded the Best Talent Development Award by the ISFAL International Action Learning Association for its action learning practice project.



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Talent Training

The Group, in accordance with the *Regulations on Cadre Education and Training*(《幹部教育培訓工作條例》) by the Central Committee of the Communist Party of China, the *National Cadre Education and Training Plan (2023-2027)*(《全國幹部教育培訓規劃(2023-2027 年)》), GT-PRC *Education and Training Management Regulations*(《通用技術集團教育培訓管理規定》), and other relevant regulations, has developed the "Education and Training Management Regulations" tailored to the Group's actual situation. This aims to promote the scientific, institutional, and standardized approach to education and training, build a highly qualified and professional cadre and employee team, and enhance the core competitiveness of the enterprise.

We are actively constructing a comprehensive and diverse talent training system, from basic skill training for new employees to help them quickly integrate into the corporate environment and master essential job knowledge, to advanced professional skill training for senior employees, helping them break through career bottlenecks and reach the peak of industry technology.

Employee Training System

The Group has formulated internal management systems such as the Education and Training Management Regulations, developed annual training plans, established a training management system, and defined the organizational structure of training management, carrying out training activities in a layered and classified manner.

We actively conduct knowledge and skills training, empowering employees to better develop their professional qualities. Additionally, we provide job development training to meet the specific development needs of employees. To cultivate outstanding young cadres, we offer leadership training to improve their management skills and other comprehensive abilities. During the reporting period, the total number of employees trained was 22,885, with a training coverage rate of 100%. A total of 64 training sessions were held, with an average training duration of 252.46 hours per employee. The total investment in training amounted to 4,236,900 RMB, with an average investment of 185.14 RMB per employee.

"Heartwarming Service" Special Action

To support the effective implementation of Universal Medical's "Heartwarming Service" Special Action and cultivate a team capable of conducting service training and service improvement, we organized modern hospital internal trainer guidance and training courses, training 54 internal trainers across 10 hospitals; and held a special service training class in the Sichuan-Chongqing region, with over 100 participants from 6 hospitals.

Financial High-end Talent Training Class

From August 20 to 23, 2024, the Universal Medical Financial High-end Talent Training Class was successfully held at the National Accounting Institute in Beijing. A total of 57 financial cadres and key business staff from the headquarters and subsidiary medical institutions attended the training. The training invited several chief accountants from top hospitals and experts from universities to deliver courses, covering key and challenging issues faced by the Group, including hospital operation management, cost management, internal control, financial business partners (BP), value creation, and digital transformation.

"Wing Development Plan" Youth Cadre Training Class (Session 4)

From November to December 2024, the Group held the Universal Medical "Wings-Spreading Plan" Youth Cadre Training Class (Session 4), with four modules: "Political Ability Enhancement," "Management Ability Improvement," "Innovation Ability Development," and "Comprehensive Quality Enhancement." The program aimed to strengthen the training of young cadres at Universal Medical, continuously reinforce the talent echelon, and create a team of young cadres with solid political quality, outstanding management ability, rich knowledge and skills, and potential for further development.







Training Program Benefits

The training program has demonstrated significant benefits across multiple dimensions. Employees have improved their professional skills and expanded their career perspectives through a variety of training courses, achieving personal value enhancement. We actively collaborate with educational institutions to design or provide more professional joint training plans for employees and have achieved measurable benefits from empowering employees through training programs.

Professional Support

To encourage employees to enhance their professional skills, Universal Medical supports employees in obtaining degrees and certifications, covering all employees (including part-time staff and contractors). In cooperation with GT-PRC, we support employees in obtaining professional titles through independent evaluations. During the reporting period, 226 employees participated in the Group's professional title evaluation, and we supported around 62 employees in participating in local professional title evaluations. We also actively encourage employees to obtain professional qualifications in areas such as finance, auditing, political work, economics, and engineering.

Focus on Employee Benefits

Employee Welfare Protection

To express the company's sincere appreciation for the hard work of its employees and to highlight the core value of putting people first, we have established a variety of employee support programs for all full-time employees, including paid maternity leave, paternity leave, breastfeeding leave, parental leave, and nursing leave. By the end of the reporting period, the coverage rate of non-salary benefits for employees was 100%.

Employee Communication

Universal Medical respects employees' right to speak and promotes the exchange of diverse perspectives, allowing employees to truly feel that their value is recognized, thereby enhancing their sense of belonging and involvement. During the reporting period, the Group held four employee representative meetings, and the proportion of employees covered by union or collective bargaining agreements was 100%.

During the reporting period



The Group held d employee representative meetings



By the end of the

reporting period

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The proportion of employees covered by union or collective bargaining agreements was

The coverage rate of non-salary

benefits for employees was

100%



We conduct annual employee satisfaction surveys through questionnaires, with key topics including job satisfaction, clarity of work purpose, job happiness, and work-related stress. During the reporting period, the Group's employee satisfaction survey score was 84.30 points.



In accordance with the *Headquarters Employee Comprehensive Performance Appraisal Plan*(《總部員工綜合績 效考評方案》), Universal Medical provides employees with formal channels for performance appeals and ensures confidentiality. Employees can check their performance results through online channels. If they disagree with the results, they can fill out and sign the "Performance Appraisal Appeal Form" and submit it to the relevant department. The department then investigates the appeal based on the provided materials and forms a relevant conclusion.

Employee Care

For employees who are sick or hospitalized, Universal Medical offers condolence payments to comfort them. For employees in difficulty, we conduct surveys and provide care. For employees about to retire, we hold retirement parties. In addition, for female employees, we provide specialized employee care services, requiring all levels of union organizations to fully recognize the actual needs of female employees, focus on solving their practical problems, and ensure that activities organized have clearer themes, more abundant content, and more innovative forms, encouraging the passion and efforts of female employees.

"Advance with the Party on a New Journey, Women Achieve Greatness in the New Era" 114th Anniversary of International Women's Day Activities

On March 5, 2024, the Shanghai Health and Health System held the "Advance with the Party on a New Journey, Women Achieve Greatness in the New Era" event to commemorate the 114th anniversary of International Women's Day. The event solemnly awarded advanced female collectives and individuals in the Shanghai Health and Health System. The Nephrology Department of MCC Shanghai Hospital, a subsidiary of Universal Medical, was awarded the honorary title of "Shanghai Women's Civilized Post".



Cultural and Sports Activities

To enrich employees' lives, Universal Medical organizes various cultural and sports activities for employees on an irregular basis. During the reporting period, the company held more than 120 cultural and sports activities for employees.



Work-Life Balance

The Group strictly implements a standard working hours system and has established internal management systems such as the *Attendance and Leave Management Regulations* (《考勤及請休假管理辦法》). By offering policies for rest days, paid leave, overtime compensation, and other benefits, we help employees find a balance between the pressures of work and leisure, striving to create a good environment where employees can balance both work and life.

Ensuring Health and Safety

Safety Management System

Universal Medical complies with Chinese laws and regulations such as the *Production Safety Law*(《安全生產法》) and *Occupational Disease Prevention and Control Law*(《職業病防治法》), as well as relevant standards and norms. We have established the *Safety Production Supervision Management Measures*(《安全生產監督管理辦法》), *Quality Safety Standard Management Path*(《質量安全標準管理路徑》), *Safety Production Standardization Guidelines*(《安全生產標準化指引》), and *Safety Production Responsibility System*(《安全生產責任制》), which apply to all the Group's operations/employees and contractors or individuals under the Group's supervision.



Universal Medical strictly implements safety production responsibilities and has signed the 2024 Safety, Environmental Protection, and Quality Responsibility Agreement (《2024 年安全環保質量工作目標責任書》) with GT-PRC. Each year, it signs the Safety, Environmental Protection, and Quality Work Target Responsibility Agreement (《安全環保質量工作目標責任書》) with its affiliated units, and has formulated the Safety and Quality Supervision Department Performance Appraisal Plan (《安全質量監督部績效考核方案》), clearly defining the occupational health and safety work goals, responsibilities, and performance appraisal to prevent accidents from the source. During the reporting period, the number of employees who died due to work-related reasons was 0, and the number of employees injured in work-related incidents was also 0.

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Occupational Health and Safety Management System

Universal Medical continues to standardize and refine its occupational health and safety management system, regularly improving it. We collaborate with employees to develop occupational health and safety regulations to ensure that all employees work in a safe and healthy environment. The Group has formulated the Emergency Management Measures for Emergencies(《突發事件應急管理辦法》) and the EHS General Emergency Plan(《EHS 事故總體應急預案》), which clarify emergency response processes for different levels of emergencies and requirements for emergency response termination, reporting of production safety accidents, and post-incident handling to prevent or mitigate significant negative occupational health and safety impacts. Additionally, we have established a dual prevention mechanism that includes risk classification control and hazard investigation and rectification, carrying out end-of-year inspections and on-site work. Subsidiary units conducted safety risk identification, classification, and formulated control measures, which were entered into the "Smart Universal Safety Production Network" information system. Various health and safety training activities were held in conjunction with "Safety Production Month" and "Occupational Disease Prevention and Control Law" publicity week. During the reporting period, no production safety accidents or significant negative occupational health and safety incidents occurred.

Safety Culture Building

Universal Medical actively cultivates employees' safety awareness and integrates safety concepts into every aspect of the company's operations, creating a comprehensive, multi-level safety protection network from frontline employees to management decision-makers.

Occupational Health and Safety Training

Case

Universal Medical organizes safety training activities through its subsidiary units, including the *Occupational Disease Prevention and Control Law*(《職業病防治法》) publicity week and "Safety Production Month." During the reporting period, a total of 88 knowledge contests were held during "Safety Production Month," with 8,522 participants; 27 thematic speeches were conducted with 1,004 participants; 149 educational sessions on typical accident warnings were held with 5,582 participants; and 83 safety production "Everyone Talks," "Pre-shift Meetings," and "Legal Education by Case" sessions were held with 1,321 participants. During the *Occupational Disease Prevention and Control Law*(《職業病防治法》) publicity week, 69 thematic promotion activities were carried out by the units, reaching 19,036 people.

Extensive Publicity and Training to Create a Positive Occupational Health Culture

Universal Medical units carried out a variety of publicity and training activities based on the requirements of the "Notice on Conducting the 2024 Occupational Disease Prevention and Control Law Publicity Week." Through diverse publicity and training, employees, patients, and their families were further educated on the Occupational Disease Prevention and Control Law (《職業病防治法》) and could genuinely feel that protecting employees' health is an essential part of building a harmonious society.



Carrying Out Free Clinics and Lectures in Communities and Enterprises

Case

During the Occupational Disease Prevention and Control Law (《職業病防治法》) publicity week, Universal Medical encouraged units to practice their corporate responsibility by organizing free clinics and training activities in communities and enterprises. For instance, Xi'an Aero Hospital collaborated with the local Health Commission and other departments to conduct a joint free clinic with the theme "Adhering to Prevention, Protecting Occupational Health," spreading occupational disease prevention knowledge. Xianyang Rainbow Hospital provided offline training on occupational disease-related legal knowledge and occupational health lectures to frontline workers in factories and mines.

Xi'an Aero Hospital

Free Clinic on-site

Production Education Activities Universal Medical units actively publicize and implement General Secretary Xi Jinping's important discussions on safety production, focusing on "In-depth Study and Implementation of Xi Jinping's Important Discourse on Emergency Management." Through collective lectures and other forms of publicity, units conducted training on safety production risks in hospital operations and safety production work deployment. Employees were encouraged to watch "Safety Production Month" promotional videos, accident warning education films, and typical case analysis films to improve the safety awareness of all staff. Watching Accident Warning Education Films Safety Training Sessions

Employee Participation and Consultation on Occupational Health and Safety Matters

Universal Medical always places employee participation and consultation at the core of occupational health and safety matters. The Group has established a comprehensive communication mechanism to ensure that every employee can conveniently participate in occupational health and safety-related affairs. We collect employees' views and suggestions on the working environment, safety protection measures, and occupational health training through regular employee meetings, a dedicated feedback email, and online surveys.

Case

Strengthening Responsibility

Awareness by Conducting Safety

Occupational Disease Protection

The occupational disease hazard exposure in the medical institutions affiliated with the Group mainly focuses on departments such as radiology. Relevant employees are required to wear dosimeters, and regular monitoring is conducted in the workplace. Additionally, employee training and occupational health check-ups are organized periodically.

Employee Responsibility Indicators and Objectives

> Compliance with Employment Performance

Indicators
Labor Contract Signing Rate
Social Insurance Coverage Rate
Human Rights Protection Performance
Indicators

Discrimination Incidents — Total Number of Discrimination Incidents Occur

> New Employee Recruitment Situation

Indicators	Units	2021 Value	2022 Value	2023 Value	2024 Value
Annual Number of New Employees	person	912	1,144	2,150	3,171
New Employee Proportion	%	5.97	5.70	10.23	13.86
Total Number of New Employees by Age - Employees Under 30	person	509	639	1,321	1,818
Total Number of New Employees by Age - Employees Aged 30 to 50	person	389	485	652	900
Total Number of New Employees by Age - Employees Aged 50 and Above	person	14	20	177	453
Total Number of New Employees by Gender - Female	person	571	696	1,444	2,077
Total Number of New Employees by Gender - Male	person	341	448	706	1,094
Total Number of New Employees by Level - Entry-Level Employees	person	868	1,092	2,097	3,158
Total Number of New Employees by Level - Middle Management	person	38	46	45	11
Total Number of New Employees by Level - Senior Management	person	6	6	8	2
Total Number of New Employees by Region - Beijing	person	236	183	230	44
Total Number of New Employees by Region - Other Regions	person	676	961	1,920	3,127
Proportion of Vacant Positions Filled by Internal Employees	%	6.14	3.15	2.42	28.40

Units	2024 Value
%	100
%	100

	Units	2024 Value
rred	piece	0

Employee Turnover Rate

Indicators	Units	2021 Value	2022 Value	2023 Value	2024 Value
Overall Employee Turnover Rate	%	3.40	9.70	8.30	8.70
Employee Voluntary Turnover Rate	%	0.05	0.27	2.37	5.77
Employee Turnover Rate by Age - Turnover Rate for Employees Under 30	%	0.74	3.13	2.98	3.46
Employee Turnover Rate by Age - Turnover Rate for Employees Aged 30 to 50	%	1.58	3.70	2.62	2.59
Employee Turnover Rate by Age - Turnover Rate for Employees Over 50	%	1.13	2.96	2.74	2.63
Employee Turnover Rate by Gender - Male	%	1.00	2.00	2.00	3.16
Employee Turnover Rate by Gender - Female	%	2.00	6.00	5.00	5.51
Employee Turnover Rate by Region - Beijing*	%	16.00	10.40	11.87	10.01
Employee Turnover Rate by Region - Other Regions*	%	2.00	3.00	2.00	4.71

• This statistic applies to Universal Medical headquarters employees.

Employee Composition

Indicators	Units	2024 Value
Total number of employees	person	22,885
By gender: Total number of female employees	person	16,338
By gender: Proportion of female employees	%	71.39
By gender: Total number of male employees	person	6,547
By age group: Total number of employees under 30 years old	person	6,941
By age group: Total number of employees between 30 and 50 years old	person	12,436
By age group: Total number of employees over 50 years old	person	3,508
By employee type: Total number of employees with fixed-term contracts	person	15,836
By employee type: Total number of temporary staff	person	5,482
By education level: Total number of employees with a doctoral degree	person	43
By education level: Total number of employees with a master's degree	person	1,523
By education level: Total number of employees with a bachelor's degree	person	13,540

Indicators	Units	2024 Value
By education level: Total number of employees with an associate degree or below	person	7,779
By work location: Total number of employees in Beijing*	person	572
By work location: Total number of employees in other regions*	person	107
Other: Total number of employees with disabilities*	person	10
Other: Total number of party members	person	4,307
Other: Total number of foreign employees	person	0
By ethnicity: Proportion of ethnic minority employees	%	1.85
By ethnicity: Proportion of Han Chinese employees	%	98.15

> Compensation and Incentive Performance

Indicators	Units	2024 Value
Employee Performance Appraisal Frequency	times/year	1
Percentage of Employees Covered by Employee Incentive Programs* (Excluding Senior Management)	%	3.80
Number of Employees Granted Options under the Employee Stock Ownership Plan (ESOP)	person	0

for incentives (excluding senior management) at the end of 2024 / Number of employees at Universal Medical headquarters (excluding senior management) at the end of 2024.

> Employee Training Performance

Indicators	Units	2024 Value
Total Number of Employees Trained	person	22,885
Total Number of Training Sessions	person-times	32,113
Total Number of Training Occasions	times	64
Average Training Duration per Employee	hour	252.46
Average Training Duration for Employees under 30 years of age	hour	140
Average Training Duration for Employees aged 30 to 50 years	hour	160
Average Training Duration for Employees above 50 years of age	hour	160

· Calculation method for the percentage of employees covered by employee incentive programs: Number of employees eligible

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ndicators	Units	2024 Value
Average Training Duration for Male Employees	hour	252.46
Average Training Duration for Female Employees	hour	252.46
Average Training Duration for Frontline Employees	hour	140
Average Training Duration for Mid-Level Management	hour	160
Average Training Duration for Senior Management	hour	457.38
Average Training Duration for Employees in Beijing	hour	252.46
Average Training Duration for Employees in Other Regions	hour	252.46
Average Training Duration for Classroom Training	hour	110
Average Training Duration for Online Training	hour	50
Employee Training Participation Rate	%	100
Training Participation Rate by Level – Senior Management	%	100
Training Participation Rate by Level – Mid-Level Management	%	100
Training Participation Rate by Level – Frontline Employees	%	100
Training Participation Rate by Gender – Male	%	100
Training Participation Rate by Gender – Female	%	100
Fotal Investment in Training	RMB	4,236,900
Average Investment in Employee Training	RMB/person	185.14

• This statistic refers to the relevant training organized by Universal Medical headquarters.

Employee Communication Performance

Indicators	Units	2024 Value
Number of Employee Representative Meetings Held	times	4
Number of Topics Discussed in Employee Representative Meetings	piece	6
Percentage of Employees Covered by Trade Union or Collective Bargaining Agreements	%	100

> Employee Benefits Performance

Indicators	Units	2024 Value
Employee Health Check Coverage Ratio	%	100
Number of Employee Cultural and Sports Activities Held	times	120+
Non-Salary Benefits Coverage Ratio for Employees	%	100

> Employee Satisfaction Performance

Indicators	Units	2024 value	2024 Goal
Number of Labor Dispute Cases	piece	0	0
Employee Satisfaction Survey Score	%	83.40	84

> Occupational Health and Safety Performance

Indicators	Units	2024 Value
Number of Employees Who Died Due to Work-Related Causes	person	0
Work-Related Death Rate	%	0
Work Injury and Fatality Situation - Number of Work-Related Injuries	person	0
Work Injury and Fatality Situation - Work Time Lost Due to Injuries	day	0

> Employee Absenteeism Rate

Indicators	Units	2021 value	2022 value	2023 value	2024 value
Employee Absenteeism Rate	%	1.64	1.95	1.50	1.75
Employee Absenteeism Rate Target	%	/	/	3.00	3.00

80-

Innovative Universal, Upholding Responsible Operations

Universal Medical focuses on the healthcare field, which holds profound significance and enduring value for the progress of human civilization. With firm determination and persistent action, we rigorously control every aspect of medical services, ensure service quality, build a comprehensive protective system, and safeguard patients' safety. We adhere to the principle of "protecting life and health with quality healthcare," striving to become a model of "patient-centered" quality healthcare services, actively embracing healthcare technology, and exploring innovations in medical services.

Key Issues Responded to:

- O Product safety and quality
- O Data security and privacy protection
- O Customer relationship management
- O Healthcare Technology and Financial Technology
- O Responsible supply chain



Responsible Operations Commitment

Responsible Marketing Commitment

Universal Medical always adheres to the essence and mission of the healthcare industry, placing patient welfare as a top priority. To promote the healthy development of the healthcare industry and effectively safeguard the rights and interests of patients and the public, we have established a responsible marketing commitment. We commit to being patient- and customer-centered. providing high-quality services; ensuring information authenticity and preventing false advertising; respecting patient privacy and safeguarding personal information security; shouldering social responsibility and promoting the healthy development of the industrv.

Customer Service Commitment

Universal Medical upholds the philosophy of "customer-centered" and is dedicated to providing every customer with comprehensive, multi-level, and high-quality healthcare service experiences. We commit to enhancing medical skills, optimizing the healthcare environment, providing efficient medical processes, and strengthening medical humanities care, offering safe, effective, accessible, and patient-centered health services to the public. At the same time, we commit to providing other customers with professional consulting and service guidance, continuously offering flexible financial solutions and reliable financial support.

Supplier Management Commitment

Universal Medical strictly complies with laws and regulations such as the Medical Device Supervision and Administration Regulations(《醫療器械監督管理條例》), and internal systems such as the Supplier Management Measures(《供應商管理 辦法》). We have formulated a supplier management commitment and committed to strengthening supplier risk management and operating in compliance with the law. We integrate ESG standards into procurement contracts, commit to promoting sustainable procurement, and drive green development. We commit to leading the green transformation of the supply chain with the responsibility of a central state-owned enterprise, providing sustainable development support for the Healthy China strategy.



Strengthening Innovation and Research

Empowerment through Healthcare Technology

Relying on the strategic layout of "Finance + Healthcare + Technology," Universal Medical strives to build the company into an internationally leading and domestically top-tier medical and healthcare conglomerate, with integrated healthcare as its core, financial service capabilities, integrated healthcare features, and healthcare technology advantages. We are committed to building the Universal Medical Cloud Imaging Platform to achieve regional remote collaboration for imaging services, including remote film reading and report writing. Additionally, we have introduced medical imaging AI technology, utilizing artificial intelligence to assist in accurate image interpretation and report writing, significantly improving the efficiency of radiology departments. We have established a comprehensive internet health service platform covering pre-hospital, in-hospital, and post-hospital services, providing smart medical consultations, online diagnosis, and health management services. Over 40 hospitals are online, serving 41 million patient visits. At the same time, 21 hospitals have launched the "Health Steward" program, providing 4.3 million online consultations during the reporting period, with a 100% positive feedback rate. In 2024, the reappointment rate for discharged patients is expected to increase to 58%. We have also deepened the integration of data platforms with medical business, with 38 hospitals' operational data and 36 hospitals' financial data accepted, and have transitioned to integrated business and financial operations. We have established a comprehensive operational analysis system at all levels. Innovatively, we have adopted a shared library construction model, achieving an efficient architecture of "one system, multiple hospitals sharing," while ensuring independent, interference-free operation of each hospital's business processes. Compared to traditional independent deployment models, this innovative model reduces construction costs by 50% and shortens the implementation cycle to 60%. Furthermore, by the end of the reporting period, approximately 200 application systems across more than 50 hospitals had been centrally deployed on the cloud. Through cloud-based management, hospital resource investment has been reduced by 30%, and overall costs have been saved by more than 30%.

The innovative applications of healthcare technology have significantly improved the operational efficiency of the hospitals and the patient experience, helping us to continuously establish a new benchmark for high-quality development in central stateowned enterprise healthcare.



exhibition booth.

many hospitals under the group, demonstrating the empowering role of new productive forces in medical and healthcare services.

Financial Technology Innovation

The Group actively develops digital financial services. Through the "Universal Easy Link Supply Chain Service Platform," we use financial technology methods to integrate funding flow, information flow, and other data, building a financial supply system and risk assessment system for core supply chain enterprises and upstream/downstream businesses under real transaction scenarios. We offer systematic financial solutions that rapidly respond to the settlement, financing, and financial management needs of enterprises along the industrial chain, enabling real-time information transfer and quick processing, providing more accurate real-time risk assessments and capital demand forecasts, and enhancing the value of all parties in the supply chain.





By the end of the reporting period, the "Universal Easy Link Supply Chain Service Platform" had achieved financing exceeding 100 million, served 21 core enterprises, 87 suppliers, and connected directly with 47 banks. As digital financial services are further implemented, we have formed an integrated service capability by linking industries such as healthcare, infrastructure, and manufacturing, strengthening business synergy across sectors, optimizing asset structures, and gradually transforming and upgrading the company into an "industry-finance integrated service provider," enhancing the added value of overall industry services.

Intellectual Property Protection

Universal Medical has established and implemented internal management systems such as the Intellectual Property Management Measures (《知識產權管理辦法》), aiming to strengthen the protection of the group's intellectual property, standardize intellectual property management, and clarify the processes for defining, applying, maintaining, utilizing, and addressing infringements of intellectual property. This ensures that the group's patents, trademarks, copyrights, and other intellectual properties are comprehensively and effectively protected, avoiding the loss of core assets. In addition, the "Measures" standardize intellectual property management, regulate employee behavior, and ensure that activities such as the application, use, and transfer of intellectual property are carried out within a legal and compliant framework, reducing legal risks. Meanwhile, through effective intellectual property management and operation, we encourage internal innovation, accelerate the transformation of technological achievements into productive forces, and enhance the group's core competitiveness. During the reporting period, two patent inventions related to the data platform products were applied for and received invention patent certificates, and the group obtained CMMI Level 3 certification.



Universal Medical Digital Financial Platform

During the reporting period



patent certificates

patent inventions related to the data platform products were applied for and received invention

The group obtained CMMI Level 3 certification

Solidifying Quality Control

Product Quality Management System

Product Quality Management Regulations

Universal Medical has established relevant quality management regulations and emergency response plans, such as the *Quality* and Safety Standard Management Path(《質量安全標準管理路徑》), Emergency Management Measures for Unexpected Events(《突發事件應急管理辦法》), and General Emergency Plan for Public Health Emergencies(《突發公共衛生事件總體應急預案》).

Quality Management System Certification

Universal Medical actively pursues third-party quality management system certifications. By the end of the reporting period, Universal Medical's subsidiary, Healthcare Technology Co., Ltd, had received ISO 9001 Quality Management System certification, ISO 3485 Medical Device Management System certification, and after-sales service system certification. Pangang Group Hospital received ISO 15189 (Medical System Certification Standards) Quality Management System certification, and its subsidiary, JBINFO, obtained ISO/IEC 20000 certification.





Healthcare Technology Co., Ltd obtained ISO 13485 certification. Healthcare Technology Co., Ltd obtained ISO 9001 Quality Management System certification.

Product Operation, Testing, and Reporting

Universal Medical places great importance on product operation management and has built a comprehensive and refined management system. We have equipped professional laboratories and a high-quality testing team to regularly conduct internal testing of products. The testing scope covers all types of medical products involved and includes preventive testing for newly emerging quality and safety issues. We comprehensively utilize expert resources, adhering to a "problem-oriented" approach, and systematically conduct annual quality and safety "network-style" fly inspections, achieving 100% coverage of fly inspections across the hospitals under the Group.



Quality Control and Product Safety Training

To ensure that every aspect meets the highest standards. Universal Medical has established an annual quality education training program and actively organizes targeted, comprehensive quality training. During the reporting period, the Safety Supervision Department and Health Business Division of the GT-PRC conducted five related training sessions, and Universal Medical organized 10 quality control and product safety-related training sessions.



Universal Medica Successfully Hosted the First Quality Circle Competition of GT-PRC and Achieved Excellent Results

On September 6, 2024, the First Quality Circle Competition of GT-PRC, organized by the Health Business Division of GT-PRC and hosted by Universal Medical, was successfully held in Beijing. More than 100 participants, including special guests, expert judges, and staff from various medical platform companies, participated in the competition, while over 1,000 quality management personnel from affiliated hospitals watched the competition online.



The first "Quality Circle" competition held on-site.

Healthcare Technology Co., Ltd & Shinva Medical Strategic Cooperation Signing Ceremony and Engineer Medical Equipment Management Professional Skills Training

On July 19, 2024, Healthcare Technology Co., Ltd and Shinva Medical successfully held the strategic cooperation signing ceremony in Zibo. The two parties conducted in-depth discussions on after-sales service for medical equipment, full-cycle management, spare parts supply, and technical talent cultivation. At the same time, Shinva Medical provided a 5-day professional skills training on medical equipment management for 29 engineers from Healthcare Technology Co., Ltd and led the group's engineers on a factory workshop tour.



Shinva Medical led Healthcare Technology Co.,

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communicated.



Healthcare Technology Co., Ltd & Raykeen Engineer Specialized Skills Training

On July 12, 2024, Healthcare Technology Co., Ltd & Raykeen Engineer Specialized Skills Training was successfully held at the Healthcare Technology Co., Ltd Technical R&D Center. The training was conducted in a "hybrid" format (both online and offline), with over 80 engineers from Healthcare Technology Co., Ltd attending, During the training, Li Yi answered questions from our engineers to ensure they were able to proficiently master maintenance operation strategies and other key skills. The training concluded successfully and further enhanced our engineers' theoretical knowledge and maintenance skills related to medical laser equipment.

Case **Universal Medical & Mindray Qualification Empowerment Conference**

From June 27 to 30, 2024, the "Universal Medical & Shenzhen Mindray Bio-Medical Electronics Co.. Ltd. Qualification Empowerment Conference" was successfully held in Xi'an, with 28 engineers from Healthcare Technology Co., Ltd participating in the event. This was the second equipment after-sales management service training customized by Mindray for Healthcare Technology Co., Ltd. The goal of the training was to enhance the service capabilities of our engineer team, familiarize them with standardized product knowledge and maintenance skills, and promote the high-quality development of hospital equipment management services.

Responsible Marketing

Any form of sales and marketing activities carried out by the group must comply with all applicable laws, regulations, and industry standards of the operating location, including but not limited to the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》), Measures for the Administration of Medical Advertising(《醫療廣告管理辦法》) (GDPR), and Measures for the Supervision and Administration of Online Medical Device Sales (《醫療器械網絡銷售監督管理辦法》), as well as the group's internal sales, marketing, and advertising regulations.



Universal Medical has established internal systems such as the News Publicity Management Measures (《新聞宣傳管理辦法》), Integrity and Compliance Manual (《誠信合規手冊》), and Medical Safety (Adverse) Event Handling Specifications (《醫 療安全(不良)事件處置規範》) to ensure that all marketing activities are carried out within a legal, compliant, and ethical framework, effectively safeguarding consumer rights and enhancing the group's brand image and social credibility.





Universal Medical & Mindrav Qualification **Empowerment Conference**



Universal Medical regularly conducts responsible marketing and advertising practice training, recording the scope and content of the training, and linking responsible marketing practices to the performance assessment of relevant personnel. In the event of negative marketing incidents, performance incentives will be deducted from the responsible individuals. The Branding Department responds to national policies and regulations regarding healthcare publicity by organizing the "Hospital Publicity Power" training series three times, contributing to the development of a new health and wellness culture.



Hospital "Publicity Power" training event.

Data Security Assurance

The group has obtained certifications for Information Technology Service Management Systems and Information Security Management Systems, and continuously iterates the Universal Data Platform, covering operations management, guality safety, and other aspects.

Information Security Management Organization

 Universal Medical has established a Cybersecurity and Informatization Leadership Team, led by the Chairman of the Board, Mr. Chen Shisu. The Executive Director, Mr. Wang Wenbing, and Ms. Wang Lin serve as deputy leaders, with department heads as team members. The team has an office (which also serves as the office for the Information Technology Innovation Work Leadership Group), and the office director is concurrently the head of the group's Digitalization Department.

Information Security Management System

• Universal Medical has developed internal management systems, such as the Cybersecurity Management Measures (《網絡安全管理辦法》) and Network and Information Security Emergency Response Plan (《網絡與信息安全應 急預案》), covering all relevant business lines and subsidiaries. These cybersecurity management regulations have been included in the employee handbook as one of the basic requirements for employee management. To safeguard personal data access, correction, and deletion rights, we have formulated and issued the Medical Data Security Management Measures (《醫療數據安全管理辦法》) and will release the Data Security Management Measures (《數 據安全管理辦法》) in 2025 to impose further constraints on personal information processing and information security management.

Information Security Risk Management

- To prevent data leakage incidents, Universal Medical has established proactive and reactive response plans and issued the Emergency Response Plan for Medical Data Leakage Incidents (《醫療數據洩露事件應急預案》). This plan standardizes the entire process of identifying, responding to, handling, and recovering from data leakage incidents, improving the group's ability to respond to emergencies and prevent and reduce the damage and harm caused by data leakage incidents.
- In accordance with the Cybersecurity Law, we have implemented the network security grade protection requirements for important information systems, conducting grading filing and evaluations for the systems. Level 3 systems are evaluated annually, and Level 2 systems are evaluated biennially. Additionally, we have completed the 2024 network security grade protection evaluations for General Technology Cloud (Medical Resource Pool), North China Integrated Medical Information System, Medical Data Platform, Financial Core Business System, and Internet Health Platform. and have received the System Grade Protection Evaluation Report (《系統等級保護測評報告》) for all of them.

Information Security Training and Advocacy

 Universal Medical conducts network and data security training for all employees (including contractors). Through internal communication channels, we distribute network and data security-related posters to raise cybersecurity awareness among employees at headquarters and subsidiary units. We also issue phishing email warning cases and key points in internal communication groups to enhance employees' ability to identify phishing emails.

Enhancing Customer Service



Universal Medical understands customer needs, suggestions, and feedback through various channels, including on-site visits and written surveys. We have established transparent and efficient complaint channels and developed internal policies such as the Maintenance Service Management Guidelines (《 維 保 業 務 管 理 細 則》), On-site Personnel Management Regulations(《駐場人員管理規範》), and On-site Engineer Management Regulations (《駐工程師管理規範》). These guidelines support customers in providing feedback and complaints via phone, fax, letters, or in-person visits, continuously improving service quality. We collect patient feedback through patient satisfaction surveys, patient complaints, and internet public opinion monitoring, and push for corrective actions and follow-up within subsidiary hospitals at the group level to ensure timely responses to and

The group builds digital management platforms and utilizes on-site visits and written surveys to understand customer needs, suggestions, and satisfaction levels. During the reporting period, we conducted patient satisfaction evaluations, achieving 94.76% outpatient satisfaction and 97.07% inpatient satisfaction, exceeding the 90% target set at the beginning of the year. Customer satisfaction surveys covered 100% of the hospitals under the group, achieving dual compliance with customer service quality and satisfaction.

During the reporting period, we conducted patient satisfaction evaluations







97.07% inpatient satisfaction

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Exceeding the

90% target set at the beginning of the year



Customer satisfaction surveys covered **100**% of the hospitals under the group

achieving dual compliance with customer service quality and satisfaction

Protecting Customer Rights and Privacy Universal Medical has issued the *Medical Data Security Management Measures* (《醫療數據安全管理辦法》), which strengthen the management of personal information data and its derivatives in the medical data platform, including collection, storage, transmission, processing, and generation. The policy specifies disciplinary actions for violations (a zero-tolerance policy). The "Measures" also designate the department responsible for privacy issues and integrate privacy policies into the group's risk management system. To enhance internal control and risk management, we conduct regular third-party audits of privacy policy compliance and internal audits. During the reporting period, the group did not experience any customer information leakage incidents or privacy complaints, and no customer or employee was affected by information security vulnerabilities.

To further strengthen privacy protection, we integrate data protection measures into the development of products and services and implement access control and encryption technologies. The group has conducted data protection programs with vendors and business partners, conducting inspections to verify their compliance. For customer data, we commit not to lease, sell, or provide personal data to third parties for purposes other than completing transactions or services (except as required by law). Our data security system has been certified, with over 80% of operations meeting widely accepted standards.



Responsible Supply Chain Management

Supplier Admission and Evaluation

The group has developed a series of guiding documents, including the *Supplier Management Measures* (《供應商 管理辦法》), *Pharmaceutical Supply Chain Management Measures* (《醫藥供應鏈管理辦法》), *Medical Equipment Procurement Management Measures* (《醫用設備採購管 理辦法》), *Medical Equipment Procurement Regulations and Implementation Rules* (《醫用設備採購規定及實施 細則》), and *Construction Procurement Management Implementation Rules* (《建設工程採購管理實施細則》), to strictly standardize the assessment criteria for supplier selection, choosing pharmaceutical and medical equipment suppliers with qualified certifications, legal operations, good service capabilities, and a commitment to fulfilling social and environmental responsibilities.

We evaluate suppliers through daily performance assessments and annual comprehensive evaluations. The evaluation includes delivery quality, product quality, energysaving, environmental protection, and after-sales service. Based on the evaluation results, suppliers are managed by grade. Suppliers with a score below 65 in the IV category are required to rectify within a specified period, and failure to meet the rectification requirements results in a one-year ban within GT-PRC. Suppliers involved in bid-rigging, collusion, supporting false bids, dereliction of duty, or fraudulent behavior are subject to "blacklist" management and banned across the entire group. During the reporting period, the company's supplier review coverage rate was 100%. By the end of the reporting period, the group had 34,279 suppliers, with mainland Chinese suppliers accounting for 99.94%.

Supplier Training and Certification

The group is committed to establishing a comprehensive, systematic supplier database, promoting Healthcare Technology Co., Ltd's quality philosophy and model, continuously optimizing the rating system, and assisting supply chain members in improving safety and quality risk management capabilities. For suppliers capable of providing high-quality products and services, we organize specialized technical exchange activities every quarter to establish close cooperation and jointly drive the upgrading and innovation of products and services. For suppliers with potential and room for development, we strengthen quality improvements through site technical inspections, conference calls, and other means, reserving more high-quality suppliers for the group's development.



Supplier Promotion and Empowerment

Promoting More Reliable Suppliers We establish partnerships with multiple suppliers to reduce reliance on a single supplier, ensuring the continuous supply of raw materials or finished products. When signing contracts with suppliers, we clearly define their responsibilities and obligations, including delivery time, quality standards, emergency response, and other aspects. We regularly review suppliers' performance to ensure they comply with the contract terms.

Promoting More Environmentally Friendly Suppliers During the procurement review process, Universal Medical includes ISO 14001 environmental stewardship system certification as part of the evaluation criteria, prioritizing suppliers that use recyclable and biodegradable materials or products with minimal environmental impact. We encourage suppliers to adopt renewable energy and resources and incorporate energy-saving and environmental protection as evaluation indicators, examining suppliers' implementation and performance of environmental policies.

In procurement contracts, especially construction contracts, we require suppliers to comply with relevant environmental protection policies and standards, including the use of eco-friendly materials, reducing waste, energy-saving, and emissions reduction. We also request suppliers to provide relevant environmental testing reports and materials when construction commences.

Promoting Safer Suppliers We have formulated and implemented the *Third-Party Security and Compliance Management Measures for Medical Data*(《醫療數據第三方安全合規管理辦法》) to strengthen the security management of third-party organizations and personnel, protecting the group's medical data security. Relevant third parties include product suppliers, maintenance service providers, and collaborative vendors for Universal Medical's data platform. In addition, during the procurement process, we introduce occupational health and safety standards. When signing contracts for construction, maintenance, or other services, we establish safety management agreements, clearly defining both parties' responsibilities and obligations regarding safety management.

Responsible Operations Indicators and Objectives

> R&D Team Performance

Indicators	Units	2024 value
R&D investment amount	ten thousand RMB	6,678
R&D investment ratio	%	0.49

> Data Security Management Performance

Indicators

Number of information security/cybersecurity vulnerabilities

Total number of customers and employees affected by information security vulnerabilities

Percentage of customer data used for secondary purposes

> Customer Privacy Management Performance

Indicators

Number of customer information breaches

Customer privacy complaints - external and verified complaints

Customer privacy complaints - complaints from regulatory authorities

> Customer Satisfaction Performance

Indicators	Units	2021 value	2022 value	2023 value	2024 value
Inpatient Satisfaction	%	89.42	93.11	95.74	97.07
Outpatient Satisfaction	%	90.93	95.21	93.80	94.76
Customer Satisfaction Survey Score Target	%	1	/	over 90	over 90
Customer Satisfaction Survey Coverage Ratio	%	1	/	90.00	100
Number of Customer Complaints Received	piece	1	/	1,406	685

> Supplier Distribution

Indicators

Supplier Situation - Total Number of Suppliers Number of Suppliers by Region - Beijing Number of Suppliers by Region - Shanghai Number of Suppliers by Region - Guangdong Province Number of Suppliers by Region - Other Provinces, Municipalities, Autonomous Regions, and Administrative Areas Number of Suppliers by Region - Other Countries Supplier Review Coverage Rate Innovative Universal, Upholding Responsible Operations

Units	2024 value
piece	0
person	0
%	0

Units	2024 value
piece	0
piece	0
piece	0

Units	2024 value
company	34,279
company	11,047
company	1,826
company	1,476
company	19,909
company	21
%	100

05

Open Universal, Promoting Symbiosis and Win-Win Cooperations

Universal Medical has always adhered to the philosophy of "Healing the world through medicine, connecting the world," actively integrating global resources, caring for individual well-being, and dedicating itself to community investment. We contribute to grassroots development and are closely connected to the stability and prosperity of society as a whole. We respond comprehensively to the society's expectations for medical accessibility and community health development. We actively collaborate with various parties to jointly build a healthy, harmonious, and sustainable world.

Key Issues Responded to:

- O Healthcare Service Accessibility
- O National Strategy Response
- O Community Investment and Social Contribution
- O Inclusive Finance Development



Public Welfare Responsibility Commitment

Inclusive Finance Commitment

Universal Medical is dedicated to creating an innovative, high-quality, and efficient financial service model. We have developed inclusive finance policies and public commitments, and based on market research and customer feedback, we innovate and expand the types and scope of financial services provided to vulnerable groups. We also establish dedicated complaint channels based on the needs and preferences of target groups and flexibly adjust service delivery methods. For example, when dealing with supply chain finance for small and medium-sized enterprises (SMEs) or inclusive financing leasing, we use electronic seals for contract signing to improve audit efficiency.

Public Donation Commitment

Universal Medical participates in public affairs in a responsible and ethical manner, and we resolutely refrain from participating in political activities or election processes through direct donations to government teams or political parties. For any political or charitable donations, Universal Medical will disclose them publicly and truthfully, ensuring that our political participation complies with legal and regulatory requirements. Aside from donations to the Xinyan Charity Fund and rural revitalization, Universal Medical has not made any donations to political campaigns, political organizations, lobbying groups, industry associations, or other tax-exempt entities (including membership fees to chambers of commerce, trade commissions, etc.) in recent years.

Responding to National Strategies

Industry Transformation

As a state-owned enterprise listed company, Universal Medical aligns with national strategic directions, using financial transformation and upgrading as a link to undertake the mission of supporting the construction of a healthy China, serving the real economy, promoting industry upgrades, and improving people's livelihoods. We explore high-quality development paths with deep coordination of "medicine, industry, and finance." To fully implement the requirements of digital intelligence empowerment for industry development, Universal Medical promotes digital construction deeply integrated with business and operational management, empowering high-quality development through digital transformation and accelerating the construction of smart hospitals. As of the end of the reporting period, 50 hospitals had completed upgrades of integrated core business systems, 13 hospitals passed the Level 4 electronic medical record assessment, one hospital passed the national interoperability Level 4 assessment, and 5 hospitals passed the Level 2 rating for smart services and smart management.

Inclusive Finance

To strengthen the supervision of inclusive finance, the Strategy and ESG Committee, established by Universal Medical, is responsible for overseeing the formulation and implementation of inclusive finance policies and procedures. We have established public policies or commitments regarding inclusive finance, and the inclusive finance services provided by our group mainly involve financing leasing businesses to meet the needs of small and medium-sized medical institutions and enterprises.

Universal Medical provides equipment leasing services to county-level maternal and child healthcare hospitals, improving healthcare conditions for women and children in poor/low-income areas; it also provides equipment leasing services to countylevel rehabilitation hospitals and related institutions to improve healthcare conditions for individuals with health conditions or disabilities. To ensure customers are not overburdened with debt, we conduct market research and business trials targeting the groups involved in inclusive finance, including private hospitals, small clinics, and small equipment manufacturing enterprises. Our group evaluates customers' repayment capabilities using risk models and considers the specific circumstances of each client when offering inclusive finance services. The current risk assessment model includes dimensions such as debt repayment capacity

During the reporting period, Universal Medical signed 10 inclusive leasing contracts, with a total contract value exceeding 27 million RMB.



"Belt and Road" and Overseas Responsibility

Universal Medical actively responds to the "Belt and Road" initiative, leveraging its medical resources and financial services advantages to contribute to the healthcare system construction in countries along the route. While promoting exchanges and cooperation in advanced medical equipment and technology, we also actively carry out medical and healthcare talent training programs to help improve local healthcare levels, building a "health bridge" for the "Belt and Road" initiative through practical actions

Case Universal Medical Partners with State-Owned Banks' Overseas Branches to Discuss a New Chapter in the "Belt and Road" and Sustainable Development

Universal Medical's two overseas loans linked to sustainable development have won industry awards and certification from authoritative organizations, marking the first breakthrough in the company's ESG overseas loans. The first overseas ESG syndicated loan, with a value of USD 627 million and a three-year term, set a record as the first sustainable development-linked loan in the medical industry in the Hong Kong market. It was awarded the "Best Offshore Sustainable Development Loan (Medical Industry)" by the international financial magazine The Asset. Additionally, the first overseas ESG bilateral loan was successfully implemented, with a value of USD 150 million and a one-year term, with the loan bank being Chuangxing Bank.



The total contract value exceeded **27** million RMB



Promoting Common Prosperity

Employment Contribution

Universal Medical deeply implements the State-owned Assets Supervision and Administration Commission's requirements on "stabilizing employment" for state-owned enterprises, with subsidiaries widely distributed in North China, East China, Central China, Northeast, Northwest, and Southwest regions. During the reporting period, a total of 2,555 job positions were provided.

Rural Revitalization

Universal Medical is committed to comprehensively improving rural healthcare levels. To consolidate the achievements of poverty alleviation and reduce the economic burden on individuals who fall back into poverty due to illness, we have initiated the "Help Patients" public welfare project, which covers 12 specialized diseases. It includes pediatric care (neonatology, minimally invasive surgery), oncology (lung, colorectal, breast, gynecological cancers), orthopedics, cardiovascular, neurology, stroke rehabilitation, and nephrology. During the reporting period, 3 million RMB was invested in rural revitalization, benefiting people in various provinces and cities (Liaoning, Inner Mongolia, Hebei, Shaanxi, Shanxi, Shandong, Shanghai, Jiangsu, Anhui, Sichuan, Chongqing, Yunnan, etc.).

Border Aid

With a heartfelt commitment to "Caring for the border, safeguarding health at the border," Universal Medical has continuously sent hundreds of medical staff to support the development of health services in border areas, providing health check-ups, free consultations, and distributing free medications. By the end of the reporting period, our group had sent medical staff to support health development in Xinjiang for 10 consecutive years, and medical staff from our affiliated hospitals had repeatedly conducted medical consultations and epidemic investigations in Tibet.

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Universal Medical's Aid Team in Tibet Spreads Love Across the Snowy Plateau, Paving the "Health Highway"

As an integral part of the GT-PRC's "Medical Service Team to the Roof of the World," Universal Medical actively practices the "Healthy China" strategy by continuously sending medical teams to Tibet. At an average altitude of 4,000 meters on the plateau, the team crosses mountains, passes through valleys, and fords rivers to support the construction of the plateau railway. The "Small Health Check-up Vehicle" is driven into the Qinghai-Tibet Plateau, bringing free medical consultations to the doorsteps of farmers and herders, safeguarding the health of local residents and significantly supporting the "health dream" of railway workers and the public



Medical staff from Xi'an Hospital carrying oxyger bottles to perform ECG tests on railway construction workers. The "Small Health Check-up Vehicle" conducting occupational health check-ups at a construction site 4,200 meters above sea level.

Participating in Community Building

Community Care

Universal Medical actively gives back to the community in various ways, from optimizing smart home care services, to carrying out community health support projects, to enhancing grassroots medical levels. We are committed to bridging the "last mile" of healthcare services, providing more convenient and better health support for community residents.

Taoyuan Community Center Holds "National Hypertension Day" Themed Activity

On October 9, 2024, Universal Medical's XD Hospital Taoyuan Community Health Service Center actively responded to the call from the National Cardiovascular Disease Center and the National Basic Public Health Service Program. The event took place at the center's entrance and in the Shuangfu Shijia Garden community, where a public education and free medical consultation event was held for "National Hypertension Day." The event, themed "Healthy China, Ideal Blood Pressure," aimed to increase public awareness and prevention abilities regarding hypertension through science popularization and free medical services.

XD Hospital Visits Sangiao Community Health Service Center for Exchange

On the afternoon of March 27, 2024, Yue Hua, Deputy Director of the Obstetrics and Gynecology Department of XD Hospital, and a group of six were invited to visit the Sanqiao Community Health Service Center for a tour and exchange. They expressed that the obstetrics and gynecology experts from XD Hospital would continue to work closely with the community, establish green channels, and engage in various forms of cooperation to enhance the level of diagnosis and treatment, promote specialized collaborative treatment, and better serve the public.









100

Smart Community

Universal Medical is actively developing a smart healthcare and elderly care service system, leveraging digital technologies to upgrade community medical services and create new economic growth points for community elderly care and health services. We provide more convenient medical services for community residents and contribute to the sustainable development of the community economy.



Universal Medical Acquires Shan Dong Jb Softinfo Technology Co., Ltd. to Create a One-Stop

On September 25, 2024, Universal Medical became the majority shareholder of Shan Dong Jb Softinfo Technology Co., Ltd.. In the future, through consulting, online operations, offline services, and elderly care finance, we will continue to focus on building a smart healthcare service system that integrates home care, community services, and institutional care. We aim to develop a "three-bed linkage" model that extends hospital healthcare services to communities and homes, providing integrated high-quality medical and elderly care services for the elderly, as well as a one-stop smart elderly care solution for governments and senior citizens.

Nurturing through Public Welfare Funds

Universal Medical, with the firm belief of "Public Welfare as Wings, Nurturing Health and Hope," has committed to this great cause of illuminating others' life journeys with the strong support of its public welfare fund. During the reporting period, Universal Medical carried out 12 public charity projects, benefiting 699 individuals.

During the reporting period



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Universal Medical and Beijing Huatong Guokang Foundation Collaborate to Open New **Channels for Medical Talent Development**

On June 4, 2024, Universal Medical signed a strategic cooperation agreement with Beijing Huatong Guokang Foundation. The Beijing Huatong Guokang Foundation is a charity organization approved by the national civil affairs department, which promotes the highquality development of medical and health services through funding nonprofit medical institutions' public welfare projects and activities. The two parties will cooperate in various areas, including domestic and international training for core faculty members and visits for management talents, to contribute to the cultivation of medical talents and promote the highquality development of China's healthcare industry and the overall development of the health sector.



Universal Medical-Beijing Huatong Guokang Foundation Strategic Cooperation Agreement Signing Ceremony



Since 2021, Universal Medical, in partnership with the China Primary Health Care Foundation, has initiated the Xinyan Charity Fund. Over the years, this fund has continuously played a role in medical relief, with the mission of "Assisting Patients, Assisting Doctors, and Assisting Institutions." Through the "Medical + Charity" model, more than 1,600 patients in need of medical assistance have been successfully helped. The aid has covered areas such as Northeast, Northwest, Northern Jiangsu, and Western Sichuan, focusing on high-incidence and life-quality-impacting diseases such as neonatal diseases, orthopedic conditions, tumors (lung, colorectal, breast, and gynecological tumors), cardiovascular and cerebrovascular diseases, rehabilitation, and kidney diseases. These relief projects have rekindled hope for numerous patients and their families and have received widespread social recognition and praise.

Social Responsibility Indicators and Objectives

Inclusive Finance Performance

Indicators	Units	2024 value
Number of inclusive leasing contracts	count	10
Cumulative amount of inclusive leasing contracts	ten thousand RMB	over 2,700
Rural Revitalization Performance		

Indicators

Total investment in rural revitalization (total amount of poverty alleviation funds)

Public Welfare and Charity Performance

Indicators	Units	2021 value	2022 value	2023 value	2024 value
Number of Public Welfare and Charity Projects	piece	2	5	12	12
Number of Beneficiaries of Public Welfare and Charity Projects	person-times	66	295	562	699

Open Universal, Promoting Symbiosis and Win-Win cooperations

Units	2024 value
ten thousand RMB	300

Index of Indicator

> HKEX ESG Reporting Guide Content Index

Indicator No.	Description	Chapter		
Environmental (ex	plain without disclosure)			
Aspect A1: Emissior	าร			
General Disclosure	Information on: (a) Policies; and (b) Compliance with relevant laws and regulations with a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, as well as generation of hazardous and non-hazardous waste			
A1.1	The types of emissions and respective emissions data			
A1.2	Total greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of the production volume, per facility)	Green Universal, Protecting the Earth's		
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of the production volume, per facility)	Ecosystem		
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of the production volume, per facility)			
A1.5	Description of emissions target(s) and steps taken to achieve them	-		
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) and steps taken to achieve them			
Aspect A2: Use of R	Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials			
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 the production volume, per facility)			
A2.2	Water consumption in total and intensity (e.g. per unit of the production volume, per facility)	Green Universal, Protecting the Earth's Ecosystem		
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	Loosystem		
A2.4	Description of whether there is any issue in sourcing water which fit for purpose, water efficiency target(s) set and steps taken to achieve them			
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced			
Aspect A3: The Env	ironment and Natural Resources			
General Disclosure	Policies on reducing the issuer's significant impacts on the environment and natural resources	Green Universal, Protecting the Earth's Ecosystem		

Indicator No.	Descriptio
A3.1	Description of the significant impacts of activities of the actions taken to manage them
Aspect A4: Climate	 Change
General Disclosure	Policies on identifying and responding to significant may have an impact on the issuer
A4.1	Description of the significant climate-related issues on the issuer, and actions to address them
Social (recommend	ded disclosure)
Aspect B1: Employn	nent
General Disclosure	Information on: (a) Policies; and (b) Compliance with relevant laws and regulations relating to compensation and dismissal, recruitmen periods, equal opportunity, diversity, anti-discrimina
B1.1	Total workforce by gender, employment type, age g
B1.2	Employee turnover rate by gender, age group and
Aspect B2: Health a	nd Safety
General Disclosure	Information on: (a) Policies; and (b) Compliance with relevant laws and regulations issuer relating to providing a safe work- environme occupational hazards
B2.1	Number and rate of work-related fatalities occurred the reporting year
B2.2	Lost work-days due to work injury
B2.3	Description of occupational health and safety meas implemented and monitored
Aspect B3: Develop	•
General Disclosure	Policies on improving employee knowledge and sk Description of training activities
B3.1	The percentage of employees trained by gender ar
B3.2	The average training hours completed per employe
Aspect B4: Labor St	
General Disclosure	Information on: (a) Policies; and (b) Compliance with relevant laws and regulations relating to preventing child and forced labor
B4.1	Description of measures to review employment pra

B4.2

Chapter	
Green Universal, Protecting the Earth's Ecosystem	
Green Universal,	
Protecting the Earth's Ecosystem	
Inclusive Universal, Supporting Employee Development	
Inclusive Universal,	
Supporting Employee Development	
Inclusive Universal, Supporting Employee Development	
Development	
Inclusive Universal, Supporting Employee Development	

104

Indicator No.	Description	Chapter
Aspect B5: Supply C	hain Management	
General Disclosure	Policies on managing environmental and social risks of the supply chain	
B5.1	The number of suppliers by geographical regions	Innovative Universal,
B5.2	Description of practices relating to engaging suppliers, the number of suppliers where the practices are being implemented, and how they are implemented and monitored	Upholding Responsible Operations

Aspect B6: Product Responsibility

Information on: (a) Policies; and (b) Compliance with relevant laws and regulations with a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	
Percentage of total products sold or shipped subject to recalls for safety and health reasons	Innovative Universal, Upholding Responsible
The number of products and service related complaints received and how they are dealt with	Operations
Description of practices relating to observing and protecting intellectual property rights	
Description of quality assurance process and recall procedures	
Description of protection for consumer data and privacy policies, and how they are implemented and monitored	
	 (a) Policies; and (b) Compliance with relevant laws and regulations with a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress Percentage of total products sold or shipped subject to recalls for safety and health reasons The number of products and service related complaints received and how they are dealt with Description of practices relating to observing and protecting intellectual property rights Description of quality assurance process and recall procedures Description of protection for consumer data and privacy policies, and how they are

Aspect B7: Anti-corruption

General Disclosure	Information on: (a) Policies; and (b) Compliance with relevant laws and regulations with a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	
B7.1	The 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	Integrity Universal, Sustainable Corporate Governance
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	
B7.3	Description of the anti-corruption training provided to directors and employees	
Aspect B8: Communi	ty Investment	
	Policies on community and again and to get to know the poods of the communities and to	

General Disclosure	Policies on community engagement to get to know the needs of the communities and to ensure that its activities should take into consideration the community interests	Open Universal, Promoting Symbiosis
B8.1	Focus areas of contribution(e.g. education, environmental issues, labor needs, health, culture, sports)	and Win-Win Cooperations
B8.2	Resources contributed to the focus area(e.g. money or time)	

Assurance Statement of Environmental, Social and Governance Report

Introduction

BOVA Technology (Beijing) Co., LTD ("Assurance Provider") was entrusted by the management of Genertec Universal Medical Group Co., Ltd. ("Organization") to assure "2024 Environmental, Social and Governance Report" ("Report"). The information selected in the report is subject to independent and impartial external assurance.

The target users of this statement are stakeholders concerned with the reliability of the reporting organization's sustainability information and performance from January 1, 2024 to December 31, 2024 ("2024 Reporting Period"), including Government Departments/ Regulatory Agencies, Shareholders/Investors, Customers/Potential customers/Patients, Suppliers/Partners, Employees, Local communities/Public society, etc.

Assurance Provider is a company that provides quantitative ESG solutions using data science. Assurance Provider has experts in various fields such as corporate sustainability auditing, environment, social responsibility and stakeholder engagement, and has been authorized by AA1000 to provide ESG report assurance and auditing services for A-share and H-share listed companies.

Assurance standards

This statement strictly followed AA1000 Assurance Standard v3 ("AA1000AS v3") and AA1000 Assurance Principle (2018) ("AA1000AP"). namely Inclusivity, Materiality, Responsiveness and Impact.

Assurance type, depth and scope

This statement was carried out in line with Type 2 at a moderate-level, covering the following content: Provide assurance on the compliance with AA1000AP;

- · Verify the quality and reliability of sustainability information in reports;
- Assure gualitative information mentioned in the report related with sustainable development, practices, management methods, etc.;
- Verify the consistency of reporting framework with international reporting standards;

Evaluate the accuracy of statements and ESG performance indicators included in the report and the suitability of data management methods

Assurance method

This statement was carried out in accordance with the AA1000AS v3, including the following steps: ·Collect and evaluate evidence that can support the reporting organization's compliance with AA1000 AP, including the reporting organization's identification, assessment of material issues, identification of ESG risks and opportunities, etc.; ·Conduct interviews with company management responsible for sustainability performance and data collection (the scope of management interviews be judged based on actual needs), based on sampling; ·Verify the reliability of the processes and management systems used to collect and integrate environmental data, based on sampling; ·Verify the sustainability-related statements and statements made by the assurance reporting organization in the report, based on sampling.

Compliance with AA1000AP

Inclusivity: The Assurance Provider has not noticed the report has any deviation from the inclusivity principle. The organization positively

worked with a range of stakeholders on sustainability. Materiality: In accordance with AA1000AP, a materiality assessment has been conducted on all aspects of the Organization's internal and external content. Responsiveness: In accordance with AA1000AP, the Assurance Provider believes that the Organization's response to major events is reflected in the report. Impact: The Organization has clear procedures to monitor and measure their sustainable development impact, can systematically

identify risk factors, therefore develop management strategies.

Quality of disclosed sustainability information

Regarding the sustainability performance-related figures disclosed in the report, the Assurance Provider has not noticed any substantial error. shown as follows:

1) Water resources management (including water management objectives and measures, total water consumption, water resources consumption targets, fresh water consumption, recycled water consumption, etc.)

2) Energy management (including energy use and energy conservation management, green technology and recycling, total energy consumption, total energy consumption target, direct energy consumption, indirect energy consumption, renewable energy consumption. renewable energy consumption target, etc.)

3) Waste, wastewater, packaging management (including total non-hazardous waste, total hazardous waste, hazardous waste management methods and measures, total hazardous waste disposed, total non-hazardous waste disposed, total solid waste recycled, wastewater discharge, and total weight of materials / packaging material, etc.)

4) Climate strategy and performance (including decarbonization strategy, GHG emission reduction target, GHG emission reduction management, Scope 1 GHG emissions, Scope 2 GHG emissions, etc.).

5) Emergency response plan for environmental emergencies

6) Employee development (including total number of employees, employee turnover rate by gender, absent rate, target of absent rate, remuneration policy, employee support programs, working hours and rest & vacation, employee training system, average hours of training, recruitment policy and implementation, etc.)

7) Occupational health and safety (including occupational health and safety (OHS) management system. OHS system related situations, OHS objectives and commitments, occupational health and safety management system certification, employee OHS training, identification and assessment of occupational safety risks and sources, and prevention of significant negative occupational health and safety impacts)

8) Quality management system system

9) Human rights and community relations (including human rights due diligence, policy measures for participation in local community building. etc.)

10) Customer relationship management (including quality management system system, customer complaint management, innovations to safequard customer information and privacy, etc.)

11) Information security management (including information security policy, data breach incident response plan, frequency of information security system audits, data security system certification, privacy protection policy, etc.)

12) Business ethics and compliance (including anti-money laundering policy, anti-corruption policy, anti-money laundering training, supplier anti-corruption policy, anti-corruption and integrity training, building of compliance management system, specific process of compliance oversight, whistle-blowing mechanism, and norms of fair competition system)

13) Corporate Governance (including ESG training for board members, disclosure systems, etc.)

14) Sustainable financing systems

Conclusion

Based on the assurance scope, the Assurance Provider did not notice any indication that the Organization did not comply with the AA1000AP and other reference standards during the 2024 reporting period. Relevant sustainable performance data come from written certifications and internal records, fully reflecting the achievements and challenges faced by the Organization, and providing further suggestions in the report to management.

Limitations of Assurance and Mitigation Methods

The accuracy of the financial performance indicators in the financial reports that have not been audited by a third party cannot be confirmed. The auditing institutions adopt an unquestioning attitude in their work involving these indicators.

It is not possible to provide an auditing opinion on the position statements and assertions in the report, such as opinions, beliefs, objectives, and future intentions.

Assurance Provider independence

Apart from the verification of sustainability information and reporting, no member of the verification team has had any contact with internal personnel of the reporting organization, including its directors, senior executives, and managers of various departments. After an internal impartiality assessment by the verification institution, it has been determined that there are no conflicts of interest in this verification process.

BOVA Technology (Beijing) Co., LTD

Issue place: Beijing, China

Issue date: 15th April, 2025

Certified Sustainability Assurance Practitioner (CSAP) Yihang Wang





Reader's Opinion

Respected readers:

Thank you for reading this report. Your comments and suggestions are an important basis for us to continuously improve the level of corporate ESG disclosure and promote corporate ESG management and practice. We welcome and sincerely thank you for your valuable comments! Please fill in the appendix "Reader's Opinion Form" and send it to us at ir@um.gt.cn. Meanwhile, you are welcome to directly scan the QR code below to give us your suggestions and opinions, and participate in our stakeholder communication work.

1. Which stakeholder group do you belong to?

Employee	Customer	Investor	Supplier

2

Employee	Customer	□ Investor	Supplier	Government	□ Other
2. Your overall as	sessment of ou	ur ESG performan	ce is: □ Fair	Poor	
		_ 5			
3. Your overall as	sessment of th	is report is:			
Excellent	Good	Average	🗌 Fair	Poor	
4. What do you th	ink of our perfo	ormance in comm	unication with s	stakeholders?	
Excellent	□ Good	Average	Fair	Poor	
5. What do you th	ink of our perfo	ormance in corpor	ate governance	e?	
Excellent	Good	Average	Fair	Poor	
6. What do you think of our performance in environmental management?					
Excellent	□ Good	Average	🗆 Fair	Poor	
7. What do you think of our performance in social responsibility?					
Excellent	Good	Average	🗆 Fair	Poor	
8. Do you think this report reflects our contributions in the ESG field?					

3

Employee				Government		
/our overall assessment of our ESG performance is:						
Excellent	Good	Average	Fair	Poor		
Your overall a	ssessment of t	his report is:				
Excellent	Good	Average	🗆 Fair	Poor		
Nhat do you t	hink of our per	formance in comn	nunication with	stakeholders?		
Excellent	Good	Average	🗆 Fair	Poor		
Nhat do you t	hink of our per	formance in corpo	orate governanc	ce?		
Excellent	Good	Average	🗆 Fair	Poor		
Nhat do you t	hink of our per	formance in enviro	onmental mana	gement?		
Excellent	Good	Average	🗌 Fair	Poor		
What do you think of our performance in social responsibility?						
Excellent	Good	Average	🗆 Fair	Poor		
Do you think this report reflects our contributions in the ESG field?						

5

Excellent	Good	Average	Fair
			e

6

7

8. Do you	think this	report refle	cts our co	ontributions i	n the	ESG fi

☐ Yes □ No

9. What are your opinions and suggestions for our ESG performance and this report?

Reader's Opinion



COMPANY WEBSITE: www.umcare.cn REGISTERED OFFICE: ROOM 702, TUNG CHEONG BUILDING, 8 COTTON TREE DRIVE, CENTRAL, HONG KONG HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN CHINA: FLOORS 20–28, NO. 90, WEST 3RD RING MIDDLE ROAD SIDE ROAD, FENGTAI DISTRICT, BEIJING, CHINA EMAIL: IR@UM.GT.CN