



New Century Healthcare Holding Co. Limited

新世紀醫療控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1518



2024

Environmental, Social and
Governance Report

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Environmental, Social and Governance Report



ABOUT THIS REPORT

This report is the 2024 Environmental, Social and Governance (“ESG”) Report released by New Century Healthcare Holding Co. Ltd. and together with its subsidiaries (collectively as “New Century Healthcare”, the “Group” or “we”) (SEHK stock code: 1518). This report aims to communicate the philosophy, practices and achievements of New Century Healthcare in Environmental, Social and Governance aspects, deepen the understanding of our stakeholders about us and promote positive and effective communication among them.

Reporting Period

This ESG report covers the period from January 1, 2024 to December 31, 2024 (the “Year” or the “Reporting Period”). It may include matters beyond this time frame to ensure the continuity of information.

Reporting Boundary

Unless otherwise stated, the scope of the disclosure in this report includes the ESG performance of business segments, branches and subsidiaries directly operated and managed by New Century Healthcare.

Information Notes

The data in this report is derived from the Group’s internal documents, information statistics, surveys on and interviews with stakeholders, etc. The Group’s emissions and energy use indicators are calculated and measured according to national regulations or international standards. The types and amounts of currencies involved in the report are denominated in RMB, unless otherwise specified.

Basis of Preparation

This report has been prepared in accordance with *Appendix C2 Environmental, Social and Governance Reporting Guide to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* published by The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”). The contents of this report have been defined and disclosed based on the principles of materiality, quantitative, balance and consistency in compliance with the “comply or explain” provisions contained in the Guide. In addition, the climate-related disclosures in this report refer to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

“Materiality”: Key stakeholders and the ESG issues of their concern have been identified in preparing this report and targeted disclosures have been made in this report based on the relative importance of such issues of their concern.

“Quantitative”: This report presents the environmental and social KPIs in a quantitative manner, and the measurement standards, methodologies, assumptions and/or calculation tools for the KPIs in this report as well as the sources of conversion factors are described in relevant sections.

“Balance”: This report provides an unbiased picture of the Group’s ESG performance and avoids presentation formats that may inappropriately influence a decision or judgment.

Environmental, Social and Governance Report (Continued)

“Consistency”: Unless otherwise stated, this report uses the same statistical methodology as used in the Group’s 2023 ESG Report.

Form of Publication

This report is published in two language versions — traditional Chinese and English. In case of any discrepancies between the two versions, the traditional Chinese version shall prevail.

BOARD’S STATEMENT

New Century Healthcare fully recognizes the strategic significance of sustainable development in creating long-term social, environmental and business value, and continuously strengthens its ESG working mechanism and ESG management practice innovation with its strategic vision. As the highest governance and decision-making body of the Group, the Board of Directors (the “Board”) of New Century Healthcare takes the ultimate responsibility for ESG strategy and information disclosure.

The Group has incorporated ESG governance into its corporate decision-making system. The Board is responsible for comprehensive supervision of significant ESG matters. It receives specialized reports from the management on a regular basis, evaluates the effectiveness of environmental and social governance systematically, follows up on the progress of the implementation of strategic objectives, and improves ESG strategic planning and implementation plan based on industry development.

At the risk management level, the Group has established a systematic identification mechanism in respect of ESG opportunity. Through systematic collection of stakeholders’ concerns and assessment of material issues in the industry, the Group formulates a sustainable development strategy framework to ensure that ESG elements are comprehensively integrated into its entire process of corporate strategic planning, business models and operational decision-making.

The Group has set quantitative environmental indicators in line with its principal business operations regarding environmental governance, and established plans to address climate risks. The Board regularly oversees the implementation progress of the goals, and dynamically optimizes the implementation methods of green transformation through conducting benchmark analysis on sustainable development practices in the industry.

In terms of information disclosure, the Group has established a standardized ESG disclosure system to present annual governance effectiveness through multi-dimensional data. The ESG working group plans and prepares the annual ESG performance report, and the Board ultimately considers and approves the report to ensure that the contents of the report are complete and accurate to give a full picture of the results of sustainable development practice, and that there are no material omissions or misleading statements.

This report was reviewed and approved by the Board of the Group on March 27, 2025.



Environmental, Social and Governance Report (Continued)



1. ESG MANAGEMENT

New Century Healthcare adheres to the philosophy of sustainable development and continuously improves its ESG management system, endeavoring to facilitate the integration of the enterprise with the environment and society, enhance the Group's ESG management and performance, and create sustainable corporate value.

1.1 ESG Governance Framework

The Group focuses on providing quality mid-to-high-end medical services to children and women. Leveraging on its strengths of specialized and comprehensive services in pediatric sector, the Group has actively explored integrated medical system of pediatrics, obstetrics and gynecology. We are committed to corporate responsibility, and attach great importance to the combined impact of our operating activities on the environment and society and continue to improve our environmental, social and governance systems while pursuing excellence in medical services, so as to embed the concept of sustainable development in the entire process of corporate operations. Therefore, the Group has established an ESG governance system of multi-level management and cross-departmental coordination.

As the highest decision-making body in the ESG governance structure, the Board is fully responsible for overseeing significant ESG issues and assumes the ultimate responsibility for related strategic planning and information disclosure. Through receiving regular reports from management on specialized ESG matters, the Board considers and approves the Group's ESG development outlook, strategy planning and policy implementation systematically, and assesses the fulfilment of goals in stages dynamically. To safeguard the effective operation of the ESG management system, the Group has set up an ESG working group comprising the persons-in-charge of functional departments and healthcare institutions, which is primarily responsible for supervising the strategy implementation, annual ESG information disclosure, advancing the ESG initiatives, to ensure the environmental and social governance objectives are well integrated with business development.

Environmental, Social and Governance Report (Continued)

1.2 Communication with Stakeholders

Stakeholders' views and recommendations are crucial to our business decisions and development. The Group highly values the stakeholders and actively understands and listens to their expectations on ESG management strategies and practices, which are regarded as important considerations in optimizing our management strategies and practices. Based on our business characteristics and operating conditions, and drawing on the experience and practices of our global peers, we have identified key stakeholders, including government and regulatory authorities, customers, shareholders and investors, employees, suppliers, academic and research institutions, and the community, and have offered ways of communication applicable to different stakeholders for expressing their concerns.

Major Stakeholders	ESG Issues Concerned	Main Communication Channels
Shareholders and investors	Quality of medical services Anti-corruption Labor standards Talent attraction Emissions management Climate change response	Shareholders' meetings Official website Regular reports Timely announcements, circulars and press releases
Government and regulatory authorities	Legal compliance Anti-corruption Quality of medical services Labor standards Emissions management Climate change response	Routine reports and tax payments Compliance regulations Information disclosures On-site inspection/Visits
Employees	Labor standards Talent attraction Health and safety Development and training	Training and meetings Performance appraisals Employee satisfaction surveys Emails and notices Team building activities
Customers	Quality of medical services Customer satisfaction Environment and natural resources Privacy and data security	Patient satisfaction surveys Customer service hotline Emails and WeChat official accounts Face-to-face meetings and visits



Environmental, Social and Governance Report (Continued)



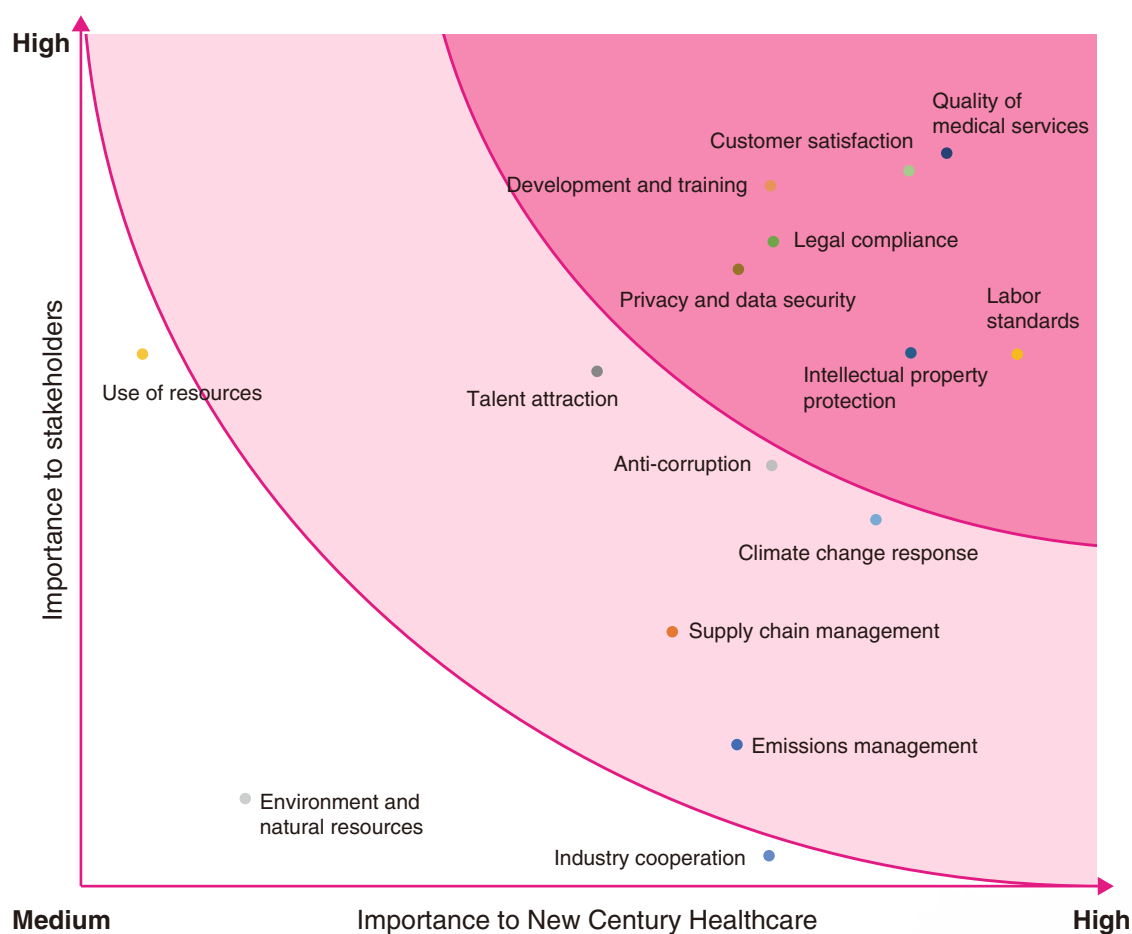
Major Stakeholders	ESG Issues Concerned	Main Communication Channels
Suppliers	Supply chain management Quality of medical services Intellectual property protection	Regular communications Regular reviews
Academic and research institutions	Industry cooperation Quality of medical services Intellectual property protection	Academic exchanges Conferences and forums
Community	Emissions management Use of resources Environment and natural resources	Community activities Public benefit activities Daily operations

Environmental, Social and Governance Report (Continued)

1.3 Materiality Analyses

The Group conducts materiality identification on ESG issues annually to explore the relevance of ESG issues to the Group's business and their importance to the Group's ESG efforts, and to analyze their substantive impact on the Group's business development and the environment and society.

Based on the results of the ESG materiality assessment during the Year, the issues that are currently of greatest importance to the Group are: quality of medical services, customer satisfaction, labor standards, development and training, legal compliance, intellectual property protection and privacy and data security.



Environmental, Social and Governance Report (Continued)



2. CONSOLIDATING THE FOUNDATION FOR DEVELOPMENT THROUGH EXCELLENT GOVERNANCE

Excellent corporate governance is the cornerstone of corporate sustainable development and the key to gaining trust of investors and market recognition. New Century Healthcare is committed to formulating a governance system of transparency, fairness and efficiency on the basis of legal governance to ensure that the Group's decision-making and operation are in compliance with the laws and regulations, so as to safeguard its stable operation and long-term development, and to strive to realize sustainable development and value creation.

2.1 Comprehensive Strengthening of Corporate Governance

The Board

The Board of the Group comprises 11 members, including 3 executive directors, 4 non-executive directors and 4 independent non-executive directors. The Board is responsible for the leadership and control of the Group, overseeing the Group's businesses, strategic decisions, and performance. Additionally, it is collectively responsible for promoting the Group's success through directing and supervising its affairs. The Board takes decisions objectively in the interests of the Group. The Board has established the Audit Committee, the Remuneration Committee and the Nomination Committee to assist and support the Board in exercising its functions.

Board Independence

The Group recognizes that Board independence is key to good corporate governance. As part of the established governance framework, the Group has in place effective mechanisms that underpin a strong independent Board and that independent views and input are conveyed to the Board. The governance framework and mechanisms will be reviewed on an annual basis to ensure their effectiveness.

The Board currently comprises more than one-third independent non-executive directors. The remuneration of independent non-executive directors is subject to regular reviews to maintain competitiveness and commensurate with their responsibilities. The independence of each independent non-executive directors is assessed upon his/her appointment and annually. Directors are requested to declare their direct or indirect interests, if any, in proposals or transactions to be considered by the Board at the Board meetings and abstain from voting where appropriate. Independent professional advice is available to all directors whenever necessary.

The Group has also established channels through formal and informal means whereby independent non-executive directors can express their views in an open manner, and in a confidential manner, should circumstances require.

Environmental, Social and Governance Report (Continued)

Board Diversity

To promote diversity, the Board of New Century Healthcare has implemented a board diversity policy that considers multiple dimensions, including gender, age, ethnicity, nationality, language proficiency, cultural and educational background, regional and industry experience, reputation, technical and professional skills, qualifications, and knowledge. As of the end of the Reporting Period, the Board has appointed 3 female directors.

2.2 Conducting Legitimate and Compliant Operation

The Group always abides by the national laws and regulations to establish a stringent internal control and management system, and optimizes its internal control and risk management system with the characteristics of the industry and the actual operation of the enterprise combined. The Group continues to consolidate works such as internal risk control, legal compliance, audit supervision, and anti-corruption. The Group establishes an internal control and risk management system in function with full coverage, clear responsibilities and efficient execution to ensure the Group's legitimate and compliant operation, promoting the Group's healthy and sustainable development. The Group strengthens employees' awareness for intellectual property protection to standardize the internal reporting and management on the intellectual property.

Strengthening Risk Management

Adhering to the principles of consistency between business strategy and risk strategy, as well as maintaining a balance between risk control and operational efficiency and effectiveness, we continuously enhance the construction of our organization and system for risk management to improve our risk management and control system. For each management and business process involved in significant risks, we formulate control measures covering the entire process, establishing risk management solutions for multiple types of risks or significant risks, and adopting specific control measures for business process involved in the risks with key links as control points.

During the Reporting Period, the Group commenced internal control and internal audit projects several times in accordance with the annual work plan, continuously expanding the breadth and depth of the audit scope.



Environmental, Social and Governance Report (Continued)



Anti-corruption and Anti-bribery

The Group strictly complies with relevant laws and regulations such as *the Anti-Unfair Competition Law of the People's Republic of China* and *the Interim Provisions on Banning Commercial Bribery*, requires its relevant parties such as employees, suppliers and business partners to strictly abide by the business ethics and standards and expressly prohibits any improper competition means and operations in illegality and violation such as business fraud and commercial bribery.

In addition, the Group has developed internal management systems such as the *Anti-bribery System*, the *Anti-fraud System* and the *Prohibited from Accepting Gifts*, and provided employees with relevant training to enhance their awareness of anti-corruption and integrity, and practically create a clean and upright working atmosphere. During the Reporting Period, the Group organized 12 anti-corruption training activities.

Complaints and Reporting

The Group has established unobstructed complaint and reporting channels, encouraging employees and stakeholders to actively report various behaviors that harm the interests of the Group and employees. We have set up reporting emails, telephone lines and other diversified channels, and actively respond to the investigation of complaints and reports.

Company employees and business partners can report, complain or inform the Group through the following methods. Reporting channels are as follows:

Tel: 010-85249868

Email: business.conduct@ncich.com.cn

Address: 22/F, Siemens Center Beijing, No. 7 South Wangjing Zhonghuan Road, Chaoyang District, Beijing

Environmental, Social and Governance Report (Continued)

To ensure the smooth implementation and standardize the responsibilities and content of the reporting work, the Group has established a reporting mechanism, clearly stipulating the investigation and handling process for reported incidents, and has adopted measures such as investigator recusal and whistleblower protection to safeguard the rights and interests of whistleblowers.

Management Measures Related to Complaints and Reporting

Investigator Recusal	If investigators have or may have a conflict of interest in the specific investigation they are responsible for, they should explain to their supervising leader and recuse themselves after approval.
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Whistleblower Protection	The Group stipulates that the personal rights and other legitimate interests of whistleblowers should be strictly protected, and no one may retaliate against whistleblowers and employees who cooperate with investigations.
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The departments and investigators responsible for investigating reported incidents shall not:

Violate confidentiality requirements and disclose reporting information;

Privately store, withhold, tamper with, forge, replace, conceal, lose or privately destroy reporting materials;

Exceed authority, handle reporting materials without authorization, and be strictly forbidden to transfer reporting materials to the reported person;

Conceal, falsely report, or fail to report significant reporting information within the prescribed time limit, causing serious consequences;

Use reporting materials to seek personal gain or provide convenience for retaliating against whistleblowers;

Engage in other illegal and disciplinary situations.

Transparent Procurement

The Group attaches great importance to the business ethics of suppliers and includes integrity procurement and anti-corruption clauses in contracts signed with suppliers. For example, no remuneration, gifts, or other tangible or intangible benefits may be provided to procurement personnel and/or their family members.



Environmental, Social and Governance Report (Continued)



Intellectual Property Protection

The Group strictly follows relevant laws and regulations such as *the Patent Law of the People's Republic of China, the Trademark Law of the People's Republic of China, the Copyright Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China, the Enterprise Intellectual Property Compliance Management System Requirements*, etc., strengthens the management of intellectual property, establishes employees' awareness of intellectual property protection, and strictly prohibits the Group and employees from infringing on others' intellectual property rights.

The Group also attaches great importance to the protection of its own intellectual property rights. During the Reporting Period, the Group submitted trademark applications for 17 categories and 153 types of goods, and has now obtained trademark rights for "DOCTOR PANDA CLUB", "熊貓醫生俱樂部" and their combination graphics, totaling 14 types and more than 90 goods (26 trademark certificates).

2.3 Strengthening Investor Relations Management

The Group attaches great importance to information disclosure management and investor relations management, continuously strengthens the standardized management of information disclosure, communicates with investors through multiple channels and at multiple levels, maintains a long-term stable and good interactive relationship between the Group and investors and the market, while maintaining stable operations.

Investor Rights Protection

The Group is committed to winning shareholders' support and protecting shareholders' rights, focusing on attracting long-term investors. We actively manage relationships with various types of investors, meet their information disclosure needs, and strengthen two-way communication with investors through various channels such as shareholders' meetings, research, and email.

High-Quality Information Disclosure

The Group strictly complies with the requirements of laws and regulations such as *the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Hong Kong Companies Ordinance, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*, etc., discloses company operations and governance-related matters in a true, accurate, complete, and timely manner, strictly fulfills the information disclosure obligations of listed companies, enabling investors to understand the Group's operating conditions and future development directions more comprehensively and at multiple levels.

Environmental, Social and Governance Report (Continued)

2.4 Strengthening Information Security Protection

To safeguard the confidentiality, integrity and availability of the Group's information assets, New Century Healthcare, in accordance with national laws and regulations such as *the Personal Information Protection Law of the People's Republic of China*, *the Data Security Law of the People's Republic of China*, *the Cybersecurity Law of the People's Republic of China*, *the Archives Law of the People's Republic of China*, *the Physicians Law of the People's Republic of China*, and *the Administrative Measures for the Clinical Application of Medical Technologies*, has implemented standardized and process-oriented management for the communication methods, use and storage requirements of various types of internal and external information, comprehensively and effectively implemented information and data security, and maximized the protection of patient privacy.

Protection of Patient Privacy Information

Customer information is an important asset of the enterprise and a manifestation of customer trust. The Group has established a patient privacy protection system and formulated internal rules and regulations such as the Privacy Protection System for Patients Receiving Internet Diagnosis, the Protection System for Internet Diagnosis Business, the Confidential Information Grading and Authorization System, the Information System Asset Management System, and the Account Management System, which clearly define privacy protection requirements throughout the diagnosis and treatment process. In clinical operations, doctor's office and nursing station work interfaces hide patient disease diagnosis information; when using cases externally, personal privacy content must be deleted first, and dual authorization from patients and their families is required; the process of accessing medical records is strictly managed, and family members must pass the examination before applying for copying medical record documents.

Information Security Management System

With the rapid development and widespread application of information technology, information network has become an indispensable tool in the healthcare industry. However, the advancement of information technology has also brought about diversified means of network attacks, making the security threats faced by enterprises increasingly complex. Therefore, how to effectively ensure data security has become an increasingly concerned hot topic in the industry.

Each hospital of the Group has established an IT Committee, which meets quarterly to discuss issues related to hospital informatization collected during the quarter and form resolutions, serving as a communication bridge between the grassroots and the Group's management team to improve the Group's informatization level. During the Reporting Period, the issues discussed, approved and submitted by the IT Committee included medical information management system function upgrades and mobile nursing system optimization, with the following main measures taken:

Information Management System Upgrade:	Improved and enhanced work efficiency in aspects such as cashier and report writing based on the existing functions of the system.
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Environmental, Social and Governance Report (Continued)



Mobile Nursing System Optimization:

Equipped nursing staff with mobile devices that interface with the existing medical information management system, allowing nursing staff to directly access patient medical orders and medication information on mobile devices, improving the quality of medical order execution and work efficiency.

In addition, the Group continues to increase investment in information security, continuously optimizes information security management, and has formulated internal management systems such as the *Data Security Management System*, the *Data Storage Management System* and the *Data Acquisition Management System* to ensure data security. During the Reporting Period, we conducted vulnerability scanning 4 times, independent penetration testing 2 times, and in accordance with the *Cybersecurity Law of China*, conducted a Level 3 assessment of the network security protection for the medical information management system used, with a good rating for this year's assessment and no high-risk issues.

Building a Strong Network Security Defense Line

During the Reporting Period, the Group continued to conduct network security and information security training for employees. With the expansion of the EDR system coverage, we conducted targeted training for all hospital staff, and also specifically set up a network security information section in the orientation training for new employees at each hospital, further strengthening the security awareness of all staff.

At the same time, the Group added effective strategies for network security, focusing on the protection of the OA system and email system, effectively intercepting and preventing multiple network attacks.

Case: Bottom-layer Repair and Attack Prevention After Malicious Attack on OA System

In May 2024, the Group's OA system suddenly experienced lag. After investigation, it was found that the system had been maliciously attacked and implanted with cryptocurrency mining malware. The information department quickly took measures: locating abnormal processes through stack analysis and replacing hijacked library files; conducting deep inspection of startup items, closing server internet access and removing malicious programs; implementing system-level hardening, fixing vulnerabilities, upgrading patches, deploying WAF firewalls and HTTPS encryption; simultaneously scanning and rectifying public network IP exposure risks across the network, and implementing EDR protection. Finally, a closed-loop management of detection-handling-protection was constructed, improving the network security system.

Environmental, Social and Governance Report (Continued)

3. ENVIRONMENTAL PROTECTION SAFEGUARDING OUR EARTH HOME

New Century Healthcare is committed to environmental protection and sustainable development, actively responding to the national “Dual Carbon” goals, striving to reduce greenhouse gas emissions; strictly complying with environmental laws and regulations to ensure operational compliance; continuously improving resource and energy use efficiency; properly managing waste to ensure discharge meets standards, and contributing to the sustainable development of society and the environment.

3.1 Active Response to Climate Change

The Group attaches high importance to climate change issues, proactively identifies and assesses climate-related risks in its business activities under the framework of *the Task Force on Climate-related Financial Disclosures (TCFD)*, taking active measures to address climate change challenges.

Climate Governance

Sound climate governance ensures that climate change response matters are managed in an orderly and systematic manner. The Group integrates active climate change response into its overall sustainable development strategy and treats it as a critical agenda within the sustainable development governance framework, ensuring continuous management and oversight.

The Board, as the highest decision-making body, is fully responsible for overseeing major climate-related matters and assumes ultimate responsibility for related strategic planning and information disclosure. By regularly reviewing management reports on climate change, the Board systematically reviews the Group’s climate-related strategic plans and implementation policies, while dynamically assessing the progress of phased objectives. The ESG working group primarily oversees the implementation of climate-related strategies, annual information disclosure, and initiative advancement to ensure deep integration of climate goals with business development.



Environmental, Social and Governance Report (Continued)



Climate Risk Management

The Group continuously improves its climate risk management system, holistically designing, implementing, and supervising climate risk management and internal control mechanisms tailored to industry characteristics and operational realities, while regularly reviewing their effectiveness. The Group also periodically examines business and operational processes to identify and assess the types and impacts of climate-related risks.

The Group identifies and analyzes climate change related risks primarily through both internal and external methods:

Internal Assessment Methods

Process Mapping	Review business processes from procurement to after-sales services to identify potential climate risks at each stage.
Brainstorming	Organize cross-departmental discussions to leverage diverse expertise and experience for multi-dimensional risk identification.
Historical Data Analysis	Analyze past incidents and financial data to identify factors linked to climate risks.

External Benchmarking Methods

Policy Interpretation	Monitor new climate-related regulations and policies to anticipate emerging risks.
Industry Benchmarking	Study climate practices of peers to identify similar risks.
Stakeholder Feedback	Collect input from stakeholders to uncover risks from diverse perspectives.

Environmental, Social and Governance Report (Continued)

Climate Strategy

To better understand climate risks and opportunities, the Group conducts climate-related assessments to evaluate potential impacts on operations and supply chains. For identified risks, mitigation strategies and measures are formulated. Currently, the Group uses different climate scenarios based on the TCFD framework. Moving forward, the Group will further explore climate scenario analysis to comprehensively assess impacts under varying conditions, thereby enhancing climate resilience.

The types of climate change risks we identified during the Year and responses are shown in the table below:

Transition Risk	Potential Risk Identification and Assessment	Responses
Policy and Legal Risk	Domestic and foreign laws, regulations and policies related to climate change have been developed or improved successively, and there will be climate-related laws, regulations and policies in more regions in the future, which will increase the Group's compliance cost of operations.	Keep timely updating and understanding the latest climate-related laws, regulations and policies in force where we operate to ensure that our products and services meet the compliance requirements.
Market Risk	Market attention to environmental standards and climate change continues to rise, resulting in increased operating costs, including electricity prices, other energy prices, and labor costs.	Encourage employees and customers to reduce carbon emissions in their operations, optimize the energy use structure, set energy conservation targets, and enhance the energy use efficiency.
Reputational Risk	With the in-depth implementation of the green development concept and the national Dual Carbon goals, if the Group's operations have a damaging impact on the climate, it may lead to loss of customers and employees, reduction in social reputation and other impacts.	Implement environmental concept during operations, respond to the national call of Dual Carbon goals and actively carry out energy conservation and emission reduction to create an environmentally friendly corporate image; disclose the efforts made and the achievements, and introduce future targets and plans to stakeholders.



Environmental, Social and Governance Report (Continued)



Physical Risk	Potential Risk Identification and Assessment	Responses
Acute Risk	Physical risks, including extreme weather conditions caused by climate change such as typhoons, droughts, floods, extreme cold or heat, may affect the Group's operations and jeopardize the health of its employees.	Pay close attention to the forecasts on extreme weather events provided by the climate department, release reminders and make contingency plans; establish an immediate and effective emergency rescue and disaster relief mechanism, striving to protect the personal safety of the staff and patients in hospitals.
Chronic Risk	Climate change results in an increase in the incidence of certain diseases.	Actively improve medical technologies to enhance our competitive advantages.

Climate Indicators and Targets

Carbon emissions are central to addressing climate change. New Century Healthcare has established a greenhouse gas (GHG) emission reduction target: to reduce GHG emissions per unit of revenue by 5% by 2027, using 2022 as the baseline. During the Reporting Period, through a series of energy-saving initiatives and environmental management efforts, the Group achieved a 20.48% reduction in GHG emissions per unit of revenue in 2024 compared with 2022.

The Group annually collects and analyzes GHG emissions data, conducts regular reviews, and adjusts energy-saving measures accordingly. In the current Reporting Period, the Group's direct (Scope 1) GHG emissions primarily originated from direct energy use and fluorinated refrigerants, while indirect (Scope 2) GHG emissions were mainly attributed to purchased electricity consumption.

2024 GHG Emissions

Direct GHG Emissions (Scope 1):	1,413.07 tCO ₂ e
Indirect GHG Emissions (Scope 2):	3,895.13 tCO ₂ e
2024 Total GHG Emissions:	5,308.20 tCO ₂ e
2024 GHG Emissions Intensity:	0.006 tCO ₂ e/RMB'000

Environmental, Social and Governance Report (Continued)

3.2 Deepening Implementation of Environmental Management

The Group strictly abides by *the Environmental Protection Law of the People's Republic of China*. Each hospital has formulated corresponding measures to address potential natural disasters and emergencies, such as the Rainstorm and Snowstorm Emergency Plan, the Earthquake Emergency Plan, and the Yellow Code Process, etc. These aim to ensure prompt and effective action in the face of extreme weather events or geological disasters, protecting the safety of employees and the public, and reducing potential risks and losses.

Rainstorm and Snowstorm Emergency Plan

Warning Response	After receiving a warning, customer service or administrative staff on duty confirm the situation of on-site personnel.
Risk Inspection	Environmental service manager inspects drainage, power, and material risks.
Emergency Activation	Activate emergency plan and determine temporary rain/snow shelter areas.
Personnel Guidance	Customer service or administrative staff on duty isolate shelter areas and mobilize personnel for support.
Order Maintenance	Customer service or administrative staff arrange personnel to guide crowds, maintain order, and calm emotions.
Emergency Action	When danger occurs, environmental service manager organizes emergency response and reports to management.
Personnel Arrangement	Based on visitor flow and time periods, prioritize non-frontline staff or arrange shifts for emergency response.

Earthquake Emergency Plan

Earthquake Emergency Response	Guide staff and patients' families to remain calm and seek safe locations for shelter.
Emergency Shelter	Indoors: hide under beds or in corners; outdoors: run to open spaces.
Emergency Evacuation	Evacuate in an orderly manner along evacuation routes to safe open areas, squat to protect the head, stay away from tall buildings.
Post-earthquake Self-rescue	Medical staff organize self-rescue efforts and assist in rescuing buried personnel.
Disaster Reporting	Report disaster situation to superiors and relevant departments.
Organizational Structure	Clear division of team responsibilities, including general commander, evacuation team, fire and security team, rescue team, etc.



Environmental, Social and Governance Report (Continued)



Yellow Code — Disaster

Warning Response	When the call center receives an external disaster warning call, it notifies the administrative staff on duty, who then notifies the management on duty.
Action Taken	Management on duty calls for the establishment of a command center, in-hospital emergency team, personnel standby team, material supply center, and financial center; notifies the call center to make announcements and communicates each team's designated position to it. The call center broadcasts the yellow code and each team's position. Under the command of management on duty, all teams fully engage in disaster relief work.
Threat Elimination	After the threat is eliminated, management on duty notifies the call center, which announces the threat elimination. Management on duty completes a written report for the Management Committee.

3.3 Efficient Utilization of Energy Resources

The Group strictly complies with the laws and regulations such as *the Energy Conservation Law of the People's Republic of China*, *the Regulations on Urban Water Supply of the People's Republic of China*, *the Regulations on Supply and Use of Electric Power*, *the Regulations on the Management of Urban Gas* and *the Provisional Regulations on the Monitoring and Management of Energy Conservation*. Adhering to the concepts of green development, energy conservation, emission reduction, and environmental protection, the Group actively implements energy and resource conservation measures in its operations.

Energy: Some hospitals under the Group have gradually replaced ordinary light tubes with energy-saving LED light tubes; encourage employees to consolidate vehicle use and arrange reasonable carpooling routes; recommend low-carbon transportation methods such as public transit or bicycles for trips within three kilometers; prioritize the use of new energy vehicles for internal transportation, reducing the frequency of fuel vehicle use.

Water Resources: Water resource management is an important environmental protection effort that we have long maintained. In terms of water-saving measures, we continuously optimize water facilities, including implementing siphon water-saving toilets, achieving approximately 33% reduction in single flush volume through scientific adjustment of water tank levels. Meanwhile, we systematically promote intelligent water-saving renovations, install sensor faucets and infrared shower equipments, regularly conduct leak detection and maintenance of water supply and drainage systems. During the Reporting Period, the Group did not encounter any problems in obtaining suitable water sources.

Packaging: We pay attention to the use of packaging materials, choosing appropriately sized packaging bags based on the quantity of medications dispensed, and encouraging customers not to use packaging bags when dispensing small quantities of medications. We also call on suppliers to adopt measures such as reducing packaging and using green packaging.

Environmental, Social and Governance Report (Continued)

3.4 Comprehensive Strengthening of Waste Management

The Group strictly complies with the laws and regulations, including *the Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes*, *the Water Pollution Prevention and Control Law of the People's Republic of China*, *the Discharge Standard of Water Pollutants for Medical organizations*, *the Regulations on the Management of Medical Waste*, *the Measures for the Management of Medical Waste from Medical and Health Institutions*, as well as local regulations such as *the Beijing Medical and Health Institutions Medical Waste Management Regulations* and *the Beijing Municipal Household Waste Management Regulations*. The Group has formulated and improved internal systems such as the Management System for Energy Conservation and Emission Reduction, and the Garbage Separation Management System. The Group strictly implements various regulations, submits annual pollution discharge reports to the Environmental Protection Bureau every year, ensures that daily operations comply with environmental protection requirements, and effectively fulfills the responsibility of compliant waste discharge and treatment.

Waste Gas Emissions

The Group regularly commissions professional third-party monitoring agencies to test the waste gas emissions to ensure that they comply with the specified standard limits.

Wastewater Discharge

The Group continuously monitors wastewater generated during operations and collects it at sewage stations for unified treatment. All medical institutions under the Group with independent pollution treatment capabilities have obtained the corresponding drainage permits and pollution discharge permits, ensuring that the discharged wastewater meets national standards.

Some hospitals under the Group completed sewage equipment upgrades in 2023, applying MBR biofilm plus ultraviolet disinfection treatment systems, ensuring standard emission of treated waste gas and effectively reducing the treatment pressure on urban sewage discharge systems. In 2024, we continue to apply and optimize operations and maintenance to ensure the stability and sustainability of sewage treatment effects.

Hazardous Waste

The Group's hazardous waste mainly includes sludge from sewage stations, waste lead-acid batteries, waste paint buckets, waste fluorescent tubes, and waste gloves and cloths generated during maintenance. After completing online declarations and obtaining approval, these hazardous wastes are uniformly collected and temporarily stored by designated personnel, then handed over to qualified third-party institutions for harmless treatment.



Environmental, Social and Governance Report (Continued)



Non-hazardous Waste

The Group's non-hazardous waste mainly comes from public areas, offices, and wards. We have specially set up non-hazardous waste bins, which are collected and processed daily by cleaning staff. We focus on waste classification and recycling work. For recyclable waste, we have signed multiple recycling agreements with qualified third-party institutions, including the Contract for Recycling and Disposal of Recyclable Resources and the Contract for Recycling of White Waste, ensuring that resources can be efficiently recycled.





Medical Waste

The Group's medical waste mainly consists of infectious waste, injurious waste and a small amount of waste drugs. For infectious waste and injurious waste, we commission a third-party organization with appropriate qualifications to carry out harmless treatment; for waste medicines, after completing the online declaration and passing the approval process, they are also handed over to a third-party organization to carry out harmless treatment.

Environmental, Social and Governance Report (Continued)

Environmental Objectives

The Group has established a series of environmental objectives covering a wide range of areas such as greenhouse gas emissions, resource and energy utilization, waste management, etc., with a view to further enhancing the Group's green operations, ensuring compliance with environmental protection regulations and standards, and contributing to the realization of sustainable development objectives.

Area	 GHG Emission	 Energy Use	 Water Use	 Waste Management
Target and Commitment	With the baseline year of 2022, the Group will reduce GHG emissions per unit of revenue by 5% by 2027.	With the baseline year of 2022, the Group will reduce electricity consumption per unit of revenue by 2% by 2027.	With the baseline year of 2022, the Group will reduce tap water use per unit of revenue by 2% by 2027.	Since 2022, the Group has maintained 100% compliance in the disposal of hazardous waste and medical waste generated from its operations.
Progress	In 2024, the Group conducted systematic energy conservation, consumption reduction, and environmental management work, achieving a 20.48% reduction in GHG emissions per unit of revenue compared with 2022.	Electricity consumption per unit of revenue decreased by 25.33% compared with 2022.	Tap water usage per unit of revenue decreased by 23.45% compared with 2022.	In 2024, the Group maintained 100% compliant treatment of hazardous waste and medical waste generated from operations.
Action	In the future, in order to constantly strengthen our control over GHG emissions, energy use, water use and waste, we will take various measures including further promoting the use of LED energy-saving lamps, accelerating the substitution of clean and low-carbon energy sources, popularizing the installation of water-saving faucets, strengthening the awareness of energy and water conservation among our employees, and setting up a dedicated staff to oversee the compliant disposal of hazardous and medical wastes, etc. We will uphold our original goals to continuously improve the Group's low-carbon and green development.			



Environmental, Social and Governance Report (Continued)



4. QUALITY SERVICES FOR IMPROVING HEALTH AND WELL-BEING

New Century Healthcare focuses on service quality, and is committed to enhancing service efficiency and improving nursing care quality to ensure the provision of safe, efficient and humanized medical services to our patients. We empower healthcare with technology, promote digital transformation, and assist in upgrading healthcare services. We strive to enhance the accessibility of medical services and safeguard public health.

4.1 Lean Healthcare Care Health

Leveraging a high-quality and comprehensive pediatrics and obstetrics and gynecology service system, the Group is committed to providing higher quality medical services for women and children. The Group connects to international medical service standards, integrates high-quality medical services and high-level hospital management into daily operations, and is committed to providing patients and their families with standardized, informationized, and international diagnosis and treatment services, to safeguard patients' life, health, and safety effectively.

Lean Medical Quality

Strictly abiding by the relevant laws and regulations, such as *the Law of the People's Republic of China on Basic Medical and Health Care and the Promotion of Health*, *the Law on Licensed Doctors of the People's Republic of China*, *the Law of the People's Republic of China on the Maternal and Infant Health Care*, *the Law of the People's Republic of China on Prevention and Treatment of Infectious Diseases*, and *the Regulations on the Handling of Medical Accidents*, the Group continues to provide high-quality and guaranteed medical services to patients as well as meet the compliance requirements.

In respect of medical quality assurance, the Group has established a Quality Assurance Committee at the hospital-level management structure to ensure the management of medical quality. It has developed comprehensive medical contingency plans and processes, regularly conducted drills on medical procedures, and established a safety verification system to fully ensure medical quality and guarantee patients' safety.

In respect of drug quality assurance, the Group's various affiliated medical institutions have established a Pharmaceutical Administration and Drug Therapeutics Committee to supervise and manage the safety and quality of drugs. During the Reporting Period, we established the Management Measures for Clinical Application of Key Monitored Drugs to strengthen the comprehensive management of the selection, procurement, and clinical application of key monitored drugs; to ensure safe use of drugs by patients, improve treatment effectiveness, and prevent drug abuse. During the Reporting Period, there was no recall of products due to health and safety issues of the drugs¹.

¹ The Group is not involved in drug production, and "drugs" refers to the pharmaceuticals procured by the Group for use by patients.

Environmental, Social and Governance Report (Continued)

In respect of infection prevention and control assurance, the Group strictly implements standardized management, and specifically establishes the position of infection control supervisor to conduct regular supervision and inspections on the whole hospital. The supervisors conduct random checks on infection prevention and control measures within the hospital, and the operational procedures of equipment according to the specifications, record and track the inspection results systematically. For the identified problems, the Group will provide timely feedback and optimize the special inspection plan to continuously improve the regulatory system. At the same time, we strengthen the management of the supervisory team, regularly conduct business assessments and publish the results to the public to ensure the effective operation of the health and safety management mechanism.

The Group focuses on improving regulations related to medical services. During the Reporting Period, the Group has revised internal systems such as the Difficult Cases Discussion System, the Patients with Critical Diseases Rescue System, and the Operation Safety Verification System, which have clearly defined the handling methods and improvement mechanisms for difficult medical cases, enhanced timely and effective communication between clinical departments and medical technology departments in response to patients' critical situations, improved the verification and management methods related to surgical safety, continuously increased the precision of quality management and safeguarded the legitimate rights and interests of the patients.

In-depth Research on Discipline Construction

We focus on the discipline construction, and establish multiple secondary and tertiary disciplines to achieve the strategic development targets of multidisciplinary collaboration in obstetrics, gynecology, and pediatrics, as well as the construction of pediatric subspecialties.

At the same time, we create several specialized treatment centers, including the Child Health Development Center, the Children's Orthodontic Treatment Center, the Pain-Free Treatment Center, the Pediatric Asthma Center, and the Children's Anaphylaxis Management Center, to actively promote the high-quality development of our disciplines.



Environmental, Social and Governance Report (Continued)

Case: Exploring the Establishment of a Standardized Treatment System for Childhood Asthma

Asthma is the most common chronic respiratory disease in childhood. Children with asthma require long-term standardized management. Most parents of asthmatic children have insufficient awareness of the disease and lack standardized treatment, which leads to the vicious cycle of the children's illness.

The Pediatric Asthma Center of Beijing New Century Children's Hospital has several influential domestic pediatric asthma experts, establishes a high-quality, professional medical team and focuses on promoting the construction and standardized management of "standardized treatment of childhood asthma". Based on the application of *the China Children Asthma Action Plan*, we have implemented "Refined Management" for children with asthma. Specific measures include strengthening clinical training, establishing specialized nurse positions, improving the chronic disease management system, emphasizing auxiliary examination methods, enhancing allergen management, promoting multidisciplinary collaboration, and cultivating the listening skills of medical staff, which have significantly improved the quality of diagnosis and treatment services.

In 2024, the Pediatric Asthma Center of Beijing New Century Children's Hospital provided an open clinic service 8 hours a day, 7 days a week, which benefits a wider group of children. By establishing a WeChat account for the respiratory asthma department assistant, it provides timely answers and professional guidance to the families of children with asthma regarding issues encountered in and outside of the hospital, which has effectively enhanced the self-management capabilities of the children and their guardians, offered continuous and professional support for the smooth implementation of the asthma action plan, and achieved the target of "professional companionship".

4.2 Meticulous Care and Excellent Services

The Group strives for the goal of "strengthening the foundation, improving quality, and promoting development", further enhances nursing services and continuously deepens the service concept of "Patient-centered".

Ensuring the Quality of Care

In order to ensure standardized and high-level nursing care services, and in accordance with the guideline standards such as *the Clinical Care Practice Guide*, *the Quality Assessment Standards* and *the Technical Standard Requirements*, the Group has formulated rules and regulations such as the Quality Standards for Nursing Care Grading, the Quality Control Inspection Items and Their Standards and the Hierarchical Nursing System to organize training and assessment for nurses and to standardize the nursing conduct.

All the medical institutions under the Group have established Nursing Committees, which introduce advanced nursing standards from domestic and abroad, continuously optimize nursing management processes and comprehensively enhance service quality.

Environmental, Social and Governance Report (Continued)

We attach importance to enhancing the professional skills of our nursing team to ensure the provision of high-quality care services to patients. During the Reporting Period, the hospitals under the Group invited experts to teach courses such as the Assessment of Paediatrics Disease and Identification of Critical Illness and the Emergency ESI Triage, and dispatched senior nurses to participate in the Basic Life Support Course. Through these measures, we have achieved the standardization of nursing operations and the systematization of theories, ensuring the quality of medical care. At the same time, some hospitals have launched new projects such as organizing nurses to conduct expatriate further study, preparing hearing rooms, and conducting hearing examination projects to enhance the professional skills of the nursing team. In addition, some hospitals have actively studied Venous Midline Catheter Technology, and sent head nurses and members of the intravenous therapy team to participate in the learning discussions at the Beijing AST Intravenous Therapy New Technology Seminar.

We attach importance to strengthening safety risk awareness, standardizing various safety signs, such as fall signs, allergy signs, isolation signs, and implementing a wristband wearing system to ensure patients' safety. We encourage the reporting of adverse events, supervise the implementation of rectification measures, evaluate the effectiveness, and continuously improve the quality of care.

Optimizing Medical Experience

- All hospitals under the Group have been equipped with wheelchairs to meet patient needs in a timely manner;
- Some of the hospitals under the Group have placed pamphlets titled Notes on Brace/Cast Fixation in public areas for patients and their families to read and understand. We have introduced new types of braces from professional brands based on the different needs of patients, continuously enhanced the satisfaction of patients and their families by meticulous service.

4.3 Technological Empowerment and Healthcare Upgrade

With the rapid development of technology, the medical industry is poised for an intelligent transformation. New Century Healthcare Group closely keeps pace with the times, and actively develops technology-based consultations and medical services. Through the application of digital technology and online platforms, it is committed to creating efficient medical solutions to provide patients with a more convenient healthcare experience and promoting the digital transformation of medical services.



Environmental, Social and Governance Report (Continued)



Vaccine Appointment Platform

The Group has launched a vaccine appointment platform, allowing customers to easily make appointments for flu vaccine via their mobile phones, and there is no need of queuing, saving time and effort for the customers. The platform clearly displays the types of vaccines, inventory, and vaccination sites, making it convenient for customers to plan their vaccination schedules. At the same time, the platform effectively regulates the number of vaccinations during different periods to avoid crowding, which will reduce the risk of cross-infection, enhance vaccination safety and efficiency, and optimize the customer experience.

Internet Diagnosis and Treatment Platform

The Group has adopted the medical model of “offline initial consultation and online follow-up consultation” to help patients realize non-local medical treatment, which saves money and time for patients. The platform also provides patients with intelligent guidance services and answers to frequently asked questions, which enhances the efficiency of doctor-patient communication and effectively alleviates the problem of tight medical resources. Furthermore, we conduct regular intelligent guidance training sessions annually, covering the marketing and customer service teams of each hospital, and continuously follow up on the training effectiveness.

Telemedicine Consultation Platform

Through the telemedicine consultation platform, the hospitals and clinics within the Group achieve information sharing and provide expert support for patients. When a child patient requires multidisciplinary diagnosis, pediatric specialists can conduct diagnoses through remote consultations; obstetric specialists collaborate with pediatric specialists to provide prenatal diagnosis, treatment, and consultation services, while new-born babies with congenital malformations are directly referred to pediatrics, which achieves integrated medical services.

Remote Imaging Diagnosis Platform

The Group improves the remote imaging diagnosis platform to provide fast, accurate, and professional imaging examinations and diagnosis services. The Group's hospitals and clinics have all joined the platform to provide 24/7 imaging diagnosis services. The connection of imaging data between hospitals and clinics allows doctors to readily access the imaging data and records of patients at any hospital or clinic, which has shortened the waiting time for reports, thus buying golden time for the treatment of patients.

Environmental, Social and Governance Report (Continued)

Online Healthcare Services

The Group has launched the voice response feature for the online family doctor messaging system, further optimizing the patient communication experience. Patients submit messages through the messaging system, and doctors will respond via voice. Patients may listen to the responses multiple times, obtaining quick and professional medical advice, which enhances the convenience and efficiency of doctor-patient interactions.

4.4 Ensuring Health Accessibility

The Group has always regarded health accessibility as its core mission, committed to enhancing the public's health level through diversified medical services and innovative practices. The Group not only continues to optimize the diagnosis and treatment of common and prevalent diseases but also actively engages in the formulation of prevention and treatment systems for various diseases, particularly in key areas such as rare diseases and chronic diseases. The Group strives to break down barriers of unequal distribution of medical resources through resource integration, technological innovation, and public welfare actions, providing high-quality and accessible medical services for more patients.

Efforts on Key Areas

The Group has made continuous efforts in the prevention and treatment of rare diseases in children. Chengdu New Century Women's and Children's Hospital, as one of the earliest accredited hemophilia treatment centers in China, is highly experienced in treating hemophilia in children and has set up the "Chengdu model" for hemophilia diagnosis and treatment, which has had a wide influence across the country. The hemophilia treatment center of Chengdu New Century Women's and Children's Hospital actively promotes the construction of national hemophilia centers, leveraging on its extensive research experience in the field of hemophilia to strengthen knowledge dissemination in this area. In 2024, we provided guidance to six hospitals outside the Group to obtain accreditation for hemophilia treatment centers. During the accreditation period, we conducted academic lectures, patient education, and free treatment events covering multiple disciplines, supporting localized management and homogeneous treatment for rare diseases.



Environmental, Social and Governance Report (Continued)



5. BEING PEOPLE-CENTRIC AND GOING FOR A BETTER LIFE

New Century Healthcare recognizes that employees are valuable assets of an enterprise, committed to safeguarding the legitimate rights and interests of its employees, such as equal employment and health and safety, providing them with competitive salaries and benefits and numerous career development opportunities, and fostering a corporate culture of humanities and care, so as to work side by side with its employees.

5.1 Protecting the Legitimate Rights and Interests of Employees

The Group strictly complies with relevant laws and regulations, including *the Labor Law of the People's Republic of China*, *the Labor Contract Law of the People's Republic of China*, *the Employment Promotion Law of the People's Republic of China*, *the Implementation Measures for Paid Annual Leave for Employees of Enterprises*, and *the Regulations of the State Council on Working Hours for Employees*, to fully protect the legitimate rights and interests of employees.

Equal Employment

The Group sticks to equal employment as well as equal pay for equal work, and resolutely eliminates the employment of child labor and forced labor; avoids any discrimination based on employees' ethnicity, gender, age, disability, marital status, etc. and respects employees' rights to free assembly and association in accordance with the laws. During the Reporting Period, there were no incidents of employment discrimination, harassment, child labor, forced labor and other non-compliance with the labor rights system within the Group, with a social security coverage rate of employees of 100%.

In addition, the Group ensures that labor contracts are signed on the basis of the principles of equality and voluntariness, and that the performance, renewal, cancellation and termination of labor contracts are carried out in strict compliance with laws and regulations and the provisions of such labor contracts in order to regulate the employment process. During the Reporting Period, the signing rate of labor contracts for employees was 100%.

Employee Communication

The Group always adheres to the concept of "people oriented" and promotes labor-management communication and negotiation of the enterprise with all-out efforts. We have established a sound labor-management communication mechanism to broaden the channels for employees to express their demands and promote mutual understanding and support between the enterprise and its employees, with a view to laying a solid foundation for the stable development of the enterprise.

Environmental, Social and Governance Report (Continued)

5.2 Safeguarding Employees' Health and Safety

New Century Healthcare regards the health and safety of employees as the cornerstone of its sustainable development. We have always embedded the awareness of occupational health and safety in our corporate culture and attach great importance to the physical and mental health of our employees as well as risk prevention and control. With continuous improvement in health and safety management, we constantly provide a safe and healthy working environment, providing solid protection for the well-being of our employees and the Group's quality development.

Health Management

The Group, with adherence to the principle of "safety first with prevention", strictly complies with requirements under laws and regulations including *the Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases*, and implements preventive and treatment measures against occupational diseases comprehensively, so as to control and eliminate the hazards of occupational diseases at source and firmly safeguard the health of its employees. In terms of employee health management, we have put in place a free flu vaccination policy covering all employees, and they are vaccinated on a voluntarily basis, with a vaccination rate of more than 85%. We provide more comprehensive health check programs to ensure the health of employees.

Safety Management

According to the Employee Work Safety System, the Group has formulated a systematic mechanism of risk prevention and control, and clarified the prevention standards, reporting procedures and responsibility definition mechanism regarding workplace accidents to ensure closed-loop management of employee security incidents for the entire process. In the meantime, through the mechanism of regular special inspections, we carry out hidden danger inspections of infrastructure facilities such as water, electricity and gas in medical institutions and office premises, so as to control the security of the working environment dynamically.

A Safety and Risk Committee has been set up in each medical institution to coordinate and manage the internal and external environmental safety of such institutions, and prevent and minimize potential damage and risks that employees and patients may be exposed to. We have also established a Disaster Response Committee to apply the code system to address emergencies. In the event of an emergency, the code broadcast will be activated, upon which the professional rescue team will arrive at the scene of the incident immediately. In this way, an integrated emergency management mode of "alert-response-process" is formed. During the past three years, the number of work-related fatalities and number of work-related injuries of the Group were zero.



Environmental, Social and Governance Report (Continued)



5.3 Career Development Empowerment for Employees

The Group respects and craves for talents, endeavoring to provide each employee with development opportunities and a platform for growth. We have a well-established performance appraisal and promotion mechanism, and an internal transfer mechanism has been put in place to encourage cross-departmental and cross-hospital transfers of employees in the event of vacancies in order to create a favorable working atmosphere where employees make the best use of their talents.

Appraisal and Promotion

The Group has set up a Qualification Committee to review and regulate the qualifications of employees on a half-yearly basis. Upon the establishment of a comprehensive performance appraisal system, the Group makes decisions on salary adjustments and promotions based on the appraisal results. We have specified separate appraisal standards for management and professional positions, and conduct regular assessments in a manner that is not limited to post-appraisal interviews, to maintain smooth communication between employees and their supervisors on job performance, development goals and promotion plans.

The Group has a comprehensive promotion mechanism in place and encourages internal competition among its employees. In the event of vacancies in medical institutions, priority will be given to internal selection and promotion through competitive recruitment. An internal transfer mechanism has been set up whereby employees may apply for cross-departmental and cross-hospital transfers. We are able to expand employee development and optimize talent deployment via the open and transparent talent market.

Employee Training

The Group has established a multi-level training system for employees, aiming to enhance their overall occupational quality through five training modules, namely new hires' training, academic conferences, public training, professional training and management training.

New hires' training: For online courses, we launch cross-departmental courses about business general knowledge on a digital platform to build a systematic cognitive framework; whereas offline courses focus on corporate values, specialized medical systems and team integration, pushing forward cultural integration and role conversion with interactive workshops.

Academic conferences: The Group commits itself to constructing "academic and specialized" private hospitals. It has established an Academic Committee consisting of 10 groups, namely pediatric internal medicine, pediatric surgery, obstetrics and gynaecology, asthma, dermatology, ophthalmology, orthopaedics, examination, child healthcare, and gastrointestinal microbiology, to promote its academic advancement and assist its employees in achieving career development.

Environmental, Social and Governance Report (Continued)

The Group adopts various measures to develop general skills, including:

Public Capacity Building

Service Standardization	Standards for full process of patient services and crisis management mechanism
Occupational Image	Business etiquette and dress code for medical scenarios
Communication Effectiveness	Doctor-patient communication database + cross-departmental coordination strategies
Product Knowledge	Diagnosis and treatment plans and related product diagrams

Advancement of Professional Competence

Clinicians	Enhancing capabilities of clinical decision optimization
Nursing Team	Specialty care standards + patient safety alert system
Medical Technicians	Certification standards for smart medical equipment operation
Administrative Support	Interpretation of medical policies + resource allocation methodology
Digital Empowerment	In-depth application projects for HIS/PACS systems

Management Capacity Development

Strategic Leadership	Medical market trend analysis and tactical decoding capability
Team Building	Building a healthcare team with high performance and conflict management
Risk Management	In-depth analysis of the 18 core systems of healthcare quality



Environmental, Social and Governance Report (Continued)



Case: Design and Implementation of Public Training Programs

In 2024, New Century Healthcare implemented the precision training program to empower each business segment through a diversified curriculum system.

In terms of administrative empowerment, the Group offers courses such as the System and Process Writing Specifications of New Century and the Meeting Minutes Writing Specifications. In terms of service quality enhancement, we have launched courses such as the Nursing Etiquette and the Addition to Workplace Values — Behavioral Etiquette. Besides, the New Century Healthcare (Beijing Region) Product Training Program, we design and launch covers all medical institutions throughout the Beijing region and lays the foundation for building a standardized product training resource base through the closed-loop mechanism of “course development — scenario exercise — effectiveness tracking”.

Continuing Education

The Group provides full support to healthcare employees for their career development, and actively encourages doctors, nurses and technicians to engage in title promotion reporting. We have set up a multi-level continuing education system, consolidating resources such as medical lectures at the Group level, academic activities organized by professional associations, intra-hospital ward round teaching, specialized learning group training, and further training at Grade 3, Class A hospitals in order to enhance the skills of professional employees on all fronts.

We regularly invite renowned experts to give academic lectures to share cutting-edge medical achievements and clinical practice experiences. For acute and severe cases, difficult cases and rare cases treated in hospitals, experts are invited to engage in the joint medical ward round conducted once a month, with a view to improving the professional level of medical staff and enhancing their clinical experience.

During the Reporting Period, a total of 48 doctors, nurses and technicians of the Group were promoted in title, of whom 6 were promoted to senior title, 21 promoted to intermediate title and 21 promoted to junior title.

Environmental, Social and Governance Report (Continued)

5.4 Improving Multiple Well-being of Employees

Employees' happiness and sense of belonging are directly related to the stable development and long-term competitiveness of an enterprise. New Century Healthcare always adheres to the concept of "people oriented", emphasizes humanistic care for its employees and offers multiple benefits for them to enhance their satisfaction.

Compensation and Rest Periods

The Group's employees are entitled to statutory holidays, annual leave with pay and other leave. We offer additional leave for employees with five years of service. We carry out standard working hour system and integrated working hour system based on positions and job types. The standard working hour system is implemented for non-frontline employees, while the integrated working hour system is used for frontline employees in accordance with national regulations. We arranges employees' working hours in a scientific and reasonable manner to ensure a balance between work efficiency and their well-being.

The Group strictly complies with national regulations to ensure that female employees enjoy the same fair treatment as male employees in terms of labor compensation, promotion and rating, etc., eliminates any arrangement for female employees to engage in activities that are prohibited by the state, and attaches importance to the protection of women's rights and interests during the pregnancy, maternity and breastfeeding.

Welfare and Care

New Century Healthcare has established a comprehensive system of employee benefits protection and paid "five social insurance and one housing fund" for the employees in accordance with the law, and provided free influenza vaccination and quality medical program experience with the Group's advantages in medical resources. The employees and their direct relatives are entitled to a preferential price for consultation and purchase of drugs in the Group's medical institutions.

We attach great importance to employee care and regularly organize various cultural activities such as birthday celebrations, Lantern Festival parties, Women's Day activities, coffee and red wine tasting, and promote inter-departmental exchanges, create a harmonious atmosphere and enhance corporate motivation.



Environmental, Social and Governance Report (Continued)

Through the establishment of a new employee integration support system, we help new employees adapt to the corporate culture and pass the trial examination. We also provide personalized and coordinated support to employees with direct communication barriers. We have set up an Executive Committee Hotline where our employees can submit suggestions at any time, and we turn the reasonable proposals into management optimization measures.



Employee Activity Site

Environmental, Social and Governance Report (Continued)

6. GIVING BACK TO SOCIETY AND CREATING SHARED VALUE

New Century Healthcare, which adheres to the operating philosophy of “Innovation, Compassion, Alignment, Reliability and Excellence”, is committed to improving customers’ satisfaction, creating a responsible and sustainable supply chain, actively promoting industry exchanges and promotions, growing together with clients, partners and peers, sharing high-quality development achievements.

6.1 Improving Customer Quality Experience

The Group continues to innovate its service model, improves its service efficiency, optimizes its customer service system and pays close attention to the mental health of patients. We are committed to providing quality products and services, strengthening our membership service management, actively collecting and responding to complaints. By conducting patient satisfaction surveys, we are able to better understand the patients’ needs and thus provide more caring services. In addition, we maintain a responsible marketing principle to ensure that all communication is true and reliable in order to establish and maintain trust with patients.

Safeguarding Patients’ Mental Health

The Group has always focused on improving the experience of patients and their families during consultation, continuously upgraded the entire process customer service management mechanism and provided quality medical and health services to each customer.

In order to build a “de-hospitalization” service experience, we have adopted various measures, such as enriching the range of hospitalization gifts and placing and disinfecting the books in waiting areas. Some hospitals have introduced coffee robots and optimized medical staff clothing to ease patients’ tension. Through establishing a commercial insurance client database and customer service group, we have fully optimized the customer service process and improved service efficiency and customer experience.



Environmental, Social and Governance Report (Continued)



Case: Antenatal Care (ANC) Services

Based on the traditional pregnancy care model, Beijing New Century Women's and Children's Hospital and Chengdu New Century Women's and Children's Hospital under the Group implement Antenatal Care (ANC) Services. From the 12th to 16th week of pregnancy, we organize the pregnant women with similar fertility pregnant period to participate in informal exchanges on a monthly basis. These activities mainly provide health education during pregnancy and childbirth in the form of group discussions, with professional guidance and support from hospital personnel. We encourage active exchanges between pregnant women and their families, and establish a partner-support relationship to promote experience sharing and emotional connection.

During the Reporting Period, we have successfully organized various events. Through these activities, we have effectively facilitated the pregnant women in improving their self-health capabilities, enabled them to better master the knowledge of childbirth and enhance their confidence in childbirth, thereby protecting the physical and psychological health of pregnant women. This model has won extensive recognition from pregnant women and their families, effectively improved the quality of maternal and child health services and met the diversified needs of pregnant women.



Antenatal Care (ANC) Services Interpretation

Environmental, Social and Governance Report (Continued)

Provision of Privileged Membership Services

The “DOCTOR PANDA CLUB” under the Group continues to upgrade the quality of its services, and provides systematic health management to children from primary healthcare to regular medical treatment. We continue to enrich the service benefits of the members by building a unique “four-in-one” membership system that allows each member of the New Century Healthcare DOCTOR PANDA CLUB to be assigned a family doctor, a healthcare doctor, a VIP account manager and a membership senior service consultant.

Case: New Century Healthcare Presented at China International Fair for Trade in Services 2024

In September 2024, at the health and hygiene services section of CIFTIS, the New Century Healthcare presented China’s first innovative pediatric family doctor service model “DOCTOR PANDA CLUB”, self-developed integrated online-offline services system and telemedicine consultation system, which attracted the attention of many visitors.



New Century Healthcare Presented at China International Fair for Trade in Services 2024

Responding to Complaints and Feedback

The Group has established a multi-dimensional patient feedback system, through which patients may submit their complaints through on-site reception, telephone hotline (400-line), e-mail box, WeChat official account, satisfaction surveys and the government’s matching platform and other diversified complaint channels. In addition, we have established a Customer Relations Committee and adopted the “first acceptor responsibility system”, where members of the Customer Relations Committee work with the relevant department to conduct investigation and verification work to ensure effective handling and closed-loop management of the complaints.



Environmental, Social and Governance Report (Continued)



Conducting Satisfaction Survey

During the Reporting Period, the Group has fully upgraded the customer satisfaction investigation system and established an online-and-offline dual-track mechanism. Online channel has deployed an intelligent questionnaire system, through the system it will automatically send satisfaction questionnaire text messages to the patients after the consultation or treatment, ensuring the timely feedback. Offline channel has set up a dynamic tracking mechanism to actively collect the recovery feedback and promptly coordinate their requests by telephone calls and in-patient visits. Through the synergies between online and offline channels, we have developed a service closed-loop of “real-time collection — quick response — continuous improvement” to effectively improve customer experience management effectiveness.

Promoting Responsible Marketing

The Group strictly complies with laws, regulations and requirements such as *the Advertising Law of the People's Republic of China*, *the Measures for the Administration of Medical Advertisements*, *the Notice on Further Strengthening the Management of Medical Advertisements of the Ministry of Health* and *the Measures on the Administration of Internet Advertising*, establishes a multi-level audit mechanism for advertising content and strictly scrutinizes the advertisements, articles on WeChat official accounts and other publicity materials, so as to assure the truthfulness and legitimacy of the Group's promotional materials.

The Group adheres to the principles of honesty and the concept of provisions of quality products and services, with a view to ensuring that the information contained in the publicity materials is true and complete, and that no publicity contains false or misleading content. During the Reporting Period, the Group was not involved in any material non-compliance with advertising-related laws and regulations.

6.2 Building a Responsible Supply Chain

In line with the procurement principle of “quality first and mutual benefit”, the Group continues to improve its supply chain management system. Through the establishment of an entire process provider management mechanism, we strictly select partners with legal qualifications to build a sustainable supply chain relationship.

The Group strictly abides by relevant laws and regulations and has developed more than ten internal systems, including the Supplier Assessment Management System, the Pharmaceuticals Procurement System, the Pharmaceuticals Management System, the Pharmaceuticals Acceptance System and the Disinfection Products Purchase Inspection and Acceptance System. In view of supplier selection, we conduct a comprehensive evaluation of suppliers in terms of product types, qualification certifications, equipment and facilities, and ancillary services, and establish a daily dynamic monitoring mechanism to ensure product quality and service compliance.

Environmental, Social and Governance Report (Continued)

In respect of sustainable supply chain management, we have incorporated the assessment of suppliers' environmental and social responsibility into the supply chain management process, implemented green procurement policies and prioritized the selection of suppliers that meet environmental standards and medical safety requirements. At the same time, we emphasize distributors with higher delivery efficiency and service responsiveness to ensure the efficiency and quality of supplies and services.

6.3 Creating Win-win Social Value

Undertaking Corporate Social Responsibility

The Group actively participates in and carries out various charity activities to reward the community with concrete actions and contributes to the sustainable development of the society. During the Reporting Period, we held a total of 217 lectures, which covered 1,439,034 people, and conducted 73 voluntary consultations which benefited 2,850 people.

Case: New Century Healthcare Joins Hands with One Foundation to Deliver Brand Social Responsibility and Love

New Century Healthcare always regards social responsibility as the core mission of corporate development and integrates the public interest concept into the corporate culture. In May 2024, the New Century Healthcare and Shenzhen One Foundation forged a partnership officially to promote the development of social welfare business.

During the International Children's Day period, the New Century Healthcare planned and launched a series of public welfare activities, including charity sales with youth artists in surrounding areas, Panda Club membership consumption donation, and Children's Day Family Carnival etc. All the funds raised from the activity were donated to "Healthy Children's Paradise" project to support the early development and health of underdeveloped children aged 0–6. At the same time, New Century Healthcare is innovative in combining the welfare donation and its membership points mechanism to encourage the Panda Membership families to actively participate in the public welfare activities so as to jointly contribute to the healthy growth of the children and to deliver warmth and love.



“Funny Childhood, “Natural” Love”, Site of
New Century Healthcare International Children's Day Family Carnival Activity



Environmental, Social and Governance Report (Continued)



Promoting the Coordinated Development of the Industry

The Group focuses on promoting innovation and development in the industry. By participating in international exhibitions and organizing academic seminars, the Group builds platforms for exchange and cooperation in the industry, and actively promotes the industry's in-depth exchange and collaboration, which facilitates the industry's overall progress and improvement. We adhere to the core principle of "healthcare development driven by academic progress" and are dedicated to creating "academic and specialized" private hospitals.

Case: Cares from "Doctors" to Protect the New-born Lives | Safe Childbirth Seminar in 2024

In October 2024, "Cares from "Doctors" to Protect the New-born Lives | Safe Childbirth Seminar in 2024" held by New Century Healthcare was successfully concluded in Beijing. The conference brought together many leading obstetric specialists across the country, focused on key issues in the clinical practice of obstetrics and gynecology, and conducted in-depth explore on the results of leading international theoretical research. The conference focused on topics such as improving level of the critical care for pregnant and postpartum women, standardizing the management system for high-risk pregnancies and promoting natural childbirth practices, with a view to enhancing the professional abilities of clinical workers by academic exchanges and experience sharing, and effectively protecting the health and safety of mothers and babies.



Safe Childbirth Seminar in 2024

Environmental, Social and Governance Report (Continued)

Case: New Century Healthcare “The 13th Academic Conference”

In June 2024, the Group held the 13th Academic Conference, and adopted simultaneous online and offline live broadcast, which attracted the participation of employees and peers of various institutions and medical industry. This conference invited a number of renowned specialists to share the scientific research results and clinical experience to further promote the in-depth integration of medical treatment of New Century Healthcare in terms of academic and clinical practice, so as to facilitate hospitals in providing quality health services to the public.



“The 13th Academic Conference” Site



Environmental, Social and Governance Report (Continued)



APPENDIX

Key Performance Indicators

Corporate Governance

Anti-corruption

Indicators	Unit	2024
Internal corruption cases	Cases	0
Number of anti-corruption trainings	Times	12

Environment

Emissions Management²

Indicators	Unit	2024
Hazardous waste ³	Tonnes	123.98
Hazardous waste intensity	Tonnes/RMB'000	0.00015
Non-hazardous waste ⁴	Tonnes	438.41
Non-hazardous waste intensity	Tonnes/RMB'000	0.00052
Total wastewater discharge	m ³	29,492.01
Wastewater discharge intensity	m ³ /RMB'000	0.03

² The Group has continued to strengthen its waste gas treatment. Due to the materiality principle, the amount of waste gas generated is insignificant and is therefore not included in the scope of disclosure.

³ The Group's hazardous waste is mainly sludge from sewage stations, waste lead-acid batteries, waste paint buckets, waste fluorescent tubes, and waste gloves and rags generated during maintenance.

⁴ Non-hazardous waste involved in the Group's operations mainly includes domestic waste and kitchen waste.

Environmental, Social and Governance Report (Continued)

Use of Resources and Energy Consumption

Indicators	Unit	2024
Total energy consumption ⁵	kWh	7,596,559.25
Energy consumption intensity	kWh/RMB'000	8.97
Direct energy consumption	kWh	1,489,545.25
Petrol energy consumption	kWh	174,396.37
Diesel energy consumption	kWh	14,591.53
Natural gas energy consumption	kWh	1,300,557.35
Indirect energy consumption	kWh	6,107,014.00
Purchased electricity consumption	kWh	6,107,014.00
Water consumption ⁶	m ³	57,549.09
Water consumption intensity	m ³ /RMB'000	0.07
Packaging material usage ⁷	Tonnes	6.14
Packaging material usage intensity	Tonnes/RMB'000	0.00001
Paper usage	Tonnes	18.89

GHG Emissions

Indicators	Unit	2024
Total GHG emissions ⁸	Tonnes (CO ₂ e)	5,308.20
GHG emissions intensity	Tonnes/RMB'000 (CO ₂ e)	0.006
GHG emissions (Scope 1)	Tonnes (CO ₂ e)	1,413.07
Natural gas	Tonnes (CO ₂ e)	263.58
Petrol	Tonnes (CO ₂ e)	45.30
Diesel	Tonnes (CO ₂ e)	3.95
Fluoride refrigerants ⁹	Tonnes (CO ₂ e)	1,100.24
GHG emissions (Scope 2)	Tonnes (CO ₂ e)	3,895.13
Purchased electricity	Tonnes (CO ₂ e)	3,895.13

⁵ Total energy consumption is calculated based on the consumption of electricity, petrol, diesel and natural gas as well as conversion factors specified in the national standard named *General Principles for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020)*, *Gasoline for Motor Vehicles (GB 17930-2016)* and *Diesel for Motor Vehicles (GB 19147-2016)*.

⁶ During the Reporting Period, the Group's water consumption increased mainly due to the aging of water equipment in some of the hospitals. We will replace water equipment gradually in the future and actively implement conservation measures.

⁷ Packaging material usage of the packaging materials calculated mainly include packing bags, infusion bottles/bags for infusion and preparation, glass bottles and non-woven bags provided by hospitals for patients.

⁸ GHG includes carbon dioxide, methane and nitrous oxide mainly from purchased electricity, fluoride refrigerants, natural gas and fuels. GHG accounting is presented on a CO₂ equivalent basis. GHG was accounted for in accordance with the *Baseline Emission Factors for Regional Power Grids in China in 2022 Based on Emission Reduction Projects* published by the Ministry of Ecology and Environment of the People's Republic of China and the *2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories* published by the Intergovernmental Panel on Climate Change (IPCC).

⁹ The fluoride refrigerants used by the Group is R410a which is calculated in accordance with the *Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report*.



Environmental, Social and Governance Report (Continued)



Society

Employee Recruitment

Indicators	Unit	2024
Total number of employees	Persons	1,255
By gender		
Male	Persons	206
Female	Persons	1,049
By age		
Below 30	Persons	195
30 to 50 (excluding)	Persons	902
50 and above	Persons	158
By geographical region		
Chinese Mainland	Persons	1,250
Hong Kong, Macau and Taiwan	Persons	4
Other countries and regions	Persons	1
By category		
Doctor	Persons	203
Nurse	Persons	375
Pharmaceutical and medical technician	Persons	128
Administrative staff ¹⁰	Persons	549

¹⁰ The administrative staff are all staff other than doctors, nurses and pharmaceutical and medical technicians.

Environmental, Social and Governance Report (Continued)

Employee Turnover Rate

Indicators	Unit	2024
Employee turnover rate ¹¹	%	13.6
By gender		
Male	%	16.6
Female	%	12.9
By age		
Below 30	%	19.4
30 to 50 (excluding)	%	12.9
50 and above	%	9.2
By geographical region		
Chinese Mainland	%	13.6
Hong Kong, Macau and Taiwan	%	0.0
Other countries and regions	%	0.0

Occupational Health and Safety

Indicators	Unit	2024
Investment on health and safety	0'000	81
Safety trainings and emergency drills		
Coverage of safety training	%	100
Number of safety emergency drills	Times	63
Number of participants in safety drill	Persons	1,116
Work-related injuries and work-related ill health		
Number of occupational diseases	Persons	0
Number of work-related injury	Persons	0
Lost days due to work injury	Days	0
Number of work-related deaths	Persons	0
Rate of work-related fatalities	%	0

¹¹ The formula for calculation of employee turnover rate: number of employees who left the Group in 2024/(total number of employees at the end of 2024 + number of employees who left the Group in 2024).



Environmental, Social and Governance Report (Continued)



Employee Training and Development

Number of employees trained

Indicators	Unit	2024
Total number of employees trained	Persons	1,240
By gender		
Male	Persons	177
Female	Persons	1,063
By gender		
Male	%	14
Female	%	86
By category		
Senior management	Persons	23
General employees	Persons	1,217
By category		
Senior management	%	2
General employees	%	98

Employee training hours

Indicators	Unit	2024
Average training hours for employee	Hours	75.9
By gender		
Male	Hours	51.8
Female	Hours	79.9
By category		
Senior management	Hours	45.3
General employees	Hours	76.5

Product Responsibility

Indicators	Unit	2024
Information security investment	0'000	58
Patents		
Number of software copyright applications for the Year	Times	6
Trademarks		
Number of trademark applications for the Year	Times	51
Number of trademark registrations for the Year	Times	26
Product and service complaints		
Number of products and service complaints	Times	118
Resolution of customer complaints	%	98

Environmental, Social and Governance Report (Continued)

Supplier Management¹²

Indicators	Unit	2024
Total number of suppliers	Suppliers	38
Number of suppliers by geographical region		
North China	Suppliers	29
West China	Suppliers	8
Other regions	Suppliers	1

Community Investment

Indicators	Unit	2024
Number of participants in public welfare activities	Persons	5,096
Number of people served in the voluntary medical consultation activities	Persons	2,850
Number of voluntary medical consultation activities organized	Times	73
Number of participants in lecture activities	Persons	1,439,034
Number of lecture activities organized	Times	217

¹² The Group has continued to strengthen the management standards of pharmaceuticals and consumables suppliers. The statistics and disclosure scope for relevant suppliers for the current year cover those suppliers with a purchase amount of RMB500,000 or above.



Environmental, Social and Governance Report (Continued)



Environmental, Social and Governance Reporting Guide Content Index of the Hong Kong Stock Exchange

Aspects	KPIs	Sections
Mandatory disclosure requirements:		
Governance Structure	<p>A statement from the Board containing the following elements:</p> <ul style="list-style-type: none"> (i) a disclosure of the Board's oversight of ESG issues; (ii) the Board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the Board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses. 	Board's Statement, ESG Management
Reporting Principles	<p>A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report:</p> <p>Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.</p> <p>Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.</p> <p>Consistency: The issuer should disclose in the ESG report any changes, if any, to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.</p>	About this Report
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	About this Report

Environmental, Social and Governance Report (Continued)

Aspects	KPIs	Sections
Comply or explain:		
A. Environment		
A1 Emissions	General Disclosure	Environmental Protection Safeguarding Our Earth Home — Comprehensive Strengthening of Waste Management
	In relation to waste gas and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste:	
	(a) the policies; and	Environmental Protection Safeguarding Our Earth Home — Deepening Implementation of Environmental Management
	(b) information regarding the compliance with relevant laws and regulations that have a significant impact on the issuer.	
	A1.1 The types of emissions and respective emissions data.	
	A1.2 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
	A1.3 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
	A1.4 Description of emission target(s) set and steps taken to achieve them.	
	A1.5 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	



Environmental, Social and Governance Report (Continued)



Aspects	KPIs	Sections
A2 Use of Resources	General Disclosure	Environmental Protection Safeguarding Our Earth Home — Efficient Utilization of Energy Resources
	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 production volume, per facility).	Environmental Protection Safeguarding Our Earth Home — Deepening Implementation of Environmental Management
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	
A3 The Environment and Natural Resources	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	
	General Disclosure	Environmental Protection Safeguarding Our Earth Home
	Policies on minimising the issuer's significant impacts on the environment and natural resources.	
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	
A4 Climate Change	General Disclosure	Environmental Protection Safeguarding Our Earth Home — Active Responses to Climate Change
	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	
	A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	

Environmental, Social and Governance Report (Continued)

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



Environmental, Social and Governance Report (Continued)



Aspects	KPIs	Sections
B3 Development and Training	General Disclosure	Being People-Centric and Going for a Better Life — Career Development Empowerment for Employees
	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	
	<p>B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).</p> <p>B3.2 The average training hours completed per employee by gender and employee category.</p>	
B4 Labour Standards	General Disclosure	Being People-Centric and Going for a Better Life — Protecting the Legitimate Rights and Interests of Employees
	In relation to preventing child and forced labour:	
	(a) the policies; and	
	(b) information regarding the compliance with relevant laws and regulations that have a significant impact on the issuer.	
	<p>B4.1 Description of measures to review employment practices to avoid child and forced labour.</p> <p>B4.2 Description of steps taken to eliminate such practices when discovered.</p>	
B5 Supply Chain Management	General Disclosure	Giving back to Society and Creating Shared Value — Building a Responsible Supply Chain
	Policies on managing environmental and social risks of the supply chain.	
	B5.1 Number of suppliers by geographical region.	
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	
	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	

Environmental, Social and Governance Report (Continued)

Aspects	KPIs	Sections
B6 Product Responsibility	General Disclosure	Consolidating the Foundation for Development through Excellent Governance — Strengthening Information Security Protection
	In relation to health and safety, advertising, labelling and privacy matters concerning products and services provided and the remedial measures thereof:	
	(a) the policies; and	Giving back to Society and Creating Shared Value — Improving customer quality experience
	(b) information regarding the compliance with relevant laws and regulations that have a significant impact on the issuer.	
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Quality Services for improving Health and Well-being — Lean Healthcare Care Health
	B6.2 Number of products and service related complaints received and how they are dealt with.	Giving back to Society and Creating Shared Value — Improving customer quality experience
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	Consolidating the Foundation for Development through Excellent Governance — Conducting Legitimate and Compliant Operation
	B6.4 Description of quality assurance process and recall procedures.	Quality Services for improving Health and Well-being — Lean Healthcare Care Health
	B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Consolidating the Foundation for Development through Excellent Governance — Strengthening Information Security Protection Giving back to Society and Creating Shared Value — Improving customer quality experience



Environmental, Social and Governance Report (Continued)



Aspects	KPIs	Sections
B7 Anti-corruption	General Disclosure	Consolidating the Foundation for Development through Excellent Governance — Conducting Legitimate and Compliant Operation
	In relation to bribery, extortion, fraud and money laundering prevention:	
	(a) the policies; and	
	(b) information regarding the compliance with relevant laws and regulations that have a significant impact on the issuer.	
	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	
B8 Community Investment	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Giving back to Society and Creating Shared Value — Creating Win-win Social Value
	B7.3 Description of anti-corruption training provided to directors and staff.	
	General Disclosure	
	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	
	B8.2 Resources contributed (e.g. money or time) to the focus area.	